

# AI Energy Public Company Limited

Form 56-1 One Report 2023



AI Energy Public Company Limited





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# Message from Chairman

## To Shareholders

In 2023, the government issued measures to adjust the biodiesel blending ratio in diesel, increasing it from B5 to B7, which is in line with the increased oil palm production. Sales volume increased from last year due to economic activities returning to normal. The selling price of biodiesel fluctuates slightly according to the demand and supply of crude palm oil in the country. Meanwhile, the price of refined glycerin dropped sharply due to lower international demand. and the strengthening of the baht has a negative effect on the export of refined glycerine. However, in 2023, the Company (consolidated financial statements) realized net profit for 2023 equal to 40,266,842 Baht and total revenue of 8,228,067,511 Baht, which performance was better than the previous year.

On behalf of the Board of Director of AIE and its subsidiaries, we continue to focus on the importance of conducting business with transparency and fairness, continuous development of organizational potential, adaptive business strategy to be in line with the current situation both in risk management and corporate governance to conduct business with ethics, emphasis on human rights and non-discrimination, and anti-corruption in accordance with the guidelines of the Collective Action Coalition or CAC, who already certified AIE as a member. We also emphasis on personnel development in all levels, develop information technology systems for the continuous improvement of product and service standards for better efficiency and develop the supply chain management. In order to meet customers satisfaction and taking into account to all stakeholders, as well as participation in local community, society and environment with sustainable goal.

Finally, I would like to extend my deep gratitude to our shareholders, business partners, financial institutions, and government agencies in supporting our objectives, principles and values of operating with integrity and responsibility in the best interests of our stakeholders. Thanks to all directors, managements, and employees for their dedication and commitment to their duties with honesty and sacrifice, to propel the organization grows continuously and overcome obstacles and challenges. I confidence that AIE may continue to receive the confidence and support from all stakeholders as always. I believe that all directors will perform their duties with full responsibility for AIE able to gain stability and opportunities in the following year.



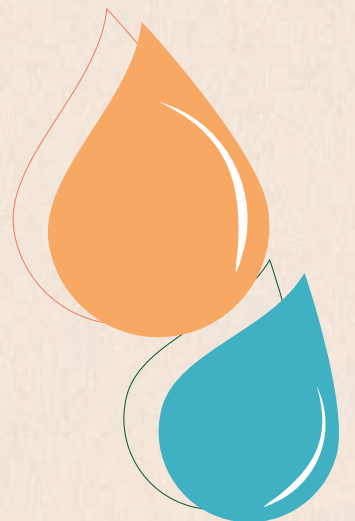
Mr. Narong Thareratanavibool  
Chairman of the Board of Director





# Section 1

## Business Operation and Business Overview

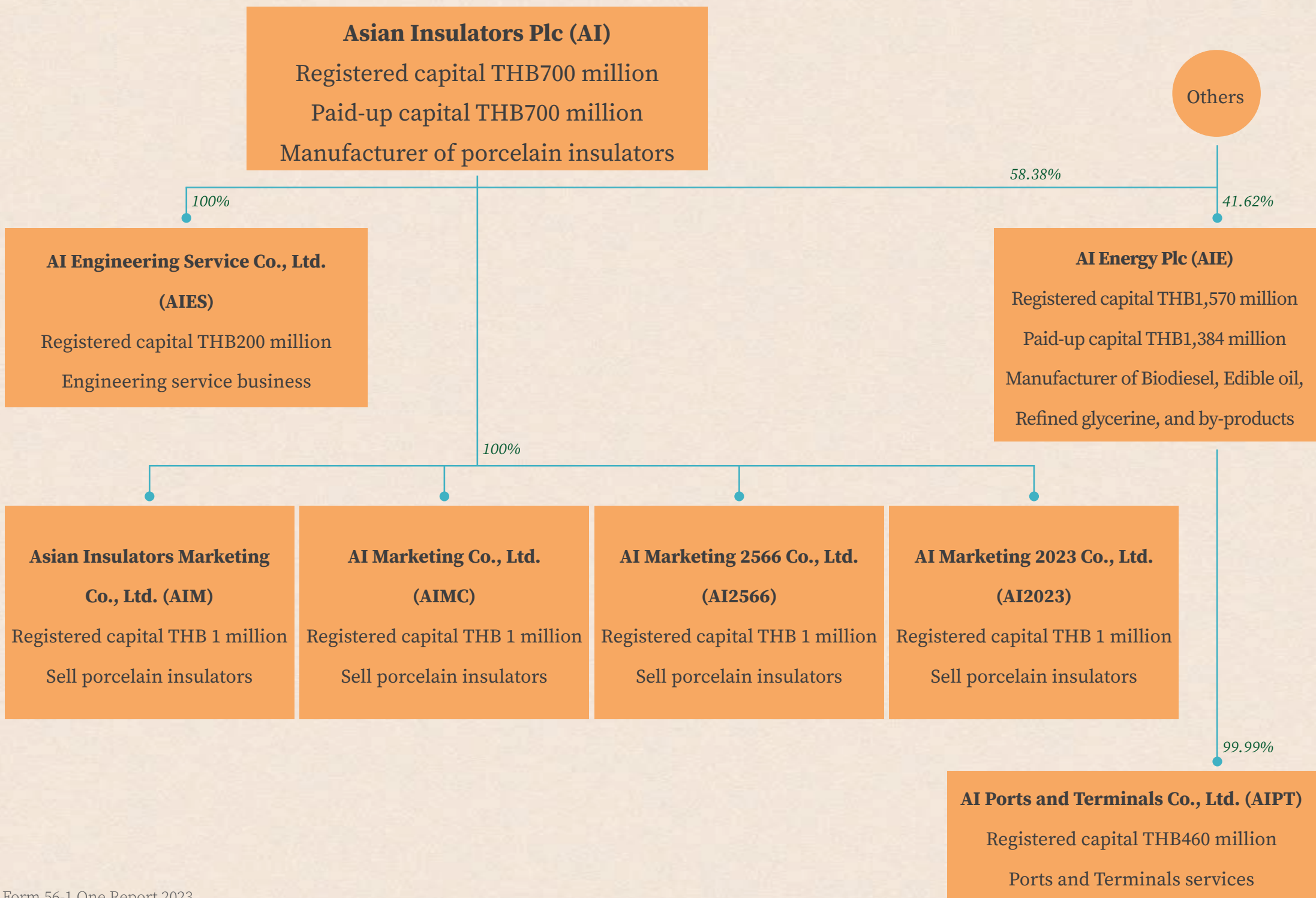


# 1.

## Structure and Operation of Group Companies

### 1.1 Policy and Business Overview

AI Energy Public Company Limited (the “Company” or “AIE”) was officially established on October 4, 2006 to become a leading manufacturer of Biodiesel, Edible oil (under brand PAMOLA), and Refined Glycerine produced from good quality Crude Palm Oil (CPO). AIE also generates revenue from ‘Refining Service’ of Refined Bleached Deodorized Palm Oil (RBDPO) and Refined Bleached Deodorized Kernel Palm Oil (RBD PKO). The Company’s head office and factory statutes in Krathum Baen district, Samut Sakhon province, with current registered capital of 1,569,682,166 Baht and paid-up capital of 1,384,014,009 Baht divided into 1,384,014,009 ordinary shares and the unexercised registered shares for AIE-W2 of 185,668,157 shares at par value of 1 Baht. The Company has invested in ports and oil terminals business via its subsidiary as the group structure below.





## 1.1.1 Vision, Mission, Objectives and Goal, and Corporate Strategy

### Vision

A leading manufacturer in renewable energy, oleochemicals, and edible oil from palm oil while maintaining sustainability and efficiency for all stakeholders in the palm oil industry.

### Mission

- AIE determines to deliver quality products and services to satisfy customers' requirements by working closely with the industry experts to develop our manufacturing innovations, technology, and products to push Thai palm oil toward sustainability.
- AIE focuses on achieving sustainable growth with all stakeholders with transparent and fair business practice.
- AIE thrives on improving the skills and well-being of employees and creating a healthy corporate culture based on loyalty and responsibility.
- AIE complies firmly with good corporate governance with an emphasis on social responsibility and the environment as well as the interest of the related parties.

### Objective and Goal

AIE reviews its vision, mission, and corporate strategy to align with the current and future business trends. AIE has an objective to become a leading of biodiesel, edible oil, and refined glycerine from good quality CPO by focusing on the interests of consumers primarily and support value-added of agricultural productivity. AIE's business considered as part of the push for effective consumption of alternative energy. Moreover, the Company has also focused on building the organization with corporate social responsibility and environmental responsibility by promoting the creation and use of energy that contributes to the sustainability of natural resources, coupled with regard to quality and service delivered to the society. This is to build a trust among consumers, suppliers, employees and shareholders, leading to the growth of economic and social sustainability. Also, building the profitability business and has an efficient risk management structure controlling and mitigating the fluctuations in raw material and product prices.

## 1.1.2 Key Developments

- The Company previously had key operations as follows:

Year	Significant Event
2006	<ul style="list-style-type: none"><li>- Registered on 4 October 2006 with registered capital at 300,000,000 Baht consisted of 30,000,000 common stocks at the par value of 10 Baht per share and paid capital of 300,000,000 Baht. AI had its shares for 75 percent of the Company's registered capital.</li><li>- The Company purchased assets from one manufacturer and distributor of Olein palm oil to perform manufacturing and distributing business of Biodiesel to oil traders of Article 7 of Fuel Trade Act B.E. 2543, as well as manufacture and distribute palm oil under the brand "PAMOLA" with production capacity of 300 tons of crude palm oil per day.</li></ul>

Year	Significant Event
2007	<ul style="list-style-type: none"> <li>- The Company had shareholders' structure that AI purchased shares from one former shareholder. Therefore, AI's shares increased from 75 percent to 81 percent of registered capital at that time.</li> <li>- The Company was granted as oil traders of Article 10 of Fuel Trade Act B.E. 2543 from Ministry of Energy on 2 April 2007.</li> </ul>
2008	<ul style="list-style-type: none"> <li>- The Company was authorized by the Central Islamic Council of Thailand to use HALAL certificate for processed Olein palm oil under PAMOLA brand, Palm Stearin, RBD Palm Oil, RBD Palm kernel oil, Palm Olein, palm kernel fatty acid, palm fatty acid, and crude glycerin.</li> </ul>
2009	<ul style="list-style-type: none"> <li>- The Company had shareholders' structure that AI purchased shares from one former shareholder. Therefore, AI's shares increased from 81 percent to 82 percent of registered capital at that time.</li> <li>- AIE received quality management certification based on ISO 9001:2008 for processed palm oil product and processed Olein palm oil, as well as Biodiesel manufacturing from ISO certification organization.</li> <li>- The Company received certification for Hazard Analysis and Critical Control Points (HACCP) for processed palm oil product and processed Olein palm oil from ISO certification organization.</li> <li>- The Company received the certification of Good Manufacturing Practice (GHPs) for processed palm oil product and processed Olein palm oil from ISO certification organization.</li> <li>- The Company received kosher certification for Jewish food standard for refined palm without fat, processed Olein palm oil, refined palm fat, fat acid from palm kernels, palm fat acid, and glycerin from Thai Kashrut Services Co., Ltd. which provides Jewish food qualification inspection.</li> </ul>
2010	<ul style="list-style-type: none"> <li>- The Company restructured shareholders' structure by having AI bought shares from 2 former shareholders. Therefore, AI's shares increased from 82.00 percent to 92.00 percent of authorized capital at that time.</li> <li>- The general meeting of shareholders on 4 August 2010 had special resolution to add registered capital from 300,000,000 Baht to 370,000,000 Baht by issuing 7,000,000 capital-raising common stocks for sales to existing shareholders by proportion at par value of 10 Baht per share to support the investment in crude palm oil refinery tower (Refinery 2) construction which would have production capacity of 800 tons of crude palm oil per day. In that case, the Company could enhance its production capacity from 300 tons of crude palm oil per day to 1,100 tons of crude palm oil per day. After issuing such capital-raising common stocks, AI shares increased from 92.00 percent to 93.14 percent of registered capital at that time.</li> </ul>



Year	Significant Event
	<ul style="list-style-type: none"> <li>- The Company received Investment Promotion Card from Thailand Board of Investment (BOI) for Biodiesel production for business related to energy saving and renewable energy typed 1.18, alcohol manufacturing business or fuel from agricultural produce including trashes and wastes manufacturing business for the Refinery 2. In this connection, the Company received key titles and benefits as follows: -               <ol style="list-style-type: none"> <li>1) Received income tax exemption for gross profit from the promoted business for 8 years starting from the date first receiving revenue from business performance.</li> <li>2) Received exemption for including dividend from promoted business receiving income tax exemption in 1) to be calculated for income tax for an entire period of promotion receipt.</li> <li>3) Received income tax deduction for gross profit received from investment at 50 percent rate starting from the date relieving from 1) exemption for the period of 5 years.</li> <li>4) Received authorization to less transportation, power supply, and water supply expenses for 2 times of such expenses for the period of 10 years starting from date first receiving revenue from business performance.</li> <li>5) Received authorization to take annual loss incurred during the tax exemption period in 1) to be deducted from incurred gross profit starting from the date relieving from 1) exemption for the period of 5 years which may choose to deduct from gross profit of any or several years.</li> </ol> </li> </ul> <p>In this connection, currently the Company had not yet exercised any benefits from such Investment Promotion Card at all.</p>
2011	<ul style="list-style-type: none"> <li>- The Company developed production capacity of the Refinery 1 to 350 tons of crude palm oil per day so that AIE had total production capacity of 1,150 tons of crude palm oil per day.</li> </ul>
2012	<ul style="list-style-type: none"> <li>- The Company restructured shareholders' structure by having AI bought shares from 2 former shareholders. Therefore, AI's shares increased from 93.14 percent to 98.00 percent of authorized capital at that time.</li> <li>- The company has finished the construction of Refinery 2 which increases the production capacity to 1,150 tons of crude palm oil per day.</li> </ul>
2013	<ul style="list-style-type: none"> <li>- The Refinery 2 started to produce and gain commercial revenue since February 2013</li> <li>- The general meeting of shareholders on 9 April 2013 had the important resolutions as follows:               <ol style="list-style-type: none"> <li>1) Approved to add registered capital from 370,000,000 Baht to 960,000,000 Baht by issuing 59,000,000 capital-raising common stocks for sales to existing shareholders by proportion at par value of 10 Baht per share to pay for debts from relevant companies and to buy common stocks from AI Ports and Terminals Co., Ltd. (AIPT) and AI Logistics Co., Ltd. (AIL) to prepare the company based on spin-off plan. After issuing such capital-raising common stocks, AI shares increased to 98.79 percent of registered capital at that time.</li> </ol> </li> </ul>

Year	Significant Event
	<p>2) Approved to buy common stocks of AIPT and AIL to prepare the company based on spin-off plan.</p> <ul style="list-style-type: none"> <li>- The extraordinary meeting of shareholders on 2 May 2013 had resolutions as follows: -             <ol style="list-style-type: none"> <li>1) Approved the Company's transformation into Public Company Limited and prepared to be listed on mai. The Company's title was changed to "AI Energy Public Company Limited"</li> <li>2) Approved the change of stocks' par value from 10 Baht per share to 1 Baht per share resulting in the change of the Company's common stocks number to 960,000,000 shares.</li> <li>3) Approved the increase of registered capital from 960,000,000 Baht to 1,130,000,000 Baht by issuing 170,000,000 common stocks at 1 Baht of par value per share. Therefore, the Company increased its registered capital to 1,130,000,000 shares at 1 Baht of par value per share.</li> <li>4) Approved the allocation of 170,000,000 common stocks for capital-raising to be included to 275,000,000 existing common stocks held by AI. Therefore, the total number of common stocks for sales was 445,000,000 shares which would be sold to the public and existing shareholders of AI.</li> </ol> </li> <li>- The company launched initial public offering (IPO) of 170,000,000 common stocks on 23-24 December 2013 resulting the company's registered capital has increased from 960,000,000 Baht to 1,130,000,000 Baht.</li> <li>- The Company received Investment Promotion Card from Thailand Board of Investment (BOI) for Biodiesel production for business related to energy saving and renewable energy typed 1.18, alcohol manufacturing business or fuel from agricultural produce including trashes and wastes manufacturing business for the production of PFAD Esterification. In this connection, the Company received key titles and benefits as follows:             <ol style="list-style-type: none"> <li>1) Received income tax exemption for gross profit from the promoted business for 8 years starting from the date first receiving revenue from business performance.</li> <li>2) Received exemption for including dividend from promoted business receiving income tax exemption in 1) to be calculated for income tax for an entire period of promotion receipt.</li> <li>3) Received income tax deduction for gross profit received from investment at 50 percent rate starting from the date relieving from 1) exemption for the period of 5 years.</li> <li>4) Received authorization to less transportation, power supply, and water supply expenses for 2 times of such expenses for the period of 10 years starting from date first receiving revenue from business performance.</li> <li>5) Received authorization to take annual loss incurred during the tax exemption period in 1) to be deducted from incurred gross profit starting from the date relieving from 1) exemption for the period of 5 years which may choose to deduct from gross profit of any or several years.</li> </ol> <p>However, the company have not used the benefits of BOI yet.</p> <li>- The company received certification of Roundtable on Sustainable Palm Oil (RSPO)</li> </li></ul>



Year	Significant Event
2014	<ul style="list-style-type: none"> <li>- The company build PFAD Esterification plant with the production capacity of 72 tons per day, which is the process of transformation of Palm Fatty Acid Distillate (PFAD) into alternated raw material of Biodiesel production other than using RBD Palm Oil and Palm Stearin.</li> </ul>
2015	<ul style="list-style-type: none"> <li>- The Annual General Meeting of shareholders on 21 April 2015 had resolutions as follows:               <ol style="list-style-type: none"> <li>1) Approved the issuance and allocation of stock warrant for rights to purchase ordinary shares of (AIE-W1) for the existing shareholders. 5 existing shares:1 warrant.                   <ul style="list-style-type: none"> <li>• For expanding production capacity</li> <li>• For investing in machine to increase production yield</li> <li>• For working capital</li> </ul> </li> <li>2) Approved the change of stocks' par value from 1 Baht per share to 0.25 Baht per share.</li> <li>3) Approved the increase of registered capital from 1,130,000,000 Baht to 1,356,000,000 Baht by issuing 904,000,000 ordinary shares at 0.25 Baht of par value per share for allocate to support AIE-W1.</li> </ol> </li> </ul>
2016	<ul style="list-style-type: none"> <li>- The Board of Director Meeting No. 4/2016 on 18 October 2016 has resolution to dispose the assets of its subsidiaries with total value of 413,112,000 Baht as follow:               <ol style="list-style-type: none"> <li>1) Approved AI Ports and Terminal Co., Ltd. ("AIPT"), subsidiary which AIE holds 99.99% of the registered ordinary shares, to dispose some of its asset; land, Port, tanks farm (5 tanks with total storage capacity of 10,000,000 liters), ice factory, machineries, equipment and building located on land deeds No. 108147 and 13397 with total area of 7 Rai 49.1 Wah in Tha Jeen district in Samut Sakhon province. Total value of sale is 390,000,000 Baht and will transfer entitlement to the Buyer only after the installed payment has been done within June 2017</li> <li>2) Approved AI Logistic Co., Ltd. ("AIL"), subsidiary which AIE holds 99.99% of the registered ordinary shares, to dispose some of its asset; Thareratana 1; Vessel size (Tanker) 1,500 Tons Gross with value of sale of 23,112,000 Baht. and will transfer entitlement to the Buyer only after the installed payment has been done within October 2018</li> </ol> </li> </ul>
2017	<ul style="list-style-type: none"> <li>- The Company has started the construction of Refined Glycerine Plant (Refined Glycerin 99.7%, USP and Pharma Grade) with the capacity of 100 tons refined glycerine per day and commercial run-in 4<sup>th</sup> quarter of 2019. The Refined Glycerine Plant project gives a value added to the Company's owns produced by-product; Crude Glycerine that obtained from the existing Biodiesel's production. The potential customer bases are in pharmaceutical and food industries. Moreover, this plant can also separate the fatty acids from crude glycerin that to be used as a raw material for the production of Biodiesel.</li> <li>- The Company has increased its Biodiesel production capacity from 500 tons of Biodiesel per day to 600 tons of Biodiesel per day</li> </ul>

Year	Significant Event
	<ul style="list-style-type: none"> <li>- The Company received Investment Promotion Card from Thailand Board of Investment (BOI) for Refined Glycerine production for business typed 6.1 chemical for industrial used manufacturing business. For Refined Glycerine Plant, the Company received key titles and benefits as follows:               <ol style="list-style-type: none"> <li>1) Received income tax exemption for gross profit from the promoted business not over 100% of the investment, excluding cost of land and working capital for 3 years starting from the date first receiving revenue from business performance.</li> <li>2) Gross profit includes revenue from by-products.</li> <li>3) Received exemption for including dividend from promoted business receiving income tax exemption in 1) to be calculated for income tax for an entire period of promotion receipt.</li> <li>4) Received authorization to take annual loss incurred during the tax exemption period in 1) to be deducted from incurred gross profit starting from the date relieving from 1) exemption for the period of 5 years which may choose to deduct from gross profit of any or several years.</li> </ol> </li> <li>- The Company received Investment Promotion Card from Thailand Board of Investment (BOI) for Biodiesel production for business related to renewable energy typed 1.16.1, fuel from agricultural produce for the expansion of Biodiesel production, the Company received key titles and benefits as follows: -               <ol style="list-style-type: none"> <li>1) Received income tax exemption for gross profit from the promoted business not over 100% of the investment, excluding cost of land and working capital for 8 years starting from the date first receiving revenue from business performance.</li> <li>2) Gross profit includes revenue from by-products.</li> <li>3) Received exemption for including dividend from promoted business receiving income tax exemption in 1) to be calculated for income tax for an entire period of promotion receipt.</li> <li>4) Received authorization to take annual loss incurred during the tax exemption period in 1) to be deducted from incurred gross profit starting from the date relieving from 1) exemption for the period of 5 years which may choose to deduct from gross profit of any or several years.</li> </ol> </li> <li>- In June 2017, AI Ports and Terminals Company Limited (“AIPT”) is a subsidiary of the Company, which holds 99.99 percent shares of AIPT’s total registered and paid-up capital. AIPT has been received full payment of THB 390 million from the disposal of its assets at Tha Chalom in Samut Sakhon, which are port, lands, tanks farm (5 tanks with total storage capacity of 11,062,000 litres), ice factory, machineries, equipment and building and has been transferred the entitlement to the Buyer.</li> </ul>
2018	<ul style="list-style-type: none"> <li>- The Company has processed towards the changing of paid-up capital on 6 June 2018 to 1,308,072,982 Baht at 0.25 Baht per share or equal to 5,232,291,928 ordinary shares, which increased from the exercised of AIE-W1 by 178,072,982 Baht or equal to 712,291,928 ordinary shares (or 78.79% of the issued warrant of 904,000,000 shares)</li> </ul>



Year	Significant Event
	<ul style="list-style-type: none"> <li>- In October 2018, AI Logistics Company Limited (“AIL”) is a subsidiary of the Company, which holds 99.99 percent shares of AIL’s total registered and paid-up capital. AIL has been received full payment of THB 23.11 million from the disposal of Thareratana 1; Vessel size (Tanker) 1,500 Tons Gross and has been transferred the entitlement to the Buyer.</li> <li>- AIE received quality management certification based on ISO 9001:2015 for the manufacturing of Biodiesel and Palm Olein from ISO certification organization.</li> </ul>
2019	<ul style="list-style-type: none"> <li>- The Company decreased the registered capital equal to the unexercised AIE-W1 by 191,708,072 shares. Therefore, the Company has registered and paid-up capital equal to 1,308,072,982 Baht at par value of 0.25 Baht or 5,232,291,928 shares.</li> <li>- The Company received quality management certification based on ISO 9001:2015 for the processed Refined Glycerine.</li> <li>- The Company received certification for Hazard Analysis and Critical Control Points (HACCP) for processed Refined Glycerine.</li> <li>- The Company received the certification of Good Manufacturing Practice (GHPs) for processed Refined Glycerine.</li> <li>- The Company received kosher certification for Jewish food standard for Refined Glycerine from Thai Kashrut Services Co., Ltd. which provides Jewish food qualification inspection.</li> <li>- The Company was authorized by the Central Islamic Council of Thailand to use HALAL certificate for processed Refined Glycerine.</li> <li>- The Company was certified USDA for the processed Refined Glycerine.</li> </ul>
2020	<ul style="list-style-type: none"> <li>- In May 2020, AI Logistics Company Limited (“AIL”) is a subsidiary of the Company, which holds 99.99 percent shares of AIL’s total registered and paid-up capital. AIL sold its last asset; Thareratana 3; Vessel size (Tanker) 2,500 Tons Gross with value of sale of 20,000,000 Baht to the non-related party. Currently, AIL permanently ceased its operation and in between liquidated and closed the business.</li> <li>- The Company was granted as oil traders of Article 7 of Fuel Trade Act B.E. 2543 from Ministry of Energy on 9 September 2020.</li> </ul>
2021	<ul style="list-style-type: none"> <li>- The 2021 Annual General Meeting of shareholders on 5 April 2021 had resolutions as follows: <ol style="list-style-type: none"> <li>1) Approved the issuance and allocation of stock warrant for rights to purchase ordinary shares of (AIE-W2) for the existing shareholders. 5 existing shares:1 warrant. <ul style="list-style-type: none"> <li>• For working capital</li> </ul> </li> <li>2) Approved the increase of registered capital from 1,308,072,982 Baht to 1,569,687,578.50 Baht by issuing 1,046,458,386 ordinary shares at 0.25 Baht of par value per share for allocate to support AIE-W2.</li> </ol> </li> </ul>

Year	Significant Event
	<ul style="list-style-type: none"> <li>- On 7 July 2021, AIL had already registered its dissolution with the Department of Business Development, Ministry of Commerce and liquidated in 2022. The status of being a subsidiary of the Company has ended.</li> <li>- The Extraordinary General Meeting of shareholders 1/2021 on 21 September 2021 had resolutions as follows:               <ol style="list-style-type: none"> <li>1) Approved the increase of registered capital from 1,569,687,578.50 Baht to 1,569,682,166 Baht to support the change of stocks' par value from 0.25 Baht per share to 1 Baht per share.</li> <li>2) Approved the change of stocks' par value from 0.25 Baht per share to 1 Baht per share.</li> </ol> </li> <li>- On 11 November 2021, the Company was granted from SET to move AIE from the old secondary market: MAI to the new secondary market: SET.</li> </ul>
2022	<ul style="list-style-type: none"> <li>- The Company has processed towards the changing of paid-up capital on 7 April 2022 to 1,316,234,487 Baht at 1 Baht per share or equal to 1,316,234,487 ordinary shares, which increased from the exercised of AIE-W2 (1st time) by 8,161,505 Baht or equal to 8,161,505 ordinary shares (or 3.12% of the issued warrant of 261,609,184 shares)</li> <li>- The Company has processed towards the changing of paid-up capital on 7 October 2022 to 1,326,613,416 Baht at 1 Baht per share or equal to 1,326,613,416 ordinary shares, which increased from the exercised of AIE-W2 (2nd time) by 10,378,929 Baht or equal to 10,378,929 ordinary shares (or 7.09% of the issued warrant of 261,609,184 shares)</li> <li>- The Company was certified Occupational Health &amp; Safety Management System ISO 45001:2018.</li> <li>- The Company was certified Food Safety Management System ISO 22000:2018.</li> <li>- The Company was certified Environmental Management System ISO 14001:2015.</li> <li>- The Company was certified Green Industry level 2 from the Ministry of Industry.</li> </ul>
2023	<ul style="list-style-type: none"> <li>- The Company was certified Green Industry level 3 from the Ministry of Industry.</li> <li>- The Company was certified Food Safety System Certification FSSC22000</li> <li>- The Company has processed towards the changing of paid-up capital on 12 May 2023 to 1,384,014,009 Baht at 1 Baht per share or equal to 1,384,014,009 ordinary shares, which increased from the exercised of AIE-W2 (3<sup>rd</sup> time; last time) by 57,400,593 Baht.</li> </ul> <p>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.</p>

### 1.1.3 Investment of Funds Derived from Public Offering

In 2023, the Company received funds raised from the exercise of rights to purchase newly issued ordinary shares of AIE-W2 (1<sup>st</sup> – 3<sup>rd</sup> times) in the total amount of 75,941,027 baht, which was used as working capital within the business. As of 31 December 2023, the Company has utilized all as working capital.



#### 1.1.4 The Commitments that the Company has made in the Initial Public Offering Statement

- N/A

#### 1.1.5 Company Profile

Company's Name	AI Energy Public Company Limited
Year of Establishment	2006
Stock Code	AIE
Registration No.	0107556000311
Type of business	Manufacture and distribution of Biodiesel (B100), Palm Olein (Edible oil) from crude palm oil, and refined glycerine
Head Office and Factory	55/2 Moo 8 Sethakit 1 Road, Klongmadua, Krathum Baen, Samut Sakhon 74110 Telephone +66-34 877-485-8 Facsimile +66 34 877-491-2
E-mail	<a href="mailto:aienergy@aienergy.co.th">aienergy@aienergy.co.th</a>
Website	<a href="http://www.aienergy.co.th">www.aienergy.co.th</a>
Registered capital	1,569,682,166 Baht
Paid-up capital	1,384,014,009 Baht
Ordinary Shares	1,569,682,166 Shares, 1 Baht per share
Year of listing in mai.	2014
Year of listing in SET	2021
Investors Relation	Telephone +66-34 877-485-8 Facsimile +66 34 877-491-2 E-mail: <a href="mailto:ir@aienergy.co.th">ir@aienergy.co.th</a> Line ID: AIE-IR

## 1.2 Nature of Business and Performance

#### 1.2.1 Revenue Structure

Types of Revenue	Operators	% of AIE's holding	2023	%	2022	%	2021	%
Palm oil business	AIE		8,193.34	99.58	7,688.12	99.25	6,431.56	99.90
Refining service	AIE		27.78	0.34	36.87	0.48	-	-
Other revenues			6.96	0.08	21.43	0.27	6.55	0.10
Total				100		100		100

## 1.2.2 Nature of Products

### 1.2.2.1 Nature of Products and Products Innovation

#### Nature of Products

The Company and its subsidiaries had revenues from key products and services, including (1) revenues from palm oil business (2) refining service revenues, and (3) other revenue, which could be characterized by performance of each type of business of sales and services as follows:

- Selling Revenues- Palm Oil Business

The Company had products and services which were produced and distributed in palm oil business as follows:

#### 1.1 Biodiesel: B100

Biodiesel is a fuel produced from alternative energy resources such as vegetable oil, palm oil, coconut, sesame, sunflower seeds, soybeans, as well as animal fat. Biodiesel can be used as substitutes for diesel petroleum by blending in different proportion without any impact on the engine system, as well as no impact on the environment, because biodiesel can be decomposed by biological processes. It also produces less emission and air pollution than diesel fuel produced from petroleum.

Biodiesel produced and distributed by the Company has characteristics and quality in accordance with the Fuel Trade Act B.E. 2543 and qualified as required by the Department of Energy Business, Ministry of Energy concerning the nature and quality of biodiesel type of fatty acid methyl esters B.E. 2562 (Enforced from 1 December 2019). Produced Biodiesel will be used as an ingredient of High-Speed Diesel (HSD) to increase the use of alternative energy. Currently, the oil trader under Section 7 uses Biodiesel as the component of Diesel fuel in the proportion of 90-93 percent diesel fuel and 7-10 percent biodiesel, called “Diesel B7-B10”.

The Company produces biodiesel for sale as Made-to-Order whereas all buyers purchased Biodiesel from the Company were domestic buyers. The Biodiesel’s customer are oil traders under Section 7 of the Fuel Trade Act B.E. 2543. Biodiesel will be called based on the types of alcohol used in the reaction and will have similar properties to petroleum diesel made from petroleum as much as possible. The Company produces Biodiesel typed methyl ester in which the raw materials were vegetable oil which is crude palm oil from good quality palm oil.

#### 1.2 Refined Breached Deodorized Plam Olein: Plam Olein

Palm Olein is obtained from refining crude palm oil by extracting oil from good quality palm which is used as raw materials in the production. The crude palm oil (“CPO”) is refined to extract fat to be refined palm oil. Then, such oil will be preceded to the compression process to separate and crystallize in order to get Palm Olein for consumption. The customers who use Palm Olein could be divided into (1) large food manufacturing industry, including cooked foods manufacturers which mostly orders by tank truck, (2) packaged customers, including chained restaurant that ordered in various packaging’s such as tins and bags under the brand “PAMOLA”, which was established in the Palm Olein (Edible Oil) market more than 30 years.



### 1.3 Refined Glycerine

Refined Glycerine is derived from Crude Glycerine processed through the distillation into refined glycerine. Refined Glycerine is a clear liquid, colorless, odorless, has a sweet taste, can dissolve well in alcohol and water, and has a wide range of chemical properties, so it can be used as a substance in other downstream industries which is commonly used in consumer products, food, medicine, cosmetics, etc. The Company sell to domestic and overseas customers.

### 1.4 Raw Materials and By-products

The Company sells raw materials, including CPO, RBD Palm Oil, and Refined Bleached Deodorized Palm Kernel Oil: RBDPKO. The Company sold such raw materials to both domestic and overseas customers. In addition, the Company had revenues from selling of by-products received from manufacturing process including PFAD, RBD Palm Stearin and crude glycerin, which excess from the Company's needs. Such by-products will be supplied to the manufacturers in other industries to both domestic and overseas.



- Revenues from Refining Services

The Company had revenues from refining service contracts from providing service on refining CPO and/or CPKO to get RBD Palm Oil and/or RBDPKO, respectively, and Palm Olein. The customer will supply CPO, as well as taking liabilities in transporting such raw materials to the factory and picking up products on its own. AIE will take responsibilities in bringing such raw materials into refining process with effective refinery process to get products with quality as determined by the customer. There are 3 group of customers; Biodiesel, Edible Oil, and Oleochemical. As providing refining services is deemed as stable source of revenue for the Company and could help the Company to maintain good relationship with customers to create business opportunity in the future.

- **Product Innovation**

The Company emphasizes and supports the creation of innovations that bring value to the business while creating benefits for customers or related parties and is responsible for society and the environment.

