



Aemetis, Inc.

Q1 weaker, but maintained strong 5-year plan. Large product potential for renewable fuels makes stock attractive. Lowering P/T to \$33.

Q1 weaker: Aemetis recently (on May 12) reported its fiscal Q1 2022 (ending March) results. Revenue was \$52 million (-6% y-o-y), compared to our estimate of \$60 million and consensus of \$55 million. EPS was \$(0.54), compared to our estimate of \$(0.35) and consensus of \$(0.38). There was no Q1 guidance.

High ethanol prices: Ethanol prices were +35% (y-o-y), which were more than offset by higher corn prices (+27% y-o-y) resulting in weak margins and profitability (though it was a slight improvement from Q1 2021).

India still weak: India's Q1 results were again near zero as the pandemic continued to impact the markets and operations (vs. \$1 million in Q1 2021).

Q1 progress: In Q1, Aemetis assumed operational management of the 125-acre Riverbank Industrial Complex for its sustainable aviation fuel (SAF) and renewable diesel plant, and signed \$3.5 billion for SAF with major airlines and \$3.2 billion for renewable diesel with a leading travel stop chain.

Very strong financial plan: Aemetis has maintained (though recently revised it slightly) its strong 5-year financial plan to reach \$1 billion in revenue in 2025.

Lowering estimates: We are lowering our 2022 estimates for revenue to \$245 million, from \$265 million, and for EPS to \$(1.50) from \$(1.01).

Good progress: The company is making good progress on its key biogas and cellulosic ethanol production facility projects. The company has received various permits and contracts to expand the next phase of its biogas project from 2 dairies currently to 15 additional dairies in 2022. In addition, Aemetis has recently signed several major jet fuel sales agreements to deliver sustainable aviation fuel with Delta Air Lines and oneworld Alliance.

Positive outlook: While at first glance, Aemetis's operations and financials appear challenged (due to its history of losses and tight liquidity), we believe the company is near an inflection point to significantly improve its operations and outlook. Specifically we view a favorable outlook in 2022 for:

- 1) Pricing it receives for its products (ethanol and biodiesel).
- 2) Government mandates for usage of renewable fuels.
- 3) Debt financing (interest rates, ability to rollover/issue new debt).
- 4) Monetization of its India plant.
- 5) Value from its planned new cellulosic ethanol production facility.
- 6) Expansion of its Biogas project.
- 7) Improvements in economics/financials for its ethanol plant.
- 8) Carbon sequestration project.

We believe that an overall positive outcome to these items will significantly improve Aemetis operations and financial results.

Key catalysts upcoming: Key upcoming catalysts may drive the stock, including continued improved ethanol economics in 2022, resuming India plant, progress on its new cellulosic ethanol facility, improvements to its ethanol plant, carbon sequestration project, and its biogas project.

Positive high risks vs. rewards: While the company is still at early-stages in its financial goals to grow revenue and reach profitability, we believe that the current share price (even with its huge price volatility in the past year and reaching a high of \$27 in April 2021) represents great upside opportunity.

Current valuation attractive: Maintaining our BUY rating, but lowering our 12-month price target to \$33.00 from \$35, which is based on a NPV analysis, representing significant upside from current share price. We believe this valuation appropriately balances out the company's high risks with the company's growth prospects and large upside opportunities.

Company Description

Based in Cupertino, CA, Aemetis is a renewable fuels company that develops, produces, and markets ethanol, biodiesel, and other low carbon fuels.

United States
Energy

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Stock Data

Exchange:	NasdaqGS
52-week Range:	\$5.67 – 23.33
Shares Outstanding (million):	34
Market cap (\$million):	\$290
EV (\$million):	\$543
Debt (\$million):	\$259
Cash (\$million):	\$6
Avg. Daily Trading Vol. (\$million):	\$8
Float (million shares):	29
Short Interest (million shares):	6
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2022E</u>	<u>2022E</u>	<u>2023E</u>	<u>2023E</u>
	<u>(Cur.)</u>	<u>(Old)</u>	<u>(Cur.)</u>	<u>(Old)</u>
Q1 Mar	52A	60E	73E	75E
Q2 Jun	61E	69E	85E	86E
Q3 Sep	59E	62E	82E	78E
Q4 Dec	<u>73E</u>		<u>90E</u>	<u>91E</u>
Total	245E	265E	330E	
EV/Revs	2.2x		1.6x	

Earnings per Share (pro forma)

	<u>2022E</u>	<u>2022E</u>	<u>2023E</u>	<u>2023E</u>
	<u>(Cur.)</u>	<u>(Old)</u>	<u>(Cur.)</u>	<u>(Old)</u>
Q1 Mar	(0.54)A	(0.35)E	(0.17)E	(0.19)E
Q2 Jun	(0.41)E	(0.21)E	(0.14)E	(0.13)E
Q3 Sep	(0.34)E	(0.25)E	(0.14)E	(0.16)E
Q4 Dec	<u>(0.22)E</u>	<u>(0.20)E</u>	<u>(0.09)E</u>	<u>(0.07)E</u>
Total	(1.50)E	(1.01)E	(0.55)E	
P/E	N/A		N/A	

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 14.

COMPANY UPDATE

Rating: BUY

Ticker: AMTX

Price: \$8.53

Target: \$33.00
(from \$35)

OVERVIEW

- Aemetis recently (on May 12) reported its fiscal Q1 2022 (ending March) results.
- Revenue was \$52 million (-6% y-o-y), compared to our estimate of \$60 million and consensus of \$55 million.
- EPS was \$(0.54), compared to our estimate of \$(0.35) and consensus of \$(0.38).
- EBITDA was \$(7.0) million (vs. \$(6.7) million in Q1 2021), compared to our estimate of \$(1.0) million.
- There was no Q1 guidance.
- Aemetis recently updated its 5-year financial plan (in February 2022). For 2022, the company expects revenue of \$294 million, EBITDA of \$25 million, and EPS of ~\$(0.68) (net loss of \$23 million and we estimate a share count of 34 million).
- We are lowering our 2022 estimates for revenue to \$245 million, from \$265 million, and for EPS to \$(1.50) from \$(1.01).
- We are maintaining our 2023 estimates for revenue of \$330 million, and for EPS of \$(0.55).

