บริษัท เอไอ เอนเนอร์จี จำกัด (มหาชน)
AI Energy Public Company Limited
ทะเบียนเลขที่ 0107556000311

AIE009/2025 February 18th, 2025

Subject: Management's Discussion and Analysis for the year ended December 31st, 2024

Attention: President,
The Stock Exchange of Thailand

AI Energy Public Company Limited (the "Company") is manufacturer and distributor of Biodiesel (B100), Palm Olein (Edible oil), Refined Glycerine, and providing production service for Refined Bleached Deodorized Palm Oil (RBDPO), Refined Bleached Deodorized Kernel Palm Oil (RBDPKO), and Palm Olein. The Company has a subsidiary; storage tanks service, which currently temporarily ceased its operation. In the past 3 years, the Company has not changed its control over the Company and there is no change in the shareholder structure, management or business operations.

The financial statement of the Company's and its subsidiaries for the year ended December 31st, 2024, which details are as following;

Unit : Million Baht

Operating results (Consolidated)	Q4/2024	Q3/2024	Q4/2023	YoY	QoQ	For the Year		
				% Increase (Decrease)	% Increase (Decrease)	Y2024	Y2023	% Increase (Decrease)
Revenue from sales and services	2,358.29	2,150.76	2,189.05	7.73%	9.65%	8,238.90	8,221.11	0.22%
Cost of sales and services	(2,189.07)	(2,088.95)	(2,117.94)	3.36%	4.79%	(7,893.20)	(8,073.36)	(2.23%)
Gross profit	169.22	61.81	71.11	137.96%	173.77%	345.70	147.75	133.98%
Other income	3.16	1.45	1.47	114.68%	118.44%	7.95	6.95	14.30%
Selling and administrative expenses	(24.77)	(32.07)	(28.46)	(12.98%)	(22.77%)	(80.80)	(85.96)	(6.00%)
Profit from operations	146.44	31.04	43.78	234.46%	371.74%	239.21	39.68	502.82%
EBITDA	181.96	64.86	78.13	132.89%	180.55%	376.61	187.19	101.19%
Finance cost and tax income	0.018	(0.020)	(0.001)	1,708.95%	188.09%	0.99	(0.02)	5,028.96%
Net profit	147.59	31.17	44.12	234.50%	373.51%	241.92	40.27	500.80%
Basic earnings per share (Baht per hare)	0.107	0.023	0.032	69.65%	78.88%	0.175	0.030	491.83%

Net Profit

The Company and subsidiaries (Consolidated) for 4th quarter of 2024 realized net profit of Baht 147.59 million, increased by Baht 103.47 million or 234.50% as compared to the same quarter of last year which incurred the realized net profit of Baht 44.12 million, increased by Baht 116.42 million or 373.50% as compared to the 3rd quarter of 2024, which incurred the realized net profit of Baht 31.17 million. For the year ended December 31, 2024, the Company and subsidiaries (Consolidated) realized net profit of Baht 241.92 million, increased by Baht 201.66 million or 500.80% as compared to the last year ended which incurred net profit of

Baht 40.27 million. However, the Company and subsidiaries (Consolidated) reported EBITDA in amounting of Baht 181.96 million, increased by Baht 103.83 million or 132.89 % as compared to the last year ended which incurred Baht 78.13 million, increase by Baht 117.10 million or 180.55% as compared to the 3rd quarter of 2024, which realized net profit of Baht 67.59 million. For the year ended December 31, 2024, the EBITDA is Baht 376.61 million, increased by Baht 189.42 million or 101.19% as compared to the same period of last year which was Baht 187.19 million. Significant changes in the Company's operating results due to the fluctuation of selling prices in the 4th quarter of 2024 were volatized than those in same quarter of the previous year. However, the Company determined the policy that focused on the management of raw material (CPO) by trying to maintain inventories turnover rate between 15 - 25 days for alleviates the impact of the fluctuation of CPO on the Company's performance.

