

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
INTERIM FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT ON REVIEW  
OF INTERIM FINANCIAL INFORMATION  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

### **Independent Auditor's Report on Review of Interim Financial Information**

To the Board of Directors and Shareholders of AI Energy Public Company Limited:

I have reviewed the accompanying consolidated and separate statements of financial position of AI Energy Public Company Limited and its subsidiaries, and of AI Energy Public Company Limited, respectively as at March 31, 2019, and the related consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the three-month period ended March 31, 2019, and the condensed notes to interim financial statements ("Interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

#### **Scope of Review**

Except as mentioned in the Basis for Qualified Conclusion paragraph, I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

#### **Basis for Qualified Conclusion**

As discussed in Note to Financial Statements No. 24.3, the Company received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (the SEC), dated January 20, 2016, requesting for the facts about the Company predecessor auditor's disclaimer of opinion in the Company's financial statements for the year 2014 (Before restated). The former management provided a clarification of the facts to the SEC.

On June 20, 2017, the SEC has filed a criminal complaint against two former directors and executives of the Company in case of the preparation of incorrect financial statements for the year 2014 (Before restated), as the Company predecessor auditor had expressed the disclaimer of opinion, with the Department of Special Investigation (DSI) for further legal proceedings. Presently, the investigation is still under the process.

I was unable to determine whether there is any necessary adjustment to the consolidated and separate interim financial information for the three-month period ended March 31, 2019 as a result from the above matter.



**Qualified Conclusion**

Except for the possible effect on the interim financial information due to the matters described in the Basis for Qualified Conclusion Paragraph, based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".



Vichai Ruchitanont  
Certified Public Accountant  
Registration Number 4054  
ANS Audit Co., Ltd  
Bangkok, May 14, 2019

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT March 31, 2019

Unit : Thousands Baht

	Notes	Consolidated financial statements		Separate financial statements	
		March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		29,950	54,526	27,740	46,638
Current investment	5	64,821	124,333	547	334
Trade and other current receivables - net	6	132,310	97,784	131,937	96,788
Inventories - net	7	183,195	217,577	183,195	217,577
Oil supplies	8	1,861	1,571	-	-
<b>Total current assets</b>		<b>412,137</b>	<b>495,791</b>	<b>343,419</b>	<b>361,337</b>
<b>Non-current assets</b>					
Investments in subsidiaries - net	9	-	-	376,613	378,763
Pledged deposits at financial institutions	10	24,017	24,017	23,617	23,617
Property, plant, vessel and equipment - net	11	1,497,058	1,435,469	1,292,408	1,238,901
Intangible assets - net	12	313	292	313	292
Deferred tax assets - net	19	1,921	1,936	1,921	1,936
Deposit for purchase of assets		8,278	5,142	8,278	5,142
Other non-current assets		11,813	11,810	11,287	11,284
<b>Total non-current assets</b>		<b>1,543,400</b>	<b>1,478,666</b>	<b>1,714,437</b>	<b>1,659,935</b>
<b>Total assets</b>		<b>1,955,537</b>	<b>1,974,457</b>	<b>2,057,856</b>	<b>2,021,272</b>

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.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT March 31, 2019

Unit : Thousands Baht

	Notes	Consolidated financial statements		Separate financial statements	
		March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
		"UNAUDITED" "REVIEWED"	"AUDITED"	"UNAUDITED" "REVIEWED"	"AUDITED"
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts loans from financial institutions	13	307	-	-	-
Trade and other current payables	4, 14	150,333	126,401	142,006	123,780
Short-term loans from subsidiary	4	-	-	200,000	140,000
<b>Total current liabilities</b>		<b>150,640</b>	<b>126,401</b>	<b>342,006</b>	<b>263,780</b>
<b>Non-current liabilities</b>					
Non-current provisions for employee	15	8,729	8,269	8,019	7,588
<b>Total non-current liabilities</b>		<b>8,729</b>	<b>8,269</b>	<b>8,019</b>	<b>7,588</b>
<b>Total liabilities</b>		<b>159,369</b>	<b>134,670</b>	<b>350,025</b>	<b>271,368</b>
<b>Shareholders' equity</b>					
<b>Authorized share capital</b>					
Common share 5,424,000,000 shares. at Baht 0.25 par value		1,356,000	1,356,000	1,356,000	1,356,000
<b>Issued and paid - up share capital</b>					
Common share 5,232,291,928 shares. at Baht 0.25 par value	16	1,308,073	1,308,073	1,308,073	1,308,073
Premium on common stocks	16	605,114	605,114	605,114	605,114
<b>Retained earnings (deficits)</b>					
<b>Appropriated</b>					
Legal reserve	18	8,226	8,226	8,226	8,226
<b>Unappropriated</b>					
		(122,902)	(79,283)	(216,757)	(174,684)
Other components of shareholders' equity		(2,343)	(2,343)	3,175	3,175
<b>Total Shareholders' Equity</b>		<b>1,796,168</b>	<b>1,839,787</b>	<b>1,707,831</b>	<b>1,749,904</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,955,537</b>	<b>1,974,457</b>	<b>2,057,856</b>	<b>2,021,272</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