1. The Company attaches great importance to creating an organizational culture that encourages innovation and supervise the management to take it as part of the corporate strategy, business planning and developing, and monitoring. The Company is part of the Roundtable on Sustainable Palm Oil (RSPO), a sustainable and environmentally friendly production of palm oil such as palm fruit must be planted on land with documented rights, promoting to use chemicals as necessary as appropriate reduce chemical contamination in water and soil, and strictly comply with labor laws. Especially, promoting against burning the harvesting area in any case. The Company

has joined as a member and certified RSPO, as well as purchasing CPO from crushing mill partners and selling products to RSPO certified customers throughout the chain.

2. The Company promotes the creation of innovations to add value to the Company according to the constantly changing environmental conditions. This may cover the formulation of the business (Business Model), the way of thinking about the design and development of goods and services, research, improvement of production and work processes, and including collaborating with trading partners. The mentioned actions should be in a manner that creates mutual benefits for all related parties and does not encourage inappropriate behavior, illegal or unethical activities. The Company is currently studying the possibility in developing the production process to reduce the maximum contaminants of 3-MCPD and Glycidyl fatty acid esters (GE) in palm oil that are used for direct consumption or used as other food ingredients, where in the criteria that The European Food Safety Authority (EFSA) defines and accepts such substances are produced by distillation and processing at temperatures above 200 degrees Celsius to remove the color, odor and acid that cause rancidity. Both substances cause damage to the genetic material. Especially the highest risk group is baby group which is likely to be exposed to high levels of 3-MCPD from the use of palm oil in the production of infant formula.

#### ○ Promotion Certificate Issuance

The Company and subsidiary have received promotional privileges certificates from the Board of Investment (BOI) for a reduction in corporate income tax, which are still effective is as follows:

Company	Projects	Issuance date	Expiration date	Note
AIE	1922(1)/2553	1 Oct 2013	30 Sep 2026*	Produce Biodiesel
	2777(1)/2556	3 Feb 2015	3 Feb 2028**	Produce Biodiesel
	60-0623-1-00-1-0	-	-	Produce Biodiesel

Remarks: - Subsidiary has no BOI

\* The promotion certificate expires on September 30<sup>th</sup>, 2021 and will receive a 50 percent reduction in corporate income tax on net profits for a period of 5 years from the expiration date of the exemption from income tax for net profit

\*\* The promotion certificate expires on February 3<sup>rd</sup>, 2023 and will receive a 50 percent reduction in corporate income tax on net profits for a period of 5 years from the expiration date of the exemption from income tax for net profit

### 1.2.2.2 Market and Competition

#### ○ (a) Nature of Market

##### Product

The Company attaches great importance to control in every production process in order to provide good quality products that meet the standards set by government agencies. Biodiesel produced and distributed by the Company has characteristics and quality in accordance with the Fuel Trade Act B.E. 2543 and qualified as required by the Department of Energy Business, Ministry of Energy concerning the nature and quality of biodiesel type of fatty acid methyl esters B.E. 2562 (Enforced from 1 December 2019).



The Company is strict from the selection of CPO, which is considered as the main raw material for biodiesel production, palm olein, and refined glycerine by defining the specifications of CPO and only buy from approved CPO vendors. CPO's sample for each approved vendor must be tested before buying first time, and 100% test of quality in every delivery. All Company's product is qualified in accordance with the requirements or announcements of government agencies in all respects. The Company has received quality certificates from various private sectors such as ISO 9001:2015, ISO22000:2018, ISO45001:2018, ISO14001:2015, FSSC22000, Green Industry level 3, HALAL, HACCP, GHPs, Kosher and RSPO, which has shown that the Company's focusing o development in various areas related to the production and distribution of its products. In addition, the Company is also determined to increase production efficiency in order to reduce losses and increase the number of products sold per unit of raw material. This also including reducing production costs along with building good relationships with suppliers and customers of the Company continuously.

### Price

**Biodiesel:** The Company sells biodiesel through bidding with major oil traders under Section 7, which generally determines the selling price by referring to the announced price of the Energy Policy Administration Committee, which will announce the price of the methyl ester biodiesel on weekly basis. These prices are based on the overall market demand and supply at that time. The Company will bid a discount from the announced price to the customer according to the raw material cost structure and the Company's production and management fee during that period. The discount offer will be considered based on the order quantity and the sales period according to the contract. Most of the time, the contract period varies according to the buyer's policy, some buyers specify contract periods ranging from 3 months to 12 months, depending on the buyer's plan. Each buyer will inform the delivery conditions clearly, such as picking up at the factory itself or deliver to them. The price of goods sold will be higher due to increased transportation costs.

**Palm olein:** The Company implements a made to order policy and determine the price by using the cost-plus margin method. The production cost will vary according to the cost of CPO in each period. The management will consider setting the price together with considering the selling price of palm olein from other producers already offered in the market to make pricing reasonable and competitive. In considering giving credit term to customers, the Company will consider the size of the business, order history and the ability to pay. The Company clearly defines the authority to consider and approve credit term.

**Refined Glycerine:** The Company implements a made to order policy and determine the price by using the cost-plus margin method. The production cost will vary according to the cost of crude glycerine and chemicals in each period. The management will consider pricing together with the ICIS price in order to make the pricing reasonable and competitive. In considering giving credit term to customers, the Company will consider the size of the business, order history and the ability to pay. The Company clearly defines the authority to consider and approve credit term.

### Place

**Biodiesel:** For the distribution channel, it will be in the form of participating in the auction by customers invitation. The contract period is varied from 3 months, 6 months, 12 months, depending on customers' policy.



**Palm Olein:** The Company implements a made to order policy for specific customers in food manufacturing industry and chained restaurants in various packagings such as tin and bag-in-box under the brand “PAMOLA”, which was established in the Palm Olein (Edible Oil) market more than 30 years. The Company entered into 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.

**Refined Glycerine:** The Company entered into short-term contract with specific quantities and delivery term (Made to Order). The Company sell to customers domestically and internationally, 50:50. The term of most contracts does not exceed 30 days.

### Promotion

The Company implements marketing and public relations strategies by emphasizing on maintaining product quality and standards in accordance with the characteristics and qualifications prescribed by government agencies and customers, along with building good relationships with customers. This is a guideline to maintain the existing customer base to remain with the Company. In addition, the Company also attaches importance to listening to the opinions of users of the Company’s products, especially biodiesel which the Company has continuously surveyed customer satisfaction regarding the quality of biodiesel and open up a factory visit and audit. In order to build confidence about the Company’s production quality and efficiency.

### Target Customer

The Company’s target customer has divided into products as follows:

1) Biodiesel: B100

The Biodiesel’s customer are oil traders under Section 7 of the Fuel Trade Act B.E. 2543. The oil traders under section 7 are oil pretrol traders with as annual trade volume of 100,000 metric tons or more of each type of fuel or a combination of all fuels, or about 120 million liters or more, or those who trade in liquefied petroleum gas per year from 50,000 metric tons or more, which most of them oare the nation’s major oil trader companies. By selling, the Company enters into contracts with contract periods ranging from 3-12 months depending on the policy of each customer. The specific range of the contract volume and period will be notified to participate in the auction directly from the customer.

2) Palm Olein (Edible Oil)

The customers who use Palm Olein could be divided into (1) large food manufacturing industry, including cooked foods manufacturers which mostly orders by tank truck, (2) packaged customers, including chained restaurant that ordered in various packaging’s such as tins and bags under the brand “PAMOLA”, which was established in the Palm Olein (Edible Oil) market more than 30 years. The Company offers a made to order to specific customers in those 2 groups.

3) Raw Materials and By-products

The Company’s by-products customers are manufactures from the palm oil related industries, who use by-products from CPO refinery process; PFAD, biodiesel process; Crude Glycerine, and palm olein process; Palm Stearin. The aforementioned customers are used by-products as feedstocks for food and cosmetic production, including used as raw materials for biodiesel production.



4) Refined Glycerine

Refined Glycerine's customers can divide into 2 group; industrial grade 99.5%min and food and pharmaceutical grade 99.7%min. It can be used as a substance in other downstream industries which is commonly used in consumer products, food, medicine, cosmetics, etc.

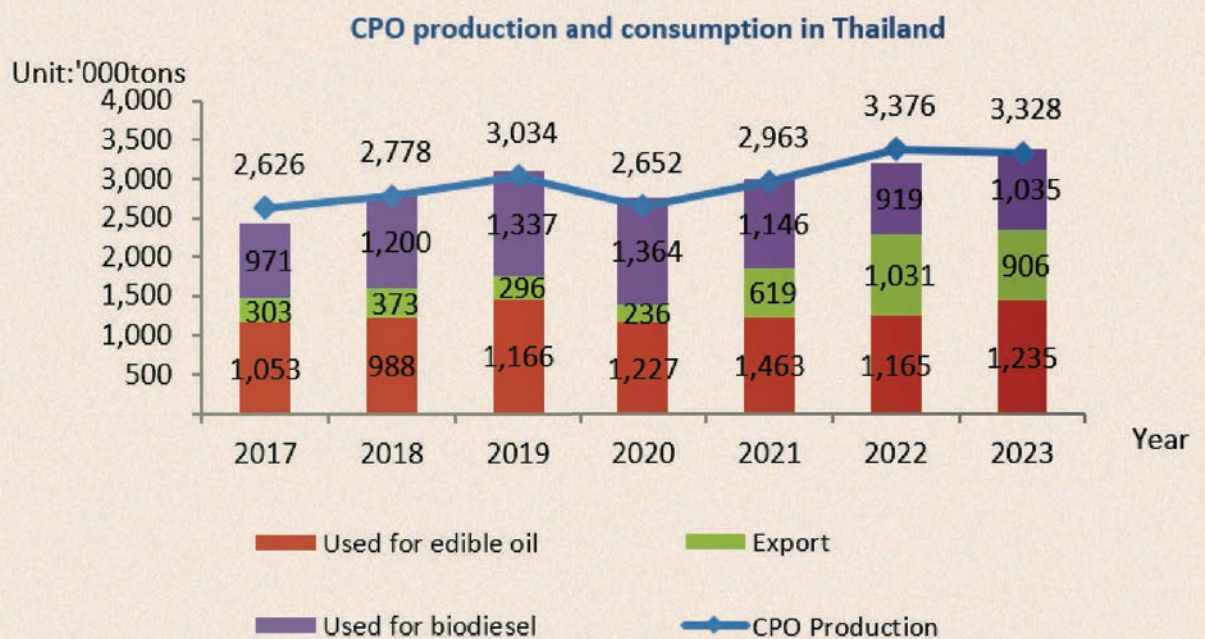
5) Refinery Service

Refinery service's customers divide into 3 groups; 1) biodiesel producers 2) edible oil producers 3) oleochemical producers

○ (b) **Industry and Competition**

Palm oil's production and consumption in Thailand

Refer the information from the Bureau of Agricultural Trade Promotion, Department of Internal Trade, Ministry of Commerce has reported that domestic CPO production increased from 2.96 million tonnes in 2021 to 3.38 million tonnes in 2022 and slightly decreased to 3.33 million tonnes in 2023, respectively. About 1.45 million tons are used for edible oil production, 1.04 million tons are used for biodiesel production, and 0.91 million tons are exported.



**Source:** "Production, consumption and inventories from the notification of entrepreneurs in the year 2023 according to the announcement of the Central Committee on Prices of Goods and Services", Bureau of Agricultural Trade Promotion, Department of Internal Trade, Ministry of Commerce

In 2023, the proportion of domestic CPO use in edible oil biodiesel production, and export, which can explain the proportion of palm oil use as follows:

- Edible oil in the food industry consumes about 42.75% of the nation's CPO, which is accounting for 40% for edible oil and 60% for industrial used. This is due to the properties that are suitable for cooking fried foods which does not make the food smell rancid. Therefore, most consumers choose to consume palm oil and was use in food industries such as frozen cooked food, snacks, instant noodles, sweetened condensed milk, cream and margarine.



- The biodiesel consumes about 30.53% of the nation's CPO or equivalent to 1.02 million tons per year as biofuel in order to reduce the use of diesel as well as to stabilize national energy security, which has increased from previous year since the Energy Regulatory Commission has a resolution for adjusting the biodiesel blending mandatory from B5 to B7. In order to absorb CPO from the market and stabilized nation safety stock of CPO.
- The CPO exports has maintained same level as last year, which consumes about 26.72% of the nation's CPO or equivalent to 0.91 million tons per year. The price of CPO in global markets were much higher than domestic market (market price announced by Department of Internal Trade, Ministry of Commerce) in the first half of year 2023. As a result, the extraction mills and palm oil related companies were able to export a fair quantity at competitive prices in the global market.

### Biodiesel Industry Outlook

The economic growth and population growth are an important factor that encourages more energy consumption to drive economic activities and meet various demands to raise the standard of living for the betterment. Therefore, the providing enough energy to meet the growing demand and environment friendly is a key mission. Amid the volatility of energy prices, which is an important factor in driving the economy. One important indicator is the volatility of petroleum prices in the world market. As a result, Thailand, a country that relies on energy imports, have to bear the burden of importing energy from abroad.

From the increasing amount of energy imports, the government has recognized the importance of renewable and alternative energy as part of strengthening energy security through the use of domestic energy feedstocks to reduce imports and dependence on petroleum (non-renewable energy). The government has a policy to continuously support the production of renewable energy and alternative energy in the form of electricity, heat and biofuels (alternative energy) and to create energy use in order to reduce the use of energy that has been used up. It also reduces the problem of global warming due to greenhouse gas emissions. This is a problem that the world is paying attention to and hastening to find control measures. Such measure is a measure that is likely to be widely used in the trade-barriers in the future. Although, Thailand has not yet been enforced such measures at present but it should reduce the amount of greenhouse gases and promote renewable energy as a starting point for a low carbon society and solve PM 2.5 problems. It also reduces dependence on foreign energy imports and to diversify the risks in fuel supply. This will create stability and energy security of the country in the future.

Therefore, the Ministry of Energy has reviewed the preparation of energy plans under the 5 National Integrated Energy Plans by considering them in line with the 20-years National Strategy (2018-2037) ("Alternative Energy Development Plan: AEDP 2018") in line with the digital transformation: Thailand 4.0 policy and the growing trend of automotive technology will make electric power more important in the future. This may affect the development of biofuels in the transport sector including modern and cheaper technology, it has changed the behavior of energy users who tend to turn into more energy producers for their own use and trading. Therefore, it is necessary to review the alternative energy development plans in accordance with the current situation. In the preparation of the Alternative Energy Development Plan: AEDP2018, the focus will be on promoting energy production from renewable energy raw materials available within the country to its full potential with appropriate technology and the development of renewable energy for mutual benefits in



social and environmental dimensions for the community and set a target to increase the share of alternative energy in the form of electricity, heat and biofuels under the AEDP2018 plan to 30 percent of the final energy consumption in 2037.

Types	Unit	Year 2018	Year 2037
Electricity	(Megawatt : MW)	11,369.00	29,411.00
	KTOE	2,960.00	7,298.00
1. Solar	MW	2,962.45	12,139.00
2. Hydro-floating Solar	MW	-	2,725.00
3. Wind	MW	1,102.82	2,989.00
4. Small Hydroelectric power	MW	187.72	308.00
5. Biomass	MW	3,372.93	5,790.00
6. Biogas (waste water/waste/energy crop)	MW	505.24	1,565.00
7. Municipal waste	MW	317.82	900.00
8. Industrial waste	MW	-	75.00
9. Large Hydroelectric power	MW	2,919.66	2,920.00
Heat	KTOE	7,919.00	26,901.00
1. Solar	KTOE	10.10	100.00
2. Biomass	KTOE	7,152.00	23,000.00
3. Biogas	KTOE	634.00	1,283.00
4. Waste	KTOE	123.00	495.00
5. Bio-SNG: Synthetic Natural Gas	KTOE	-	2,023.00
Biofuel	Million Liters/Day	8.40	16.03
	KTOE	2,117.00	4,085.00
1. Ethanol	Million Liters/Day	4.20	7.50
2. Biodiesel	Million Liters/Day	4.20	8.00
3. Pyrolysis	Million Liters/Day	-	0.53
Alternative energy consumption (KTOE)		12,996	38,284.00
Final Energy (KTOE)		83,952	126,867.00
Alternative Energy to Final Energy (%)		15.48	30.00

Source: Department of Alternative Energy Development and Efficiency, Ministry of Energy, October 2020

## The alternative energy development plan in relation to biodiesel

The promotion of the biofuels in Thailand is to use the remaining produce from domestic consumption and export as raw materials for fuel production to replace the use of petroleum by helping to balance the use of agricultural products to produce food and energy that is most beneficial to the nation. The alternative energy plan in relation to biodiesel has a target for biodiesel production (alternative energy for diesel fuel) in 2037 is 8.00 million liters per day or equal to 2,517 ktoe, with palm oil as the main raw material for biodiesel production. The utilization will be determined in accordance with the strategy of reforming palm oil and palm oil in the whole system 2017 - 2036 according to the resolution of Thailand Oil Palm Board by not expanding planting areas but increasing efficiency to increase production per area and focus on key developments as follows:

### 1. Supply

- Increase yield per rai 3.7 tons / rai / year
- Increase oil extraction rate) in 2020 to 19% and continuously increase to 23% by the end of 2037
- Palm crop 22.86 million tons / year in 2037
- CPO production not less than 5.26 million tons / year

### 2. Demand

- Allocate the proportion of biodiesel blending mandate in accordance with the domestic palm oil production.
- Regulate biodiesel blending in diesel up to 10% (B10) as Thailand's diesel standard. However, The Department of Energy Business (DOEB) has enforced Euro 5 standard oil (sulfur not more than 10 ppm) to reduce PM 2.5, which will effective from January 1<sup>st</sup>, 2024 onwards. Hence, DOEB subject to reduce biodiesel blending in diesel mandate from B10 to B7 instead, which is the highest proportion that can be used with Euro 5 standard fuel that automakers accept and does not have an impact to the engine. Therefore, the designation of B10 as the basic diesel fuel of Thailand according to the AEDP 2018 plan has been discontinued for the reasons mentioned above.

In 2023, the DOEB has been completed Oil Plan 2023 and is waiting for comments from a large group, which includes AEDP in the Oil Plan 2023. The plan sets the direction for operations over a 5-year period (2023-2027) by promoting biofuels, by 2024 aiming to regulate B7 diesel as the main diesel.

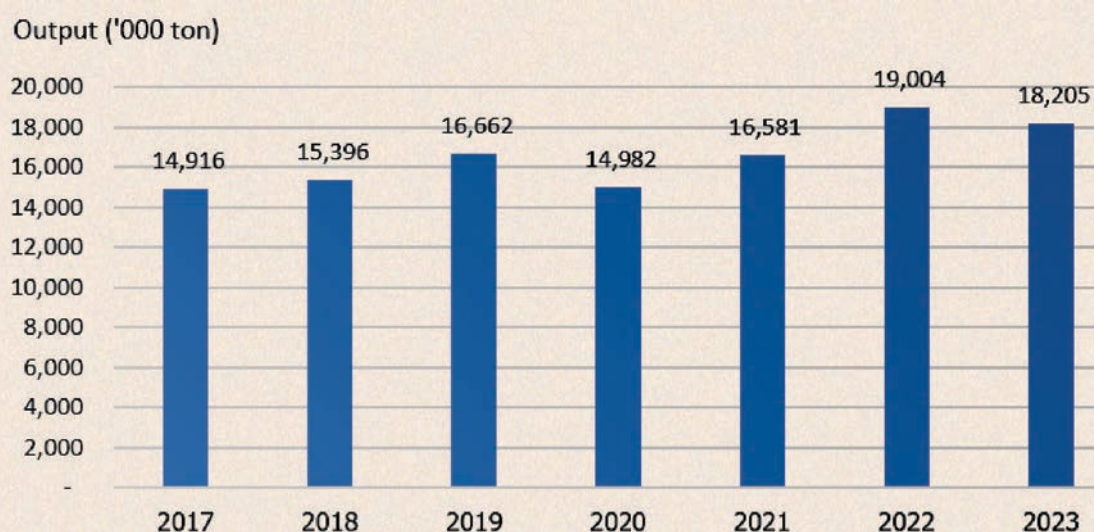
## Supply sector

For Thailand, the main raw material used in biodiesel production is palm oil, which is considered a plant that can be extracted as a raw material for the production of high-quality biodiesel and is considered an alternative energy to diesel by using plants that can be replanted which can reduce the proportion of use of fossil oil that can be used up. In the past several years, the farmers have expanded their cultivation area by planting palm in vacant land and substitute for other crops such as rambutan, longkong, coffee, aging rubber tree or rubber tree with root rot disease (South of Thailand). In 2021-2023, Thailand has total palm plantations of 6.03, 6.13, and 6.25 million rai, respectively. Beside the cultivation area, the total palm fruit output has been increased from 16.90 million tonnes in 2021 to 18.59 million tonnes in 2022 and decrease to 18.20 million tonnes in 2023, which have yield ratio per rai equal to 2.80, 3.03, and 2.91 tons per rai, respectively. Due to the continue rainfall from the end of 2021 throughout 2022, appropriated temperature and together



with the rising price of palm fruits, farmers take care of fertilizing well, resulting in maintaining same level palm fruits production as previous year. (Source: Information from the Agricultural Information Quality Improvement Committee). This would increase in the quantity of CPO to the market and approaching the yield target to support the AEDP2018 plan.

### Palm Oil Production in Thailand



Source: Department of Internal Trade, Ministry of Commerce as of January 2023

### Demand sector

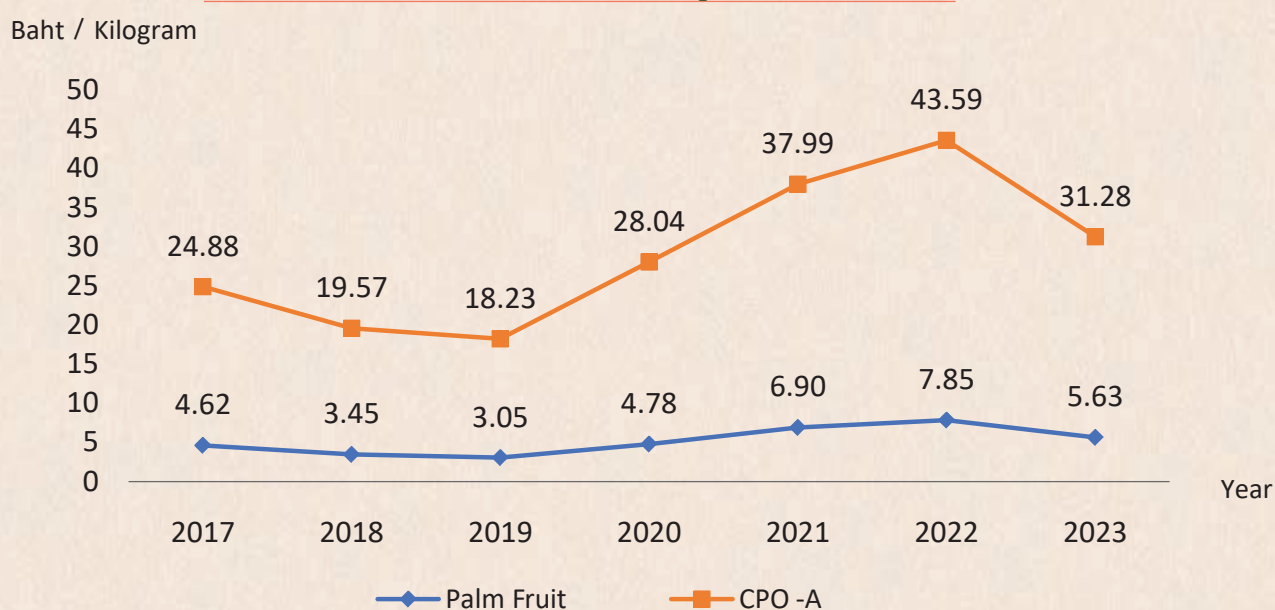
Currently, the list of biodiesel producers who was approved by the Department of Energy Business, Ministry of Energy as of January 4<sup>th</sup>, 2023 has a total of 15 companies, representing a total production capacity of approximately 11,860,184 liters per day. Biodiesel consumption tends to increase due to government policies, supporting the increase in the proportion of biodiesel blend in diesel fuel from B7 to B10 and B20 as diesel alternative choice in 2020-2021. However, the Energy Regulatory Commission (ERC) has resolved to increase the proportion of biodiesel blend in diesel from B5 to B7, only one formula since September 2022 (Source: Ministry of Energy), with the following details:

No.	Company	Capacity (Liter/Day)	Location
1.	AI Energy Public Company Limited	722,222	Samut Sakhon
2.	BBGI Biodiesel Company Limited	1,000,000	Ayutthaya
3.	Global Green Chemical Public Company Limited	693,642	Chonburi
		1,234,320	Rayong
4.	New Biodiesel Company Limited	1,300,000	Surat Thani
5.	PPP Green Complex Company Limited	630,000	Prachuap Khiri Khan
6.	Matter Oil Synergy Company Limited	200,000	Chumphon
7.	Patum Vegetable Oil Company Limited	3,400,000	Patum Thani
8.	Verasuwan Company Limited	200,000	Samut Sakhon
9.	Global Bio Power Company Limited	300,000	Rayong

No.	Company	Capacity (Liter/Day)	Location
10	Trang Palm Oil Company Limited	150,000	Trang
11	Bio Synergy Company Limited	30,000	Nakhon Ratchasima
12	Energy Absolute Public Company Limited	650,000	Prachin Buri
13	Suksomboon Energy Company Limited	450,000	Chonburi
14	Circular Energy Company Limited	600,000	Patum Thani
15	Thanachok Oil Light Company Limited	300,000	Samut Sakhon
<b>Total</b>		<b>11,860,184</b>	

Source: Department of Energy Business, Ministry of Energy as of 4 January 2023

### Palm Fruit and Crude Palm Oil-A prices 2017 - 2023



Source: Department of Internal Trade, Ministry of Commerce

### Palm Olein (Edibel Oil) Industry Outlook

There is also an expectation that there will be more demand in the current vegetable oil industry market from the recovery trend of household, food industry and related industries including the biofuel sector. The overall vegetable oil market in Thailand is estimated to be worth approximately 20 billion Baht each year, with a growth rate of about 8-10 percent every year. Manufacturers to produce alternative energy are constantly increasing, resulting in new producers entering the vegetable oil market and to be used as raw materials for the production of alternative energy. The vegetable oils can be classified according to each type, there are 7 types of;

- 1) Coconut Oil
- 2) Palm Oil
- 3) Sunflower Seed Oil
- 4) Rice bran Oil
- 5) Peanut Oil
- 6) Sesame Oil
- 7) Safflower Seed Oil



Thailand has oil plants that can be used to produce oil for consumption and used in various industries, including soybeans, palm oil, coconut, rice bran, sunflower seeds. As mentioned above, the vegetable oil industry has become one of the important industries in Thailand. In addition, after the oil extraction process, the waste can also be used as animal feed manufacturing industry. The vegetable oil industry is therefore a part that plays important role in the economic development of Thailand, where it transforms agricultural products into industrial products. Nowadays, the consumption of vegetable oil has a tendency to increase. The amount of vegetable oil produced domestically is insufficient to meet the market demand. The domestic vegetable oil industry has broader marketing avenues. The demand for vegetable oils and animal fats in the world market depends on population growth and economic growth. The price trend is uncertain. It depends on the demand and supply at the time.

In Thailand, palm oil and soybean oil are the most consumed vegetable oil, approximately 90% of the total consumption. Other vegetable oils were from rice bran, corn, sunflower seeds, olives and grape seeds are not popular as mass consumption in Thailand due to high price. As a result, the market for such oils has a market share of only about 10 percent, which on average the price of vegetable oil produced from such oil plants will cost about 45-65 baht per bottle (1 liter size). Comparing palm oil price versus soybean oil price, it is found that the price of palm oil mostly all time cheaper than soybean oil. This is making palm oil popular in Thailand Both in the food production industry, restaurants and household consumption.

### 1.2.2.3 Product Procurement

#### ○ Production

The Company's office and factory locates on 55/2 Moo 8 Sethakit 1 Rd., Klongmadua, Krathum Baen, Samut Sakhon, where consist of office building, refinery plants, biodiesel plant, palm olein plant, refined glycerine plant, storage tanks, packing building, warehouses, maintenance building, and garage. The Company has RBDPO refinery capacity from 2 refineries of 1,150,000 Kilogram of CPO/day, Biodiesel capacity at 722,222 Liters/day, palm olein capacity at 350,000 Kilogram/day, and refined glycerine 99.5%min at 100,000 Kilogram/day. Each production process can be explained as followed:

#### 1. Refinery process

The Company's refining process is a vacuum distillation system, which is commanded and controlled by a Programmable logic controller (PLC).Currently, the Company has 2 refineries with a total refining capacity of 1,150,000 kilograms of CPO/day, divided into 350,000 kilograms (refinery 1) and 800,000 kilograms (refinery 2). The refining process can explian into the following steps:

- **Degumming process:** Heating CPO and mix with phosphoric acid. This causes the water-soluble compounds and the sticky latex to separate, after which they are separated by filtration. This method eliminates the cause of the altered odor and flavor of the oil easily.
- **Bleached process:** Heating CPO (after degumming) to higher temperature and mix with bleaching earth to reduce turbidity.
- **Filtration process:** Separating bleaching earth and other debris from palm oil.
- **Deodorized process:** Heating CPO to higher temperature in order to separate PFAD by evaporation and then condensed into RBDPO, which is stored into storage tanks for use in biodiesel and palm olein.



## 2. Biodiesel (B100) production process

In biodiesel production, the Company use RBDPO to produce biodiesel controlled by Distributed Control System (DCS) with capacity of 722,000 liters of biodiesel/day as the following process;

- **Mixing/Reactor process:** Mixing RBDPO and/or palm stearin with methanol as solvent and sodium methylate as catalyst in a pressure-controlled tank. Then, settling to separate unwashed biodiesel and glycerine and goes into recovery methanol, which undergoes a heat exchanger to evaporate methanol from biodiesel and reused in the biodiesel production process.
- **Washing process:** Mixed unwashed biodiesel with water and separate biodiesel from water by using a centrifuge separator.
- **Drying process:** the dehumidification step is to dehumidify biodiesel by using high heat with a vacuum system in order to evaporate a moisture from biodiesel.

## 3. Palm Olein production process

Palm Olein production process can be described as followed:

- **Dry Fractionation Process:** crystallization by slowly reducing the temperature, in which RBDPO will form crystals so called stearin. The Company's 2 membrane filter presses with a total production capacity of 350,000 kilogram of RBDPO/day that controlled by PLC, will then separate palm olein from stearin. Palm stearin can be brought back in the biodiesel production process. For palm olein, it is stored in stainless steel tanks to prevent contaminants for sale into the tank trucks for industrial customers and/or to be packed in a package for retail.

## 4. Refined Glycerine production process

It is a process that refining a crude glycerine obtained from the biodiesel production process with a production capacity of 100,000 kilogram of refined glycerine/day controlled by a Distributed Control System (DCS) with the following steps:

- **Pre-Treatments:** Pre-treat crude glycerine with acid and heat to evaporate methanol from crude glycerine (Desoventizing). Then, reduce the viscosity of crude glycerine and adjust the pH condition to neutral and filter impurities from crude glycerine (Depuration).
- **Glycerine Distillation:** The concentrated glycerine was distilled under vacuum conditions and then evaporates from and is condensed in refined glycerine with purity 99.5%min.

## ○ **Raw materials procurement**

The main raw materials used in the production of biodiesel, palm olein and refined glycerine are CPO, chemicals such as methanol, sodium methylate, bleaching earth and phosphoric acid; fuels and packaging for palm olein. The Company purchases raw materials, chemicals, fuels and packagings from various manufacturers and suppliers domestically. In which the sourcing and planning department will consider and determine the raw material purchase plan in accordance with the sales plan of the management. In this regard, the Company has set a policy for purchasing raw materials by considering the selection of raw material suppliers from the list of suppliers who have passed the qualification assessment (Approved Supplier List) to compare prices before ordering, which the Company has set criteria to assess suppliers in various aspects, including raw material quality, price, delivery,



service quality and quality management system (ISO) accreditation. The supplier's qualification is monitored in the supplier register every 6 months in order to prevent any risks that may arise in the event of a change in the material supplier's qualification. Considering each type of raw materials can be described as follows:

1. CPO: The Company purchases CPO from all the crushing mills in Thailand. In palm oil industry, the refinings and crushing mills are likely to partner up and unlikely to change time to time because the quality of CPO, consistent delivery to match the production planning, and confidence between the executives. The company has clearly defined the criteria for the properties of the CPO to be used as a guideline for the sourcing and planning department and to make it easier to control production costs from adjusting ingredients to get products with quality standards. The Company will order CPO approximately 2 weeks in advance of production, within 15 working days (after the purchase agreement) by delivery to the Company by tank trucks (crushing mills are mostly responsible for transportation costs or depending on the agreement).

As CPO is one of the lists of regulated goods according to the Notification of the Central Committee on Prices of Goods and Services as of January 25, 2012 in the category of oil and fats obtained from plants or animals, whether edible or not. Therefore, the Company's sourcing and planning department will refer the purchase price based on the CPO price announced by the Department of Internal Trade (DIT), Ministry of Commerce which will be publicized through the DIT's website on a daily basis and use them as a basis for negotiations. The samples of CPO are requested to be tested before any new purchase transactions and each truck will be tested for quality on arrival in order to prevent risks that may arise from changes in the properties of CPO that occur during transportation, for example, the moisture content may increase from the water leakage outside the tank truck due to rain, etc.

2. Chemical: In the production of biodiesel, palm olein and refined glycerine, the Company has to use chemicals to enhance product properties to meet the standards, such as methanol, sodium methylate, bleaching earth and phosphoric acid, etc. The Company has ordered such chemicals from various domestic suppliers in advance according to the production plan. The chemical suppliers will be responsible for the transportation costs delivery to the Company.
3. Fuels: The fuel used in production is coal and fuel oil. Both types of fuel are ordered from local suppliers. The Company will purchase such fuels according to the specified usage plan and deliver directly from suppliers storate to the Compnay's factory.

