

May 14, 2026

Re: Discussion and Analysis of Financial Position and Operating Performance

To: Director and Manager of the Stock Exchange of Thailand

Better World Green Public Company Limited and its subsidiaries (“the Company”) hereby provide the Management Discussion and Analysis of the operating results and financial position for the first quarter ended 31 March 2026, details of which are as follows:

Overview of Operating Results

For the first quarter of 2026, the Company and its subsidiaries reported total revenue of THB 685.41 million according to the consolidated financial statements, increasing by THB 58.60 million or 9% from THB 626.81 million recorded in the same period of the previous year.

The increase was primarily attributable to higher revenue from the industrial waste management business, including landfill disposal, incineration, wastewater treatment, and the production of solid recovered fuel (“SRF”) from industrial waste. Such growth was in line with the increased volume of industrial waste received for treatment and disposal services.

During the quarter, the Group’s total industrial waste volume treated and disposed increased by approximately 18% compared to the same period of the previous year, while sales volume of solid recovered fuel (“SRF”) increased by 66%.

The Group’s core revenue from the waste management business amounted to THB 464.60 million, increasing by THB 62.76 million or 16% from the same period of the previous year, in line with the higher volume of industrial waste received for treatment and disposal. The average service fee per ton remained relatively consistent with the same quarter of the previous year.

The Company and its subsidiaries reported operating profit of THB 101.13 million, increasing by THB 12.65 million or 14% from the same period last year, reflecting effective cost management and efficient control of operating expenses. Meanwhile, finance costs decreased significantly from THB 47.56 million to THB 16.98 million, representing a decrease of THB 30.58 million or 64%, mainly attributable to the gradual repayment of debentures and other interest-bearing liabilities during the past periods. As a result, the Group’s financial position and liquidity continued to improve steadily.

Operating Results

Revenue from Sales and Services

Total revenue from sales and services for the first quarter of 2026 amounted to THB 679.80 million, increasing by THB 58.26 million or 9% from THB 621.55 million recorded in the same period of the previous year.

The Group's principal businesses consist of the following:

Waste Management Business generated revenue of THB 464.60 million, representing approximately 68% of total revenue, increasing from THB 401.83 million in the same period of the previous year, or an increase of THB 62.76 million equivalent to 16%.

Solid Recovered Fuel ("SRF") Business generated revenue from external sales amounting to THB 40.26 million, representing an increase of 45% from the same period of the previous year, primarily due to higher sales volume.

Electricity Generation Business operated by the Company's subsidiaries and indirect subsidiaries generated revenue of THB 174.94 million, representing approximately 26% of total revenue, decreasing from THB 191.88 million in the same period of the previous year, or a decrease of THB 16.94 million (9%).

The decrease was mainly attributable to lower electricity generation and sales volume from the Company's indirect subsidiaries' power plants (RH and AVA), which temporarily reduced operating capacity during the quarter as part of scheduled maintenance activities. Nevertheless, ETC power plant, which is a direct subsidiary of the Company, was able to maintain stable operating performance and recorded a 7% increase in electricity sales volume compared to the same quarter of the previous year.

Gross Profit

Gross profit for the first quarter of 2026 amounted to THB 186.98 million, increasing by THB 12.35 million or 7% from THB 174.63 million recorded in the same period of the previous year.

The gross profit margin to revenue from sales and services was 27.51% for the current quarter, compared to 28.10% for the same quarter of the previous year.

Selling Expenses, Administrative Expenses and Management Compensation

Total selling expenses, administrative expenses and management compensation amounted to THB 91.46 million, which was relatively consistent with THB 91.42 million recorded in the same period of the previous year.

Such expenses represented 13.34% of total revenue in the current quarter, compared to 14.58% in the same quarter of the previous year, reflecting the Group's effective cost management and operational expense control despite the increase in business volume.

