

8 May 2026

Subject: Explanation of operating results for the 3-month period ended 31 March 2026

To: The President
The Stock Exchange of Thailand

The explanation to the consolidated financial performance for the 3-month period ended 31 March 2026 as follows:

Summary of Operating Performance

Operating Performance

Sales Volume	Quarter 1/2026		Quarter 1/2025		Quarter 4/2025		YoY	QoQ
	Thousand tons	%	Thousand tons	%	Thousand tons	%	%	
Domestics	139.50	87.15	124.15	92.69	153.78	73.37	(9.29)	12.36
Overseas	20.57	12.85	9.80	7.31	55.82	26.63	(63.14)	110.01
Total	160.07	100.00	133.94	100.00	209.60	100.00	(23.63)	19.51

The Company's overall sales volume of biomass fuel in Q1/2026 was 160.07 thousand tons, a decrease of 23.63% compared to Q1/2025, due to the decrease in both domestic and overseas sales volumes.

Domestic sales volume

Domestic sales volume in Q1/2026 was 139.50 thousand tons, a decrease of 9.29% compared to Q1/2025, mainly due to the decrease in sales volume of fuel woodchip products. Although sales volumes of palm kernel shell products and refuse-derived fuel products continued to increase, they were not sufficient to offset the decrease in fuel woodchip products.

Overseas sales volume

Overseas sales volume in Q1/2026 was 20.57 thousand tons, a decrease of 63.14% compared to Q1/2025, mainly due to the decrease in export volume of eucalyptus woodchips. This was a result of the Company's strategic adjustment to focus on products with better returns in order to manage costs and maintain profitability. In addition, certain customers postponed their delivery schedules.

Financial Performance

Operating Results

Comprehensive Income Statement	For the year then ended March 31 st				
	2026		2025		YoY
	MB	MB	MB	MB	MB
Revenues					
Revenue from sales and rendering of service	400.89	98.76	539.95	99.85	(25.75)
Other income	5.04	1.24	0.79	0.15	537.37
Total Revenues	405.93	100.00	540.74	100.00	(24.93)
Expenses					
Cost of rendering of service	332.92	82.01	446.60	82.59	(25.45)
Cost of distribution	53.24	13.12	76.43	14.13	(30.34)
Administrative expenses	27.20	6.70	26.83	4.96	1.37
Total Expenses	413.36	101.83	549.86	101.69	(24.82)
Share of profit (loss) from investments in associated companies	(2.50)	(0.62)	1.06	0.20	(335.19)
Loss before interest and income tax benefit	(9.93)	(2.45)	(8.05)	(1.49)	23.26
Financial costs	6.73	1.66	7.29	1.35	(7.69)
Loss before income tax benefit	(16.66)	(4.10)	(15.35)	(2.84)	8.55
Income tax benefit	2.78	0.68	3.61	0.67	(23.00)
Loss for the period	(13.88)	(3.42)	(11.74)	(2.17)	(18.24)
Loss attributable to equity holders	(13.88)	(3.42)	(11.72)	(2.17)	(18.39)

The Company's operating results were as follows:

Revenue from sales of goods and rendering of services

Revenue from sales of goods and rendering of services in Q1/2026 amounted to Baht 400.89 million, a decrease of 25.75% compared to the same period of the previous year. The decrease was mainly due to lower revenue from eucalyptus woodchips and fuel woodchip products. Although revenue from palm kernel shell products and refuse-derived fuel products continued to increase, it was not sufficient to offset the decline in revenue from eucalyptus woodchips and fuel woodchip products.

Cost of sales of goods and rendering of services

Cost of sales of goods and rendering of services in Q1/2026 amounted to Baht 332.92 million, a decrease of 25.45% compared to Q1/2025, in line with the decrease in sales revenue.

The Company's gross profit margin was 16.95% in Q1/2026, decreasing from 17.29% in the same period of the previous year. This was mainly due to lower revenue from fuel woodchip products, which are products with a relatively high gross profit margin, resulting in a decrease in the Company's overall gross profit margin.

Distribution costs

Distribution costs in Q1/2026 amounted to Baht 53.24 million, a decrease of 30.34% compared to the same period of 2025. The decrease was mainly due to lower export freight costs and export-related expenses, in line with the decrease in export volume compared to the same period of the previous year.

Share of profit (loss) from investments in associates

In Q1/2026, the Company recognized a share of loss from investments in associates of Baht 2.50 million, compared to a share of profit of Baht 1.06 million in Q1/2025, representing a decrease of Baht 3.56 million. This was due to the decline in the operating results of the associates compared to the same period of the previous year, resulting in the recognition of a share of loss in this quarter.

Finance costs

Finance costs in Q1/2026 amounted to Baht 6.73 million, a decrease of 7.69% compared to the same period of the previous year, due to lower borrowings during the period.

In summary, the Company reported a net loss attributable to owners of the parent of Baht 13.88 million in Q1/2026, compared to a net loss attributable to owners of the parent of Baht 11.72 million in Q1/2025. The increase in net loss was mainly due to the decrease in revenue from sales of goods and rendering of services, particularly from fuel woodchip products, which led to a decrease in overall gross profit. However, the Company was able to reduce distribution costs and finance costs compared to the same period of the previous year.

