THAI AGRO ENERGY PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

FOR FINANCIAL STATEMENTS OF THE 3rd QUARTER 2026

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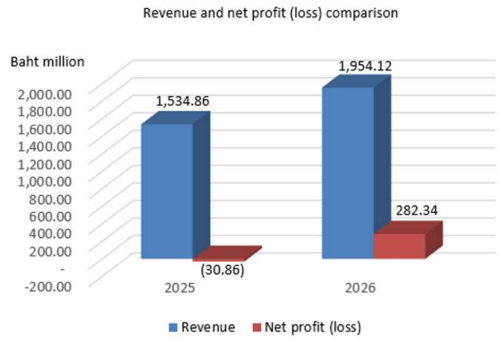
MANAGEMENT DISCUSSION AND ANALYSIS

(For the Financial Statements of the 3rd Quarter 2026)

OVERALL OPERATING RESULTS

The Company's operating results in the 3rd quarter of 2026 had a total revenue of Baht 680.23 million and a net profit of Baht 57.08 million, increasing from the same period last year by 45.58 percent and 868.24 percent, respectively. For the first 9-month period of 2026, the total revenue was Baht 1,954.12 million and the net profit was Baht 282.34, increasing from the same period last year by 27.32 percent and 1,014.91 percent, respectively. The improved performance in both the 3rd quarter and the first 9-month of 2026 was driven by higher ethanol selling prices, combined with effective cost management and control.



OPERATING RESULTS ANALYSIS

REVENUE:

Description	Year 2026		Year 2025		Increase (Decrease)	
	Baht Million	%	Baht Million	%	Baht Million	%
3rd quarter (July – September)						
Sales Revenue	676.93	99.51	465.35	99.60	211.58	45.47
Other Revenue	3.30	0.49	1.89	0.40	1.41	74.60
Total Revenue	**680.23**	**100.00**	**467.24**	**100.00**	**212.99**	**45.58**
9-Month Period (January – September)						
Sales Revenue	1,934.92	99.02	1,519.04	98.97	415.88	27.38
Other Revenue	19.20	0.98	15.82	1.03	3.38	21.37
Total Revenue	**1,954.12**	**100.00**	**1,534.86**	**100.00**	**419.26**	**27.32**

1. The Company's total revenue in the 3rd quarter 2026 was Baht 680.23 million, which increased from the same period last year by Baht 212.99 million or 45.58 percent, due to the following reasons.

1.1 Revenue from sales increased by Baht 211.58 million, or 45.47 percent, due to the increase in ethanol sales volume and selling prices and higher revenue from other products and;

1.2 Other revenue increased by Baht 1.41 million or 74.60 percent. Due to an increase in revenue from CO_2 sales.

2. The Company's revenue in the first 9-month period of 2026 was Baht 1,954.12 million, which increased from the same period of last year by Baht 419.26 million or 27.32 percent, due to the following reasons.

2.1 Revenue from sales increased by Baht 415.88 million or 27.38 percent, due to the increase in ethanol sales volume and selling prices and higher revenue from other products and;

2.2 Other revenue increased by Baht 3.38 million or 21.37 percent as the Company has received payment for the purchase of cassava chips, which had been prepaid together with interest pursuant to the court judgment, through execution proceedings.

EXPENSES:

Description	Year 2026		Year 2025		Increase (Decrease)	
	Baht Million	% of Sales	Baht Million	% of Sales	Baht Million	%
3rd quarter (July – September)						
Cost of sales	566.17	83.64	436.06	93.70	130.11	29.84
Selling and administrative expense	40.02	5.91	26.28	5.65	13.74	52.28
Financial cost	7.44	1.10	14.09	3.03	(6.65)	(47.20)
(Revenue) Corporate income tax	9.52	1.41	(1.76)	(0.38)	11.28	640.91
Total Expenses	**623.15**	**92.06**	**474.67**	**102.00**	**148.48**	**31.28**
9-Month Period (January – September)						
Cost of sales	1,491.02	77.06	1,453.49	95.68	37.53	2.58
Selling and administrative expense	93.38	4.83	76.84	5.06	16.54	21.53
Financial cost	29.44	1.52	42.65	2.81	(13.21)	(30.97)
(Revenue) Corporate Income tax	57.94	2.99	(7.26)	(0.48)	65.20	898.07
Total Expenses	**1,671.78**	**86.40**	**1,565.72**	**103.07**	**106.06**	**6.77**

1. The Company's expenses in the 3rd quarter 2026 totaled Baht 623.15 million, which increased from the same period last year by Baht 148.48 million or 31.28 percent, due to the following reasons.

1.1 Cost of sales increased by Baht 130.11 million or 29.84 percent. Due to an increase in ethanol sales volume and raw material costs.

1.2 Selling and administrative expenses increased by Baht 13.74 million or 52.28 percent. Due to an increase in ethanol transportation costs and plant-related expenses resulting from temporary production stoppages.