ADDITIONAL DETAILS

- Revenue from North America was \$52 million (+23% y-o-y), vs. Q1 2021's \$42 million.
- Revenue from India was ~\$0 million (-100% y-o-y), vs. Q1 2021's \$1 million.
- Gross profit for the quarter was \$(3) million, compared with our estimate of \$3 million.
- Gross margin for the quarter was -6%, versus -8% last year and our expectation of +5%.
- Operating expenses were \$7 million, versus our expectation of \$8 million.
- Operating loss was \$10.4 million, versus our expectation of a loss of \$4.9 million.
- Net loss was \$18.3 million, versus our expectation of a loss of \$11.9 million.

On March 1, 2021 (as part of a presentation at an investor conference), Aemetis provided a 5-year financial plan to reach \$1 billion in revenue in 2025.

On February 28, 2022 (as part of a presentation at an investor conference), Aemetis provided an update to its 5-year financial plan (see exhibits) to reach \$1 billion in revenue in 2025 and \$1.5 billion in revenue in 2026.

The company's balance sheet remains highly leveraged with \$6 million in cash and \$259 million in debt, compared with \$8 million in cash and \$241 million in debt at the end of December. However, with the strong rise in its share price in 2021, the company has been utilizing its ATM (at-the-market) stock sale program (raised \$62 million in Q1, \$24 million in Q2, \$8 million in Q3, \$9 million in Q4).

Exhibit 1: Q1 2022 & Q4 2021 Production and Price Performance

	Three months ended	
	March 31,	
	2022	2021
Ethanol		
Gallons sold (in millions)	14.7	15.6
Average sales price/gallon	\$ 2.58	\$ 1.91
Percent of nameplate capacity	107%	114%
WDG		
Tons sold (in thousands)	100	104
Average sales price/ton	\$ 115	\$ 106
Delivered Cost of Corn		
Bushels ground (in millions)	5.0	5.5
Average delivered cost / bushel	\$ 8.75	\$ 6.87
Dairy Renewable Natural Gas		
MMBtu sold	335	41
Biodiesel		
Metric tons sold (in thousands)	0.0	0.3
Average Sales Price/Metric ton		\$ 1,026
Percent of nameplate capacity	0%	1%

**PRODUCTION AND PRICE PERFORMANCE
(unaudited)**

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
Ethanol and high grade alcohol				
Gallons sold (in millions)	15.2	15.4	59.8	60.3
Average sales price/gallon	\$3.36	\$1.60	\$2.72	\$1.84
Percent of nameplate capacity	111%	112%	109%	112%
WDG				
Tons sold (in thousands)	105	101	404	393
Average sales price/ton	\$103	\$90	\$103	\$81
Delivered Cost of Corn				
Bushels ground (in millions)	5.4	5.3	20.9	21.1
Average delivered cost/bushel	\$7.23	\$5.61	\$7.52	\$5.05
Dairy Renewable Natural Gas				
MMBtu sold	13,361	9,388	53,041	9,388
Biodiesel				
Metric tons sold (in thousands)	-	1.7	0.5	16.0
Average sales price/metric ton	\$ -	\$879	\$1,024	\$863
Percent of nameplate capacity	0%	5%	<1%	10%

Source: Company report.

Exhibit 2: Aemetis Overview

Aemetis Overview

Company:

- Founded 2006 in Cupertino, CA by former co-founder of \$1.6 billion revenues Pacific Ethanol (Nasdaq: ALTO)
- \$166 million revenues (2020) with \$300 million of assets (build cost)
- Experts in building and operating Low and “Below Zero” Carbon Intensity (CI) renewable fuels projects

Projects:

- Built, operating and now expanding -426 carbon intensity Dairy RNG project that replaces petroleum diesel
- Building 45 mgy “Carbon Zero” renewable diesel/jet fuel plants in California using cellulosic hydrogen
- Developing Carbon Capture & Sequestration (CCS) injection wells at the two biofuels plant sites in California
- Own, operating and upgrading 65 mgy biofuels plant in California to increase LCFS, RFS and 45Q values
- Built, operating and expanding 50 mgy low carbon biofuels plant in India using low CI feedstocks






Aemetis at a Glance

An integrated energy transition platform

Key Highlights

~\$400mm market cap (NASDAQ: AMTX) ⁽¹⁾	Delta /American /Japan Airlines to offtake \$2.5b of Sustainable Aviation Fuel	~\$300mm+ in assets at build cost ⁽²⁾
2 operating biofuel plants	1 planned SAF/RD biofuel plant	2 operating RNG digesters & 10 more planned by year-end 2022
Mission Replace high carbon intensity petroleum products with “Below Zero” renewable fuels and byproducts to reverse Climate Change caused by greenhouse gases warming our planet		Strategy Lead the renewable fuels industry transition to Below Zero Carbon Intensity inputs from nonfood, low cost agricultural and forest waste sources to maximize California Low Carbon Fuel Standard (LCFS), US Renewable Fuel Standard (RFS), and IRS 45Q credit values