#### 1.2.2.4 Assets used in business operations

##### Fixed assets

As of 31<sup>st</sup> December 2023, the Company and subsidiaries have assets used in business operations as follow;

Fixed assets	Types	Ownership	Book Value (Baht)	Obligation
1. Land				
1.1 Land deed No. 1533 and 1534 located at Klongmadue, Krathum Baen, Samut Sakhon, with total area 31-2-19 Rai	Head Office and Factory	The Company	162,080,318	- None -
1.2 Land deed No. 64303, 64304, 64305 and 28654 located at Hat Sai Ri, Mueang Chumphon, Chumphon with total area 6-2-48.8 Rai	Office, Storage tanks, and Jetty	AIPT	17,420,186	- None -
1.3 Land deed No. 18643 located at Hat Sai Ri, Mueang Chumphon, Chumphon with total area 6-2-9.9 Rai	Office, Storage tanks, and Jetty			
2. Land Improvement	Used in operations	The Company	21,139,425	- None -
3. Buildings and Improvements				
3.1 Office building and factory located on 55/2 Moo 8, Sethakit 1 rd., Klongmadue, Krathum Baen, Samut Sakhon	Used in operations	The Company	153,255,430	- None -
3.2 Office building, Storage tanks, and Jetty located on 1/9 Moo 1, Hat Sai Ri, Mueang Chumphon, Chumphon	Used in operations	AIPT	20,506,183	- None -
4. Utilities	Used in operations	The Company and AIPT	90,092,259	- None -
5. Machines, equipments, and Instruments				
5.1 Machines, equipments, and Instruments in palm oil business	Used in operations	The Company	680,274,705	- None -
5.2 Machines, equipments, and Instruments in port and terminal business	Used in operations	AIPT	80,827,045	- None -



Fixed assets	Types	Ownership	Book Value (Baht)	Obligation
6. Furniture and office equipments	Used in operations	The Company and subsidiaries	4,459,335	- None -
7. Vehicles	Vehicles	The Company and subsidiaries	19,849,727	- None -
8. Assets under construction and installation	Used in operations	The Company	4,150,240	- None -
<b>Total</b>			<b>1,254,054,853</b>	

### ○ Intangible Assets

As of December 31<sup>st</sup>, 2023, the Company and its subsidiaries have intangible assets equal to 1.40 million baht, namely computer software used in the office and production control system software, which owned by the Company.

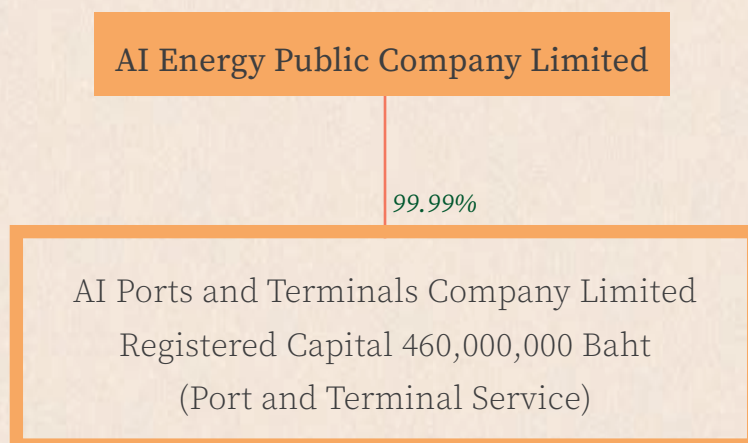
#### 1.2.2.5 Work on Hand

- None

### 1.3 Group of Company Structure

#### 1.3.1 Group of Company Structure

AI Energy Public Company Limited has a business structure by having 1 subsidiary as shown in the shareholding structure as follows;



#### Subsidiary

##### ○ AI Ports and Terminals Company Limited (AIPT)

AIPT was established in April 2007 with a total registered capital of 460 million baht, which the Company holds 99.99 percent shares, operating port and terminal services. AIPT is a subsidiary of the Company, which has deep-water jetty and oil terminal located in Chumphon Province. This is also including 10 storage tanks service for fuel, lubricant oil, CPO, and RBD palm oil with total capacity of 20,000 tons, or approximate 22,124,000 liters. Currently, AIPT is temporarily ceased its operation.





Year of Establishment	10 April 2007
Head Office address	254 Seri Thai Road, Kannayaow, Bangkok 10230
Type of business	Provides the service of ports and the storage tanks for petroleum, crude palm oil, and lubricant oil. (temporarily ceased operation)
Paid-up capital	460,000,000 Baht
Relationship with the Company	<ul style="list-style-type: none"> <li>- AIPT is subsidiary of the Company, with stakeholder of 99.99% of the registered capital or equal to 45,999,998 shares with share value of 10 Baht/share.</li> <li>- There are directors in common; Mr. Narong Thareratanavibool and Mr. Thanit Thareratanavibool</li> <li>- Mr. Thanit Thareratanavibool is a managing director</li> </ul>

### 1.3.2 Persons who may have conflicts of interest hold shares in subsidiaries

- None

### 1.3.3 Relationship with the business group of major shareholders

- None

### 1.3.4 Shareholders

#### 1.3.4.1 Lists of Major Shareholders

##### a) Top 10 shareholders

As of the closing registration on 28 December 2023

Name of Shareholders	Share	(%)
1. Asian Insulators Public Company Limited <sup>1</sup>	808,024,872	58.38
2. Thareratanavibool Family	133,989,467	9.68
3. Mr. Apisak Theppadungporn	20,960,000	1.51
4. Mr. Silchai Simawonganan	8,275,100	0.60
5. Thai NVDR Company Limited	5,973,977	0.43
6. Mr. Komol Juangroongruangkit	5,152,600	0.37
7. Mrs. Tiwaporn Tiaeiamdee	4,881,500	0.35
8. Mr. Komson Vibulvitayanan	3,935,000	0.28
9. Mr. Phathanapong Kiatsiri	3,341,550	0.24
10. Mr. Thanatsedh Boonchai	3,245,300	0.23
11. Others	386,234,643	27.91
<b>Total</b>	<b>1,384,014,009</b>	<b>100.00</b>

**Remark:** <sup>1</sup>Asian Insulators Public Company Limited is a listed company in the Stock Exchange of Thailand, engaged in the business of manufacturing and distributing electric insulators used in power transmission and distribution systems. The list of shareholders is as follows:

Lists of major shareholders as of 28 December 2023

Major Shareholders	Share	(%)
1. Mr.Narong Thareratanavibool	149,057,223	21.29
2. Mr.Noppol Thareratanavibool	124,418,385	17.77
3. Mr.Thanit Thareratanavibool	35,454,016	5.06
4. Mr.Kovit Thareratanavibool	18,000,000	2.57
5. Mr.Anurag Thareratanavibool	13,073,000	1.87
6. Mr.Phakphum Thareratanavibool	12,114,983	1.73
7. Mrs.Usana Thareratanavibool	10,902,381	1.56
8. Mr.Natakit Thareratanavibool	9,402,502	1.34
9. Mrs.Nuanchan Jungsamranpong	8,636,300	1.23
10. Mrs.Pakaphan Savekkomolnan	7,076,400	1.01
11. Others	311,863,831	44.55
<b>Total</b>	<b>699,999,021</b>	<b>100.00</b>

- b) Group of major shareholders who by circumstance has an influence on policy making
  - None

#### 1.3.4.2 List of shareholders of subsidiaries that also operate their main business

- None

#### 1.3.4.3 Shareholders' agreement

- None

## 1.4 Registered capital and paid-up capital

### 1.4.1 Registered capital / Paid-up capital / Number of shares

Registered capital	1,569,682,166 Baht
Paid-up capital	1,384,014,009 Baht
Divided into common shares	1,569,682,166 shares 1.00 Baht / share



#### 1.4.2 Other types of shares with different rights or conditions than ordinary shares

- None

#### 1.4.3 Shares or convertible securities of the Company

- None

## 1.5 Issuance of other securities

#### 1.5.1 Convertible Securities

Summary of Warrant to Purchase Newly Issued Ordinary Shares of AI Energy Public Company Limited No.2 (AIE-W2)

Location	Location
Category	Warrant to purchase newly issued ordinary shares of AI Energy Public Company Limited No. 2 (AIE-W2)
Offering Price	0 baht per unit (zero baht), offering to existing shareholders
Warrant Maturity	2 years since the issuance date
Number of units	1,046,458,386 units
Exercise Price	0.25 baht per share except the exercise ratio has been adjusted as stated in the conditions for rights adjustment
Exercise Ratio	1 unit of warrant is entitled to purchase 1 ordinary shares except the exercise ratio has been adjusted as stated in the conditions for rights adjustment
Warrant Maturity	2 years since the issuance date
Exercise Dates	<ul style="list-style-type: none"><li>- <u>First Exercise Date</u> March 31<sup>st</sup>, 2022</li><li>- <u>Second Exercise Date</u> September 30<sup>th</sup>, 2022</li><li>- <u>Third Exercise Date</u> May 3<sup>rd</sup>, 2023</li></ul> In case the exercise date is on a holiday, the exercise date will be moved to be the last business day prior to each exercise date
Secondary Market of the Warrant	The Company shall list the warrants as listed securities on the Stock Exchange of which the Company's ordinary shares are traded at that time

- None

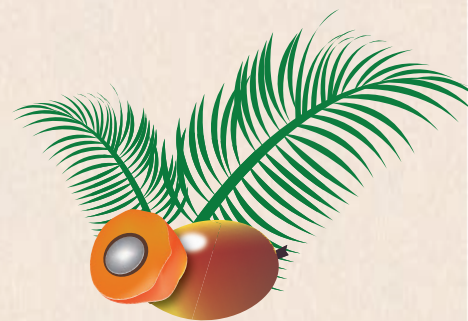
## 1.6 Dividend Policy

### • The Company's dividend policy

The Company has a policy to pay the dividend to the shareholder in each operation year, and not less than 40% of the net profit after tax and legal reserved. The dividend payout is depending on company's performance, cash flow, regulations, and the investment of the new project in the future. The dividend payout should not significantly affect on company's financial operation. The Board of Directors' decision to payout the dividend is subjected to approval of shareholder at the Annual General Meeting, except the interim dividend payout if the board of directors considers that it is appropriate and shall not affect the operation of the company. The Board of Directors has authorized to approve the interim dividend payout, and inform the shareholders at the next shareholder meeting. The company has to legal reserves at least 5% of net profits until legal reserves equal 10% of company's registered capital.

### • The Subsidiary's dividend policy

The Company has not fixed a dividend payment ratio for its subsidiaries. Their dividend payments shall depend on the operating results of each company. Dividend payments of subsidiaries to the Company must be made accordance with each company's regulation on dividend payment that must be approved by a resolution of their shareholders meeting. Interim dividend payments are allowed. In paying dividends. subsidiary companies shall record some profit. If there is an operating loss, dividend payments are barred until such losses are recovered. In additional, at least 5% of all profits must be set aside as legal reserves until legal reserves reach 10% of companies registered capitals.





# 2.

## Risk Management

### 2.1 Risk Management Policy

The Company's Board of Director, Audit Committee, Risk Committee, Management Team, and employees significantly emphasis on overall risk management in accordance with ISO 9001:2015 and COSO ERM (Enterprise Risk Management) in order to mitigate possible risks, maintain at an acceptable level. The Company has conducted self - risk evaluation assessments by management team and operation level to assess risks, problems, obstacles, and uncertainties that may affect the achievement of the objectives and goals of the Company. The Company has determined measurement in risk management and set out the risk management policies for management team and employees to comply. There is a Risk Management Committee, which consists of management team of the Company to manage the risk in all aspects to be appropriate and assign employees to develop internal procedures. Normally, the working group consists of manager and supervisor level from each department, who is responsible for monitoring and analyzing risk management at the operational level. Operate in accordance with the risk management plan and follow up the implementation of the major risk management plan and report the risk management results to the Executive Committee, Audit Committee, and the Board of Directors.

There is meeting to follow up between risk management committee and operation employees monthly, then propose to the Audit Committee and the Board of Director to consent quarterly. The sub-meetings are set to follow together to find a conclusion based on the situation in order to speed up the correction immediately

#### Risk Management Committee

As of 31 December 2023, there are 3 Risk Management Committees as follows:

	Name	Position
1.	Mr. Thanit Thareratanavibool	Chairman of Risk Management Committees
2.	Mr. Choti Sontiwattananont	Risk Management Committee
3.	Miss Pimwan Thareratanavibool	Risk Management Committee

**Remark:** Risk Management Committee had no remuneration

## Duties and responsibilities of the Risk Management Committee

1. Direct the development and participate in the analysis of the risk management strategy of the organization yearly.
2. Develop and analysis the risk levels acceptable to the organization.
3. Guidance and overseeing method to the managers, supervisors and officers in each department.
4. Evaluate the significant risks and report to the Managing Director.
5. Evaluate the company's risk management report.
6. Review the practical results compared to goals and yearly-scheduled plans.
7. Follow-up meeting on practical results from each Department monthly and report to the Executive Committee, Audit Committee, and Board of Directors quarterly.

## 2.2 Risks in the Company's Business

### 2.2.1 Business Competition

The Company operates business in producing and distributing Biodiesel (B100), Edible Oil, Refined Glycerine, raw material and by-products from the production processes, and refining service. If we consider the business growth of each product, B100 is known to be a product which grows and competitive in the market compared to other products sold. As the Ministry of Energy together with the Ministry of Agriculture and Cooperatives and Ministry of Finance have set up an action plan to develop and promote B100. This is considered one of the ways to support B100 producers by increase such B100 blend mandate in Diesel of B10 which is used nationwide (biodiesel rule B10 refers to diesel fuel which has 10% mixture of biodiesel and diesel fuel mixture of 90%), which the government has agreed to such strategy to develop and promote B100 used from palm oil.

The Company has begun to prepare for tougher competition by giving importance to the development of efficiency in the production process continuously to bring about higher quality and the highest production efficiency. This will allow the company to control cost and expenses in production more efficiently. It will also allow us to maintain quality of the biodiesel according to standard. The Company has gained an economy of scale from CPO refinery of 1,150,000 kilograms per day and continuously expand investment to further improve efficiency and reduce cost by using PFAD which is a by-product as a raw material to produce B100, also expanded its B100 production capacity to 722,222 liters per day to benefit from economies of scale in biodiesel production. Besides, the Company has invested to construct the refined glycerine 99.5%min plant, which has a production capacity of 100,000 kilograms of refined glycerine per day, add the value added to the Company's existing by-product; crude glycerine. Refined Glycerine is derived from crude glycerine processed through the distillation into refined glycerine. Refined Glycerine is a clear liquid, colorless, odorless, has a sweet taste, can dissolve well in alcohol and water, and has a wide range of chemical properties, so it can be used as a substance in other downstream industries which is commonly used in consumer products, food, medicine, and cosmetics (Pharmaceutical Grade). Refined Glycerine helps the Company expanding customer base in other industries, where has less government policy's intervention. It is the Company's strategic to expand products into other industries with new base of customers and has high demand in overseas markets.



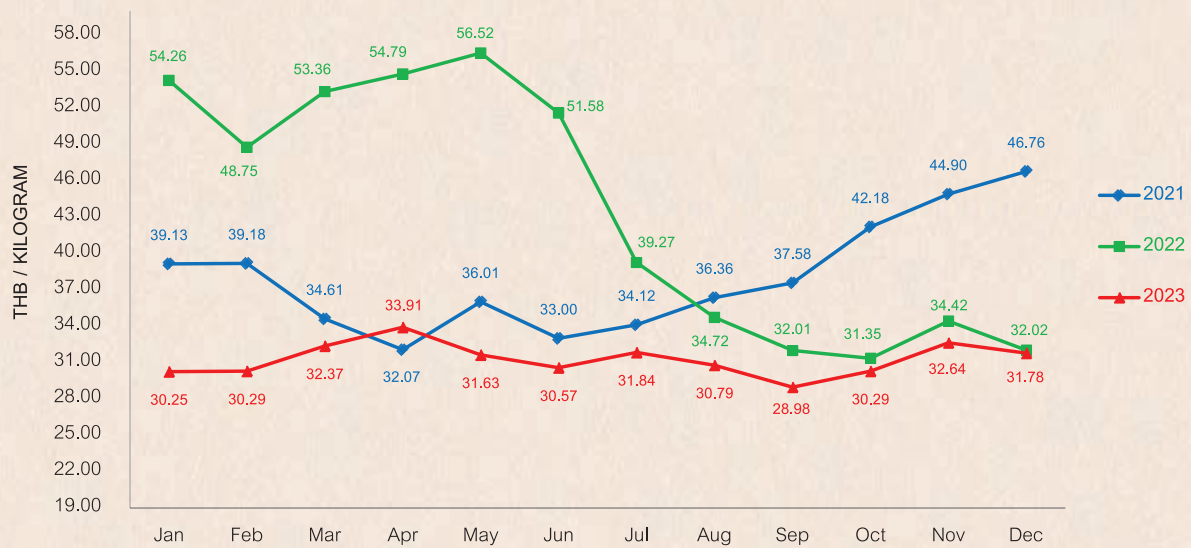
### ○ Risk from fluctuations in CPO prices

The Company uses CPO as main raw material for producing B100, where its price is defined by global market price that driven by Malaysian' CPO market price as Malaysian is the dominant in CPO market as the world highest CPO produced in the world. The factors that affect the price of CPO are changing of economic conditions, consumer needs, weather, national's CPO safety stock, and price of other alternative oil such as soy oil and rice bran oil etc.

For Thailand, the price of CPO trend to fluctuates according to the price of CPO in global market, but sometime there is a fluctuation in the opposite direction of CPO prices in the global market because the CPO market in Thailand is a closed market, where can be imported by Public Warehouse Organization, Ministry of Commerce only. The average price of CPO in 2023 decreased from 2022 by 28.24% and in 2022 increased from 2021 by 14.73% (the average price in 2023 was THB 31.28 / Kilogram, in 2022 was THB 43.59 / Kilogram, and in 2021 was THB 37.99 / Kilogram (Source: DIT).

In the 1<sup>st</sup> quarter of 2023, the CPO prices continuously fell since the end of 2022, which in consistent with the global price directions, where higher palm crops that favorable weather conditions and labor shortages have been resolved in Malaysia and Indonesia. Then, the CPO prices were slightly increased in the 2<sup>nd</sup> quarter of 2023 due to seasonal crops declines and market concerns about drought conditions in some areas in the South of Thailand. In 3<sup>rd</sup> quarter of 2023, the CPO prices, then, dropped again and even lower than those in the 1<sup>st</sup> quarter of 2023. This is due to the continuously increasing level of nation's CPO safety stocks, where its peak in August 2023 was approximately 380,000 tons, as results from lower export volumes and increased productivity during rainy season that conducive to palm cultivation. Nevertheless, in the 4<sup>th</sup> quarter of 2023, the CPO prices were slightly increased since the nation's CPO safety stocks declined due to lower palm crops compared to previous year. However, due to the lower price of Malaysian reference palm oil price was pressured from the increasing number of labors, resulting in more palm oil being harvested. While, the demand from China and India have decreased due to the high level of vegetable oil inventories in their countries. In addition, the economic situation around the world Especially China, which is still not doing well. As a result, the overall picture of consumption decreased especially China. Therefore, these factors cause the CPO prices in Thailand to decrease along with the CPO export price.

While the demand for biodiesel in 2023 was increased from 2022 due to the adjustment to increase the biodiesel blending mandatory by the ERC to B7 throughout the year 2023. In addition, the economic activities and tourism sector have been recovered from both domestic and foreign tourists. The government's economic stimulus measures made the overall picture of consumption and transportation improved.



Source: DIT, Ministry of Commerce

Thus, the Company may be risk due to the fluctuation of CPO price since sometime the Company is unable to adjust its costing inline to the market price continuously and severely. The fluctuation of the price of CPO may affect the earning of the Company. However, the Company aware of these risks, the policy has determined to adopt in each department in the Company, especially in raw material procurement procedures. The Company attempt to maintain a faster inventory turnover, where raw material (CPO) was stocked for 25 days just enough for monthly delivery plan within the sale contract scope and efficiently control the loss rate from production. Also, the price situation is closely monitored through various channels such as television, newspapers, and website of government organizations which related, such as Department of Internal Trade of Thailand, Ministry of Commerce, coupled with monitoring the price situation, through the business partners continuously. These can help to decrease the impact from the fluctuation of the price of CPO.

#### ○ Risk from the government policy amendment

Palm oil is considered an important economic crop since it helps with stability in terms of food and energy of the country. Crude palm oil which is extracted from the factory of Thailand will be distributed for various business sectors such as energy, industry, and other non- food sectors such as soap and cosmetics. Palm oil production in the country has enough capacity for domestic and some export, which palm oil and crude palm oil that are extracted from palm oil, including products which use crude palm oil as raw material in the production process were controlled by the government through various ministries, directly and indirectly such as the Ministry of Agriculture and Cooperative, Ministry of Energy, and Ministry of Commerce since crude palm oil that has been extracted from palm oil is considered a raw material in various industries. The crude palm oil's market price in Thailand is corelated to Malaysian crude palm oil's market price, the largest crude palm oil in the world, in the past Thais' palm oil industry has faced various factors that caused price to fluctuate. The huge fluctuation in the weather condition which caused the Southern area to face a huge drought and natural disasters, these events caused a shortage of palm oil in the market since palm oil and palm fruits has decreased largely, this led to a huge shock in palm oil price and producer's cost to increase.

For the price and quantity fluctuation of crude palm oil, the government had issued a polity 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 such as lowered B7 to B5 when crude palm oil stock low or the price of crude palm oil extreamly high. And increased the ratio of biodiesel in diesel fuel when stocking crude palm oil high.



This is to control the amount of crude palm oil used and focuses on the need of the general consumer. Also, price of palm fruit and crude palm oil has been controlled in case of fluctuation and use the policy to buy crude palm oil from the market in case of crude palm oil over supply and the policy to import crude palm oil from overseas. In the case that domestic crude palm oil is at a shortage (at the moment Thailand has a policy to control imported palm oil even though the import tax rate is at 0% since 2010 whereby allowing palm oil to be an authorized imported product. Public Warehouse Organization, Ministry of Commerce is the only entity allowed to import such product so that there will be no effect on the domestic palm oil industry). The Department of Internal Trade of Thailand, Ministry of Commerce had ordered that vegetable oil, fuel oil, and palm oil are controlled products according to the Act on Prices of Goods and Services of B.E. 2542 where vegetable oil and fuel oil are considered sensitive list products. The Department of Internal Trade will monitor the price and condition daily. Therefore, from what has been mentioned above, the Company therefore faces risk from policy shift which could affect the company's profit. Hence, the Company has sent representatives to attend meetings with various government agencies and various associations to listen and offer opinions on various policies and has a person in charge that performs assessment and study government regulations in order for the Company to be able to respond to changes in government policies, rules and regulations promptly.

#### ○ Customer Concentration Risk

The Company sells B100 up to 67.46% of total Sales in 2023. In the distribution, Biodiesel was distributed to customers who are compiled to section 7 of the Fuel Trade Act B.E. 2543 which was sold in a made to order manner through inviting suppliers for bidding. The selling process after winning the bidding will be a 3-12 months' contract depending on customer's the term and agreement and policy. Most customers will determine the product pickup or amount of goods clearly in the contract.

However, the order quantity may adjust according to the customer's demand and the blending B100 mandate ratio in diesel during each period. The Company is sure that there is very small chance for us to lose our customers since the government's policy to induce higher usage of B100 and recently increased B100 blend mandate to B10 as diesel's standard nationwide in accordance to the Department of Energy Business, Ministry of Energy concerning the nature and quality of biodiesel type of fatty acid methyl esters B.E. 2562 (Enforced from 1 December 2019). Even though the formula has been adjusted to increase or decrease according to the situation in terms of price and output of CPO.

#### ○ Risks from unforeseeable event

The Company has operated business in producing and distributing Biodiesel, Palm Olein, and Refined Glycerine from crude palm oil and its subsidiaries which is AI Ports and Terminals Company Limited (AIPT) who provide ports and storage tanks service. The Company and its subsidiaries operate business regarding fuel oil which might face unanticipated events such as bombing and fuel leak which could bring about damage for the Company and its subsidiaries and surround communities and environment. The Company and its subsidiaries are aware of such risks, including potential disputes with neighboring communities. The guidelines have been established to prevent potential risks through building knowledge and understanding of the operations of various departments by sending them to receive training in government and private agencies involved. This also including creating unity in the team of each department and to transfer knowledge and understanding of work along



with the supervision and control of each department's executives. The drills and guidelines have been establishing in the event of an emergency; in case of fire, explosion and oil spill annually under the supervision of the Safety and Occupational Health and Environment Department of the Company. In addition, the Company also arranges for continuous inspection of the readiness of safety equipments and make insurance to prevent risks that may occur with leading insurance companies both in Thailand and abroad which covers all risks that may arise both assets used in business operations, including inventories and surrounding communities that are affected both the risks arising from natural disasters and accidents.

- Risks from pandemic

The epidemic of infectious diseases, COVID-19 posed a huge challenge for humanity and organizations around the world, including the Company. The Company has established the business continuity plans in place to accommodate different types of emergencies that may arise and the response plan can be adjusted appropriately and covers only the level of the impact of the epidemic. Also, there is a team to follow up with constantly changing information and communicate company-wide and to external stakeholders.

- Risk of cyber-attacks and data security

At present, the Company has adopted information technology in various systems of business operations and communication with external persons and juristic person. Therefore, it is inevitable that it may be exposed to risks from external information technology attacks. Therefore, the Company has set up a system structure and installed a firewall system to prevent attacks and access to the Company's information from outside, including the ability to store and check the log of the firewall retrospectively. Along with installing an anti-virus program inside the server and PC, for internal security, the Company has used an identity system for users work to prevent unauthorized access to information from unknown and control the use of USB and External Storage for only restricted tasks. The Company gives users coping practices in case of finding any suspicious e-mail and websites in order to prevent attacks on information technology systems and viruses from outside or malicious insiders. In addition, the Company has backed up all data in real-time and stored off-site. So, if there were any unfavorable causes, the Company will be able to resume its operation and continuous working in a short period of time.

- Foreign exchange risks

The Company exports refined glycerine and by-products, which are sold to foreign markets following reference prices for the US dollar. Thus, the Company has exposed to the fluctuation of foreign exchange rates, in order to manage the risk, the Company use the forward contract with the financial institutions as financial tools to secure and mitigate the forex risks. Also, the Company undertakes matching imports and exports transactions as the mediator for natural hedging in parallel monitoring news and exchange rate movements closely to assess the situation and figure ways out to prevent the potential risk to the Company. Therefore, the Company is confident that if there is volatility of the exchange rate, the Company will be affected insignificantly. The Company's subsidiaries had no foreign currency transaction.

## 2.2.2 Investment risk of securities holders

- Risks of Dependency on Main Executives

The Company was found in 2006 by having Thareratanavibool Family as key executives and principal shareholders by holding AI's stocks at the proportion of 58.38 percent of the



Company's authorized capital, by having (1) Mr. Narong Thareratanavibool as Chairman, (2) Mr. Thanit Thareratanavibool as Vice Chairman, (3) Miss Pimwan Thareratanavibool as director, managing director, and company secretary. All of them have knowledge and understand regarding Biodiesel, Palm Olein, and Refined Glycerine producing and distribution business and create the Company's credibility and good relationship with both domestic and international customers over 18 consecutive years. The change of executives may affect the business performance of the Company.

The Company clearly determines scope of duties, responsibilities and authority of each position by decentralizing authority in administering and managing systematically through a systematic planning authority as prescribed. There is also delegation of duties and responsibilities to those who have the knowledge and ability appropriately. The Company also has storage systems and good database which is where the exchange of necessary information takes place. The Company has also developed a set of guidelines for the performance of employees by delivering training courses to increase the efficacy and to reduce the reliance on any particular employee in parallel with to encourage employees to have a sense of ownership of the company by providing proper care and welfare of employees at each level to build morale and support in working. In addition, the Company also has a policy to recruit talented individuals to join the company in accordance with the business plan as well.

#### ○ Risks in case that there are principal shareholders holding over 50 percent of shares

Thareratanavibool Family which is a major shareholder of the Company through its shareholding in the Company. As of 28 December 2023, Thareratanavibool Family had their shares in the company divided into direct shareholding of 9.68 percent and indirect shareholding through AI of 58.38 percent. Thareratanavibool Family has influence in determining policy for the administration of the company in either direction because they can control the resolution of the shareholders, particularly in the case of a vote taken at a meeting of shareholders not less than one-half of the total votes of shareholders attending the meeting and entitled to vote, exception for the matter that laws or regulations of the Company requires to have a 3 out of 4 of the shareholders' voting.

Nevertheless, the Company has an audit committee consisting of 3 independent members for the total of 6 members. All of them have knowledge and ability which are widely accepted in the society. The audit committee has a role as assigned by the Company's board based on SET's notification regarding qualifications and scope of responsibilities of auditing committee B.E. 2551 and qualifications of independent committee based on article 16 of Capital Market Supervisory Board's notification Number TJ 28/2551 which is deemed to help enhance efficiency and good audit and balance, as well as transparency of the Company's management. In addition, the company also hired Honor and Advisory Company Limited to perform internal audit which is independent from the management team and can report directly to the Audit Committee. In addition, the Board of Directors of the Company also takes into account the importance of corporate governance by complying with good corporate governance guidelines strictly and consistently so that the company is confident that its shareholders and stakeholders of the Company will be treated fairly and equally.

#### 2.2.3 Risk of investing in foreign securities

There is no investment in foreign securities.

# 3.

## Driving Business toward Sustainability

### 3.1 Sustainability policies and goals

The Company has set up a policy to operate its business in accordance with ESG guidelines, namely the environment, Social and Governance in order to create business growth together with sustainable social responsibility. The Company has established guidelines for business operations by taking into account the potential impacts on communities, society, environment and all groups of stakeholders. This includes shareholders, investors, employees, business partners, customers, communities, government agencies, competitors, etc.

### 3.2 Supply Chain Management

#### 3.2.1 Supply Chain Management

The Company is committed and determined to friendly operate business to meet the expectations of stakeholders in the business chain. The Company has analyzed and assessed the impact of business processes, as well as the value chain to reduce risks that may occur and create transparency from upstream to downstream. Therefore, the Company's supply chain management covers activities from business partner management to the delivery to customers in order to create satisfaction for all stakeholders in the chain.

In addition, the Company has always supported the sustainable palm oil production standard under the Round Table for Sustainable Palm Oil: RSPO to meet the needs of biodiesel and edible oil customers, focusing on the purchase of palm oil with social responsibility and sustainable environment.

#### 3.2.2 Stakeholders in Supply Chain

The Company operates base on fairness, integrity and transparency to both competitors and business partners in order to create satisfaction, confidence and reliability. So, that the Company set policies and procedures distinctly which executives and employees must conduct accordance with the policies and procedures strictly to prevent unfair and unequal treated to competitors and business partners. The policies as follow:



<b>Suppliers:</b>	<p>To have fair treatment of trading partners and to select, register and follow up with all partners according to the procedures equally without discrimination by considering the operations of partners in terms of quality, safety, finance, social responsibility, reliability and experience in the partner's line of work. If selected, suppliers will be registered on approved vendor lists which are divided into 3 categories: raw material, services and others, to get raw materials goods and services that is effective for the operations of the Company. In addition, the supplier is assessed annually in order to monitor the performance of the partners' operations. Must be approved according to the position of each line of work. The approver will depend on the amount of the purchase and will be jointly approved by the management to reduce the risk of corruption between the company's employees and business partners.</p>
<b>Customer:</b>	<p>The Company intends to produce products and services with responsibility for consumers to receive good products and services. It is safe and meets the highest consumer demands. Both the production of the Company's products and services will comply with safety standards and regulations both domestically and internationally. The Company has been audited and certified by various certified bodies. So that consumers can be confident that our products and services are safe and care for consumers and promote responsibility towards consumers as follows:</p> <ul style="list-style-type: none"> <li>- Certification of ISO 9001: 2015 (Quality Management Systems) for manufacturing products issued by Management System Certification Institute (Thailand)</li> <li>- Certification of ISO 14001: 2015 (Environmental Management Systems) for manufacturing products issued by Management System Certification Institute (Thailand)</li> <li>- Certification of ISO 45001: 2018 (Occupational Health and Safety Management Systems) for manufacturing products issued by Management System Certification Institute (Thailand)</li> <li>- Certification of ISO 22000: 2018 (Food Safety Management Systems) for manufacturing products issued by Management System Certification Institute (Thailand)</li> <li>- Certification of FSSC22000 for Food Safety System Certification issued by Bureau Veritas</li> <li>- Certification for Good Hygiene Practices (GHPs) for manufacturing products issued by Management System Certification Institute (Thailand)</li> <li>- Certification for Hazard Analysis and Critical Control Points Systems (HACCP) for manufacturing products issued by Management System Certification Institute (Thailand)</li> <li>- Certification of HALAL for processed products issued by The Central Islamic Council of Thailand</li> <li>- Certification of Kosher for Jewish food standard for processed products from Thai Kashrut Services Co., Ltd. which provides Jewish food qualification inspection</li> <li>- Certification of US Food and Drug Administration for refined glycerine</li> <li>- Certification of Roundtable on Sustainable Palm Oil: RSPO supporting the sustainable use of Palm Oil.</li> </ul>

- Certification of the Green Industry level 3: Green System from the Ministry of Industry



**Creditors:** The Company concerns about responsibility to all creditors, especially financial institutions. Company has integrity to pay to all payable and maintain warranty securities and other conditions under the agreement fully and correctly. Nevertheless, management division's role is to maintain the company's liquidity. The Company keeps good reputation and confidence to financial institutions, shareholders and stakeholders.

**Competitors:** To embrace equality, fairness and integrity without any exploitation, the Company will apply the biodiesel cost that is indicated by Ministry of Energy in calculating raw material costs and price for biodiesel and CPO price that is indicated by Government in calculating raw material cost and price for edible oil. This is to ensure that the Company does not conduct any business that may cause conflicts in the same business group and is considered to prevent trade barriers and to ensure transparency in sales and services.



## 3.3 Sustainability Management in Environmental Dimension

### 3.3.1 The Quality, Safety, Occupational Health and Environment Policy

The Company is aware of business operations with corporate social responsibility (CSR) therefore quality, safety, occupational health and environment (QHSE) is an important component of the Company's business operations. Therefore, the Company has established guidelines for operators to be aware of and strictly manage the QHSE risks, to deliver goods and services to stakeholders and aiming for excellence in line with the principles of corporate governance.