Operating Profit

Operating profit for the first quarter of 2026 amounted to THB 101.13 million, representing 14.75% of total revenue, increasing from THB 88.48 million, or 14.12% of total revenue, recorded in the same period of the previous year.

Operating profit increased by THB 12.65 million or 14%, mainly attributable to the growth in revenue and the Group's effective management of operating costs and expenses.

Finance Costs

Finance costs for the first quarter of 2026 amounted to THB 16.98 million, decreasing significantly from THB 47.56 million recorded in the same period of the previous year, representing a decrease of 64.30%.

The decrease was primarily attributable to the reduction of the Group's interest-bearing liabilities, particularly from the repayment of debentures and loans from financial institutions. As a result, the Group's financial ratios and overall financial position continued to improve steadily.

Net Profit

The Group reported net profit for the first quarter of 2026 amounting to THB 74.49 million, compared to THB 41.07 million recorded in the same period of the previous year, representing an increase of THB 33.42 million or 81.38%.

Such significant improvement was mainly attributable to both revenue growth and the substantial reduction in finance costs.

Financial Position

As of 31 March 2026, the Company and its subsidiaries reported total assets of THB 9,056 million, increasing by THB 129.11 million from the beginning of the year. Significant assets consisted of the following:

- Land, buildings and equipment, including investment properties, amounting to THB 5,771 million, representing approximately 64% of total assets.
- Cash and cash equivalents amounting to THB 1,129 million, representing approximately 12% of total assets.
- Trade and other current receivables amounting to THB 649 million, representing approximately 7% of total assets.
- Other current financial assets amounting to THB 640 million, representing approximately 7% of total assets.

During the quarter, there were no significant changes in the Company's asset structure, except for the reallocation of approximately THB 600 million from cash and cash equivalents to other current financial assets in the form of fixed deposits with financial institutions in order to obtain higher returns.

Total liabilities amounted to THB 2,005 million, continuing to decrease from the balance as of the end of 2025 as a result of the gradual repayment of interest-bearing liabilities. During the first quarter of 2026, total liabilities decreased by THB 90.22 million.

Total shareholders' equity amounted to THB 7,051 million, increasing by THB 219 million, primarily attributable to operating profit of THB 74 million and proceeds from a private placement capital increase amounting to THB 145 million.

Key Financial Ratios

The Group maintained a strong financial position, with key financial ratios summarized as follows:

- Debt to Equity Ratio (D/E) was 0.28 times.
- Interest-Bearing Debt to Equity Ratio was 0.15 times.
- Debt Ratio was 0.22 times.
- Interest-Bearing Debt to Assets Ratio was 0.12 times.

Cash Flows

The Group generated net cash flows from operating activities of THB 279 million, reflecting the Group's strong ability to generate cash flows from operations. Such cash flows were continuously utilized for investment activities, repayment of financial liabilities, and capital structure management of the Group.

Net cash used in investing activities amounted to THB 759 million, primarily consisting of fixed deposits with financial institutions amounting to THB 600 million and investments in land, buildings and equipment amounting to THB 159 million.

Meanwhile, net cash flows from financing activities increased by THB 35 million, mainly resulting from proceeds from issuance of ordinary shares amounting to THB 145 million, partially offset by repayment of loans from financial institutions amounting to THB 74 million, lease liability repayments amounting to THB 27 million, and interest payments amounting to THB 9 million.

Conclusion

The operating results of the Company and its subsidiaries for the first quarter of 2026 continued to improve in terms of revenue, operating profit, and financial position. Key supporting factors included the increase in industrial waste volume, the growth of the SRF business, effective cost management, and the significant reduction in finance costs. The Company expects the waste management and renewable energy businesses to continue growing steadily. Combined with the Group's strong financial position, adequate liquidity, and lower debt burden, these factors are expected to support the Group's sustainable long-term growth.

Please be informed accordingly.

Yours sincerely,

(Mr. Suthat Boonyaudomsart)

Director and Vice Managing Director of Accounting and Finance Controller