Date 13 November 2026

Subject: Management Discussion and Analysis for Q3/2026

Attention: Managing Director, The Stock Exchange of Thailand

Euro Creations Public Company Limited ("the Company") provides Management Discussion and Analysis for Q3/2026 as follows:

Overview of Business Operations, Economic Conditions, and Industry Factors Impacting Performance

In Q3/2026, the Thai economy improved from the previous quarter, supported by merchandise exports in line with the global technology and artificial intelligence (AI) cycle, as well as private investment, particularly investments related to data centers, and a pickup in private consumption. However, the recovery remained uneven across sectors, as the purchasing power of certain consumer groups continued to face pressure from the cost of living, while the tourism sector remained sluggish. Geopolitical developments and energy price volatility also remained factors requiring continuous monitoring.

During this period, the Thai Baht depreciated on average against the Euro compared to the previous quarter, which could exert upward pressure on the Company's imported product costs, given that the Euro is the primary currency for product procurement. Accordingly, the Company continued to closely monitor and manage foreign exchange risks, while aligning procurement plans and inventory levels with sales plans. Meanwhile, the impact of freight costs remained manageable, as such costs represent a relatively low proportion of the value of the luxury products distributed by the Company.

For the real estate sector, the overall market continued to face challenges from constrained purchasing power and developers' cautious approach toward new project launches. Nevertheless, the luxury and super-luxury residential market in prime locations remained resilient compared to the broader market, particularly city-center projects and Branded Residences, which continued to attract interest from both Thai and foreign buyers with high purchasing power. These conditions continued to create opportunities for the Company across both the B2B group, comprising real estate developers, hotels, and premium projects, and the B2C group, which prioritizes quality, design, and brand equity.

This quarter, the Company continued to advance its Luxury Lifestyle and Wellness Living Solutions strategy under three core pillars: Luxury Living & Aesthetic Excellence, Technology & Smart Living, and Wellness & Health. The product portfolio expansion undertaken in recent periods has begun to support the diversification of revenue streams and enhance the Company's ability to address customer needs more comprehensively. For example, Vispring bedding has been well received by the Company's customer base, reflecting opportunities to expand into

products related to sleep quality, health, and well-being. A product offering that spans high-end furniture, luxury bedding, premium audio systems, smart home technologies, and wellness and health products further strengthens the Company's ability to deliver products and services that more comprehensively address customers' lifestyle needs.

Summary of key events and developments during Q3/2026:

Showroom	Progress
Euro Creations T3	Currently under construction and decoration, with a phased opening plan. The Company expects all areas to be fully operational by the second quarter of 2027.

Summary of operating performance:

1. Q3/2026 Financial Performance Summary

Consolidated statement of Comprehensive Income (Unit: Million Baht)	Q3/2025	%(1)	Q2/2026	%(1)	Q3/2026	%(1)	% Increased (Decreased) YoY	% Increased (Decreased) QoQ
Revenue from sales and services	370.53	100.00%	383.33	100.00%	402.10	100.00%	+8.52%	+4.90%
Cost of sales and services	(196.24)	-52.96%	(196.42)	-51.24%	(209.79)	-52.17%	+6.90%	+6.81%
Gross profit	**174.29**	**47.04%**	**186.91**	**48.76%**	**192.31**	**47.83%**	**+10.34%**	**+2.89%**
Other income	4.51	1.20%	4.91	1.27%	3.94	0.97%	-12.62%	-19.89%
Net gain (loss) on exchange rate	0.06	0.02%	(2.19)	-0.57%	(0.30)	-0.07%	-572.14%	-86.58%
Selling expenses and distribution costs	(86.82)	-23.15%	(95.34)	-24.56%	(94.53)	-23.28%	+8.88%	-0.85%
Administrative expenses	(39.53)	-10.54%	(39.40)	-10.15%	(43.20)	-10.64%	+9.29%	+9.64%
Finance costs	(4.03)	-1.08%	(3.97)	-1.02%	(3.76)	-0.93%	-6.86%	-5.31%
Profit before income tax	**48.48**	**12.93%**	**50.92**	**13.12%**	**54.46**	**13.41%**	**+12.35%**	**+6.97%**
Income tax expense	(9.93)	-2.65%	(9.71)	-2.50%	(10.46)	-2.58%	+5.37%	+7.79%
Profit for the period	**38.55**	**10.28%**	**41.21**	**10.61%**	**44.00**	**10.84%**	**+14.15%**	**+6.78%**
Other comprehensive expense for the	-	0.00%	-	0.00%	-	0.00%	-	-
Total comprehensive income for the	**38.55**	**10.28%**	**41.21**	**10.61%**	**44.00**	**10.84%**	**+14.15%**	**+6.78%**
Owners of the Company	38.55	100.00%(2)	41.21	100.00%(2)	44.00	100.00%(2)	+14.15%	+6.78%
Non-controlling interests	-	0.00%(2)	-	0.00%(2)	-	0.00%(2)	-	-

