

Management Discussion and Analysis
For the Operating Results of 3Q2022



Global Green Chemicals Public Company Limited



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Executive Summary

As for performance in 3Q2022, Global Green Chemicals Public Company Limited (“the Company”) recorded the total revenue of THB 5,761 million, increased by 16% from 3Q2021 and Adjusted EBITDA of THB 741 million, rose by 127% from previous year. In addition, the Company had a Stock Loss & NRV of THB 441 million, as a result, the Company posted the net profit of THB 70 million (or profit per share of THB 0.07), dropped by THB 174 million or 71% from 3Q2021.

For the performance of the first nine months of 2022 compared to the first nine months of 2021, the Company earned revenue from sales of products of THB 20,579 million rose by 39%, recorded EBITDA of THB 1,675 million improved by 80% and Adjusted EBITDA of THB 2,003 increased by 166%. In 9M2022, Net profit was recorded at THB 979 million, increased from 9M2021 of THB 561 million or 134%.

The average methyl ester (ME) selling price in 3Q2022 was at the same level as in the same period of the previous year, increased slightly by 1% owing to the level of CPO stock being increased by 8% coupled with the domestic demand being dropped from the government policy for the adjustment of biodiesel mandatory in high speed diesel fuel from the existing 3 types namely B7, B10 and B20 to be only B5 since February 5, 2022 onwards. However, the Company recorded an increase in revenue of refined glycerine, resulting in 2% increase in revenue of the methyl ester compared to the same period of the previous year.

For the fatty alcohols business, the sales volume of fatty alcohols in 3Q2022 was improved by 8%. Meanwhile, an average price of fatty alcohols rose by 14% due to the COVID-19 pandemic situation in the United States and European countries, which was unraveling, causing the demand for natural fatty alcohol products to recover. The supply side was tight due to temporary shutdown of the fatty alcohols plants to solve production process problems for some manufacturers in Indonesia, Malaysia and the United States during August and October 2022. As a result of above factors, the Company’s revenue from fatty alcohols increased by 43% compared to the prior year.

As of September 30, 2022, the Company has total assets in the amount of THB 13,359 million which comprised of cash and short-term investment amounting to THB 2,700 million, with total liabilities of THB 3,024 million and total equities of THB 10,335 million.

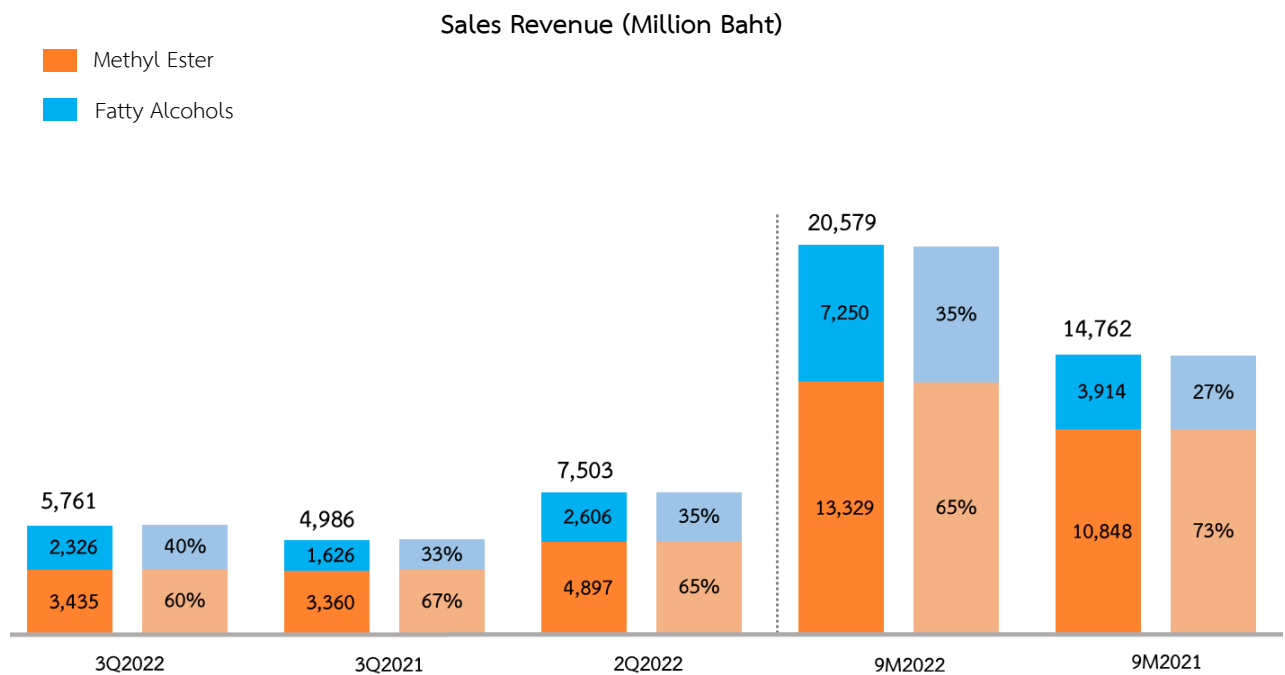
Operating Performance

Exhibit 1: Consolidated Company's Performance comparison of 3Q2022 vs. 3Q2021 vs. 2Q2022 vs. 9M2022 vs. 9M2021