Segment Summary

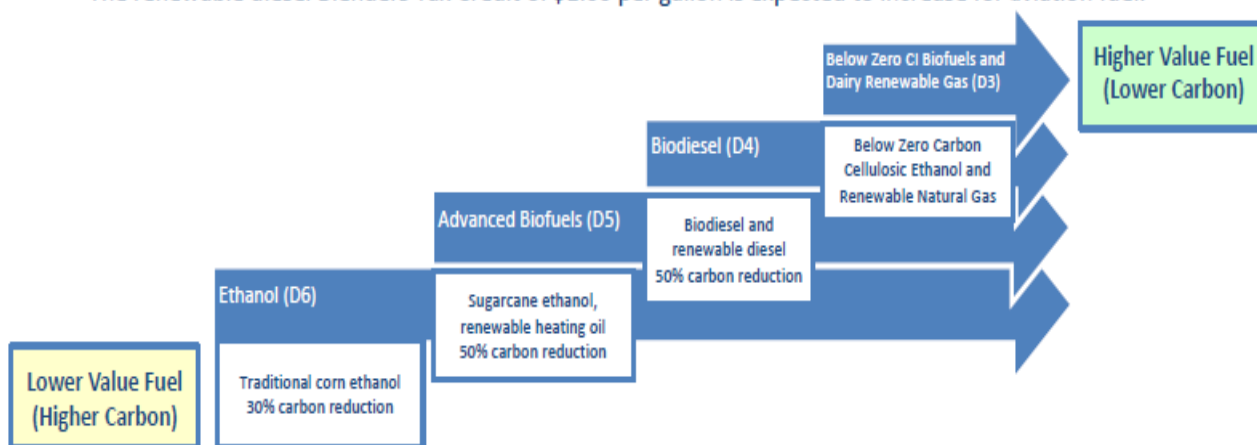
 Dairy RNG	 Renewable Jet / Diesel	 California Ethanol	 India Biodiesel	 Carbon Capture
<ul style="list-style-type: none"> ▪ Operates biomethane digesters at dairy farms connected by pipeline to a gas cleanup and compression facility at existing ethanol plant to produce -426 CI RNG 	<ul style="list-style-type: none"> ▪ Permitting /Engineering underway on a renewable Jet /Diesel refinery with production capacity of 90 mgy 	<ul style="list-style-type: none"> ▪ Located in Keyes, CA with a capacity of 65 mgy of low carbon fuel, ~2mm pounds / day of animal feed to ~120,000 dairy cows at ~80 dairies in the Central Valley of CA 	<ul style="list-style-type: none"> ▪ Own and operate an integrated fuels and chemical production facility in Kakinada, India with nameplate capacity of ~50 mgy ▪ Plans to expand capacity to 100 mgy by 2024 	<ul style="list-style-type: none"> ▪ Capture, dehydrate, compress and sequester CO₂ from Aemetis and third-party suppliers

Source: Company report.

Exhibit 3: Aemetis Market Opportunity

Below Zero Carbon Intensity Market Opportunity

- Federal and California low carbon renewable fuel standards require oil refiners and other obligated parties to blend increasing amounts of renewable fuels into transportation fuel sold in the United States.
- Renewable fuels with “below zero” carbon intensity, such as dairy biogas and cellulosic hydrogen from orchard waste, generate more revenues than traditional renewable fuels which have higher carbon intensity.
- The 2007 Federal Energy Independence and Security Act states military, economic and environmental reasons for increasing renewable fuels to 36 billion gallons per year in the US.
- The California Low Carbon Fuel Standard (LCFS) is expected to generate deficits as the regulatory demand for credits continues to increase annually.
- The renewable diesel Blenders Tax Credit of \$1.00 per gallon is expected to increase for aviation fuel.



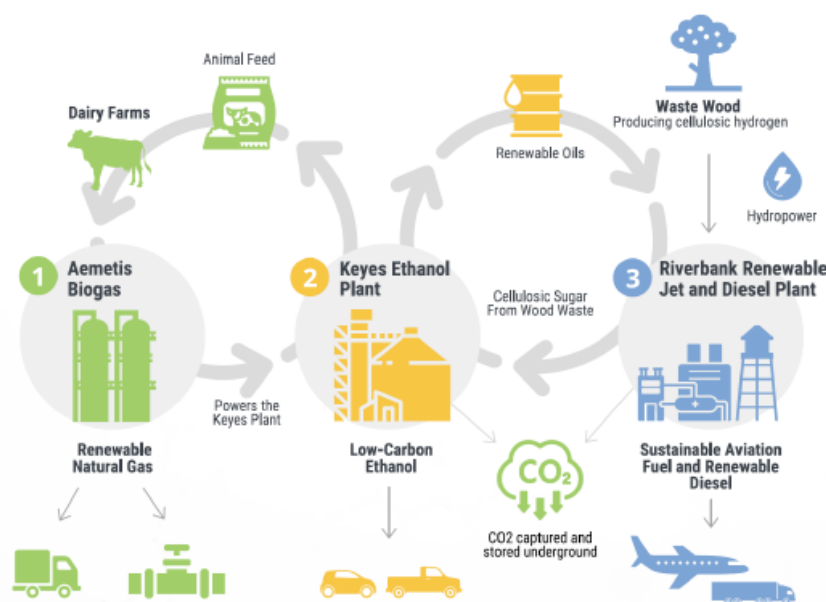
Economic incentives created by state and federal regulatory frameworks support the production of renewable natural gas and advanced biofuels from non-food feedstocks by providing valuable renewable fuel credits known as California LCFS credits, federal RINs and IRS 45Q. Oregon and other states are now adopting the California carbon reduction program.

Source: Company report.