Notes: (1) Percentage proportion compared to Total revenue, except Revenue from sales and services, Cost of sales and services and Gross profit compared to the proportion of Revenue from sales and service income.

(2) Percentage proportion compared to Total comprehensive income for the period.

In Q3/2026, the Company reported revenue from sales and services of Baht 402.10 million, an increase of 8.52% from Q3/2025 and 4.90% from Q2/2026, representing the highest quarterly revenue of 2026 to date. The main growth driver was the expansion of the Business-to-Business (B2B) group, following the progressive delivery of products to hotel, fitness club, and premium residential projects. Meanwhile, revenue from the Business-to-

Consumer (B2C) group declined in line with the timing of product deliveries in each quarter. Nevertheless, for 9M/2026, B2C revenue continued to grow compared to the same period of the previous year, reflecting the continuity of the B2C revenue base, while the growth of B2B further diversified the Company's revenue structure.

The Company recorded gross profit of Baht 192.31 million, an increase of 10.34% from Q3/2025 and 2.89% from Q2/2026. Gross profit margin stood at 47.83%, increasing from 47.04% in the same period of the previous year and remaining above the Company's target of 47.00%, despite a significant increase in the revenue contribution from B2B, which by nature carries a lower gross profit margin than B2C. The gross profit margin of the B2B group improved to 44.06%, from 38.17% in the same period of the previous year and 43.67% in the previous quarter, while the B2C group maintained a high gross profit margin of 50.96%.

Selling expenses and distribution costs amounted to Baht 94.53 million, an increase of 8.88% from Q3/2025, broadly in line with revenue growth. The increase was mainly driven by personnel expenses, higher outbound freight costs in line with delivery volumes, and sales commissions. However, these expenses decreased by 0.85% from Q2/2026, as the previous quarter included marketing expenses for special events, namely participation in the Architect Expo 2026 and the 100th anniversary celebration of the Bang & Olufsen brand. Consequently, the ratio of selling expenses and distribution costs to total revenue declined from 24.56% in the previous quarter to 23.28% in the current quarter.

Administrative expenses were Baht 43.20 million, an increase of 9.29% from Q3/2025 and 9.64% from Q2/2026, mainly due to the recognition of an expected credit loss of Baht 3.70 million on receivables. Excluding this item, administrative expenses would have been approximately Baht 39.50 million, comparable to the same period of the previous year and the previous quarter. With total revenue increasing, the ratio of administrative expenses to total revenue, excluding this item, stood at 9.73%, down from 10.54% in the same period of the previous year, reflecting the emerging operating leverage from an expanding revenue base.

The Company recorded profit for the period of Baht 44.00 million, an increase of 14.15% from Q3/2025 and 6.78% from Q2/2026, with a net profit margin of 10.84%, increasing from 10.28% in the same period of the previous year and 10.61% in the previous quarter. The higher growth rate of net profit relative to revenue reflects higher gross profit, efficient management of operating expenses, and a lower net loss on exchange rate, which decreased from Baht 2.19 million in the previous quarter to Baht 0.30 million in the current quarter.

