THACHANG GREEN ENERGY

EMPOWERING SUSTAINABILITY

Management Discussion and Analysis (MD&A)

Quarter 2/26

Thachang Green Energy Public Company Limited

EXECUTIVE SUMMARY

OPERATING HIGHLIGHT	Q2/26	Q2/65	Change +/-	1H/26	1H/25	Change +/-
Unit : THB Million			%YoY			%YoY
Operating Revenue	**220.3**	**251.4**	**(12.4%)**	**467.0**	**473.2**	**(1.3%)**
Gross Profit	66.4	97.7	(32.1%)	144.8	166.5	(13.0%)
EBITDA	89.2	121.6	(26.7%)	183.6	214.1	(14.2%)
Net Profit	**47.3**	**72.8**	**(35.0%)**	**96.0**	**117.9**	**(18.5%)**
Gross Profit Margin	30.1%	38.9%	(8.7%)	31.0%	35.2%	(4.2%)
EBITDA Margin	40.5%	48.4%	(7.9%)	39.3%	45.2%	(5.9%)
Net Profit Margin	21.5%	29.0%	(7.5%)	20.6%	24.9%	(4.3%)

* Excluding revenue and costs from construction under concession agreement

YoY 1H/26 vs 1H/25 and Q2/26 vs Q2/25

In the first 6 months of 2026, the Group reported operating revenue of Baht 467.0 million, slightly decreased by Baht 6.2 million or 1.3%, and reported net profit of Baht 96.0 million, decreased by Baht 21.9 million or 18.5%. The main factors are;

(i) Revenue from electricity sales under the main power purchase agreement decreased due to machinery shutdown for maintenance;
(ii) Higher raw material cost per unit of electricity production, and
(iii) Higher administrative expenses from a loss on disposal of damaged machinery parts, net against insurance compensation income recognized in the same period, net with
(iv) Revenue of Baht 8.9 million from electricity sales under the additional power purchase agreement, which the Group renewed and has recognized as revenue since Q2 2025;
(v) Revenue from biogas power plant management increased by Baht 1.9 million, and
(vi) Lower finance costs from loan repayments to financial institutions according to the loan agreements.

In Q2/2026, the Group recorded operating revenue of Baht 220.3 million, decreased by Baht 31.1 million or 12.4%, and net profit of Baht 47.3 million, decreased by Baht 25.5 million or 35.0%, compared to Q2/2025. The main factors were revenue from electricity sales under the main power purchase agreement decreasing due to machinery shutdown for maintenance, and higher raw material costs per unit of electricity production.

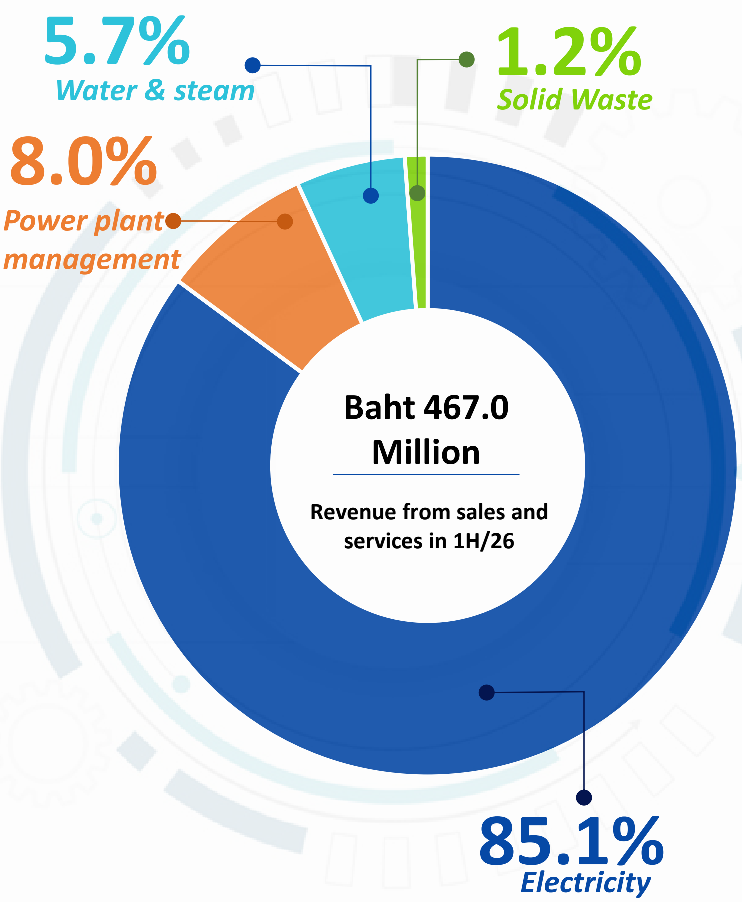
Factors affecting the future's operation