1. Compliance with laws rules and regulations concerning quality, safety, occupational health and environment, as well as other related policies and standards as the Company's primary norm.
2. Produce quality products and services and deliver according to the agreement with the customer to meet customer satisfaction and manage operations that are environmentally friendly.
3. Promote and support the development and improvement of the quality, security, safety, occupational health and environment. continually in tandem with the Company's business operations and comply with the laws, international standards and other requirements that the Company has applied to create a culture of safety in operations.
4. Manage risks and prevent losses that may occur from accidents, crisis, epidemics, injuries or illnesses from work and property damage with strict standards and security measures, including building a safety culture through the Zero accident program and the management of safety in the production process through the 5S project. Build habits and safety to take care all groups of stakeholders.
5. Promote occupational health and good working environment for employees because the Company considers all employees to be valuable resources
6. Comprehend the importance of evaluating, controlling, preventing and reducing environmental and ecological impacts from the Company's operations, which focuses on the management of pollution prevention at the source integrated in the aspects of air, water, waste management and improving energy efficiency using resources efficiently and sustainably to enhance environmental culture and increase the capacity to adapt to climate change and to reduce greenhouse gas towards a low-carbon society.
7. Create awareness among employees to be aware of and take part in the Company's safety and environmental culture so that the QSHE policy is truly beneficial.
8. Communicate policies and performance on quality, security, safety, occupational health and environment to all groups of stakeholders and ready to feedback to review and improve operations. Executives and employees at all levels participate in the implementation of the QSHE policy on an ongoing basis, along with the responsibility to operate to achieve the goals of the Company..

Therefore, in order for all employees to participate in the implementation of the policy. The Company has organized activities to create management under the QSHE management system by supporting sufficient resources and tools. In order for the activity strategy to achieve the goals and objectives of the Company and to prevent risks and reduce the impact that may cause business interruption because each process is important to different stakeholders.



## ○ Committee of Occupation Safety and Health and Environment in the workplace (Safety Committee)

The Company is well aware of the importance of quality, safety, occupational health and working environment for employees, business partners, contractors and visitors. The Company has established the Safety Committee, consisting of the delegators from employer and employee to comply with the Ministerial Regulations on the standards of the management of occupational health and safety B.E. 2549 with the following duties and responsibilities.

- Determine and review QSHE's policies, strategies and plans.
- Supervise and monitor the quality, safety, occupational health and environmental standards within the Company to meet an acceptable standard to achieve the Zero accident project.
- Report and suggest measures or guidelines for safety related improvement and safety standards in workplace according to law for the safety of the employees, contractors and visitors who come to work or provide services in the Company.
- Explore working safety practices and assess possible risks that may occur to the employees. To find a way to prevent risks and the dangers that may occur from work at least once a month.
- Annually report including determine the problems, obstacles, and recommendations in the Safety Committee, then propose to the management.

## ○ 5S Standard, make it a habit and safety

Apart from improving profitability, efficiency, good workplace environment and safety, 5S Standard also creates discipline and value to individuals. The standard also helps implement the process safety to avoid accident to individual and others, as they are conscious to their roles and duties in their workplace to improve safety efficiency and effectiveness. The 5S standards are "5 S. create discipline in the organization, move towards quality and sustainable success. Its objective is divided into 2 categories according to the working procedure of 5S.

### I The objects and Places

- To improve better workplace by storing all equipment use in place
- To improve works' effectiveness and efficiency of individual and raising safety awareness of employees at all levels in their work and daily life
- To plan and assess the management of safety and defects in the production process by collecting the correct method of using the equipment and recording of any indications/anomalous on the job site that have ever happened solution and make a manual troubleshooting to transfer the knowledge in the manual to the employees for generations in each production process, as well as to keep track of records regularly and up-to-date

### II Personnel

- To drive employees in developing and improving quality of work and life to the high standard. Also, improve consciousness in working with others
- To prevent impact on society, community and environment from errors caused by the operations of the Company's personnel and reduce complaints from stakeholders



### ○ Zero accident

Ministry of Labor initiates “Zero Accident” project to raise safety and healthy work environment as well as controlling accident risks which the Company has applied “Zero Accident” project along with Company’s accident preventive measure as followed.

- The Company awares the importance of employee safety. Therefore, a budget has been set up for investment in the supply of personal safety equipment that is suitable for the use of each work unit. Since the Company’s business is considered a business that has a high risk of accident or injury, especially the use of chemicals in the production process. Hence, safety is an important policy in the Company’s operations because employees are important factors in business operation. Procurement of safety equipment is therefore the main policy that the Company attaches great importance to. Apart from that, the Company also has risk assessment team to evaluate and give preventing instruction to employees.
- The Company provides fire emergency evacuation trainings, working in confined spaces training and emergency response of a chemical spill training annually. Since the Company’s business can be considered having high fire risk, dangers from working in confined spaces, and the dangers of chemical spills. This is considered a danger that severely affects the employees, the community, the environment and the Company’s assets. Therefore, providing knowledge and understanding to solve the situation, including how to prevent the risk of fire incidents is important. The Company organizes 3 training courses once a year by speakers with specific expertise and experience. In this regard, the Company has set up a special unit for preparing fire training and fire evacuation plan, which clearly announced to all employees by disseminating information through the Company’s internal communication and affixing publicity signs within the Company in order to prepare for various events and able to resolve the situation quickly.

### 3.3.2 Environmental Management

The Company’s production process is designed as a closed production system for the evaporation of methanol and chemicals used as raw materials in production are released to the atmosphere. In addition, the Company also manages separate storage for chemicals and chemical containers after used and sent to a service provider for disposal. Currently, the Company does not have any disputes or litigation environmental.

### ○ Greenhouse Gas Emissions Performance

The Company has made a list of the Company’s greenhouse gas emission sources, then calculated the amount of greenhouse gas emissions that arising from various activities to report greenhouse gas emissions generated by the Company’s activities, thereby supporting future guidelines and measures. It shows social and environmental responsibility and stepping into “Low-carbon business” that is sustainable in the future.

	2021 <sup>1</sup>	2022 <sup>2</sup>	2023 <sup>2</sup>	Goals 2024
Greenhouse Gas Emissions Scope 1 (Tons CO <sub>2</sub> Equivalent)	66,605	42,534	60,816	42,000
Greenhouse Gas Emissions Scope 2 (Tons CO <sub>2</sub> Equivalent)	19,493	6,844	11,093	6,500
Greenhouse Gas Emissions Scope 3 (Tons CO <sub>2</sub> Equivalent)	-	-	299,915	200,000
<b>Total Greenhouse Gas Emissions (Tons CO<sub>2</sub> Equivalent)</b>	<b>85,558</b>	<b>49,378</b>	<b>371,824</b>	<b>248,500</b>
Greenhouse Gas Emissions Intensity / Tons Product (Tons CO <sub>2</sub> Equivalent per Tons of Product)	0.6562	0.4306	2.0631	2.0708

**Remark:** <sup>1</sup> Did not review by a reviewer for the carbon footprint that is registered with the Thailand Greenhouse Gas Management Organization (TGO)

<sup>2</sup> The greenhouse gas emissions data was reviewed by NPC Safety Environmental Service Co., Ltd., who is registered with the Thailand Greenhouse Gas Management Organization (TGO).

## ○ Waste Management

The Company manages the environment systematically and in accordance with the prescribed laws and regulations which has the main goal to reduce the impact on the environment, community and society as much as possible. Therefore, the Company has taken various actions to achieve the amount of waste from productions to landfill to be zero, namely, efficient use of resources, waste reduction, and reuse, etc.

- The Company sold the spent bleaching earth, which is a waste from the CPO refining process as fuel for power plants. This can reduce waste to landfill and reduce disposal costs.
- The Company manages the cost-effective use of water resources by developing and improving techniques in the production process to reduce the use of raw water in the reverse osmosis system, which will reduce the amount of water that is discharged from the system, resulting in the Company can reduce the cost of purchasing raw water and wastewater treatment by approximately 1,200,000 baht per year. This is including reuse recycled wastewater from treatment system in various miscellaneous works within the Company.
- The Company uses PFAD, acid oil, and highly acidic oil, which are a by-product of CPO refining, a loss from biodiesel production, and a part of the waste from the refined glycerine production process as raw materials for biodiesel production instead of selling and/or dispose.



## 3.4 Sustainability Management in Social Dimension

### 3.4.1 Policies and Guildlines in Social Dimension

The Company emphasis to create corporate shared value along with responsibility for quality of life, society, community and environment, which focuses and places importance on building social responsibility both inside and outside the Company and taking into account the impact that affects all groups of stakeholders. The Company has set policies and visions using principles-based approaches, including:

1. Ethical Workplace Practice
2. Human Rights and Non-Discrimination
3. Ethic Labour Practice
4. Responsibility for Consumers
5. Social and Community Development
6. Environment Management

### 3.4.2 Performance in Social Dimension

The Company had continuing operated CSR, which shows that the company is committed and attended to operate a business with respectable determination to society. This is consistent with best practices, the 6 items mentioned below;

#### ○ Ethical Workplace Practice

The Company operates with ethic by clearly revealing all the workplace information and supporting a competition with business partners, customers and competitors. The operation of the company corresponds to all aspects and law of competition. For example, the Company takes a biodiesel price from the Energy Policy and Planning Office by Ministry of Energy to calculate the selling price of biodiesel. So, the products from the Company have a standardized price. Also, the Company has a regulation in choosing business partners, which each business partner has to pass all the categories set by the Company in order for those partners to do business with.

#### ○ Human Rights and Non-Discriminations

The Company has an employment policy concerns about human rights. The important aspect of this policy is Aganist Child Labour, the Company will not employ a person who has an age less than 18 years old. This corresponds to a basic right in a Constitution of the Kingdom of Thailand 2007 section 49 which has been regulated as follow “A person shall enjoy an equal right to receive the education for the duration of not less than twelve years which shall be provided by the state thoroughly, up to the quailty, and without charge”. The Company understands an importance of education and do not want to deprive the right of basic education. The Company takes this section as part of the employmeny policy

so the Company do not employ a person whose age is less than 18 years old in order for those under age to have a maximum education before being employed. The Company emphasizes the importance of respecting, supporting, and honoring human rights and fundamental freedoms for all individuals associated with the Company, including employees, partners, communities, and all stakeholders. The Company, therefore, establishes a Human Rights and Non-Discrimination Policy in line with the United Nations Guiding Principles on Business and Human Rights (UNGP), which addresses the principles of protecting, respecting, and remedying human rights impacts resulting from human rights violations. This policy reflects the Company's commitment to conducting business responsibly, respecting human rights, and refraining from discrimination against any individual, following international principles and practices.

### ○ Ethic Labour Practice

The Company recognizes value and importance of all employees, as they are a key factor for the success. The company has established labor practice guidelines and employs employees with fairness and they were received appropriate compensations regarding to their roles and abilities as agreed at the time of agreement. As the Company's employment policy, the employees will receive compensations suitable for the living standard, which will allow them have a good quality of life. Moreover, the Company has an appropriate remuneration and welfare system and is committed to provide benefits to improve the quality of life of its employees.

1. The Company establishes the compensation policy which based on the slogan "Fair Work Fair Pay". The compensation is based on a role, knowledge, ability and experience of each employee. The compensation corresponds to a minimum wage set by the government to give employees a good quality of life
2. Other compensation, other than monthly salary
  - Meal Allowance, Cost of Living Allowance, and Telephone Expense Allowance
  - Daily, Shift and Performance Allowance
  - Annual Bonus
  - Reward for outstanding employees
3. Welfare for employees
  - Provident Fund
  - Life and Health Insurance
  - Annual Health check
  - Employees development, that is developing knowledge, skills, and expertise through practical-based learning by providing fundamental and technical training

### ○ Responsibility for Consumers

The Company intends to produce products and services with responsibility for consumers to receive good products and services. It is safe and meets the highest consumer needs. In addition to the Standards, the Company allows customers to inspect production process. This would increase goods and services' reliability to customers, which will increase the confidence of customers who use products and services and to strengthen confidence in the production quality.



## ○ Social and Community Development

Social and community development is also concerned by the boards. The boards encourage employees to be a part of social and community development. The Company has set social and community development project throughout the year. In 2023, the Company donated money to support Krathum Baen Hospital of 50,000 baht.

## ○ Environment Management

The Company is committed to sustainable business operations based on environmental responsibility. By recognizing and giving importance to minimizing environmental impacts from its business operations, the Company has formulated a policy to develop manufacturing processes in order to minimize environmental impacts which may occur. The Company has aligned its business policy in accordance with environmental laws and regulations, international standards, and sustainability standards. The Company creates awareness among employees to be aware of and take part in the Company's environmental culture. The Company comprehend the importance of evaluating, controlling, preventing and reducing environmental and ecological impacts from the Company's operations, which focuses on the management of pollution prevention at the source integrated in the aspects of air, water, waste management and improving energy efficiency using resources efficiently and sustainably to enhance environmental culture and increase the capacity to adapt to climate change and to reduce greenhouse gas towards a low-carbon society.

The Company's production process is designed as a closed production system for the evaporation of methanol and chemicals used as raw materials in production are released to the atmosphere. The Company manages the environment systematically and in accordance with the prescribed laws and regulations, using indicators set out in ISO14001:2015 to achieve the Company's target, which has the main goal to reduce the impact on the environment, community and society as much as possible. Therefore, the Company has taken various actions to achieve the amount of waste from productions to landfill to be zero, namely, efficient use of resources, waste reduction, and reuse.

Moreover, the Company encourage all employees to represent commitment to the environment and to offer internationally certified ISO14001:2015 standard to all stakeholders.

# 4.

## Management Discussion and Analysis : MD&A

### 4.1 Overall Business Performance

In accounting period as of 31 December 2023, the Company and subsidiaries (Consolidated) have realized net profit (loss) of 40.27 million Baht, whilst (22.13) million Baht in 2022. The Company's net profit has increased by 62.42 million Baht from the previous year. In 2023, the Company realized the after adjusted EBIDA of 159.21 million Baht, which increased from 73.00 million Baht in 2022 by 86.21 million Baht or 118.09%.

In 2023, The Company (Separate) has realized net profit of 53.88 million Baht compared to net (loss) of (20.25) million Baht in 2022. The Company's net profit has increased due to the Energy Regulatory Commission (ERC) has resolved to increase the proportion of biodiesel blend in diesel from B5 to B7, only one formula since 10 October 2022 onwards. In addition, the economic activities that have been recovered from the government's economic stimulus measures made the overall picture of consumption and transportation improved. In the first half of 2023, the Malaysian reference CPO price has increased over the domestic CPO prices. Meanwhile, the nation's CPO safety stocks increased to approximately 284,341 tons as of March 2023, resulting in the extraction mills and palm oil related companies were able to export a fair quantity at competitive prices in the global market. As a result, the domestic CPO price has gradually increased in line with the global market prices. Later, from June 2023 onwards, biodiesel selling price began to decline continuously in accordance with CPO price. Due to the Malaysian reference CPO price was falling in consistent with the price of soybean oil, in which the price condition is sideways. As well as the global economic recession causing demand in the market to decrease. Although, the domestic supply of CPO decreased due to the drought but the productivity is still sufficient to meet demand in the market. Therefore, the CPO price has decreased. In addition, the Glycerine price has fallen due to the over productivity, where Indonesia has increased its biodiesel production capacity to support the B35 policy, resulting the supply exceeding the market demand. In the beginning of 4th quarter, the domestic CPO price rose again due to the continuous have rain, especially in November and early of December causing flooding in many areas in the southern region of Thailand that obstacle to harvesting and the proportion of palm fruits decreased. Meanwhile, the sales volume of biodiesel increases seasonally. As a result, the Company has returned to recognize profits again.

Thus, the Company may be at risk due to the fluctuation of CPO price since sometime the Company is unable to adjust its cost of raw materials cannot adjust to the market price continuously decline in time. However, the Company aware of such risk, the policy has determined to adopt, especially in raw material procurement procedures. The Company attempt to maintain a faster inventory turnover, where raw material (CPO) and product (Biodiesel) were stocked for 15-25 days just enough for monthly delivery plan within quarter and/or year contracts. Besides, the Company emphasis on efficiently control the loss



rate from production but sometime cannot completely eliminate such risk, only help to mitigate the impact from the fluctuation of the price of CPO to the Company's performance and earning (Section 2.2.1 Risk from fluctuations in CPO prices)

The Company has one subsidiary, namely AIPT, which the Company holds shares or 99.99% of the AIPT's registered capital. AIPT operates a service of port and terminal in Chumphon, who has the storage tank capacity of 22,124,000 liters. Currently, AIPT is temporarily ceased its operation.

### Factors affecting the Company's future performance

The main factors affecting the Company's performance is the development and cooperation between government and private sectors in the supply and demand of biodiesel production from CPO, by promoting the cultivation of palm trees in more suitable areas according to the AEDP2018 plan and having the production capacity of CPO not less than 5.26 million tons per year with the OER of not less than 19% by 2020 and 23% by 2037. In 2023, there was CPO flowed to the market for 3.33 million tons which same level as in 2022 was 3.38 million tons. Due to the palm trees were sufficiently taking care with fertilizers and abundant of rainfall since the end of 2021. The palm trees were intact and received a steady amount of precipitation, hence the plantation is in accordance to the AEDP2018.

While the furtherance on demand is the government measures of subsidized palm fruit price and the announcement of a government measures to increase the proportion of biodiesel in the energy sector in order to help palm fruit farmers. The goal is to create a sustainable balance of the entire palm oil system. However, in 2023, the Department of Energy Business (DOEB) has enforced Euro 5 standard oil (sulfur not more than 10 ppm) to reduce PM 2.5, which will effective from January 1st, 2024 onwards. Hence, DOEB subject to reduce biodiesel blending in diesel mandate from B10 to B7 instead, which is the highest proportion that can be used with Euro 5 standard fuel that automakers accept and does not have an impact to the engine. Therefore, the designation of B10 as the basic diesel fuel of Thailand according to the AEDP 2018 plan has been discontinued for the reasons mentioned above. Also, the DOEB has been completed Oil Plan 2023 and is waiting for comments from a large group, which includes AEDP in the Oil Plan 2023. The plan sets the direction for operations over a 5-year period (2023-2027) by promoting biofuels, by 2024 aiming to regulate B7 diesel as the main diesel. In addition to factors related to the expansion of the EV market and government measures to support the EV manufacturing industry, such as the reduction of import taxes on batteries and other components or import duty on EVs, etc. The aforementioned factors are considered negative factors for the biodiesel industry both in the short and long term. Because it significantly affects the demand for diesel consumption. However, in 2024, the Company believes that the recovery of economic activity in the ASEAN region is a factor to stimulate demand. Although, the CPO demand tends to increase but still requires short-term measures from the government (e.g. subsidy CPO exporting and international trade policies, etc.) in order to meet demand in line with a large supply to the market in the next year.

Besides, the price and quantity fluctuation of CPO, the biodiesel's industry is a downstream of palm oil industry where the government's policies are the important factor driving the industry. The main goal is to reduce dependence on imported fossil oil and create energy resource security including creating added value for agricultural products by impelling the use of bioenergy such as biodiesel. The main raw material used to produce biodiesel in Thailand is palm oil, such as CPO, RBD palm oil, and palm stearin. For the blending mandates, it was controlled by the government agency to balance the fluctuating in price and quantity of CPO. The government has used its policy to reduce the portion of B100 blended in Diesel such as lowered B7 to B5 when crude palm oil stock low and/or during the

of B100 blended in Diesel such as lowered B7 to B5 when crude palm oil stock low and/or during the period when energy prices rise, affecting the economy and alleviating people's suffering, and also increased the ratio of biodiesel in diesel fuel when stocking crude palm oil high. This is to control the amount of crude palm oil used and focuses on the need of the general consumer in edible oil market. Also, price of palm fruit and crude palm oil has been controlled in case of fluctuation and use the policy to buy crude palm oil from the market in case of crude palm oil over supply. The fluctuation of CPO price mentioned above had reflected the Company's business operation in the production and distribution of biodiesel from CPO industry, which is the inherent risk that significantly impact on the Company's performance. The risk of fluctuation in CPO price; mostly caused by the intervention of the government to determine the CPO pricing policy, economic change, government subsidies for exporting, climate change, demand and supply, and nation safety stocks outstanding.

## 4.2 Financial Highlights

### Consolidated Financial Statement

(Unit : Million Baht)

Statements of Income	2023	2022	2021
Net Sales and Services	8,221.11	7,724.99	6,431.56
Total Revenues	8,228.07	7,767.86	6,438.11
Costs and expenses	8,187.78	7,766.95	6,019.38
Gross Profit	147.75	43.25	541.37
Profit before Interest and Income Tax Expenses	40.29	(20.52)	438.99
Net Profit	40.27	(22.13)	423.62
Statements of Financial Position			
Total Assets	2,552.73	2,481.25	2,958.62
Total Liabilities	450.38	476.56	623.32
Total Shareholders' Equity	2,102.36	2,004.69	2,335.29
Financial Ratio			
Gross Profit Margin (%)	1.80	0.56	8.42
New Profit Margin (%)	0.49	(0.14)	6.58
Return on Equity (%)	1.92	(1.10)	18.14
Return on Assets (%)	1.58	(0.83)	14.84
Debt to Equity (times)	0.21	0.24	0.27
Operating Result per Share (Baht)			
Net Profit per Share	0.030	(0.017)	0.324
Book Value per Share	1.00	1.00	1.00
Dividends per Share	-	-	0.25



○ a) Summary of Financial Status and Business Performance

Statement of Financial Position (Unit : Million Baht)	Consolidated Financial Statement (Audited)		Consolidated Financial Statement (Audited)		Consolidated Financial Statement (Audited)	
	Ended 31 Dec 23		Ended 31 Dec 22		Ended 31 Dec 21	
	Million Baht	%	Million Baht	%	Million Baht	%
<b><u>Assets</u></b>						
Cash and cash equivalent	168.38	6.60	102.34	4.12	286.70	9.69
Current investment	6.16	0.24	2.84	0.11	52.87	1.79
Trade receivables and other receivables	672.55	26.35	538.16	21.69	611.39	20.66
Inventory-net	381.06	14.93	426.30	17.18	567.48	19.18
Other current assets	6.35	0.25	6.60	0.27	4.00	0.14
<b>Total current assets</b>	<b>1,234.50</b>	<b>48.36</b>	<b>1076.24</b>	<b>43.37</b>	<b>1522.44</b>	<b>51.46</b>
Restricted bank deposits	60.55	2.37	56.40	2.27	56.40	1.91
Property, Plant, Vessel, and Equipment – net	1,254.05	49.13	1,346.28	54.26	1,376.73	46.53
Right-of-use asset	0.06	0.00	0.25	0.01	0.43	0.01
Intangible assets- net	1.40	0.05	0.44	0.02	0.57	0.02
Deferred tax assets - net	-	-	-	-	1.44	0.05
Other non-current assets	2.17	0.08	1.64	0.07	0.61	0.02
<b>Total non-current assets</b>	<b>1,318.23</b>	<b>51.64</b>	<b>1,405.01</b>	<b>56.63</b>	<b>1,436.18</b>	<b>48.54</b>
<b>Total assets</b>	<b>2,552.73</b>	<b>100.00</b>	<b>2,481.25</b>	<b>100.00</b>	<b>2,958.62</b>	<b>100.00</b>
<b><u>Liabilities</u></b>						
Trade and other payables	386.75	15.15	417.33	16.82	554.33	18.74
Current portion of leases liabilities	0.07	0.00	0.20	0.01	0.18	0.01
Provisions for employee benefit	0.00	0.00	0.78	0.03	0.87	0.03
Other current liabilities	50.51	1.98	47.61	1.92	58.58	1.98
<b>Total current liabilities</b>	<b>437.32</b>	<b>17.13</b>	<b>465.92</b>	<b>18.78</b>	<b>613.96</b>	<b>20.75</b>
Long-term leases liabilities	0.00	0.00	0.07	0.00	0.26	0.01
Deferred tax liabilities-net	0.00	0.00	-	-	-	-
Provisions for employee benefit	13.05	0.51	10.58	0.43	9.10	0.31

Statement of Financial Position (Unit : Million Baht)	Consolidated Financial Statement (Audited)		Consolidated Financial Statement (Audited)		Consolidated Financial Statement (Audited)	
	Ended 31 Dec 23		Ended 31 Dec 22		Ended 31 Dec 21	
	Million Baht	%	Million Baht	%	Million Baht	%
Total non-current liabilities	13.05	0.51	10.64	0.43	9.36	0.32
Total liabilities	450.38	17.64	476.56	19.21	623.32	21.07
<b>Shareholders' Equity</b>						
Registered and Paid-up capital	1,384.01	54.22	1,326.61	53.47	1,308.07	44.21
Premium on share capital	289.79	11.35	289.79	11.68	289.79	9.79
Legal Reserve	49.70	1.95	47.00	1.89	47.00	1.59
Retained Earnings (deficits)	380.34	14.90	342.77	13.81	691.29	23.37
Other components of equity	(1.49)	(0.06)	(1.49)	(0.06)	(0.86)	(0.03)
Total shareholders' equity	2,102.36	82.36	2,004.69	80.79	2,335.29	78.93
Total liabilities and shareholders' equity	2,552.73	100.00	2,481.25	100.00	2,958.62	100.00

Statements of Profit or Loss and Other Comprehensive Income (Unit : Million Baht)	Consolidated Financial Statement (Audited)		Consolidated Financial Statement (Audited)		Consolidated Financial Statement (Audited)	
	Ended 31 Dec 23		Ended 31 Dec 22		Ended 31 Dec 21	
	Million Baht	%	Million Baht	%	Million Baht	%
Total Revenue	8,228.07	100.00	7,746.43	100.00	6,438.39	100.00
Total Revenue from Sales and Services	8,221.11	99.92	7,724.99	99.72	6,431.56	99.89
Revenues from sale of goods	8,193.34	99.58	7,688.12	99.25	6,431.56	99.89
Revenues from production contract	27.78	0.34	36.87	0.48	-	-
Cost of Sales and Services	8,073.36	98.20	7,681.74	91.58	5,890.19	91.58
Cost of sales	8,054.19	97.97	7,652.43	91.58	5,890.19	91.58
Cost of production contract	19.18	0.23	29.32	-	-	-
Gross profit (Loss)	147.75	1.80	43.25	0.56	541.37	8.42
Other incomes	6.35	0.08	21.15	0.27	6.55	0.01
Finance income	0.61	0.01	0.28	0.00	0.28	0.00
Profit (Loss) before expenses	154.70	1.88	64.68	0.83	548.20	8.51



Statement of Financial Position (Unit : Million Baht)	Consolidated Financial Statement (Audited)		Consolidated Financial Statement (Audited)		Consolidated Financial Statement (Audited)	
	Ended 31 Dec 23		Ended 31 Dec 22		Ended 31 Dec 21	
	Million Baht	%	Million Baht	%	Million Baht	%
Selling expenses	38.53	0.47	(28.62)	(0.37)	(30.14)	(0.47)
Administrative Expenses	75.89	0.92	(79.23)	(1.02)	(78.79)	(1.22)
Expected credit loss	-	-	22.64	0.29	(20.19)	(0.31)
<b>Profit (Loss) before financial costs and taxes</b>	<b>40.29</b>	<b>0.49</b>	<b>(20.52)</b>	<b>(0.26)</b>	<b>419.08</b>	<b>6.51</b>
Financial costs	0.02	0.00	0.17	0.00	0.07	0.00
<b>Profit (Loss) before income taxes</b>	<b>40.27</b>	<b>0.49</b>	<b>(20.70)</b>	<b>(0.27)</b>	<b>419.01</b>	<b>6.51</b>
Tax Expenses	-	-	(1.44)	(0.02)	4.61	0.07
<b>Profit (Loss) for the Year</b>	<b>40.27</b>	<b>0.49</b>	<b>(22.13)</b>	<b>(0.29)</b>	<b>423.62</b>	<b>6.58</b>
<u>Gain (Loss) attributable to:</u>						
Equity holders of the parent	40.27	0.49	(22.13)	(0.29)	423.62	6.58
Non-controlling interests	-	-	-	-	-	-
<b>Total comprehensive profit (loss) or the year</b>	<b>40.27</b>	<b>0.49</b>	<b>(22.13)</b>	<b>(0.29)</b>	<b>423.62</b>	<b>6.58</b>
Profit (loss) per share (Baht/share)	0.030		(0.017)		0.324	
Par value (Baht/share)	1.00		1.00		1.00	
Registered stocks (Million share)	1,569.68		1,569.68		1,569.68	
Paid-up stocks (Million share)	1,384.01		1,326.61		1,308.07	

Statements of Cash Flows (Unit: Million Baht)	Consolidated Financial Statement (Audited)	Consolidated Financial Statement (Audited)	Consolidated Financial Statement (Audited)
	2023	2022	2021
<b>Cash Flows in Operating Activities</b>			
<b>Profit (Loss) before income taxes expenses</b>	<b>40.27</b>	<b>(22.13)</b>	<b>423.62</b>
Adjustment to reconcile profit (loss) to cash provided by (used in) operating activities:			
Tax expense	0.00	1.44	(4.61)
Depreciation	132.90	123.19	121.73
Expected credit loss	-	(22.64)	20.19
Unrealized (gain) loss on investments in Open-end Fund	(0.04)	(0.01)	(0.01)
(Reversal) Loss from impairment of assets	-	(11.40)	-
(Gain) Loss on write-off of assets	3.32	6.43	3.47
Provisions for employee benefit	2.46	2.26	2.13
Interest income	(0.61)	(0.28)	(0.28)
Finance cost	0.02	0.17	0.07
<b>Gain (Loss) from operating activities before change in operating assets and liabilities</b>	<b>178.33</b>	<b>77.03</b>	<b>566.32</b>
<b>Changes in operating assets - (increase) decrease:</b>			
Trade and other current receivables	(134.40)	95.87	(116.17)
Inventories	42.58	137.78	(155.98)
Other current assets	0.25	(2.60)	(1.14)
Restricted bank deposit (increase) decrease	(4.15)	-	49.82
Other non-current assets	0.10	(0.10)	1.97
Trade and other payables	(33.67)	(151.04)	231.83
Other current liabilities	2.90	(10.97)	4.88
Employee benefit paid	(0.77)	(0.87)	(1.07)
Interest Received	0.61	0.28	0.28
Income tax paid	(0.94)	(1.14)	(0.10)
Income tax returned	0.31	0.21	-
<b>Net cash provided (used) by operating activities</b>	<b>51.15</b>	<b>144.44</b>	<b>580.64</b>



Statements of Cash Flows (Unit: Million Baht)	Consolidated Financial Statement (Audited)	Consolidated Financial Statement (Audited)	Consolidated Financial Statement (Audited)
	2023	2022	2021
<b>Cash Flows in Investing Activities</b>			
Increase (decrease) in current investments	(3.28)	50.04	(50.11)
Payment for purchase of assets	(38.36)	(70.17)	(32.34)
Payment for purchase of intangible assets	(1.21)	(0.07)	(0.10)
Proceeds from receive from disposal of assets	0.56	-	0.07
<b>Net cash provided by (used in) investing activities</b>	<b>(42.28)</b>	<b>(20.20)</b>	<b>(82.47)</b>
<b>Cash Flows in Financing Activities</b>			
Cash received from increase in share capital	57.40	18.54	-
Repayment for leases liabilities	(0.21)	(0.21)	(0.21)
Dividend paid	(0.01)	(326.79)	(261.47)
Finance costs paid	(0.01)	(0.15)	(0.05)
<b>Net cash used in financing activities</b>	<b>57.17</b>	<b>(308.61)</b>	<b>(261.66)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>66.04</b>	<b>(184.37)</b>	<b>236.50</b>
Cash and cash equivalents at beginning of the year	102.34	286.70	50.20
Cash and cash equivalents at end of the year	168.38	102.34	286.70

## ○ B) Summary of Key Financial Ratio

Financial Ratio		2023	2022	2021
Liquidity ratio	Time	2.82	2.48	2.65
Quick liquidity ratio	Time	1.94	1.55	1.52
Operating cash flow liquidity ratio	Time	0.14	0.19	0.05
Account Receivable Ratio	Time	13.58	11.42	12.47
Average Collection Period	Day	26.88	31.97	29.27
Inventory Stock Ratio	Time	20.00	11.97	13.34
Average Selling Period	Day	18.25	30.50	27.36
Account Payable Ratio	Time	20.08	13.50	14.95
Trade Payable Payback Period	Day	18.18	27.05	24.42
Cash cycle	Day	26.95	35.43	32.21
Gross Profit Rate	%	1.80	8.42	11.08
Operating Profit Rate	%	0.49	6.58	8.85
Return on Equity	%	1.92	18.14	22.49
Return on Asset	%	1.60	15.92	20.34
Return on Fixed Asset	%	6.33	4.54	3.67
Asset Turnover Ratio	Time	3.27	2.33	2.26
Debt to Equity Ratio	Time	0.21	0.27	0.18
Interest Coverage Ratio	Time	2,004.82	5,983.01	77.16
Dividend Payout	%	0.00	25.00	20.00

## ○ 4.3 Analysis of Business Performance

The Company and subsidiaries issued the financial statement as of December 31<sup>st</sup>, 2023, which certified by Siam Truth Audit Company Limited with Unqualified Opinion as following;

I have audited the accompanying consolidated and separate financial statements of AI Energy Public Company Limited and its subsidiaries, and of AI Energy Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31<sup>st</sup>, 2023, the consolidated and separate statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.



In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of AI Energy Public Company Limited and its subsidiaries and of AI Energy Public Company Limited as at December 31<sup>st</sup>, 2023, and their consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

The Company and subsidiaries gains revenue from businesses which could be divided into (1) selling revenue including revenue from palm oil business and refined glycerine business, (2) production service revenue, and (3) other revenue.

### Total Revenues

The Company and subsidiaries had revenue balance for the accounting period in 2023 of 8,228.07 million Baht, which could be divided into 99.58% for selling revenue, 0.34% for production service revenue, and 0.08% for other incomes. In 2022 and 2021, the Company and subsidiaries had revenue of 7,746.42 million Baht and 6,438.39 million Baht, which could be divided into 99.24% and 99.89% for selling revenue, 0.48% and none for production services revenue, and 0.28% and 0.11% for other incomes, respectively.