2. 9M/2026 Financial Performance Summary

Consolidated statement of Comprehensive Income (Unit: Million Baht)	9M/2025	%[1]	9M/2026	%[1]	% Increased (Decreased)
Revenue from sales and services	1,035.95	100.00%	1,151.47	100.00%	+11.15%
Cost of sales and services	(538.21)	-51.95%	(586.86)	-50.97%	+9.04%
Gross profit	**497.74**	**48.05%**	**564.61**	**49.03%**	**+13.43%**
Other income	10.19	0.97%	12.09	1.04%	+18.57%
Net loss on exchange rate	(2.22)	-0.21%	(1.82)	-0.16%	-18.40%
Selling expenses and distribution costs	(251.29)	-24.02%	(271.64)	-23.35%	+8.10%
Administrative expenses	(107.32)	-10.26%	(128.17)	-11.02%	+19.42%
Finance costs	(11.74)	-1.12%	(11.73)	-1.01%	-0.12%
Profit before income tax	**135.36**	**12.94%**	**163.34**	**14.04%**	**+20.68%**
Income tax expense	(27.86)	-2.66%	(31.87)	-2.74%	+14.39%
Profit for the period	**107.50**	**10.28%**	**131.47**	**11.30%**	**+22.30%**
Other comprehensive expense for the period	-	0.00%	(2.47)	-0.21%	-100.00%
Total comprehensive income for the period	**107.50**	**10.28%**	**129.00**	**11.09%**	**+20.00%**
Owners of the Company	107.49	99.99%[2]	129.00	100.00%[2	+20.01%
Non-controlling interests	0.01	0.01%[2]	-	0.00%[2]	-

Notes: [1] Percentage proportion compared to Total revenue, except Revenue from sales and services, Cost of sales and services and Gross profit compared to the proportion of Revenue from sales and service income.

[2] Percentage proportion compared to Total comprehensive income for the period.

In 9M/2026, the Company reported revenue from sales and services of Baht 1,151.47 million, an increase of 11.15% compared to the same period of the previous year. B2B revenue grew by 29.16% and served as a key growth driver, while B2C revenue grew by 2.22% and remained the Company's primary revenue base. Gross profit stood at Baht 564.61 million, an increase of 13.43%, outpacing revenue growth and raising the gross profit margin from 48.05% to 49.03%. This reflects the Company's capability in managing the revenue mix and profit margins of each business group, despite the higher proportion of B2B revenue during the period. The 9M/2026 results also began to more clearly reflect the contribution from the product portfolio and showrooms opened between late 2024 and mid-2025, as these showrooms have now operated beyond the typical order-to-delivery lead time of approximately 5–6 months, enabling the recognition of revenue from orders placed after their opening.

Selling expenses and distribution costs amounted to Baht 271.64 million, an increase of 8.10% from the same period of the previous year, which was lower than the revenue growth rate. Consequently, the ratio of these expenses to total revenue decreased from 24.02% to 23.35%, reflecting the Company's efficiency in managing expenses amid an expanding revenue base.

Administrative expenses amounted to Baht 128.17 million, an increase of 19.42% from the same period of the previous year, partly attributable to expenses relating to inventory quality management of Baht 4.93 million in Q1/2026 and an expected credit loss on receivables of Baht 3.70 million in Q3/2026, totaling Baht 8.63 million. Excluding these specific items, the ratio of total selling and administrative expenses to total revenue stood at

33.62%, down from 34.28% in the same period of the previous year, reflecting operating leverage and the Company's efficiency in managing expenses as its revenue base expands.

The Company recorded profit for the period of Baht 131.47 million for 9M/2026, an increase of 22.30% from the same period of the previous year, with a net profit margin of 11.30%, increased from 10.28% in the same period of the previous year. With revenue growing by 11.15%, gross profit by 13.43%, and net profit by 22.30%, these results underscore the quality of the Company's growth, driven by both the maintenance of its gross profit margin and efficient expense management. Meanwhile, the Company continues to invest in human capital, brand development, and the Euro Creations T3 project to support its next phase of growth.