Exhibit 4: Aemetis Growth Plans

Aemetis Circular Bioeconomy

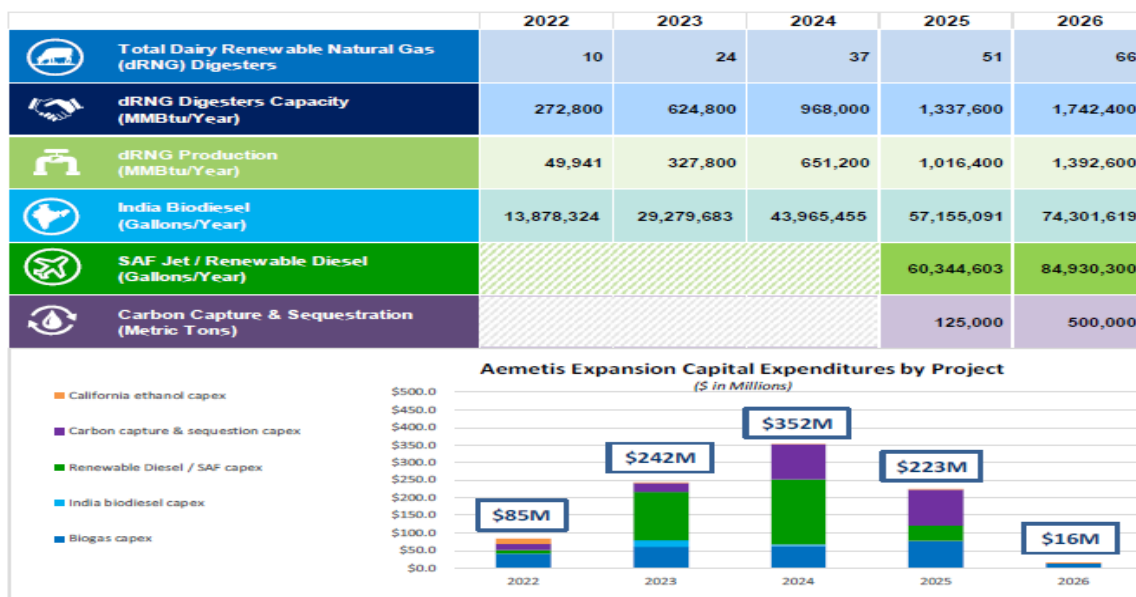
Integrated value chain supports growth while minimizing technology and execution risk



Aemetis Leverages Existing Plants, Infrastructure, and Relationships to Expand its Low-Carbon Biofuel Business

- 1 Aemetis Biogas**
Dairy cows consume the animal feed from the Aemetis plant, producing manure, which naturally creates methane. Aemetis dairy digesters capture this methane and pipe the gas to the Aemetis plant for further clean-up and conversion into renewable natural gas. By avoiding the release of methane into the atmosphere, this carbon negative gas is used as transportation fuel, further reducing the consumption of petroleum..
- 2 Keyes Ethanol Plant**
The Keyes facility produces about 65 million gallons a year of ethanol, animal feed, and distillers corn oil. The animal feed produced here feeds local dairy cows.
- 3 Riverbank Renewable Jet & Diesel Facility**
Renewable oils and orchard wood waste, is used as a feedstock for the production of renewable jet and diesel fuel using zero

Aemetis Expansion Plans



1. The information on this slide constitutes forward-looking statements. All projections are subject to change and based upon current expectations.

Source: Company report.

Exhibit 5: Aemetis Major Jet Fuel Agreements

May 24, 2022

Aemetis Signs Agreement with Alaska Airlines to Supply 13 Million Gallons of Sustainable Aviation Fuel

April 26, 2022

Aemetis Signs Agreement with JetBlue to Supply 125 Million Gallons of Sustainable Aviation Fuel

March 25, 2022

Aemetis Signs Agreement with Finnair to Supply 17.5 Million Gallons of Sustainable Aviation Fuel

March 15, 2022

Aemetis Signs Agreement with Qantas to Supply 35 Million Gallons of Sustainable Aviation Fuel

February 9, 2022

Aemetis Signs Agreement with Japan Airlines to Supply 90 Million Gallons of Sustainable Aviation Fuel

December 1, 2021

Aemetis Signs Agreement with American Airlines to Supply Sustainable Aviation Fuel

November 30, 2021

Aemetis Signs MOU's with Eight Airline Members of the oneworld Alliance for 350 Million Gallons of Sustainable Aviation Fuel

September 30, 2021

Aemetis Signs Offtake Agreement with Delta Air Lines for 250 Million Gallons of Sustainable Aviation Fuel

Source: Company report.

Exhibit 6: Aemetis 5-year Revenue and EBITDA Growth Plan (as of February 28, 2022)

Revenue and Adjusted EBITDA Growth Plan

Projected Consolidated Revenues and Adjusted EBITDA ¹					
Revenues (millions)	2022	2023	2024	2025	2026
California Ethanol & Animal Feed	\$231.2	\$241.8	\$246.6	\$250.9	\$255.6
India Biodiesel & Glycerin	51.5	104.5	164.3	223.8	304.8
Dairy Renewable Natural Gas	9.5	61.9	106.2	161.9	216.8
Renewable Diesel/Sustainable Aviation Fuel	2.2	2.4	2.4	443.4	623.1
Carbon Capture & Sequestration	0.0	0.0	0.0	25.6	102.5
Total Revenues	\$294.3	\$410.6	\$519.6	\$1,105.6	\$1,502.9
Adjusted EBITDA (millions)	2022	2023	2024	2025	2026
California Ethanol & Animal Feed	\$31.9	\$30.8	\$33.1	\$31.8	\$33.2
India Biodiesel & Glycerin	3.1	8.1	14.2	20.1	30.3
Dairy Renewable Natural Gas	1.6	46.1	84.1	134.8	185.3
Renewable Diesel/Sustainable Aviation Fuel	(0.3)	(0.3)	(0.3)	99.8	147.2
Carbon Capture & Sequestration	(0.0)	(0.1)	(0.1)	20.3	81.9
Corporate	(11.0)	(13.1)	(15.2)	(17.0)	(17.0)
Adjusted EBITDA	\$25.2	\$71.6	\$115.9	\$289.8	\$461.0

Source: Company report.

Exhibit 7: Historical U.S. Crude Oil and Ethanol Prices

End of day Commodity Futures Price Quotes for Crude Oil WTI (NYMEX)



End of day Commodity Futures Price Quotes for Ethanol Futures



Source: <https://markets.ft.com/>

Exhibit 8: Aemetis's Stock Price (5-Year)



Source: <https://bigcharts.marketwatch.com/>

Exhibit 9: Consensus Expectations (as of May 12, 2022)

	Revenue			EPS	
	2022E	2023E		2022E	2023E
Q1 Mar	\$55E		Q1 Mar	\$(0.38)E	
Q2 Jun	\$60E		Q2 Jun	\$(0.39)E	
Q3 Sep			Q3 Sep		
Q4 Dec			Q4 Dec		
Total	\$238E	\$372E	Total	\$(1.53)E	\$(0.40)E

*Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.