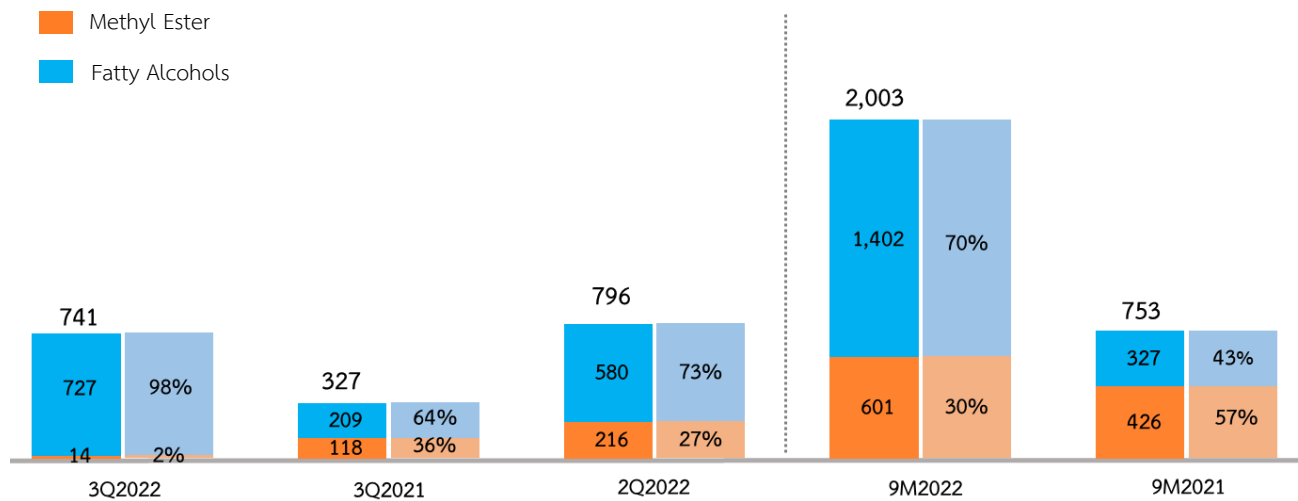
UNIT: Million Baht	3Q2022	3Q2021	% YoY	2Q2022	% QoQ	9M2022	9M2021	% YoY
Sales Revenue	5,761	4,986	16%	7,503	-23%	20,579	14,762	39%
EBITDA	300	459	-35%	663	-55%	1,675	928	80%
EBITDA Margin (%)	5.2%	9.2%	-4%	8.8%	-3.6%	8.1%	6.3%	1.8%
Stock Gain/(Loss) & NRV	(441)	132	-434%	(133)	232%	(328)	175	-287%
Adjusted EBITDA ⁽¹⁾	741	327	127%	796	-7%	2,003	753	166%
Adjusted EBITDA Margin (%)	12.9%	6.6%	6.3%	10.6%	2.3%	9.7%	5.1%	4.6%
Net Profit	70	244	-71%	422	-83%	979	418	134%
EPS (Baht/Share)	0.07	0.24	-71%	0.41	-83%	0.96	0.41	134%

Note: (1) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV

Exhibit 2 : Sales revenue and Adjusted EBITDA breakdown by business unit comparison of 3Q2022 vs. 3Q2021 vs. 2Q2022 vs. 9M2022 vs. 9M2021



Adjusted EBITDA (Million Baht)



Operating Performance by Business Unit

Methyl Ester (Biodiesel) Business Unit

Exhibit 3: Product and Feedstock Prices

Average Price	3Q2022	3Q2021	% YoY	2Q2022	% QoQ	9M2022	9M2021	% YoY
Methyl Ester (B100) (Baht/litre) ⁽¹⁾	39.47	38.90	1%	56.93	-31%	50.14	39.07	28%
Methyl Ester (B100) (Baht/kg) ⁽²⁾	45.62	44.97	1%	65.81	-31%	57.97	45.16	28%
Crude Palm Oil (CPO) (Baht/kg) ⁽³⁾	35.34	36.02	-2%	54.30	-35%	47.26	35.79	32%
EPPO P2F (Baht/kg) ⁽⁴⁾	3.11	3.11	-	3.11	-	3.11	3.11	-
Biodiesel Mandate	B5	B10		B5		B5 B7	B10	
Optional Biodiesel		B7 B20					B7 B20	

- Note :
- (1) Reference Price of EPPO
 - (2) Conversion ratio: 0.865 Tons = 1,000 Liters
 - (3) Reference Price of DIT
 - (4) Market ME Price - Mixed Feedstock and MeOH price according to EPPO's B100 formula

Market overview comparison between 3Q2022 vs. 3Q2021

For the methyl ester market overview in 3Q2022, an average of crude palm oil price (CPO-DIT) was at 35.34 Baht/kg., dropped by 0.68 Baht/kg. or 2% compared to the same period last year owing to an increase in the level of domestic CPO stock from 293,482 tons in 3Q2021 to 316,535 tons in 3Q2022.

In terms of the demand for methyl ester in 3Q2022, which tends to decrease compared to the same period last year, it stood at 257,225 tons, a drop of 68,572 tons or 21%. Although the COVID-19 pandemic situation in Thailand has improved and people have re-started travelling domestically. However, the government policy for the adjustment of biodiesel mandatory in high-speed diesel fuel from the 3 types namely B7, B10 and B20 to be only B5 since February 5, 2022 onwards to mitigate the impact on people's cost of living from the energy price crisis directly reduced the overall methyl ester consumption in the country significantly.

The methyl ester price in 3Q2022 was nearly the same as the same period of the previous year at 45.63 Baht/kg., an increase of 0.66 Baht/kg. or 1% compared to the same period last year.

Market overview comparison between 3Q2022 vs. 2Q2022

For the overview of methyl ester market in 3Q2022, an average of crude palm oil price (CPO-DIT) was at 35.34 Baht/kg. decreased from 2Q2022 by 18.96 Baht/kg. or 54% which is continuously decreasing due to the Domestic Market Obligation (DMO) policy to limit and prohibit the export of palm oil by Indonesian government. That policy was announced in 2Q2022 to ensure domestic demand and control the rising of cooking oil price, which has been continuously rising. However, at the end of May to June, the Indonesian government announced the lifting of the export restriction and pushed for exports by setting export quotas, which resulted in an increase in the overall supply of CPO in 3Q2022. As a result, the global price was dropped and less export by the palm oil mills in Thailand, causing the domestic price to decrease in accordance with the global price.

The demand for methyl ester in 3Q2022 was decreased compared to the previous quarter, stood at 257,225 tons, a decrease of 27,184 tons or 10%. Although the COVID-19 pandemic situation in Thailand has improved, people have re-started travelling domestically by using private car. But, due to Thailand entering the monsoon season in 3Q2022, the use of diesel fuel for travel and transportation is low. In addition, the government's policy announcements for the adjustment of biodiesel mandatory in high speed diesel fuel that has continued to use B5 since February 5, 2022, caused a decrease in the country's overall consumption of methyl ester.

The methyl ester price in 3Q2022 dropped in line with CPO price to 45.63 Baht/kg., decreased by 20.18 Baht/kg. or 44% compared to previous quarter.