Types of Revenue	Consolidated Financial Statement		Consolidated Financial Statement		Consolidated Financial Statement	
	2023		2022		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>1. Selling revenue</b>	<b>8,193.34</b>	<b>99.58</b>	<b>7,688.12</b>	<b>99.24</b>	<b>6,431.56</b>	<b>99.89</b>
<b>1.1 Palm oil business revenue</b>	<b>7,925.71</b>	<b>96.33</b>	<b>7,293.09</b>	<b>94.15</b>	<b>6,090.76</b>	<b>94.60</b>
1.1.1 Biodiesel	5,550.71	67.46	4,627.10	59.73	4,872.17	75.67
1.1.2 Olein palm oil	187.43	2.28	68.21	0.88	194.27	3.02
1.1.3 By-products	2,187.57	26.59	2,597.78	33.54	1,024.32	15.91
<b>1.2 Revenues from Refined Glycerine</b>	<b>267.63</b>	<b>3.25</b>	<b>395.03</b>	<b>5.10</b>	<b>340.80</b>	<b>5.29</b>
<b>2. Production services revenue</b>	<b>27.78</b>	<b>0.34</b>	<b>36.87</b>	<b>0.48</b>	<b>-</b>	<b>-</b>
<b>Total revenues from sales and services</b>	<b>8,221.11</b>	<b>99.92</b>	<b>7,724.99</b>	<b>99.72</b>	<b>6,431.56</b>	<b>99.89</b>

Types of Revenue	Consolidated Financial Statement		Consolidated Financial Statement		Consolidated Financial Statement	
	2023		2022		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
3. Other revenues	6.96	0.08	21.43	0.28	6.83	0.11
Total revenues	8,228.07	100.00	7,746.42	100.00	6,438.39	100.00

## 1) Selling Revenue

Selling revenue from the business operations of AIE can be divided into 2 types; revenues from palm oil business and revenues from refined glycerine. The Company had selling revenue in 2023 to 2021 equal to 8,193.34 million Bath, 7,688.12 million Baht, and 6,431.56 million Baht which accounts for 99.58%, 99.24%, and 99.89% of total revenue consecutively. The major contribution of revenue was from palm oil business in total annual revenue. In this connection, the details of selling revenues could be explained by types of sales as follows;

### 1.1) Revenues from Palm Oil Business

Revenues from palm oil business are revenues entirely incurred on behalf of the Company which could be divided by types of products sold as follows;

#### 1.1.1 Revenue from Biodiesel

The Company produces and distributes 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. AIE's revenues from sales of biodiesel business to total revenue for the fiscal year 2023-2021 were 67.46%, 59.73%, and 75.67% respectively. In 2023- 2021, the Company had sales of Biodiesel equal to 5,550.71 million Baht, 4,627.10million Baht and 4,872.17million Baht, accounting for 70.03%, 60.19%, and 79.99% of total revenue from biodiesel sold respectively.

#### 1.1.2 Revenue from Palm Olein (Edible Oil)

The Company manufactures and distributes palm olein in tank trucks and in packaging under "PAMOLA" brand to customers domestically. The customers who use Palm Olein could be divided into 2 groups; (1) large food manufacturing industry which mostly orders by tank truck, (2) packaged customers, chained restaurant that ordered in bag-in-box 13.75 liters under the brand "PAMOLA", which was established in the Palm Olein market more than 30 years.

The Company had revenue from Edible Oil in 2023 of 187.43 million Baht, increased by 119.21 million Baht or 174.77% from 68.21 million Bath in 2022. The sales volume in 2023 has increased by 285.59% and decreasing in average selling price for 28.74% from 2022. As comparing to 2021, the revenue decreased by 6.84 million Baht or 3.52% and the sales volume has increased by 7.63% with decreased the average selling price for 12.21%. Such revenue comes from the same customers, who awarded an order from a bidding competition, where the Company focuses mainly on sales in industrial customers on a short-term purchase contract that determine the quantity and delivery period, allowing the Company to make plans to procure raw materials under the Company's bidding cost of sales.



### ○ 1.1.3 By-products

The Company sold raw materials and by-products; included CPO, RBD palm oil, RBD kernel oil, palm fatty acid and palm kernel fatty acid to the customers in downstream industries, such as oleochemical industries.

In 2023 and 2022, the Company's revenue from raw materials and by-products were 2,187.57 million Baht and 2,597.78 million Baht at the proportion of 26.70% and 33.54% of total revenue from Palm Oil business. Also, the revenue from sales of raw materials and by-products has contributed for 26.61% and 33.63% of the total revenue. Raw material and By-product's revenue in 2023 was decreased by 15.79%. The quantity sold was increased by 41.99%, while selling price was decreased by 40.70% compared to 2022.

### 1.2) Revenue from Refined Glycerine ○

In 2023, the Company had revenue of 267.63 million Baht which decreased by 127.41 million Baht or 32.25% from 2022, which realized the revenue of 395.03 million Baht from the decreased in average selling price by 54.07% while the sales volume increased by 47.49%. The revenue was decreased due to the refined glycerine prices have slumped significantly, where its average selling price in 2021 was 31.00 Baht/kilogram, in 2022 was 40.00 Baht/kilogram, and in 2023 was 18.00 Baht/kilogram. This is due to an abundant crude glycerine and refined glycerine were flooded into the market and the demand was saturation. Hence, the buyers were at their wait-and-see stance.

### 2) Revenue from production services

Revenue from production services is revenue on behalf of the Company resulted from providing services on refining CPO to RBD Palm Oil and Palm Olein (Edible Oil) and refining refined glycerine. The customer will supply CPO or crude glycerine, as well as taking liabilities in transporting such raw materials to the Company's factory.

In 2023, the Company has realized production service revenue of 27.78 million Baht, which decreased from 2022 by 24.67% due to lower refined glycerine production services and stable palm olein production services. Presently, the production service's volumes were shared the Company's fixed costs, which help to maintain the overall production cost as low as possible. The Company continues to consider providing production services to suit the production availability of the Company.

### 3) Other incomes

The Company and subsidiaries had revenue from Other Income in 2023 and 2022 for 6.96 million Baht and 21.43 million Baht, or accounting for 0.08% and 0.28% of total revenue. The other income in 2023 has decreased from 2022 by 14.48 million Baht because the Company realized the penalties for customer's late payment and reversal of loss on impairment of assets in 2022. Therefore, the revenue from other income in 2022 was unusual, where 2023 realized revenue of other income from normal business operation. In 2023, other income was; interest received 0.61 million Baht, service fees 0.09 million Baht, sales of scrap materials 2.79 million Baht, gain from exchange rate 0.30 million Baht, biodiesel reserved services 2.59 million Baht, compensation from the Customs Department 0.40 million Baht, and return from the provident funds 0.18 million Baht.

## Cost of Sales and Gross Profit

Cost of Sales and Services	2023			2022			Increase / (Decrease)			
	Thousand Baht	% / Sales	%	Thousand Baht	% / Sales	%	Thousand Baht	%	% / Sales	%
<b>1. Cost of Sales</b>										
Biodiesel	5,442,809	98.06	67.42	4,709,579	101.78	61.31	733,229	15.57	(3.73)	(3.66)
Raw material and By-products	2,201,218	100.62	28.66	2,629,179	101.21	34.23	(427,960)	(16.28)	(0.58)	(0.58)
Olein Palm Oil	173,671	92.66	2.26	64,609	94.72	0.84	109,062	168.80	(2.06)	(2.17)
Refined Glycerine	236,508	88.37	3.08	249,061	63.05	3.24	(12,553)	(5.04)	25.32	40.17
<b>Total Cost of Sales</b>	<b>8,054,207</b>	<b>98.30</b>	<b>99.76</b>	<b>7,652,429</b>	<b>99.54</b>	<b>99.62</b>	<b>401,778</b>	<b>5.25</b>	<b>(1.23)</b>	<b>(1.24)</b>
<b>2. Cost of Production Contract</b>										
Olein Palm Oil	19,177	69.04	0.25	1,463	89.44	0.02	17,714	1,210.86	(20.39)	(22.80)
Refined Glycerine	-	-	0.00	27,852	79.04	0.36	(27,852)	(100.00)	(79.04)	(100.00)
<b>Total Cost of Services</b>	<b>19,177</b>	<b>69.04</b>	<b>0.24</b>	<b>29,315</b>	<b>79.50</b>	<b>0.38</b>	<b>(10,138)</b>	<b>(34.58)</b>	<b>(10.46)</b>	<b>(13.16)</b>
<b>Total Cost of Sales and Services</b>	<b>8,073,384</b>	<b>98.20</b>	<b>100.00</b>	<b>7,681,744</b>	<b>99.44</b>	<b>100.00</b>	<b>391,640</b>	<b>5.10</b>	<b>(1.24)</b>	<b>(1.24)</b>

## Cost of Sales and Services

The Company and subsidiaries' cost of sales and services in 2023 was 8,073.38 million Baht and the cost of sales over total revenue ratio was 98.20%, in 2022 was 7,681.74 million Baht and the cost of sales over total revenue ratio was 99.44%. The cost of sales to total revenue ratio was decreased by 1.24%. In 2023, there was no allowance for diminishing value of inventories (NRV), while in 2022 there was the allowance for diminishing value of inventories (NRV) for 14.00 million Baht. Summary according to the following segments;

### 1) Cost of Sales

The Company's cost of sales to total revenue ratio in 2023 has decreased from in 2022 by 1.23% or 1.24%. This is due to the CPO price was fluctuating during year, however the Company still maintains a policy to manage the inventories' optimization efficiently which can be classified by product groups as follows;

- 1.1 In 2023, the Biodiesel's ratio of cost of sales to total revenue was decreased from 2022 by 3.73% or 3.66%. The CPO price during 2023 fluctuate within narrow price range and short period of time. Although, the increased in sales volume allowed the Company gain the efficiency in allocating fixed costs and achievably controlled the production's loss. However, the Company has emphasized on managing raw materials and inventory to have a faster turnover rate and keep the inventories between 15-25 days in order to avoid the risk from the fluctuation of palm oil prices, which is an important factor of the Company's profitability.



- 1.2 In 2023, the edible oil's cost of sale to total revenue ratio was decreased from 2022 of 2.06% by 2.17%. The Company was possible to generate profit from this business unit since it was a Made to Order, which is managing the raw material used to produce edible oil to be profitable. 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.
- 1.3 In 2023, the raw material and by-products' cost of sales to total revenue ratio was decreased from 2022 to 0.58% or increased by 0.58%. The Company sold and exported raw material and by-products to the downstream companies in the same industry; processed food and oleochemical. The Company has determined the cost of raw material and by-products according to the market selling prices.
- 1.4 In 2023, the Company's refined glycerine cost of sales to revenue ratio was increased from 2022 by 25.32% or 40.17%. As a result of the price in the global market decreased, resulting in reduced selling prices due to the demand for products in both domestic and global markets to be saturated. The price of the product into the recession. The buyers are wait-and-see stance. Low profitability.

## ○ 2) Cost of Production Services

In 2023, the Company had cost of production services for 19.18 million Baht and the cost of services to revenue from services ratio was 69.04%. The production services are refining RBD palm oil for edible oil. The refining service's volumes used to share the Company's fixed costs, which help to maintain production cost as low as possible.

### Gross Profit (Loss) Margin

The Company and subsidiaries had realized a gross profit (loss) from sales of goods and services as of 2023, 2022, and 2021 was 147.73 million Baht, 43.25 million Baht, and 541.37 million Baht, where the ratio of gross profit (loss) was 1.80%, 0.56% and 8.42% respectively. The reasons are summarized as follows;

Gross profit (loss) margin	2023		2022		Increase / (Decrease)	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
1. Sales						
Biodiesel	107,903	1.94	(82,484)	(1.78)	190,387	230.82
Raw material and By-products	(13,646)	(0.62)	(31,399)	(1.21)	17,753	56.54
Olein Palm Oil	13,756	7.34	3,603	5.28	10,153	281.75
Refined Glycerine	31,118	11.63	145,970	36.95	(114,852)	(78.68)
<b>Gross profit (loss) from Sales</b>	<b>139,131</b>	<b>1.70</b>	<b>35,691</b>	<b>0.46</b>	<b>103,440</b>	<b>289.82</b>
2. Production services						
Olein Palm Oil	8,598	30.96	173	10.56	8,426	4,876.24
Refined Glycerine	-	-	7,385	20.96	(7,385)	(100.00)
<b>Gross profit (loss) from Production Service</b>	<b>8,598</b>	<b>30.96</b>	<b>7,557</b>	<b>20.50</b>	<b>1,041</b>	<b>13.77</b>
<b>Gross profit (loss) margin</b>	<b>147,729</b>	<b>1.80</b>	<b>43,248</b>	<b>0.56</b>	<b>104,481</b>	<b>241.58</b>

1. Gross profit (loss) margin from Biodiesel as of 2023 and 2022 was 1.94% and (1.78%), which the gross profit margin was increased from 2022 by 230.82% due to the increased in sales volume caused by the adjustment in biodiesel blending ratio to B7 throughout 2023, while the average of CPO price was narrowly fluctuated. So, the Company able to efficiently adjusted its costs to the market prices.
2. Gross profit margin from Edible Oil as of 2023, 2022, and 2021 were 7.34%, 5.28% and 7.10%, which increased by 281.75% where the Company possible to generate profit from this business unit since there were Made to Order according to the awarded bidding that the Company can control margin and CPO's price fluctuation.
3. Gross profit (loss) margin from raw materials and by-products as of 2023, 2022, and 2021 were (0.62%), (1.21%) and (0.72%), which the loss was decreased from 2022 by 56.54% due to the quantity sold was increased. The Company marked-to-market selling price and allocated into cost of each product and by-products. Thus, the market price has continually decreased, therefore the cost of goods sold is higher than the selling price.
4. Gross profit (loss) margin from Refined Glycerine of 2023, 2022, and 2021 were 11.63%, 36.95%, and 43.85%, respectively, which decreased by 78.68%. Due to the selling price in the global market was significantly decreased, which lead to lower gross profit.
5. Gross profit margin from Production service as of 2023 and 2022 were 30.96% and 20.50%, respectively, from refining refined glycerine and RBD palm oil. There was no production services in 2021

## Expenses

The Company and subsidiaries' expenses as of the fiscal year 2023, 2022 and 2021 was 114.44 million Baht, 86.81 million Baht and 124.58 million Baht or accounting for 1.39%, 1.12% and 1.94% of total revenue, respectively. The Company's expense consists of; selling expense were 38.53 million Baht, 28.62 million Baht, and 30.14 million Baht; administration expense were 75.89 million Baht, 79.23 million Baht, and 78.79 million Baht, and financial cost were 0.02 million Baht, 0.17 million Baht, and 0.07 million Baht, and tax expense (income) were none, 1.44 million Baht and (4.61) million Baht, respectively. Besides, there were the (reversal) loss from bad debts of (22.64) million Baht in 2022 and 22.69 million Baht in 2021 with details as the following.

### Selling Expense

The Company and subsidiaries' selling expenses as of the fiscal year 2023, 2022, and 2021 were 38.53 million Baht, 28.62 million Baht and 30.14 million Baht. The ratio to total revenue was 0.47%, 0.37%, and 0.47%, respectively. The Company and its subsidiaries' selling expense are mostly consists of In-land logistic, in 2023 was increased by 9.91 million Baht or 34.63% from 2022. Due to the increased in logistic expense in line with the terms of delivery agreed.

### Administration Expenses

The Company and subsidiaries' administration expenses for the fiscal year 2023, 2022, and 2021 were 75.89 million Baht, 79.23 million Baht, and 78.79 million Baht. The ratio to total revenue was 0.92%, 1.02%, and 1.22%, respectively. The administration expense decreased by 3.24 million Baht or 4.21% as compared 2023 and 2022, due to no employee' welfare-related expenses on COVID-19 preventive action and consultant fee recurring in 2023.



## Financial Cost and Expense (Income) Income Tax

The Company and subsidiaries have financial cost in 2023 of 0.02 million Baht, 2022 of 0.17 million Baht and 0.07 million Baht in 2021 since there was decreased in loaned from financial institutions and used group's working capital instead. While, the Company and subsidiaries have no expense (income) income tax in 2023, but have 1.44 million Baht and (4.61) million Baht in 2022 and 2021, respectively.

### Net Profit (Loss) and Profit (Loss) Margin

The Company and subsidiaries' net profit (loss) of the fiscal year 2023, 2022, and 2021 were 40.27 million Baht, (22.13) million Baht, and 423.62 million Baht. The ratio to revenue was 0.49%, (0.29%) and 6.58%, respectively. In 2023, net profit has increased by 62.42 million Baht from 2022. In 2023, the Company realized the after adjusted EBITDA of 159.21 million Baht, which increased from 73.00 million Baht in 2022 by 86.21 million Baht or 118.09%.

### Return on Equity (ROE)

In accounting period of 2023, 2022 and 2021, the Company and subsidiaries had return on equity (ROE) equal to 1.92, (1.10) and 18.14, respectively. In 2023, the Company and subsidiaries had net profit of 40.27 million Baht; consist of net profit from the Company itself of 53.88 million Baht and retain earning of 380.34 million Baht, in 2022 the Company and subsidiaries had net loss of 22.13 million Baht; consist of net loss from the Company itself of 20.25 million Baht and retain earning of 342.77 million Baht, and while in 2021 had net profit of 423.62 million Baht; consist of net profit from the Company itself of 438.49 million Baht and retain earning of 691.29 million Baht.

The Company had a positive return on equity because realized profit as mentioned in the above. The Company omit to pay a cash dividend for the year 2023 and 2022 from operating performance with the increased appropriated-legal reserved of 49.70 million Baht, which increased by 2.70 million Baht from 47.00 million Baht in accordance with Company's legal reserve policy where reserve not less than 5% of year 2023 profit. While, the Company paid a cash dividend from operating performance of 0.25 baht per share, totaling approximately 327.02 million Baht of the net profit from operating performance after the appropriated-legal reserved, which will be paid from the net profit for the year 2021 that is promoted under BOI.

### Company's Financial Statement

#### Assets

Total assets of the Company as of 31 December 2023 was equal to 2,552.73 million Baht, and as of 31 December 2022 was equal to 2,481.25 million Baht. The important asset transactions resulted in changes of Company's total assets are as follows:

## ○ - Cash and cash equivalent

As of 31 December 2023, the Company and subsidiaries' cash and cash equivalent increased from 2022 by 66.04 million Baht or 64.54%. In 31 December 2023 and 31 December 2022, the Company and subsidiaries had cash and cash equivalent transaction equal to 168.38 million Baht and 102.34 million Baht, or accounting for 6.60% and 4.12% of total assets, respectively. The cash and cash equivalent as of 31 December 2023 and 2022 consist of;

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	30,000	380,000	-	350,000
Cash at banks	168,331,830	101,950,523	152,211,809	88,434,241
High liquid short-term investments	17,645	5,442	17,645	5,442
<b>Total</b>	<b>168,379,475</b>	<b>102,335,965</b>	<b>152,229,454</b>	<b>88,789,683</b>

## ○ - Short-Term Investment

As of 31 December 2023, the Company has short-term investment increased from previous year by 3.32million Baht, or 116.69%.In 2023 and 2022, the Company has short-term investment of 6.16 million Baht and 2.84 million Baht or 0.24% and 0.10% of total assets, respectively. Some of the short-term fixed deposit was released as collateral of credit line from the finance institution.

	Consolidated	
	financial statements	
	2023	2022
<b>Investment measured at amortized cost</b>		
Fixed deposit receipt with a maturity more than 3 months but not over 1 year	3,556,966	279,614
<b>Investment measured at fair value through profit or loss</b>		
Investments in open-end fixed income fund	2,603,253	2,564,547
<b>Total</b>	<b>6,160,219</b>	<b>2,844,161</b>

## ○ - Trade Receivables and Other Current Receivables

As of 31 December 2023, it was equal to 672.55 million Baht and 31 December 2022, it was equal to 538.16 million Baht, which consist of trade receivables 672.44 million Baht and 538.04 million Baht, and other current receivables 0.11 million Baht and 0.12 million Baht, respectively. In 2023, the trade accounts receivable and other current receivable increased from 2022 by 134.40 million Baht or 24.97%, which is consistent with the decreased in credit term between 15-30 days. The Company had policy to determine allowance for doubtful accounts from the estimation of the expected doubtful debts. The management is required to exercise judgment in estimating the expected doubtful



debts on each account receivables. By taking into account the past collection experience, the aging of the debt outstanding, and the expected economic conditions of the group with similar credit risk, etc.

As of 31 December 2023, the Company had trade receivables not yet paid at the total of 672.44million Baht, representing a ratio of 100% of total account receivables which mostly are traders under Section 7 who buy biodiesel from the Company. Such group of customers paid to the Company on schedule. For customers who did not pay for goods to the Company who mostly is receivables that was overdue more than 12 months, arising from Edible Oil since 2018. The management write-off the allowance for doubtful debt of 2.18 million Baht in 2023 since the court considered the case to the end as the debtor does not have the ability to repay the debt. It could be summed up the accounts receivables based on its maturity as of 31 December 2023 and as of 31 December 2022 as follows:

Account Receivables (Unit : Million Baht)	Consolidated Financial Statements As of 31 December 2023	Consolidated Financial Statements As of 31 December 2022
<b>Account receivable</b>		
Undue	672.44	538.04
Overdue for 3 months	-	-
Overdue for 3 months but not over 6 months	-	-
Overdue for 3 months but not over 12 months	-	-
Overdue over 12 months	-	2.18
<b>Total</b>	<b>672.44</b>	<b>540.22</b>
<u>Less Expected credit loss</u>	-	<u>(2.18)</u>
<b>Net Account Receivable</b>	<b>672.44</b>	<b>538.04</b>

In 2023 and 2022, the Company's average collection period were equal to 27 days and 27 days, respectively. The Company determined credit term policy for receiving payments from clients between 15-60 days depending on the type of products and determined debt collection policy for overdue accounts receivable over 30 days through the issuance of a letter of demanding in writing.

## ○ - Inventory

As of 31 December 2023, the Company had inventory of 381.06 million Baht and as of 31 December 2022 of 426.30 million Baht or 14.93% and 17.18% of total assets, which was decreased by 45.25 million Baht or 10.61% due to the 2023's CPO base price was lower than those in 2022.

The inventory consisted of raw materials and chemicals, works in process, finished goods, and miscellaneous, which identified at cost of sale or net realizable value, whichever is the lower by using the weighted average cost method. For the In-process is identified at the weighted average cost; including labor expense and overhead cost. The Company has set an allowance for devalue for deteriorated products and estimated the allowance for diminution and obsolete in the value of inventory. The estimation is based on turnover and deterioration and the market price or replacement cost of different types of inventories. Inventories as of 31 December 2023 and 2022 as follow;

	Consolidated and separate financial statements		Baht
	2023	2022	
Raw materials	119,411,710	154,049,205	
Work in process	123,234,658	126,348,773	
Finished goods	118,218,482	142,026,994	
Supplies	20,194,793	17,879,776	
Total	381,059,643	440,304,748	
Less Allowance for devaluation of inventories	-	(14,000,000)	
<b>Inventories - net</b>	<b>381,059,643</b>	<b>426,304,748</b>	

## ○ - Other current financial assets

The Company's other current financial assets as of 31 December 2023 and 2022 consist of insurance advance payment, advance deposit, suspense input tax, BOI, and advance payment for raw materials equal to 6.35 million Baht and 6.60 million Baht or 0.25% and 0.27% total assets, respectively.

## ○ - Restricted bank deposit

The Company and subsidiary had restricted bank deposit that is used as collateral for credit lines from financial institutions of 50.00 million Baht and for bank guarantees of electricity use for 10.55 million Baht.

## ○ - Land, building, and equipment - net

The items were mainly composed of land and land improvements, building and utilities, and machineries of the refined glycerine plant, furniture and office equipment, vehicles and assets under construction, and installation of the assets. Most of transaction was land, building, and machinery.

In 2023 and 2022 the Company's land, building, and equipment - net was 1,254.05million Baht and 1,346.29 million Baht or equivalent to 42.39% and 45.50% of total assets, which was decreased by 92.22 million Baht or 6.85%.



AIPT has temporarily ceased its business operations since February 2020. AIPT has recorded its depreciation expense in the administration, and the management has assessed the value of property, by using the appraiser to evaluate the fair value of the assets yearly. In 2023, there was no significantly different to the previous appraiser value that was evaluated as of 31 December 2022, where record the reversal of the allowance for impairment in the amount of 17.40 million Baht and realized as other income for 11.40 million Baht and adjusting the value of the remaining assets for 6.00 million Baht.

In 2023 – 2022, the Company and subsidiary had the intangible assets of 1.40 million Baht and 0.44 million Baht or equivalent to 0.05% and 0.02% of total assets, respectively.

#### ○ - Other non-current assets

Other non-current assets consist of withholding tax, advance payment for raw materials, and insurance. In 2023 and 2022, the Company's other non-current assets were 2.17 million Baht and 1.64 million Baht or equivalent to 0.08% and 0.07% of total assets, which increased by 0.52 million Baht or 31.91%.

### Liquidity

Current assets as of 31 December 2023 and 2022, the Company had current assets 1,234.50 million Baht and 1,076.24 million Baht, which increased by 158.26 million Baht or 14.71%. This resulted primarily from increase of current assets; mostly increased in cash and cash equivalent for 66.04 million Baht, trade receivables for 134.40 million Baht, and decreased in inventories for 45.25 million Baht. Meanwhile, the Company's current liabilities had decreased by 28.59 million Baht or 6.14%. In 2023 and 2022, the Company had current liabilities of 437.32 million Baht and 465.92 million Baht which the decreased by the decreasing in trade payables from the decreased in CPO prices.

Regarding changes in current assets and current liabilities as such, the Company's liquidity ratio in 2023 and 2022 were at 2.82 times and 2.31 times and the quick ratio were 1.94 times and 1.38 times respectively, with the increase of the current ratio. Slightly higher liquidity due to decrease in current liabilities, while there an increased in current assets. Considering the Company and subsidiaries' Cash Cycle, in 2023 was equal to 27 days and 2022 was equal to 28, it shown a stable ability to manage working capital. In 2023 and 2022, there is a debt collection period, debt payment period, and inventory period were 27 days and 27 days, 18 days and 23 days, and 18 days and 24 days, respectively.

## Financing Resources

### Liabilities

As of 31 December 2023 and 2022, it was 450.38 million Baht and 476.56 million Baht, which decreased by 26.18 million Baht or 5.49%. The significant changes of liabilities are as follows:

#### ○ Bank overdrafts and short-term loans from financial institutions

As of December 31, 2023 and 2022, the Company and its subsidiaries had no outstanding balance in overdraft and short-term loans from financial institutions. But the credit lines were used and pay back within some point of time. The Company and its subsidiaries receiving credit limit as follows:

Type of credit facilities	Credit limit				<i>Baht</i>	<i>%</i>
	Company		Subsidiary		interest rate	
	2023	2022	2023	2022		
Bank overdraft	10,000,000	10,000,000	-	-	MOR	
Promissory notes/						
Letter of credit/Trust receipt	100,000,000	100,000,000	-	-	MMR	
Forward contract	5,000,000	5,000,000	-	-	-	
Letters of guarantee	10,528,200	5,997,200	20,000	400,000	-	

### Trade Payables and other payables

As of 31 December 2023 and 2022, the Company has trade and other payables of 386.75 million Baht and 417.33 million Baht, representing 15.15% and 16.82% of total liabilities and shareholders' equity respectively. Most of payables were contributed from raw materials purchasing domestically, which the movement is trend to relate with the price of raw materials. Other current payables transaction consisted of asset payables, tax payables, accrued expenses and the receipt of advance payment. Considering average payment period, it was found that the Company has decreased in debt payment period to 18 days in 2023 and 23 days in 2022. This is because the Company has more trade payables from purchasing raw materials with credit term of 7-15 days.

Trade Payables and Other Current Payables (Unit: Million Baht)	Consolidated Financial Statements As of 31 December 2023	Consolidated Financial Statements As of 31 December 2022
Trade payables	356.79	317.67
Other payables	29.96	39.66
<b>Total trade payables and other current payables</b>	<b>386.75</b>	<b>417.33</b>

### Other current payables

In 2023 and 2022, the Company has other current payables of 50.51 million Baht and 47.61 million Baht, representing 1.98% and 1.92%, respectively of the total liabilities and shareholders' equity.



	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Retention	1,012,961	896,418	1,012,961	896,418
Advances received	1,000,000	1,865,951	-	865,951
Value added tax and withholding tax	48,499,531	44,844,348	48,498,745	44,843,632
Others	-	3,721	-	3,721
<b>Total</b>	<b>50,512,492</b>	<b>47,610,438</b>	<b>49,511,706</b>	<b>46,609,722</b>

**Baht**

### ○ Long-term Loan for Financial Institutes

In 2023 and 2022, the Company and subsidiaries had no long-term loans from financial institutions. However, in the past, the Company and its subsidiaries were able to complete the repayment of long-term loans from financial institutions in accordance with the terms of installments.

### ○ Deferred Tax-Net

The Company and subsidiaries do not recognize temporary differences for accumulated losses expire in 2022 - 2026, and temporary differences that have not expired under current tax law as deferred tax assets. This is because there is still uncertainty that the Company and subsidiaries will have sufficient taxable profit to utilize the tax benefits for the transaction and it is not possible to estimate future leverage.

### ○ Provident Fund

The change in the present value of non-current provisions for employee benefits. For the year ended 31 December 2023 and 2022, equal to 13.05 million Baht and 10.58 million Baht, respectively, or equivalent to the ratio of shareholders to liabilities and total shareholders' equity of 0.51% and 0.43%, respectively.

## Liabilities and off-balance sheet management

The Company and its subsidiaries have contingent liabilities and liabilities in the fiscal year 2023 as of 31 December 2023 and 2022 as follows:

1. The Company and subsidiaries have contingent liabilities from letters of guarantee issued by local financial institutions totaling 8.55 million Baht and 6.07 million Baht, consisting of; Letter of guarantee for electricity use, which the Company and subsidiaries have fixed deposits as collateral for full debt obligations.
2. The Company has capital expenditure commitments under the purchase, service and consultant contract agreements, which is service and consultant totaling 0.36 million Baht and 0.43 million Baht, buildings and equipment of 2.55 million Baht and 9.68 million Baht, material and instrument of 33.73 million Baht and 23.38 million Baht, and raw material of 193.87 million Baht and 216.76 million Baht, respectively.

## Shareholders' Equity

As of 31 December 2023, the Company had shareholders' equity of 2,004.69 million Baht and 2,004.69 million Baht as of 31 December 2022, which accounting for 82.36% and 80.79% of total liabilities and shareholder's equity.

As of 31 December 2023 and 2022, the Company's debt to equity ratio 0.21 times and 0.24 times because in 2023 the Company and its subsidiaries had a decrease in liabilities, while the equity has been increased from operating profit and the exercised of AIE-W2 when compared to 2022.

In 2023, the Board of Directors' meeting passed a resolution to approve the profit for legal reserve of 2.70 million Baht, while in 2022 no legal reserve was made since realized net loss. Therefore, as of 31 December 2023, the Company had legal reserve of 49.70 million Baht.

## Cash Flows

In accounting period 2023 and 2022, the Company and subsidiaries had cash flow provided by (used in) operating activities at 51.15 million Baht and 144.44 million Baht, respectively. The Company had the cash flow from operating activities before change in assets and liabilities of 178.33 million Baht in 2023 and 77.03 million Baht in 2022. The cash flow from operating activities in assets and liabilities was increased by 51.15 million Baht and 144.44 million Baht; the short-term investment (decreased) increased of (3.28) million Baht and 50.04 million Baht, and trade payables was (decreased) increased of (33.67) million Baht and (151.04) million Baht. Therefore, in 2023 the Company has lower liquidity than 2022.

The Company and subsidiaries had cash flow from investing activities in the accounting period 2023 and 2022 of 42.28 million Baht and 20.20 million Baht. The investing activities in 2023 consist of; the increasing in short-term investment of 3.28 million Baht, and the increasing in investment in building and machineries and intangible assets of 39.57 million Baht. The investing activities in 2022 consists of the decreasing in short-term investment of 50.04 million Baht, and the increasing in investment in building and machineries and intangible assets of 70.24 million Baht.

The Company and subsidiaries have net cash flow from (used) financing activities in accounting period 2023 and 2022 were 57.17 million Baht and (308.61) million Baht, respectively. As a result of cash dividend of (0.01) million Baht and (326.79) million Baht, repayment on lease contract of (0.21) million Baht and (0.21) million Baht, and finance costs of (0.01) million Baht and (0.05) million Baht, respectively. Whilst in 2023 and 2022, the Company had cash flow from exercise AIE-W2 of 57.40 million Baht and 18.54 million Baht.

From the cash flow statement, it shows that in the year 2023, the Company and subsidiaries had cash received from operations of 51.15 million Baht, which decreased by 93.29 million Baht from 2022. In 2023, the used in investing activities was 42.28 million Baht, which increased by 22.08 million Baht from 2022. In 2023, there was a received in financing activities of 57.17 million Baht, while in 2022, there was a used in financing activities of 308.61 million Baht. As of 31 December 2023, cash and cash equivalents were 168.38 million Baht, and of 102.34 million Baht as of 31 December 2022.



