

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 AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

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 September 30, 2020, and the related consolidated and separate statements of profit or loss and other comprehensive income for three-month and nine-month periods ended September 30, 2020, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the nine-month period ended September 30, 2020, 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

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.

Conclusion

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".

Emphasis of Matter

1. I draw attention as discussed in Note to Financial Statements No. 22.3, regarding the criminal complaint against former directors and executives of the Company with the Department of Special Investigation. The Company's management and the independent law firm have the opinion that the case is the criminal complaint against former directors and executives of the Company which is a personal matter, and the Company which is a juristic person will not be liable in any way. Presently, the investigation is still under the process.



2. I draw attention as discussed in Note to Financial Statements No. 2. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month and nine-month periods ended September 30, 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives Dealing with The Impact of COVID-19 Pandemic issued by the Federation of Accounting Professions.

My conclusion is not modified in respect of this matter.



Vichai Ruchitanont

Certified Public Accountant

Registration Number 4054

ANS Audit Co., Ltd

Bangkok, November 12, 2020

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
Assets					
Current assets					
		132,478	59,028	119,130	52,402
Cash and cash equivalents					
Current investment	3.3	-	8,692	-	6,229
Trade and other current receivables - net	5	325,955	368,993	325,480	368,195
Short-term loans to related party	4	-	-	-	15,000
Inventories - net	6	236,090	317,233	236,090	317,233
Oil supplies	7	-	746	-	-
Other current financial assets	8	2,871	-	393	-
Total current assets		697,394	754,692	681,093	759,059
Non-current assets					
Investments in subsidiaries - net	9	-	-	352,395	358,013
Pledged deposits at financial institutions	10, 13	105,769	16,947	105,369	16,547
Property, plant, vessel and equipment - net	11	1,478,144	1,546,295	1,323,547	1,357,976
Intangible assets - net	12	747	606	726	581
Deposit for purchase of assets		2,858	1,427	2,858	1,427
Other non-current assets		1,184	6,422	962	6,200
Total non-current assets		1,588,702	1,571,697	1,785,857	1,740,744
Total assets		2,286,096	2,326,389	2,466,950	2,499,803

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

Unit : Thousands Baht

		Consolidated financial statements		Separate financial statements	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
	Notes	"REVIEWED"		"REVIEWED"	
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and shot-term loans from					
financial institutions	13	50,000	3,558	50,000	-
Trade and other current payables	4, 14	304,311	337,472	303,221	337,354
Short-term loans from related parties	4	-	290,000	260,000	550,000
Total current liabilities		354,311	631,030	613,221	887,354
Non-current liabilities					
Deferred tax liabilities - net	17	2,574	2,469	2,574	2,469
Non-current provisions for employee benefits	15	10,280	9,599	9,813	8,937
Total non-current liabilities		12,854	12,068	12,387	11,406
Total liabilities		367,165	643,098	625,608	898,760
Shareholders' equity					
Authorized share capital					
Common share 5,232,291,928 shares, at Baht 0.25 par value		1,308,073	1,308,073	1,308,073	1,308,073
Issued and paid - up share capital					
Common share 5,232,291,928 shares, at Baht 0.25 par value		1,308,073	1,308,073	1,308,073	1,308,073
Premium on common stocks	16.2	289,795	605,114	289,795	605,114
Retained earnings (deficits)					
Appropriated					
Legal reserve	16.2	-	8,226	-	8,226
Unappropriated	16.2	323,406	(235,779)	240,299	(323,545)
Other components of shareholders' equity		(2,343)	(2,343)	3,175	3,175
Total Shareholders' Equity		1,918,931	1,683,291	1,841,342	1,601,043
Total liabilities and shareholders' equity		2,286,096	2,326,389	2,466,950	2,499,803

.....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 SEPTEMBER 30, 2020

"UNAUDITED"

"REVIEWED"

		Unit : Thousands Baht			
	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	3, 4, 19, 21				
Revenues					
Revenues from sale of goods		1,030,229	373,379	1,030,229	373,379
Revenues from production contract		-	49	-	49
Revenues from vessel operating		-	767	-	-
Income from an insurance claim - net		-	13,332	-	13,332
Other incomes		1,061	883	1,056	874
Total Revenues		1,031,290	388,410	1,031,285	387,634
Expenses					
Cost of sales		(945,602)	(429,283)	(945,608)	(428,675)
Cost of production contract		-	(39)	-	(39)
Cost of vessel operating		-	(5,906)	-	-
Distribution costs		(7,940)	(5,331)	(7,940)	(5,331)
Administrative expenses		(22,021)	(22,150)	(17,118)	(22,036)
Total Expenses		(975,563)	(462,709)	(970,666)	(456,081)
Profit (loss) before financial costs and tax expense		55,727	(74,299)	60,619	(68,447)
Finance costs		(992)	(1,472)	(3,384)	(3,299)
Profit (loss) before income tax expenses		54,735	(75,771)	57,235	(71,746)
Tax (expense) income	18	247	(4,201)	247	(4,201)
Profit (loss) for the periods		54,982	(79,972)	57,482	(75,947)
Other comprehensive income		-	-	-	-
Total comprehensive income (loss) for the periods		54,982	(79,972)	57,482	(75,947)
Profit (loss) attributable to :					
Equity holders of the parent		54,982	(79,972)	57,482	(75,947)
Non-controlling interests		-	-	-	-
		54,982	(79,972)	57,482	(75,947)
Total comprehensive income (loss) attributable to :					
Equity holders of the parent		54,982	(79,972)	57,482	(75,947)
Non-controlling interests		-	-	-	-
		54,982	(79,972)	57,482	(75,947)
Earnings (loss) per share					
Basic earning (loss) per share					
Basic earnings (loss) attributable per share (Baht)		0.0105	(0.0153)	0.0110	(0.0145)
Weighted average number of common shares (share)		5,232,291,928	5,232,291,928	5,232,291,928	5,232,291,928

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"UNAUDITED"

"REVIEWED"