Market overview comparison between 9M2022 vs. 9M2021

For the overview of methyl ester market in 9M2022, an average of crude palm oil price (CPO-DIT) was at 47.26 Baht/kg. increased from 9M2021 by 11.47 Baht/kg. or 32% due to the Domestic Market Obligation (DMO) policy to limit and prohibit the export of palm oil by Indonesian government. That policy has announced in 2Q2022 to ensure domestic demand and control the rising of cooking oil price that has been continuously rising. The result was that the global price was high and the palm oil mills in Thailand had benefited from such policy. As a result, the export volume increased to 633,926 tons at the end of August 2022 from 433,931 tons at the end of September 2021 because the domestic CPO price was lower than the global CPO price. In addition, exports are also supported by the government when the stock quantity meets the requirements as well. Therefore, the domestic CPO price increased in accordance with the global CPO price.

On the methyl ester demand side in 9M2022, it has slightly decreased from the previous year, which stood at 849,235 tons, dropped by 245,583 tons or 22% which is directly affected by the policy to reduce biodiesel blending to only B7 since the end of 2021 and again to only B5 during February 5, 2022 - October 9, 2022 to mitigate the impact of the rising of diesel fuel price that may have an effect on people's cost of living.

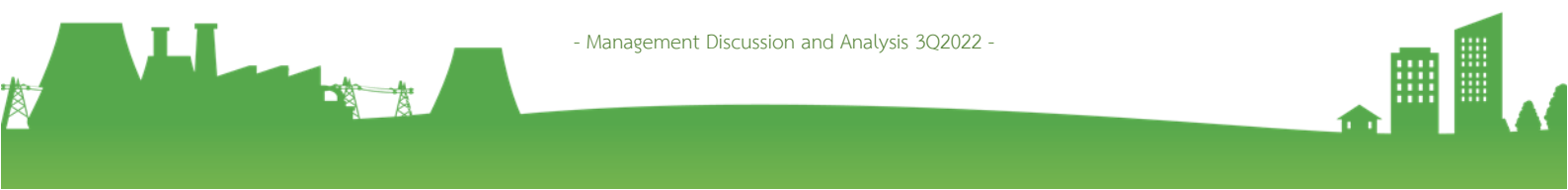
However, methyl ester price in 9M2022 was increased compared to 9M2021 following the trend of domestic CPO prices at 57.97 Baht/kg., an increase of 12.81 Baht/kg. or 28%.

Exhibit 4: Keys Operating Performance of ME Business Unit

Methyl Ester Business	3Q2022	3Q2021	% YoY	2Q2022	% QoQ	9M2022	9M2021	% YoY
Utilization (%)	56%	62%	-6%	55%	1%	56%	64%	-8%
Sales Volume (ton)	73,785	75,228	-2%	69,565	6%	217,341	242,820	-10%
Sales Volume (million litre) ⁽¹⁾	85	87	-2%	80	6%	251	281	-10%
Sales Revenue (million baht)	3,435	3,360	2%	4,897	-30%	13,329	10,848	23%
EBITDA (million baht)	(227)	167	-236%	239	-195%	442	415	7%
EBITDA margin (%)	-6.6%	5.0%	-11.6%	4.9%	-11.5%	3.3%	3.8%	-0.5%
Stock Gain/(Loss) & NRV (million baht)	(241)	49	-592%	23	-1,148%	(159)	(11)	1,345%
Adjusted EBITDA (million baht) ⁽²⁾	14	118	-88%	216	-94%	601	426	41%
Adjusted EBITDA Margin (%)	0.4%	3.5%	-3.1%	4.4%	-4.0%	4.5%	3.9%	0.6%

Note : (1) Conversion ratio: 0.865 Tons = 1,000 Liters

(1) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV.



Operating performance comparison between 3Q2022 vs. 3Q2021

In 3Q2022, the Company recorded methyl ester sales revenue of THB 3,435 million, slightly improved by 2% from 3Q2021 primarily due to the methyl ester selling price being slightly higher in relation to CPO price as above market situation. Although sales volume was decreased by 2% owing to lower diesel demand from the biodiesel mandatory adjustment policy from 3 types namely B7, B10 and B20 to be only B5 since February 5th onwards. However, the sale volume of refined glycerine was 11,392 tons, an increase of 963 tons from 3Q2021, and the selling price of refined glycerine in 3Q2022 was at 1,112 USD/ton, an increase. 153 USD/ton from the same quarter of the previous year due to rising demand, especially for cleaning products, including the contraction in supply side due to the decline in biodiesel production during the COVID-19 epidemic.

Due to fluctuation of CPO price and selling price of methyl ester, resulting in the Company's Stock Loss & NRV of THB 241 million in 3Q2022. The Company posted EBITDA of THB -227 million, which decreased from the same quarter of the previous year by 236%. However, when deducting the effect of Stock Loss & NRV, the Company reported Adjusted EBITDA of THB 14 million, a decrease of THB 104 million from 3Q2021 or 88% and an Adjusted EBITDA Margin of 0.4%

Operating performance comparison between 3Q2022 vs. 2Q2022

In 3Q2022, the Company recorded methyl ester sales revenue of THB 3,435 million, a decrease of THB 1,462 million or 30% from the previous quarter, mainly from the methyl ester selling price, which dropped by 31% which declined in line with CPO prices, although methyl ester sales volume increased 6%. Due to the CPO price and the methyl ester selling price dropping dramatically from the previous quarter, the Company recorded the effect of Stock Loss & NRV of THB 241 million and EBITDA of THB -227 million, a decrease by 195% from the previous quarter. When deducting the effect of Stock Loss & NRV, Adjusted EBITDA was reported at THB 14 million, a decrease of THB 202 million or 94% from 2Q2022 and an Adjusted EBITDA Margin of 0.4%

Operating performance comparison between 9M2022 vs. 9M2021

In 9M2022, the Company posted methyl ester business sales revenue of THB 13,329 million, an increase of THB 2,481 million or 23% from 9M2021 mainly from the rising of methyl ester selling price in relation to upward CPO price due to the higher export volume of CPO in Thailand according to the market situation as above mentioned. While methyl ester sales volume decreased by 10% in comparison with last year, mainly from the government's policy to adjust biodiesel mandatory from B10 to only B5 in 9M2022. However, the Company recorded the increasing of sales revenue from refined glycerine from its selling price and sale volume.

