



Management Discussion and Analysis

BBGI Public Company Limited

For the first quarter period
Ended March 31, 2026

*Driving Clean Energy Value
through Operational Excellence*

Executive Summary

Global economy in Q1/2026 faced unavoidable volatility stemming from unrest in the Middle East, which escalated in the latter part of the quarter and disrupted critical global maritime trade routes. These developments were a primary driver of the rapid rise in global crude oil prices, compounded by ongoing international trade tensions, prompting the International Monetary Fund (IMF) to revise its 2026 global growth forecast downward from 3.3% to 3.1%, under the assumption that the conflict may persist beyond the first half of the year. The situation is expected to have a continued impact on global energy infrastructure, particularly production capacity, which may require an extended period to recover. Such tight supply conditions would not only sustain elevated refined product price spreads, but also heighten the risk of stagflation, potentially forcing central banks to maintain restrictive monetary policies and raise interest rates further, placing downward pressure on global economic growth toward 2.0% during 2026–2027, presenting a significant challenge for the Thai economy.

Thai economy in Q1/2026 showed signs of slowdown from multiple external headwinds, including rising energy costs and accelerating inflation in line with global conditions, while domestic factors continued to weigh on consumer purchasing power amid persistent household debt and sluggish income recovery. The tourism sector, a key economic driver, was also affected by higher travel costs and safety concerns over cross-regional travel. Meanwhile, the export sector, although expanding in the early part of the quarter, began showing signs of deceleration due to uncertainty surrounding tariff policies from major trading partners and rising production costs. To support economic recovery, the Monetary Policy Committee (MPC) voted to cut the policy interest rate to 1% in February.

Sources: Krungsri Research, Bank of Thailand (BOT)

○ Geopolitical Context and Energy Security

Geopolitical tensions in the Strait of Hormuz, a critical global oil transit route, together with ongoing conflicts in the Middle East, have significantly heightened uncertainty over global energy supply. In early 2026, the intensification of these tensions tightened global energy markets and drove short-term price increases, materially impacting Thailand's Energy Security.

In addition, damage to energy infrastructure including production facilities, ports, pipeline systems, and utilities has introduced Supply Constraints. The extended timeline required for infrastructure restoration continues to keep supply conditions tight, placing visible cost pressures across the industrial supply chain in the periods ahead.



As a significant net importer of crude oil, particularly from the Middle East, Thailand has been directly affected through higher import costs, which have transmitted through to domestic energy prices. These developments underscore the importance of developing domestic energy sources and the role of renewable energy as a mechanism for stabilizing long-term energy supply. This aligns with ongoing policy efforts to promote the use of Biofuel, a key instrument for strengthening Energy Security and reducing dependence on imported energy.

Although geopolitical tensions are expected to gradually ease in the period ahead, the contraction of fossil fuel supply in global markets will continue to exert upward pressure on energy costs, further reinforcing the strategic role of the Biofuel business as a vital alternative for energy stabilization and as a contributor to agricultural and domestic industrial income.

Q1/2026 Business Performance Summary

Sales Volume (Million Liters)	Q1/2026	Q1/2025	YoY	Q4/2025	QoQ
Biodiesel (B100)	94.88	87.19	9%	83.85	13%
Ethanol	68.40	66.65	3%	64.83	6%

○ Biodiesel Business

Amid heightened global energy price volatility, the government carefully considered energy policy measures, recognizing Biodiesel (B100) as a key mechanism for enhancing Energy Security and reducing dependence on imported oil. Accordingly, the Department of Energy Business announced an increase in the biodiesel blending ratio in diesel fuel to B7 (from B5), effective 14 March to 13 June 2026, with the objectives of strengthening diesel supply adequacy to meet rising consumer demand and supporting agricultural income, contributing to an expansion in biodiesel demand.

As reflected in the table above, Biodiesel (B100) sales volume for Q1/2026 grew both YoY and QoQ, driven by full utilization of production capacity, with primary support from increased diesel demand following geopolitical tensions in early March, which prompted the announcement of the B7 blending ratio adjustment to address external market volatility. BBGI Public Company Limited ("the Company") proactively managed its supply to meet the surge in demand.

