KBS.BKK 174/2026

November 9, 2026

Subject : Management Discussion and Analysis (MD&A) for Quarter 3/2026

To : President, The Stock Exchange of Thailand

Khonburi Sugar Public Company Limited and subsidiaries ("The Company") would like to provide an explanation of the operating result and financial position for the nine-month period ended on 30 September 2026. The details are as follows:

Summary of Operating Results (Consolidated)

Operating Results	Consolidated		Change	
	For the nine month		Amount	%
	YTD 30 Sep 2026	YTD 30 Sep 2025		
Unit : Million Baht				
Total Sales and Service Income	8,311.1	8,797.7	-486.6	-5.5%
Total Revenue	8,575.0	8,907.2	-332.2	-3.7%
Gross Profit	1,527.4	1,829.2	-301.9	-16.5%
Earnings Before Finance Costs and Taxes (EBIT)	982.5	1,288.4	-306.0	-23.7%
Net Profit for the period	**702.5**	**904.0**	**-201.4**	-22.3%
Earnings Before Finance Costs, Taxes, Depreciation and Amortization (EBITDA)	1,576.1	1,929.8	-353.7	-18.3%
Financial Ratio				
% Gross margin	17.8%	20.5%		-2.7%
% Net Profit (Loss)	8.2%	10.1%		-2.0%
% EBIT	11.5%	14.5%		-3.0%
% EBITDA	18.4%	21.7%		-3.3%

For the nine-month period ended 30 September 2026, the Company had a consolidated net profit amounting to THB 702.5 million which decreased by THB 201.4 million or 22.3 % compared with the same period of the previous year. The Earning before Finance Costs, Taxes, Depreciation, and Amortization (EBITDA) was THB 1,576.1 million that decreased by THB 353.7 million or 18.3% compare the same period of the previous year, which has changed from the following factors:

The Company reported revenue from sales and services of THB 8,311.1 million, a decrease of THB 486.6 million, or 5.5%, from the same period last year. The decline was primarily attributable to lower average selling prices for domestic and export sugar, as well as molasses, reflecting lower global sugar prices. Although sales volumes increased, particularly raw sugar exports and molasses sales, which rose by 17.0% from the same period last year, the increase was insufficient to offset the decline in average selling prices. Nevertheless, the weaker Thai Baht had a favorable impact on the Company's export sales. Revenue from the utilities business also decreased by THB 89.0 million, or 5.6%, mainly due to a lower average selling price and a slight decrease in external sales volume resulting from temporary machinery maintenance.

The cost of sales and services decreased compared with the same period last year, primarily due to a decline in sugarcane prices, the Company's main raw material, compared with the previous crop year. Although sales volume increased and certain direct production-related expenses, particularly chemical and fuel costs, also rose, the reduction in sugarcane costs more than offset these increases, resulting in a decrease in the overall cost of sales and services.

In Crop Year 2025/2026, the Company crushed 4.5 million tons of sugarcane, representing an increase of 0.42 million tons, or 10.0%, compared with the previous production year.

Selling and distribution expenses increased compared with the same period last year, mainly due to higher sales volume, which resulted in increased transportation and export-related expenses, together with higher fuel prices. In addition, higher sugarcane crushing volume led to increased production and finished goods inventory, resulting in higher storage costs.

The Company recognized gains from foreign exchange and changes in the fair value of sugar swap contracts totaling THB 110.5 million, an increase of THB 101.5 million compared with the same period last year. These gains were mainly attributable to the weakening of the Thai Baht, together with the Company's management of foreign exchange and sugar price risks in accordance with its risk management policy through forward contracts.

The Company recognized an expected credit loss (ECL) expense of THB 60.5 million, an increase of THB 67.3 million compared with the same period last year, during which an ECL reversal of THB 6.8 million was recognized. Management assesses credit risk by evaluating the liquidity position of overdue debtors and the adequacy of the allowance for expected credit losses to ensure that the allowance is sufficient and reflects the actual credit risk.

Finance costs for the nine months ended September 30, 2026 amounted to THB 130.0 million, decreasing by THB 34.8 million compared with the same period last year, primarily due to the reduction in the policy interest rate and lower outstanding loan principal.

Financial Position Summary

Financial Position (Unit : Million Baht)	As of		Change	
	30-Sep-26	31-Dec-25	Million Baht	%
Total Current Assets	4,151.5	3,668.5	483.0	13.2%
Total Non-Current Assets	8,224.8	8,360.1	(135.2)	(1.6%)
Total Assets	**12,376.3**	**12,028.6**	**347.7**	**2.9%**
Total Current Liabilities	3,449.1	3,154.8	294.4	9.3%
Total Non-Current Liabilities	3,603.5	3,940.2	(336.7)	(8.5%)
Total Liabilities	**7,052.6**	**7,094.9**	**(42.3)**	**(0.6%)**
Total Shareholders' Equity	**5,323.7**	**4,933.7**	**390.0**	**7.9%**

Assets

As of September 30, 2026, the Company's total assets amounted to THB 12,376.3 million, an increase of THB 347.7 million, or 2.9%, compared with December 31, 2025. The increase was mainly attributable to:

Cash and cash equivalents decreased by THB 105.9 million, mainly due to cash outflows for financial support provided to farmers for sugarcane cultivation and maintenance in preparation for the upcoming crushing season.

Trade and other current receivables increased by THB 114.2 million due to sales made during the period. The Company continued to maintain a prudent approach in recognizing the allowance for expected credit losses (ECL).

Sugarcane plantation receivables increased by THB 148.1 million, mainly due to financial support provided by the Company to farmers for sugarcane cultivation and maintenance.

Amounts due from the Office of the Cane and Sugar Fund increased by THB 85.9 million, mainly due to compensation for the difference in quota fees.

Inventories increased by THB 223.5 million, mainly due to the production of goods for sale during the sugarcane crushing season.

Property, plant and equipment, right-of-use assets, and intangible assets decreased by THB 111.1 million, mainly due to depreciation and amortization recognized during the period in accordance with the assets' estimated useful lives.

Liabilities

As of September 30, 2026, the Company's total liabilities amounted to THB 7,052.6 million, a decrease of THB 42.3 million, or 0.6%, compared with December 31, 2025. The decrease was mainly attributable to:

Loans from financial institutions and liabilities arising from the transfer of electricity business benefits decreased by THB 41.5 million, mainly due to scheduled principal repayments in accordance with the loan agreements.

Shareholders' Equity

As of September 30, 2026, the Company's total shareholders' equity amounted to THB 5,323.7 million, an increase of THB 390.0 million, or 7.9%, compared with December 31, 2025. The increase was mainly attributable to net profit from operations of THB 702.5 million for 2026, offset by interim dividend payments to shareholders of THB 299.2 million and other comprehensive loss for the period of THB 13.3 million.

Sincerely Yours,

(Mr. Cholachart Worawuthichongsathit)

Chief Financial Officer