(A) Total revenue

Revenue from sales and services by customer groups	Q3/2025		Q2/2026		Q3/2026		% Increased (Decreased)	
	Million Baht	%	Million Baht	%	Million Baht	%	YoY	QoQ
Revenue from sales and services	**370.53**	**98.80%**	**383.33**	**98.73%**	**402.10**	**99.03%**	**+8.52%**	**+4.90%**
• Business-to-Consumer (B2C)	268.76	71.66%	239.22	61.61%	219.40	54.03%	-18.37%	-8.28%
• Business-to-Business (B2B)	101.77	27.14%	144.11	37.12%	182.70	45.00%	+79.52%	+26.78%
Other income [(1)]	**4.51**	**1.20%**	**4.91**	**1.27%**	**3.94**	**0.97%**	**-12.62%**	**-19.89%**
Total revenue	**375.04**	**100.00%**	**388.24**	**100.00%**	**406.04**	**100.00%**	**+8.27%**	**+4.58%**

Note: [(1)] Other income consists of rental income, interest income, and gain (loss) on disposal of assets, etc.

In Q3/2026, the Company reported total revenue of Baht 406.04 million, consisting of revenue from sales and services of Baht 402.10 million and other income of Baht 3.94 million. Revenue from sales and services can be categorized by major customer groups into the Business-to-Consumer (B2C) group and the Business-to-Business (B2B) group.

Comparison with Q3/2025

Revenue from sales and services increased by 8.52% compared to Q3/2025, primarily driven by the B2B group, which grew by Baht 80.93 million or 79.52% to Baht 182.70 million. As a result, the B2B proportion increased to 45.00% of total revenue, from 27.14% in the same period of the previous year. This growth was attributable to the progressive delivery of products to hotel, fitness club, and premium residential projects, many of which are preparing to commence operations or launch in early 2027.

Meanwhile, the B2C group generated revenue of Baht 219.40 million, a decrease of 18.37% from the same period of the previous year, in line with the timing of customer deliveries in each quarter. Nevertheless, for 9M/2026, B2C revenue continued to grow by 2.22% from the same period of the previous year and remained the Company's primary revenue base.

The revenue structure this quarter therefore reflects the growing role of B2B in supporting growth, while the B2C revenue base remains consistent when viewed over a longer period, further diversifying the Company's revenue streams under the Luxury Lifestyle and Wellness Living Solutions strategy.

Comparison with Q2/2026

Revenue from sales and services increased by 4.90% compared to Q2/2026, mainly supported by B2B revenue, which grew by 26.78% to Baht 182.70 million, driven by a higher number of projects reaching scheduled delivery milestones, particularly hotel projects.

Meanwhile, B2C revenue stood at Baht 219.40 million, a decrease of 8.28% quarter-on-quarter, in line with the timing of product deliveries. Nevertheless, B2C remained the Company's primary revenue base, accounting for 54.03% of total revenue this quarter.

(B) Gross profit

Items	Q3/2025		Q2/2026		Q3/2026		% Increased (Decreased)	
	Million Baht	%(1)	Million Baht	%(1)	Million Baht	%(1)	YoY	QoQ
Gross profit of Business-to-Consumer (B2C)	135.44	50.40%	123.98	51.83%	111.82	50.96%	-17.44%	-9.81%
Gross profit of Business-to-Business (B2B)	38.85	38.17%	62.93	43.67%	80.49	44.06%	+107.19%	+27.90%
Total gross profit	**174.29**	**47.04%**	**186.91**	**48.76%**	**192.31**	**47.83%**	**+10.34%**	**+2.89%**

Note: (1) Gross profit compared to Revenue from sales and services

In Q3/2026, the Company reported gross profit from sales and services of Baht 192.31 million, an increase of 10.34% from Q3/2025 and 2.89% from Q2/2026. Overall gross profit margin stood at 47.83%, increasing from 47.04% in the same period of the previous year and remaining above the Company's target of 47.00%, despite a significant increase in the proportion of B2B revenue this quarter.