Financial Position

Assets

Financial Position ASSETS	As of					
	March 31, 2026		December 31, 2025		Change	
	MB	%	MB	%	MB	%
Cash and cash equivalents	37.89	2.62	25.57	1.75	12.32	48.20
Trade and other current receivables	238.04	16.48	173.83	11.89	64.21	36.94
Inventories	61.22	4.24	151.10	10.33	(89.88)	(59.49)
Advance payment for goods	4.42	0.31	3.54	0.24	0.88	24.82
Total current assets	341.57	23.65	354.37	24.23	(12.80)	(3.61)
Other non-current financial assets	52.20	3.61	52.20	3.57	-	-
Investments in associates	340.95	23.60	345.05	23.59	(4.11)	(1.19)
Other non-current receivables	57.18	3.96	57.18	3.91	-	-
Investment properties	148.17	10.26	147.93	10.11	0.24	0.16
Assets held for rental	483.93	33.50	488.30	33.39	(4.37)	(0.90)
Other non-current assets	20.42	1.41	17.56	1.20	2.86	16.30
Total non-current assets	1,102.85	76.35	1,108.22	75.77	(5.38)	(0.49)
Total assets	1,444.42	100.00	1,462.60	100.00	(18.18)	(1.24)

Total assets as of March 31, 2026 decreased by 1.24% compared to the end of 2025. The key changes were as follows:

Cash and cash equivalents increased by 48.20%, mainly due to net cash generated from operating activities during the period.

Trade and other receivables increased by 36.94%, mainly from higher domestic sales of palm kernel shells toward the end of Q1/2026, resulting in higher outstanding receivables at the end of the period.

Inventories decreased by 59.49%, as the Company had reserved palm kernel shell inventories at the end of 2025 to support sales in Q1/2026 and the export plan in Q2/2026. As of the end of Q1/2026, inventories decreased in line with sales during the period.

Non-current operating assets decreased by 0.90%, mainly due to the disposal of seven unused vehicles, together with depreciation and amortization recognized during the period.

Liabilities and Equities

Financial Position	As of					
	March 31, 2026		March 31, 2026		March 31, 2026	
	MB	MB	MB	MB	MB	MB
LIABILITIES AND EQUITY						
Short-term loans	590.85	40.91	585.68	40.04	5.17	0.88
Trade and other current payable	58.28	4.03	59.24	4.05	(0.96)	(1.63)
Other current liabilities	2.44	0.17	0.48	0.03	1.97	412.46
Total current liabilities	651.57	45.11	645.40	44.13	6.17	0.96
Long-term loans and lease liabilities	50.95	3.53	59.65	4.08	(8.70)	(14.59)
Other non-current liabilities	12.26	0.85	11.87	0.81	0.39	3.30
Total non-current liabilities	63.21	4.38	71.52	4.89	(8.31)	(11.62)
Total liabilities	714.78	49.49	716.92	49.02	(2.14)	(0.30)
Shareholders' equity	729.64	50.51	745.67	50.98	(16.03)	(2.15)
Total liabilities and Shareholders' equity	1,444.42	100.00	1,462.60	100.00	(18.18)	(1.24)

Total liabilities and shareholders' equity as of March 31, 2026 decreased by Baht 18.18 million, or 1.24%, compared to the end of 2025, mainly due to a decrease in total liabilities from repayments of long-term borrowings, together with a decrease in shareholders' equity resulting from the loss incurred during the period.

The statement of cash flow

Cash flow	Q1/2026	Q1/2025
	Million Baht	
Net cash from (used in) operating activities	17.88	(141.42)
Net cash used in investing activities	(2.06)	(0.13)
Net cash from (used in) financing activities	(3.54)	133.87
Net increased (decreased) in cash and cash equivalents	12.29	(7.68)

Cash flows for Q1/2026 were as follows:

Net cash from operating activities amounted to Baht 17.88 million, mainly driven by a decrease in inventories of Baht 92.23 million as a result of the sale of inventories accumulated at the end of the previous year. Meanwhile, cash was used for an increase in trade and other current receivables of Baht 67.79 million, a decrease in trade and other current payables of Baht 4.91 million, and finance costs paid of Baht 6.95 million.

Net cash used in investing activities amounted to Baht 2.06 million, mainly from payments for purchases of equipment and intangible assets of Baht 4.34 million, offset by cash received from the disposal of vehicles of Baht 2.29 million.

Net cash used in financing activities amounted to Baht 3.54 million, resulting from repayments of long-term borrowings of Baht 8.65 million and lease liabilities of Baht 3.95 million, while cash received from short-term borrowings from financial institutions amounted to Baht 9.06 million.

Upcoming Projects

The Company plans to invest in the production and distribution of refuse-derived fuel with a focus on quality products that meet international standards. This investment aims to enhance the Company's sourcing capability to better meet customer demand, strengthen business partnerships, and broaden energy solutions available to customers.

This is submitted for your information.

Sincerely yours,

(Pongtham Danwungderm)

Deputy Managing Director

And Chief of Financial Officer (CFO)