"UNAUDITED"  
 "REVIEWED"

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2019	2018	2019	2018
	4, 21, 23				
<b>Revenues</b>					
Revenues from sale of goods		412,513	411,725	412,513	411,725
Revenues from production contract		5,065	16,651	5,065	16,651
Revenues from vessel operating		6,441	13,683	-	-
Other incomes		736	2,453	432	906
<b>Total Revenues</b>		<b>424,755</b>	<b>444,512</b>	<b>418,010</b>	<b>429,282</b>
<b>Expenses</b>					
Cost of sales		(436,784)	(402,343)	(436,784)	(402,343)
Cost of production contract		(3,716)	(12,147)	(3,716)	(12,147)
Cost of vessel operating		(7,859)	(13,704)	-	-
Selling expenses		(4,434)	(1,811)	(4,215)	(1,358)
Administrative expenses		(15,566)	(19,597)	(14,029)	(15,374)
Finance costs	4	-	-	(1,324)	-
<b>Total Expenses</b>		<b>(468,359)</b>	<b>(449,602)</b>	<b>(460,068)</b>	<b>(431,222)</b>
<b>Loss before income tax expenses</b>		<b>(43,604)</b>	<b>(5,090)</b>	<b>(42,058)</b>	<b>(1,940)</b>
Tax expense	20	(15)	(1,127)	(15)	(1,127)
<b>Loss for the periods</b>		<b>(43,619)</b>	<b>(6,217)</b>	<b>(42,073)</b>	<b>(3,067)</b>
<b>Other comprehensive income (loss) :</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Defined benefit plan actuarial gains	15	-	2,297	-	2,467
Income tax on other comprehensive income relating to items that will not be reclassified		-	(493)	-	(493)
<b>Other comprehensive income for the periods net of income tax</b>		<b>-</b>	<b>1,804</b>	<b>-</b>	<b>1,974</b>
<b>Total comprehensive loss for the periods</b>		<b>(43,619)</b>	<b>(4,413)</b>	<b>(42,073)</b>	<b>(1,093)</b>
<b>Loss attributable to :</b>					
Equity holders of the parent		(43,619)	(6,217)	(42,073)	(3,067)
Non-controlling interests		-	-	-	-
		<b>(43,619)</b>	<b>(6,217)</b>	<b>(42,073)</b>	<b>(3,067)</b>
<b>Total comprehensive loss attributable to :</b>					
Equity holders of the parent		(43,619)	(4,413)	(42,073)	(1,093)
Non-controlling interests		-	-	-	-
		<b>(43,619)</b>	<b>(4,413)</b>	<b>(42,073)</b>	<b>(1,093)</b>
<b>Loss per share</b>					
<b>Basic loss per share</b>					
Basic loss attributable per share (Baht)		(0.0083)	(0.0014)	(0.0080)	(0.0007)
Weighted average number of common shares (share)		5,232,291,928	4,520,000,000	5,232,291,928	4,520,000,000

.....Director  
 (Thanit Thararatnavibool)

.....Director  
 (Pinnwan Thararatnavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

"UNAUDITED"  
 "REVIEWED"

Unit : Thousands Baht

Consolidated financial statements

	Shareholders' equity of the parent									
	Retained earnings (deficits)			Other components of equity			Total equity of the parent			
	Share capital issued and paid - up	Premium on common stocks	Appropriated Legal reserve	Unappropriated	Actuarial gain	Difference on business combination under common control (Note 9)	Total other components of equity	Non-controlling interests	Total shareholders' equity	Total shareholders' equity
Balance as at January 1, 2019	1,308,073	605,114	8,226	(79,283)	2,882	(5,225)	(2,343)	-	1,839,787	1,839,787
Changes in shareholders' equity for the period :										
Total comprehensive loss for the period				(43,619)					(43,619)	(43,619)
Balance as at March 31, 2019	1,308,073	605,114	8,226	(122,902)	2,882	(5,225)	(2,343)	-	1,796,168	1,796,168
Balance as at January 1, 2018	1,130,000	605,114	8,226	(6,963)	1,078	(5,225)	(4,147)	-	1,732,230	1,732,230
Changes in shareholders' equity for the period :										
Total comprehensive income (loss) for the period				(6,217)	1,804	-	1,804	-	(4,413)	(4,413)
Balance as at March 31, 2018	1,130,000	605,114	8,226	(13,180)	2,882	(5,225)	(2,343)	-	1,727,817	1,727,817

.....Director  
 (Thanit Tharatanaivibool)

.....Director  
 (Pinwan Tharatanaivibool)

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AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

"UNAUDITED"  
 "REVIEWED"