However, the considerably volatility of CPO prices in 9M2022 impacted on the Company's Stock Loss & NRV of THB 159 million. In 9M2022, the Company recorded EBITDA of THB 442 million, increased from the same period of prior year by 7%. When deducting the effect of Stock Loss & NRV as aforementioned, the Company reported Adjusted EBITDA of THB 601 million, an increase of THB 175 million or 41% from 9M2021 and Adjusted EBITDA Margin was at 4.5%

Fatty Alcohols (FA) Business Unit

Exhibit 5: Products and Feedstock's prices

Average Price (USD per ton)	3Q2022	3Q2021	% YoY	2Q2022	% QoQ	9M2022	9M2021	% YoY
Fatty Alcohols ⁽¹⁾								
- Short Chain	4,364	2,462	77%	4,337	1%	4,200	2,246	87%
- Mid Cut	1,549	1,825	-15%	2,682	-42%	2,324	1,935	20%
- Long Chain	2,570	1,532	68%	3,272	-21%	2,966	1,447	105%
Average Fatty Alcohols ⁽²⁾	2,042	1,784	14%	2,969	-31%	2,642	1,815	46%
Crude Palm Kernel Oil (CPKO) ⁽³⁾	1,148	1,204	-5%	1,958	-41%	1,766	1,254	41%
Market P2F of Fatty Alcohols	641	315	103%	580	11%	487	285	71%

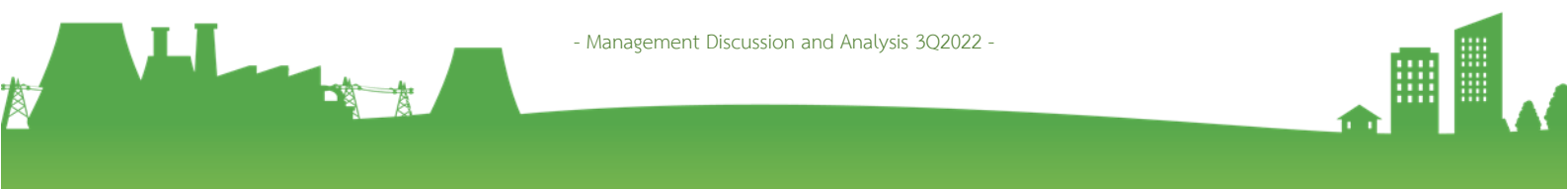
Note : (1) Reference Price of ICIS

(2) Average price of fatty alcohols with production proportion: Short Chain 7% Mid Cut 64% and Long Chain 29%

(3) Reference Price of Malaysian Palm Oil Board (MPOB)

Market overview comparison between 3Q2022 vs. 3Q2021

For the fatty alcohols market overview in 3Q2022, an average crude palm kernel oil price (CPKO-MPOB) decreased from the same quarter of the previous year, stood at 1,148 USD/ton, dropped 56 USD/ton or 5% due to the labor shortage problem in Malaysia improving from the previous year, including the harvest season is in September in Malaysia and Indonesia. As a result, CPKO production has improved accordingly. In addition, there are still concerns about the demand from the recession. This caused buyers from China and European countries to delay their purchases. As a result, the CPKO price in 3Q2022 was decreased compared to the same quarter of the previous year.



On the demand side, although the COVID-19 pandemic situation in China, which is the main buyer in the market, has not been unraveled and continues to maintain ZERO COVID-19 policy, natural fatty alcohols in 3Q2022 improved from the same period of prior year. However, the COVID-19 pandemic situation in other countries has eased and opened the country's market to both European and American buyers, including those from the Asian region, causing some buyers to start returning to the market. As a result, overall demand has recovered. However, the overall market demand is also sensitive to other factors such as China's uncertain purchasing power due to the natural disasters caused by the heat wave, which mean the demand for energy in many areas in China has risen, prompting the Chinese government to issue measures to limit energy consumption. As a result, many factories are unable to operate at full capacity. The global economic recession and inflation put pressure on buyers to be more cautious in their purchases and the overall demand in the market has still not improved as it should be.

The supply side of fatty alcohols in 3Q2022 tends to shrink mainly from temporary shutdown of some fatty alcohols plants in Indonesia and Malaysia to solve production process problems from August to September, 2022. As well as manufacturers in the United States have temporarily shut down for maintenance during August to October, 2022, including the shutdown for catalyst changing of the Company during mid-September to mid-October, 2022.

An average price of natural fatty alcohols in 3Q2022 has increased compared to the same period of the previous year. The Short Chain fatty alcohols prices rose to 4,364 USD/ton, an increase of 1,902 USD/ton or 77%. In addition, the Long Chain fatty alcohols price rose to 2,570 USD/ton, an increase of 1,038 USD/ ton or 68% owing to the tight supply and improve demand while the Mid Cut fatty alcohols prices dropped to 1,549 USD/ton, a decrease of 276 USD/ton, or 15% in line with the depreciation trend of CPKO price.

[Market overview comparison between 3Q2022 vs. 2Q2022](#)

For the fatty alcohols market overview, an average crude palm kernel oil price (CPKO-MPOB) in 3Q2022 decreased from 2Q2022, stood at 1,148 USD/ ton, a decrease 810 USD/ton or 41% due to concern about the demand in China from the Chinese government's announcement of lockdown in some areas and the agreement between Russia and Ukraine on the other grain and sunflower oil exports. Meanwhile, CPKO production in 3Q2022 was increased significantly. According to information from Malaysian Palm Oil Board (MPOB), CPKO output at the end of September rose 2.25% to 204,824 tons (the highest level in 15 months). There is concern about the demand from the economic recession, which caused buyers from China and European countries to delay their purchases. As a result of these factors, CPKO price fell in 3Q2022 compared to the previous quarter.

On the demand side, natural fatty alcohols in 3Q2022 have dropped from the previous quarter, primarily because buyers delayed their purchases due to the continued depreciation of CPKO price, which included the fatty alcohols producers in Indonesia, who speed up their sale to release high-cost products, giving buyers more options. Moreover, they are also sensitive to other factors such as the unresolved situation of the epidemic of the coronavirus in China and China's uncertain purchasing power due to the natural disasters caused by the heat wave, which means the demand for energy in many areas in China has risen, forcing the Chinese government to issue measures to limit energy consumption. As a result, many factories are unable to operate at full capacity. As mentioned above, the global economic recession and inflation also put pressure on buyers to be more cautious in their purchases.

