Date 26 February 2026

Subject: Management Discussion and Analysis for the year 2025

Attention: Managing Director, The Stock Exchange of Thailand

Euro Creations Public Company Limited ("the Company") provides Management Discussion and Analysis for the year 2025 as follows:

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

In 2025, the overall economic environment continued to experience volatility from several factors, including a slowdown in purchasing power in certain sectors, exchange rate uncertainty, and persistently high transportation and supply chain costs. As a result, businesses across many industries operated with increased caution, particularly those related to consumer products and long-term investment goods. Nevertheless, the luxury and super-luxury residential markets continued to demonstrate growth momentum in both the Business-to-Consumer (B2C) segment, comprising high purchasing power customers who prioritize quality, standards, and brand image that reflect their identity, and the Business-to-Business (B2B) segment, where property developers increasingly focused on high-quality luxury projects tailored to specific lifestyle preferences. Consequently, demand for luxury home decoration products, furniture, and well-being innovations remained resilient despite the challenging economic environment.

Against this backdrop, Euro Creations Public Company Limited ("the Company") continued to drive stable business growth by leveraging its strength as the exclusive importer and distributor (Exclusive Distributor) of internationally recognized luxury brands, with a product portfolio covering all dimensions of residential living, including furniture, kitchen systems, wardrobe systems, Smart Home Automation systems, flooring, office furniture, sound system equipment, as well as fitness equipment and well-being products. During the past year, the Company reinforced its strategy of being a comprehensive luxury lifestyle solution provider (One-Stop Service) through its appointment as the exclusive distributor in Thailand of Vispring, a luxury bedding brand from the United Kingdom. The addition of this brand further enhanced the completeness of the Company's product portfolio and more clearly addressed customers' well-being needs.

Beyond product diversity, the Company successfully implemented its Ecosystem Clustering Strategy by positioning showrooms of various brands within prime luxury districts in Bangkok and Phuket. This approach delivers an integrated purchasing experience and stimulates cross-selling across product categories, such as kitchen systems, loose furniture, wardrobe systems, and Smart Home Automation systems to the same customer. This strategy not only increases the Ticket Size per Customer, but also strengthens the confidence of property developers in continuously selecting the Company's products and services. It therefore establishes a strong long-term competitive moat for the Company.

Although the Company delivered strong operating performance, it continues to closely monitor external risk factors and sensitivities, including: (1) The timing of project launches and transfer schedules by property developers; (2) Exchange rate volatility and import costs; (3) Production and import lead times for made-to-order products; (4) Progress of construction projects and new area developments by property developers; and (5) Demand conditions in the luxury market. To mitigate these risks, the Company places emphasis on liquidity management, disciplined cost and expense control, inventory management aligned with market conditions, and continuous enhancement of after-sales service quality and personnel capabilities, in order to maintain operational standards and strengthen long-term business sustainability.

Through these strategies and disciplined management, the Company was able to maintain strong operating performance in 2025, as reflected by the significant increase in sales order (bookings) and the establishment of a solid foundation for future growth, despite economic uncertainties during the period.

Summary of Key Events and Developments:

Showroom	Progress
Euro Creations T3 (Formerly known as "Euro Creations Gallery /T3")	Under construction, expected completion in 2026

Financial Performance Summary:

1. Q4/2025 Financial Performance Summary:

Consolidated statement of Comprehensive Income (Unit: Million Baht)	Q4/2024	%[(1)]	Q3/2025	%[(1)]	Q4/2025	%[(1)]	% Increased (Decreased)	
							YoY	QoQ
Revenue from sales and services	391.34	100.00%	370.53	100.00%	390.98	100.00%	-0.09%	+5.52%
Cost of sales and services	(217.97)	-55.70%	(196.24)	-52.96%	(219.85)	-56.23%	+0.86%	+12.03%
Gross profit	**173.37**	**44.30%**	174.29	47.04%	**171.13**	**43.77%**	**-1.29%**	**-1.81%**
Other income	2.32	0.59%	4.51	1.20%	2.20	0.56%	-5.24%	-51.23%
Net gain on exchange rate	2.90	0.74%	0.06	0.02%	4.50	1.14%	+55.19%	+7,100.55%
Selling expenses and distribution costs	(86.44)	-21.96%	(86.82)	-23.15%	(88.03)	-22.39%	+1.84%	+1.40%
Administrative expenses	(39.95)	-10.15%	(39.53)	-10.54%	(36.40)	-9.26%	-8.87%	-7.90%
Finance costs	(4.14)	-1.05%	(4.03)	-1.08%	(4.05)	-1.03%	-2.11%	+0.37%
Profit before income tax	**48.06**	**12.21%**	48.48	12.93%	**49.35**	**12.55%**	**+2.68%**	**+1.79%**
Income tax expense	(9.92)	-2.52%	(9.93)	-2.65%	(10.19)	-2.59%	+2.74%	+2.61%
Profit for the period	**38.14**	**9.69%**	**38.55**	**10.28%**	**39.16**	**9.96%**	**+2.66%**	**+1.58%**
Other comprehensive expense for the period	-	0.00%	-	0.00%	-	0.00%	0.00%	0.00%
Total comprehensive income for the period	**38.14**	**9.69%**	**38.55**	**10.28%**	**39.16**	**9.96%**	**+2.66%**	**+1.58%**
Owners of the Company	38.14	100.00%[(2)]	38.55	100.00%[(2)]	39.16	100.00%[(2)]	+2.66%	+1.58%
Non-controlling interests	-	0.00%[(2)]	-	0.00%[(2)]	-	0.00%[(2)]	0.00%	0.00%

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 Q4/2025, the Company had revenue from sales and services of 390.98 million Baht, which slightly decreased when compared with Q4/2024 and increased from Q3/2025, equivalent to a decrease of 0.09% Year-on-Year (YoY) and an increase of 5.52% Quarter-on-Quarter (QoQ), respectively. The main reason was that the Company was able to deliver products to customers according to schedule and was able to manage inventories efficiently to deliver products.

The Company had selling expenses and distribution costs in Q4/2025 of 88.03 million Baht, which increased from Q4/2024 and from Q3/2025 by 1.84% YoY and 1.40% QoQ, respectively. This was in line with Sales order (Bookings) and revenue that remained stable at a level close to the prior year and increased from the previous quarter. In addition, the Company recognized expenses relating to premises and depreciation of showroom buildings that commenced operations in 2025.

The Company had administrative expenses for Q4/2025 of 36.40 million Baht, which decreased from Q4/2024 and decreased from Q3/2025 by 8.87% YoY and 7.90% QoQ, respectively. This reflects that the Company has begun to realize economies of scale from expanding operational capacity in line with the Company's operating plan.

The Company had Profit for the period in Q4/2025 of 39.16 million Baht, which increased from Q4/2024 and from Q3/2025 by 2.66% YoY and 1.58% QoQ, respectively, due to higher revenue compared to the previous quarter, together with lower administrative expenses, and a higher net gain on exchange rate in Q4/2025.

2. 2025 Financial Performance Summary:

Consolidated statement of Comprehensive Income (Unit: Million Baht)	2024	%[1]	2025	%[1]	% Increased (Decreased)
Revenue from sales and services	1,280.24	100.00%	1,426.93	100.00%	11.46%
Cost of sales and services	(682.36)	-53.30%	(758.06)	-53.13%	11.09%
Gross profit	**597.88**	**46.70%**	**668.87**	**46.87%**	**11.87%**
Other income	10.43	0.81%	12.39	0.86%	18.86%
Net gain on exchange rate	6.48	0.50%	2.27	0.16%	-64.88%
Selling expenses and distribution costs	(302.83)	-23.46%	(339.31)	-23.57%	12.05%
Administrative expenses	(135.93)	-10.53%	(143.72)	-9.99%	5.74%
Finance costs	(18.06)	-1.40%	(15.79)	-1.10%	-12.55%
Profit before income tax	**157.97**	**12.24%**	**184.71**	**12.83%**	**16.93%**
Income tax expense	(32.45)	-2.51%	(38.05)	-2.64%	17.27%
Profit for the year	**125.52**	**9.73%**	**146.66**	**10.19%**	**16.84%**
Other comprehensive expense for the year	-	0.00%	-	0.00%	0.00%
Total comprehensive income for the year	**125.52**	**9.73%**	**146.66**	**10.19%**	**16.84%**
Owners of the Company	125.52	100.00%[2]	146.66	100.00%[2]	16.84%
Non-controlling interests	0.00	0.00%[2]	0.00	0.00%[2]	0.00%

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 year.

For the year 2025, the Company had revenue from sales and services of 1,426.93 million Baht, representing a significant increase of 11.46% compared to 2024. This increase was in line with the Company's product delivery and service plans for 2025. The Company achieved a gross profit margin of 46.87%, which was close to the projected margin of 47.00%. This was mainly attributable to a slightly higher-than-expected proportion of revenue recognition from the Business-to-Business (B2B) customer segment compared to the Business-to-Consumer (B2C) segment. The increase in revenue from sales and services was in accordance with the Company's business strategy, including its strategy to position itself as a comprehensive luxury lifestyle solution provider (One-Stop Service) and its Ecosystem Clustering Strategy.

For the year 2025, the Company had selling expenses and distribution costs of 339.31 million Baht, increasing by 12.05% compared to 2024. The increase was mainly due to higher employee-related expenses and depreciation expenses from showrooms that commenced operations during 2025 and late 2024, the annual salary adjustment in March, and higher sales promotion expenses, primarily marketing expenses for Bang & Olufsen (B&O), which was introduced as a new brand in late 2024.

The Company had administrative expenses for the year 2025 of 143.72 million Baht, increasing by 5.74% compared to 2024. The increase was mainly attributable to higher employee-related expenses to support the Company's growth, including the annual salary adjustment in March, as well as higher depreciation expenses of warehouse buildings compared to the prior year. However, in 2024, the Company incurred expenses relating to its listing on the Stock Exchange in an amount close to the incremental expenses recorded in 2025, while no such listing expenses were recognized in 2025. Accordingly, when considering the ratio of administrative expenses to total revenue, the proportion in 2025 decreased compared to 2024. This reflects that the Company has begun to realize economies of scale from the expansion of operational capacity in line with the Company's operating plan.

The Company had profit for the year of 146.66 million Baht for the year 2025, increasing by 16.84% compared to 2024, in line with the Company's expectations and consistent with the upward trend of total revenue. The net profit margin was 10.19%, increasing from the prior year, reflecting improved profitability management by the Company. In particular, the Company maintained the gross profit margin in the B2C segment at 51.55%, increasing from 50.70% in the prior year. Although the revenue proportion from the B2B segment, which carries a lower gross profit margin, increased, the Company's overall gross profit margin remained at a strong level. The ability to maintain a solid net profit margin while successfully expanding revenue from the B2B segment reflects pricing discipline, the quality of product mix diversification, and efficient cost management. Consequently, net profit growth has continued in a sustainable manner. The operating results for this year therefore clearly demonstrate both growth and the strengthening of the Company's structural foundation.