Unit : Thousands Baht

	Separate financial statements						Total shareholders' equity
	Retained earnings (deficits)		Other components of equity		Actuarial gain	Total shareholders' equity	
	Share capital	Premium on common stocks	Appropriated Legal reserve	Unappropriated			
Balance as at January 1, 2019	1,308,073	605,114	8,226	8,226	(174,684)	3,175	1,749,904
Changes in shareholders' equity for the period :	-	-	-	-	(42,073)	-	(42,073)
Total comprehensive loss for the period	1,308,073	605,114	8,226	8,226	(216,757)	3,175	1,707,831
Balance as at January 1, 2018	1,130,000	605,114	8,226	8,226	(120,145)	1,201	1,624,396
Changes in shareholders' equity for the period :	-	-	-	-	(3,067)	1,974	(1,093)
Total comprehensive income (loss) for the period	1,130,000	605,114	8,226	8,226	(123,212)	3,175	1,623,303

..... Director  
 (Thanit Thararatnavibool)

..... Director  
 (Pimwan Thararatnavibool)

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AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF CASH FLOWS  
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

"UNAUDITED"  
 "REVIEWED"

Unit : Thousands Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Cash flows from operating activities</b>				
Loss before income tax expense	(43,604)	(5,090)	(42,058)	(1,940)
Adjustments to reconcile loss to cash provided by (used in) operating activities:				
Depreciation	17,048	17,351	14,471	14,393
Amortization of computer softwares	34	29	34	29
Loss on write-off of assets	4	1,873	4	1,873
Allowance for devaluation of inventories	19,250	1,607	19,250	1,607
Loss on impairment of investment in subsidiary	-	-	2,150	-
Non-current provisions for employee	460	474	431	447
Interest income	(175)	(1,033)	(175)	(56)
Interest expenses	-	-	1,324	-
Gain (Loss) from operating activities before changes in operating assets and liabilities	(6,983)	15,211	(4,569)	16,353
Changes in operating assets - (increase) decrease :				
Trade and other current receivables	(34,525)	27,508	(35,150)	27,396
Inventories	15,132	(3,444)	15,132	(3,444)
Oil supplies	(290)	450	-	-
Deposit for purchase of assets	(3,136)	15,314	(3,136)	15,314
Other non-current assets	236	72	236	72
Changes in operating liabilities - increase (decrease)				
Trade and other payables	(20,945)	2,949	(27,731)	4,226
Cash provided by operating activities	(50,511)	58,060	(55,218)	59,917
Income tax paid	(239)	(549)	(239)	(549)
Payment for employee benefit obligations	-	(602)	-	(602)
Net cash provided by (used in) operating activities	(50,750)	56,909	(55,457)	58,766

.....Director  
 (Thanit Thareratanavibool)

.....Director  
 (Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF CASH FLOWS  
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

"UNAUDITED"

"REVIEWED"

Unit : Thousands Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Cash flows from investing activities</b>				
Interest received	175	776	175	56
(Increase) decrease in current investments	59,511	(1,038)	(214)	(552)
Payment for purchases of assets	(33,765)	(65,954)	(23,106)	(65,948)
Payment for purchases of intangible assets	(54)	-	(54)	-
Proceeds from receive from disposal of assets	-	1,926	-	-
Net cash provided by (used in) investing activities	25,867	(64,290)	(23,199)	(66,444)
<b>Cash flows from financing activities</b>				
Interest paid	-	-	(243)	-
Interest in bank overdraft from financial institutions	307	-	-	-
Proceeds of short-term loan from subsidiary	-	-	120,000	(20,000)
Payment for short-term loans from subsidiary	-	-	(60,000)	-
Net cash provided by (used in) financing activities	307	-	59,757	(20,000)
Net decrease in cash and cash equivalents	(24,576)	(7,381)	(18,898)	(27,678)
Cash and cash equivalents at beginning of the periods	54,526	59,674	46,638	51,658
Cash and cash equivalents at end of the periods	29,950	52,293	27,740	23,980

Additional disclosure items to cash flows statements

Non-cash flows items consist of:

Assets payable for equipment	44,876	16,165	44,876	16,165
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.....Director  
 (Thanit Thareratanavibool)

.....Director  
 (Pimwan Thareratanavibool)

**AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019 (UNAUDITED) (REVIEWED)**

**1. GENERAL INFORMATION**

AI Energy Public Company Limited (“the Company”) was registered as a company under the Civil and Commercial Code of Thailand on October 4, 2006, and was registered as a public company limited with the Ministry of Commerce on May 9, 2013. The Company was listed on the Market for Alternative Investment (MAI) on January 6, 2014.

The Company’s main businesses are producing and distributing energy product (bio-diesel), vegetable /animal oil and fats.

The Company’s registered office is located at 55/2 Moo 8, Tambol Klongmadua, Amphur Krathum Baen, Samut Sakhon Province.

The Company is a subsidiary of Asian Insulators Public Company Limited which holds 61.77% of the Company's share capital.