The Group anticipates 2026 operating results to decline from 2025 due to machinery damage, which has affected the electricity sales efficiency of one company within the Group. However, the Group is in the process of upgrading and improving the efficiency of power generation at its biomass power plants, and is committed to increasing installed production capacity through expanding investment in its municipal waste power plants.

OPERATING RESULT IN Q2'26

OVERALL OPERATING RESULTS	Q2/26	Q2/25	Change +/-	1H/26	1H/25	Change +/-
Unit : THB Million			%YoY			%YoY
Operating Revenue	220.3	251.4	(12.4%)	467.0	473.2	(1.3%)
Cost of Sales	(153.9)	(153.7)	0.2%	(322.2)	(306.7)	5.0%
Gross Profit	**66.4**	**97.7**	**(32.1%)**	**144.8**	**166.5**	**(13.0%)**
Other Income	2.0	2.7	(26.1%)	13.0	2.9	>100%
Administrative Expenses	(16.8)	(18.4)	(8.5%)	(48.9)	(32.5)	50.4%
Finance Cost	(4.1)	(7.0)	(42.0%)	(9.1)	(15.0)	(39.5%)
Profit before Income tax expense	**47.3**	**75.6**	**(37.5%)**	**99.1**	**122.5**	**(19.1%)**
Tax expense	(0.0)	(2.8)	(100.8%)	(3.0%)	(4.6)	(34.0%)
Net Profit	**47.3**	**72.8**	**(35.0%)**	**96.0**	**117.9**	**(18.5%)**

Operating Revenue Structure



REVENUE FROM ELECTRICITY

Energy from Biomass consists of 3 projects: TGE, TPG, and TBP. The raw material used to produce electricity is biomass. There is total capacity of 29.7 MW, distributed to the PEA and other industry customers.

***Community Waste Power Plant** consists of 5 projects that entered into PPA with PEA. In addition, there are other 2 projects in the business plan for expansion of installed capacity and electricity sale.

REVENUE FROM POWER PLANT MANAGEMENT

Revenue from the power plant management service provided by TGE to Thachang Biogas Co., Ltd., and the compensation is based on operation's efficiency.

REVENUE FROM WATER AND STEAM

Revenue from the sale of reverse osmosis (RO) water and steam to private companies in industry group customer.

REVENUE FROM SOLID WASTE MANAGEMENT

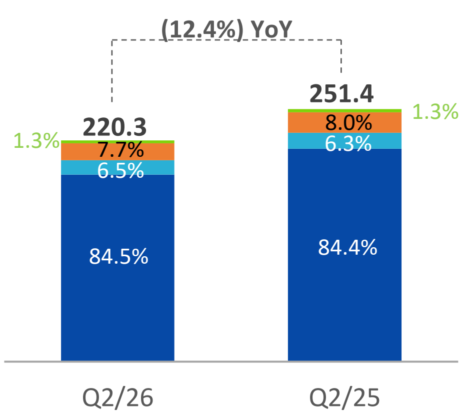
Revenue generated from the waste power plant in Sa Kaeo province, which is derived from waste disposal service for local authorities and related municipalities in the province. Other power plants commence service once the power plants start their commercial operation.