For the overall supply side of the fatty alcohols, it was tighter mainly from temporary shutdown of the fatty alcohols plants in Indonesia and Malaysia to solve production process problems during August and September, 2022. As well as manufacturers in the United States has temporary shutdown to maintenance during August and October, 2022, including the shutdown for catalyst changing of the Company during mid-September to mid-October, 2022.

The Short Chain fatty alcohols price was at 4,337 USD/ton, an increase of 27 USD/ton or 1% compared to the previous quarter due to tight supply situation while the Mid Cut fatty alcohols prices dropped in line with the depreciation of raw material prices at 1,549 USD/ton, a decrease of 1,133 USD/ton or 42% as well as the Long Chain fatty alcohols price dropped to 2,570 USD/ton, a decrease of 702 USD/ton or 21%.

[Market overview comparison between 9M2022 vs. 9M02021](#)

The overall average CPKO-MPOB price for 9M2022 was at 1,766 USD/ton, rose by 512 USD/ton or 41% from 9M2021 mainly due to the decline in CPKO output from Malaysia's labor shortage problem which continues to be a cumulative problem caused by the COVID-19 pandemic situation. In the contrast, the demand for CPKO in the United States and European countries was high after the COVID-19 pandemic situation unravel in their countries.

On the demand side, natural fatty alcohols in 9M2022 tends to be stable compared to the same period of the previous year owing to the new strain of COVID-19 "Omicron" (B.1.1.529) that has spread rapidly and is being concerned by many countries, especially in China, who is the main buyer in the market, has announced lockdown policy in economic areas such as Shanghai and major port cities in southern China and announce the ZERO COVID-19 policy continuously.

However, the COVID-19 pandemic situation in 2H2022 in other countries has eased and opened the country's market to both buyers from European and American countries, including the Asian region, coupled with the tight supply in the market, causing buyers to return to the market. Nevertheless, overall market demand is also sensitive to other factors such as economic recession, inflation, USD currency appreciation and high transportation costs. As mentioned above, these factors may pressure buyers to be more cautious in their purchases.

The overall supply of the fatty alcohols was tighter in 9M2022, mainly from the Domestic Market Obligation (DMO) policy, which was announced by the Indonesian government for the extension of enforcement measures to cover products produced from palm oil (including fatty alcohols and glycerine). As a result, exporters are required to sell fatty alcohols at least 20% to the domestic market between February 15 and March 9, 2022 and up to 30% between March 10 and 17, 2022, resulting in less volume entering the market and more procedures for obtaining export permission. As a result, the delivery of goods to the destination country was delayed. In addition, some manufacturers in United States, Indonesia and Malaysia shutdown plant, causing the overall market capacity to shrink.

The average price of natural fatty alcohols has risen compared to the same period last year due to higher raw material prices and tight supply. The Short Chain fatty alcohols price increased to 4,200 USD/ton, an increase of 1,954 USD/ton or 87% as well as the Mid Cut fatty alcohols prices rose by 389 USD/ton or 20% to 2,324 USD/ton, and the Long Chain fatty alcohols price rose to 2,966 USD/ton, an increase of 1,519 USD/ton or 105%.

Exhibit 6 : Keys Operating Performance of FA Business Unit

Fatty Alcohols Business	3Q2022	3Q2021	% YoY	2Q2022	% QoQ	9M2022	9M2021	% YoY
Utilization (%)	101%	112%	-11%	99%	2%	101%	84%	17%
Sales Volume (Ton)	27,714	25,644	8%	24,653	12%	75,997	64,470	18%
Revenue from Sales (million baht)	2,326	1,626	43%	2,606	-11%	7,250	3,914	85%
EBITDA (million baht)	527	292	80%	424	24%	1,233	513	140%
EBITDA margin (%)	22.7%	18.0%	4.7%	16.3%	6.4%	17.0%	13.1%	3.9%
Stock Gain/(Loss) & NRV	(200)	83	-341%	(156)	28%	(169)	186	-191%
Adjusted EBITDA (million baht) ⁽¹⁾	727	209	248%	580	25%	1,402	327	329%
Adjusted EBITDA Margin (%)	31.3%	12.9%	18.4%	22.3%	9.0%	19.3%	8.4%	10.9%

Note: (1) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV

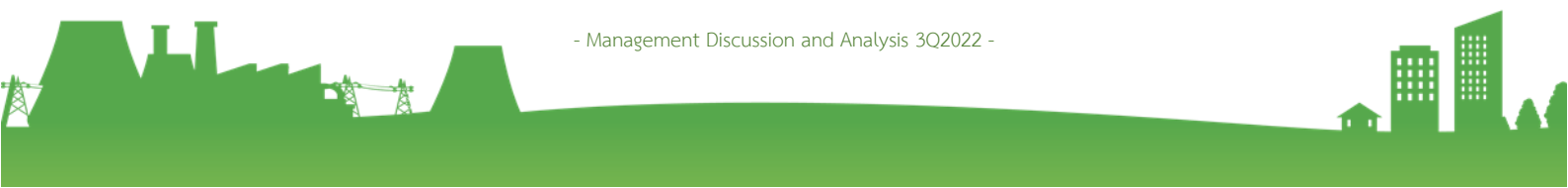
Operating performance comparison between 3Q2022 vs. 3Q2021

The fatty alcohols business recorded sales revenue of THB 2,326 million in 3Q2022, an increase of 43% from 3Q2021 mainly due to an increase in average fatty alcohols prices of 14% and an increase in sales volume of 8%, which are in line with the recovering demand in the market after the COVID-19 pandemic situation in many countries has eased and opened the country to both buyers from European and American countries, including the Asian region.

However, CPKO prices was declined resulting in the Stock Loss & NRV of THB 200 million. The Company recorded EBITDA of THB 527 million in 3Q2022, an increase of 80% from 3Q2021. When deducting the effect of Stock Loss & NRV, the Company had Adjusted EBITDA of THB 727 million, improved by 248% and Adjusted EBITDA Margin was at 31.3%.

Operating performance comparison between 3Q2022 vs. 2Q2022

On a quarter by quarter basis, the Company recorded sales revenue of fatty alcohols in 3Q2022 decreased by 11% from the previous quarter, mainly due to the decline in average fatty alcohols prices as high as 31% following the volatility of CPKO prices, while the sales volume of fatty alcohols increased by 12%. However, the Company recorded EBITDA of THB 527 million, an increase of 24% compared to 2Q2022. When deducting the effect of Stock Loss & NRV of THB 200 million, the Company had Adjusted EBITDA of THB 727 million, increased by 25% and Adjusted EBITDA Margin was at 31.3%.



