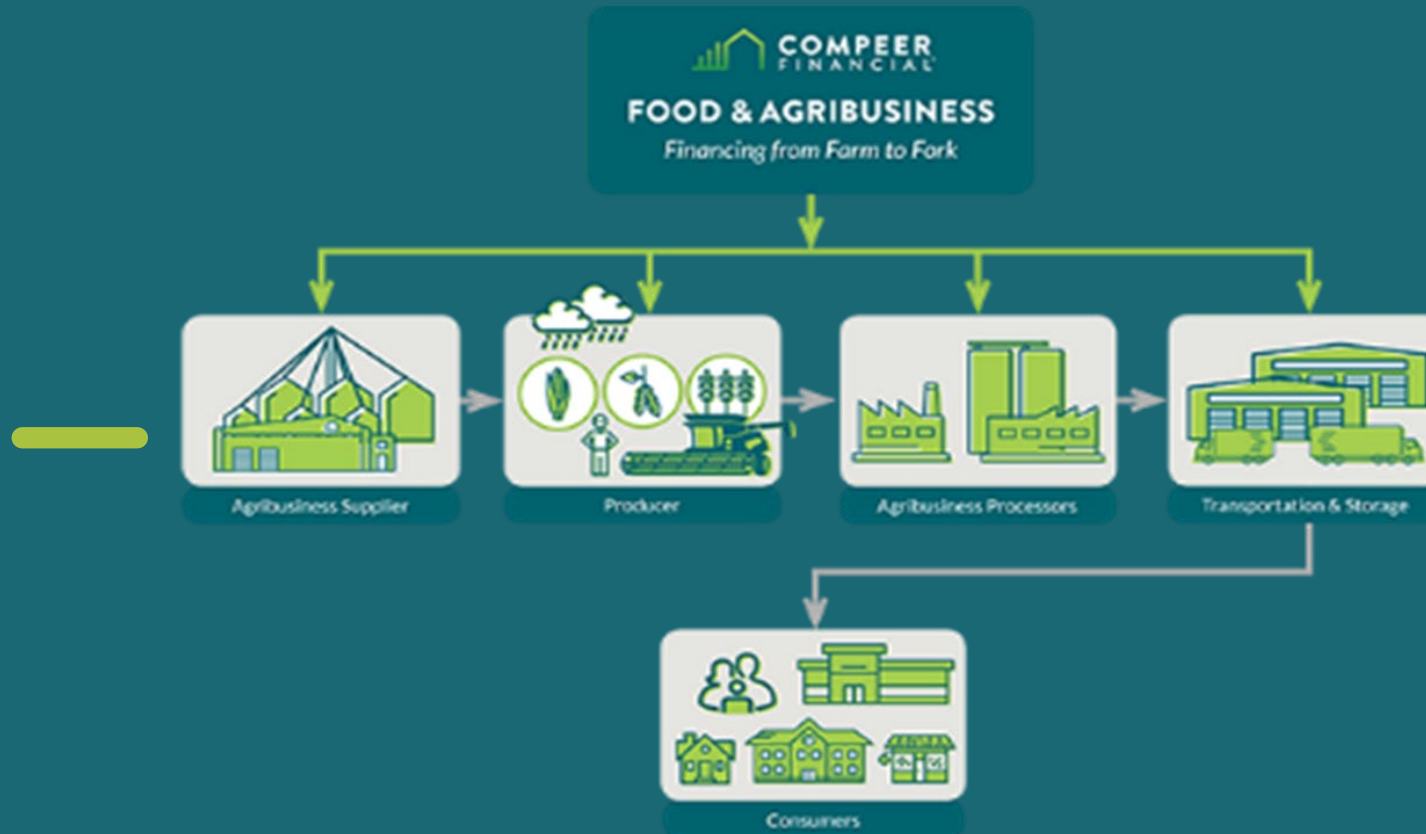




COMPEER
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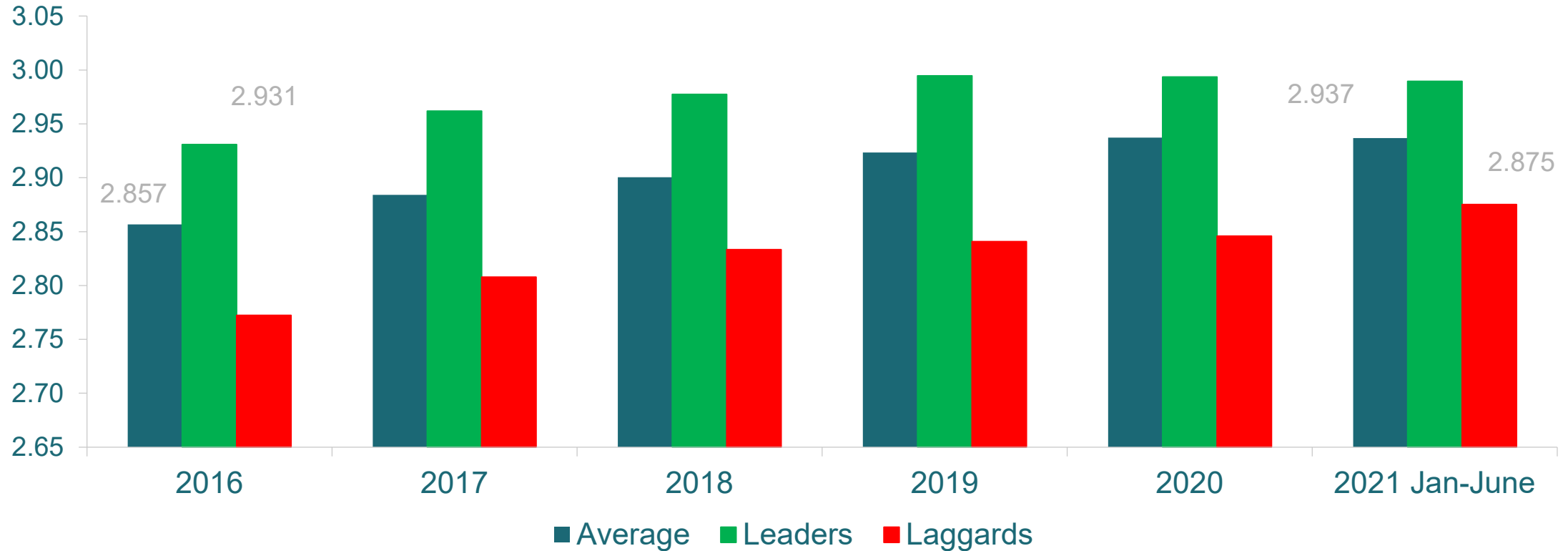
ACE CONFERENCE



August 2021

Ethanol Yield Optimization – Raising the Bar

Denatured Ethanol Yield (Gallons/Bushel @15% Moisture)



DRIVERS

- Proven track records
- Debt/Gallon
- Plant Competitiveness:
 - Technology
 - Conversions
 - Access to Markets
 - Corn Markets
 - Management
 - CI Score
- Risk Management
- **WORKING CAPITAL!**





CAPITAL EXPENDITURES

Primary Projects we see are tied to Revenue Diversification:

- High Protein: Varying assumptions, markets and Costs
- Hi-Grade Ethanol: USP specs, Optionality, Strategy Pivot
- Carbon Capture: Varying strategies. Location winners. Exploratory.
- Energy Projects: Lower Energy usage and costs

Commonality of Approaches:

- Looking at traditional Debt/Gallon on the plant
- How does the project make the plant more competitive
- Need strong projections & understanding of assumptions
 - Quick paybacks, will be matched with faster amortization
- Layering in a Funded/Debt to EBITDA