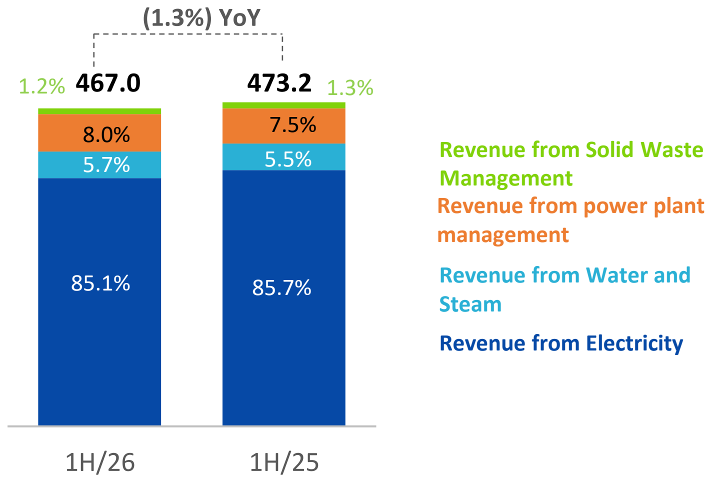
BUSINESS OVERVIEW BY CATEGORY

REVENUE BREAKDOWN	Q2/26	Q2/25	Change +/-	1H/26	1H/25	Change +/-
(Unit : THB Million)			%YoY			%YoY
Revenue from Electricity Sale	186.1	212.2	(12.3%)	397.6	405.7	(2.0%)
Revenue from biogas power plant management	16.9	20.2	(16.5%)	37.3	35.3	5.6%
Revenue from Water and Steam Sale	14.4	15.8	(8.8%)	26.6	26.2	1.5%
Revenue from Solid Waste Management	2.9	3.2	(10.3%)	5.5	6.0	(7.9%)
Total Revenue from sales and services	**220.3**	**251.4**	**(12.4%)**	**467.0**	**473.2**	**(1.3%)**
Revenue from cost of Construction under the Concession Agreement	6.5	71.6	(90.9%)	48.6	140.6	(65.4%)
Total Operating Revenue	**226.8**	**323.0**	**(29.8%)**	**515.6**	**613.8**	**(16.0%)**
Other Income	2.0	2.7	(26.1%)	13.0	2.9	>100%
Total Revenue	**228.8**	**325.7**	**(29.8%)**	**528.6**	**616.7**	**(14.3%)**

1. Revenue from sales and services

Unit: Million Baht, %





YOY **1H/26 vs 1H/25 and Q2/26 vs Q2/25**

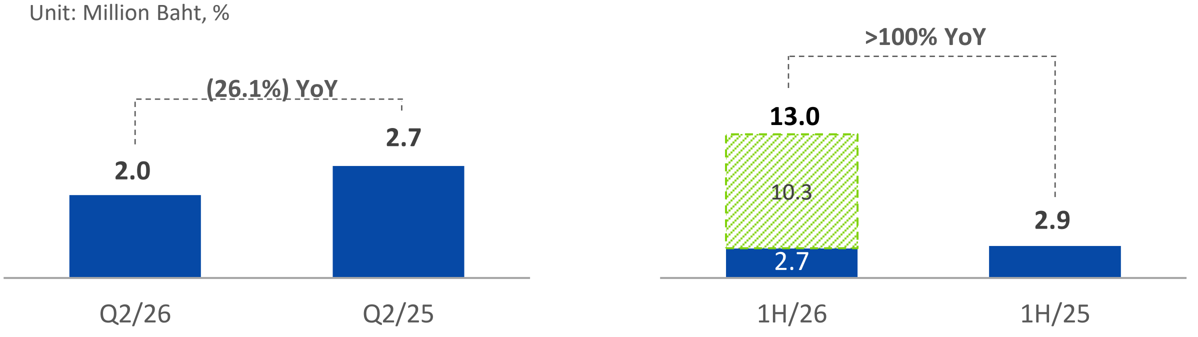
In the first 6 months of 2026, the Group recorded operating revenue of Baht 467.0 million, a decrease of Baht 6.2 million or 1.3% compared to the first 6 months of 2025. The main factors were as follows:

- Revenue from Electricity Sale is the Group's core revenue source. In 1H/2026, it amounted to Baht 397.6 million, a decrease of Baht 8.1 million or 2.0%, mainly due to (i) revenue from electricity sales under the main power purchase agreement decreasing by Baht 6.5 million due to machinery shutdown for maintenance at a company within the Group, and (ii) revenue from electricity sales to related parties decreasing by Baht 10.5 million, net against (iii) revenue from electricity sales under the additional power purchase agreement increasing by Baht 8.9 million, which was renewed and has generated electricity sales since May 2025.
- Revenue from power plant management: was Baht 37.3 million, an increase of Baht 2.0 million or 5.6%, in line with the volume of wastewater, which is the raw material for the biogas power plant.
- Revenue from Water and Steam Sale: was Baht 26.6 million, a slight increase of THB 0.4 million or 1.5%.
- Revenue from Solid Waste Management: was Baht 5.5 million, a slight decrease of THB 0.5 million or 7.9%.

In Q2/2026, the Group recorded operating revenue of Baht 220.3 million, a decrease of Baht 31.1 million or 12.4% compared to Q2/2025, mainly due to revenue from electricity sales under the main power purchase agreement decreasing according to the reasons stated above.

2. Other Income

Unit: Million Baht, %

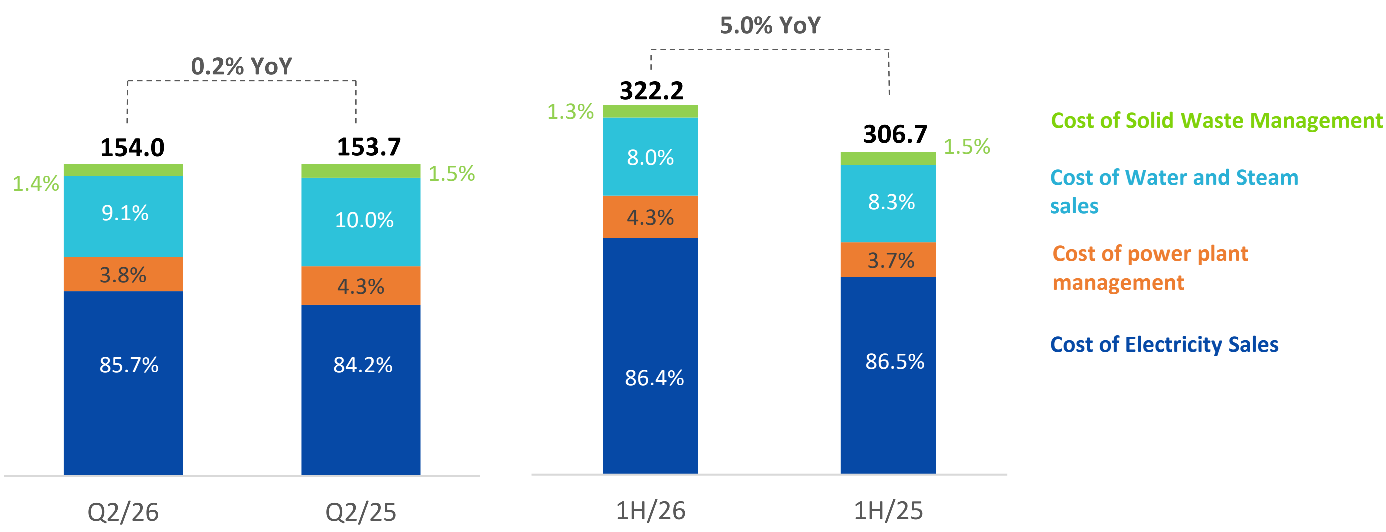


YoY **1H/26 vs 1H/25 and Q2/26 vs Q2/25**

In 1H/2026, other income amounted to Baht 13.0 million, an increase of Baht 11.1 million or 353.0%, mainly due to insurance compensation income for machinery of Baht 10.3 million recognized in Q1/2026. Excluding this item, other income showed a slight decrease of Baht 0.2 million, mainly due to lower interest income. For Q2/2026, other income showed a slight decrease of Baht 0.7 million, mainly due to lower interest income.