Operating performance comparison between 9M2022 vs. 9M2021

For the first 9 months of 2022, fatty alcohols business recorded sales revenue of THB 7,250 million, increased by THB 3,336 million or 85% from 9M2021, owing to a 46% increase of average of fatty alcohols price, which was consistent with an average crude palm kernel oil (CPKO) prices as CPKO production declined due to the labor shortages in Malaysia. Contrary to the demand side, which was high after the COVID-19 pandemic situation unfolded in the United States and European countries, the supply side in 9M2022 was tight as stated in the above market situation.

In 9M2022, the Company recorded EBITDA of THB 1,233 million, increased from 9M2021 by 140%. When deducting impact from Stock Loss & NRV of THB 169 million, Adjusted EBITDA was recorded at THB 1,402 million, increased by 329%

Market and Business Outlook in 2023

Methyl Ester Market Outlook

For the methyl ester demand in 2023, the Company anticipates that it tends to improve from the previous year to approximately 1.66 million tons/year, an increase by 40% per year mainly from the government's policy to increase the proportion of biodiesel mandate to be B7 as main grade diesel instead of B5 since October 10, 2022 onwards. It is also expected to increase the proportion of biodiesel mandate in high speed diesel from B7 to 3 types namely B7, B10 and B20 throughout 2023 after the CPO price level adjusted near to normal level. In addition, people are starting to resume their normal lives due to the easing of the COVID-19 pandemic situation couple with tourism tends to recover from both domestic and international tourists. Therefore, the Company anticipates that the overall demand of methyl ester in 2023 will tend to increase.

In terms of the overall supply of the methyl ester market in 2023, it will remain stable because there is no expansion of the production capacity from the existing manufacturers and no entry of new manufacturers. The Company anticipates that the average utilization rate of the industry will increase to 50%.

For the methyl ester price in 2023, the Company anticipates that it tends to drop which is depreciating in line with the trend of domestic CPO prices and also from the restructuring of the methyl ester price formula by the Energy Policy and Planning Office (EPPO), Ministry of Energy with effect from October 3, 2022 onwards.

Fatty Alcohols Market Outlook

For the natural fatty alcohols demand in 2023, the Company anticipates that it still stable to slightly improve from 2022 due to the unravelling of the COVID-19 pandemic situation and the lifting of lockdown measures in buyers' countries such as in Europe, America and Asian region causing the buyers return to the market, especially the Chinese market, which is the main buyer. As a result, the overall demand has returned to being improved. Although the global economic situation tends to be in recession due to the factors of interest rate, inflation and USD currency appreciation, causing the purchasing power in the market to decrease, including the uncertainty of the tensions between China and Taiwan and a potentially protracted war between Russia and Ukraine. As a result, overall market demand has not recovered as much as it should.

For the overall supply of natural fatty alcohols in 2023, the Company anticipates that it tends to improve compared to the previous year that many major manufacturers' having production process problems, causing temporary reduction in production during April and August 2022. In addition, the Indonesian government implemented the Domestic Market Obligation (DMO) policy in February 2022, which requires exporters to sell at least 20% of fatty alcohols to the domestic market before exporting, causing the markets' aggregate supply to contracted significantly. Meanwhile, Indonesia has no plans to resume Domestic Market Obligation (DMO) measures for Oleochemical products in 2023.

In terms of fatty alcohols price in 2023, the Company anticipates that it is likely to drop in line with the trend of CPKO price, including the increasing of the competition in the market due to improved supply.

Refined Glycerine Market Outlook

For the demand of refined glycerine in 2023, the Company anticipates that it is stable to slightly improve compared to the previous year. Although the COVID-19 pandemic situation has eased and the demand for detergents and hygiene products continues to increase, including the cancellation of the country's lockdown measures, especially in China who is main buyer causing the demand has improved. However, the forecast of global economic situation tends into recession from interest rates, inflation and USD currency appreciation, these may affect purchasing power in the market, including the uncertainty situation of the tensions between China and Taiwan and a potentially protracted war between Russia and Ukraine. These factors may pressure buyers to be more cautious in their purchases as mentioned above.

For the overall supply of refined glycerine market in 2023, the Company anticipates that it is likely to improve. As major fatty alcohols producers in the market resume normal production including the alternative energy policy of each country, it tends to increase the proportion of biodiesel mandate in 2023 especially in Southeast Asia. For example, the proportion of biodiesel mandate to be B7 B10 and B20 in Thailand and the proportion of biodiesel mandate to be B40 from B35 in Indonesia, resulting in an increase in the overall supply of refined glycerine in the market.

In terms of an average price of refined glycerine in 2023, the Company anticipates that it is likely to drop following CPO price which is expected to weaken and the increasing of the competition in the market due to an increase supply.

Ethanol Market Outlook

For the ethanol demand in 2023, the Company anticipates that it is likely to improve 8% from the previous year was at 1.20 million tons/year mainly due to people starting to resume their normal lives due to the easing of the COVID-19 pandemic situation, which is coupled with tendency to recover of tourism from both domestic and international tourists. Furthermore, the raw materials price for the ethanol production, especially tapioca chips, is expected to decline close to normal. As a result, the overall average ethanol market price tends to decline and may motivate people to travel more as well.

On the supply side of the ethanol market in 2023, the Company anticipates that there will be an increase in the production capacity expansion from the existing manufacturers, an increase by 9% compared to the previous year. It is expected that an average utilization rate in the industry will remain at 60%.

In terms of ethanol price in 2023, the Company anticipates that it likely to decline compare to 2022 which is in line with the raw material prices for ethanol production from sugar cane, molasses and especially tapioca chips, which are expected to decline near to normal. As a result, the cost of production and the overall average ethanol market price tend to decrease.