Unit : Thousands Baht				
Notes	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
3, 4, 19, 21				
Revenues				
Revenues from sale of goods	3,904,066	1,232,199	3,904,066	1,232,199
Revenues from production contract	-	5,114	-	5,114
Revenues from vessel operating	9,779	10,734	-	-
Income from an insurance claim - net	-	13,332	-	13,332
Other incomes	4,088	2,348	3,682	1,744
Total Revenues	3,917,933	1,263,727	3,907,748	1,252,389
Expenses				
Cost of sales	(3,564,748)	(1,298,396)	(3,563,745)	(1,297,788)
Cost of production contract	-	(3,755)	-	(3,755)
Cost of vessel operating	(17,444)	(21,153)	-	-
Distribution costs	(26,836)	(16,221)	(26,589)	(15,890)
Administrative expenses	(66,948)	(58,894)	(63,630)	(54,703)
Total Expenses	(3,675,976)	(1,398,419)	(3,653,964)	(1,372,136)
Profit (loss) before financial costs and tax expense	241,957	(134,692)	253,784	(119,747)
Finance costs	(6,212)	(1,576)	(13,380)	(6,233)
Profit (loss) before income tax expenses	235,745	(136,268)	240,404	(125,980)
Tax expense	(105)	(4,252)	(105)	(4,252)
Profit (loss) for the periods	235,640	(140,520)	240,299	(130,232)
Other comprehensive income	-	-	-	-
Total comprehensive income (loss) for the periods	235,640	(140,520)	240,299	(130,232)
Profit (Loss) attributable to :				
Equity holders of the parent	235,640	(140,520)	240,299	(130,232)
Non-controlling interests	-	-	-	-
	235,640	(140,520)	240,299	(130,232)
Total comprehensive income (loss) attributable to :				
Equity holders of the parent	235,640	(140,520)	240,299	(130,232)
Non-controlling interests	-	-	-	-
	235,640	(140,520)	240,299	(130,232)
Earnings (loss) per share				
Basic earning (loss) per share				
Basic earnings (loss) attributable per share (Baht)	0.0450	(0.0269)	0.0459	(0.0249)
Weighted average number of common shares (share)	5,232,291,928	5,232,291,928	5,232,291,928	5,232,291,928

.....Director
(Thanit Tharatanavibool)

.....Director
(Pimwan Tharatanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"UNAUDITED"
"REVIEWED"

Unit : Thousands Baht																
Consolidated financial statements																
Shareholders' equity of the parent																
	Retained earnings (deficits)			Other components of equity			Total other components of equity	Total equity of the parent	Non-controlling interests	Total shareholders' equity						
	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)					
Notes																
Balance as at January 1, 2020		1,308,073	605,114	8,226	(235,779)	2,882	(5,225)	(2,343)	1,683,291	-	1,683,291					
Changes in shareholders' equity for the period :																
Transfer of legal reserve and premium on ordinary shares to offset the deficits																
16.2	-		(315,319)	(8,226)	323,545	-	-	-	-	-	-					
Total comprehensive income for the period																
	-		-	-	235,640	-	-	-	235,640	-	235,640					
Balance as at September 30, 2020		1,308,073	289,795	-	323,406	2,882	(5,225)	(2,343)	1,918,931	-	1,918,931					
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																
	-		-	-	(140,520)	-	-	-	(140,520)	-	(140,520)					
Balance as at September 30, 2019		1,308,073	605,114	8,226	(219,803)	2,882	(5,225)	(2,343)	1,699,267	-	1,699,267					

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.....Director
(Thanit Thararatnavibool)

.....Director
(Pimwan Thararatnavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"UNAUDITED"
"REVIEWED"

		Unit : Thousands Baht				
		Separate financial statements				
	Notes	Retained earnings (deficits)		Other components of equity		Total shareholders' equity
		Share capital	Premium on common stocks	Appropriated	Other comprehensive income	
		Issued and paid - up		Legal reserve	Unappropriated	Actuarial gain
Balance as at January 1, 2020		1,308,073	605,114	8,226	(323,545)	3,175
Changes in shareholders' equity for the period :						
Transfer of legal reserve and premium on ordinary shares to offset the deficits	16.2	-	(315,319)	(8,226)	323,545	-
Total comprehensive income for the period		-	-	-	240,299	-
Balance as at September 30, 2020		1,308,073	289,795	-	240,299	3,175
Balance as at January 1, 2019		1,308,073	605,114	8,226	(174,684)	3,175
Changes in shareholders' equity for the period :						
Total comprehensive loss for the period		-	-	-	(130,232)	-
Balance as at September 30, 2019		1,308,073	605,114	8,226	(304,916)	3,175

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.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"UNAUDITED"

"REVIEWED"

Unit : Thousands Baht

Cash flows from operating activities

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit (loss) for the period	235,640	(140,520)	240,299	(130,232)
Adjustments to reconcile profit (loss) to cash provided by (used in) operating activities:				
Tax expense	105	4,252	105	4,252
Depreciation	83,753	58,712	73,395	45,727
Income from disposal of investment	-	(1,675)	-	-
Amortization of computer softwares	166	120	161	120
Bad debt	-	-	8,500	-
Loss on write-off of assets	9,503	3,516	4,178	3,516
Unrealized (gain) loss on investments in Open-end Fund	(15)	1,173	-	(47)
(Reversal) allowance for devaluation of inventories	(43,350)	20,650	(43,350)	20,650
Reversal loss on impairment of vessel and equipment	(1,620)	-	-	-
Loss on impairment of investment in subsidiary	-	-	5,618	14,850
Non-current provisions for employee benefits	1,584	1,250	1,404	1,294
Income from an insurance claim - net	-	(13,332)	-	(13,332)
Interest income	(253)	(304)	(557)	(405)
Interest expenses	6,212	1,576	13,380	6,232
Gain (Loss) from operating activities before changes in operating assets and liabilities	291,725	(64,582)	303,133	(47,375)
Changes in operating assets - (increase) decrease :				
Trade and other current receivables	45,603	(27,699)	42,716	(27,040)
Inventories	125,753	(82,892)	125,753	(82,892)
Oil supplies	746	108	-	-
Deposit for purchase of assets	(1,431)	3,863	(1,431)	3,863
Other non-current assets	1,554	(968)	1,554	(1,483)
Changes in operating liabilities - decrease :				
Trade and other payables	(34,585)	(38,013)	(33,187)	(37,043)
Cash provided (used in) operating activities	429,365	(210,183)	438,538	(191,970)
Income tax paid	(203)	(335)	(6)	(279)
Refunded of income tax	3,690	5,712	3,690	5,712
Payment for employee benefit obligations	(903)	-	(528)	-
Net cash provided by (used in) operating activities	431,949	(204,806)	441,694	(186,537)

