

Ref. No. 0864/45E

August 13, 2021

Subject: Clarification on the Operating Results in the 2nd Quarter 2021 and the First 6-Month Period of 2021

Attn: President
The Stock Exchange of Thailand

The Company wishes to report on the Company's operating results in the 2nd quarter 2021 and the first 6-month period of 2021, having details as follows:

(1) Net profit of the Company and subsidiary companies in the 2nd quarter 2021 totaled Baht 322.61 million, which increased from the 2nd quarter 2020 by Baht 288.67 million and net earnings per share was Baht 0.61 per share, which increased from the same period last year by Baht 0.55 per share or 850.53 percent, due to the following reasons:

(1.1) Net profit from coal business and wood pellet business derived from shareholding proportion of the Company was Baht 342.84 million, which increased from the same period last year by Baht 314.37 million or 1,104.20 percent. This was due to the increase in coal sales volume and the average coal selling price of 37.58 and 45.77 percent, respectively.

(1.2) Net Loss from ethanol business derived from shareholding proportion of the Company was Baht 21.86 million, which decreased from the same period last year by Baht 25.60 million or 684.36 percent. This was due to the decrease in ethanol sale volume of 11.37 percent and the molasses price, which is a major cost of ethanol production, increased by over 33.26 percent; and

(1.3) Share of income from associated company was Baht 1.63 million, which slightly decreased from the same period last year by Baht 0.10 million or 5.78 percent.

(2) Net profit of the Company and subsidiary companies in the first 6-month period of 2021 totaled Baht 565.24 million, which increased from the first 6-month period of 2020 by Baht 352.95 million and net earnings per share was Baht 1.08 per share, which increased from the same period last year by Baht 0.68 per share or 166.26 percent, due to the following reasons:

(2.1) Net profit from coal business and wood pellet business derived from shareholding proportion of the Company was Baht 554.95 million, which increased from the same period last year by Baht 392.68 million or 241.99 percent. This was due to the increase in coal sales volume and the average coal selling price of 10.39 and 27.73 percent, respectively.

(2.2) Net profit from ethanol business derived from shareholding proportion of the Company was Baht 7.18 million, which decreased from the same period last year by Baht 39.22 million or 84.53 percent. This was due to the decrease in ethanol sale volume of 11.37 percent and the molasses price, which is a major cost of ethanol production, increased by over 27.28 percent; and

(2.3) Share of income from associated company was Baht 3.11 million, which slightly decreased from the same period last year by Baht 0.51 million or 14.09 percent.

Please be informed accordingly.

Yours faithfully,
For and on behalf of
Lanna Resources Public Company Limited

(Mrs. Petcharat Chayanon)
Chief Officer – Accounting and Finance