Consolidated Statement of Income

Exhibit 7 : Consolidated Profit & Loss Statement comparison of 3Q2022, 3Q2021 and 2Q2022

	3Q2022		3Q2021		YoY		2Q2022		QoQ	
	MB	%	MB	%	MB	%	MB	%	MB	%
Sale Revenue	5,761	100	4,986	100	775	16	7,503	100	(1,742)	(23)
Feedstock	(4,296)	(75)	(4,092)	(82)	(204)	5	(5,972)	(80)	1,676	(28)
Net Realizable Value (NRV)	2	0	15	0	(13)	(87)	(24)	(0)	26	(108)
Product to Feed Margin	1,467	25	909	18	558	61	1,507	20	(40)	(3)
Variable Costs	(459)	(8)	(305)	(6)	(154)	50	(445)	(6)	(14)	3
Fixed Costs	(176)	(3)	(167)	(3)	(9)	5	(193)	(3)	17	(9)
Stock Gain/(Loss)	(443)	(8)	117	2	(560)	(479)	(109)	(1)	(334)	306
SG&A	(115)	(2)	(103)	(2)	(12)	12	(104)	(1)	(11)	11
Other Income	26	0	8	0	18	225	7	0	19	271
EBITDA	300	5	459	9	(159)	(35)	663	9	(363)	(55)
Depreciation and Amortization	(154)	(3)	(179)	(4)	25	(14)	(154)	(2)	-	-
EBIT	146	3	280	6	(134)	(48)	509	7	(363)	(71)
Net Financial Costs	(9)	(0)	(11)	(0)	2	(18)	(12)	(0)	3	(25)
FX Gain/Loss ⁽¹⁾	(17)	(0)	(1)	(0)	(16)	1,600	(29)	(0)	12	(41)
Share of Profit/(Loss) from investment	(6)	(0)	13	0	(19)	(146)	38	1	(44)	(116)
Income Tax Expenses	(44)	(1)	(37)	(1)	(7)	19	(84)	(1)	40	(48)
Net Profit	70	1	244	5	(174)	(71)	422	6	(352)	(83)

Notes :

(1) Including Gain/(Loss) from FX and Derivatives

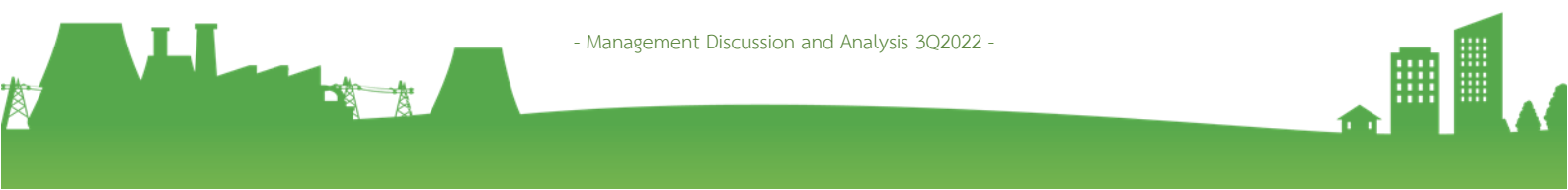


Exhibit 8 : Consolidated Profit & Loss Statement comparison of 9M2022 and 9M2021

	9M2022		9M2021		YoY	
	MB	%	MB	%	MB	%
Sale Revenue	20,579	100	14,762	100	5,817	39
Feedstock	(16,514)	(80)	(12,431)	(84)	(4,083)	33
Net Realizable Value (NRV)	(21)	(0)	-	-	(21)	-
Product to Feed Margin	4,044	20	2,331	16	1,713	73
Variable Costs	(1,302)	(6)	(796)	(5)	(506)	64
Fixed Costs	(501)	(2)	(513)	(3)	12	(2)
Stock Gain/(Loss)	(306)	(1)	175	1	(481)	(275)
SG&A	(307)	(1)	(293)	(2)	(14)	5
Other Income	47	0	24	0	23	96
EBITDA	1,675	8	928	6	747	80
Depreciation and Amortization	(465)	(2)	(520)	(4)	55	(11)
EBIT	1,210	6	408	3	802	197
Net Financial Costs	(31)	(0)	(33)	(0)	2	(6)
FX Gain/Loss ⁽¹⁾	(24)	(0)	(3)	(0)	(21)	700
Share of Profit/(Loss) from investment	37	0	66	0	(29)	(44)
Income Tax Expenses	(213)	(1)	(20)	(0)	(193)	965
Net Profit	979	5	418	3	561	134

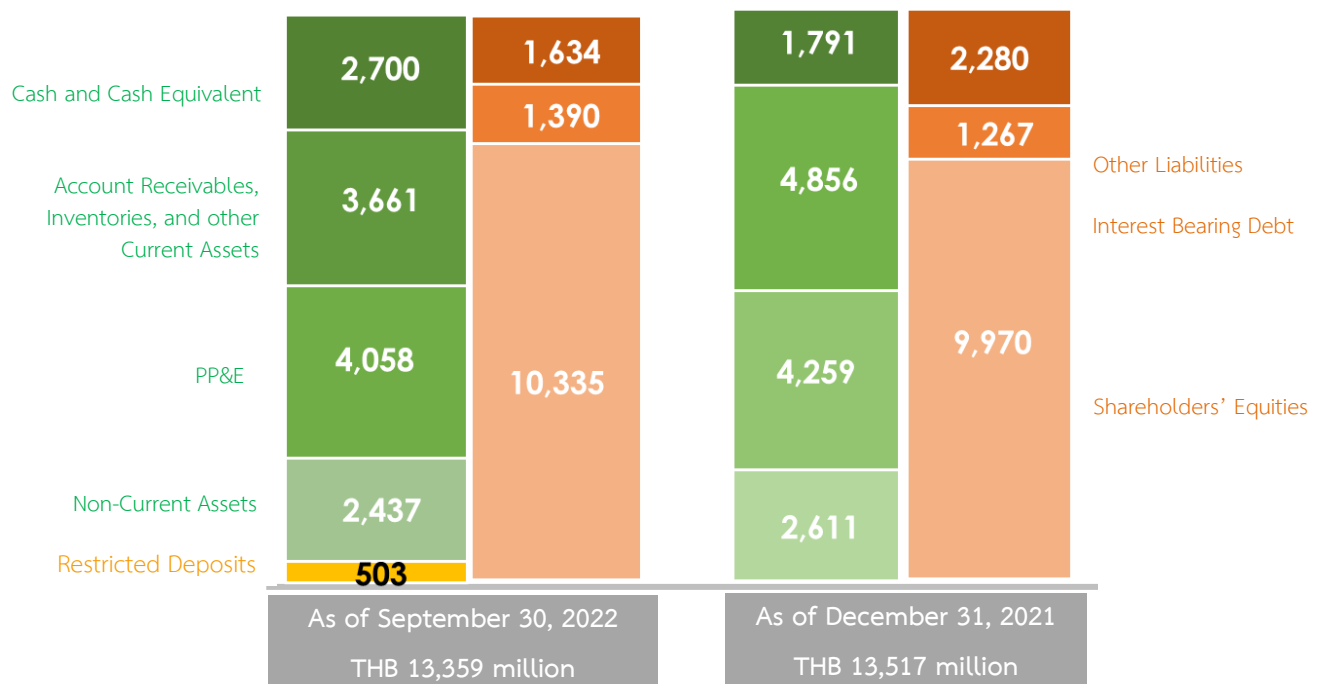
Notes :