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"UNAUDITED"

"REVIEWED"

Unit : Thousands Baht

Cash flows from investing activities

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Increase in restricted deposits at financial institution	(88,822)	-	(88,822)	-
Interest received	253	304	557	405
Decrease (increase) in current investments	-	121,802	-	(198)
Increase in other current financial assets	5,836	-	5,836	-
Cash paid from short-term loan to related party	-	-	(5,000)	(15,000)
Proceeds from receive from short-term loan to related party	-	-	11,500	-
Payment for purchases of assets	(45,853)	(202,624)	(45,473)	(191,473)
Payment for purchases of intangible assets	(306)	(394)	(306)	(366)
Proceeds from receive from disposal of assets	20,146	75	105	75
Proceeds from receive from an insurance claim	-	39,244	-	39,244
Net cash provided by investing activities	(108,746)	(41,593)	(121,603)	(167,313)

Cash flows from financing activities

Interest paid	(6,195)	(1,576)	(13,363)	(6,232)
Increase in bank overdraft and short-term loans from financial institutions	46,442	1,599	50,000	-
Proceeds of short-term loan from related party	260,000	230,000	260,000	410,000
Payment for short-term loans from related party	(550,000)	-	(550,000)	(60,000)
Net cash provided by (used in) financing activities	(249,753)	230,023	(253,363)	343,768
Net Increase (decrease) in cash and cash equivalents	73,450	(16,376)	66,728	(10,082)
Cash and cash equivalents at beginning of the period	59,028	54,526	52,402	46,638
Cash and cash equivalents at end of the period	132,478	38,150	119,130	36,556

Additional disclosure items to cash flows statements

Non-cash flows items consist of:

Assets payable for equipment	3,160	8,741	3,160	8,741
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.....Director

(Thanit Thareratanavibool)

.....Director

(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

THE CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 (UNAUDITED) (REVIEWED)

1. GENERAL INFORMATION

1.1 Corporate 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.

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates.

Nevertheless, the Group’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities. The degree of the impact severity is dependent upon the pandemic controlling measures imposed by government and the duration of the pandemic.

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 2019), 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.

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

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, 2019. 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, 2019.

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.

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 subsidiaries (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, 2019.

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 that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2020. 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 Group’s financial statements. However, the new standard involves changes to key principles, which are summarised below:

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Financial reporting standards related to financial instruments

A 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
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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.

The effects of the adoption of these accounting standards are described below:

- Classification and measurement of current investments which comprise of investments in equity instruments of non-listed companies that the Group is to measure investments in equity instruments of non-listed companies at fair value and classify the investments as financial assets at fair value through profit or loss or through other comprehensive income. The Group's management assessed and considered that the cost of such investments has represented the fair value of investments in equity instruments of non-listed companies, and bank deposits over 3 months and up to 1 year that the Group is to measure the value by amortized cost. Therefore, the fair value measurement of the investments does not have any impact on the adjustment of retained earnings as at January 1, 2020.
- Recognition of credit losses that the Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables and the general approach to consider impairment of short-term loans to related party. The Group's management has considered that the recognition of credit losses does not have any significant impact on the adjustment of retained earnings as at January 1, 2020.

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.

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

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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 Group's management has considered that the recognition of assets and liabilities for leases not have any significant impact on the adjustment of retained earnings as at January 1, 2020.

Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 and December 31, 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- To lightly weight information relating to the COVID-19 situation in applying the valuation technique to measure the fair value of financial assets in the form of equity instruments using Level 2 or Level 3 inputs.

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, 2019, except the adoption of new financial reporting standards which are effective on January 1, 2020 as follows:

3.1 Financial reporting standards related to financial instruments

Classification and measurement:

- The classification and measurement of debt instrument financial assets has three classification categories, which are amortised cost, fair value through profit or loss (“FVPL”) and fair value through other comprehensive income (“FVOCI”). Classification of debt assets will be driven by the entity’s business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
- Equity instrument financial assets shall be measured at fair value through profit or loss. The Group can make an irrevocable election to recognise the fair value change in other comprehensive income without subsequent recycling to profit or loss
- Financial liabilities are classified and measured at amortised cost. The Group has elected to measure liabilities at fair value through profit or loss when stipulated conditions are met.
- Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied.

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

The impairment requirements

The accounting for expected credit losses on its financial assets measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income and loan commitments and financial guarantee contracts. It is no longer necessary for a credit event to have occurred before credit losses are recognised. The Group applies general approach for credit-impaired consideration. Except for trade receivables, they are permitted to measure by simplified approach for credit-impaired consideration.

3.2 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.

Where the Group is the lessee, leases are recognised as a right-of-use asset and a corresponding liability at the commencement date. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is measured at cost, which is initially measured at the present value of the lease payments. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in the lease, if that can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as expense in the statement of income.

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3.3 Impacts on the financial information

The Group adopted these financial reporting standards which the cumulative effect of initially applying is recognised as an adjustment since January 1, 2020, and the comparative information was not restated.