3. Cost of sales and services

Unit: Million Baht, %

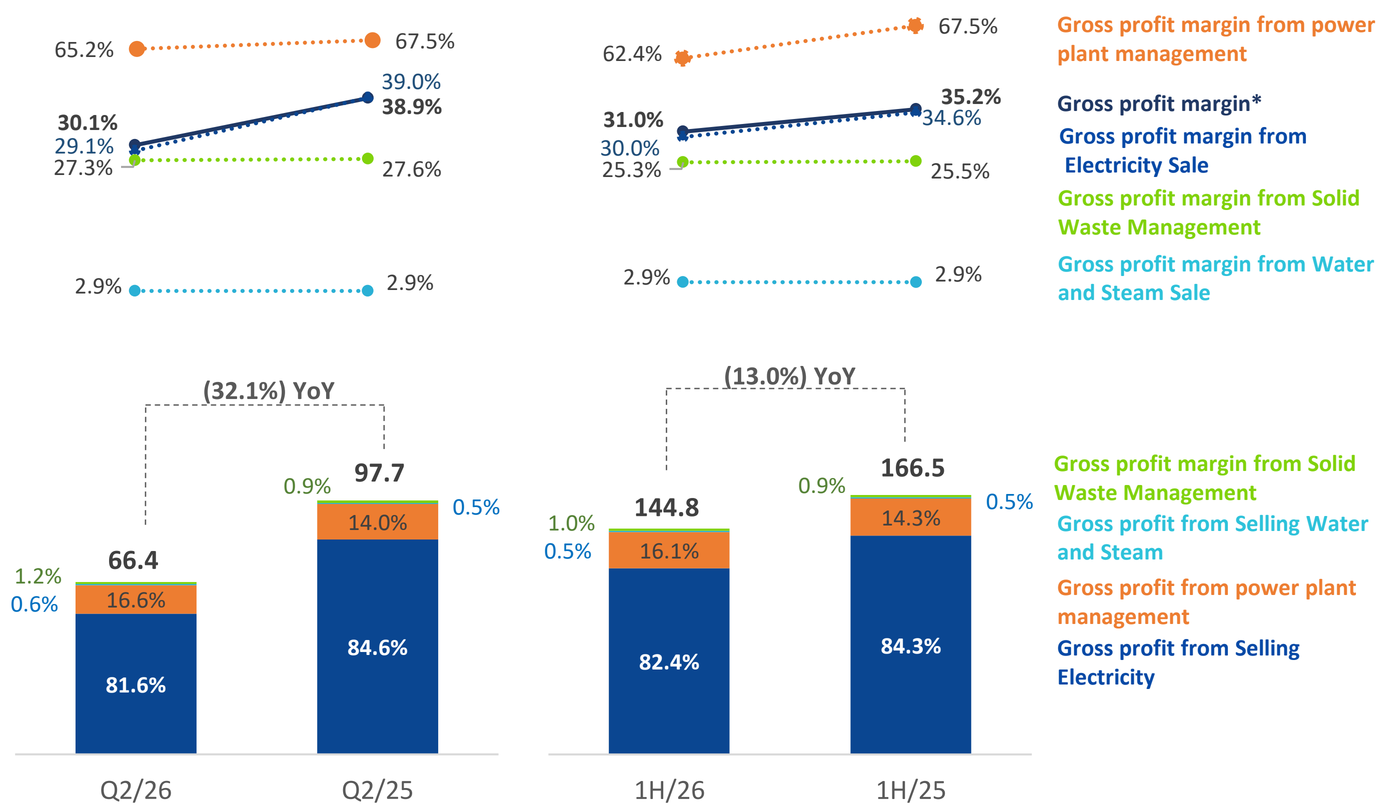


YoY **1H/26 vs 1H/25 and Q2/26 vs Q2/25**

In 1H/2026, cost of sales and services amounted to Baht 322.2 million, an increase of Baht 15.5 million or 5.0%, mainly due to higher raw material costs per unit of electricity production and higher machinery maintenance expenses.
In Q2/2026, cost of sales and services amounted to Baht 154.0 million, an increase of Baht 0.3 million or 0.2%, due to the same main factors mentioned above.

4. Gross Profit and Gross Profit Margin

Unit: Million Baht, %



* Note: Excluding revenue and cost from construction of solid waste power plant

YoY 1H/26 vs 1H/25 and Q2/26 vs Q2/25

Gross profit: in the first 6 months of 2026, the Group recorded gross profit of Baht 144.8 million, a decrease of Baht 21.7 million or 13.0% compared to the first 6 months of 2025, mainly due to the following factors:

- Gross profit from Electricity Sale: In the first 6 months of 2026, this amounted to Baht 119.4 million, a decrease of Baht 21.0 million or 15.0% compared to the same period of 2025, mainly due to lower revenue from electricity sales under the main power purchase agreement resulting from machinery maintenance, as well as a higher volume of raw materials used per unit of electricity production.
- Gross profit from power plant management: In the first 6 months of 2026, this amounted to Baht 23.3 million, a slight decrease of Baht 0.5 million or 2.4%, due to higher maintenance expenses.
