



No. ED-MD2025-011

June 18, 2025

Subject Provide additional information for the financial statements for the first quarter of 2025 (Edit)

To Dear Directors and managers
Stock Exchange of Thailand

Following the announcement of Eureka Design Public Company Limited (the “Company”) Financial statement for the first quarter of 2025 to the Stock Exchange of Thailand, and the Company only indicated a Net profit of 87,000 Baht, which was due mainly to a substantial decrease in revenue, while cost of sales had increased in the operation performance in one of its wholly owned subsidiaries, as per the Company's management discussion and analysis. This is further explained in a note to financial statements that the Company wholly owned subsidiary had sold plastic pellets to two foreign customers for a total value of 8.44 million baht, resulting in a net loss of 4.85 million baht. From the said sales transactions, there is also a record of advance payment had been made for raw materials to related companies of 10.13 million baht. Furthermore, the business performance in the Company only financial statements during the first quarter of 2025 revealed no sources of income. Therefore, in order for investors to receive additional information to support their investment decisions, the Stock Exchange of Thailand requests the Company to provide additional information via the Stock Exchange of Thailand's information disclosure system.

Referring to 1. The Company's financial statements for the first quarter of 2025

2. Announcement of the Stock Exchange of Thailand on Disclosure of Information and Operations of Listed Companies in Related Transactions 2003
3. Regulations of the Stock Exchange of Thailand on the Acceptance of Ordinary Shares or Preferred Shares as Registered Securities 2015

The details are as follows:

Question 1. When did the Company start the business relations with the said two foreign customers, and what are the business reasons that the Company sold products with gross losses, and how this selling at a loss transaction is reviewed and approved, and what is the status of receiving payment from the said foreign customers.

The Company started commercial relationships with the said two foreign customers since November 2022 and August 2024 respectively. Both of them are old and regular customers. During the first quarter of 2025, the company experienced direct impacts from economic conditions, increases in import and export taxes, and uncertainties in international trade policies. These factors adversely affected the production capacity and operations of the foreign customers, leading to a slowdown in new purchase orders. To efficiently manage inventory, mitigate risks related to inventory costs, and maintain strong business relationships with the existing customer base, the company implemented strategic promotional measures targeting these returning foreign customers. This initiative facilitated partial inventory clearance, although it resulted in a gross loss of approximately THB 4.85 million during the period. Nonetheless, the company carefully reviewed and approved the promotion plan within its approval limits and Limits of Review of the Company and aims to use this measure to support



ongoing business continuity. Payment for goods receipt of these two customers are not yet due, which will be following regular normal credit terms that these two customers received.

Question 2. Key details regarding the prepaid expenses to related companies, the nature of the relationship, the rationale and necessity of the transaction, current status, and the approach to monitoring or recovering such expenses, as well as whether compliance with the relevant Securities and Exchange Commission (SEC) announcements is required.

The said advance payment transactions are not qualified to be categorised as Related Party Transactions per Rules and Regulations of the SEC. The advance payment for materials was made to the Absolute Power World Co., Ltd., the Company supplier of raw materials care of Mr. Phuttinan Kiratiphatthan. Mr. Kiratiphatthan, just shared the same family name with one of the shareholders of the Company, his status was a regular investor and who has no direct and indirect control authority of the Company and of the Supplier of the Company as per announcement of the SEC. These prepaid expenses represent advance payments for the production of recycled plastic pellets, a normal commercial transaction. The production order requires payment in advance before the manufacturing process begins. In the event of order cancellation, the company can recover the prepaid amounts without additional obligations or conditions. Currently, the company has received all ordered goods in full as of April 2025, with no outstanding liabilities or disputes related to this transaction. The company has thoroughly reviewed and considered this transaction in accordance with the criteria set forth in the announcements of the Stock Exchange of Thailand.

Question 3. Since the Company was a company listed in the Stock Exchange of Thailand (MAI) reported no revenue from business operations in a Company Only financial statements, this phenomenon may lead to the classification of the Company as a Holding Company, with duties to maintain the status of a listed company follows rules and regulations regarding holding company of the Stock Exchange of Thailand regulations referring to 3. Therefore, the Company should clearly notify the public and investors of its business operations, or else as a holding company along with subsidiaries that are engaged in core business.

During the first quarter of 2025, the company has been undergoing business restructuring and developing a new business plan under its own strategic management, with a plan to begin revenue-generating operations by the fourth quarter of 2025. Meanwhile, the company has subsidiaries operating core businesses and generating continuous revenue. The company's role includes managing, allocating resources, and supporting the operational efficiency of its group companies. The subsidiaries engaged in core business activities are as follows:

1. Modern Synergy Co., Ltd. Engaged in the business of producing, distributing, and selling of tap water to the Provincial Water Work in Chonburi.
2. A.P.W. International Co., Ltd. Engaged in the business of manufacturing and distributing recycled plastic pellets for exporting.

Both subsidiaries have ongoing operations and consistent sales revenue, which constitute the group's core businesses, aligned with the requirements to maintain the status of a listed company under Stock Exchange regulations.

Regarding the short-term loans disclosed in Note 7 of the financial statements, the company has extended short-term loans totaling THB 14.84 million to a former subsidiary and has fully provided for the expected credit



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losses. Currently, this matter is under legal dispute, with a scheduled mediation on June 23, 2025. The company has recorded a full allowance for credit losses and confirms that this situation does not impact the group's operational capabilities.

Please be informed accordingly.

Yours sincerely

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