The reclassifications in the statement of financial position as at January 1, 2020 are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements			
	The impacts of			
	December 31, 2019	TFRS 9	TFRS 16	January 1, 2020
Statement of financial position				
Current assets				
Current invesment	8,692	(8,692)	-	-
Other current financial assets	-	8,692	-	8,692
Total assets	8,692	-	-	8,692

Unit : Thousand Baht				
Separate financial statement				
The impacts of				
December 31, 2019	TFRS 9	TFRS 16	January 1, 2020	
Statement of financial position				
Current assets				
Current invesment	6,229	(6,229)	-	-
Other current financial assets	-	6,229	-	6,229
Total assets	6,229	-	-	6,229

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3.3.1 Financial instruments

The classification and measurement basis

The classification and measurement basis, and carrying values of financial assets and financial liabilities in accordance with TFRS 9 as at January 1, 2020, and with the carrying amounts under the former basis, are as follows:

Unit : Thousand Baht				
Consolidated financial statements as at January 1, 2020				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through		
		profit or loss	Amortised cost	Total
Financial assets				
Cash and cash equivalents	59,028	-	59,028	59,028
Current investment	8,692	2,527	6,165	8,692
Trade and other current receivables - net	368,993	-	368,993	368,993
Pledged deposits at financial institutions	16,947	-	16,947	16,947
Total financial assets	453,660	2,527	451,133	453,660
Financial liabilities				
Bank overdrafts loans from financial institutions	3,558	-	3,558	3,558
Trade and other current payables	337,472	-	337,472	337,472
Short-term loans from related parties	290,000	-	290,000	290,000
Total financial liabilities	631,030	-	631,030	631,030

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Unit : Thousand Baht

Separate financial statements as at January 1, 2020

	Carrying amounts			
	under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortised cost	Total
Financial assets				
Cash and cash equivalents	52,402	-	52,402	52,402
Current investment	6,229	64	6,165	6,229
Trade and other current receivables - net	368,195	-	368,195	368,195
Short-term loans to related parties	15,000	-	15,000	15,000
Pledged deposits at financial institutions	16,547	-	16,547	16,547
Total financial assets	458,373	64	458,309	458,373
Financial liabilities				
Trade and other current payables	337,354	-	337,354	337,354
Short-term loans from related parties	550,000	-	550,000	550,000
Total financial liabilities	887,354	-	887,354	887,354

Financial assets classified and measured at fair value through other comprehensive income or loss - None

Financial liabilities reclassified and measured at fair value through profit or loss – None

Financial assets and liabilities measured at amortised cost which are approximate their fair value.

4. TRANSECTION 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 and nine-month periods ended September 30, 2020 and 2019 were as follows

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.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

Unit : Thousand Baht

		Consolidated financial statements		Separate financial statements	
	Pricing policies	2020	2019	2020	2019
<u>For the three-month periods</u>					
Other incomes - Interest income					
AI Logistics Company Limited	2.84, 3.75% P.A.	-	-	-	86
Purchase of raw material					
Samart Palm Oil Company Limited	Market value	-	17,490	-	17,490
Samart Palm Industry Company	Market value	-	1,517	-	1,517
Rental and Service					
AI Ports and Terminals Company	Mutually agreed	-	-	-	239
Administrative expenses					
Asian Insulators Public Company	Mutually agreed	504	406	461	232
Interest paid					
Asian Insulators Public Company	2.84, 3.65-3.75% P.A.	786	1,437	786	1,437
AI Ports and Terminals Company	2.84, 3.75% P.A.	-	-	2,392	1,862
<u>For the nine-month periods</u>					
Other incomes - Interest income					
AI Logistics Company Limited	2.84, 3.75% P.A.	-	-	311	111
Purchase of raw material					
Samart Palm Oil Company Limited	Market value	5,416	17,490	5,416	17,490
Samart Palm Industry Company	Market value	-	3,533	-	3,533
AI Ports and Terminals Company	Market value	-	-	45	-
Rental and Service					
AI Ports and Terminals Company	Mutually agreed	-	-	2,031	239
Administrative expenses					
Asian Insulators Public Company	Mutually agreed	1,874	1,298	1,408	735
AI Logistics Company Limited	Mutually agreed	-	-	8,500	-
Interest paid					
Asian Insulators Public Company	2.84, 3.65-3.75% P.A.	5,489	1,515	5,489	1,515
AI Ports and Terminals Company	2.84, 3.75% P.A.	-	-	7,254	4,718
Director	3.75% P.A.	432	-	432	-

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

Directors and management's remuneration

Directors and management's remuneration for the three-month and nine-month periods ended September 30, 2020 and 2019 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
For the three-month periods				
Short-term employee benefits	3,446	4,238	3,288	3,722
Long-term post-employment benefits	153	106	104	87
Total directors and management's remuneration	3,599	4,344	3,392	3,809
For the nine-month periods				
Short-term employee benefits	11,644	12,533	10,386	10,982
Long-term post-employment benefits	475	318	312	261
Total directors and management's remuneration	12,119	12,851	10,698	11,243

Significant balances with related parties as at September 30, 2020 and December 31, 2019 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>Assets</u>				
Short-term loan to related party				
AI Logistics Company Limited	-	-	-	15,000
<u>Liabilities</u>				
Trade payables				
AI Ports and Terminals Company Limited	-	-	-	2,172
Other current payable				
AI Ports and Terminals Company Limited	-	-	-	177
Short-term loan from related parties				
AI Ports and Terminals Company Limited	-	-	260,000	260,000
Asian Insulators Public Company Limited	-	250,000	-	250,000
Director	-	40,000	-	40,000

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.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

As at December 31, 2019, the Company has short-term loan to related party, AI Logistics Company Limited (“the subsidiary”). The subsidiary issued promissory notes in the amount of Baht 15 million, with an interest rate of 3.75% per annum, due on June 30, 2020.

According to the Board of Director Meeting No.10/2020 of the AI Logistics Company Limited (“the subsidiary”) held on June 19, 2020, the management of the Company and of the subsidiary have passed a resolution to approve to reduce of the short-term loans to AI Logistics Company Limited in amount of Baht 8.50 million. Since AI Logistics Company Limited incurred continuous loss, halted business and all assets are disposed of. Therefore, it is inability to repay all loans.