Revenue

1. Revenue from Sales and Services

The Company had revenue from Sales and Services for 4th quarter of 2024 of Baht 2,358.29 million, increase by Baht 171.01 million or 7.82% as compared to the same quarter of last year which had revenue of Baht 2,187.28 million, increase by Baht 207.53 million or 9.95%, as compared to the 3rd quarter of 2024 which had revenue of Baht 2,150.76 million. For the year ended December 31, 2024, the Company had revenue of Baht 8,238.90 million, increase by Baht 17.79 million or 0.22% as compared to the last year which had revenue of Baht 8,221.11 million, where the reasons are summarized as follows;

1.1. Revenue from Biodiesel, Edible oil Refined Glycerine, Raw material and By-product

- The revenue from Biodiesel business, for 4th quarter of 2024 was increased by Baht 37.58 million, or 2.62% as compared to the same quarter of last year, due to the quantity sold decreased by 21.33%, and the average selling price of Biodiesel increased by 30.45%. As compared to the 3rd quarter of 2024, the revenue increased by Baht 35.85 million or 2.50%, due to the average selling price of Biodiesel increased by 24.36%, and the quantity sold decreased by 17.58%. In 2024, the revenue from Biodiesel business to total sales revenue of 64.51%, decreased by Baht 248.22 million, or 4.47% as compared to the last year ended, due to the quantity sold decreased by 14.76% and the average selling price of Biodiesel was increased by 12.06% in accordance to CPO price trend. The CPO average price in 2024 were 32.56 – 43.44 Baht per Kilogram, where in 2023 were 28.98 – 33.91 Baht per Kilogram (Source: DIT).
- The revenue from Edible oil business, for 4th quarter of 2024 was decreased by Baht 32.37 million, or 35.34% as compared to the same quarter of last year from the quantity sold that decreased by 42.39% and the average selling price increased by 12.25%. As compared to the 3rd quarter of 2024, the revenue was increased by Baht 10.88 million, or 22.51% from the quantity sold increased by 10.09% and average selling price increased by 11.28%. In 2024, the revenue from Edible oil business to total sales revenue of 3.42%, increased by Baht 93.36 million, or 49.81% from the quantity sold that increased by 42.31% and the average selling price was increased by 1.99% as compared to the last year ended. The Company entered short-term contract with specific quantities and delivery term (Made to Order). This helps the Company to efficiently control inventories aging and procurement that prevent risk from CPO's prices fluctuation.

- The revenue from Refined Glycerine business, for 4th quarter of 2024 was decreased by Baht 0.68 million or 1.28% as compared to the same quarter of last year from the quantity sold that decreased by 21.05% where the average selling price was increased by 25.04%. The revenue decreased by Baht 32.69 million or 38.48% as compared to the 3rd quarter of 2024, from the quantity sold that decreased by 44.52% and the selling price that increased by 10.87%. In 2024, the revenue from Refined Glycerine business to total sales revenue of 3.10%, decreased by Baht 12.83 million or 4.79% from the quantity sold decreased by 8.15% and the average selling price were increased by 3.66%, respectively when compared to the last year ended. This is consistent with the decrease in Biodiesel quantity sold, resulting in a decrease in the Company's crude glycerine output from Biodiesel production.

- The revenue from raw material and by-product, for 4th quarter of 2024 increased by Baht 168.13 million or 27.73% from the quantity sold decreased by 32.30% and average selling price increased by 88.68% as compared to the same quarter of last year, and as compared to the 3rd quarter of 2024 the revenue increased by Baht 195.03 million or 33.66% from the quantity sold decreased by 7.54% and the average selling price increased by 44.57%. In 2024, the revenue from raw material and by-product to total sales revenue of 28.97%, increased by Baht 193.42 million or 8.84%, due to the quantity sold decreased by 20.42% and average selling price increased by 36.77%, respectively when compared to the last year ended. The customers are oleochemical producer and related-products producers in overseas. However, the Company will only sell by-products that excess the need of its Biodiesel and Refined Glycerine productions.