**2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS**

The interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34 (Revised 2018), Interim Financial Reporting.

The interim financial statements consist of primary financial information (i.e. statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in shareholders’ equity, and statement of cash flows). The Company has chosen to present the interim financial statements in a format consistent with the annual financial statements, in compliance with Thai Accounting Standard No. 1, Presentation of Financial Statements. The notes to the interim financial statements are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial statements have been prepared in the Thai language and expressed in Thai Baht. Such interim financial statements have been prepared for domestic reporting purposes. For convenience only, for the readers not conversant with the Thai language, an English version of the interim financial statements has been provided by translating from the Thai version of the interim financial statements.

The interim financial statements have been prepared to provide information in addition to that included in the financial statements for the year ended December 31, 2018. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2018.

The preparation of the interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

#### **Basis for preparation of the consolidated interim financial statements**

The consolidated interim financial statements, related to the Company and its subsidiary (together referred to as the "Group") are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2018.

There is no change in the structure of the Group during the current period.

The financial statements are prepared on the historical cost basis, except as disclosed in respective accounting policies.

#### **New financial reporting standards**

##### **(a) Financial reporting standards that became effective in the current year**

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below.

##### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

(b) **Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2020**

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2020. These new standards involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7                                      Financial Instruments: Disclosures

TFRS 9                                      Financial Instruments

Accounting standard:

TAS 32                                      Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16                                   Hedges of a Net Investment in a Foreign Operation

TFRIC 19                                   Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

**TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

.....Director

(Thanit Thareratanavibool)

.....Director

(Pimwan Thareratanavibool)

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2018, except for the change in the accounting policies due to the adoption of TFRS 15, Revenue from Contracts with Customers. However, such change in accounting policy has no material impacts on the financial statements of the Company and its subsidiaries.

### 4. TRANSACTIONS WITH THE RELATED PARTIES

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at agreed prices on market value or, where no market value exists, at contractually agreed prices.

Significant transactions between the Company and related parties for the three-month periods ended March 31, 2019 and 2018 were as follows:

Pricing policies		Unit : Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Interest paid</b>					
AI Ports and Terminals Company Limited	2.84% P.A.	-	-	1,324	-
<b>Administrative expenses</b>					
Asian Insulators Public Company Limited	Mutually agreed	412	392	323	252

#### Directors and management's remuneration

Directors and management's remuneration for the three-month periods ended March 31, 2019 and 2018 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term employee benefits	4,061	4,434	3,544	3,928
Long-term post-employment benefits	106	147	87	129
<b>Total directors and management's remuneration</b>	<b>4,167</b>	<b>4,581</b>	<b>3,631</b>	<b>4,057</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

Significant balances with related parties as at March 31, 2019 and December 31, 2018 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Short-term loan from the subsidiary company</b>				
AI Ports and Terminals Company Limited	-	-	200,000	140,000
<b>Accrued interest</b>				
AI Ports and Terminals Company Limited	-	-	1,081	-

As at March 31, 2019 and December 31, 2018, the Company has short-term loan from the subsidiary company, AI Ports and Terminals Company Limited. The Company issued promissory notes in the amount of Baht 200 million and Baht 140 million, respectively, with an interest rate of 2.84% per annum, due on June 30, 2019 and March 31, 2019, respectively.

## 5. CURRENT INVESTMENT

Current investment as at March 31, 2019 and December 31, 2018 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Investment in open-end Fund-Debt securities	63,911	122,761	63	17
<u>Add unrealized gain on investment revaluation</u>	426	1,255	-	-
Open-end Fund-Debt securities - net	64,337	124,016	63	17
Fixed deposits	484	317	484	317
<b>Total current investment</b>	<b>64,821</b>	<b>124,333</b>	<b>547</b>	<b>334</b>

Investment in open-end Fund-Debt securities of the Company and subsidiaries are stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in unit trusts has been determined by using the net asset value.

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

## 6. TRADE AND OTHER CURRENT RECEIVABLES – NET

Trade and other current receivables as at March 31, 2019 and December 31, 2018 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables				
Trade receivable - others	133,848	106,547	133,848	105,934
Total trade receivables	133,848	106,547	133,848	105,934
Less Allowance for doubtful accounts	(3,222)	(11,110)	(3,222)	(11,110)
Total trade receivables - net	130,626	95,437	130,626	94,824
Other current receivables				
Prepaid insurance	689	1,453	523	1,211
Prepaid expenses	393	413	256	339
Revenue Department receivable	51	52	-	-
Undue input tax	310	241	309	238
Others	547	494	529	482
Total other current receivables	1,990	2,653	1,617	2,270
Less Allowance for doubtful accounts	(306)	(306)	(306)	(306)
Total other current receivables - net	1,684	2,347	1,311	1,964
Total trade and other current receivables - net	132,310	97,784	131,937	96,788