(A) Total revenue

Revenue from sales and services by customer groups	2024		2025		% Increased (Decreased)
	Million Baht	%	Million Baht	%	
Revenue from sales and services	**1,280.24**	**99.19%**	**1,426.93**	**99.14%**	**+11.46%**
• **Business-to-Consumer (B2C)**	**855.47**	**66.28%**	**900.50**	**62.56%**	**+5.26%**
1. Product for interior architecture (1)	250.20	19.39%	235.22	16.34%	-5.99%
2. Product for interior (2)	285.76	22.14%	295.03	20.50%	+3.24%
3. Product for decoration and fitness equipment (3)	319.51	24.76%	370.25	25.72%	+15.88%
• **Business-to-Business (B2B)**	**424.77**	**32.91%**	**526.43**	**36.58%**	**+23.94%**
1. Product for interior architecture (1)	123.87	9.60%	140.80	9.78%	+13.67%
2. Product for interior (2)	70.72	5.48%	124.21	8.63%	+75.63%
3. Product for decoration and fitness equipment (3)	230.18	17.83%	261.42	18.16%	+13.57%
Other income (4)	**10.43**	**0.81%**	**12.39**	**0.86%**	**+18.86%**
Total revenue	**1,290.67**	**100.00%**	**1,439.32**	**100.00%**	**+11.52%**

Notes: [1] Consists of GESSI, Robina, Basalte, DeltaLight, L&L, Lutron and Molteni&C etc.

[2] Consists of Cassina, Calligaris, Christopher Guy, Flos, Foscarini, Gallotti&Radice, Giorgetti, Lasvit, Natuzzi Italia, Nemo, Malerba, Molteni&C, Poltrona Frau, Rolf Benz Preciosa and Haworth., etc

[3] Consists of Technogym, Sidea, Dedon, Royal Botania, Limited Edition, Frette and Bang & Olufsen (B&O)., etc

[4] Other income consists of rental revenue, interest income and gain (loss) from sale of asset., etc

For the year 2025, the Company had total revenue of 1,439.32 million Baht, comprising: (1) Revenue from sales and services of 1,426.93 million Baht, and (2) Other income of 12.39 million Baht. Revenue from sales and services by customer groups is classified into two main segments: Business-to-Consumer (B2C) and Business-to-Business (B2B).

Overall, revenue from sales and services increased by 11.46% compared to 2024, primarily driven by growth in Product for decoration and fitness equipment in both Business-to-Consumer (B2C) and Business-to-Business (B2B). This was mainly attributable to the expanded distribution of Bang & Olufsen (B&O) products during the past year, which enhanced the Company's product variety in this category and received positive responses from the Company's customers. In addition, Revenue from sales and services increased in Product for interior, particularly for Haworth office furniture under Business-to-Business (B2B). Furthermore, the Company delivered products in accordance with the Company's operational plans, supported by higher Sales order (Bookings) in the preceding period, which resulted from the Company's new showroom openings. As a result, revenue from Product for interior architecture and Product for interior increased overall.

(B) Gross profit

Items	2024		2025		% Increased (Decreased)
	Million Baht	%[1]	Million Baht	%[1]	
Gross profit of Business-to-Consumer (B2C)	433.71	50.70%	464.24	51.55%	+7.03%
Gross profit of Business-to-Business (B2B)	164.17	38.65%	204.63	38.87%	+24.67%
Total gross profit	**597.88**	**46.70%**	**668.87**	**46.87%**	**+11.87%**

Note: [1] Gross profit compared to Revenue from sales and services

For the year 2025, the Company reported Gross profit of 668.87 million Baht, representing an increase of 11.87% compared to the prior year. The change was in line with the increase in Revenue from sales and services. The Company achieved a gross profit margin of 46.87%, which was close to the projected margin of 47.00%, as the Company was able to effectively manage inventory costs and service costs. Gross profit by customer groups is detailed as follows:

- Gross profit from sales and services under Business-to-Consumer (B2C) amounted to 464.24 million Baht, increasing in line with the growth in revenue from sales and services compared to the prior year. The Company was able to maintain the gross profit margin in 2025 at 51.55%, which was higher than the prior year and above the projected gross profit margin of 50.00%.