Gross profit of the B2C group was Baht 111.82 million, a decrease of 17.44% year-on-year and 9.81% quarter-on-quarter, in line with the change in revenue. Nevertheless, the B2C gross profit margin stood at 50.96%, increasing from 50.40% in the same period of the previous year, although declining from 51.83% in the previous quarter, and remained above the Company's target for the B2C group.

Gross profit of the B2B group was Baht 80.49 million, an increase of 107.19% year-on-year and 27.90% quarter-on-quarter, driven by growth in project revenue. The B2B gross profit margin improved to 44.06%, from 38.17% in the same period of the previous year and 43.67% in the previous quarter. This improvement in B2B gross profit margin helped sustain the Company's overall gross profit margin above target, even as the proportion of B2B revenue rose to 45.00% this quarter.

Summary of financial position:

Items	Unit	31 Dec 2025	30 Sep 2026	Change (Million Baht)	% Increased (Decreased)
Total assets	Million Baht	2,152.52	2,401.80	+249.28	+11.58%
Total liabilities	Million Baht	1,193.56	1,398.56	+205.00	+17.18%
Total equity	Million Baht	958.96	1,003.24	+44.28	+4.62%

As of 30 September 2026, the Company reported total assets of Baht 2,401.80 million, an increase of Baht 249.28 million or 11.58% from 31 December 2025. Total liabilities amounted to Baht 1,398.56 million, increasing by Baht 205.00 million or 17.18%, while total equity was Baht 1,003.24 million, an increase of Baht 44.28 million or 4.62%.

The changes in financial position during 9M/2026 reflect preparations for inventories and working capital to support upcoming orders and product deliveries, as well as investments in the Euro Creations T3 project. Meanwhile, the increase in total liabilities was mainly driven by unearned revenue and trade payables, which are operating-related liabilities, rather than an increase in interest-bearing debt.

(A) Assets

As of 30 September 2026, total assets of the Company amounted to Baht 2,401.80 million, representing an increase of Baht 249.28 million or 11.58% from the end of 2025. Key assets comprised inventories, net and right-of-use assets, net, accounting for 44.08% and 32.39% of total assets, respectively.

Inventories, net increased by Baht 162.75 million from Baht 896.06 million to Baht 1,058.82 million, or an increase of 18.16%. This was in accordance with inventory level management to support customer orders and delivery plans in the final quarter of the year, as well as stock preparation for the Euro Creations T3 project. Inventories before allowance as of 30 September 2026 consisted of goods in transit of Baht 171.94 million, an increase of Baht 44.49 million or 34.91% from the end of 2025, and finished goods of Baht 906.00 million, an increase of Baht 122.20 million or 15.59%, with goods in transit accounting for approximately 15.95% of total inventories before allowance at the end of the period.

Right-of-use assets, net increased by Baht 46.17 million, mainly related to the construction of the Euro Creations T3 project. Trade and other current receivables, net increased by Baht 78.32 million to Baht 215.30 million, partly attributable to prepaid expenses related to product imports, as well as higher trade receivables and accrued income in line with the timing of deliveries and customer billings.

Cash and cash equivalents stood at Baht 123.92 million, a decrease of Baht 75.30 million from the end of 2025. Nevertheless, during 9M/2026, the Company maintained positive net cash receipts from operating activities of Baht 155.54 million, while cash was used in investing and financing activities to support investments, dividend payments, cash payments for lease liabilities, and treasury share repurchases.

(B) Liabilities

As of 30 September 2026, the Company reported total liabilities of Baht 1,398.56 million, an increase of Baht 205.00 million or 17.18% from the end of 2025. Key liabilities comprised unearned revenue totaling Baht 798.97 million, accounting for 57.13% of total liabilities, and lease liabilities totaling Baht 338.37 million, accounting for 24.19% of total liabilities.