As at September 30, 2020 and December 31, 2019, the Company has short-term loan from related parties, AI Ports and Terminals Company Limited (“the subsidiary”), Asian Insulators Public Company Limited (“the parent”) and a director. The Company issued promissory notes in the total amount of Baht 260 million and Baht 550 million, respectively, with an interest rate of 2.84 - 3.75% per annum, due on December 31, 2020.

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5. TRADE AND OTHER CURRENT RECEIVABLES – NET

Trade and other current receivables as at September 30, 2020 and December 31, 2019 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables				
Trade receivable - others	325,948	368,919	325,948	368,919
Total trade receivables	325,948	368,919	325,948	368,919
<u>Less</u> Allowance for doubtful accounts	(4,722)	(3,222)	(4,722)	(3,222)
Total trade receivables - net	321,226	365,697	321,226	365,697
Other current receivables				
Prepaid insurance	3,273	2,180	3,083	1,611
Prepaid expenses	407	410	401	278
Revenue Department receivable	276	96	-	-
Undue input tax	555	610	552	609
Other receivables	454	306	454	306
Others	70	-	70	-
Total other current receivables	5,035	3,602	4,560	2,804
<u>Less</u> Allowance for doubtful accounts	(306)	(306)	(306)	(306)
Total other current receivables - net	4,729	3,296	4,254	2,498
Total trade and other current receivables - net	325,955	368,993	325,480	368,195

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As at September 30, 2020 and December 31, 2019 outstanding balances of trade receivables aged by number of months were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Others				
Current	295,946	327,411	295,946	327,411
Overdue				
Within 3 months	-	7,770	-	7,770
Over 3 months to 6 months	-	30,516	-	30,516
Over 12 months	30,002	3,222	30,002	3,222
Total	325,948	368,919	325,948	368,919
<u>Less</u> Allowance for doubtful accounts	(4,722)	(3,222)	(4,722)	(3,222)
Total trade receivables - net	321,226	365,697	321,226	365,697

6. INVENTORIES – NET

Inventories as at September 30, 2020 and December 31, 2019 consisted of:

	Unit : Thousand Baht	
	Consolidated/Separate financial statements	
	2020	2019
Raw materials and chemicals	95,832	115,393
Work in process	72,720	156,775
Finished goods	53,325	78,251
Supplies	14,863	10,814
Total inventories	236,740	361,233
<u>Less</u> Allowance for devaluation of inventories	(650)	(44,000)
Total inventories - net	236,090	317,233

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7. OIL SUPPLIES

Oil supplies as at September 30, 2020 and December 31, 2019 consisted of:

Unit : Thousand Baht	
Consolidated financial statements	
2020	2019
Bunker oil	625
Lubricants	121
Total oil supplies	746

8. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at September 30, 2020 consisted of:

Unit : Thousand Baht	
Consolidated financial statements	Separate financial statements
Open-end Fund-Debt securities - at cost	63
Add unrealized gain on investment revaluation	1
Open-end Fund-Debt securities - net	64
Fixed deposits	329
Total other current financial assets	393

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9. INVESTMENTS IN SUBSIDIARIES - NET

Investments in subsidiaries as at September 30, 2020 and December 31, 2019 consisted of:

Company	Nature of business	Percentage of Holding (%)		Paid-up share capital (Million Baht)		Unit : Thousand Baht	
		2020	2019	2020	2019	2020	2019
						Cost Method	
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials. (At present temporarily halted main business operation and in the process of preparing a business plan.)	100.00	100.00	209	209	82,678	82,678
AI Ports and Terminals Company Limited	Servicing port and rental of tank farms. (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
Less Allowance for impairment of investments						(82,678)	(77,060)
Total investments in subsidiaries - net						352,395	358,013

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 deposit at bank as collateral for credit facilities and issuance of bank guarantee (Note 13 and 22.1).



.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

11. PROPERTY, PLANT, VESSEL AND EQUIPMENT - NET

Property, plant, vessel and equipment as at September 30, 2020 and December 31, 2019 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
At cost		
As at December 31, 2019	2,249,025	1,811,485
Purchases during period	49,441	49,061
Transfers in during period	82,879	82,879
Written off during period	(148,576)	(19,733)
Transfers out during period	(82,879)	(82,879)
As at September 30, 2020	2,149,890	1,840,813
Accumulated Depreciation		
As at December 31, 2019	(683,710)	(453,509)
Depreciation for the period	(83,753)	(73,395)
Depreciation - disposals for the period	113,117	9,638
As at September 30, 2020	(654,346)	(517,266)
Allowances for impairment of assets		
As at December 31, 2019	(19,020)	-
Written off on impairment of vessel and equipment	1,620	-
As at September 30, 2020	(17,400)	-
Book value		
As at December 31, 2019	1,546,295	1,357,976
As at September 30, 2020	1,478,144	1,323,547

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.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

Depreciations in the statements of profit or loss for the three-month and nine-month period ended September 30, 2020 and 2019 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
For the three-month periods				
Cost of sales and services	25,019	17,230	25,019	15,647
Distribution costs and administrative expenses	4,571	4,419	1,052	888
	<u>29,590</u>	<u>21,649</u>	<u>26,071</u>	<u>16,535</u>
For the nine-month periods				
Cost of sales and services	72,774	46,719	70,465	43,088
Distribution costs and administrative expenses	10,979	11,991	2,930	2,639
	<u>83,753</u>	<u>58,710</u>	<u>73,395</u>	<u>45,727</u>

The gross carrying amounts of assets were fully depreciated but these items are still in active use by the Company and subsidiaries as at September 30, 2020 and December 31, 2019, in the consolidate financial statement totaling approximately Baht 54.65 million and Baht 147.08 million, respectively, and in the separate financial statements totaling approximately Baht 53.63 million and Baht 41.21 million, respectively.

In 2018, 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 in the consolidate financial statement 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 December 31, 2018, amount of Baht 194.05 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 December 31, 2018.