- Gross profit from sales and services under Business-to-Business (B2B) amounted to 204.63 million Baht, representing a significant increase of 24.67%, in line with the growth in revenue from sales and services of the B2B segment. The gross profit margin for 2025 was 38.87%, which was close to that of 2024 and remained within the projected gross profit margin range of 30.00% – 40.00%.

Explanation on financial position:

Items	Unit	31 Dec 2024	31 Dec 2025	Change (Million Baht)	Increased (Decreased) (%)
Total assets	Million Baht	2,004.82	2,152.52	+147.70	+7.37%
Total liabilities	Million Baht	1,122.69	1,193.56	+70.87	+6.31%
Total equity	Million Baht	882.13	958.96	+76.83	+8.71%

(A) Assets

As at 31 December 2024 and 31 December 2025, the Company reported total assets of 2,004.82 million Baht and 2,152.52 million Baht, respectively. The principal assets consisted of inventories, net and right-of-use assets, net. As at the end of 2025, these major asset items accounted for 41.63% and 33.99% of total assets, respectively. Total assets increased by 147.70 million Baht, or 7.37%, compared to the end of 2024. The main reasons were as follows: (1) An increase in inventories, net of 95.68 million Baht, primarily due to the opening of new showrooms during 2025. (2) An increase in cash and cash equivalents of 77.15 million Baht, mainly resulting from cash received from unearned revenue under cash flows from operating activities of the Company. (3) An increase in right-of-use assets, net of 75.24 million Baht, primarily due to the construction of showroom buildings and showrooms that commenced operations during the year. (4) A decrease in other financial assets measured at amortized cost (fixed deposits) of 125.00 million Baht, due to maturity and receipt of repayment.

(B) Liabilities

As at 31 December 2024 and 31 December 2025, the Company reported total liabilities of 1,122.69 million Baht and 1,193.56 million Baht, respectively. The principal liabilities consisted of unearned revenue and leases liabilities. As at the end of 2024, these major liability items accounted for 52.54% and 30.09% of total liabilities, respectively. Total liabilities increased by 70.87 million Baht, or 6.31%, compared to the end of 2024. The primary reason was an increase in unearned revenue of 150.97 million Baht, which increased in line with sales order (bookings) of the Company. Unearned revenue reflects strong sales order (bookings) and supports future revenue recognition. Meanwhile, leases liabilities, trade and other current payables, and loans from financial institutions decreased as a result of repayments made during the year.

(C) Equity

Shareholders' equity consists of issued and paid-up share capital and retained earnings, comprising statutory reserve and unappropriated retained earnings. As at 31 December 2025, the Company reported total shareholders' equity of 958.96 million Baht, representing an increase of 76.83 million Baht compared to 882.13 million Baht as at 31 December 2024. The increase was mainly attributable to profit for the year, partially offset by the dividend payment declared by the Company in April 2025.

Cash Flows Summary:

Items	Unit	2024	2025
Cash and cash equivalents at the beginning of the year	**Million Baht**	**57.53**	**122.07**
Cash flows from operating activities	Million Baht	91.06	246.70
Cash flows from investing activities	Million Baht	(305.09)	(20.94)
Cash flows from financing activities	Million Baht	278.57	(148.61)
Net increase in cash and cash equivalents	**Million Baht**	**64.54**	**77.15**
Cash and cash equivalents at the end of the year	**Million Baht**	**122.07**	**199.22**

(A) Cash flows from operating activities

For the year 2025, the Company generated profit from operating activities before income tax and before adjustments for non-cash items amounting to 184.71 million Baht, derived from the Company's normal business operations. After adding back non-cash items, of which significant items included depreciation and amortization of 88.81 million Baht, and after adjustments for changes in operating assets and liabilities, with key items as follows: (1) An increase in unearned revenue of 150.51 million Baht, in line with customers' sales order (bookings); (2) An increase in inventories, net of 97.30 million Baht, resulting from showroom openings during the year and inventory management; (3) An increase in finance lease receivables of 61.56 million Baht; (4) income tax paid of 40.03 million Baht; and (5) An increase in trade and other payables of 30.92 million Baht, the Company recorded net cash provided by operating activities of 246.70 million Baht in 2025. This amount was significantly higher than profit for the year, reflecting the quality of earnings and efficient working capital management by the Company.