1.2. Revenue from Production Services

The revenue from production services, for 4th quarter of 2024 was decreased by Baht 1.65 million or 37.13% as compared to the same quarter of last year, the revenue from production services for Edible oil decreased by 61.69% but the revenue from production services for RBDPO increased by 100%. As compared to the 3rd quarter of 2024, the revenue from production services has decreased by Baht 1.54 million or 35.52% from the revenue from production services for Edible oil that was decreased by 38.05%, and the revenue from production services for RBDPO decreased by 31.13%. In 2024, the revenue from production services Baht 19.84 million, decreased by Baht 7.94 million or 28.58%, the revenue from production services for Edible oil decreased by 32.01% while the revenue from production services for RBDPO decreased by 2.74%, comparing to the last year ended. Presently, the Company has enough capacity left for production services, however the Company is considering to offer the production services that are suitable to the Company from time to times.

2. Other Income

Other income of the Company and its subsidiaries consists of selling scrap materials, financial income (interest income), gain on changes in fair value of short-term investment, oil storage service etc. For 4th quarter of 2024, the Company and its subsidiaries had other income of Baht 3.16 million, increase by Baht 1.69 million, or 114.68% as compared to the same period of last year. As compared to the 3rd quarter of 2024, other income of Baht 1.45 million, increased by Baht 1.71 million or 118.44% from increased financial income (interest income). For the year 2024, the Company and its subsidiaries had other

income of Baht 7.95 million, increased by Baht 0.99 million, or 14.30% as compared to the year 2023 which was Baht 6.95 million, the main reason from increased financial income (interest income).

Cost of Sales and Services

The Company had cost of sales and services for 4th quarter of 2024 was Baht 2,153.40 million, increased by Baht 59.21 million or 2.83% as compared to the same quarter of last year which was Baht 2,094.18 million, and increased by Baht 64.55 million or 3.09% as compared to the 3rd quarter of 2024, which had Baht 2,088.95 million. For the year 2024, the cost of sales and services was Baht 7,894.01 million, decreased by Baht 179.35 million or 2.22% as compared to last year, which had Baht 8,073.36 million. The reasons are summarized as follows;

1. **Cost of Sales- Biodiesel, Edible oil, Refined Glycerine, Raw material and By-product**

The Company had cost of sales for 4th quarter of 2024 was Baht 2,151.46 million, cost of sales to sales and services ratio by 91.34%, decreased from the same quarter of the last year by 4.47% or 4.67%, and as compared to the 3rd quarter of 2024 cost of sales was Baht 2,086.10 million, cost of sales to sales and services ratio by 97.19%, which was decreased by 5.85% or 6.02%. For the year 2024, the cost of sales was Baht 7,881.82 million, cost of sales to sales and services ratio by 95.81%, which was decreased by 2.39% or 2.43% as compared to last year. However, the Company still maintains the policy to manage inventory for maximum efficiency which is divided by product groups as follows;

- Biodiesel, for 4th quarter of 2024, the Biodiesel's ratio of cost of sales was decreased by 6.92% or 7.28% as compared to the same quarter of last year and the Biodiesel's ratio of cost of sales was decreased by 9.62% or 9.85% as compared to the 3rd quarter of 2024. For the year ended December 31, 2024, the Biodiesel's ratio of cost of sales was decreased by 2.96% or 3.02% as compared to the last year. However, the Company has emphasised on controlling production yield and managing inventory turnover rate by keeping it in between 15-25 days in order to mitigate the risk from the raw material prices' fluctuation, which is an important factor of the Company's profitability.
- The Edible oil, for 4th quarter of 2024, the Edible oil's ratio of cost of sales was increased by 1.97% or 2.20% as compared to the same quarter of last year, and as compared to the 3rd quarter of 2024 the Edible oil's ratio of cost of sales was decreased by 4.30% or 4.48%. For the year ended December 31, 2024, the Edible oil's ratio of cost of sales was increased by 1.93% or 2.08% as compared to the last year. However, this business unit is Made to Order, which is allowed the Company maintaining profitable sales. But the storage of CPO cannot be stored separately, as a result, the production cost fluctuates according to the raw material price during the changing period.
- Refined Glycerine, for 4th quarter of 2024, Refined Glycerine's ratio of cost of sales was decreased by 27.04% or 30.80% as compared to the same quarter of last year, and as compared to the 3rd quarter of 2024 the ratio of cost of sales was decreased by 2.04% or 3.25%. For the year ended December 31, 2024, the Refined Glycerine's ratio of cost of sales was decreased by 19.93% or 22.60% as compared to the last year. This is a result of the selling price increasing, resulting in an increase in the profit margin.

