No. BWG-CFO 003/2026

13 August 2026

Subject Management Discussion and Analysis of Financial Position and Operating Results

To President

The Stock Exchange of Thailand

Better World Green Public Company Limited and its subsidiaries (the "Group") would like to provide the Management Discussion and Analysis of the Group's operating results and financial position for the second quarter and the six-month period ended 30 June 2026, as follows:

Overview of Operating Results

In Q2/2026, the Group recorded total revenue of Baht 756.60 million, an increase of Baht 121.20 million or 19.07% from the same quarter of the previous year. The growth was driven by the industrial waste management business, where revenue increased in line with a higher level of business activities and the adjustment of the service fee structure to appropriately reflect the types and characteristics of services provided. Meanwhile, revenue from electricity sales of the Group's subsidiaries increased in line with the improvement in electricity generation and sales volume.

For the first six months of 2026, the Group recorded total revenue of Baht 1,442.01 million, an increase of Baht 179.80 million or 14.25% from the corresponding period of the previous year. Revenue from the industrial waste management business increased by 23.22%, while revenue from electricity sales remained broadly in line with the previous year.

In terms of profitability, the Group recorded net profit of Baht 35.47 million in Q2/2026, an increase of Baht 6.19 million or 21.13% from the same quarter of the previous year. Although certain expenses increased due to machinery maintenance, finance costs decreased significantly from Baht 47.45 million to Baht 18.88 million.

For the six-month period, the Group recorded net profit of Baht 109.96 million, an increase of Baht 39.61 million or 56.30%. Profit attributable to owners of the parent amounted to Baht 58.74 million, an increase of 47.59% from the corresponding period of the previous year. The key contributing factors were growth in revenue from the Group's core businesses and lower finance costs following the reduction in interest-bearing debt.

Item (Baht million)	Q2/2026	Q2/2025	Change	6M/2026	6M/2025	Change
Total revenue	756.60	635.40	+19.07%	1,442.01	1,262.21	+14.25%
Revenue from sales and services	750.79	629.68	+19.23%	1,430.59	1,251.23	+14.33%
Gross profit	176.22	170.26	+3.50%	363.20	344.89	+5.31%
Profit from operating activities	50.45	80.90	-37.64%	151.58	169.39	-10.51%
Finance costs	18.88	47.45	-60.22%	35.86	95.01	-62.26%
Net profit	35.47	29.28	+21.13%	109.96	70.35	+56.30%
Profit attributable to owners of the parent	11.44	17.59	-34.99%	58.74	39.80	+47.59%
EBITDA	174.33	207.95	-16.17%	396.29	421.20	-5.91%

Operating Results

Revenue from Sales and Services

Revenue from sales and services in Q2/2026 amounted to Baht 750.79 million, an increase of Baht 121.10 million or 19.23% from the same quarter of the previous year. For the six-month period, revenue from sales and services amounted to Baht 1,430.59 million, an increase of Baht 179.36 million or 14.33%. The industrial waste management business remained the Group's core business, with revenue increasing by 23.73% in Q2/2026 and 23.22% for the six-month period compared with the previous year. The increase was attributable to improvements in both service volume and average service fees. The Group's total industrial waste volume increased by approximately 8.8% in Q2 and approximately 15.7% for the six-month period, while overall average service fees increased by approximately 27% in Q2 and approximately 10% for the six-month period. The Group does not disclose the actual waste volume or service fee amounts as such information is commercially sensitive and relevant to competition.

The electricity business of the Group's subsidiaries generated revenue of Baht 185.22 million in Q2/2026, an increase of approximately 10.45% from the previous year, in line with higher electricity generation and sales volume. Revenue for the six-month period amounted to Baht 360.16 million, broadly in line with the previous year. Revenue from the ETC and AVA power plants increased, while RH temporarily suspended operations for maintenance during Q1/2026.

For the solid recovered fuel (SRF) business, the Group continued to focus on managing production volume, fuel quality and production costs in line with demand from both customers within and outside the Group. In Q2/2026, a major scheduled maintenance of RDF machinery was carried out, resulting in a non-recurring increase in the business's costs during the quarter.

Gross Profit

In Q2/2026, the Group recorded gross profit of Baht 176.22 million, an increase of Baht 5.96 million or 3.50% from the same quarter of the previous year. Gross profit margin was approximately 23.47%, compared with 27.04% in the previous year. The industrial waste management business continued to generate a healthy level of gross profit, while costs in the SRF and electricity businesses increased due to maintenance and production-related costs.

For the six-month period, gross profit amounted to Baht 363.20 million, an increase of Baht 18.31 million or 5.31% from the previous year, reflecting revenue growth from the Group's core businesses. Gross profit margin was 25.39%, compared with 27.56% in the corresponding period of the previous year, mainly due to higher cost structures in certain businesses during the first half of the year.

Expenses and Profit from Operating Activities

In Q2/2026, service expenses, administrative expenses and management remuneration totaled Baht 131.57 million, increasing from the previous year, mainly due to the higher level of business activities, maintenance expenses and costs associated with asset management. As a result, profit from operating activities in Q2/2026 amounted to Baht 50.45 million.