# 5.

## General Information

### and Other Key Information

## 5.1 General Information



### 5.1.1 Company's General Information

Company's Name	AI Energy Public Company Limited
Stock Code	AIE
Registration No.	0107556000311
Registered Capital	1,569,682,166 Baht, consist of common stocks 1,569,682,166 shares at 1 Baht / share
Paid-up Capital	1,384,014,009 Baht
Company registration date	4 October 2006
Public Company listing date	9 May 2013
First trading date on mai.	6 January 2014
First trading date on SET	11 November 2021
Type of business	Manufacture and distribution of Biodiesel and Palm Olein from crude palm oil, Refined Glycerine
Personnel headcount	190 as of December 31 <sup>st</sup> , 2023
Head Office and Factor	55/2 Moo 8 Sethakit 1 Road, Klongmadua, Krathum Baen, Samut Sakhon 74110 Telephone: +66 34 877-485-8 Facsimile: +66 34 877-491-2
Webiste	www.aienergy.co.th
Email	aienergy@aienergy.co.th
Investor Relations	Telephone: +66 34 877-485-8 Facsimile: +66 34 877-491-2 Email: ir@aienergy.co.th LINE ID: AIE-IR

### 5.1.2 Subsidiaries' General Information

Company's Name	AI Ports and Terminals Company Limited ("AIPT")
Registration No.	0105550040092
Registered and Paid-up Capital	460,000,000 Baht, consist of common stocks 46,000,000 shares at 10 Baht / share
Company registration date	10 April 2007
Type of business	Provides the service of ports and the storage tanks for petroleum, crude palm oil, and lubricant oil. (Temporary cease operation)
Head Office address	254 Seri Thai Road, Kannayaow, Bangkok 10230 Telephone: +66 2 540-2528 Facsimile: +66 2 517-1465
Branch address	1/9 Moo 1, Had Sairee, Amphur Mueng, Chumphon 86120 Telephone: +66 77 522-709-10 Facsimile: +66 77 522-711
Relationship with the Company	- AIPT is subsidiary of the Company, with stakeholder of 99.99% of the registered capital of 460 million Baht - There are common directors; Mr.Narong Thareratanavibool and Mr.Thanit Thareratanavibool who take a position as Managing Director

### 5.1.3 Other References

Securities Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400 Telephone: +66 2 009-9000 Facsimile: +66 2 009-9991 Website: www.set.co.th/tsd
Auditors	1. Mr. Banjong Pitchayaprasant Certified Public Accountant No. 7147 2. Mr. Kraisit Silpamongkongkul Certified Public Accountant No. 9429, or 3. Miss Khemanan Jaichuen Certified Public Accountant No. 8260, or 4. Miss Varaphon Kanjanaradsamechoti Certified Public Accountant No. 9927, or 5. Miss Orawan Suwanhirunchoti Certified Public Accountant No. 11145, or



#### Internal Audit

6. Mr. Chaiwat Sae-Tiao Certified Public Accountant  
No. 11042

#### **Siam Truth Audit Company Limited.**

333 Precha complex building A, 8th floor, Ratchadaph-  
isek Rd,

Samsen Nok, Huai Khwang, Bangkok 10310

Telephone: +66 2 645-0109 Facsimile: +66 2 645-0110

Website: www.siamtruth.com

Miss Piyamas Ruangsangrob Certified Public  
Accountant No. 7133

#### **Honor Audit and Advisory Co., Ltd.**

518/5, 8th Floor Maneeya Center Building,

Ploenchit Road Lumpini, Pathumwan,

Bangkok 10330

Telephone: +66 2 684-1299 Facsimile: +66 2 652-0791

Website: www.honoraudit.com

#### Legal Consultant

The Art of Law (Law Office) Co., Ltd.

249/1 Soi Ladprao 87, Chao Khun Sing,

Wang Thonglang, Bangkok 10310

Telephone: +66 2 932-0842

## 5.2 Other Key Information

-None-

## 5.3 Legal Disputes

As of 31<sup>st</sup> December 2023, the Company has no legal disputes that may have a material adverse effect on the Company's business operations. The Company does not have any legal disputes that may have a negative impact on the Company's assets with an amount greater than 5% of the shareholders' equity.

## 5.4 Secondary Market

-None-

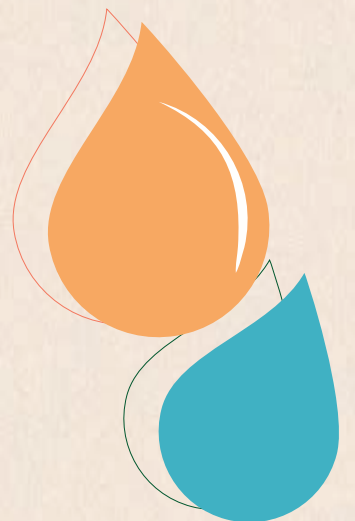
## 5.5 Financial institutions that are regularly contacted

-None-



# Section 2

## Corporate Governance





# 6.

## Corporate Governance Policy

### 6.1 Overview of CG Policy and Guidelines

The Company has a policy to follow the principles of good corporate governance by disclosure information and news for the shareholders, investors and related persons to make investment decisions through various channels for the long-term benefit of stakeholders. This includes establishing a Code of Business Ethics and Code of Conduct to guide the duties of directors and executives to comply with the Code of Best Practice for in order to comply with good corporate governance principles according to the guidelines of the Stock Exchange of Thailand. The essence of corporate governance as follows:

#### Principle 1 : Establish Clear Leadership Role and Responsibilities of the Board

##### Principle 1.1

The board will understand its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance, including:

- (1) defining objectives;
- (2) determining means to attain the objectives; and
- (3) monitoring, evaluating, and reporting on performance.

##### Principle 1.2

The board will exercise its leadership role and pursue the following governance outcomes:

- (1) competitiveness and performance with long-term perspective;
- (2) ethical and responsible business;
- (3) good corporate citizenship and develop less impact on environment; and
- (4) corporate resilience.

The Board of Directors will adhere to the following practices for supervising the Company to lead to good corporate governance results.

- 1.2.1 In evaluating the performance of the Company, the board would not only consider the company's financial results but also take into account non-financial performance such as its ethical performance and impact on stakeholders, society and the environment.
- 1.2.2 The board assume a leadership role in creating and driving a culture of compliance and ethical conduct throughout the Company, and lead by example.
- 1.2.3 The board ensure the creation of written policies and guidelines, such as a corporate governance policy, codes of ethics, and business conduct, applicable to all directors, executives, employees and staff of the Company.
- 1.2.4 The board ensure effective implementation including regular communication of the Company's policies and guidelines to all directors, executives, employees and staff. The board will apply adequate mechanisms are in place for monitoring, reviewing and reporting compliance with the Company's policies and guidelines.

### Principle 1.3

The board will ensure that all directors and executives perform their responsibilities in compliance with their fiduciary duties, and that the company operates in accordance with applicable law and standards. The board is responsible for the implementation of adequate systems and controls to ensure that the Company complies with applicable law and standards for specified matters and the shareholders meeting's resolution, including material investment, related party transaction, acquisition/disposal of assets, and dividend payment decisions.

### Principle 1.4

The board demonstrates a thorough understanding of the division of board and management responsibilities. The board is clearly defining the roles and responsibilities of management and monitor management's proper performance of its duties.

- 1.4.1 The board has adopted a written policy so called "Charter" that clearly sets out the roles and responsibilities of the board and management. For reference in the performance of duties of all directors and will conduct regularly review a Charter at least once a year, including reviewing the division of roles and duties of the board, managing director, and management with the direction of the organization.
- 1.4.2 The board is responsible and accountable for the overall affairs of the Company but may delegate day-to-day management duties. The board must provide written directions to management that clearly set out management's responsibilities and monitoring. The division of board, managing director, and management's responsibilities are as follow;

- **Matters for which the board has primary responsibility:**

Refers to matters for which the Board is the primary responsibility for the proper implementation of the matters, the board may assign management to propose matters for consideration which includes the following matters.

- a) Defining objectives and business model.
- b) Developing culture of compliance and ethical conduct, and lead by example.
- c) Strengthening an effective board structure and practices conducive for achieving the Company's objectives.
- d) Ensuring suitable managing director selection, remuneration, development, and performance evaluation.
- e) Ensuring appropriate compensation architecture that supports achievement of the Company's objectives.

- **Matters involving shared responsibility of the board and management:**

Refers to matters that the board, managing director, and management will consider together by the management proposes to the board for approval. The board, then supervise the overall policy to be consistent with the Company's goal and objective. The board also assigns the management to be carried out the monitoring and report periodically as appropriate, which includes the following matters.

- a) Formulating and reviewing policies and strategies, plans and targets yearly.
- b) Ensuring robust system for risk management and internal control.
- c) Clearly defining management's responsibilities.
- d) Overseeing appropriate resource allocation and budgeting, including HR and IT.
- e) Monitoring and evaluating financial and non-financial corporate performance
- f) Ensuring integrity of financial and non-financial information disclosures.



### ○ Matters that the board should delegate or not get involved with:

Refers to matters that the board will oversee at the policy level and assign managing director and management as the main responsible for the implementation, which includes the following matters

- a) Management (Execution) in accordance with strategies, policies, plans approved by the board. The board should leave the management in charge of decisions making such as procurement and human resource management, etc. in accordance with the established policy framework and monitoring results. Without interfering with the decision unless there is a need.
- b) Not getting involved in or influencing matters in which a director may have conflict of interests.

## Principle 2 : Define Objectives that Promote Sustainable Value Creation

### Principle 2.1

The board will define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the Company as well as for all stakeholders.

- 2.1.1 The board will ensure that the Company has clearly defined objectives that support the Company's business plan and company-wide communication of the objectives, for instance, in the form of the Company's vision and values, or principles and purposes.
- 2.1.2 When developing the business plan for sustainable value creation, the board should take into consideration the following factors:
  - (1) The Company's ecosystem, including changes to business conditions and opportunities, and the company's effective use of innovation and technology.
  - (2) Customers and other stakeholders.
  - (3) Available resources and competitiveness of the Company.
  - (4) The purposes of the company.
  - (5) The Company main products and customers.
  - (6) The Company's value proposition.
  - (7) The Company achieve sustainability considering opportunities and risks.
- 2.1.3 The Company's values should reflect characteristics of good corporate governance, such as accountability, integrity, transparency, and due consideration of social and environmental responsibilities.
- 2.1.4 The board will promote a good corporate governance culture and strive to have the Company's objectives embedded in company-wide decision-making and conduct through effective communication and leading by example.

### Principle 2.2

The board will ensure that the Company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilizing innovation and technology effectively.

- 2.2.1 The board will ensure that the company's annual objectives, goals, strategies, and plans correlate and align with the Company's long-term objectives, while considering the business environment, opportunities, and the Company's risk appetite. The board may ensure that the Company's medium-term (3 years) objectives, goals, strategies, and plans are annually reviewed and updated as appropriate.

- 2.2.2 The board may ensure that the Company's strategies and plans take into account all relevant factors influencing the value chain, including the Company's ecosystem, risks, resources, competitiveness, and stakeholders. The board may ensure that a mechanism for stakeholder engagement is in place that;
- (1) Clearly defines stakeholder engagement policies, procedures, and practices that enable the Company to identify and assess the interests of each stakeholder group.
  - (2) Clearly identifies stakeholder groups including individuals, groups, and entities, such as employees and staff, investors, customers, business partners, communities, society, environment, government agencies and regulators.
  - (3) Identifies, prioritizes and addresses stakeholder concerns and expectations, considering their level of importance and potential impact on the Company.
- 2.2.3 When developing strategies and plans, the board may promote innovation and the use of technology to enhance competitiveness, respond to stakeholder concerns and expectations, and meet social and environmental responsibilities.
- 2.2.4 In considering the approval of the Company's targets (financial and non-financial), the board would ensure that they are suitable to the Company's business profile, and they do not cause the Company to engage in illegal or unethical conduct.
- 2.2.5 The board would ensure effective communication of the Company's objectives, goals, strategies, plans, and targets throughout the Company.
- 2.2.6 The board may ensure proper resource allocation and effective systems and controls, and monitor the implementation of the Company's strategies and plans.

## Principle 3 : Strengthen Board Effectiveness

### Principle 3.1

The board has responsibility in determining and reviewing the board structure, in terms of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieving the Company's objectives.

- 3.1.1 The board may establish a skills matrix to ensure that the board consists of directors with appropriate and the necessary qualifications, knowledge, skills, experience, character traits, with an appropriate gender and age balance and diversity to achieve the objectives of the company and stakeholder interests. At least one of the non-executive directors should be experienced and competent in the Company's main industry.
- 3.1.2 The board may determine the proper number of directors to function effectively. It must comprise at least 5 directors and more than half of the board reside in Thailand.

### The Board of Director's Structure

The Board of Directors consists of 6 members who fully experienced and qualified, have significant role in established policy and strategy of the Company. As well as review and monitor the Company's performance as follows;

#### **1. Board of Directors**

The Board of Directors consists of 6 members who fully experienced and qualified, have significant role in business.

- 1.1 Executive Directors 3 persons;



1.1.1	Mr.Narong Thareratanavibool	Chairman
1.1.2	Mr.Thanit Thareratanavibool	Vice Chairman
1.1.3	Miss Pimwan Thareratanavibool	Director

1.2 Independent Directors and Non-Executive Directors 3 persons;

1.2.1	Mr.Damrong Joongwong	Chairman of Audit Committee
1.2.2	Mr.Choti Sontiwattananont	Audit Committee
1.2.3	Mr.Sampan Hunpayon	Audit Committee

Directors have an important role in business operations; therefore, any important agendas and resolutions must be approved by the Board of Directors or the shareholders' meeting (Depending on the case). The Directors shall not entitle to vote on such transaction which they or persons have a conflict of interest.

- 3.1.3 The proportion between executive directors and non-executive directors should support proper checks and balances to prevent unfettered power of decision and authority by any one individual, whereby;
- The majority of the board consist of non-executive directors, who exercise objective and independent judgement.
  - The number and qualifications of the independent non-executive directors should reflect applicable legal requirements. The independent directors and the entire board can fulfil its role and responsibilities efficiently and in the best interest of the Company while exercising objective and independent judgement.
- 3.1.4 The board may explicitly disclose in the Company's 56-1 One Report and on the website its diversity policies and details relating to directors, including directors' age, gender, qualifications, experience, shareholding percentage, years of service as director, and director position in other listed companies.

### Principle 3.2

The board may select an appropriate person as the chairman and ensure that the board composition serves the best interest of the Company, enabling the board to make its decisions as a result of exercising independent judgement on corporate affairs.

- 3.2.1 The chairman's roles and responsibilities are different from those of the managing director. The board would clearly define the roles and responsibilities of both positions. To ensure effective checks and balances of power, the two positions are held by different individuals.
- 3.2.2 The chairman is responsible for leading the board. The chairman's duties are at least cover the following matters;
- Oversee, monitor, and ensure that the board efficiently carries out its duties to achieve the Company's objectives.
  - Ensure that all directors contribute to the Company's ethical culture and good corporate governance.
  - Set the board meeting agenda by discussing with the managing director which important matters should be included.
  - Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company.
  - Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.



- 3.2.3 The chairman is not an independent director, the chairman and the managing director are family members, the board may ensure the balance of power and authority of the board and between the board and management by;
- (1) having the board comprise a majority of independent directors, or
  - (2) appointing a designated independent director to participate in setting the board meeting agenda.
- 3.2.4 The board has established the policy that the tenure of an independent director should not exceed a cumulative term of nine (9) years from the first day of service. Upon completing nine years, an independent director may continue to serve on the board, subject to the board's rigorous review of his/her continued independence.
- 3.2.5 The board may appoint relevant sub-committees to review specific matters, to screen information, and to recommend action for board approval; however, the board remains accountable for all decisions and actions.
- 3.2.6 The board may disclose the roles and responsibilities of the board and the sub-committees, the number of meetings and the number of directors participating in meetings in the previous year, board and sub-committee performance.

### Principle 3.3

The board should ensure that the policy and procedures for the selection and nomination of directors are clear and transparent resulting in the desired composition of the board.

- 3.3.1 The board will set the nomination criteria and process consistent with the skills matrix approved and ensure that the candidate's profile meets the requirements set out in the skills matrix and nomination criteria. Upon proposal to and approval, the candidate is presented to the shareholders' meeting for election and appointment as a director. Shareholders may receive adequate prior notice and sufficient information about candidates up for election at the shareholders' meeting.
- 3.3.2 The board may review a description of the nomination criteria and process, and role and responsibilities of a particular appointment before nominating new directors. If the board nominates current directors, their performance should be considered.
- 3.3.3 If the board appoints any person as a consultant regarding to the nomination, relevant information about that consultant should be disclosed in the annual report, including information about independence and conflicts of interest.

### Principle 3.4

When proposing director remuneration to the shareholders' meeting for approval, the board may consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to their individual and company performance, and provide incentives for the board to lead the Company in meeting its objectives, both in the short and long term.

- 3.4.1 The board is responsible for setting the remuneration policy.
- 3.2.2 The remuneration of the board shall be consistent with the Company's strategies and long-term objectives, and reflect the experience, obligations, scope of work, accountability and responsibilities, and contribution of each director. The remuneration is comparable to industry practice.
- 3.4.3 Shareholders must approve the board remuneration structure, including level and pay components (both cash-based and non-cash compensation). The board may consider the appropriateness of each pay component, both in terms of fixed rates (such as retainer fee and attendance fee) and remuneration paid according to the Company's performance



(such as bonus and rewards). The remuneration should reflect the values that the Company creates for shareholders, and the pay level should not be too high so as to avoid the board excessively focusing on the company's short-term results.

- 3.4.4 The board shall disclose the directors' remuneration policy that reflects the duties and responsibilities of each individual, including the pay components and level received by each director. The remuneration disclosed for each director should also include remuneration for what each individual receives from holding directorship at the Company's subsidiaries (if any).
- 3.4.5 If the board appoints any person to consult regarding to the remuneration, that consultant's information shall be disclosed in the annual report, including information regarding independence and any conflicts of interest.

**Noted:** There is no remuneration for sub-committees; the executive director committee and the risk management committee.

### Principle 3.5

The board may ensure that all directors are properly accountable for their duties, responsibilities and allocate sufficient time to discharge their duties and responsibilities effectively.

- 3.5.1 The board may ensure that there is a mechanism to support directors in understanding their roles and responsibilities expected from them.
- 3.5.2 The board may set and publicly disclose criteria limiting the number of director positions directors can hold simultaneously in other companies, and consider the effectiveness of directors who hold multiple board seats. The number of companies of which a person can simultaneously be a director should be appropriate to the nature and types of businesses involved but should not exceed five listed companies.
- 3.5.3 The board may ensure reporting and public disclosure of directors assuming or holding positions at other companies.
- 3.5.4 The board may ensure that the Company's policies prohibit and prevent a director from creating a conflict of interest with the Company, including by using the Company's assets, information or opportunities for his or her own benefit, as a result of having or taking a director or management position, or having or creating vested interests, both directly and indirectly, in other companies. Information about a director's other directorships and positions should be reported to shareholders, as appropriate.
- 3.5.5 Each director will attend not less than 75 percent of all board meetings in any whole financial reporting year.

### Principle 3.6

The board may ensure that the Company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate.

- 3.6.1 The board may ensure that the Company's governance framework and policies extend to its subsidiaries, including written policies relating to;
  - (1) The authority to appoint subsidiary directors, executives, or others with controlling power. Generally, the board have the authority to appoint those persons, except that for smaller operating subsidiaries, the board may delegate this authority to the executive director committee.
  - (2) The duties and responsibilities of subsidiary directors, executives and others with controlling power. They are to oversee the subsidiaries' operations to ensure compliance with applicable law and standards, and the subsidiaries' policies. If the Company's subsidiary has investors



other than the Company, the board should require the Company's appointed representative to perform his/her role in the subsidiary's best interest and consistent with the governance framework and policies of the Company.

- (3) The subsidiary's internal control systems are effective and that all transactions comply with relevant law and standards.
- (4) The integrity and timely disclosure of the material information of the subsidiary, including its financial information, related party transactions, acquisition and disposition of assets and other important transactions, capital increases or decreases, and termination of a subsidiary.

3.6.2 For businesses that the Company has or plans to hold a significant investment in (such as between 20 percent and 50 percent of shares with voting rights), other than subsidiaries, the board shall ensure that shareholder agreements or other agreements are in place to enable the Company's performance monitoring and participation in the businesses' management, including for approval of significant transactions and decisions. This is to ensure that the Company has sufficient, accurate, and timely information for the preparation of its financial statements that conform with relevant standards.

### Principle 3.7

The board shall conduct a formal annual performance evaluation of the board, its committees, and each individual director. The evaluation results will be used to strengthen the effectiveness of the board.

- 3.7.1 The board's, committee's and individual directors' performance evaluation shall be conducted at least once a year to facilitate consideration and improvement of the board's performance and effectiveness and resolution of any problems. Assessment criteria and process for the board's, committees' and directors' performance should be systematically set-in advance.
- 3.7.2 The annual assessment of the performance of the board and committees as a whole and on an individual director level should be based on self-evaluation, or alternatively, on cross-evaluation together with self-evaluation. The criteria, process, and results of the evaluation should be disclosed in the annual report.
- 3.7.3 The Company might appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment at least once every three years. This information should be disclosed in the annual report.
- 3.7.4 The evaluation results will be used for ensuring that the directors collectively possess the right combination of knowledge, skills, and experience.

### Principle 3.8

The board may ensure that the board and each individual director understand their roles and responsibilities, the nature of the business, the Company's operations, relevant law and standards, and other applicable obligations. The board shall support all directors in updating their skills and knowledge necessary to carry out their roles on the board.

- 3.8.1 The board will ensure that newly appointed directors receive a formal and proper induction and all information relevant to their responsibilities and performing their duties, including details about the Company's objectives, the nature of the business, and the Company's operations.
- 3.8.2 The board will ensure that directors regularly receive sufficient and continuous training and knowledge development. The courses the directors will participate at least should be those held by the Thai Institute of Directors, for examples, Directors Certification Program (DCP) and Directors Accreditation Program (DAP).



- 3.8.3 The board would have knowledge and understanding of relevant law and standards, and other applicable obligations, risk factors, and the Company's business environment. The board shall receive accurate, timely and clear information, including timely and regular updates.
- 3.8.4 The board shall disclose in the annual report training and knowledge development of the board.

### Principle 3.9

The board will ensure that it can perform its duties effectively and have access to accurate, relevant and timely information. The board has appointed a company secretary with necessary qualifications, knowledge, skills, and experience to support the board in performing its duties.

- 3.9.1 The board's meeting schedule and agenda shall be set in advance and each director should receive sufficient notice to ensure attendance.
- 3.9.2 The number of board meetings should be appropriate to the obligations and responsibilities of the board and nature of the business, but the board shall meet at least five (5) times per financial year. If the board meetings are not held monthly, the board should receive a report on the Company's performance for the months in which the board does not hold a meeting, so that it can monitor management and company performance continuously and promptly.
- 3.9.3 The board have a mechanism that allows each board member and management to propose the inclusion of relevant items on the meeting agenda.
- 3.9.4 Meeting documents should be sent to each director at least seven (7) business days before the meeting, except in the case of urgent need to protect the rights or benefits of the Company, the meeting may be called by other methods and the meeting date may be set earlier.
- 3.9.5 The board may encourage the managing director to invite key executives to attend board meetings to present details on the agenda items related to matters that they are directly responsible for, and to allow the board to gain familiarity with key managements and assist succession plan.
- 3.9.6 The board shall have access to accurate, relevant, timely and clear information required for their respective roles from the managing director, company secretary, or designated management. If necessary, to discharge their responsibilities, the board may seek independent professional advice at the Company's expense.
- 3.9.7 Non-executive directors shall be able to meet, as necessary, among themselves without the management team to debate their concerns and report the outcome of their meeting to the Company's managing director.
- 3.9.8 The board shall appoint a company secretary with the necessary qualifications, knowledge, skills, and experience for performing his/her duties, including providing advice on corporate governance, legal, regulatory and administrative requirements, preparing board meetings and other important documents, supporting board meetings, and coordinating the implementation of board resolutions. The board may disclose the qualifications and experience of the company secretary in its annual report and on the Company's website.
- 3.9.9 The company secretary shall receive ongoing training and education relevant to performing his/her duties. The company secretary is also encouraged to enroll on a company secretary certified programmed.

## Principle 4 : Ensure Effective Managing Director and People Management

### Principle 4.1

The board may ensure that a proper mechanism is in place for the nomination and development of the managing director and key managements to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the Company to achieve its objectives.

- 4.1.1 The board shall establish the criteria and procedures for nomination and appointment of the managing director.
- 4.1.2 The board shall ensure that the managing director appoints knowledgeable, skilled, and experienced key managements. The executive director committee together with the managing director shall establish the criteria and procedures for nomination and appointment of key managements.
- 4.1.3 To ensure business continuity, the board shall ensure that succession plans for the managing director and key management are in place. The board shall annually request reporting on the implementation of the development and succession plans from the managing director.
- 4.1.4 The board shall promote continuous development and education of the managing director and key management that is relevant to their roles. The Company requires the person that taking the highest responsibility in finance and accounting (Chief Financial Officer: CFO) (Managing Director) and the person supervising accounting (Chief Accountant) (Accounting and Finance Manager) must train in continuing development course in accounting knowledge 6 hours per year from 2019 onwards, to meet the qualifications specified by SEC that was announced on 11 July 2017.
- 4.1.5 The board shall establish set clear policies and guidelines for the managing director and key managements serving as a director in other companies. The policies should set out permissible appointments and the permissible number of companies in which they are allowed to simultaneously serve as a director.

### Principle 4.2

The board shall ensure that an appropriate compensation structure and performance evaluation are in place.

- 4.2.1 The board has delegated the executive director committee to establish the compensation structure rewards individual performance, incentivizes the managing director and key managements to act in support of the Company's objectives and values, and fosters long-term commitment.
- 4.2.2 The board has delegated the executive director committee to ensure that clear and predetermined performance evaluation criteria are in place for key managements and monitoring the managing director evaluate the executive managements throughout the Company's objectives and values.

### Principle 4.3

The board shall consider its responsibilities in the context of the Company's shareholder structure and relationships, which may impact the management and operation of the Company.

- 4.3.1 The board should understand the Company's shareholder structure and relationships, and consider their impact on the control over the Company, including shareholder agreements, or group company policies.



- 4.3.2 The board shall ensure that the Company's shareholder structure and relationships that stated in 4.3.1 do not affect the board's exercise of its duties and responsibilities, including in relation to succession planning, in the best interest of the Company.
- 4.3.3 The board shall oversee that information is properly disclosed when there are any conditions that have an impact on the control over the Company.

#### Principle 4.4

The board shall ensure the Company has effective human resources management and development programs to ensure that the Company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.

- 4.4.1 The board shall ensure that the Company is properly staffed, and that human resources management aligns with the Company's objectives and furthers sustainable value creation.
- 4.4.2 The board shall ensure that the Company establishes a provident fund or other plan, and require management to implement a training program for employees and staff that promotes financial literacy, including on retirement savings, and educates employees and staff on life path investments that are suitable for their age and risk appetite.

### Principle 5 : Nurture Innovation and Responsible Business

#### Principle 5.1

The board should prioritize and promote innovation that creates value for the Company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the Company.

- 5.1.1 The board shall prioritize and promote a corporate culture that embraces innovation and ensure management's inclusion of innovation in corporate strategy, operational development planning, and operation monitoring. The Company is part of the Roundtable on Sustainable Palm Oil (RSPO), producing sustainable and environmentally friendly palm oil. Palm fruit must be planted on land with right documents and strictly abide by labor laws. There is against soil, water, the environment, such as using chemicals sparingly as appropriate. The Company provides support by joining as a member and receiving RSPO certification, including purchasing some crude palm oil from trading partners and sell edible oil to customers who are also RSPO certified throughout the chain.
- 5.1.2 The board shall nurture innovation that enhances long-term value creation for the business in a changing environment. Such innovation may include designing innovative business models, products and services, promoting research, improving production and operation processes, and collaborating with partners. Innovation should create benefits for the company, customers, business partners, the community, society and the environment. In addition, innovation should not facilitate or result in unethical, non-compliant or illegal conduct. The Company is currently studying the possibility in developing production processes to reduce the maximum contamination value of 3-MCPD and Glycidyl fatty acid esters (GE) in palm oil that is directly consumed or used as an ingredient in other foods. In the criteria that The European Food Safety Authority (EFSA) establishes and accepts these substances are produced from the distillation process and processed at temperatures above 200 degrees Celsius to remove the color, odor and acid, which are the causes of rancid odor. Both substances cause damage to the genetic material, especially the highest risk group is new-born baby group, which is likely to have high doses of 3-MCPD from the use of palm oil in the production of infant formula.

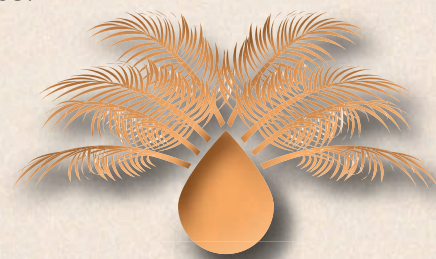


## Principle 5.2

The board shall encourage management to adopt responsible operations, and incorporate them into the Company's operations plan. This is to ensure that every department in the Company adopts the Company's objectives, goals, and strategies.

5.2.1 The board shall encourage management to ensure that the Company's operations reflect the Company-wide implementation of high ethical, environmental and social standards and ensure that appropriate company-wide policies and procedures are implemented to further the Company's objectives, goals and strategies in support of sustainable value creation. Policies and procedures shall at least cover;

- (1) Responsibilities to employees and workers at least by adhering to applicable law and standards and providing fair treatment and respect for human rights, including a fair level of remuneration and other benefits, a level of welfare that is not less than the legal limit (but can be over the legal limit where appropriate), health care, and safety in the workplace, access to relevant training, potential skills development and advancement.
- (2) Responsibilities to customers at least by adhering to applicable law and standards, considering impact on health, safety of products and services, customer information security, sales conduct, after-sales service throughout the lifespan of products and services, and following up on customer satisfaction measurements to improve the quality of products and services. In addition, advertising and public relations should promote responsible consumption and must be done responsibly, avoiding taking advantage of misleading customers about the products and services offered by the Company.
- (3) Responsibilities to business partners by engaging in and expecting fair procurement and contracting, including fair contract or agreement conditions, providing access to training, developing potential and enhancing production and service standards in line with applicable law and standards, and expecting business partners to respect human rights, social and environmental responsibilities, and treat their employees and workers fairly including ensuring that business partners have implemented sustainable and values-based business policies and procedures.
- (4) Responsibilities to the community by applying business knowledge and experience to develop and follow upon the success of projects that can concretely add value to the community while respecting community interests.
- (5) Responsibilities to the environment by preventing, reducing and managing negative impact on the environment from all aspects of the Company's operations, including in the context of raw material use, energy use (in production, logistic, and office), water use, renewable resources use, waste management, and greenhouse gas emissions.
- (6) Fair competition by promoting ethical business conduct and not using anti-competitive practices to gain or protect a market position.
- (7) Anti-fraud and corruption by ensuring that the Company complies with applicable anti-fraud and corruption law and standards, and implements, announces and reports on anti-fraud and corruption policies and practices to the public, including on its participation in private sector anti-corruption initiatives and certification programs. The board shall encourage the Company to collaborate with other companies and business partners to establish and implement anti-fraud and corruption measures.





### Principle 5.3

The board shall ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the Company to meet its objectives.

- 5.3.1 The board shall have a thorough understanding of the Company's resource needs to support its business model, and how available resources correlate.
- 5.3.2 The board shall have a thorough understanding of how the business model affects resources optimization in support of ethical, responsible, and overall sustainable value creation.
- 5.3.3 The board shall ensure that management continuously reviews, adapts, and develops the Company's use and optimization of resources, considering internal and external factors to meet the Company's objectives.

The types of resources that the Company should consider include financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, and natural capital.

### Principle 5.4

The board shall establish a framework for governance of enterprise IT that is aligned with the Company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the Company's objectives.

- 5.4.1 The board shall ensure that the Company has an IT resource allocation policy that ensures adequate and optimal investment in and allocation of IT resources.
- 5.4.2 The board shall ensure that the Company's risk management includes IT risk management.
- 5.4.3 The board shall ensure that IT security policies and procedures are in place. The Company's governance of enterprise IT should cover.
  - (1) Compliance with relevant law and standards.
  - (2) An information security system to safe guard against unauthorized access to information, measures to maintain the integrity of relevant data and ensure availability of critical data.
  - (3) Consideration of IT risks and risk mitigation policies, plans, and measures. For example, business continuity management, IT security, incident management, and IT asset management.
  - (4) Proper allocation and management of IT resources, including criteria to identify IT priorities, that takes into consideration the Company's business model.

## Principle 6 : Strengthen Effective Risk Management and Internal Control

### Principle 6.1

The Board shall ensure that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company's objectives, goals and strategies and comply with applicable law and standards.

- 6.1.1 The board shall aware of and understand the nature and scope of the Company's principal and substantial risks and may approve the risk appetite of the Company.
- 6.1.2 The board shall establish and implement the risk management policies that are consistent with the Company's goals, objectives, strategies and risk appetite. The risk management policies are supported the identification and prioritization of early warning signals of material risks. The risk management policies will be reviewed annually.

- 6.1.3 The board shall ensure that the Company's principal and substantial risks are identified through consideration of internal and external factors. The main risks that the board will pay attention to can be divided into Strategic Risk, Operational Risk, Financial Risk, and Compliance Risk, etc.
- 6.1.4 The board shall ensure that the impact and likelihood of identified risks are assessed and prioritized, and that suitable risk mitigation strategies and plans are in place.
- 6.1.5 Considering the size and nature of the Company, the board may delegate the executive director committee and risk management committee to assist the board in its oversight functions related to guidelines nos. 6.1.1 – 6.1.4.
- 6.1.6 The board shall regularly monitor the effectiveness of the Company's risk management quarterly.
- 6.1.7 The board has to ensure and monitor that the Company complies with relevant and applicable law and standards, whether domestic and international.
- 6.1.8 In assessing the effectiveness of the Company's internal controls and risk management, the board shall consider the results of internal controls and risk management at its subsidiaries and businesses in which it has a significant investment (between 20 percent to 50 percent of shares with voting rights). The board will take part of the results of internal control system assessment and risk management as part of the consideration under nos. 6.1.1-6.1.7.

## Principle 6.2

The board has established an audit committee that can act effectively and independently.

- 6.2.1 The board has established an audit committee that comprises at least three (3) directors, all of whom must be independent directors, with required qualifications, and comply with applicable legal requirements, including those promulgated by the Securities and Exchange Commission and Stock Exchange of Thailand.
- 6.2.2 The board has clearly set out in writing the audit committee's duties and responsibilities, and include at least in the charter of audit committee.
- 6.2.3 The board shall ensure that procedures are established that allow the audit committee to fulfil its duties and responsibilities, including by having access to management, employees and staff, professional advisers (such as external auditor), and information relevant and necessary to perform their duties.
- 6.2.4 The board has designated an internal auditor, who is an independent internal audit function that is responsible for reviewing and improving the effectiveness of the risk management and internal control systems, and reporting review results to the audit committee quarterly. The result of the internal audit review must be disclosed in the Company's Annual report.
- 6.2.5 The audit committee shall express its opinion on the adequacy of the Company's internal control and risk management systems, and disclose its opinion in the Company's Annual report.
- 6.2.6 The audit committee shall review, select, and recommend to the board for nomination an independent party to be the Company's external auditor, consider and recommend the auditor's remuneration, and hold a meeting with the external auditor without the presence of management at least once a year.
- 6.2.7 The audit committee shall review related party transactions and other transactions that may create conflicts of interest, to ensure that they comply with applicable law, are reasonable, and carried out in the best interest of the Company.