Source: Company report, Refinitiv, and Ascendant Capital Markets estimates

FINANCIAL MODEL

Aemetis, Inc.

Income Statement (\$ mils)	Mar-20	Jun-20	Sep-20	Dec-20	2020	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	39.5	47.8	40.9	37.3	165.6	42.8	54.9	49.9	64.4	211.9	52.0	60.8	58.9	73.4	245.1	72.9	85.0	82.4	89.7	330.0
Cost of Revenues	39.9	33.8	40.2	40.7	154.5	46.4	51.2	54.7	51.7	204.0	55.1	60.1	55.9	66.0	237.2	63.4	74.0	71.7	77.2	286.2
Gross Profit	(0.4)	14.1	0.8	(3.4)	11.0	(3.6)	3.6	(4.8)	12.7	7.9	(3.1)	0.7	2.9	7.3	7.9	9.5	11.0	10.7	12.6	43.8
Research and development	0.1	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.3
Selling, general and administrative	3.9	4.0	4.6	4.3	16.9	5.4	5.8	5.1	7.5	23.7	7.3	7.3	7.2	7.3	29.2	8.0	8.5	8.2	8.1	32.8
Restructuring and other					0.0					0.0					0.0					0.0
Total operating expenses	4.1	4.1	4.6	4.4	17.1	5.4	5.8	5.1	7.5	23.8	7.3	7.4	7.3	7.4	29.4	8.1	8.6	8.3	8.2	33.2
Operating income (loss)	(4.5)	10.0	(3.8)	(7.7)	(6.1)	(9.0)	(2.1)	(9.9)	5.2	(15.8)	(10.4)	(6.7)	(4.4)	(0.1)	(21.5)	1.4	2.4	2.4	4.4	10.6
Interest income (expense)	(6.9)	(6.9)	(7.6)	(6.6)	(27.9)	(7.2)	(9.0)	(7.7)	(5.9)	(29.8)	(7.9)	(6.5)	(6.5)	(6.5)	(27.3)	(6.5)	(6.5)	(6.5)	(6.5)	(25.9)
Other income (expense)	(0.9)	(0.9)	(0.8)	(1.0)	(3.6)	(1.9)	0.6	0.0	(0.3)	(1.6)	0.0	(1.0)	(1.0)	(1.0)	(3.0)	(1.0)	(1.0)	(1.0)	(1.0)	(4.0)
Income before income taxes	(12.3)	2.1	(12.2)	(15.3)	(37.6)	(18.1)	(10.6)	(17.6)	(1.0)	(47.3)	(18.3)	(14.2)	(11.8)	(7.5)	(51.8)	(6.1)	(5.0)	(5.1)	(3.1)	(19.3)
Income taxes	(0.2)	(0.1)	0.0	(0.7)	(1.0)	0.0	0.0	0.0	(0.1)	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	(12.1)	2.2	(12.2)	(14.6)	(36.7)	(18.1)	(10.6)	(17.6)	(0.9)	(47.1)	(18.3)	(14.2)	(11.8)	(7.5)	(51.8)	(6.1)	(5.0)	(5.1)	(3.1)	(19.3)
Nonrecurring/noncash adjustments					0.0					0.0					0.0					0.0
Net income (pro forma)	(12.1)	2.2	(12.2)	(14.6)	(36.7)	(18.1)	(10.6)	(17.6)	(0.9)	(47.1)	(18.3)	(14.2)	(11.8)	(7.5)	(51.8)	(6.1)	(5.0)	(5.1)	(3.1)	(19.3)
EBITDA	(3.0)	11.2	(2.5)	(6.3)	(0.7)	(6.7)	(1.0)	(8.2)	8.8	(7.2)	(7.0)	(3.3)	(1.0)	3.3	(8.0)	4.8	5.8	5.8	7.8	24.1
Shares, Basic	20.7	20.7	20.9	21.8	21.0	26.3	30.9	31.9	33.2	30.7	33.7	34.6	34.8	34.9	34.5	35.0	35.1	35.3	35.4	35.2
Shares, Diluted	20.7	21.2	21.2	21.8	21.2	26.3	30.9	31.9	33.2	30.7	33.7	34.6	34.8	34.9	34.5	35.0	35.1	35.3	35.4	35.2
EPS Basic (Pro forma)	(\$0.58)	\$0.11	(\$0.59)	(\$0.67)	(\$1.74)	(\$0.69)	(\$0.34)	(\$0.55)	(\$0.03)	(\$1.54)	(\$0.54)	(\$0.41)	(\$0.34)	(\$0.22)	(\$1.50)	(\$0.17)	(\$0.14)	(\$0.14)	(\$0.09)	(\$0.55)
EPS Diluted (Pro forma)	(\$0.58)	\$0.10	(\$0.58)	(\$0.67)	(\$1.73)	(\$0.69)	(\$0.34)	(\$0.55)	(\$0.03)	(\$1.54)	(\$0.54)	(\$0.41)	(\$0.34)	(\$0.22)	(\$1.50)	(\$0.17)	(\$0.14)	(\$0.14)	(\$0.09)	(\$0.55)
Margins																				
Gross margin	-1.1%	29.4%	1.9%	-9.0%	6.7%	-8.4%	6.6%	-9.6%	19.7%	3.7%	-5.9%	1.1%	5.0%	10.0%	3.2%	13.0%	13.0%	13.0%	14.0%	13.3%
Research and development	0.3%	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Selling, general and administrative	10.0%	8.5%	11.2%	11.6%	10.2%	12.6%	10.5%	10.2%	11.6%	11.2%	14.0%	12.0%	12.3%	10.0%	11.9%	11.0%	10.0%	10.0%	9.0%	9.9%
Operating margin	-11.4%	20.9%	-9.4%	-20.7%	-3.7%	-21.1%	-3.9%	-19.8%	8.1%	-7.5%	-20.0%	-11.0%	-7.4%	-0.1%	-8.8%	1.9%	2.9%	2.9%	4.9%	3.2%
Tax rate, GAAP	1.7%	-2.6%	0.0%	4.7%	2.6%	0.0%	0.0%	0.0%	13.3%	0.3%	0.0%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
Net margin	-30.5%	4.6%	-29.9%	-39.1%	-22.1%	-42.3%	-19.2%	-35.3%	-1.4%	-22.2%	-35.1%	-23.3%	-20.1%	-10.3%	-21.2%	-8.3%	-5.9%	-6.2%	-3.4%	-5.8%
Y/Y % change																				
Total Revenue	-6%	-6%	-29%	-28%	-18%	8%	15%	22%	72%	28%	22%	11%	18%	14%	16%	40%	40%	40%	22%	35%
Gross margin	23%	330%	-81%	-158%	-13%	733%	-74%	-721%	-476%	-28%	-14%	-82%	-162%	-42%	-1%	-407%	1577%	263%	71%	457%
Research and development	255%	-77%	0%	-16%	4%	-80%	0%	-41%	-42%	-59%	57%	189%	168%	234%	160%	102%	40%	40%	22%	44%
Selling, general and administrative	-7%	3%	1%	-8%	-3%	37%	42%	11%	72%	40%	36%	27%	42%	-2%	23%	10%	17%	14%	10%	13%
Operating income (loss)	-3%	-1411%	556%	-845%	23%	101%	-121%	158%	-167%	161%	16%	215%	-56%	-101%	36%	-113%	-137%	-155%	#####	-149%
Net income (loss)	24%	-117%	93%	117%	3%	50%	-582%	44%	-94%	29%	1%	34%	-33%	756%	10%	-67%	-65%	-57%	-59%	-63%
EPS Diluted (Pro forma)	22%	-116%	87%	104%	-1%	18%	-429%	-4%	-96%	-11%	-21%	20%	-38%	716%	-2%	-68%	-65%	-58%	-60%	-64%