The increase in total liabilities was primarily driven by an increase in unearned revenue of Baht 171.79 million or 27.39% and an increase in trade and other current payables of Baht 41.75 million. Unearned revenue represents cash received from customers prior to product delivery and revenue recognition, which will be gradually recognized as revenue in accordance with upcoming delivery schedules. Meanwhile, the increase in trade payables was in line with higher inventory levels and procurement plans.

The increase in inventories therefore occurred alongside the increase in unearned revenue and trade payables, which partially supported the working capital required to prepare products for future deliveries.

Loans from financial institutions remained at a low level. During the period, the Company drew down long-term loans of Baht 25.00 million and made repayments of Baht 13.50 million, resulting in an outstanding long-term loan balance of Baht 12.50 million as of 30 September 2026, which is due within one year.

(C) Equity

As of 30 September 2026, total equity of the Company amounted to Baht 1,003.24 million, representing an increase of Baht 44.28 million or 4.62% from the end of 2025. This was primarily supported by profit for the 9M/2026 period of Baht 131.47 million. Concurrently, the Company paid dividends of Baht 76.25 million, repurchased 1.82 million treasury shares for a total of approximately Baht 8.47 million, and recorded a remeasurement loss on employee benefit obligations, net of tax, of Baht 2.47 million.

These changes reflect the Company’s ability to generate profits alongside effective capital management and shareholder returns, while maintaining a strong capital base.

Cash Flows Summary:

Items	Unit	9M/2025	9M/2026
Cash and cash equivalents at the beginning of the period	**Million Baht**	**122.07**	**199.22**
Net cash receipts from operating activities	Million Baht	105.86	155.54
Net cash receipts from (payments for) investing activities	Million Baht	23.71	(108.23)
Net cash payments for financing activities	Million Baht	(113.42)	(122.61)
Net increase (decrease) in cash and cash equivalents	**Million Baht**	**16.15**	**(75.30)**
Cash and cash equivalents at the end of the period	**Million Baht**	**138.22**	**123.92**

For 9M/2026, the Company reported net cash receipts from operating activities of Baht 155.54 million, an increase of 46.94% from Baht 105.86 million in the same period of the previous year. Meanwhile, net cash used in investing activities amounted to Baht 108.23 million and net cash used in financing activities amounted to Baht 122.61 million. Consequently, cash and cash equivalents at the end of the period stood at Baht 123.92 million, a decrease of Baht 75.30 million from the beginning of the period.

Overall, this highlights that although the Company is in a period of building inventory levels and investing to support business expansion, it continued to generate positive operating cash flows, which increased from the same period of the previous year.

(A) Cash flows from operating activities

For 9M/2026, the Company reported profit before income tax of Baht 163.34 million. After adjusting for non-cash items and other related adjustments, as well as changes in operating assets and liabilities, the Company generated net cash receipts from operating activities of Baht 155.54 million, an increase from Baht 105.86 million in the same period of the previous year.

In terms of working capital deployment, significant items included an increase in inventories of Baht 166.70 million to support customer orders, delivery schedules, and inventory for new spaces, an increase in trade and other current receivables of Baht 82.77 million, as well as higher deposits and guarantees in line with project operations.

At the same time, working capital was supported by an increase in unearned revenue of Baht 171.79 million and an increase in trade and other current payables of Baht 57.10 million, which partially offset the working capital requirement.

The increase in operating cash flows, even during a period of inventory build-up, demonstrates the Company’s strong cash-generation capability from operations, underpinned by a business model in which working capital is partially supported by customer advances and supplier credit.

(B) Cash flows from investing activities

For 9M/2026, net cash payments for investing activities were Baht 108.23 million, compared to net cash receipts from investing activities of Baht 23.71 million in the same period of the previous year. In the current period, cash payments related to right-of-use assets amounted to Baht 110.99 million, mainly for the construction and decoration of the Euro Creations T3 project. Cash payments for purchase of buildings and equipment and cash payments for purchase of intangible assets totaled Baht 4.81 million, while cash receipts from interest amounted to Baht 7.10 million.