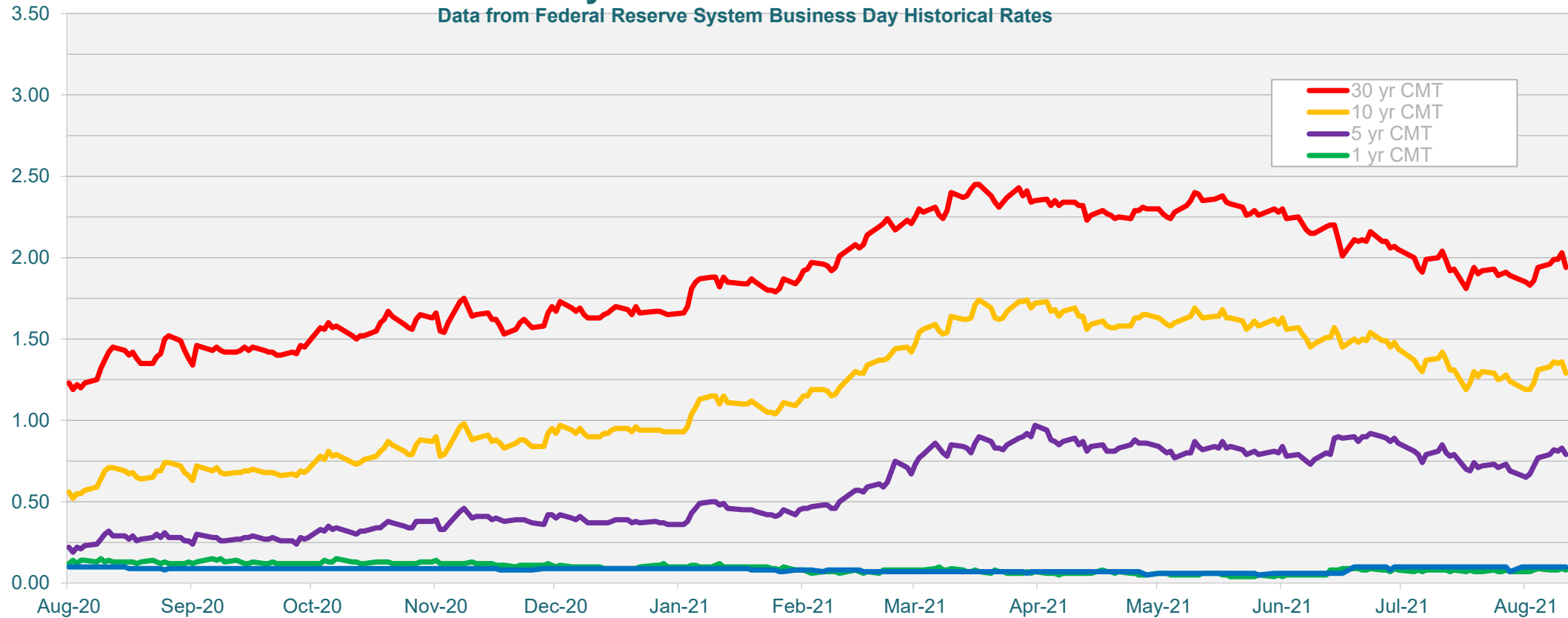
3 LEGGED STOOL BALANCING ACT



INTEREST RATE TRENDS

US Treasury Interest Rate Trends - 1 Year

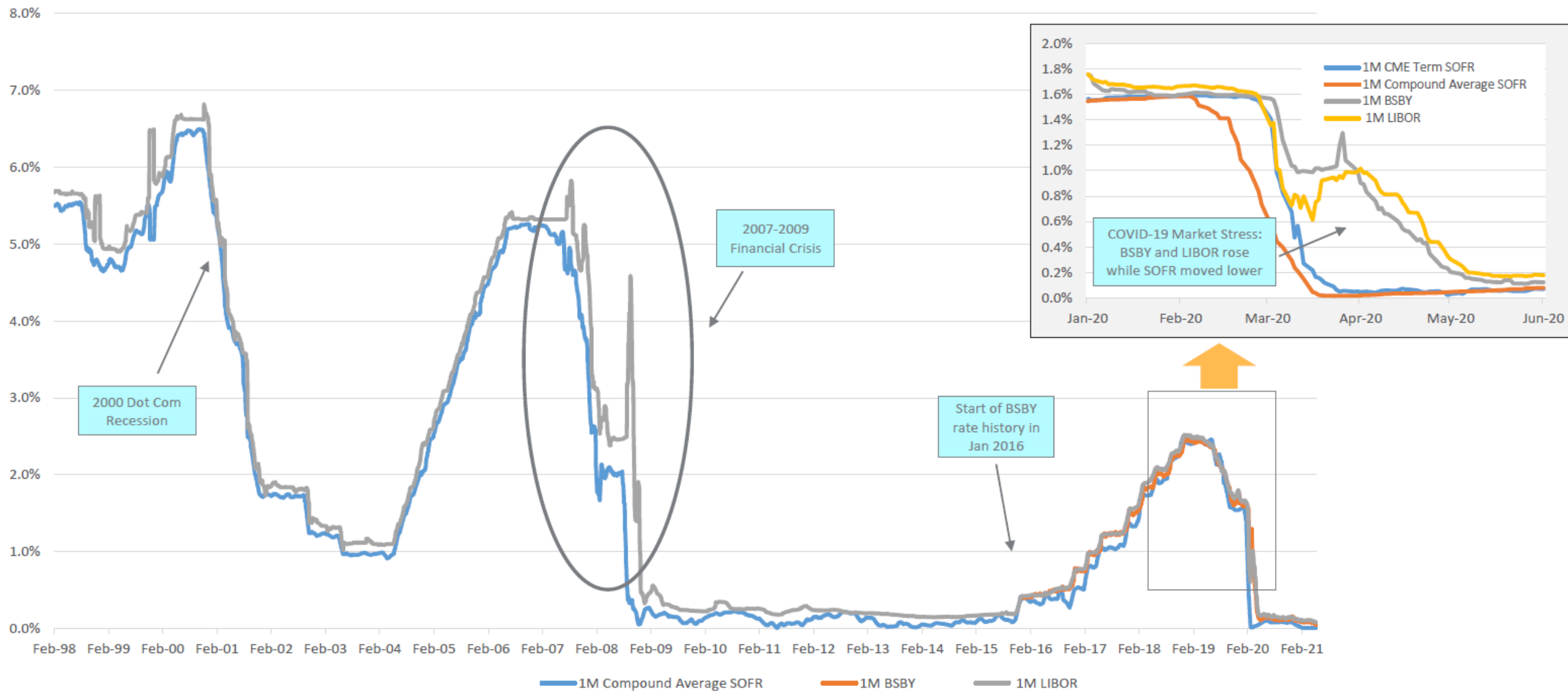
Data from Federal Reserve System Business Day Historical Rates



INTEREST RATES & LIBOR TRANSITION

- Libor sunset date remains December 2021 (New Pricing) & June 2023 (Legacy Contracts)
- SOFR remains primary alternative but has had limited acceptance across retail lending due to
 - Daily rate - lacks a term structure
 - + CME Group began publishing SOFR term rates in April and has been selected as term SOFR administrator –
 - + ARRC formally endorsed CME's Term SOFR on 8/2!
- SOFR will be the primary alternative but future is likely to have multiple reference rates for differing segments of the market
- Likely see transitions starting in Q4.

Long-Term Rate Comparison



A stylized graphic of a house outline in a light teal color. Inside the house, there is a bar chart with four vertical bars of increasing height from left to right. A horizontal line is drawn across the base of the bars. The text 'THANK YOU.' is written in white, bold, uppercase letters across the middle of the house.

THANK YOU.