- Gross profit from Water and Steam Sale: In the first 6 months of 2026, this amounted to Baht 0.8 million, with no significant change from the same period of 2025.
- Gross profit from Solid Waste Management: In the first 6 months of 2026, this amounted to Baht 1.4 million, a slight decrease of Baht 0.1 million compared to the same period of 2025.

For Q2/2026, gross profit amounted to Baht 66.4 million, a decrease of Baht 31.3 million or 32.1% compared to Q2/2025, mainly due to gross profit from electricity sales, which decreased by Baht 28.6 million or 34.5%, resulting from the same factors mentioned above.

Gross Profit Margin: In the first 6 months of 2026, the gross profit margin (excluding revenue and costs from construction under concession agreements) was 31.0%, down from 35.2%, mainly due to a lower gross profit margin from electricity sales.

In Q2/2026, the Group's gross profit margin was 30.1%, decreased from 38.9%, due to the same factors.

5. Administrative Expenses

YoY **1H/26 vs 1H/25 and Q2/26 vs Q2/25**

In the first 6 months of 2026, administrative expenses amounted to Baht 48.9 million, an increase of Baht 16.4 million or 50.4% compared to the same period of 2025, mainly due to a loss from disposal of damaged machinery parts. Excluding this item, administrative expenses showed a slight increase of Baht 0.4 million.
In Q2/2026, administrative expenses amounted to Baht 16.8 million, a slight decrease of Baht 1.6 million or 8.5% compared to Q2/2025.