As at March 31, 2019 and December 31, 2018 outstanding balances of trade receivables aged by number of months were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Others				
Current	130,626	92,596	130,626	91,983
Overdue				
Within 3 months	-	2,841	-	2,841
Over 3 months to 12 months	2,782	2,782	2,782	2,782
Over 12 months	440	8,328	440	8,328
Total	133,848	106,547	133,848	105,934
Less Allowance for doubtful accounts	(3,222)	(11,110)	(3,222)	(11,110)
Total trade receivables - net	130,626	95,437	130,626	94,824

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)



## 7. INVENTORIES – NET

Inventories as at March 31, 2019 and December 31, 2018 consisted of:

	Unit : Thousand Baht	
	Consolidated/Separate financial statements	
	2019	2018
Raw materials and chemicals	58,350	92,898
Work in process	102,263	69,204
Finished goods	36,185	49,990
Supplies	8,397	8,235
Total inventories	205,195	220,327
<u>Less</u> Allowance for devaluation of inventories	(22,000)	(2,750)
Total inventories - net	183,195	217,577

## 8. OIL SUPPLIES

Oil supplies as at March 31, 2019 and December 31, 2018 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	
	2019	2018
Bunker oil	1,527	1,338
Lubricants	334	233
Total oil supplies	1,861	1,571

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

9. INVESTMENTS IN SUBSIDIARIES-NET

Investments in subsidiaries as at March 31, 2019 and December 31, 2018 consisted of:

Company	Nature of business	Percentage of Holding (%)		Paid-up share capital (Million Baht)		Unit : Thousand Baht Cost Method	
		2019	2018	2019	2018	2019	2018
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials	100.00	100.00	209	209	82,678	82,678
AI Ports and Terminals Company Limited	Servicing port (At present temporarily halted main business operation and in the process of preparing a business plan.)	100.00	100.00	460	460	352,395	352,395
Total						435,073	435,073
						(58,460)	(56,310)
						376,613	378,763

The Company records the allowance for impairment of investments by using the cash flows projection which is the fair value measurement hierarchy in Level 3.

.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

The Ordinary General Shareholders' Meeting of AI Logistics Company Limited held on April 9, 2013, approved to increase registered share capital from Baht 160,000,000 (16,000,000 shares at Baht 10 par value) to Baht 209,000,000 ( 20,900,000 shares at Baht 10 par value), which was registered the increased share capital with the Ministry of Commerce on April 10, 2013.

The Ordinary General Shareholders' Meeting of AI Ports and Terminals Company Limited held on April 9, 2013, approved to increase registered share capital from Baht 255,000,000 (25,500,000 shares at Baht 10 par value) to Baht 460,000,000 ( 46,000,000 shares at Baht 10 par value), which was registered the increased share capital with the Ministry of Commerce on April 10, 2013.

On April 10, 2013, the Company has invested in AI Logistics Company Limited, the common stock of 20.90 million shares amount of Baht 82.68 million, and AI Ports and Terminals Company Limited, the common stock of 46 million shares amount of Baht 352.39 million, to be 100% in shareholding proportion of two companies, total amount of Baht 435.07 million. The book value of net assets as at the date of investing total amount of Baht 429.85 million, part of the purchase price over the book value of net assets of Baht 5.22 million, was presented under shareholders' equity in the consolidated financial statements under the caption "Difference on business combination under common control". The purchase of share from Asian Insulators Public Company Limited, the parent company of the group companies, which is the existing shareholders in AI Logistics Company Limited of 98.42% and AI Ports and Terminals Company Limited of 99.45%. This purchase is considered as a business combination under common control.

#### 10. PLEDGED DEPOSITS AT FINANCIAL INSTITUTION

The Company and subsidiary's has pledged fixed deposits at bank as collateral for the issuance of bank guarantee (Note 24.1).

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.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

## 11. PROPERTY, PLANT, VESSEL AND EQUIPMENT - NET

Property, plant, vessel and equipment as at March 31, 2019 and December 31, 2018 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
As at December 31, 2018	2,080,342	1,644,635
Purchases during period	78,641	67,982
Written off during period	(102)	(102)
As at March 31, 2019	2,158,881	1,712,515
<b>Accumulated Depreciation</b>		
As at December 31, 2018	(627,473)	(405,734)
Depreciation for the period	(17,048)	(14,471)
Depreciation - disposals for the period	98	98
As at March 31, 2019	(644,423)	(420,107)
<b>Allowances for impairment of assets</b>		
As at December 31, 2018	(17,400)	-
Allowances for impairment for the period	-	-
As at March 31, 2019	(17,400)	-
<b>Book value</b>		
As at December 31, 2018	1,435,469	1,238,901
As at March 31, 2019	1,497,058	1,292,408

Depreciations in the statements of profit or loss for the three-month periods ended March 31, 2019 and 2018 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cost of sales and services	14,260	13,930	13,579	13,400
Selling and administrative expenses	2,788	3,421	892	993
	17,048	17,351	14,471	14,393

As at March 31, 2019 and December 31, 2018 interest incurred on loans used for a Purify Glycerin project of Company totaling to Baht 1.37 million, have been capitalized as part of cost of construction in process.