In addition, on 26 March 2026, the government introduced further measures to promote the use of B20 diesel, setting its retail price below that of standard diesel (B7) to support the agricultural and transportation sectors. This is expected to serve as an additional demand driver for biodiesel going forward and reflects the regulator's commitment to leveraging renewable energy for sustainable national energy stability.



Driving Clean Energy Value
through Operational Excellence



BBGI Public Company Limited (BBGI)

○ Ethanol Business

The government has continued to advance plans promoting renewable energy use in the transportation sector amid global energy price volatility, with ethanol recognized as a key mechanism for strengthening Energy Security and reducing dependence on imported fuel. Effective 18 March 2026, the government announced measures to drive adoption of E20 and E85 gasohol through price structure adjustments designed to incentivize consumers to shift toward higher ethanol-blend products, offering greater energy cost-effectiveness while adding value to agricultural crops, namely sugarcane and cassava. These supportive factors have driven continued growth in domestic ethanol demand.

As reflected in the table above, ethanol sales volume for Q1/2026 trended upward both YoY and QoQ, driven by full utilization of production capacity, continuous production efficiency improvements, and effective cost risk management, in line with the Company's production plan and the mid-March gasohol promotion, which restructured the price differential to incentivize consumers to adopt E20 through enhanced cost-effectiveness, generating a direct positive impact on overall ethanol demand.

In this context, the Company's ethanol sales volume increased in line with market demand. The Company also continued to maintain strict cost discipline, focusing on optimizing raw material procurement costs, efficient production planning and control, and Waste Reduction to strengthen its resilience against supply chain uncertainty.

Reference Average Price (THB/Liter)	Q1/2026	Q1/2025	YoY	Q4/2025	QoQ
Biodiesel (B100)	36.94	46.20	-20%	37.05	-0.3%
Ethanol	20.82	21.95	-5%	19.80	5%

Source: Energy Policy and Planning Office (EPPO), Ministry of Energy

During the first half of Q1/2026, domestic crude palm oil (CPO) prices declined more sharply than global markets, driven by oversupply conditions and intense competition. However, as geopolitical tensions escalated in late February, CPO prices gradually recovered through March, further supported by the implementation of the B7 biodiesel blending mandate (effective 14 March to 13 June 2026). Nonetheless, these tailwinds were insufficient to offset the price decline in the early part of the quarter, resulting in the average reference Biodiesel (B100) price for Q1/2026 falling 20% YoY and 0.3% QoQ, reflecting continued market pressure from prior-period oversupply.

For ethanol, the average reference price for Q1/2026 declined 5% YoY, reflecting lower costs of key feedstocks, namely molasses and cassava, as domestic supply increased from the prior year. Nonetheless, prices showed signs of recovery, rising 5% QoQ, supported by expanding export market demand for cassava, a drawdown in domestic ethanol inventories consistent with forward export commitments carried over from the prior quarter, and accelerating E20 demand driven by energy cost relief measures targeting the public.

The Company anticipates that volatility in energy and raw material prices will persist through the short to medium term, potentially affecting the industry's cost structure. The Company will continue to monitor and assess the situation proactively, while aligning production and sales with market demand to sustain business stability and enhance long-term revenue generation.

Company Performance

Unit: THB Million	Q1/2026	Q1/2025	YoY	Q4/2025	QoQ
Revenue from sale of goods	4,849	5,387	-10%	4,295	13%
Gross profit (loss)	410	280	47%	242	69%
Profit (loss) attributable to owners of the parent	265	129	106%	100	164%

For Q1/2026 BBGI Public Company Limited (“the Company”) and its subsidiaries recorded (“the Group”) reported revenue from sale of goods of THB 4,849 million (-10% YoY, +13% QoQ), with EBITDA of THB 406 million (+41% YoY, +68% QoQ), and profit attributable to owners of the parent of THB 265 million (+106% YoY, +164% QoQ). A summary of performance by business segment is as follows.