6. Finance Cost

YoY **1H/26 vs 1H/25 and Q2/26 vs Q2/25**

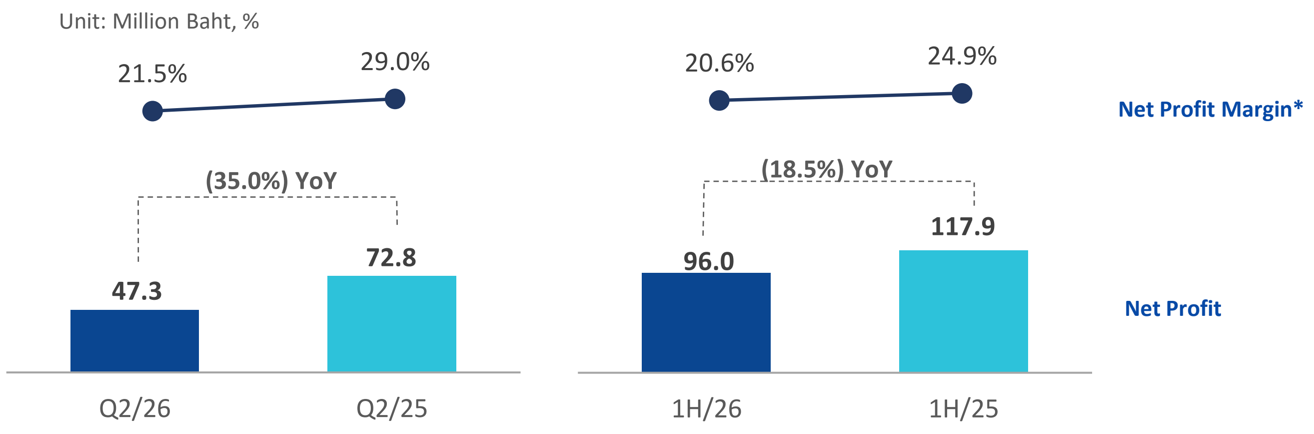
In the first 6 months of 2026, the Group's finance costs amounted to Baht 9.1 million, a decrease of Baht 5.9 million or 39.5%, due to scheduled repayments of long-term bank loans under the loan agreements. In Q2/2026, finance costs amounted to Baht 4.1 million, a decrease of THB 2.9 million or 42.0% compared to Q2/2025, due to the same factor.

7. Income Tax Expense

YoY **1H/26 vs 1H/25 and Q2/26 vs Q2/25**

The Group’s income tax expense decreased in line with the lower taxable profit generated by TGE’s power plant operations.

8. Net Profit and Net Profit Margin



* Note: Excluding revenue and cost from construction of solid waste power plant

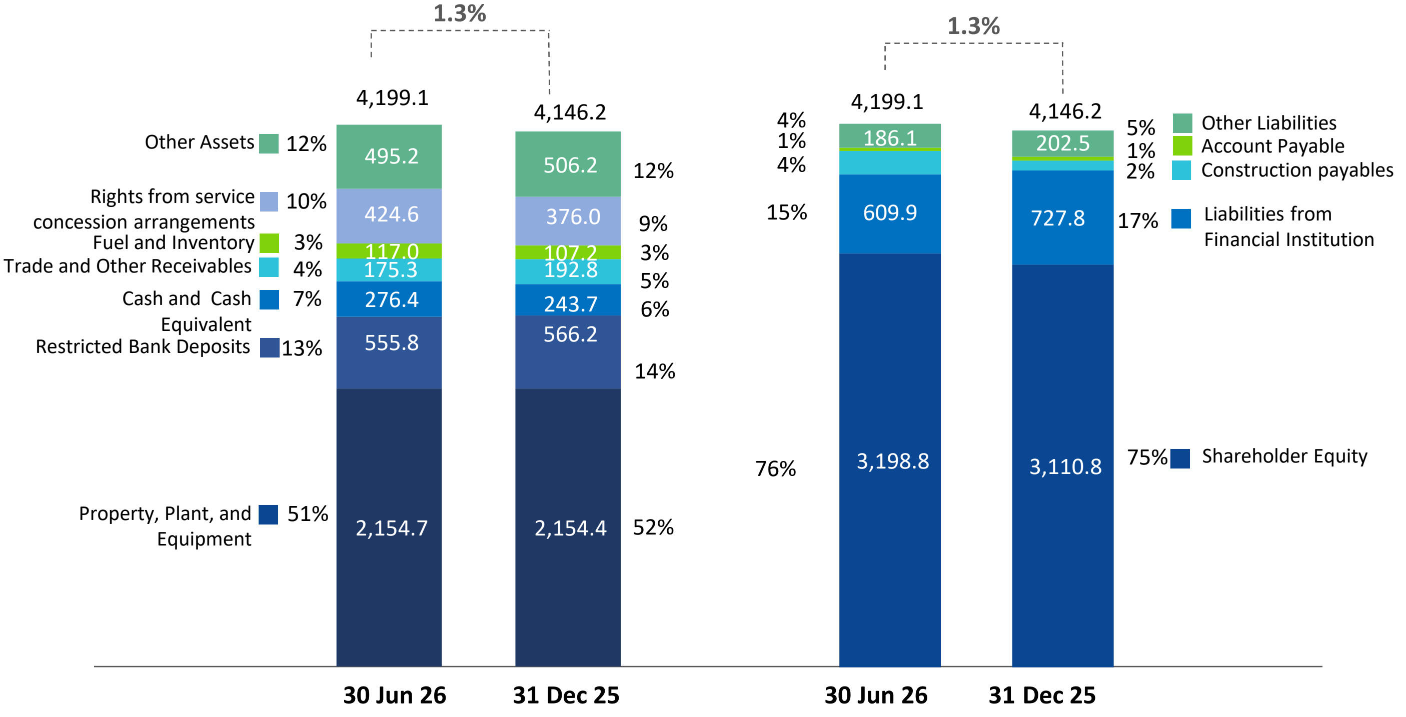
YoY **1H/26 vs 1H/25 and Q2/26 vs Q2/25**