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The gross carrying amounts of assets were fully depreciated but these items are still in active use by the Company and subsidiaries as at March 31, 2019 and December 31, 2018, in the consolidated financial statement totaling approximately Baht 159.99 million and Baht 148.31 million, respectively, and in the separate financial statements totaling approximately Baht 41.10 million and Baht 30.49 million, respectively.

The subsidiary, AI Ports and Terminals Co., Ltd, due to at present temporarily halted main business. Management has assessed the appropriateness of the valuation of the property, plant and equipment of the subsidiary from temporarily halted by using the work of the independent appraiser that the Company uses to evaluate the fair value of underlying assets. According to the appraisal report, the appraisal value amounted Baht 176.65 million. The property, plant and equipment appraisal above is the fair value measurement hierarchy in Level 2. The net book value of property, plant and equipment as at March 31, 2019 amount of Baht 192.16 million. And considered to set up the allowance for impairment amount of Baht 17.40 million, in the consolidated statements of financial position as at March 31, 2019 and December 31, 2018.

## 12. INTANGIBLE ASSETS – NET

Intangible assets as at March 31, 2019 and December 31, 2018 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
As at December 31, 2018	867	788
Purchases during period	55	55
As at March 31, 2019	922	843
<b>Accumulated Depreciation</b>		
As at December 31, 2018	(575)	(496)
Depreciation for the period	(34)	(34)
As at March 31, 2019	(609)	(530)
<b>Book value</b>		
As at December 31, 2018	292	292
As at March 31, 2019	313	313

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

### 13. BANK OVERDRAFTS FROM FINANCIAL INSTITUTIONS

Bank overdrafts from financial institutions as at March 31, 2019 and December 31, 2018 consisted of:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Bank overdrafts	307	-	-	-
Total	307	-	-	-

Credit facilities (Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Bank overdrafts	10,000	10,000	5,000	5,000
Promissory notes	500,000	500,000	500,000	500,000
Total	510,000	510,000	505,000	505,000

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.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

#### 14. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at March 31, 2019 and December 31, 2018 consisted of:

	Unit : Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payables				
Trade payables - others	75,163	95,857	71,525	94,296
Total trade payables	75,163	95,857	71,525	94,296
Other current payables				
Others current payables	4,722	3,984	4,540	3,876
Retention	8,554	7,198	8,554	7,198
Revenue Department payable	4,562	5,608	4,442	5,562
Electricity payable	2,755	2,610	2,753	2,608
Accrued expenses	2,377	2,517	3,220	2,310
Payables for purchase of assets	49,917	7,541	44,876	7,541
Unearned revenue for vessel operating	-	612	-	-
Unearned revenue of inventories	1,941	-	1,941	-
Others	342	474	155	389
Total other current payables	75,170	30,544	70,481	29,484
Total trade and other current payables	150,333	126,401	142,006	123,780

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.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

## 15. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movement of the present value of non-current provisions for employee benefits for the three-month periods ended March 31, 2019 and 2018 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2019	2018	2019	2018
<b>Non-current provisions for employee</b>				
benefit at beginning of periods	8,269	10,223	7,588	9,821
Included in profit or loss:				
Current service cost	414	431	390	408
Interest cost	46	43	41	39
Included in other comprehensive income:				
Actuarial gain arising from				
Financial assumptions changes	-	(1,377)	-	(1,471)
Experience adjustments	-	(920)	-	(996)
Benefit paid during the periods	-	(602)	-	(602)
<b>Non-current provisions for employee</b>				
benefit at end of periods	8,729	7,798	8,019	7,199

Employee benefit expenses in profit or loss for the three-month periods ended March 31, 2019 and 2018 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2019	2018	2019	2018
Cost of sales	249	265	249	265
Selling expenses	-	1	-	1
Administrative expenses	211	208	182	181
<b>Total employee benefit expenses</b>	460	474	431	447

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)



Principal actuarial assumptions as at March 31, 2019 and December 31, 2018 (represented by the weighted-average) were as follows:

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2018	2019
Discount rate	2.16 - 2.94	2.16 - 2.94	2.16	2.16
Salary increases rate	0 - 5.00	0 - 5.00	1.5 - 5.00	1.5 - 5.00
Mortality rate	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017
Turnover rate Monthly employees				
Under 31 years old	22.00 - 40.00	22.00 - 40.00	22.00 - 40.00	22.00 - 40.00
31 - 40 years old	16.00 - 28.00	16.00 - 28.00	16.00 - 28.00	16.00 - 28.00
41 - 50 years old	5.00	5.00	5.00	5.00
Above 51 years old	0.00	0.00	0.00	0.00

On 13 December 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment and the Group has additional liabilities for long-term employee benefits. The Group has recorded the effect of the change by recognising past service costs as expenses immediately in the income statement of the year 2018.