(B) Cash flows from investing activities

For the year 2025, the Company recorded net cash used in investing activities of 20.94 million Baht. The primary reasons were as follows: (1) Cash payments for right-of-use assets of 151.81 million Baht, mainly related to the construction of new showrooms by the Company; (2) Cash received from other financial assets measured at amortized cost (fixed deposits) of 125.00 million Baht; and (3) Interest received of 6.90 million Baht.

(C) Cash flows from financing activities

For the year 2025, the Company recorded net cash used in financing activities of 148.61 million Baht. The primary reasons were as follows: (1) Dividends paid of 67.10 million Baht; (2) Payments for leases liabilities of 52.43 million Baht; (3) Interest paid of 15.80 million Baht; and (4) Net repayment of loans from financial institutions of 10.55 million Baht.

Significant financial ratio:

Significant financial ratio	Unit	31 Dec 2024	31 Dec 2025
Profitability Ratio			
Gross profit margin (1)	%	46.70	46.87
Earnings before Interest, Tax, Depreciation and Amortization expenses (EBITDA margin) (1)	%	19.53	20.27
Net profit margin (2)	%	9.73	10.19
Return on Equity (3)	%	23.47	14.81
Efficiency Ratio			
Return on Asset (4)	%	7.27	9.65
Liquidity Ratio			
Current Ratio	Times	1.58	1.42
Averaged Collection Period (5)	Days	20	27
Averaged Inventory Period	Days	372	408
Averaged Payment Period	Days	290	306
Financial Policy Ratio			
Debt to Equity	Times	1.27	1.24
Interest Bearing Debt to Equity (6)	Times	0.01	0.00

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

At the end of 2025, the Company’s key financial ratios reflected its strong operating performance. The gross profit margin stood at 46.87%, indicating resilient demand and appropriate pricing discipline. The Earnings before Interest, Tax, Depreciation and Amortization expenses (EBITDA margin) of 20.27% demonstrated operational efficiency driven by portfolio expansion, the Ecosystem Clustering Strategy, and effective cost management. The improvement in net profit margin was attributable to disciplined expense control and effective revenue structure management. The return on equity (ROE) of 14.81% underscored the Company’s effective capital utilization under a sound financial structure. Such profitability was supported by the Company’s integrated business strategy, encompassing a diversified brand portfolio, well-structured distribution channels, and a strong customer base, forming a solid foundation for sustainable long-term growth despite ongoing economic volatility.

Management's Outlook for 2026:

Management expects that in 2026, the Company will achieve growth in Revenue from sales and services in the range of 10–15% compared to the prior year. The key supporting factor is the strength of sales order (bookings) outstanding (SO Outstanding) as at 1 January 2026, which amounted to 1,430.21 million Baht, representing an increase of 23.9% compared to the beginning of 2025. The growth in backlog is consistent with the significant increase in unearned revenue and customer deposits received, reflecting continued demand in the luxury product segment and customers' confidence in the Company. This achievement is attributable to the successful execution of the Company's strategy to position itself as a comprehensive luxury lifestyle solution provider (One-Stop Service), supported by a strong brand portfolio and disciplined implementation of the Ecosystem Clustering Strategy over the past period.

Another positive factor that will contribute on a full-year basis in 2026 is the revenue recognition from the global lifestyle technology brand Bang & Olufsen (B&O), for which the Company officially launched its showroom in June 2025. The brand has received strong positive feedback from high purchasing power customers, driven by its distinctive innovation and design. This will be complemented by the continued growth of Vispring, which enhances the high-end bedding segment for improved residential living quality. The addition of these flagship brands not only expands the new customer base but also enhances cross-selling within the Company's portfolio. Management expects this to effectively increase the Ticket Size per Customer in the coming year.