- The raw material and By-products, for 4th quarter of 2024, the raw material, and by-products' ratio of cost of sales was increased by 0.22% or 0.23% as compared to the same quarter of last year, and as compared to the 3rd quarter of 2024 the raw material and by-products' ratio of cost of sales was decreased by 1.48% or 1.47%. For the year ended December 31, 2024, the raw material and by-products' ratio of cost of sales was increased by 0.16% or 0.17% as compared to the last year. However, the Company still determines the cost of sales of by-products according to the market price of the products expected to be sold.

2. Cost of Production Services

The Company had a ratio of service costs to production service income, for 4th quarter of 2024 increased by 6.46% or 10.24% as compared to the same quarter of last year, and as compared to the 3rd quarter of 2024 was increased by 3.63% or 5.51%. For the year ended December 31, 2024, it decreased by 7.62% or 11.04% as compared to the last year ended. Presently, the Company has available capacity for production services.

Selling Expenses

The Company's selling expenses for 4th quarter of 2024 were Baht 7.20 million, decrease by Baht 2.19 million or 23.33% as compared to the same quarter of last year and decrease by Baht 2.20 million or 23.43% as compared to the 3rd quarter of 2024. For the year ended December 31, 2024, the Company's selling expenses were Baht 31.92 million, decrease by Baht 6.61 million or 17.16% as compared to the last year ended. Due to the logistic expenses were decreased in according to the quantities sold in products.

Administration Expenses

The Company and subsidiaries' administration expenses for 4th quarter of 2024 were Baht 17.57 million, decreased by Baht 1.50 million or 7.88% as compared to the same quarter of last year. As compared to the 3rd quarter of 2024 was decreased by Baht 5.10 million or 22.49%. For the year ended December 31, 2024, the administration expenses were Baht 80.80 million, an increased by Baht 4.97 million or 6.47% from the year 2023, due to the unrealized loss from foreign exchange rate since the Company has kept foreign currency to import machinery, which was already made the purchase contracts.

Financial Cost and Income Tax Expense

The Company and subsidiaries had financial cost for 4th quarter of 2024, of Baht 0.018 million, increased by Baht 0.017 million as compared to the same quarter of last year and increased by Baht 0.003 million as compared to the 3rd quarter of 2024. For the year ended of 2024, the Company had financial cost of Baht 0.03 million, which increased by Baht 0.01 million or 67.30% as compared to the last year ended of 2023.

The Company and subsidiaries, there is no income tax (income) for 4th quarter of 2024 and 2023, and 3rd quarter of 2024. For the year ended of 2024, had income tax (income) increased by Baht 1.02 million or 100.00% as compared to the last year ended of 2023, due to changes in the estimated value of employee benefit liabilities.