In the same period of 2025, the Company recorded cash receipts from short-term investments of Baht 125.00 million, whereas no such transaction occurred in the current period. Consequently, the variance in investing cash flows between the two periods was not solely driven by increased asset expenditure.

(C) Cash flows from financing activities

For 9M/2026, net cash payments for financing activities were Baht 122.61 million, compared to Baht 113.42 million in the same period of the previous year. Major cash outflows comprised dividends payment of Baht 76.20 million, cash payments for lease liabilities of Baht 37.73 million, cash payments for long-term loans from financial institutions of Baht 13.50 million, cash payments for interest expenses of Baht 11.71 million, and cash payments for treasury shares of Baht 8.47 million, while the Company received cash from long-term loans from financial institutions of Baht 25.00 million.

Significant financial ratio:

Significant financial ratio	Unit	Q3/2025	Q2/2026	Q3/2026	9M/2025	9M/2026
Profitability Ratio						
Gross profit margin [(1)]	%	47.04	48.76	47.83	48.05	49.03
Earnings before Interest, Tax, Depreciation and Amortization expenses (EBITDA margin) [(1)]	%	20.27	20.42	20.36	20.61	21.24
Net profit margin [(2)]	%	10.28	10.61	10.84	10.28	11.30

Notes: [(1)] Percentage proportion compared to Revenue from sales and services, [(2)] Percentage proportion compared to total revenue

Significant financial ratio	Unit	31 Dec 2025	30 Sep 2026
Profitability Ratio			
Return on Equity (3)	%	14.81	17.75
Efficiency Ratio			
Return on Asset (4)	%	9.65	10.31
Liquidity Ratio			
Current Ratio	Times	1.42	1.28
Averaged Collection Period (5)	Days	27	31
Averaged Inventory Period	Days	408	442
Averaged Payment Period	Days	306	341
Financial Policy Ratio			
Debt to Equity	Times	1.24	1.39
Interest Bearing Debt to Equity (6)	Times	0.00	0.01

Notes: (3) The ratio is calculated based on net profit attributable to owners of the parent and equity attributable to owners of the parent., (4) The ratio is calculated based on earnings before interest and income tax expense (EBIT), (5) The ratio is calculated based on net trade receivables and net finance lease receivables, (6) The ratio is calculated based on interest-bearing debt, excluding liabilities arising from finance lease agreements

The Company's profitability improved compared to the same period of the previous year. For 9M/2026, gross profit margin increased from 48.05% to 49.03%, EBITDA margin increased from 20.61% to 21.24%, and net profit margin increased from 10.28% to 11.30%, in line with profit growth outpacing revenue growth.

In terms of working capital, the current ratio decreased from 1.42 times at the end of 2025 to 1.28 times as of 30 September 2026, partly due to the increase in unearned revenue and payables associated with inventory preparation to support upcoming deliveries.

The averaged collection period increased from 27 days to 31 days, while the averaged inventory period increased from 408 days to 442 days, in line with higher inventory levels to support delivery plans and the opening of new spaces. Meanwhile, the averaged payment period increased from 306 days to 341 days, in line with the increase in trade payables from procurement plans.

The debt-to-equity ratio increased from 1.24 times to 1.39 times, mainly due to the increase in unearned revenue and operating-related liabilities. Nevertheless, the interest-bearing debt to equity ratio remained low at 0.01 times, indicating that the majority of liabilities did not arise from increased borrowings from financial institutions.

Management's Outlook for 2026:

For 9M/2026, the Company's revenue from sales and services grew by 11.15%, while profit for the period expanded by 22.30% compared to the same period of the previous year, with gross profit margin at 49.03%, higher than 48.05% in the same period of the previous year. These results reflect progress under the Luxury Lifestyle and Wellness Living Solutions strategy, as well as the increasing contribution from the product portfolio and retail spaces in which the Company has invested in recent periods.