Source: Company reports and Ascendant Capital Markets estimates.

Aemetis, Inc.

Balance Sheet (\$ mils)	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets																
Cash and cash equivalents	0.3	3.4	0.1	0.6	15.8	7.2	6.4	7.8	5.5	23.0	3.9	2.0	(10.3)	(28.8)	(41.5)	(46.3)
Short term investments										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable, net	1.6	5.2	3.2	1.8	1.8	1.7	1.6	1.6	0.7	3.4	3.3	4.1	4.0	4.7	4.6	5.0
Inventory	5.2	7.3	4.8	4.0	4.2	4.6	4.9	5.1	4.9	7.2	6.7	7.9	7.6	8.9	8.6	9.3
Deferred income taxes										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and other	2.7	2.0	5.4	2.3	2.5	5.5	4.1	6.2	5.2	3.0	2.9	3.7	3.6	4.2	4.1	4.5
Total current assets	9.9	17.9	13.5	8.7	24.2	19.0	17.0	20.7	16.2	36.6	16.8	17.7	5.0	(11.0)	(24.2)	(27.5)
Long term securities/investments										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property and equipment, net	90.6	98.5	103.1	109.9	113.1	119.2	124.9	135.1	145.2	153.3	161.5	169.6	177.7	185.8	194.0	202.1
Intangibles, net										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	3.3	5.7	5.6	6.6	6.4	5.2	5.1	5.0	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1
Total assets	103.8	122.2	122.2	125.1	143.7	143.3	147.0	160.8	166.5	195.0	183.4	192.4	187.8	179.9	174.9	179.7
Liabilities and stockholders' equity																
Accounts payable	16.9	16.4	15.0	20.7	17.6	16.0	13.9	16.4	18.8	30.4	29.4	36.7	36.4	34.0	33.0	35.9
Accrued expenses	17.5	16.8	18.2	18.7	12.3	12.6	6.8		1.3	30.4	29.4	36.7	36.4	34.0	33.0	35.9
Deferred revenue										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income tax										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other					4.8	7.0	18.1	19.2	11.9	11.9	11.9	11.9	11.9	11.9	11.9	11.9
Short term debt	26.5	26.9	62.6	62.8	31.7	27.3	35.9	29.8	30.7	30.7	30.7	30.7	30.7	30.7	30.7	30.7
Total current liabilities	61.0	60.0	95.8	102.2	66.4	62.9	74.6	65.3	62.7	103.4	101.5	116.0	115.5	110.6	108.6	114.4
Deferred income taxes										4.6	4.6	4.6	4.6	4.6	4.6	4.6
Other long term liabilities					5.4	5.3	5.1	4.8	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
EB-5 notes	36.5	36.0	34.5	32.5	32.5	32.5	32.5	32.5	32.5	32.5	32.5	32.5	32.5	32.5	32.5	32.5
GAFI secured and revolving notes	30.8	31.3	0.0							0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long term debt	134.7	152.8	161.0	169.6	177.8	166.6	166.9	178.5	195.3	195.3	195.3	195.3	195.3	195.3	195.3	195.3
Minority Interest										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total other liabilities	209.5	226.4	201.9	207.6	215.7	204.4	204.5	215.7	232.3	232.3	232.3	232.3	232.3	232.3	232.3	232.3
Preferred stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1	4.1	6.2	8.2	10.2	12.3	14.3
Additional paid-in capital	87.3	87.6	88.1	93.4	157.9	183.0	192.5	205.3	215.4	215.4	215.4	215.4	215.4	215.4	215.4	215.4
Retained earnings	(249.5)	(247.3)	(259.5)	(274.1)	(292.2)	(302.7)	(320.3)	(321.2)	(339.5)	(353.7)	(365.5)	(373.1)	(379.1)	(384.2)	(389.3)	(392.3)
Accumulated other comprehensive in	(4.5)	(4.5)	(4.2)	(4.1)	(4.1)	(4.3)	(4.3)	(4.4)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)
Other										0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total stockholders' equity	(166.7)	(164.2)	(175.6)	(184.7)	(138.4)	(124.0)	(132.1)	(120.2)	(128.6)	(140.7)	(150.5)	(156.0)	(160.1)	(163.0)	(166.1)	(167.1)
Total stockholders' equity and liabil	103.8	122.2	122.2	125.1	143.7	143.3	147.0	160.8	166.5	195.0	183.4	192.4	187.8	179.9	174.9	179.7