1.3 Financial cost decreased by Baht 6.65 million or 47.20 percent. Due to short term and long term loan repayment and;

1.4 Corporate income tax expenses increased by Baht 11.28 million or 640.91 percent.

2. The Company's expenses in the first 9-month period of 2026 totaled Baht 1,671.78 million, increased from the same period last year by Baht 106.06 million or 6.77 percent, due to the following reasons.

2.1 Cost of sales increased by Baht 37.53 million or 2.58 percent. Due to the increase in ethanol sales volume.

2.2 Selling and administrative expenses increased by Baht 16.54 million or 21.53 percent. Due to an increase in ethanol transportation costs and plant-related expenses resulting from temporary production stoppages.

2.3 Financial cost decreased by Baht 13.21 million or 30.97 percent. Due to short term and long term loan repayment and;

2.4 Corporate Income tax expenses increased by Baht 65.20 million or 898.07 percent.

GROSS PROFIT:

Description	Year 2026		Year 2025	
	Baht Million	%	Baht Million	%
3rd quarter (July – September)				
Revenues from sales	676.93	100.00	465.35	100.00
Less cost of sales	566.17	83.64	436.06	93.71
Gross Profit	**110.76**	**16.36**	**29.29**	**6.29**
9-Month Period (January – September)				
Revenues from sales	1,934.92	100.00	1,519.04	100.00
Less cost of sales	1,491.02	77.06	1,453.49	95.68
Gross Profit	**443.90**	**22.94**	**65.55**	**4.32**

1. The Company's gross profit in the 3rd quarter 2026 was Baht 110.76 million or 16.36 percent of the sales revenue, which increased from the same period last year. Due to an increase in both the volume and selling price of ethanol.

2. The Company's gross profit in the first 9-month period of 2026 was Baht 443.90 million, or 22.94 percent of the revenue from sales, which increased from the same period of last year. Due to an increase in both the volume and selling price of ethanol.

NET PROFIT:

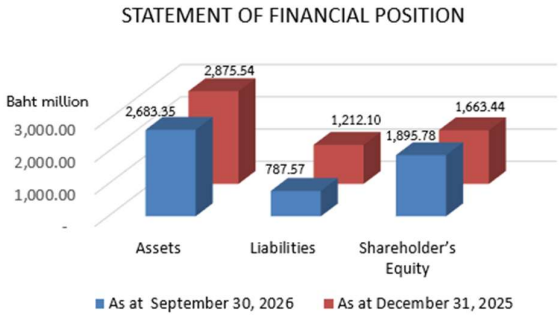
Description	Unit	Year 2026	Year 2025	Increase/ (Decrease)	%
3rd quarter (July-September)					
NET(LOSS) PROFIT	Baht Million	57.08	(7.43)	64.51	868.24
NET(LOSS) PROFIT PER SHARE	Baht per Share	0.057	(0.007)	0.064	914.29
9-Months Period (January – September)					
NET (LOSS) PROFIT	Baht Million	282.34	(30.86)	313.20	1,014.91
NET (LOSS) PROFIT PER SHARE	Baht per Share	0.282	(0.031)	0.313	1,009.68
Remark Registered par value of Baht 1 per share					

1. The Company's net profit in the 3rd quarter of 2026 was Baht 57.08 million, increased from the same period last year by Baht 64.51 million or 868.24 percent, generating a net profit at Baht 0.057 per share which increased from the same period last year by Baht 0.064 per share or 914.29 percent, due to the reasons as described above.

2. The Company's net profit in the first 9-month period of 2026 was Baht 282.34 million which increased from the same period last year by Baht 313.20 million or 1,014.91 percent, generating a net profit at Baht 0.282 per share which increased from the same period last year by Baht 0.313 per share or 1,009.68 percent, due to the reasons as described above.

STATEMENT OF FINANCIAL POSITION

Description	Unit	As at September 30, 2026	As at December 31, 2025	Increase (Decrease)	%
Total Assets	Baht Million	2,683.35	2,875.54	(192.19)	(6.68)
Total Liabilities	Baht Million	787.57	1,212.10	(424.53)	(35.02)
Total Shareholder's Equity	Baht Million	1,895.78	1,663.44	232.34	13.97
Book Value	Baht per Share	1.90	1.66	0.24	14.46
Remark: Registered per value of Baht 1 per share					



ASSETS: The Company's total assets as at September 30, 2026 was Baht 2,683.35 million, decreased from the end of year 2025 by Baht 192.19 million or 6.68 percent. The total assets consisting of:

1. Current assets decreased by Baht 72.42 million or 12.90 percent, consisting of: (A) Cash and cash equivalent decreased by Baht 15.48 million or 53.60 percent; (B) Trade accounts receivable and other receivables increased by Baht 113.48 million or 88.41 percent; (C) Inventories, most of which were raw materials and finished goods, increased by Baht 75.18 million or 52.46 percent; (D) Advances payment for purchase goods decreased by Baht 245.04 million or 100.00 percent, and (E) Another current assets decreased by Baht 0.56 million or 3.56 percent.