(1) Including Gain/(Loss) from FX and Derivatives



Statement of Financial Position

Exhibit 9 : Consolidated Financial Position as of September 30, 2022 and as of December 31, 2021



Assets

As of September 30, 2022, the Company had total assets of THB 13,359 million, a decrease of THB 158 million compared to December 31, 2021 in which key changes are described as follow;

1. Current assets decreased by THB 286 million mainly from;
 - 1.1 An increase in cash and cash equivalent THB 909 million
 - 1.2 Accounts receivable and other accounts receivables decreased by THB 724 million caused by the decreasing of selling price of methyl ester and fatty alcohols couple with the decreasing of sell volume of methyl ester compared to end of 2021.
 - 1.3 Inventory decreased by THB 539 million owing to the decline in raw materials prices, causing the selling price of methyl ester and fatty alcohols to decline, resulting in relation to decrease in inventory.
 - 1.4 An increase in VAT receivables THB 66 million.
2. Non-current assets increased by THB 128 million mainly from;
 - 2.1 An increase in restricted deposits THB 503 million regarding the lawsuit order at the creditor's request under the civil case. The details are disclosed in the notes to the financial statements.
 - 2.2 PP&E decreased by THB 201 million mainly due to depreciation expenses incurred in the period.
 - 2.3 The right of use (ROU) asset decreased by THB 77 million.
 - 2.4 Net deferred tax assets decreased by THB 89 million mainly from the Loss Carry Forward used during the draw.

Liabilities

As of September 30, 2022, the Company had total liabilities of THB 3,024 million, a decrease of THB 523 million compared to December 31, 2021, mainly attributed to

- 1) Accounts payable decreased by THB 738 million mainly from the decreasing of raw material prices.
- 2) Long-term loans from financial institutions increased by THB 199 million.
- 3) Corporate tax payable increased by THB 90 million.
- 4) Lease liabilities decreased by THB 74 million.

Shareholders' equity

As of September 30, 2022, the Company had total shareholders' equity of THB 10,335 million, an increase of THB 365 million compared to December 31, 2021. This was the net profit of THB 979 million in 9M2022 and dividend payment to shareholders of THB 614 million.

Statement of Cash Flows

Exhibit 10: Consolidated Cash Flows Statement for the nine months period ended September 30, 2022 and September 30, 2021.

Cash Flow (Unit: Million Baht)	30 September 2022	30 September 2021
Net cash received (used in) operating activities	1,515	1,208
Net cash received (used in) investing activities	(563)	(131)
Net cash received (used in) financing activities	(524)	(735)
Effect of exchange rate changes on balances held in foreign currencies	11	20
Net increase (decrease) in cash and cash equivalents	439	362
Cash and cash equivalents as at 1 January	1,511	1,742
Cash and cash equivalents as at 30 September	1,950	2,104

Note: Ending cash and cash equivalents as at 30 September 2022 had not included current investment in financial assets of THB 750 million.

As for statement of cash flows for the first nine months of 2022, the Company had cash received from operating activities of THB 1,515 million which comprised of cash from the net profit of THB 979 million, the adjustment for non-cash items, a decrease in account receivables and inventories, an increase in VAT receivables. Including a decrease in account payables, a decrease in other account payables and an increase in restricted deposits.



The Company had cash used in investing activities of THB 563 million, primarily due to cash spending for an increase in the investments in current financial assets of THB 470 million, cash spending for purchase of buildings and equipment of THB 144 million, cash spending for the investment in joint ventures (GKBI) of THB 54 million and cash receiving from dividend of THB 102 million.

The Company had cash used in financial activities of THB 524 million mainly due to dividend payment of THB 614 million, cash spending for lease liabilities of THB 83 million, interest paid of THB 28 million and cash spending for long-term loans from financial institutions of THB 315 million while had cash receiving from long-term loans from financial institutions of THB 517 million.

As the activities above, the Company had an increase in cash and cash equivalents in the amount of THB 439 million which had cash and cash equivalents as of January 1, 2022 in the amount of THB 1,511 million. As a result, as of September 30, 2022 the Company had cash and cash equivalents of THB 1,950 million.

Key Financial Ratios

Exhibit 11 : Key Financial Ratios comparison of 3Q2022 vs 3Q2021 vs 2Q2022.

Key Financial Ratio	3Q2022	3Q2021	2Q2022
Current Ratio (x)	3.1	3.0	2.8
EBITDA to Sales Revenue (%)	5.2	9.2	8.8
Net Profit to Sales Revenue (%)	1.2	4.9	5.6
Return on Total Assets (%)	9.3	8.2	10.5
Return on Equity (%)	8.7	10.1	10.5
Debt to Equity (x)	0.3	0.3	0.3
Interest Bearing Debt to Equity (x)	0.1	0.2	0.1
Interest Bearing Debt to EBITDA (x)	0.6	0.9	0.6

Notes:

Current ratio (x)	=	Current assets divided by current liabilities
EBITDA to sales revenue (%)	=	EBITDA divided by sale volume
Net profit to sales revenue (%)	=	Net profit divided by sales revenue
Return on total assets (%)	=	Net profit divided by average total assets
Return on equity (%)	=	Net profit divided by average equities attributed to owners of the company
Debt to equity (x)	=	Total debt divided by shareholders' equities
Interest bearing debt to equity (x)	=	Interest bearing debt divided by shareholder' equities
Interest bearing debt to EBITDA (x)	=	Interest bearing debt divided by EBITDA

