

Ref. No. 1165/54E

November 11, 2022

Subject: Clarification on the Operating Results in the 3rd Quarter 2022 and the First 9-Month Period of 2022

Attn: President

The Stock Exchange of Thailand

The Company wishes to report on the Company's operating results in the 3rd quarter 2022 and the first 9-month period of 2022, having details as follows:

(1) Net profit of the Company and subsidiary companies in the 3rd quarter 2022 totaled Baht 710.90 million, which increased from the same period last year by Baht 31.00 million and net earnings per share was Baht 1.35 per share, which increased from the same period last year by Baht 0.05 per share or 4.56 percent, due to the following reasons:

(1.1) Net profit from coal business and wood pellet business derived from shareholding proportion of the Company in the 3rd quarter 2022 was Baht 666.85 million, which slightly decreased from same period last year by Baht 1.45 million or 0.22 percent. This was due to the decrease in foreign exchange gain.

(1.2) Net loss from ethanol business derived from shareholding proportion of the Company in the 3rd quarter 2022 was Baht 13.08 million, which decreased from the same period last year by Baht 1.02 million or 7.20 percent. Despite the increase in ethanol sales volume and average ethanol selling price of 6.85 percent and 8.97 percent, respectively, but there was still a loss incurred from a shortage of raw material that caused the Production Line No. 1 to be temporarily stopped; and

(1.3) Share of income from associated companies totaled Baht 57.13 million, which increased from the same period last year by Baht 31.43 million or 122.30 percent due to the share of income from PT. Pesona Khatulistiwa Nusantara ("PKN") of Baht 54.82 million, which is the associated company that the Company has acquired shares in PKN at 10 percent of the total number of paid-up shares on August 31, 2021.

(2) Net profit of the Company and subsidiary companies in the first 9-month period of 2022 totaled Baht 2,522.24 million, which increased from the same period last year by Baht 1,277.10 million and net earnings per share was Baht 4.80 per share, which increased from the same period last year by Baht 2.43 per share or 102.57 percent, due to the following reasons:

(2.1) Net profit from coal business and wood pellet business derived from shareholding proportion of the Company in the first 9-month period of 2022 was Baht 2,416.00 million, which increased from the same period last year by Baht 1,192.76 million or 97.51 percent. This was due to the increase in coal sales volume and average coal selling price from the same period last year of 16.67 and 62.35 percent, respectively.

(2.2) Net loss from ethanol business derived from shareholding proportion of the Company in the first 9-month period of 2022 was Baht 36.73 million, which increased from the same period last year by Baht 29.82 million or 431.55 percent. This was due to the decrease in ethanol sales volume of 15.58 percent since there was a shortage of raw material that caused the Production Line No. 1 to be temporarily stopped; and

(2.3) Share of income from associated companies totaled Baht 142.97 million, which increased from the same period last year by Baht 114.16 million or 396.25 percent due to the share of income from PT. Pesona Khatulistiwa Nusantara ("PKN") of Baht 136.30 million, which is the associated company that the Company has acquired shares in PKN at 10 percent of the total number of paid-up shares on August 31, 2021.

Details of the changes or impacts that occurred have been described in the Management Discussion and Analysis (MD&A).

Please be informed accordingly.

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

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