2. Non–Current Assets decreased by Baht 119.77 million or 5.18 percent, consisting of: (A) Immovable property for investment decreased by Baht 0.03 million or 0.98 percent; (B) Non-current biological assets increased by Baht 1.06 million or 3.95 percent; (C) Land, plant and equipment decreased by Baht 97.84 million or 4.37 percent; (D) Right-of–use assets decreased by Baht 3.41 million or 15.90 percent, and (E) Another non-current assets decreased by Baht 19.55 million or 79.50 percent.

LIABILITIES: The Company's Total Liabilities as at September 30, 2026 was Baht 787.57 million, decreased from the end of year 2025 by 424.53 million or 35.02 percent, consisting of: (A) Short-term loan which was for raw material supply and for working capital, decreased by Baht 352.10 million or 34.99 percent (B) Trade accounts payable and other accounts payable, most of which were raw material purchase, increased by Baht 6.36 million or 11.22 percent. (C) Long-term loan decreased by Baht 99.92 million or 100.00 percent, and (D) Other liabilities, which are mainly expenses that are not yet due for payment and liabilities under lease agreements, increased by Baht 21.13 million or 42.83 percent.

TOTAL SHAREHOLDERS' EQUITY: The total shareholders' equity of the Company as at September 30, 2026 was Baht 1,895.78 million, increased from the end of year 2025 by Baht 232.34 million or 13.97 percent. This results in a book value of Baht 1.90 per share, which is increased from the end of 2025 by Baht 0.24 per share, due to the net profit as described above.

CASH FLOWS

Description	Unit	First 9 month-period (January – September)	
		Year 2026	Year 2025
Cash Flows from Operating Activities	Baht Million	524.27	110.40
Cash Flows used in Investing Activities	Baht Million	(32.42)	(21.65)
Cash Flows used in Financing Activities	Baht Million	(507.33)	(110.47)
Net decrease in cash and cash equivalent	Baht Million	(15.48)	(21.72)
Cash and cash equivalent at the beginning of the period	Baht Million	28.88	38.35
Cash and Cash Equivalent at the End of the Period	**Baht Million**	**13.40**	**16.63**

1. The Company's net cash from operating activities in the first 9-month period of 2026 totaled Baht 524.27 million, consisting of: (A) Profit before corporate income tax of Baht 340.28 million; (B) Non-cash items such as depreciation of Baht 159.02 million; (C) The operating assets decreased by Baht 63.85 million due to the decrease in trade and other receivables, inventories and advance payments for purchase of goods and other current assets; (D) The operating liabilities increased by Baht 19.13 million due to the increase in trade accounts payable, other accounts payable and other current liabilities; (E) An interest received of Baht 0.04 million; (F) An interest expense of Baht 28.52 million; and (G) Corporate income tax payment of Baht 29.53 million.

2. The Company's net cash used in investment activities in the first 9-month period of 2026 totaled Baht 32.42 million, consisting of: (A) The cost of industrial crops planting of Baht 2.26 million and (B) Assets purchasing of Baht 30.16 million.

3. The Company's net cash used in financing activities in the first 9-month period of 2026 totaled Baht 507.33 million consisting of: (A) Repayment of short-term loan from financial institution of Baht 352.10 million; (B) Repayment of long-term loan of Baht 100.00 million; (C) Repayment under financial lease of Baht 5.23 million and (D) Dividend payment of Baht 50.00 million.

LIQUIDITY AND SUFFICIENCY OF CAPITAL

(1) The Company had a current ratio and a quick ratio of 0.64 times and 0.34 times, respectively, as of September 30, 2026. Although these ratios are low, the Company still has inventories that can be easily sold and converted into cash. In addition, its trade receivables are from large oil companies with strong financial stability. Moreover, the Company has sufficient cash generation from operations and available credit facilities to support its operations, with continued strong support from financial institutions.

(2) The total debt to equity ratio of the Company as at September 30, 2026 was 0.42:1 times.

(3) The cash cycle of the Company in the first 9-month period of 2026 was 29.33 days, which decreased from the end of year 2025 by 3.25 days. The average debt collection period was at 27.92 days, which increased from the end of year 2025 by 4.85 days. The average inventory turnover was at 9.18 days, which decreased from the end of year 2025 by 6.32 days, and the average debt repayment period was at 7.77 days, increased from the end of year 2025 by 1.78 days.

FUTURE TREND

Ethanol demand in the 4th quarter of 2026 is expected to increase slightly compared with the 3rd quarter of 2026, supported by the high season for travel, as well as the Oil Fuel Fund mechanism, which has widened the retail price differential between Gasohol E10 (95) and E20 to Baht 5.75 per litre. In addition, ongoing government promotional campaigns are expected to further stimulate E20 consumption. Meanwhile, molasses prices are expected to remain stable at the 3rd quarter of 2026 levels, as the market enters the transition period before the start of the new sugarcane crushing season in late November–December 2026. This is expected to result in limited raw material availability in the market. In response, the Company continues to prioritize flexible raw material and production cost management, adjusting production plans in line with market conditions, and improving raw material utilization and production process efficiency. These measures aim to control costs, maintain competitiveness, and mitigate market volatility toward the end of the year.