From a strategic infrastructure perspective, the commencement of operations of the Euro Creations T3 building will represent a key inflection point and one of the main growth engines in 2026 under the One Ecosystem concept. The building consolidates the Company's core products within a single strategic location, expanding retail space and strengthening market positioning. It also enhances the integrated customer experience, stimulating repeat purchases and cross-category sales, thereby creating a sustainable competitive advantage through a controlled economic environment established by the Company.

In terms of financial management, management expects that the ratios of selling expenses, distribution costs, and administrative expenses to revenue in 2026 will remain at levels close to those in 2025, supported by effective cost control and economies of scale. As a result, the net profit margin is expected to gradually improve. Furthermore, the Company remains committed to maintaining positive cash flows from operating activities on a continuous basis and optimizing its capital structure between debt and equity. The objective is to strengthen shareholders' equity through retained earnings under a disciplined dividend policy.

Ultimately, management is confident that the financial foundation and the Home & Living and Lifestyle business structure established by the Company will support quality and sustainable growth. The Company will continue to adhere to a capital allocation framework that prioritizes maintaining a strong financial position, investing in value-creating strategic infrastructure projects, and delivering consistent returns to shareholders, thereby reinforcing confidence in the Company's ability to generate stable returns on investment amid evolving economic conditions.

Commitment and Sustainability Performance (ESG)

The Company places strong emphasis on sustainable business operations by adhering to good corporate governance principles, together with systematic environmental and social management, to achieve stable and balanced long-term growth. The Company believes that integrating ESG (Environmental, Social and Governance) principles into its strategy and operational processes strengthens confidence among shareholders, investors, customers, business partners, employees, and all stakeholder groups, while enhancing the Company's long-term competitiveness. During the past year, the Company implemented tangible projects and activities covering all 3 ESG dimensions, as detailed below:

1. Environmental Performance

The Company recognizes the importance of minimizing environmental impacts arising from its business operations and continuously improving resource efficiency. During the year, the Company installed solar power generation systems (Solar Cell) for internal use in all buildings where installation was feasible. This initiative helped reduce electricity consumption from conventional energy sources and indirectly lower greenhouse gas emissions.

In addition, the Company actively promoted systematic waste separation within its offices and showrooms, encouraging employee participation to enhance waste management efficiency and foster environmental awareness across the organization. The implementation has been successful, receiving cooperation from employees at all levels and being carried out on a continuous basis.

2. Social Performance

The Company places importance on social responsibility throughout its supply chain, covering employees, business partners, customers, shareholders, and surrounding communities, based on principles of fairness, transparency, and respect for human rights.

During the past year, the Company continuously supported public benefit activities, including donation to the Special Olympics program to promote opportunities and improve the quality of life for individuals with intellectual disabilities, donations to assist flood victims in southern Thailand, and the New Year treats to the Foundation for "Slum Child Care: Baan Haeng Kwamwang" to share happiness and encouragement with children and caregivers.

The Company believes that conducting business alongside social contribution and community support helps build strong and sustainable relationships with all stakeholders.

3. Governance Performance

The Company is committed to good corporate governance. The Board of Directors and management play key roles in setting policies, overseeing operations, and closely monitoring performance to ensure that business operations are transparent, accountable, and compliant with applicable laws and regulations.

During the past year, the Company received a 4-star rating in the Corporate Governance Report of Thai Listed Companies (CGR), reflecting its continuous commitment to improving governance standards and elevating organizational management in line with best practices in the Thai capital market. The Company will continue to enhance its governance framework and risk management systems to strengthen confidence and support sustainable long-term growth.

Best regards,

Euro Creations Public Company Limited