## 16. SHARE CAPITAL

Reconciliation of issued and paid-up share capital.

	Number of shares (Thousand shares)	Paid-up share capital (Thousand Baht)	Premium on share capital (Thousand Baht)	Registration date with the Ministry of Commerce
Balance as at January 1, 2018	4,520,000	1,130,000	605,114	
Warrants				
- AIE - W1 No. 1	712,292	178,073	-	June 6, 2018
Balance as at December 31, 2018	5,232,292	1,308,073	605,114	

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

## 17. WARRANTS

### Warrants AIE-W1

On April 21, 2015, the Annual General Meeting of the Company's shareholders passed a resolution to issue and allocate of stock warrant for rights to purchase ordinary shares of (AIE-W1) for the existing shareholders, not exceeding 904 million units (allocate 1 purchase ordinary share: 1 stock warrant unit). Details of the issue are as follows:

Type	:	In named certificate form and transferable
Price per unit of warrant	:	Baht 0.00
Exercise ratio	:	1 warrant to 5 ordinary shares
Exercise price	:	Baht 0.25 per share
Exercise date	:	The first exercise date is December 30, 2016 and the last exercise date is May 7, 2018
Issuance date of warrants	:	May 8, 2015
Maturity of warrants	:	3 years from the issuance date.

During the second quarter of year 2018, the warrant holders exercised 712.29 million units of AIE-W1 warrants to purchase 712.29 ordinary million shares at Baht 0.25 each in the amount of Baht 178.07 million. The Company recorded as a result of the exercise of such warrants, presenting it under shareholders' equity in the statement of financial position.

## 18. LEGAL RESERVE

Legal reserve is set up under the Public Limited Companies Act B.E. 2535. The Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting the accumulated loss brought forward (if any) until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

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.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

## 19. DEFERRED TAX

Movements in deferred tax assets and deferred tax liabilities during the periods were as follows:

	Unit : Thousand Baht			
	Consolidated/Separate financial statements			
	As at January 1, 2019	Profit (Loss)	comprehensive loss	As at March 31, 2019
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	706	-	-	706
Non-current provision for employee benefits	1,518	86	-	1,604
Tax loss carries forward	4,145	-	-	4,145
<b>Total</b>	<b>6,369</b>	<b>86</b>	<b>-</b>	<b>6,455</b>
<b>Deferred tax liabilities</b>				
Depreciation	(4,433)	(101)	-	(4,534)
<b>Total</b>	<b>(4,433)</b>	<b>(101)</b>	<b>-</b>	<b>(4,534)</b>
<b>Deferred tax assets - net</b>	<b>1,936</b>	<b>(15)</b>	<b>-</b>	<b>1,921</b>

As at March 31, 2019 and December 31, 2018 the Company had deferred tax assets for the carrying forward of unused tax losses of Baht 4.15 million. The Company's management believes that it is probable that future taxable profit will be available against the unused tax losses.

## 20. INCOME TAX EXPENSE

Income tax expenses for the three-month periods ended March 31, 2019 and 2018 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Current tax expense</b>				
Current periods	-	-	-	-
<b>Deferred tax expense</b>				
Movements in temporary differences	(15)	(1,127)	(15)	(1,127)
<b>Total</b>	<b>(15)</b>	<b>(1,127)</b>	<b>(15)</b>	<b>(1,127)</b>

### Income tax reduction

The Act of Legislation amended Revenue Code No.42 B.E. 2559, dated March 3, 2016, grants the corporate income tax rate 20% on net profit for the accounting periods beginning on January 1, 2016 onwards.

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

**21. PROMOTIONAL PRIVILEGES**

The Company and subsidiaries were granted promotional certificates by virtue of the Investment Promotion Act, B.E. 2520 (1977)

As a promoted industry, the Company and subsidiaries must strictly comply with certain terms and conditions stipulated in the promotional certificates



.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The Company and subsidiaries have revenues from sale of goods, vessel operating, port and terminal service revenues from overseas which are granted the promotional certificates for the three-month periods ended March 31, 2019 and 2018, as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements			
	Promoted Activities	Non-promoted Activities	Total	Promoted Activities	Non-promoted Activities	Total
<b>For the three-month period ended March 31, 2019</b>						
Revenues from sale of goods	157,833	254,680	412,513	157,833	254,680	412,513
Revenues from production contract	-	5,065	5,065	-	5,065	5,065
Revenues from vessel operating	-	6,441	6,441	-	-	-
Other incomes	-	736	736	-	432	432
<b>Total</b>	<b>157,833</b>	<b>266,922</b>	<b>424,755</b>	<b>157,833</b>	<b>260,177</b>	<b>418,010</b>
<b>For the three-month period ended March 31, 2018</b>						
Revenues from sale of goods	397,929	13,796	411,725	397,929	13,796	411,725
Revenues from production contract	-	16,651	16,651	-	16,651	16,651
Revenues from vessel operating	-	13,683	13,683	-	-	-
Other incomes	-	2,453	2,453	-	906	906
<b>Total</b>	<b>397,929</b>	<b>46,583</b>	<b>444,512</b>	<b>397,929</b>	<b>31,353</b>	<b>429,282</b>