### Principle 6.3

The board shall manage and monitor conflicts of interest that might occur between the Company, management, directors, and shareholders. The board also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.

- 6.3.1 The board has established an information security system, including appropriate policies and procedures, to protect confidentiality, integrity, and availability of business information, including market-sensitive information. The board shall monitor the implementation of the information security policies and procedures and the adherence to confidentiality requirements by insiders, including directors, executives, employees and staff, and professional advisers, such as legal or financial advisers.
- 6.3.2 The board shall ensure management and monitoring of conflict-of-interest situations and transactions. The board should adopt an ethics and conflicts of interest policy consistent with applicable law and standards (including fiduciary duties), and establish clear guidelines and procedures for disclosure and decision-making in conflict-of-interest situations where any party who has a vested interest in a particular transaction, should disclose that interest, and not be involved in the decision-making.
- 6.3.3 The board has set requirements for all directors to report conflicts of interest in relation to any meeting agenda item at least before consideration of the matter at the meeting and record the reported conflict of interest in the meeting minutes. The board also ensure that all directors that have a conflict of interest in relation to an agenda item abstain from being present for discussion of or voting on that agenda item.

### Principle 6.4

The board has established a clear anti-corruption policy and practices (including communication and staff training), and strive to extend its anti-corruption efforts to stakeholders.

- 6.4.1 The board shall ensure Company-wide awareness and implementation of the Company's anti-corruption policy and practices, and compliance with applicable law and standards.

### Principle 6.5

The board has established a mechanism for handling complaints and whistleblowing.

- 6.5.1 The board shall oversee that an effective mechanism is in place to record, track, resolve, and report complaints and feedback. The board shall ensure the availability of convenient complaint channels (more than one), and that stakeholders are made aware through the Company's website or annual report of all channels available for complaints.
- 6.5.2 The board has a clear whistleblowing policy, including designated whistleblowing channels for reporting of suspected wrongdoing, such as through the Company's website, e-mail, designated independent directors or the audit committee. The board shall ensure proper and effective handling of whistleblowing complaints, including the investigation, any remedial action, and reporting to the board.
- 6.5.3 The board shall ensure that whistleblowers are protected from retaliation as a result of their good faith whistleblowing activities.



## Principle 7 : Ensure Disclosure and Financial Integrity

### Principle 7.1

The board must ensure the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.

- 7.1.1 The board shall ensure that any person (including chief financial officer, accountant, internal auditor, company secretary, investors relation officer) involved in the preparation and disclosure of any information of the Company has relevant knowledge, skills and experience, and that sufficient resources, including staffing, are allocated.
- 7.1.2 When approving information disclosures, the board shall consider all relevant factors, including for periodic financial disclosures;
  - (1) The evaluation results of the adequacy of the internal control system.
  - (2) The external auditor's opinions on financial reporting, observations on the internal control system, and any other observations through other channels (if any).
  - (3) The audit committee's opinions.
  - (4) Consistency with objectives, strategies and policies.
- 7.1.3 The board shall ensure that information disclosures (including financial statements and 56-1 One Report) reflect the Company's financial status and performance accurately and fairly. The board shall promote the inclusion of the Management Discussion and Analysis (MD&A) in quarterly financial reports in order to provide to investors more complete and accurate information about the Company's true financial status, performance and circumstances.
- 7.1.4 For disclosures related to any individual director, that director should ensure the accuracy and completeness of the information disclosed by the Company, including of shareholders' information and any shareholders' agreement.

### Principle 7.2

The board shall monitor the Company's financial liquidity and solvency.

- 7.2.1 The board shall ensure that management regularly monitors, evaluates and reports on the Company's financial status. The board and management should ensure that any threats to the Company's financial liquidity and solvency are promptly addressed and remedied.
- 7.2.2 The board shall ensure that it does not consciously approve any transactions or propose any transactions for shareholder approval which could negatively affect business continuity, financial liquidity, and solvency.

### Principle 7.3

The board shall ensure that risks to the financial position of the Company or financial difficulties are promptly identified, managed and mitigated, and that the Company's governance framework provides for the consideration of stakeholder rights.

- 7.3.1 In the event of financial risk or difficulties, the board shall enhance monitoring of the affairs of the Company, and duly consider the Company's financial position and disclosure obligations.
- 7.3.2 The board shall ensure that the Company has sound financial mitigation plans that consider stakeholder rights including creditor rights. The board should monitor management's handling of financial risk or difficulties and seek regular reports.



7.3.3 The board shall ensure that any actions to improve the Company's financial position are reasonable and made for a proper purpose.

The indicators of financial risk or difficulties to the Company's sustainability;

- (1) ongoing losses
- (2) poor cash flow
- (3) incomplete financial records
- (4) lack of a proper or incomplete accounting system
- (5) lack of cash flow forecasts and other budgets
- (6) lack of a business plan
- (7) liabilities greater than assets
- (8) problems selling inventories or collecting debts

#### Principle 7.4

The board shall ensure sustainability reporting, as appropriate.

- 7.4.1 The board shall consider and report data on the Company's compliance and ethical performance; including anti-corruption performance, its treatment of employees and other stakeholders (including fair treatment and respect for human rights), and social and environmental responsibilities, using a report framework that is proportionate to the Company and meets domestic and international standards. The Company can disclose this information in the 56-1 One Report or in separate reports, as appropriate.
- 7.4.2 The board shall ensure that the Company's sustainability reporting reflects material corporate practices that support sustainable value creation.

#### Principle 7.5

The board has dedicated Investor Relations function responsible for regular, effective and fair communication with shareholders and other stakeholders such as analysts and potential investors.

- 7.5.1 The board has established a communication and disclosure policy to assist the Company in meeting its disclosure obligations and to ensure that all information relevant and material to the Company's shareholders, the market and third parties is disclosed in an appropriate, equal, and timely manner, using appropriate channels, while protecting the Company's sensitive and confidential information. The board shall ensure company-wide communication and implementation on disclosure policy.
- 7.5.2 The board shall ensure the creation of an Investor Relations function responsible for regular, effective and fair communication with shareholders and external parties. The Company's designated Investor Relations contact should be suitable for the role and have a thorough understanding of the nature of the Company's business, and its objectives and values.
- 7.5.3 The board shall ensure that management sets clear directions for and supports the Investor Relations function such as through a code of conduct, and clearly defines the roles and responsibilities of the Investor Relations function, so as to ensure effective communication between the Company, the financial community and other stakeholders.

#### Control of Internal Information

According to the Board of Directors held on 15 May 2013, the resolution included the regulations on the use of internal information in order to adhere to the principles of Good Corporate Governance of the company as follows.

1. Directors, executive, and employees of the Company shall abide the following.
  - a) Maintain the confidentiality and/or internal data within the Company.
  - b) No disclosure of secret information and/or internal data of the Company shall be carried out to seek own benefits or the benefit of any other persons either directly or indirectly, and either receive or not receive the return.
  - c) Neither selling, nor transfer of securities of the Company by sign confidential and/or internal data shall be conducted, and/or entering into any other transactions by using confidential and /or internal data that may cause damage to the Company either directly or indirectly.

However, the directors, executive, management and employees of the Company are receiving the internal information of the Company should avoid or refrain from trading securities of the Company during a period of one month prior to the public disclosure of financial statements. Such regulations shall include the spouse and immature children of directors, executives, management, and employees of the Company. Any violation of such regulations shall be deemed to have committed a serious offense.

2. Company's directors and executives, including the external auditors of the Company shall report the change in holdings the securities in their own companies, including the spouse and immature children, to the Securities and Exchange Commission and the SET pursuant to Section 59.
3. Such regulations shall be declared to the directors, executives, management, and employees accordingly.

#### Principle 7.6

The board shall ensure the effective use by the Company of information technology in disseminating information.

7.6.1 In addition to the Company's mandatory periodic and non-periodic disclosure of information pursuant to applicable requirements, the board should consider regularly disclosing relevant information in both Thai and in English through other channels, such as the Company's website. Information to be disclosed on the Company's website includes;

- (1) the Company's objectives and values.
- (2) nature of the Company's business.
- (3) list of the Company's board of directors and managements.
- (4) Financial statements and reports about the financial status and the Company's financial and non-financial performance for current and previous year.
- (5) downloadable version of Form 56-1 One Report.
- (6) information and documents that the Company discloses to the investment community and other external parties (if any).
- (7) shareholding structure, both direct and indirect.
- (8) the Company's group structure, including subsidiaries, affiliates, and joint ventures.
- (9) direct and indirect major shareholders, holding at least 5 percent of paid-in capital with voting rights.
- (10) Direct and indirect shareholdings in the Company held by directors, major shareholders, and key managements of the Company.
- (11) invitation letters to the shareholders' ordinary and extraordinary meetings.
- (12) the Company's regulations, and memorandum and articles of association.
- (13) the Company's Corporate Governance policy, Anti-corruption policy, IT security policy, Quality security safety health and environment policy, Sustainability Management policy, Environmental management policy, Personal data protection policy, Human rights and non-discrimination policy, and Risk Management policy.



- (14) a charter or statement of duties and responsibilities, directors' qualifications, terms, and authority of the board.
- (15) the Company's code of ethics and conduct.
- (16) Contact information of department or person, phone number, and e-mail for complaints, investor relations and the company secretary.
  - Investor relation and company secretary's contact information;  
Name: Miss Pimwan Thareratanavibool  
Tel. 034-877-486-8 Ext.500, or LINE ID: AIE-IR  
E-mail: ir@aienergy.co.th
  - Complaint's channel stated in "Anti-corruption Policy"

## Principle 8 : Ensure Engagement and Communication with Shareholders

### Principle 8.1

The board shall ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters.

- 8.1.1 The board shall ensure that significant corporate decisions are considered and/ or approved by the shareholders pursuant to applicable legal requirements. Matters that require shareholder approval should be included in the agenda for the shareholders' meeting and shareholders should be provided sufficient notice thereof.
- 8.1.2 The board shall support participation of all shareholders through reasonable measures, including;
  - (1) Establishing criteria that allow minority shareholders to propose agenda items for shareholders' meetings. The board shall consider shareholders' proposals to be included in the agenda, and if the board rejects a proposal, the reasons should be given at the meeting.
  - (2) Establishing criteria for minority shareholders to nominate persons to serve as directors of the Company.

The board has notified both criteria of propose the agendas and nominate persons to the shareholders not less than 1 month in advance between 23 December 2022 to 31 January 2023.

- 8.1.3 The board shall ensure that the notice of the shareholders' meeting is accurate, complete, and sufficiently in advance for the shareholders to exercise their rights.
- 8.1.4 The board shall ensure that the Company arranges for the notice of the shareholders' meeting and related papers to be sent to shareholders at least seven (7) days before the meeting and posted the notice in Thai and English version on the Company's website at least 30 days before the meeting.
- 8.1.5 Shareholders was allowed to submit questions prior to the meeting not less than 1 month in advance between 23 December 2022 to 31 January 2023. The criteria were posted on the Company's website.
- 8.1.6 The notice of the shareholders' meeting and related papers should be fully translated into English and published at the same time as the Thai version. The notice of the shareholders' meeting has to comply with applicable legal requirements and include the following;
  - (1) Date, time, and place of the meeting.
  - (2) Meeting agenda and matters to be proposed for information, consideration or approval. The agenda should clearly specify each individual matter or item of information to be considered or approved, such as the separate listing of election of directors, and approval of directors' remuneration.



- (3) Sufficient information, objectives and reasons, and board of directors' opinions each agenda, including as follows;
    - a) Approval or rejection of dividend payment: dividend payment policy, proposed dividend payment rate, including reasons and supporting information, or reasons and supporting information for rejecting a dividend payment.
    - b) Appointment of directors: name, age, gender, education, experience, the number of listed companies and other companies where they each hold directorial positions, the criteria and procedures for selection, and types of proposed directors. Where proposed directors are those who are re-entering the same position, information must be identified about participation in meetings in previous years and the date of original appointment as a director.
    - c) Approval of directors' remuneration: the policy and criteria for determining role-specific director remuneration and all monetary and non-monetary director's remuneration.
    - d) Appointment of external auditors: auditor's name and the name of the auditor's audit firm, auditor's experience, independence, and audit and non-audit fees.
  - (4) Proxy form and supporting documentation using the form specified by the Ministry of Commerce.
  - (5) Other supporting information, including on voting procedures (such as voting count and verification of voting results criteria, voting rights), details concerning independent directors proposed by the Company to act as proxies for shareholders, and map of meeting venue. Shareholders who are inconvenient to attend the meeting can download both proxy forms (Form A, Form B, and Form C) according to the Department of Business Development : Ministry of Commerce from the Company's website.
- 8.1.7 The Company has posted the notice of shareholder meeting invitation on ThunHood newspaper for a consecutive 3 days in the period of 22-24 March 2023, specified date, time, location as well as agendas.
- 8.1.8 The Company facilitates shareholder request a hardcopy of 56-1 One Report via letter that attached in the shareholder meeting invitation, the Company's email, or the Company's website. The Company shall send a hardcopy to shareholder by mail as requested.

## Principle 8.2

The board shall ensure that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights.

- 8.2.1 The board shall set the date, time, and place of the meeting by considering the interests of shareholders, such as allocating sufficient time for debate, and choosing a convenient location.
- 8.2.2 The board shall ensure that the Company does not through its meeting attendance requirements or prerequisites prevent attendance by or places an undue burden on shareholders, including as a result of identification requirements that exceed applicable legal and regulatory requirements.
- 8.2.3 In the interest of transparency and accountability, the board shall promote the use of information technology to facilitate the shareholders' meetings, including for registration and vote counting.
- 8.2.4 The chairman of the board is the chairman of the shareholders' meeting with responsibility for compliance with applicable legal requirements and the Company's articles of association, allocating sufficient time for consideration and debate of agenda items, and providing opportunity to all shareholders who wish to share their opinions or ask questions related to the Company.



- 8.2.5 To ensure the right of shareholders to participate in the Company's decision-making process in relation to significant corporate matters by participating and voting at shareholder's meetings on the basis of sufficient notice and information, directors who are shareholder should not be allowed to add items to the meeting agenda that have not been duly notified in advance.
- 8.2.6 All directors and relevant executives shall attend the meeting to answer questions from shareholders on Company-related matters.
- 8.2.7 The attending shareholders should be informed of the number and the proportion of shareholders and shares represented at the meeting in person and through proxies, the meeting method, and the voting and vote counting methods before the start of the meeting.
- 8.2.8 There should not be any bundling of several items into the same resolution. For example, the appointment of each director should be voted on and recorded as separate resolution.
- 8.2.9 The board shall promote the use of ballots for voting on resolutions proposed at the shareholders' meeting and designate an independent party to count or to audit the voting results for each resolution in the meeting, and to disclose such voting results at the meeting by identifying the number of "approve", "disapprove" and "abstain" votes. The voting results for each proposed resolution should be included in the minutes of the meeting.

### Principle 8.3

The board shall ensure accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.

- 8.3.1 The board shall ensure that the Company discloses the results of voting on proposed resolutions at the shareholders' meeting through the designated Stock Exchange of Thailand channels and through the Company's website by 14.00 o'clock if the meeting done in the morning and by 09.00 o'clock of the next business day if the meeting done in the afternoon.
- 8.3.2 The board shall ensure that minutes of the shareholders' meeting is submitted to the Stock Exchange of Thailand within 14 days from the shareholders' meeting date.
- 8.3.3 The board shall ensure that the Company promptly prepares the minutes of the shareholders' meeting, including the following information;
- (1) attendance of directors, managements, and the proportion of attending directors.
  - (2) voting and vote counting methods, meeting resolutions, and voting results ("approve", "disapprove", and "abstain") for each proposed resolution.
  - (3) questions asked and answers provided during the meeting, including the identity of the persons asking and answering the questions.
- 8.3.4 The Company has a policy of introducing suggestions and opinions received from shareholders regarding the holding of the shareholders' meeting to be used for evaluation of the meeting and improve the meeting in next year.



## 6.2 Business ethics

Besides focusing on the success of the Company's objectives. The Company has always attached importance to the form and method of operation that will ensure such success by adhering to code of conduct and ethics. This includes equal consideration for the interests of all stakeholders. The Company has set out the expected practices for directors, executives and employees of the Company to acknowledge, understand and adhere to in the performance of their duties in accordance with the vision, objectives and goals that lead to value creation in business operations of the Company in a sustainable manner.

### Conflict of Interest

1. Avoid making transactions that are related to yourself that may cause conflicts of interest with the Company.
2. Act like a transaction with a third party. However, directors or employees who have interests in such transactions must have no part in the approval process.
3. Do not use the opportunity or information obtained from being a director, executive or employee for personal gain and doing business that competes with the Company or related businesses.
4. Do not use inside information for their own benefit in trading the Company's stock or provide inside information to others for the benefit of trading in the Company's stock.

### Responsibility to Shareholders

1. Treat shareholders fairly, equitably and equally for the best interests of shareholders as a whole.
2. Disclosure of information in timely manner to shareholders.
3. Regularly report on the status of the Company to maintain benefits of shareholders.
4. Provide information to shareholders equally about the future trends of the Company, which is based on feasibility, there is sufficient information to support and reasonable.
5. Supervise directors, executives and employees do not seek benefits for themselves and those involved by providing any information of the Company which has not yet been disclosed to the public to third parties and or take any action in a manner that causes a conflict of interest with the Company.

### Responsibility to Employees

1. Treat employees with politeness and respect for individuality, human dignity, and to be fair.
2. Provide fair compensation to employees and pay attention to the welfare of employees.
3. Maintain the working environment to be safe for employees' lives and properties at all times.
4. Employees are acted in good faith and based on the knowledge, abilities and suitability of the employees.
5. Give importance to knowledge development of employees by providing thorough and consistent opportunities.
6. Listen to comments and suggestions, which is based on the professional knowledge of employees.
7. Strictly comply with the laws and regulations related to employees.



### **Responsibility to Customers and Business Partners**

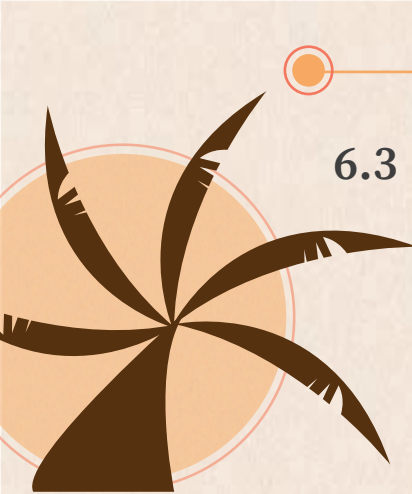
1. Deliver products and service meet the needs of customers at a fair price.
2. Contact customers politely, effective, and gain trust from customers, provide a system and process for customer complaints including the speed of response or delivery products and services.
3. Maintain customer's confidentiality and do not use it for the benefit of oneself or others involved wrongly.
4. Provide advice on how to use the Company's products and services in the most efficient way for the benefit of customers.
5. Not asking for or not receiving or paying any benefits dishonest in trading with business partners.
6. Comply with various conditions strictly agreed.

### **Responsibility to Competitors**

1. Cooperate in the competition in accordance with the rules of good competition.
2. Not seeking confidential information of competitors by dishonest or inappropriate means.
3. Do not damage the reputation of competitors by making malicious accusations.
4. No bullying or causing competitors to lose unfair opportunities.

### **Responsibility to Community and Society**

1. Conduct business that is beneficial to the economy and society and paying attention to environmental stewardship.
2. Pay attention to the Company's business operations that do not cause pollution which has an impact on the environment and community.
3. Cooperate with all parties in the community.



## 6.3 Significant changes and developments in policies, practices and corporate governance in the past year

The Board of Directors has announced good corporate governance policy since 2013 as part of the business policy and has reviewed the said policy to be current and in line with the Good Corporate Governance Principles for Listed Companies in 2017 of the SEC Office as follows:

- In 4<sup>th</sup> quarter of 2023, the Board of Directors has resolved to approve the review of corporate governance policy to comply with the current principles of good corporate governance and also approve the supply chain policy, human rights and non-discrimination policy, and human rights due diligence. To create awareness by taking into account all stakeholders.

In this regard, the Company attaches great importance and declares its intention to fight against corruption by announcing the intention to set an anti-corruption policy in writing including communicating a letter in Google's form: Business ethics for partners; to customers and business partners responding to Google's form to acknowledge the intention of the Company in order to operate the business in the same direction. The Company was certified and joined the Thai Private Sector Collective Action Against Corruption (CAC) in order to support and encourage all directors, executives and employees to have a sense of consciousness against all forms of corruption.

In addition, the Company operates its business on the basis to create value for all groups of stakeholders, resulting in the year 2023 the Company received the AGM Checklist of the 2023 Annual General Meeting of Shareholders (AGM Checklist) for Thai Investors Association with a score of 100 out of 100 points.

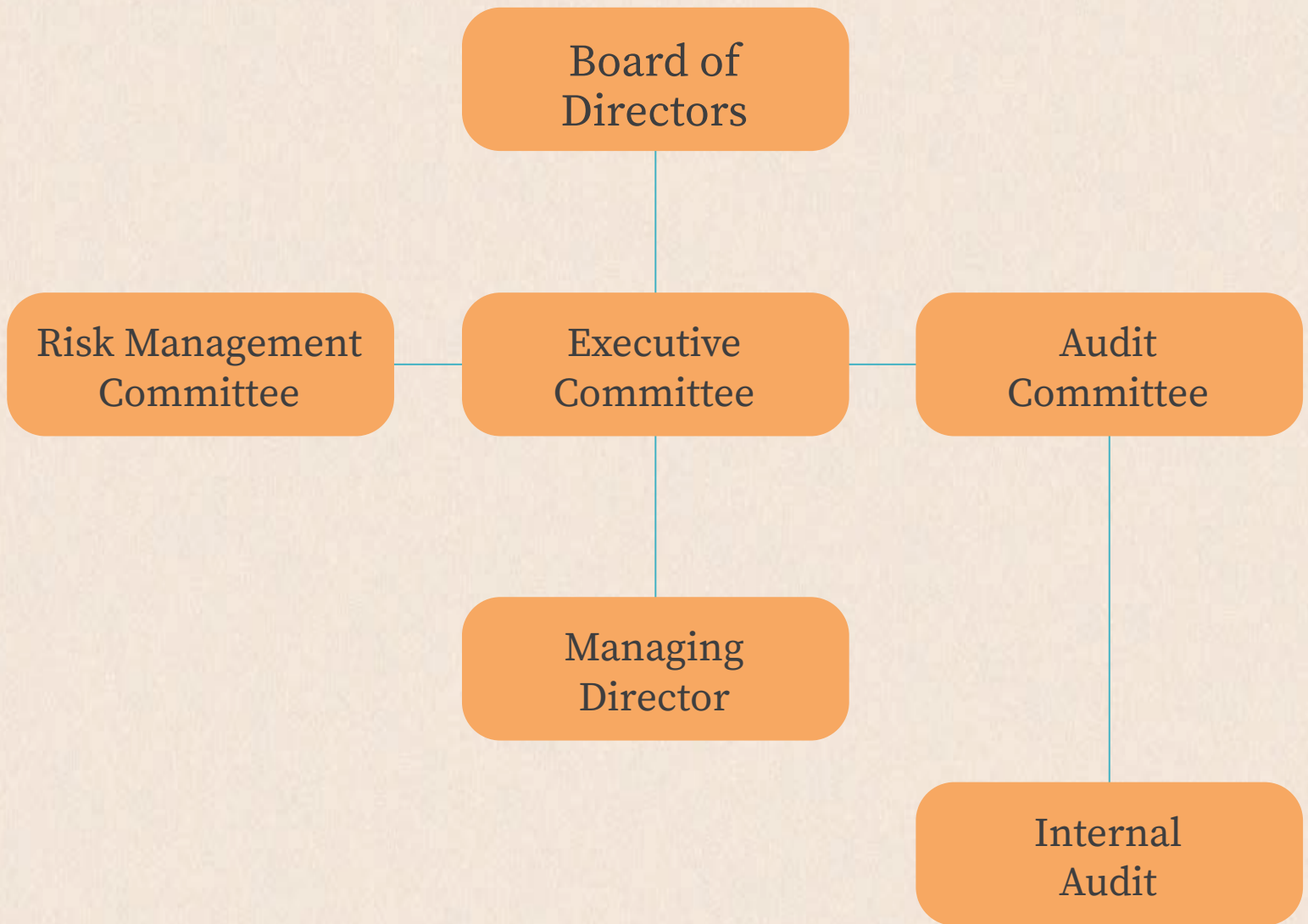




# 7 ● Governance Structure and Key Information on the Board of Directors, Sub-Committees, Management, Employees, etc.



## 7.1 Governance Structure





## 7.2 Information of the Board of Directors

### 7.2.1 The Board of Directors – as of 31 December 2023

No.	Name	Position	Date of Appointment*
1.	Mr. Narong Thareratanavibool	Chairman	4 October 2006
2.	Mr. Thanit Thareratanavibool	Vice Chairman / Chairman of Risk Management Committee	4 October 2006
3.	Miss Pimwan Thareratanavibool	Director / Risk Management Committee	17 May 2017
4.	Mr. Damrong Joongwong <sup>(1)</sup>	Chairman of Audit Committee / Independent Director	9 April 2013
5.	Mr. Sampan Hunpayon	Audit Committee / Independent Director	9 April 2013
6.	Mr. Choti Sontiwattananont <sup>(2)</sup>	Audit Committee / Independent Director / Risk Management Committee	31 May 2013

Remarks:

(1) The Board of Directors' Meeting No.2/2021 held on 12 May 2021 appointed Mr.Damrong Joongwong as Chairman of Audit Committee with effect from 12 May 2021, whom he was appointed as director (non-executive) on 9 April 2013.

(2) The Board of Directors' Meeting No.2/2021 held on 12 May 2021 appointed Mr.Choti Sontiwattananont as Risk Management Committee with effect from 12 May 2021.

\* Director No. 1 was re-elected 6<sup>th</sup> time on 5 April 2023, Director No. 2 was re-elected 5<sup>th</sup> time on 5 April 2021, Director No. 3 was re-elected 2<sup>nd</sup> time on 5 April 2023, Director No. 4 was re-elected 3<sup>rd</sup> time on 5 April 2021, Director No. 5 was re-elected 4<sup>th</sup> time on 5 April 2022, Director No. 6 was re-elected 3<sup>rd</sup> time on 5 April 2022.

### The Resigned Director in 2023 – None -

### Composition, Appointment and Removal of Directors

The Company does not have a specific nomination committee. Therefore, the nomination, appointment, dismissal or termination of the position of the person who will serve as the Company's director must be a person who has all the qualifications under Section 68 of the Public Company Act B.E. 2535 and the Notification of the Capital Market Supervisory Board No. TorJor. Date 15 December 2008 and has been stipulated in the regulations and good corporate governance policy as follows:



1. The Board of Directors consists of no fewer than five and at least half of the entire board must have residency in the Kingdom of Thailand. All directors must possess required qualifications and have no prohibited characteristics stipulated by laws. Directors of the Company may or may not be shareholders of the Company.
2. Shareholders at shareholders' meeting shall elect director(s) through majority voting according to the following rules and procedures:
  - 2.1 Each shareholder shall have one vote per share held;
  - 2.2 Each shareholder exercises all votes applicable under (2.1) in electing one or more persons as directors, provided that no vote is divisible;
  - 2.3 The candidates with the most votes are to be appointed directors up to the number open at the meeting. If more candidates receive equal votes than the number of directors required, the Chairman of the meeting must cast a deciding vote.
3. In every Annual General Meeting (AGM), one-third of the Directors must retire. If this number is not a multiple of three, then the number nearest to one-third. Directors who vacate office may be re-elected and directors who must retire from office in the first and second year after the Company's registration to draw lots for later years. The director who has been in office for the longest time shall retire.
4. Any Director who wishes to resign from directorship must tender his or her resignation to the Company. Such resignation will take effect from the date the resignation letter reaches the Company.
5. In case of voting to remove any director from the directorship before the completion of his or her term, a three-quarter (3/4) vote of eligible shareholders present at the meeting is required and at least half of the total number of shares represented by the eligible shareholders present at the meeting is also required.
6. In the event a director's position is vacant due to other reasons besides term completion, the board of directors may elect a qualified person without the prohibited characteristics under the laws to fill the vacancy at the next board meeting, except if the remaining term of the vacated director is less than two months. The elected director can stay in office only for the remaining term of the predecessor. The elected director must secure at least three-quarter (3/4) of the votes by the remaining directors.
7. The board of directors shall elect one director to be the chairman of the board and in the case where the directors deem it appropriate one or more directors may be elected as vice Chairperson. The vice chairman has duties in accordance with the regulations in the business assigned by the chairman.

### 7.2.2 Board of directors and Authorized persons

According to the Company's Articles of Association and the Certificate of Company Registration issued by the Department of Business Development, Ministry of Commerce, the number and name of authorized directors are two of these three directors, Mr. Narong Thareratanavibool, Mr. Thanit Thareratanavibool, and Miss Pimwan Thareratanavibool, jointly signing with the Company's seal affixed.

There are 3 directors who are executive directors;

- |                                  |               |
|----------------------------------|---------------|
| 1. Mr.Narong Thareratanavibool   | Chairman      |
| 2. Mr.Thanit Thareratanavibool   | Vice Chairman |
| 3. Miss Pimwan Thareratanavibool | Director      |

There are 3 audit committees and independent directors;

- |                              |  |
|------------------------------|--|
| 1. Mr.Damrong Joongwong      | Independent director / Chairman of Audit Committee |
| 2. Mr.Choti Sontiwattananont | Independent director / Audit Committee             |
| 3. Mr.Sampan Hunpayon        | Independent director / Audit Committee             |



All directors play an important role in business operations. However, at various meetings if there are any important resolutions, it must be approved by the board of directors' meeting or the shareholders' meeting (As the case may be). The Company's directors will not be able to approve any transaction affecting oneself or having a conflict of interest with stakeholders in that transaction.

In order to ensure that the composition of the board of directors is in accordance with the principles of good corporate governance because the Company has a Chairman and Managing Director belong to the same family and the Chairman of the Board is a member of the Executive Committee. To create a balance of power between the board and the management. The Board of Directors Meeting No. 3/2021, held on 13 August 2021, resolved to appoint Mr. Damrong Joongwong, an independent director, to jointly consider the agenda of the board of directors' meeting.

### **7.2.3 Scope of Authority, Duties, and Responsibilities of the Board of Directors**

The Board of Directors are responsible in lieu of Company's shareholders, each director is a representative of shareholders and is involved in providing advice and complying with the regulations set out by the Company independently for the public interests of shareholders and stakeholders. Duties and responsibilities of the Board of Directors include the following.

1. Perform their duties in accordance with the laws, objectives and regulations of the company, as well as the resolutions of the shareholders' meeting.
2. Consider and approve the business plans, target, action plan, business strategic, and budgeting.
3. Consider the appointment of a person who is qualified and not disqualified as defined in the Public Company Act BE 2535 and the Securities and Exchange Act, including regulations and/or rules related to the position of director in case of vacancy for reasons other than retirement.
4. Consider the appointment of executive director chosen from company's directors, and define the authority and responsibilities of the executive directors.
5. Consider the appointment of independent director and audit committee by considering the qualifications and the prohibited qualifications for independent directors and audit committee according to the Securities and Exchange Act, including announcement and/or regulations related to the Stock Exchange, or propose to the shareholders' meeting to further consider the appointment of an independent director and audit committee of the Company.
6. Consider, determine, and change the names of directors who have duly authorized signatory.
7. Appoint any other person to operate the Company under the control of the board, or delegate authority to such persons and / or within the period as the board deems appropriate, provided that the board may revoke or modify such a power.
8. Consider and approve the acquisition or disposition of assets, unless such transactions must be approved by the meeting of shareholders. Such approval must be in accordance with the announcement, rules and / or regulations related to the SET.
9. Approve the related transactions unless such transactions must be approved by the meeting of shareholders. Such approval must be in accordance with the announcement, rules and / or regulations related to the SET.
10. Approve paying an interim dividend to shareholders as the Company deems reasonable, and report such payment to the meeting of shareholders in the next meeting.

However, the director who has any conflict of interest or any other conflict of interest with the Company shall not entitle to vote on such respective matter. In addition, in any of the following cases, it shall be approved by the board of directors meeting, and the meeting of shareholders with votes of not less than 3 out of 4 of the total votes of shareholders attending the meeting and entitled to vote.



- a) Sale or transfer of either whole or substantial part of the Company to any other person
- b) Purchase or acquisition of a private company or other public company
- c) Amend or cancel the contract relating to the leases of the Company either whole or substantial part, assign any other person to manage the businesses of the Company, or a merger and acquisition with another person for the purpose of sharing profit and loss
- d) Amend or add the Articles of Association or Company's regulations
- e) Increase or decrease of the registered capital
- f) Dissolution
- g) Issue of the debentures
- h) Company's merger with another company.
- i) Any other matters as set forth under the provisions of the Securities and Exchange Act, and/or the terms of the Stock Exchange of Thailand, which it shall be approved by the meeting of the shareholders with votes mentioned above, acquisition or disposition of assets and related transactions, etc.