Statement of Financial Position

Unit : Million Baht

Consolidated Financial Statements	At 31/12/2024	At 31/12/2023	Increase (Decrease)	%	At 30/09/2024	Increase (Decrease)	%
Cash and cash equivalents	254.87	168.38	86.49	51.37%	313.91	(59.04)	-18.81%
Short-term investments	277.95	6.16	271.79	4,412.03%	115.28	162.67	141.12%
Trade and other receivables	602.94	672.55	(69.61)	-10.35%	532.91	70.04	13.14%
Inventories	508.47	381.06	127.41	33.44%	402.93	105.54	26.19%
Other current assets	6.55	6.35	0.20	3.16%	8.43	(1.87)	-22.25%
Total current assets	**1,650.78**	**1,234.50**	**416.28**	33.72%	**1,373.45**	**277.33**	20.19%
Restricted bank deposits	59.13	60.55	(1.42)	-2.35%	59.58	(0.45)	-0.76%
Property, plant and equipment	1,160.23	1,254.05	(93.82)	-7.48%	1,181.63	(21.40)	-1.81%
Other non-current assets	20.34	3.63	16.71	460.65%	18.77	1.58	8.40%
Total assets	**2,890.49**	**2,552.73**	**337.75**	13.23%	**2,633.43**	**257.05**	9.76%
Trade and other payables	474.01	386.75	87.26	22.56%	375.89	98.12	26.10%
Other current liabilities	57.99	50.58	7.41	14.65%	47.05	10.94	23.24%
Other non-current liabilities	9.85	13.05	(3.20)	-24.50%	9.45	0.41	4.30%
Total liabilities	**541.85**	**450.38**	**91.48**	20.31%	**432.39**	**109.46**	25.32%
Shareholder's equity	2,348.63	2,102.36	246.28	11.71%	2,201.04	147.59	6.71%
Total liabilities and shareholder's equity	**2,890.49**	**2,552.73**	**337.75**	13.23%	**2,633.43**	**257.05**	9.76%

Assets

As of December 31, 2024, the Company and subsidiaries had total assets of Baht 2,890.49 million, increased by Baht 337.75 million or 13.23% from as of December 31, 2023, from an increase in current assets of Baht 416.28 million, consisting of cash and cash equivalents increased of Baht 86.49 million, short-term investments increased Baht 271.79 million, trade receivables decreased Baht 134.40 million, inventories increased Baht 127.41 million. Due to the increase in raw material prices, the Company places importance on managing the storage of raw materials and remaining stock to control the impact of losses from the reduction of the value of remaining stock to the least from the situation of fluctuations in raw material prices that may be adjusted down, and the decrease in total non-current assets of 78.53 million baht, consisting of Land, buildings and equipment decreased by Baht 93.82 million from depreciation and amortization of Baht 135.67 million, additional assets purchased of Baht 31.86 million and other non-current assets increased by Baht 16.71 million baht.

As compared to as of September 30, 2024, the Company and subsidiaries had total assets increased by Baht 257.05 million or 9.76 %, from an increase in current assets of Baht 257.05 million, consisting of cash and cash equivalents of Baht 59.04 million, short-term investments increased by Baht 162.67 million, trade receivables increased by Baht 70.04 million, inventories increased

by Baht 105.54 million due to the increase in raw material prices, other current assets decreased by Baht 0.20 million, land buildings and equipment decreased by Baht 21.40 million and non-current assets increased by Baht 1.58 million.

Liabilities

As of December 31, 2024, the Company and subsidiaries had total liabilities of Baht 541.85 million, increased by Baht 91.48 million or 20.31% from as of December 31, 2023, due to trade and other payables increased by Baht 87.26 million from the increase in raw material prices.

As compared to as of September 30, 2024, which had total liabilities of Bah 432.39 million, an increase of Baht 109.46 million or 25.35% from trade and other payables increased of Baht 98.12 million from the increase in raw material prices.

Shareholders' equity

As of December 31, 2024, the Company and subsidiaries had total shareholders' equity of Baht 2,348.63 million, increased by Baht 246.28 million or 11.71% from as of December 31, 2023, due to the profit from business operation of Baht 241.92 million, and profit from the employee benefit estimates based on actuarial technique of Baht 5.38 million. As compared to as of September 30, 2024, the Company and subsidiaries had total shareholders' equity of Baht 2,201.04 million, increased by Baht 147.59 million or 6.71% from 2023, due to the profit from business operation in 4th quarter of 2024.