▲ YoY	▲ QoQ
<p>Biodiesel Business (B100)</p> <p>(-) The business recorded a decline in gross profit due to intense competition. However, the Company benefited from the increase in the base diesel blending ratio to B7 toward the end of the quarter.</p>	<p>(+) The business recorded an increase in gross profit driven by higher sales volume to meet seasonal demand from the transportation and agricultural sectors, further supported by the increase in the base diesel blending ratio to B7 toward the end of the quarter.</p>
<p>Ethanol Business</p> <p>(+) The business recorded an increase in gross profit through production efficiency improvements and effective raw material cost management, resulting in lower production costs.</p>	<p>(+) The business recorded an increase in gross profit in line with gradually recovering average ethanol selling prices amid easing competitive pressure, supported by production efficiency improvements and effective raw material cost management, resulting in lower production costs.</p>

Significant Events in Q1/2026

○ Annual dividend payment for FY2025 at THB 0.15 per share

On Wednesday, 8 April 2026, the Company held its 2026 Annual General Meeting of Shareholders via electronic meeting (E-Meeting) at the Baimai Meeting Room, M Tower Building. The meeting approved all agenda items as proposed by the Board of Directors, including the allocation of net profit for FY2025 as a legal reserve in the amount of THB 14,135,000, representing 77% of net profit from the separate financial statements, and the payment of an annual dividend for FY2025 at THB 0.15 per share, totaling approximately THB 216,900,000, with the dividend payment date set for 30 April 2026.

Group Business Performance

Unit: THB Million	Q1/2026	Q1/2025	YoY	Q4/2025	QoQ
Revenue from sale of goods	4,849	5,387	-10%	4,295	13%
Cost of sales of goods	(4,439)	(5,108)	-13%	(4,053)	10%
Gross profit (loss)	410	280	47%	242	69%
Other income	5	4	43%	4	40%
Distribution costs and administrative expenses	(115)	(104)	10%	(130)	-11%
Share of profit (loss) of associate and joint venture	(9)	(8)	-14%	(7)	-240%
Profit before finance costs and income tax	291	172	69%	124	134%
Finance costs	(12)	(20)	-38%	(14)	-14%
Tax income (expense)	(14)	(24)	-41%	(11)	36%
Profit (loss) for the period	264	128	107%	100	165%
Profit (loss) attributable to owners of the parent	265	129	106%	100	164%
Basic earnings per share (Baht)	0.18	0.09		0.07	

Q1/2026 Performance Overview, the Group reported revenue from sale of goods of THB 4,849 million (-10% YoY, +13% QoQ), EBITDA of THB 406 million (+41% YoY, +68% QoQ), and profit attributable to owners of the parent of THB 265 million (+106% YoY, +164% QoQ), equivalent to earnings of THB 0.18 per share.

A summary of key performance highlights by business segment is as follows.

○ Revenue from sale of goods

The Group reported revenue from sale of goods of THB 4,849 million, declining to THB 538 million or 10% YoY due to lower product selling prices, and increasing THB 554 million or 13% QoQ driven by higher sales volume.

○ Gross Profit

The Group recorded gross profit of THB 410 million, increasing THB 130 million or 47% YoY and THB 168 million or 69% QoQ, primarily driven by continuous production efficiency improvements and raw material cost management in the ethanol business, resulting in a reduction in unit production costs.

○ Distribution costs and administrative expenses

The Group recorded selling and administrative expenses of THB 115 million, increasing 11 million or 10% YoY and decreasing THB 15 million or 11% QoQ, mainly due to changes in administrative expenses in line with normal business activities.

○ Profit for the period

The Group recorded profit attributable to owners of the parent of THB 265 million, increasing THB 136 million or 106% YoY and THB 164 million or 164% QoQ, reflecting the Company's focus on production efficiency improvements, cost reduction, and prudent risk management.