Balance Sheet Drivers

	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
	Q1A	Q2A	Q3A	Q4A	Q1A	Q2A	Q3A	Q4A	Q1A	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Prepaid as % of total rev	7%	4%	13%	6%	6%	10%	8%	10%	10%	5%	5%	5%	5%	5%	5%	5%
Accounts payable as % of total rev	43%	34%	37%	56%	41%	29%	28%	26%	36%	50%	50%	50%	50%	40%	40%	40%
Inventories as % of cost of rev	13%	22%	12%	10%	9%	9%	9%	10%	9%	12%	12%	12%	12%	12%	12%	12%
Accrued expenses as % of total rev	44%	35%	45%	50%	29%	23%	14%	0%	2%	50%	50%	50%	50%	40%	40%	40%
Activity Ratios																
A/R Days Sales Outstanding	4	10	7	4	4	3	3	2	1	5	5	5	5	5	5	5
Inventory Turnover	30.4x	18.5x	33.3x	41.0x	44.1x	44.8x	45.0x	40.3x	45.4x	33.3x	33.3x	33.3x	33.3x	33.3x	33.3x	33.3x
A/P Days Payable	38	44	34	46	34	28	23	29	31	45	47	50	52	41	41	42
Book & Cash Value (per share)																
Book Value per Share (diluted)	-\$8.07	-\$7.76	-\$8.28	-\$8.46	-\$5.26	-\$4.01	-\$4.15	-\$3.62	-\$3.81	-\$4.07	-\$4.32	-\$4.47	-\$4.57	-\$4.65	-\$4.71	-\$4.72
Cash per Share (diluted)	\$0.01	\$0.16	\$0.00	\$0.03	\$0.60	\$0.23	\$0.20	\$0.23	\$0.16	\$0.66	\$0.11	\$0.06	-\$0.29	-\$0.82	-\$1.18	-\$1.31
Net cash per Share (diluted)	-\$11.05	-\$11.51	-\$12.17	-\$12.10	-\$8.60	-\$7.09	-\$7.18	-\$7.01	-\$7.50	-\$6.81	-\$7.32	-\$7.35	-\$7.68	-\$8.19	-\$8.50	-\$8.61

Source: Company reports and Ascendant Capital Markets estimates

Aemetis, Inc.

Cash Flow Statement (\$ mils)	Mar-20	Jun-20	Sep-20	Dec-20	2020	Mar-21	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023
Fiscal Year End: December 31	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Cash flow from operating activities																				
Net income	(12.1)	2.2	(12.2)	(14.6)	(36.7)	(18.1)	(10.6)	(17.6)	(0.9)	(47.1)	(18.3)	(14.2)	(11.8)	(7.5)	(51.8)	(6.1)	(5.0)	(5.1)	(3.1)	(19.3)
Depreciation	1.1	1.2	1.3	1.4	4.9	1.4	1.4	1.3	1.3	5.4	1.3	1.3	1.3	1.3	5.3	1.3	1.3	1.3	1.3	5.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Stock comp	0.3	0.3	0.2	0.2	1.0	0.8	0.3	0.3	2.5	3.9	2.0	2.0	2.0	2.0	8.2	2.0	2.0	2.0	2.0	8.2
Provision for bad debts			0.6	0.6	1.3	0.1	1.9	(1.9)	1.0	1.2					0.0					0.0
Deferred income taxes	(0.2)	(0.0)			(0.7)	(1.0)				0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt related amortization expen	2.3	2.0	2.4	1.4	8.1	3.2	2.6	5.2	0.7	11.6	3.5				3.5					0.0
Change in fair value of warrant liability					0.0					0.0					0.0					0.0
Other gains/losses					0.0		(1.1)			(1.1)					0.0					0.0
Other					0.0					0.0					0.0					0.0
Changes in operating assets and liabilities:																				
Accounts receivable	0.4	(3.6)	1.3	0.8	(1.1)	(0.1)	0.0	0.1	0.0	0.1	0.9	(2.7)	0.1	(0.8)	(2.5)	0.0	(0.7)	0.1	(0.4)	(0.9)
Inventory	1.1	(2.1)	2.6	0.9	2.4	(0.2)	(0.4)	(0.3)	(1.3)	(2.2)	0.3	(2.4)	0.5	(1.2)	(2.8)	0.3	(1.3)	0.3	(0.7)	(1.3)
Prepaid expenses & other curre	(0.1)	(0.2)	0.4	(0.0)	0.0	(1.4)	(3.0)	1.5	(2.0)	(4.8)	2.5	2.1	0.1	(0.7)	3.9	0.0	(0.6)	0.1	(0.4)	(0.8)
Other assets	0.4	1.1	0.1	(1.4)	0.3	1.4	1.2	(0.1)	(0.1)	2.4	0.3	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0
Accounts payable	1.1	(0.4)	(0.4)	1.1	1.4	(1.8)	(0.9)	(1.9)	(0.6)	(5.2)	0.8	11.6	(0.9)	7.2	18.7	(0.3)	(2.4)	(1.0)	2.9	(0.8)
Accrued expenses					0.0					0.0		29.1	(0.9)	7.2	35.4	(0.3)	(2.4)	(1.0)	2.9	(0.8)
Accrued interest expense	5.4	5.0	5.6	5.7	21.7	0.6	3.8	4.9	5.2	14.5	4.7				4.7					0.0
Deferred revenue					0.0					0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities	0.9	(1.2)	0.3	0.1	0.1	0.1	0.7	6.6	(6.6)	0.7	(6.1)	0.0	0.0	0.0	(6.1)	0.0	0.0	0.0	0.0	0.0
Net cash (used in) provided by	0.6	4.2	2.2	(4.6)	2.5	(14.1)	(4.1)	(1.8)	(0.7)	(20.6)	(8.2)	27.0	(9.6)	7.6	16.8	(2.8)	(9.1)	(3.2)	4.7	(10.4)
Cash flow from investing activities																				
Purchases of property and equip	(2.4)	(6.2)	(6.3)	(4.4)	(19.3)	(6.6)	(6.4)	(5.8)	(7.9)	(26.7)	(9.5)	(9.5)	(9.5)	(9.5)	(37.8)	(9.5)	(9.5)	(9.5)	(9.5)	(37.8)
Purchases of short-term investments			(3.7)		3.7	0.0				0.0					0.0					0.0
Acquisitions					2.0	2.0				0.0					0.0					0.0
Other					0.0	1.2	0.0		2.5	3.8	1.5				1.5					0.0
Net cash used in investing activ	(2.4)	(6.2)	(10.0)	1.3	(17.3)	(5.369)	(6.342)	(5.836)	(5.347)	(22.9)	(8.0)	(9.5)	(9.5)	(9.5)	(36.4)	(9.5)	(9.5)	(9.5)	(9.5)	(37.8)
Cash flow from financing activities																				
Issuance of debt	5.1	9.7	8.9	2.7	26.4	3.1				3.1	18.5	0.0	0.0	0.0	18.5	0.0	0.0	0.0	0.0	0.0
Repayment of debt	(3.6)	(4.6)	(5.0)	(4.1)	(17.3)	(32.1)	(22.0)	(1.1)	(2.2)	(57.4)	(4.8)				(4.8)					0.0
Issuance of stock				5.1	5.1	62.4	23.9	7.9	9.4	103.6		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repurchase of common stock					0.0					0.0					0.0					0.0
Proceeds from stock option exercises			0.3	0.0	0.3	1.0	0.0	0.1	0.2	1.3	0.2				0.2					0.0
Other			0.3		0.3	0.1				0.1					0.0					0.0
Dividends and distributions					0.0					0.0					0.0					0.0
Cash provided by (used in) fina	1.4	5.1	4.4	3.8	14.8	34.6	1.9	6.8	7.4	50.7	13.9	0.0	0.0	0.0	13.9	0.0	0.0	0.0	0.0	0.0
Effect of exchange rate on cash	(0.0)	(0.0)	0.0	0.0	(0.0)	0.0	(0.0)	0.0	0.0	(0.0)	(0.0)				(0.0)					0.0
Net increase (decrease) in cash	(0.4)	3.1	(3.3)	0.5	(0.1)	15.2	(8.6)	(0.8)	1.4	7.2	(2.3)	17.5	(19.1)	(1.9)	(5.8)	(12.3)	(18.5)	(12.7)	(4.7)	(48.3)
Beginning cash and equivalents	0.7	0.3	3.4	0.1	0.7	0.6	15.8	7.2	6.4	0.6	7.8	5.5	23.0	3.9	7.8	2.0	(10.3)	(28.8)	(41.5)	2.0
Ending cash and equivalents	0.3	3.4	0.1	0.6	0.6	15.8	7.2	6.4	7.8	7.8	5.5	23.0	3.9	2.0	2.0	(10.3)	(28.8)	(41.5)	(46.3)	(46.3)