In the fourth quarter of year 2019, the subsidiary had begun to earn income from operations with the Company and had stopped in February 2020. Since the subsidiary still has incur loss in the operation, therefore value in use of assets not more than of the net book value. The subsidiary recorded its depreciation in administrative expenses during temporarily halted main business operation.

In 2019, the subsidiary, AI Logistics Co., Ltd, has the net book value of vessel and improvement in the consolidate financial statement more than market value. Management has assessed the appropriateness of the valuation of the vessel of the subsidiary by using the work of the independent appraiser that the Company uses to evaluate the fair value of vessel. According to the appraisal report, the appraisal value amounted Baht 24.60 million. The vessel appraisal above is the fair value measurement hierarchy in Level 2. The net book value of vessel as at December 31, 2019, amount of Baht 26.22 million. There for, the company considered to set up the allowance for impairment amount of Baht 1.62 million, in the consolidated financial statements of the year ended December 31, 2019.

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

On May 18, 2020, AI Logistics Company Limited (“the subsidiary”) entered into the Contracts for sale of vessel and improvement with a local company for the amount of Baht 20 million. The subsidiary had received the payment and the ownership of assets had been transferred as at May 21, 2020. The net book value of vessel and improvement as at May 21, 2020 (net of impairment of Baht 1.62 million) is Baht 24.30 million, then the subsidiary recorded loss on disposal of the assets in amount of Baht 4.30 million in the consolidated statements of profit or loss for the nine-month period ended September 30, 2020.

12. INTANGIBLE ASSETS – NET

Intangible assets as at September 30, 2020 and December 31, 2019 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
At cost		
As at December 31, 2019	1,359	1,252
Purchases during period	307	306
Disposal /written off during period	(6)	-
As at September 30, 2020	1,660	1,558
Accumulated amortization		
As at December 31, 2019	(753)	(671)
Amortization for the period	(166)	(161)
Depreciation - disposals for the period	6	-
As at September 30, 2020	(913)	(832)
Book value		
As at December 31, 2019	606	581
As at September 30, 2020	747	726

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13. BANK OVERDRAFTS AND SHOT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and shot-term loans from financial institutions as at September 30, 2020 and December 31, 2019 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bank overdrafts	-	3,558	-	-
Promissory notes	50,000	-	50,000	-
Total	50,000	3,558	50,000	-

	Credit facilities (Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bank overdrafts	55,000	5,000	50,000	-
Promissory notes	50,000	-	50,000	-
Letter of guarantee	6,265	4,213	5,865	3,813
Total	111,265	9,213	105,865	3,813

As at September 30, 2020 The Company has short-term loans in the amount of Baht 50 million. The Company issued a promissory note with an interest rate of at 2.06 % per annum, and are repayable in 1 month.

The Company and its subsidiaries had credit facilities from financial institutions, these credit facilities are secured by the guarantee from the Company, and by pledge of bank deposit from the Company. (Note 10)

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.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

14. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at September 30, 2020 and December 31, 2019 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables				
Trade payables - related parties	-	-	-	2,172
Trade payables - others	247,196	271,190	247,196	269,821
Total trade payables	247,196	271,190	247,196	271,993
Other current payables				
Others current payables	8,045	6,464	8,007	6,638
Retention	7,744	14,154	7,744	14,154
Revenue Department payable	22,281	26,513	22,278	26,309
Accrued bonus expenses	4,287	-	4,287	-
Electricity payable	5,517	5,054	5,500	5,036
Accrued expenses	3,857	2,617	3,625	2,378
Payables for purchase of assets	3,160	8,375	3,160	8,375
Unearned revenue for goods	1,407	2,459	1,407	2,459
Others	817	646	17	12
Total other current payables	57,115	66,282	56,025	65,361
Total trade and other current payables	304,311	337,472	303,221	337,354

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

15. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Movement of the present value of non-current provisions for employee benefits for the nine-month period ended September 30, 2020 and 2019 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2020	2019	2020	2019
Non-current provisions for employee				
benefit at beginning of period	9,599	8,269	8,937	7,588
Included in profit or loss:				
Current service cost	1,431	1,116	1,263	1,170
Interest cost	153	134	141	124
Benefit paid during the period	(903)	-	(528)	-
Non-current provisions for employee				
benefit at end of period	10,280	9,519	9,813	8,882

Employee benefit expenses in profit or loss for the three-month and nine-month periods ended September 30, 2020 and 2019 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2020	2019	2020	2019
<u>For the three-month periods</u>				
Cost of sales	240	249	240	249
Distribution costs	47	41	47	41
Administrative expenses	224	40	169	142
Total employee benefit expenses	511	330	456	432
<u>For the nine-month periods</u>				
Cost of sales	756	747	756	747
Distribution costs	137	123	137	123
Administrative expenses	691	380	511	424
Total employee benefit expenses	1,584	1,250	1,404	1,294

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 September 30, 2020 and December 31, 2019 (represented by the weighted-average) were as follows:

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	2.16 - 2.94	2.16 - 2.94	2.16	2.16
Salary increases rate	1.5 - 5.00	1.5 - 5.00	1.5 - 5.00	1.5 - 5.00
Mortality rate	100% of Thai	100% of Thai	100% of Thai	100% of Thai
	Mortality Ordinary	Mortality Ordinary	Mortality Ordinary	Mortality Ordinary
	Tables of 2017	Tables of 2017	Tables of 2017	Tables of 2017
Turnover rate				
Under 31 years old	0.00 - 40.00	0.00 - 40.00	22.00 - 40.00	22.00 - 40.00
31 - 40 years old	0.00 - 28.00	0.00 - 28.00	16.00 - 28.00	16.00 - 28.00
41 - 50 years old	0.00 - 5.00	0.00 - 5.00	5.00	5.00
Above 51 years old	0.00	0.00	0.00	0.00

16. LEGAL RESERVE

16.1 Appropriation of 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.

16.2 Transfer of legal reserve and premium on ordinary shares to offset the deficits

On February 24, 2020, the Board of Directors' Meeting passed a resolution to propose to the Annual General Shareholders' Meeting of 2020 to consider and approve the transfer of legal reserve amounting to Baht 8.23 million and premium on ordinary shares amounting to Baht 315.32 million so as to offset the deficits in the Company's separate financial statements as at December 31, 2019, which, subsequently, on June 18, 2020, the Annual General Shareholders' Meeting passed a resolution for the aforementioned transfer of legal reserve and premium on ordinary shares. The Company completely recorded the transfer of legal reserve and premium on ordinary shares amounting to Baht 323.55 million to offset the deficits in the Company's separate financial statements.

