

No. ED-MD2021-0031

26 October 2021

Subject Management Discussion and Analysis Quarter 3 Ending 30 Sep 2021

To Director and Manager
Stock Exchange of Thailand

Eureka Design Public Company Limited and its Subsidiaries (“Group”) would like to clarify the Group's operating results for the third quarter of 2021 ending on September 30, 2021 are as follows:

Unit : thousand baht	Quarter	Quarte	Change	Quarte	Change
	3/2021	2/2021	(% qoq)	3/2020	(% yoy)
Revenue					
Revenue from sales and services	72,275	2,682	2595%	1,512	4680%
Interest income	-	1	0%	-	0%
Net exchange gain	816		0%	1,427	-43%
Other income	1,988	2,331	-15%	1,615	23%
Total revenue	75,079	5,014	1397%	4,554	1549%
Expenses					
Cost of sales and services	48,457	2,222	2081%	893	5326%
Selling expenses	203	48	323%	692	-71%
Administrative expenses	19,606	17,668	11%	21,170	-7%
Allowance for credit losses (reversal)	-9,403		0%		0%
Allowance for decreased product value (reversal)	-8,914		0%		0%
Financial cost	2,895	2,809	3%	1,675	73%
Total expenses	52,844	22,747	132%	26,024	103%

Profit (loss) before income tax	22,235	-17,733	N/A	-21,470	N/A
Income (expenses) income tax	-39	2,193	-102%	636	-106%
Profit (loss) for the period	22,196	-15,540	N/A	-20,834	N/A
<i>Profit (loss) margin for the period (%)</i>	31%	-579%		-1378%	

During the third quarter of 2021, the consolidated financial statements of the Group generated total revenue of 72.28 million baht and revenue belonging to Eureka Design Public Company Limited (“the Company”) of 48.01 million baht, while net profit for the period of 22.20 million baht and net profit attributable to the Company of 35.73 million baht, with the following important changes:

1. The Group gained revenue from sales and services in the third quarter of 2021 in the amount of 72.28 million baht, an increase of 69.60 million baht accounting for 2,595 percent from the second quarter of 2021 due to the change in operations and sale strategy. The tap water production plant is ready and does not require any significant additional investment since June 2021, allowing the Company to use its resources. The company also sold inventories in the agricultural business and electronic equipment sales, and gained revenue from engineering design work and recognized income from the GNSS tower installation project for a private company
2. The Group's gross profit in the third quarter of 2021 amounted to 23.82 million baht, an increase of 23.36 million baht or 5078 percent, and the company's gross margin (Gross Margin) in the third quarter of 2021 was 33%
3. The Group's selling and administrative expenses in the third quarter of 2021 amounted to 19.61 million baht, an increase from the second quarter of 2021 amounting to 17.69 million baht or an increase of 11% due to depreciation of assets

Please be informed and disseminate to investors

Best regards

(Miss Sunisa Jirawuttikul)

Chief Executive Officer and Director