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.....Director  
(Thanit Tharatanavibool)

..... Director  
(Pimwan Tharatanavibool)

## 22. PROVIDENT FUND

The Company and subsidiary's contributions for the employees' provident fund and recorded as expenses in the statements of profit or loss for the three-month periods ended March 31, 2019 and 2018 were as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
AI Energy Public Company Limited	383	338	383	338
AI Logistic Company Limited	10	7	-	-
Total	393	345	383	338

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.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

### 23. SEGMENTS INFORMATION

The segments information for the three-month periods ended March 31, 2019 and 2018 was as follows:

Unit : Thousand Baht					
Consolidated financial statements					
For the three-month period ended March 31, 2019					
Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Vessel operating	Port services	Total	
Revenues from sales and services	412,513	5,065	6,441	-	424,019
Cost of sales and services	(436,784)	(3,716)	(7,859)	-	(448,359)
Gross profit (loss) by segment	(24,271)	1,349	(1,418)	-	(24,340)
Other income					736
Selling expenses					(4,434)
Administrative expenses					(15,566)
Tax expenses					(15)
Loss for the period					(43,619)
Property, plant, vessel and equipment-net	1,292,408		29,888	174,762	1,497,058

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.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

Unit : Thousand Baht

Consolidated financial statements

For the three-month period ended March 31, 2018

	Contract of refine crude palm oil	Vessel operating	Port services	Total
Sale of biodiesel and vegetable oil and by product				
	411,725	13,683	-	442,059
	(402,343)	(13,704)	-	(428,194)
	9,382	4,504	(21)	13,865
				2,453
				(1,811)
				(19,597)
				(1,127)
				(6,217)
Revenues from sales and services				
Cost of sales and services				
Gross profit (loss) by segment				
Other income				
Selling expenses				
Administrative expenses				
Tax expenses				
Loss for the period				
Property, plant, vessel and equipment-net	1,101,145	21,461	203,482	1,326,088

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.....Director

(Pimwan Tharatanavibool)

.....Director

(Thanit Tharatanavibool)



## 24. COMMITMENT AND CONTINGENT LIABILITIES

Commitments and contingent liabilities as at March 31, 2019 and December 31, 2018 were as follows:

### 24.1 Letters of guarantee

The Group had contingent liabilities on bank guarantees by banks on behalf of the Group were as follows.

	Unit : Thousands Baht	
	Consolidated financial statements	
	2019	2018
Guarantee for importation machinery	18,248	18,248
Guarantee for electricity usage	5,769	5,769
Total	24,017	24,017

### 24.2 Group has contingent liabilities on capital commitments were as follows:

	Contracted Balance (Unit :Thousands Baht)	
	Consolidated/Separate financial statements	
	2019	2018
Capital commitments		
Contracted but not provided for		
Land improvement	-	2,711
work in process - building and utility systems	11,608	4,546
work in process - machinery	10,897	9,370
work in process - Purify Glycerin project	69,140	126,168

24.3 The Company received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (the SEC), dated January 20, 2016, requesting for the facts about the Company predecessor auditor's disclaimer of opinion in the Company's financial statements for the year 2014 (Before restated). The former management provided a clarification of the facts to the SEC.

On June 20, 2017, the SEC has filed a criminal complaint against two former directors and executives of the Company in case of the preparation of incorrect financial statements for the year 2014 (Before restated), as the Company predecessor auditor had expressed the disclaimer of opinion, with the Department of Special Investigation (DSI) for further legal proceedings. Presently, the investigation is still under the process.

24.4 The Company had overdrafts and short-term loans credit facilities with one local commercial bank totaling amount of Baht 505 million. The Company has a commitment under the conditions of this loan agreement.

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

**25. EVENTS AFTER THE REPORTING PERIOD**

The 2019 Annual General Meeting of Shareholders of the Company held on April 26, 2019, resolved to approve to decrease registered capital by Baht 47,927,018 that were unexercised AIE-W1, which the Company's ordinary shares by 191,708,072 shares at par value of Baht 0.25. The Company registered the decreasing in its share capital with the Ministry of Commerce on May 7, 2019.

**26. CAPITAL MANAGEMENT**

The management of the Group has the capital management policy to maintain a strong capital base by emphasis on planning and determining the operating strategies resulting in good business's performance and sustained good cash flows management. In addition, the Group considers investing in projects which have good rate of return, appropriate working capital management, maintain a strong financial position and appropriate investment structure as to maintain sustained future operations of the business and to maintain shareholders, investors, creditors and others interest's confidence.

**27. APPROVAL OF INTERIM FINANCIAL STATEMENT**

These interim financial statements have been approved to issue by the Company's Board of Directors on May 14, 2019.

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)