Net profit: In the first 6 months of 2026, the Group recorded net profit of Baht 96.0 million, a decrease of Baht 21.9 million or 18.5%, mainly due to lower gross profit from electricity sales and higher administrative expenses, net against lower finance costs.
In Q2/2026, the Group recorded net profit of Baht 47.3 million, a decrease of Baht 25.5 million or 35.0%, mainly due to lower gross profit from electricity sales.

Net Profit Margin: The net profit margin in the first 6 months of 2026 was 20.6%, down from 24.9% in the same period of 2025, mainly due to a lower gross profit margin from electricity sales.
The net profit margin in Q2/2026 was 21.5%, down from 29.0% in Q2/2025, due to the same factor.

Statement of Financial Position

Unit: Million Baht



Total Assets

As of 30 June 2026, the Group had total assets of Baht 4,199.1 million, an increase of Baht 52.9 million or 1.3% from 31 December 2025, with the following significant changes:

- **Cash and Cash Equivalents:** Increased by Baht 32.8 million, mainly due to (i) cash received from operations, net against (ii) repayment of loans to financial institutions.
- **Rights from service concession arrangements**: Increased by Baht 48.6 million, mainly due to the construction of the municipal waste power plant (TES CPN), which is presented as a service concession right item under the concession agreement, net against
- **Trade and other receivables**: Decreased by Baht 17.4 million, mainly due to lower receivables as of 30 June 2026, in line with the decrease in electricity sales volume.

Total Liabilities

As of 30 June 2026, the Group had total liabilities of Baht 1,000.2 million, a decrease of Baht 35.1 million or 3.4% from 31 December 2025, with the following significant changes:

- **Liabilities from Financial Institutions**: Decreased by Baht 118.0 million, mainly due to repayment of loans to financial institutions.
- **Construction payables:** Increased by Baht 103.0 million, from construction costs of the municipal waste power plants (TES CPN and TES RBR).

As of 30 June 2026, the debt-to-equity ratio was 0.31 times, down from 0.33 times as of 31December 2025, mainly due to repayment of liabilities to financial institutions and the period's operating results.

The interest-bearing debt-to-equity ratio was 0.10 times, a slight decrease from 0.14 times as of 31 December 2025, due to the same factors.

Total Shareholders' Equity

As of 30 June 2026, the Group had total shareholders' equity of Baht 3,198.8 million, an increase of Baht 88.0 million or 2.8% from 31 December 2025, mainly due to profit for the period, net against dividend payments during the period.