Source: Company reports and Ascendant Capital Markets estimates

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Aemetis, Inc.



Source: <https://bigcharts.marketwatch.com/>

Report	Report Date	Rating	Price Target
1	3/5/2018	B	2.00
2	3/29/2018	B	3.00
3	5/10/2018	B	3.25
4	8/9/2018	B	3.00
5	11/8/2018	B	2.50
6	2/19/2019	B	2.75
7	3/18/2019	B	2.50
8	5/10/2019	B	2.25
9	8/9/2019	B	2.00
10	11/15/2019	B	2.25
11	3/23/2020	B	2.00
12	5/17/2020	B	2.25
13	8/17/2020	B	4.50
14	11/14/2020	B	4.25
15	3/18/2021	B	30.00
16	5/16/2021	B	24.00
17	8/22/2021	B	20.00
18	9/25/2021	B	33.00
19	11/30/2021	B	34.00
20	3/29/2022	B	35.00

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Risks to attainment of our share price target include balance sheet/liquidity risks, political and regulatory risks, changes to alternative energy financial incentives, commodity and crude oil prices, competition, changing macroeconomic factors, investor sentiment for energy/alternative energy stocks, and changes in consumer demand for energy/alternative energy.

Ascendant Capital Markets, LLC Rating System

BUY: We expect the stock to provide a total return of 15% or more within a 12-month period.

HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

Ascendant Capital Markets, LLC Rating System

Prior to January 31, 2014, ASCM used the following rating system:

Strong Buy: We expect the stock to provide a total return of 30% or more within a 12-month period.

Buy: We expect the stock to provide a total return of between 10% and 30% within a 12-month period.

Neutral: We expect the stock to provide a total return of between minus 10% and plus 10% within a 12-month period.

Sell: We expect the stock to provide a total return of minus 10% or worse within a 12-month period.

Speculative Buy: This rating is reserved for companies we believe have tremendous potential, but whose stocks are illiquid or whose equity market capitalizations are very small, often in the definition of a nano cap (below \$50 million in market cap). In general, for stocks ranked in this category, we expect the stock to provide a total return of 50% or more within a 12-month period. However, because of the illiquid nature of the stock's trading and/or the nano cap nature of the investment, we caution that these investments may not be suitable for all parties.

Total return is defined as price appreciation plus dividend yield.

Ascendant Capital Markets, LLC Distribution of Investment Ratings (as of April 17, 2022)

Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	41	98%	13	32%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	42	100%	13	31%

Other Important Disclosures

Our analysts use various valuation methodologies including discounted cash flow, price/earnings (P/E), enterprise value/EBITDAS, and P/E to growth rate, among others. Risks to our price targets include failure to achieve financial results, product risk, regulatory risk, general market conditions, and the risk of a change in economic conditions.

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