Driving Clean Energy Value
through Operational Excellence



BBGI Public Company Limited (BBGI)

Financial Position

Unit: THB Million	31 March 2026	31 December 2025
Total assets	13,424	12,682
Total liabilities	3,684	3,339
Total equity	9,740	9,343

○ Assets

As of 31 March 2026, the Group reported total assets of THB 13,424 million, increasing THB 742 million or 6% compared to 31 December 2025, comprising current assets of THB 4,163 million or 31% of total assets, and non-current assets of THB 9,261 million or 69% of total assets. Key changes during the period included trade receivables increasing THB 575 million, in line with higher sales volume and selling prices, and inventories increasing THB 259 million, driven by seasonal raw material stockpiling.

○ Liabilities

As of 31 March 2026, the Group reported total liabilities of THB 3,684 million, increasing THB million or 10% compared to 31 December 2025, comprising current liabilities of THB 2,816 million or 76% of total liabilities, and non-current liabilities of THB 869 million or 24% of total liabilities. Key changes during the period included trade payables increasing THB 633 million in line with higher crude palm oil procurement to meet demand following the increase in the base diesel blending ratio to B7, short-term borrowings from financial institutions decreasing THB 335 million, and long-term borrowings decreasing THB 72 million.

○ Equity

As of 31 March 2026, the Group reported total equity of THB 9,740 million, increasing THB 397 million or 4% compared to 31 December 2025.

Cash Flow

As of 31 March 2026, the Group reported cash and cash equivalents of THB 631 million, with details as follows.

Unit: THB Million	31 March 2026	31 March 2025
Net cash from (used in) operating activities	619	625
Net cash from (used in) investing activities	(32)	(95)
Net cash from (used in) financing activities	(357)	(447)
Net increase (decrease) in cash and cash equivalents	230	83
Cash and cash equivalents at the beginning of the period	401	547
Cash and cash equivalents at the end of the period	631	630

- **Net cash from operating activities** of THB 619 million, with key items comprising net profit from operations of THB 264 million and cash inflows from trade receivables of THB 575 million, partially offset by cash payments to trade payables of THB 633 million for raw material procurement during the harvest season.
- **Net cash used in investing activities** of THB 32 million, primarily from capital expenditure for production efficiency improvements.
- **Net cash used in financing activities** of THB 357 million, primarily from the repayment of short-term borrowings from financial institutions of THB 335 million, reflecting prudent credit management.

Key Financial Ratios

	Q1/2026	Q1/2025	Q4/2025
Gross Profit Margin (%)	8.45%	5.19%	5.63%
Net Profit Margin (%)	5.45%	2.38%	2.32%
Return on Equity (ROE) (%)	4.49%	2.38%	3.06%
Return on Assets (ROA) (%)	4.10%	3.05%	3.17%
Current Ratio (Times)	1.48	1.44	1.44
Interest-Bearing Debt to Equity (IBD/E) (Times)	0.22	0.28	0.26

Note:

Gross Profit Margin (%)	= Gross Profit / Total Revenue
Net Profit Margin (%)	= Net Profit / Total Revenue
Return on Equity (ROE) (%)	= Profit (Loss) Attributable to Owners of the Parent / Average Total Equity Attributable to Owners of the Parent
Return on Assets (ROA) (%)	= Profit (Loss) Before Finance Costs and Income Tax Expense / Average Total Assets
Current Ratio (Times)	= Current Assets / Current Liabilities
Interest-Bearing Debt to Equity (IBD/E) (Times)	= Interest Bearing Debt / Total Equity



Driving Clean Energy Value
through Operational Excellence



BBGI Public Company Limited (BBGI)

Corporate Sustainability Operations

In Q1/2026, the Company faced volatility arising from unrest in the Middle East, which impacted business operations. Nonetheless, the Company continued to operate under principles of prudence, transparency, and good corporate governance, while closely monitoring and assessing risks with contingency plans in place to maintain energy security stability amid such developments. The Company places importance on maintaining financial discipline with the goal of delivering sustainable returns to shareholders as a cornerstone for strengthening long-term organizational resilience and sustainability, while continuously promoting business innovation and striving to maintain a balance between economic growth, environmental stewardship, and social responsibility principles the Company has consistently upheld. The Company's sustainability operations are as follows.