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(Pimwan Thareratanavibool)

17. DEFERRED TAX

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

	Unit : Thousand Baht			
	Consolidated/Separate financial statements			
	As at January	Profit	comprehensive	As at September
	1, 2020	(Loss)	Income	30, 2020
Deferred tax assets				
Allowance for doubtful accounts	706	300	-	1,006
Non-current provision for employee benefits	1,787	175	-	1,962
Total	2,493	475	-	2,968
Deferred tax liabilities				
Depreciation	(4,962)	(580)	-	(5,542)
Total	(4,962)	(580)	-	(5,542)
Deferred tax liabilities - net	(2,469)	(105)	-	(2,574)

As at September 30, 2020 and December 31, 2019 The Company and its subsidiaries had tax losses carried forward amounting to Baht 399.26 million and Baht 493.85 million, respectively. Due to the uncertainty of their utilization, the Management, therefore, will not account for the deferred tax on these unutilized tax loss carried forward.

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18. INCOME TAX EXPENSE

Income tax expenses for the three-month and nine-month periods ended September 30, 2020 and 2019 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
For the three-month periods				
Current tax expense				
Current periods	-	-	-	-
Deferred tax expense				
Movements in temporary differences	247	(4,201)	247	(4,201)
Total	247	(4,201)	247	(4,201)
For the nine-month periods				
Current tax expense				
Current periods	-	-	-	-
Deferred tax expense				
Movements in temporary differences	(105)	(4,252)	(105)	(4,252)
Total	(105)	(4,252)	(105)	(4,252)
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.

19. PROMOTIONAL PRIVILEGES

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

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

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(Pimwan Thareratanavibool)

The Company revenues from sale of goods, which are granted the promotional certificates for the three-month and nine-month periods ended September 30, 2020 and 2019 in the separate financial statement, as follows:

Unit : Thousand Baht			
Separate financial statements			
	Promoted	Non-promoted	
	Activities	Activities	Total
For the three-month period ended September 30, 2020			
Revenues from sale of goods	889,197	141,032	1,030,229
Other incomes	-	1,056	1,056
Total	889,197	142,088	1,031,285
For the three-month period ended September 30, 2019			
Revenues from sale of goods	21,839	351,540	373,379
Revenues from production contract	-	49	49
Income from an insurance claim - net	-	13,332	13,332
Other incomes	-	874	874
Total	21,839	365,795	387,634
Unit : Thousand Baht			
Separate financial statements			
	Promoted	Non-promoted	
	Activities	Activities	Total
For the nine-month period ended September 30, 2020			
Revenues from sale of goods	2,916,340	987,726	3,904,066
Other incomes	-	3,682	3,682
Total	2,916,340	991,408	3,907,748
For the nine-month period ended September 30, 2019			
Revenues from sale of goods	184,826	1,047,373	1,232,199
Revenues from production contract	-	5,114	5,114
Income from an insurance claim - net	-	13,332	13,332
Other incomes	-	1,744	1,744
Total	184,826	1,067,563	1,252,389

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(Pimwan Thareratanavibool)

20. 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 and nine-month periods ended September 30, 2020 and 2019 were as follows:

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
For the three-month periods				
AI Energy Public Company Limited	429	393	429	393
AI Logistic Company Limited	1	9	-	-
Total	430	402	429	393
For the nine-month periods				
AI Energy Public Company Limited	1,262	1,163	1,262	1,163
AI Logistic Company Limited	15	30	-	-
Total	1,277	1,193	1,262	1,163

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21. SEGMENTS INFORMATION

The segments information for the three-month and nine-month periods ended September 30, 2020 and 2019 was as follows:

Unit : Thousand Baht						
Consolidated financial statements						
For the three-month period ended September 30, 2020						
Sale of biodiesel and vegetable oil and by product	Production contract of refine crude palm oil	Sale of Refine Glycerine	Vessel operating	Port services	Total	
Revenues from sales and services	996,673	33,556	-	-	1,030,229	
Cost of sales and services	(920,075)	(28,077)	-	-	(948,152)	
Reversal for devaluation of inventories	2,550	-	-	-	2,550	
Gross profit by segment	79,148	5,479	-	-	84,627	
Other income					1,061	
Distribution costs					(7,940)	
Administrative expenses					(22,021)	
Finance costs					(992)	
Tax income					247	
Profit for the period					54,982	

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.....Director
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.....Director
(Pimwan Thararatnavibool)

Unit : Thousand Baht

Consolidated financial statements

For the nine-month period ended September 30, 2020

	Sale of biodiesel and vegetable oil and by product	Production contract of refine crude palm oil	Sale of Refine Glycerine	Vessel operating	Port services	Total
Revenues from sales and services	3,811,254	-	92,812	9,779	-	3,913,845
Cost of sales and services	(3,514,759)	-	(93,339)	(17,444)	-	(3,625,542)
Reversal for devaluation of inventories	4,000	-	39,350	-	-	43,350
Gross profit (loss) by segment	300,495	-	38,823	(7,665)	-	331,653
Other income						4,088
Distribution costs						(26,836)
Administrative expenses						(66,948)
Finance costs						(6,212)
Tax expenses						(105)
Profit for the period						235,640
Property, plant, vessel and equipment-net	883,714		439,833	-	154,597	1,478,144

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(Pimwan Tharatanavibool)