Cash Flow Analysis

In the cash flow statement as at December 31, 2024, the net cash flow increases by Baht 86.49 million, with cash and cash equivalents at the beginning of the period (January 1st, 2024) of Baht 168.38 million, the cash and cash equivalents at the end of the period (December 31, 2024) of Baht 254.87 million. The details of cash flow for each activity are as follows:

Unit : Million Baht

Consolidated financial statements	Y2567	Y2566	Change	9M2024	Change
Net cash flows provided by operating activities	390.04	51.15	338.88	276.35	113.69
Net cash flows used in investing activities	(303.40)	(42.28)	(261.12)	(130.70)	(172.70)
Net cash flows provided by (used in) financing activities	(0.15)	57.17	(57.32)	(0.12)	(0.03)
Net increase (decrease) in cash and cash equivalents	86.49	66.04	20.45	145.53	(59.04)
Cash and cash equivalents at the beginning of the period	168.38	102.34	66.04	168.38	(0.00)
Cash and cash equivalents at the end of the period	254.87	168.38	86.49	313.91	(59.04)

Net cash flows from operating activities of Baht 390.04 million derived from profit before tax of Baht 241.92 million and adjusted for items that covered profit before tax with income (expenses) from operating activities. The main items that resulted in an increase in cash flow were Baht 136.33 million. Cash received included depreciation and amortization of Baht 135.67 million,

financial costs of Baht 0.03 million, and others of Baht 0.99 million. Cash (paid) included financial income of Baht 1.72 million, income tax income of 1.02 million baht. In addition, operating assets increased by Baht 78.71 million and operating liabilities increased by Baht 89.15 million.

Net cash flow from investing activities of Baht 303.40 million, consist of short-term investment increased by Baht 271.46 million, investment in fixed assets and other assets increased by Baht 31.94 million.

Net cash flow from financing activities of Baht 0.15 million, from repayment of lease liabilities.

Key Financial Ratios

The Company has sufficient working capital to meet its business needs and continue operations seamlessly with the key financial ratios as follows;

Financial Ratio	Unit	4Q2024	3Q2024	4Q2023	Y2024	Y2023
Profitability Ratios						
Gross profit margin	%	192.82	197.13	196.75	3.96	1.46
Net profit margin	%	6.25	1.45	2.01	2.94	0.49
Return on equity	%	6.28	1.42	4.92	10.30	1.92
Leverage Ratios or Financial Ratios						
Debt to equity	Times	0.23	0.20	0.21	0.19	0.18
Interest coverage ratio	Times	8,377.47	2,078.07	40,295.75	7,165.75	2,003.82
Liquidity Ratios						
Current ratio	Times	3.10	3.25	2.82	3.10	2.82
Quick ratio	Times	2.13	2.27	1.94	2.13	1.94

Factors that may affect operations or future growth

The Company is producer and distributor of biodiesel to the fuel trader under Section 7 of Fuel Trade Act B.E.2543 in which consists of the major oil traders in the country and sell 100% domestically. The Company has been frequently affected by the major risk factors of the CPO related business. The factors that caused the fluctuation in price of CPO are change in government policy, climate change, and national's CPO safety stock. For the price and quantity fluctuation of CPO, the government had issued a policy to control such problem from both the fluctuating price and quantity. The government has used its policy to reduce the portion of B100 blend in diesel mandate such as lowered B7 to B5 when national's CPO safety stock low or the price of CPO extremely high, or increase the ratio of biodiesel blend in diesel when stocking CPO high. This is to control the volume of CPO used and focuses on the need of the Edible oil's consumers. On November 7, 2024, the Energy Regulatory Commission (ERC) has resolved to decrease the proportion of biodiesel blend in diesel from B7 to B5 while the CPO price currently high, to help consumers after the price of biodiesel has surpassed the price of diesel more than twice, effective from November 21st, 2024 onwards until ERC has a resolution to change.

The Company expects Biodiesel quantity sold in 2025 to be similar to the previous year, with the government maintaining the policy of mixing B5 Biodiesel and expecting to increase the proportion to B7 in the 2nd quarter of 2025 onwards after the CPO shortage situation improves. The Company has been prepared for tougher competition by giving importance to the development of efficiency in the production process continuously. This allows the Company to control costs and expenses in production more efficiently.

Please be informed according

Yours Sincerely,
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