For the six-month period, profit from operating activities amounted to Baht 151.58 million. EBITDA for the six-month period was Baht 396.29 million, which continued to reflect the Group's strong ability to generate operating performance from its assets and core businesses.

Finance Costs and Net Profit

Finance costs continued to decrease significantly as the Group progressively reduced its interest-bearing debt. Finance costs in Q2/2026 amounted to Baht 18.88 million, a decrease of 60.22% from the previous year, and amounted to Baht 35.86 million for the six-month period, a decrease of 62.26%. The reduction in finance costs supported the increase in the Group's net profit to Baht 35.47 million in Q2/2026 and Baht 109.96 million for the six-month period, despite certain asset maintenance expenses incurred during the period.

Financial Position

Assets

As at 30 June 2026, the Group had total assets of Baht 9,020.01 million, an increase of Baht 92.69 million or 1.04% from the end of 2025. Current assets amounted to Baht 2,599.79 million, representing 28.82% of total assets, while non-current assets amounted to Baht 6,420.22 million, representing 71.18% of total assets.

Significant asset items were as follows:

- Property, plant and equipment of Baht 5,476.90 million, representing 60.72% of total assets
- Cash and cash equivalents of Baht 1,086.77 million, representing 12.05% of total assets
- Trade and other current receivables of Baht 731.98 million, representing 8.12% of total assets
- Other current financial assets of Baht 640.00 million, representing 7.10% of total assets, comprising fixed deposits with maturities exceeding three months and Government Savings Bank lottery savings certificates, as part of the Group's liquidity and surplus cash management to achieve appropriate returns
- Restricted deposits at financial institutions of Baht 471.74 million, representing 5.23% of total assets

During the first six months of 2026, there were no material changes in the Group's assets, except for the reallocation of Baht 600.00 million from cash and cash equivalents to other current financial assets (fixed deposits with financial institutions) in order to earn higher returns.

Liabilities and Shareholders' Equity

As at 30 June 2026, the Group had total liabilities of Baht 2,043.07 million, a decrease of Baht 52.57 million or 2.51% from the end of 2025, while shareholders' equity increased to Baht 6,976.94 million, an increase of Baht 145.26 million.

Total interest-bearing debt amounted to approximately Baht 1,163.76 million. The debt-to-equity ratio (D/E) was approximately 0.29 times and the interest-bearing debt-to-equity ratio was approximately 0.17 times, reflecting the Group's continued strong capital structure.

During the period, the Company received net proceeds of approximately Baht 144.84 million from the issuance of new ordinary shares under a General Mandate and managed its long-term sources of borrowings to align with its debt structure and the timing of funding requirements. As at 30 June 2026, the Company was in compliance with the financial covenants under the terms and conditions of its debentures.

Cash Flows

For the first six months of 2026, the Group generated net cash flows from operating activities of Baht 314.59 million, reflecting its continued ability to generate cash flows from its core businesses.

Net cash used in investing activities amounted to Baht 793.52 million, mainly attributable to an investment of Baht 600.00 million in other current financial assets and investments in property, plant and equipment to support operations and enhance business efficiency.

Net cash used in financing activities amounted to Baht 8.41 million. During the period, the Group received proceeds of Baht 144.84 million from the capital increase and Baht 155.00 million from long-term borrowings. Meanwhile, the Group made repayments of long-term borrowings and lease liabilities, and paid dividends and interest in the ordinary course of business.

As a result, cash and cash equivalents at the end of the period amounted to Baht 1,086.77 million. When considered together with other current financial assets of Baht 640.00 million, the Group continued to maintain a high level of liquidity, with a current ratio of approximately 2.88 times.

Significant Events after the Reporting Period

Subsequent to the end of the reporting period, on 15 July 2026, the Company received an order from the Department of Industrial Works to cease operations specifically in the hazardous waste landfill section and to complete the required corrective actions within the prescribed period. The Company has complied with the order and exercised its legal right to file an appeal requesting a review of the order. Based on the Company's preliminary assessment, the event is not expected to have a material impact on the continuity of the Group's overall operations. The Company is monitoring the appeal process and assessing the related impacts.

Conclusion

The Group's operating results for the first six months of 2026 reflected growth in its core businesses, particularly the industrial waste management business, while the electricity business continued to generate recurring revenue. The Group maintained growth in gross profit, while net profit increased significantly as a result of revenue growth and lower finance costs.

For the second half of the year, the Group will focus on improving operating efficiency and cost management across each business segment, particularly controlling SRF production costs, managing maintenance of machinery and power plants, maintaining service quality and appropriate service fee levels, as well as managing liquidity and capital structure with financial discipline to support sustainable profit and cash flow generation over the long term.

Please be informed accordingly.

Yours sincerely,

(Mr. Suthat Boonyaudomsart)

Director and Deputy Managing Director, Accounting and Finance