Unit : Thousand Baht

Consolidated financial statements				
For the three-month period ended September 30, 2019				
	Contract of refine crude palm oil	Vessel operating	Port services	Total
Sale of biodiesel and vegetable oil and by product				
	373,379	49	767	374,195
	(407,873)	(39)	(5,906)	(413,818)
	(21,410)	-	-	(21,410)
	(55,904)	10	(5,139)	(61,033)
Revenues from sales and services				13,332
Cost of sales and services				883
Allowance for devaluation of inventories				(5,331)
Gross profit (loss) by segment				(22,150)
Income from an insurance claim - net				(1,472)
Other income				(4,201)
Distribution costs				(79,972)
Administrative expenses				
Finance costs				
Tax expenses				
Loss for the period				

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.....Director
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.....Director
(Pimwan Tharatanavibool)

Unit : Thousand Baht

Consolidated financial statements					
For the nine-month period ended September 30, 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	1,232,199	5,114	10,734	-	1,248,047
Cost of sales and services	(1,277,746)	(3,755)	(21,153)	-	(1,302,654)
Allowance for devaluation of inventories	(20,650)	-	-	-	(20,650)
Gross profit (loss) by segment	(66,197)	1,359	(10,419)	-	(75,257)
Income from an insurance claim - net					13,332
Other income					2,348
Distribution costs					(16,221)
Administrative expenses					(58,894)
Finance costs					(1,576)
Tax expenses					(4,252)
Loss for the period					(140,520)
Property, plant, vessel and equipment-net	1,364,058		27,367	167,368	1,558,793

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.....Director
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22. COMMITMENT AND CONTINGENT LIABILITIES

Commitments and contingent liabilities as at September 30, 2020 and December 31, 2019 were as follows:

22.1 Letters of guarantee

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

Unit : Thousand Baht	
Consolidated financial statements	
2020	2019
Guarantee for importation machinery	11,178
Guarantee for electricity usage	5,769
Total	16,947

22.2 Group has contingent liabilities on capital commitments were as follows:

Contracted Balance (Unit : Thousand Baht)	
Consolidated/Separate financial statements	
2020	2019
Capital commitments	
Contracted but not provided for	
work in process - building and utility systems	1,877
work in process - machinery	4,557
work in process - Purify Glycerin project	12,020

22.3 On June 20, 2017, the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (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.

During the year of 2019, the Company requested a legal opinion this case with an independent law firm, whose letter dated November 11, 2019, has an opinion that the case is the criminal complaint against former directors and executives of the Company which is a personal matter, and the Company which is a juristic person will not be liable in any way. Therefore, when former directors and executives of the Company have complaint against it will not have any impact on the Company.

The Company's management believes that final result investigation in such case have not any significant impact on the Company's financial statements.

.....Director
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23. 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.

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value and fair value of financial assets and financial liabilities as at September 30, 2020 and January 1, 2020 are presented below.

Unit : Thousand Baht				
Consolidated financial statements as at September 30, 2020				
	Carrying value			Fair value
Fair value through				
	profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	132,478	132,478	132,478
Trade and other receivables - net	-	325,955	325,955	325,955
Other currents financial assets	2,542	329	2,871	2,871
Pledged deposits at financial institutions	-	105,769	105,769	105,769
Total financial assets	2,542	564,531	567,073	567,073
Financial liabilities				
Bank overdrafts and shot-term loans from				
financial institutions	-	50,000	50,000	50,000
Trade and other current payables	-	304,311	304,311	304,311
Total financial liabilities	-	354,311	354,311	354,311

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Unit : Thousand Baht				
Consolidated financial statements as at January 1, 2020				
	Carrying value			Fair value
	Fair value through			
	profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	59,028	59,028	59,028
Trade and other receivables - net	-	368,993	368,993	368,993
Other currents financial assets	2,527	6,165	8,692	8,692
Pledged deposits at financial institutions	-	16,947	16,947	16,947
Total financial assets	2,527	451,133	453,660	453,660
Financial liabilities				
Bank overdrafts and shot-term loans from				
financial institutions	-	3,558	3,558	3,558
Trade and other current payables	-	337,472	337,472	337,472
Short-term loans from related parties	-	290,000	290,000	290,000
Total financial liabilities	-	631,030	631,030	631,030

Unit : Thousand Baht				
Separate financial statements as at September 30, 2020				
	Carrying value			Fair value
	Fair value through			
	profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	119,130	119,130	119,130
Trade and other receivables - net	-	325,480	325,480	325,480
Other currents financial assets	64	329	393	393
Pledged deposits at financial institutions	-	105,369	105,369	105,369
Total financial assets	64	550,308	550,372	550,372
Financial liabilities				
Bank overdrafts and shot-term loans from				
financial institutions	-	50,000	50,000	50,000
Trade and other current payables	-	303,221	303,221	303,221
Short-term loans from related parties	-	260,000	260,000	260,000
Total financial liabilities	-	613,221	613,221	613,221

.....Director
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.....Director
(Pimwan Thareratanavibool)

Unit : Thousand Baht

Separate financial statements as at January 1, 2020				
	Carrying value			Fair value
	profit or loss	Amortised cost	Total	
Fair value through				
Financial assets				
Cash and cash equivalents	-	52,402	52,402	52,402
Trade and other receivables - net	-	368,195	368,195	368,195
Short-term loans to related parties	-	15,000	15,000	15,000
Other current financial assets	64	6,165	6,229	6,229
Pledged deposits at financial institutions	-	16,547	16,547	16,547
Total financial assets	64	458,309	458,373	458,373
Financial liabilities				
Trade and other current payables	-	337,354	337,354	337,354
Short-term loans from related parties	-	550,000	550,000	550,000
Total financial liabilities	-	887,354	887,354	887,354

Other current financial assets that is 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.

25. APPROVAL OF INTERIM FINANCIAL STATEMENT

These interim financial statements have been approved to issue by the Company's Board of Directors on November 12, 2020.

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.....Director
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.....Director
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