- 1. Environmental Dimension** The Company places importance on efficient energy use in the production process in alignment with government policy measures, and remains committed to driving its environmental strategy under the Operational Excellence framework on a continuous basis, with the aim of enhancing operational efficiency alongside reducing environmental impact across the value chain in a tangible manner, with key highlights as follows.
 - **Climate Change:** The Company has set a greenhouse gas emission intensity target of 182 tons of CO₂ equivalent per one million liters of product. Current performance stands at 105 tons of CO₂ equivalent per one million liters of product, significantly below the target, achieved through consistent and effective utility management throughout the production process.
 - **Water Security:** In anticipation of El Niño conditions expected to cause drought and below-average rainfall, posing water scarcity risks to the agricultural sector, the Company has implemented proactive water management through an effective monitoring and surveillance system. This includes tracking water levels in key water sources and analyzing Water-Stressed Areas in conjunction with climate variability factors to support appropriate production planning. At the same time, the Company has strengthened strategic partnerships with local partners, business partners, and relevant government agencies to establish systematic and collaborative water management approaches, helping to mitigate risks and ensure the long-term sustainability of water resources.
- 2. Social Dimension** The Company is committed to strengthening Energy Security to mitigate the impact of the energy crisis amid global uncertainty, while maintaining a balance among stakeholder interests alongside building economic resilience for communities and conducting business with social responsibility. The Company remains dedicated to contributing to quality-of-life improvement and creating benefits for stakeholders based on the principle of respect for human rights across all dimensions of business conduct. The Company places strict importance on compliance with laws and standards related to safety, occupational health, and working environment to ensure the highest



level of safety for employees, contractors, and all related parties, while continuously promoting a safety culture at all levels of the organization.

- **Occupational Health & Safety:** The Company, in collaboration with the Bangchak Group, organized the "Go to Zero Accident" event to declare its commitment to occupational health, safety, and working environment, with a concrete aim of achieving Zero Accident. The initiative emphasizes three key factors: management commitment, systematic development of a safety culture, and raising safety awareness and behavioral change at all organizational levels, reinforcing that safety is a shared responsibility of every employee.
- **Corporate Social Responsibility:**
 - BBGI Bio Ethanol Public Company Limited, Nam Phong Branch, Khon Kaen Province, conducted community outreach activities to meet with local farmers to exchange views and build understanding on the use of "soil amendment solution," a by-product of the ethanol production process, to enable its appropriate and correct use in agriculture.
 - BBGI Bio Ethanol Company Limited (Chachoengsao) organized the "Fry to Fly" project to collect used cooking oil and conducted community outreach to promote the project, encouraging proper and environmentally friendly waste management by reducing the disposal of used cooking oil into natural water sources, mitigating environmental pollution, and promoting waste recycling.

3. **Corporate Governance and Economic Dimension** The Company operates with prudence, transparency, and a steadfast commitment to good corporate governance, alongside maintaining financial discipline, with the goal of delivering sustainable returns to shareholders as a cornerstone for strengthening long-term organizational resilience and sustainability, while creating appropriate value for all stakeholders. Considering the conflict situation in the Middle East, the Company has assessed the impact on its supply chain and manages significant risks as follows.

- Certain raw materials and chemicals are sourced from regions affected by the situation. The Company has therefore implemented proactive risk management measures, including diversifying sourcing, adding new suppliers from other regions, and entering long-term contracts with partners, to strengthen the security and continuity of the supply chain over the long term.
- The Company places importance on maintaining production stability and continuity to support national Energy Security and help mitigate the impact of the energy crisis.
- The Company promotes the use of domestic biofuels in line with government policy, such as B7, B20, and E20, contributing to a growing trend in demand for alternative energy, reducing energy imports, and helping to reduce pollutant emissions.