Showrooms progressively opened between late 2024 and mid-2025 have now been in operation for a period covering the typical order-to-delivery lead time of approximately 5–6 months, resulting in clearer revenue recognition from orders placed after their opening. In addition, the portfolio under the three core pillars of Luxury Living & Aesthetic Excellence, Technology & Smart Living, and Wellness & Health has broadened the Company's product range and business opportunities from both existing and new customers.

Luxury Living & Aesthetic Excellence remains the core foundation of the business, while Technology & Smart Living enhances the Company's ability to offer more comprehensive living solutions, and Wellness & Health represents another product category in which the Company sees opportunities to build upon its existing customer base, particularly products related to sleep, health, and quality of life.

This approach forms part of the development of the Euro Creations T3 project into a "Luxury & Wellness Destination" that consolidates products and solutions across Luxury Living, Smart Living, Wellness, Sound, Bedding, and Lifestyle within a unified location. The Company plans to open different areas of the project in phases and expects all areas to be fully operational by Q2/2027, alongside preparations for the launch of B&B Italia as its Exclusive Distributor to further strengthen the Luxury Living & Aesthetic Excellence category.

For the full year 2026, management maintains its revenue growth target from sales and services at 10%–15% year-on-year, with 9M/2026 growth of 11.15% tracking in line with this target range.

In the final quarter of the year, the Company expects support from the scheduled progressive delivery of B2B projects, as well as its B2C revenue base. Meanwhile, the investments and higher inventory levels during 9M/2026 partly represent preparations for upcoming product deliveries and new space openings.

The Company will continue to manage its investment plans in alignment with operating cash flows, liquidity, and available credit facilities with financial institutions, while closely monitoring and managing foreign exchange risks and procurement planning, prioritizing financial discipline alongside growth-oriented investments.

Beyond business expansion, the Company continues to enhance its operational capabilities to support the growing scale and complexity of its business. Salesforce CRM is used to manage customer data and relationships, track sales opportunities, and support customer needs analysis. The Company is also progressively adopting technology and artificial intelligence (AI) in suitable operational workflows to boost data analytics efficiency and reduce manual tasks, alongside developing its sales force through the Sales Academy to elevate product expertise and consultative selling skills.

Management believes that a diversified revenue base, a product portfolio that more comprehensively addresses customers' lifestyle needs, the development of new retail spaces, and enhanced operational capabilities—coupled with disciplined management of working capital and liquidity—will serve as key drivers in achieving the Company's 2026 growth targets and establishing a foundation for its next phase of growth.

Commitment and Sustainability Performance (ESG)

The Company places importance on developing its business operations in line with sustainability principles by progressively integrating environmental, social, and governance considerations into its planning and operational processes, in order to support long-term growth and create value for its stakeholders.

Environmental Aspect: The Company is developing a systematic process for collecting and monitoring environmental data, with a focus on preparing for the assessment and reporting of greenhouse gas (GHG) emissions under Scope 1 and Scope 2. The Company is also studying approaches to improve energy efficiency and expand the use of renewable energy across its operating sites.

Social Aspect: The Company prioritizes the care and development of its employees, fostering a suitable working environment and developing the skills necessary for business growth through continuous training and development programs, including the Sales Academy. At the same time, the Company is developing guidelines for incorporating sustainability factors into the consideration and assessment of business partners and brands, taking into account manufacturers' production processes, materials, and environmental standards.

Governance Aspect: The Company continues to prioritize good corporate governance, risk management, internal control systems, and transparent and appropriate information disclosure, as well as continuous communication with shareholders, investors, and stakeholders. In 2026, the Company received an "Excellent" (5-star) rating in the Corporate Governance Report of Thai Listed Companies (CGR) assessment and an "Excellent" rating in the AGM Checklist assessment of the quality of its Annual General Meeting of Shareholders, reflecting its continued commitment to elevating governance standards and the treatment of shareholders. The Company will continue to apply the recommendations and areas for further improvement identified in these assessments to enhance its governance practices, information disclosure, and operational processes, in order to strengthen stakeholder confidence and support responsible long-term growth.

Best regards,
Euro Creations Public Company Limited