### **Independent Directors**

The Board of Directors is required to consist of independent directors at least one-third of the Board of Directors but not less than 3 persons holding office for a term of 3 years from the date of appointment by resolution. The independent directors must be knowledgeable, capable, and have qualifications as required by the Securities and Exchange Act, including the announcements, regulations and/or regulations of the Stock Exchange of Thailand and can express their opinions at the meeting freely. To ensure that there is no conflict of interest between the Company and the directors, executives and all stakeholders. The independent directors of the Company have qualifications in accordance with the SEC criteria as follows:

1. Hold less than 1% of the total ordinary shares of the Company, subsidiaries, and affiliated. The count must be inclusive of shares belong to the independent director's associates.
2. Has not involve in management, or has never held position as executive director, employee, consultant with fixed salary or controlling shareholders of the Company and was received salary, the parent company's, subsidiary's, affiliates, or same level subsidiary's authorized person, majority shareholders or the Company's authorized person, except being exempt from the above characteristic for at least 2 years prior to submitting the permit to the Securities and Exchange Commission Office. The above prohibited characters exclude the independent director who is a government employee or consultant who is majority shareholders or authorized director of the Company.
3. Don't have a relationship directly or legally married to executives, majority shareholders, authorized person or person who has been nominated an executive position or subsidiary, including not being parents, siblings, children, and being in-law of such person as stated above.
- 4.. Never or used to have business relationship with the Company, the Parent Company, subsidiary, majority shareholders, affiliate, majority shareholders or the Company's authorized person of which obstructed independent judgment, including not being or used to be significant shareholders or an authorized person having business relationship with parent company, subsidiary, affiliate, majority shareholders or the Company's authorized person, except being exempt from the above characteristics at least two years before submitting application to Securities and Exchange Commission Office.



5. Never or used to be the Company's, parent company's, subsidiaries', affiliates', major shareholders' or authorized person's external auditor. Never or used to be major shareholder, authorized person, or partner of any auditor firms that the Company's, parent company's, subsidiaries', affiliates', or major shareholders' external auditors are in, except for being exempt from the above characteristic for at least 2 years before submitting application to Securities and Exchange Commission Office.
6. Never or used to be a professional service provider whose business includes legal or financial adviser, who receives more than THB 2 million per annual service fee from the Company, parent company, subsidiary, affiliates, major shareholders or authorized person of the Company and not a majority shareholders, authorized person or partner of the professional service provider, except for being exempt from the above characteristic for at least 2 years before submitting application to Securities and Exchange Commission Office.
7. Not an appointed committee by the representative of the Company's director, major shareholders or shareholders who associate with majority shareholders of the Company.
8. Not operate the same business and a significant competitive business with the Company or subsidiary or not a significant partner in partnership or an executive director of such business, employees or consultant who earn fixed salary or hold more than 1% of ordinary share of another company which operates the same business and be a significant competitor with the Company or subsidiary.
9. No other characteristics preventing the independent opinion on the Company's operation.
10. The independent directors may be assigned by the board of directors to decide on the operation of the Company, the parent company, subsidiary, affiliates, and subsidiary of the same level, major shareholders or authorized person of the Company in collective decision form.

### **Board of Directors' Term of Service**

Under the Articles of Association, the term of each director is approximately 3 years, a retiring director is eligible for re-election. In every Annual General Meeting of Shareholders, one-third of the Board or the number nearest to one-third, shall retire from office by choosing directors who have served the longest are most eligible to retire. Moreover, each elected director is highly qualified with respected for being knowledgeable, moral, and effective; therefore, the Company does not set a limit on consecutive terms of service for directors or independent directors if the shareholders are confident in such re-elected directors.

### **Duties and Responsibilities of the Chairman**

1. Jointly consider setting the agenda of the board of directors' meeting with representatives of independent directors who have been appointed to participate in consideration and arrange the meeting by assigning the company secretary to arrange for delivery of notices of meetings and documents to ensure that the board receives sufficient information in a timely manner.
2. Chairman of the board of directors meeting
3. Chair at the shareholders meetings and ensure that the meetings are conducted in accordance with the Articles of Associations of the Company and the agenda specified.
4. Ensure efficient communication between the directors and the shareholders.
5. Perform duties specified by law as the duties of a chairman.



## Authority and Duties of Managing Director

Managing Director shall come from the nomination of the Executive Committee by selecting from the persons named as the executive committee at the time of the selection to propose to the board of directors to approve the appointment of the person nominated as a managing director.

1. Manage and supervise the Company's normal business operations as well as empower the executive or any related person who carry on routine daily operations of the Company.
2. Define and regulate the overall practice in accordance with the policy of the Board of Directors and / or the Executive Directors Committee.
3. Conducted as the Board of Directors' and / or the Executive Directors Committee's delegation.
4. Authority to approve all the purchase, leasing, hire purchase, or invest in an approved investment plan as well as the authority to revoke all the purchase, leasing, hire purchase, asset sales, investment and expenses that necessary in normal business operation. In accordance with the Company's Approval Mandate disputed by the Board.
5. Authority to approve the purchase of property or expenses' obligation to the contracts and / or agreements with suppliers as specified in the Company's Approval Mandate disputed by the Board.
6. Propose the business strategy and funding for the Company to the Board and / or Executive Director Committee.
7. Authority to approve all subject related to the employment from manager level downward such as hire, appoint, rotate, dismantle, retire, lay off and salary determination, bonus, salary's raise and other remunerations.
8. Authority to open and close accounts with selected financial institutions to facilitate the implementation of the normal business operation through the approval from the Executive Directors Committee.
9. To appoint consultants in various matters to the Executive Directors Committee to approve.
10. Authorized in declaring all regulations and announcements ensure compliance with the policy and the interests of the Company and to maintain discipline within the organization.
11. Propose the management strategies to the Board and the Executive Directors Committee.
12. Propose summarized operating results to the Board and the Executive Directors Committee.
13. Supervised all domestically and internationally sales.





## 7.3 Sub-Committees

The Company has 3 sub-committees, namely the Audit Committee, the Executive Committee and the Risk Management Committee. The scope of authorities and duties of each committee are defined as follows;

### (1) Audit Committee – as of 31 December 2023

No.	Name	Position	Date of Appointment
1.	Mr.Damrong Joongwong	Chairman of Audit Committee (Independent director)	12 May 2021
2.	Mr.Sampan Hunpayon	Audit Committee (Independent director)	9 April 2013
3.	Mr.Choti Sontiwattananont	Audit Committee (Independent director)	31 May 2013

The Board is appointed Miss Ratima Thareratanavibool as Secretary of the Audit Committee

Remarks: - Audit Committee who has knowledge and experience in reviewing the reliability of financial statements, namely Choti Sonthiwattanon who received a bachelor's degree of Business Administration in Accounting, Ramkhamhaeng University and Master of Business Administration, Kasetsart University. Received a Certificate of Director Certification Program (DCP) Class 178/2013 with adequate knowledge and experience in accounting to perform the auditing on the reliability of financial statements.

The Company's audit committee comprises of 3 independent directors with 3 years term, whose qualifications comply with SEC's TorJor. 25/2551. The audit committees are knowledgeable with diverse experience to support their performing duties with great efficiency, such as in law, business management and accounting. It was established to support the performance of the board of directors in good corporate governance, especially in the financial reporting process, internal control, verification process and compliance with laws and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Chairman of the Audit Committee does not perform duties in other sub-committees.

The Audit Committee is able to perform its duties and express its opinions independently in accordance with the tasks assigned by the board of directors. In performing the review to ensure the Company has accurate financial reports and in accordance with accounting reporting standards and related laws without any person or group of persons having influence over the performance of that mission including reviewing anti-corruption guidelines. The Company is a member of the CAC against corruption and is responsible for following up on the results of the investigation of complaints (Whistleblower) in order to build trust among stakeholders. The duties are briefly as follows:



1. Review and make sure that the Company's financial report is accurate and sufficient.
2. Review and make sure that the Company provides appropriate and effective internal control and internal audit, and consider the independence of the internal audit unit, as well as approve the appointment, transfer, dismissal of the Head of the Internal Audit, or any other agencies that are responsible for internal audit.
3. Review and ensure of the Company's compliance with the Securities and Exchange Act, SET requirements, and laws relating to the Company's business.
4. Consider, select and nominate an individual who is independent to act as external auditor of the Company, and offer the remuneration for such a person, including attending meetings with the auditors without management at least 1 time per year.
5. Consider the related-party transactions or transactions that may have conflict of interest to ensure of the compliance with the laws and regulations of the SET and to ensure that such transactions are reasonable with maximum benefits to the Company.
6. Prepare a report of the Audit Committee to be disclosed in the 56-1 One Report of the Company. Such report must be signed by the Chairman of Audit Committee and must contain at least the following information.
  - a) Opinion on the accuracy, completeness and reliability of the financial reports of the Company.
  - b) Opinion on the adequacy of internal control systems of the Company
  - c) Opinion on the compliance with the Securities and Exchange Act, regulations set out by the SET, or law related to the Company's business
  - d) Opinion on the suitability of an external auditor
  - e) Opinion on the transactions that may have conflict of interests.
  - f) Number of the Audit Committee's Meeting and the attendance of each Audit Committee
  - g) Opinion or overall observations the Audit Committee has obtained from its duties under the Charter.
  - h) Other matters that should be known to the shareholders and investors under the scope of duties and responsibilities assigned by the board of directors.
7. Other functions assigned by the board of directors with the approval of the Audit Committee.

The board of directors has approved the audit committee's charter which defines the composition, qualifications, tenure of office, scope of duty and responsibility in accordance with good corporate governance principles and other relevant rules by requiring that the charter be reviewed annually.

## (2) Executive Director Committee – as of 31 December 2023

No.	Name	Position	Date of Appointment
1.	Mr. Narong Thareratanavibool	Chairman of Executive Committee	4 October 2006
2.	Mr. Thanit Thareratanavibool	Executive Committee	4 October 2006
3.	Miss Pimwan Thareratanavibool	Executive Committee	17 May 2017

The Executive Committee must be a director of the Company and / or executives of the Company which was appointed by the board of directors as deems appropriate and appoint one to perform as the committee's chairman.

The Company has approved the establishment of the Executive Committee to be responsible for directing, planning and formulating policies, business strategy is consistent with the economic and competitive conditions. To propose to the Board of Directors for consideration, approval and supervision of the Company's business operations in accordance with the policy or business plan, including business strategies that the Board of Directors has approved or set the scope of powers, duties and responsibilities are as follows:

1. Direct, plan, and set the policies and strategies for the operations of the Company in accordance with the economic and competitive conditions and submit the Board of Directors for approval.
2. Supervise the operations of the Company in accordance with the policy or business plan, including business strategy which has been approved or determined by the Board of Directors.
3. Propose investment plan and / or funding for the Company that it shall be approved by the Board of Directors and / or the shareholders' meeting as the case may be.
4. Establish policies, business plans and business strategies of the Company under the scope of the objectives
5. To approve fund investments as set forth in the annual budget that has been approved by the Board of Directors, or in accordance with the Board of Directors' resolution that has been approved in the principle.
6. Authorized to buy, sell, procure, rent, lease, hire-purchase, possess, occupy, improve, use or manage any assets, including investments in accordance with plan that has been approved by the Board of Director.
7. Authorized to approve the purchase of property, or any payment due to the company's operations as to the contract and / or agreements with suppliers as detailed in the mandate set forth by the Board of Director.
8. Within the limits authorized by the Board of Director, the Executive Committee is authorized to approve the purchase, hire, lease, hire-purchase any properties, and authorized to make investment, and spending any expenses necessary to the operation of the Company as detailed in the mandate approved by the Board of Director.
9. Within the limits authorized by the Board of Director, the Executive Committee is authorized to approve loans and overdraft from financial institutions or other institutions for supporting operation of the Company as specified in the Company's Approval Mandate, which was approved by the Board of Director.
10. Authorized to determine the employees' welfare and benefits in accordance with the conditions and economic status.
11. Execute other matters to support the implementation mentioned above or as assigned by the Board of Director at each time.

The delegation of powers, duties and responsibilities of the Executive Committee as mentioned above does not include powers and/or sub-authorizations to approve any transaction that he or she has or subordinate or persons who may have conflicts of interest (as defined in the Notification of the SEC) or interests in any other manner contrary to the Company. The approval of such transactions must be proposed to the Board of Directors' meeting and/or the shareholders' meeting (As the case may be) to consider and approve the said transaction according to the Company's Articles of Association or the relevant laws.



### (3) Risk Management Committee – as of 31 December 2023

No.	Name	Position	Date of Appointment
1.	Mr. Thanit Thareratanavibool	Chairman of Risk Management Committee	17 May 2017
2.	Mr. Choti Sontiwattananont	Risk Management Committee	12 May 2021
3.	Miss Pimwan Thareratanavibool	Risk Management Committee	17 May 2017

The Risk Management Committee is responsible for assessing risks in various areas to cover all business operations to be more efficient. The scope of powers, duties and responsibilities are as follows:

1. Monitor, develop and participate in the analysis of the risk management strategy of the organization yearly.
2. Review the risk management policy and approve the improvement of the Risk Management Committee's charter to be in line with the COSO ERM, Corporate Risk, Operational Risk and Mitigation Plan guidelines.
3. Develop and screen the risk levels permissible to the organization.
4. Provide direction and overseeing method to the supervisors and staffs in each department.
5. Assess the significant risks and report to the Managing Director.
6. Assess and report the risk of the Company.
7. Review the practical results compared to yearly targets and company plans.
8. Follow-up meeting on practical results within each Department monthly and report to the Executive Committee, Audit Committee, and the Board of Director quarterly.

### The Directors Meeting Attendance

In 2023, the Board of Directors and sub-committees attended the meeting as shown in the table which has been scheduled for the meeting in advance. The meeting has been adjusted in accordance with the situation of the COVID-19 epidemic. The company has held meetings via electronic media (Google Meet / Microsoft Teams Meeting) in parallel with meetings held at the Company's head office or at Asian Insulators Public Company Limited's head office to facilitate and strictly comply with the Royal Decree on Electronic Conferencing B.E. 2563.

Name of Directors	Directors' Meeting in 2023				
	Board of Directors	Audit Committee	Executive Director Committee*	Risk Management Committee*	Shareholders Meeting
1) Mr.Narong Thareratanavibool	5/5	-	18/18	-	1/1
2) Mr.Thanit Thareratanavibool	5/5	-	18/18	4/4	1/1
3) Miss Pimwan Thareratanavibool	5/5	-	18/18	4/4	1/1
4) Mr.Damrong Joongwong	5/5	8/8	-	-	1/1
5) Mr.Sampan Hunpayon	5/5	8/8	-	-	1/1
6) Mr.Choti Sontiwattananont	5/5	8/8	-	4/4	1/1

Remarks: The figures show the number of directors attending a meeting per number of times of the meeting

\* No directors' remuneration and meeting allowances

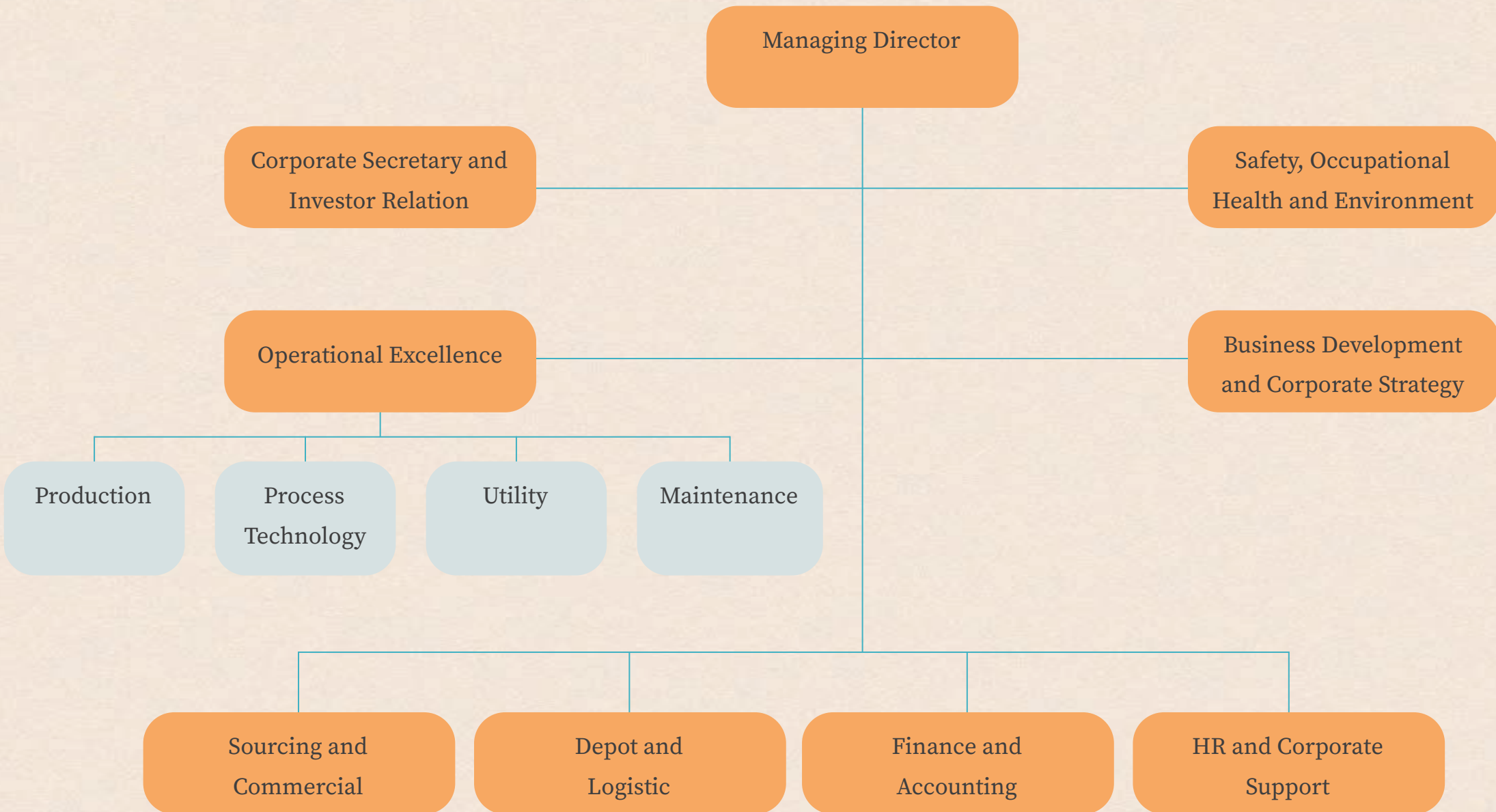


## 7.4 The Management

The Company has a management team to manage and supervise the business operations efficiently and in accordance with the policy that the Board of Directors has set the direction which consists of executives from department manager level and above under the supervision and control of the Managing Director with powers and duties to manage the Company in accordance with the plans and budgets approved by the Board of Directors.



## Organization Chart



#### 7.4.1 Management Team

The management team as of 31 December 2023 as follow;

No.	Name	Position
1	Miss Pimwan Thareratanavibool	Managing Director
2	Miss Piyanart Namphairoj	Manager - Finance and Accounting
3	Mr.Chainarong Saenphuwa	Manager - Operational Excellence
4	Miss Ratima Thareratanavibool	Manager - Sourcing and Commercial / HR and Corporate Support
5	Mr.Pongsakon Thareratanavibool	Manager - Business Development and Corporate Strategy
6	Mr.Jirasak Sae-tung	Manager - Depot and Logistic

#### 7.4.2 Directors, Audit Committee and Management Compensation

##### a) Directors and Audit Committee' remunerations.

The Company determines the remuneration policy for the Company's Board of Director and Audit Committee fairly and reasonably in awareness of the appropriateness and accord with the responsibilities of the directors, financial position of the Company, and in the reference to the companies in the same industry. The remuneration shall set at appropriate level and sufficient to motivate and retain qualified directors to present to the Board of Directors and the shareholders' meeting for approval. The Company does not have a Nomination Committee, in which persons appointed to hold positions of directors and executives of the Company shall qualify under Section 68 of the Public Company Act B.E. 2535. The 2023 Annual General Meeting of Shareholders held on 5 April 2023 resolved to approve the determination of remuneration for the Company's directors for the year 2023 for not exceeding 3,000,000 Baht, which remained the same from last year with details as follows;

Compensation	2023
1) Standard monthly	
- Chairman	18,000 Baht / person / Month
- Director	15,000 Baht / person / Month
2) Meeting Allowance*	
- Chairman	18,000 Bath / person / time
- Director	15,000 Baht / person / time
3) Other remuneration	- None -
Remark: *Determine the meeting allowances will be paid only attended	



The Executive Committee and the Risk Management Committee of the Company does not receive any remuneration as an Executive Director and Risk Management Committee from the Company. The Company's directors and executives do not receive any remuneration from the subsidiary.

Directors' standard monthly and meeting allowances as of 31 December 2023 (Unit: Baht)

Name	Standard Monthly	Meeting Allowances		Total In 2023
	Board of Director	Board of Director	Audit Committee	
1 Mr.Narong Thareratanavibool	216,000	108,000	-	324,000
2 Mr.Thanit Thareratanavibool	180,000	90,000	-	270,000
3 Miss Pimwan Thareratanavibool	180,000	90,000	-	270,000
4 Mr.Damrong Joongwong	216,000	108,000	144,000	468,000
5 Mr.Sampan Hunpayon	180,000	90,000	120,000	390,000
6 Mr.Choti Sontiwattananont	180,000	90,000	120,000	390,000
<b>Total</b>	<b>1,152,000</b>	<b>576,000</b>	<b>384,000</b>	<b>2,112,000</b>

#### b) Directors' remunerations in subsidiary.

- None -

#### c) Management's compensation.

The Company has established a policy on compensation for the Company's executives in relation to the responsibility of the management and the performance of the Company. In addition, the compensation structure for managements is set by comparing with references to companies in the same industry from the 'Salary Survey: By Positions 2022' reports by HR Center Co., Ltd., which such compensation must be at the level of appropriate and sufficient to motivate and retain quality executives. The Company assesses the performance of executives and employees annually by using performance indicators (KPIs) and the Company's performance.

Moreover, managing director receives compensation and benefits as the Company's management of the Company apart from director remuneration and does not receive any compensation and benefits from the subsidiary.

The managements under SEC's definitions, who in the position in 2023 were received compensations and benefits as follows;

Description	Number* of Person	Baht
Salary, Bonus, Other welfare benefits	6	10,530,280.00
Provident Fund, Social Security Fund	6	632,304.00
<b>Total</b>		<b>11,162,584.00</b>

#### d) Other non-monetary remuneration

The Company has arranged the accident insurance, life insurance, and health insurance for managements. This is also including providing retirement benefits to employees according to Thai labor law, in 2023, the Company recorded these as expenses in the amount of 0.10 million Baht.

### 7.4.3 Securities held in the name of Directors and Managements

#### a) Securities held in the name of Directors, their spouses and minor children as of 31 December 2023

Securities Holder		Shareholding (No. of shares)		Change during the year
		31 Dec 22	31 Dec 23	
1	Mr.Narong Thareratanavibool	19,572,634 Self: 7,446,944 Spouse: 12,125,690	19,572,634 Self: 7,446,944 Spouse: 12,125,690	No Change
2	Mr.Thanit Thareratanavibool	16,430,312 Self:11,148,864 Spouse: 5,281,448	16,436,601 Self:11,148,864 Spouse: 5,287,737*	Increase
3	Miss Pimwan Thareratanavibool	1,875,000	2,036,000*	Increase
4	Mr.Damrong Joongwong	-None-	-None-	No Change
5	Mr.Sampan Hunpayon	-None-	-None-	No Change
6	Mr.Choti Sontiwattananont	104,400	104,400	No Change

Remarks: \* From exercised AIE-W2



b) Securities held in the name of Directors, their spouses and minor children as of 31 December 2023

Securities Holder*		Shareholding (No. of shares)		Change during the year
		31 Dec 22	31 Dec 23	
1	Miss Pimwan Thareratanavibool	1,875,000	2,036,000*	Increase
2	Miss Piyanart Namphairoj	-None-	-None-	No Change
3	Mr.Chainarong Saenphuwa	-None-	-None-	No Change
4	Miss Ratima Thareratanavibool	264,000	316,800*	Increase
5	Mr.Pongsakon Thareratanavibool	-None-	-None-	No Change
6	Mr.Jirasak Sae-tung	N/A	-None-	-

Remarks: \* From exercised AIE-W2



## 7.5 Personnel

### 7.5.1 Number of Employees

As of 31 December 2023, the Company had 190 employees in total, including the managing director. The number of employees is shown in the table below.

Departments / Divisions	Number of Employees
Management	6
Business Development and Corporate Strategy	17
Sourcing and Commercial	7
Depot and Logistic	28
Finance and Accounting	12
HR and Corporate Support	8
Safety, Occupational Health and Environment	11
Operational Excellence	101
<b>Total</b>	<b>190</b>

## 7.5.2 Employees' compensation

### a) Monetary Compensation

The Company has set the employee compensation policy which reflects the Company's performance along with a comparison with companies in the same industry from the 'Salary Survey: By Positions 2022' reports by HR Center Co., Ltd. Each employee's annual salary rises are based on employee KPIs and assessment of individual performance, and at the level which appropriate and sufficient to motivate and retain qualified employees. The Company is continually considering the improvement of employee welfare. The total amount of employee compensation for the year 2023 is as follows:

Description	Baht
Salary, Bonus, Other welfare benefits	68,519,797.55
Provident Fund, Social Security Fund	2,949,885.00
<b>Total</b>	<b>71,469,682.55</b>

### b) Other Compensation

The Company has arranged the accident insurance, life insurance, and health insurance for employees. This is also including providing retirement benefits to employees according to Thai labor law, in 2023, the Company recorded these as expenses in the amount of 1.10 million Baht.

## 7.5.3 Labor Disputes in the past 3 years

- None -

## 7.5.4 Personnel Development

The Company attaches importance to the development and improvement of personnel's potential by increasing the skills and knowledge on the job training. The Company has assigned personnel in each department and unit to training in various courses. In addition, the Company also organizes training internally for supervisors or executives to transfer knowledge and experience to their employees in related fields. In 2023, the Company recorded the cost of training and seminars for employees in the total amount of 0.22 million Baht.

## 7.5.5 Labor Union

The Company and its subsidiary do not have labor unions. None of the Company's employees is a member of labor unions. The Company has never faced a strike or business interruption due to labor disputes.



## 7.6 Other key information

### 7.6.1 Company Secretary

In Compliance with section 89/1 and section 89/16 of the Securities Exchange of Thailand Act (No.4) B.E. 2551, the board of directors appointed Miss Pimwan Thareratanavibool as company secretary, effective from 17 May 2017 to perform the duties as required under the laws in preparing and maintaining key corporate documents such as the meeting of the board of directors and of the annual general meeting of shareholders (AGM). Corporate secretary also oversees the arrangements for the board of directors' meetings and AGM, and assist to best corporate governance. Also, conducting as a coordinator to follow the subsequent actions in accordance with the Board's resolutions as the followings;

1. To advice the Company's Articles of Association, regulations and informs significant changes to the Board subsequently.
2. To arrange the Shareholders and the Board meetings in accordance with laws and regulations.
3. To take minutes of the Shareholders and the Board meetings and follow the subsequent actions are in accordance with such resolutions.
4. To disclosure all public information in accordance with regulations, and the SEC's and SET's regulations.
5. To filed all records of the Company's important documents such as directors' registration, invitation to the meetings, minutes of meetings, annual reports, invitation to shareholders' meetings and reports on directors' and management's conflict of interest etc.

Company secretary also regularly attends training programs which will be useful in performing the duties. The qualification of company secretary is disclosed in details about the board, management in the Appendix.

### 7.6.2 Internal Audit

The Company has appointed Honor and Advisory Co., Ltd. to be an internal auditor for year 2023 by having Miss Piyamas Ruangsangrob is as primarily responsible for examine and evaluate the efficiency of internal control as well as overviewed and followed up the correcting and improving the internal controls to be more appropriate and effective. Then, the internal auditor required to quarterly report the audit results to the Audit Committee. The Audit Committee has carefully considered the qualifications of Honor and Advisory Co., Ltd. and Miss Piyamas Ruangsangrob, who independently appropriated and experience to perform internal audit duties, internal audit's detail in the Appendix 3.

### 7.6.3 Investor Relation

The Company appointed Miss Pimwan Thareratanavibool as managing director and company secretary to in charge of investor relations, which serves to communicate, disclosure information to shareholders, investors, analysts and relevant regulators, including various information disclosed to the public through the SETLink for investors to be informed equally. Investor relations can be contacted at Telephone +66 34 877-485-8; Facsimile: +66 34 877-491-2; Email: ir@aienergy.co.th; and LINE ID: AIE-IR.

#### 7.6.4 Chief Accountant

The Company has assigned Miss Piyanart Namphairoj as finance and accounting manager to control and supervise the Company's bookkeeping in accordance with relevant standards, rules and regulations by the qualifications of Chief Accountant in the management in the Appendix 1.

#### 7.6.5 Auditor Fee and Non-Audit Fee

The Company has appointed Siam Truth Audit Company Limited as the Company's auditors in 2023, who were consented by the audit committee as following;

1. Mr.Banyong Pitchyaprasarn Certified Public Accountant No. 7147 or
2. Mr.Kraisit Silpamongkongkul Certified Public Accountant No. 9429 or
3. Miss Khemanan Jaichuen Certified Public Accountant No. 8260 or
4. Miss Varaphon Kanjanaradsamechoti Certified Public Accountant No. 9927, or
5. Miss Orawan Suwanhirunchoti Certified Public Accountant No. 11145, or
6. Mr. Chaiwat Sae-Tiao Certified Public Accountant No. 11042

These 6 auditors are qualified for the Public Limited Companies Act and Securities Commission and the Stock Exchange stipulated and has no relationship with the Company, Subsidiaries, Management, Controlling Shareholders, or related party that preventing the independent opinion.

In the event the above auditors are unable to perform their duties; Siam Truth Audit Company Limited is authorized to assign another of its auditors to perform the duties in place of them. The 2023 audit fee was not over 3,300,000 Baht.

Audit fees	2023		
Auditor	Siam Truth Audit Company Limited		
AI Energy Plc's Group	Quarter	Year	Total
AI Energy Public Company Limited			
Consolidated			
Company Only	1,350,000	1,650,000	3,000,000
(Audit Fee)			
BOI (2 BOI)	-	300,000	300,000
Other Expenses (Non-Audit Fee)	-	-	-
<b>Total AI Energy</b>	<b>1,350,000</b>	<b>1,950,000</b>	<b>3,300,000</b>
AI Ports and Terminals Company Limited			
Audit Fee	30,000	100,000	130,000
Other Expenses (Non-Audit Fee)	-	-	-
<b>Total Group</b>	<b>1,380,000</b>	<b>2,050,000</b>	<b>3,430,000</b>



# 8.

## Report on Key Actions under Corporate Governance

### 8.1 Board of Directors' Performance in 2023

The Company has been complying with the code of good corporate governance for listed companies. In 2023, the Company operated its business in accordance with the corporate governance code as detailed below;

#### Principle 1 : Establish Leadership Role and Responsibilities of the Board of Directors as the Leader in a Sustainable Organization

##### ○ (1) Define Policy, Strategy and Business Director

The board of directors reviewed business operations, business plans, visions, missions and budgets to be consistent with the current market and economic conditions. Also assign the managing director and the management team to set indicators to achieve goals and continuous follow-up and report the results to the board of directors quarterly.

##### ○ (2) Good Corporate Governance and Code of Business Conduct

The Board of Directors has established principles of good corporate governance and business ethics for directors, managements and employees of the Company to adhere to as guidelines for efficiency, transparency, accountability and taking into account the interests of all groups of stakeholders. In this regard, in 2021, the Company has registered and announced the good corporate governance policy and business ethics for directors, managements and employees to acknowledge and agree to practice.

##### ○ (3) Internal Control and Internal Audit

The board of directors and the audit committee emphasizes on internal control by trying to determine the Company to have a standardized internal control system of acceptable risk level by assigning an outsource internal auditors to review and follow up on the results of internal control on a quarterly basis and report to the audit committee and the board of directors.

##### ○ (4) Risk Management

The board of directors has assigned the risk management committee is responsible for policy stipulation and determine risks that have a significant impact on the Company's operations. Also monitor, improve, and put in place measures to mitigate risks to an acceptable level. The risk management committee is also reporting the risk management reports to the board of directors for acknowledgment on a quarterly basis.

## Principle 2 : Define Objectives that Promote Sustainable Value Creation

The board of directors has reviewed the 2023 business plan, which contains the direction and strategy of the Company's business operations for the next 5 years to ensure that the business plan can respond to the current and future economic and social conditions.

## Principle 3 : Strengthen Board Effectiveness

The board of directors has determined the appropriate number of directors with the proportion of independent directors to lead the organization to the objectives and goals. The current board of directors consists of 6 members, comprising 3 executive directors and 3 independent directors, representing half of the entire board of directors.

The chairman and the managing director must not be the same person and engage in different roles. The chairman duties to the board are described below;

- (1) Supervision, follow up and ensure that the Board of Directors has efficiently perform their duties and achieve the objectives and goals of the organization.
- (2) Ensuring that all directors are involved in fostering an ethical corporate culture and good corporate governance.
- (3) Determining the agenda of the board of directors meeting together with the assigned director and managing director and has measures to ensure that important matters are included in the meeting agenda.
- (4) Allocating sufficient time for the management to make a presentation and enough for the directors to discuss important issues thoroughly. Encouraging directors to use prudent discretion freely express opinions.
- (5) Strengthening of good relationship between executive directors and non-executive directors and between the board and the management.

The managing director is highest commanding in chief of the Company, who is responsible for managing policies, business plans and budgets as assigned and authorized by the board of directors. However, the Company's chairman and managing director are considered to be a member of the same family. Therefore, according to the resolution of the board of directors Meeting No. 3/2021 held on 13 August 2021, has appointed Mr.Damrong Joongwong to be an independent director representative participate in determining the agenda for the board of directors' meeting to promote the balance of power between the board and the management.

## Board of Directors Performance Evaluation

The Company requires the board to assess their performance with a self-assessment. The assessment criteria are set up appropriately and consistent with good practice and good corporate governance principles of listed companies in 2017, the assessment results were presented to the board of directors' meeting. The results were used as information for considering various policies or determining the annual remuneration of directors. As for the sub-committees, there is no assessment because they are the same committees as all the board of directors.



## Supervision of the Company's subsidiary

The Company has carried out a subsidiary business in line the with Company business principles and to maintain the Company's investment interests as follows:

- (1) The Board of Directors will appoint the Company's representative as a director in each subsidiary in order to supervise the subsidiary to operate in accordance with the laws, good corporate governance policy, and other related policies.
- (2) The Company must receive a quarterly performance report with related documents for consideration which the subsidiary must strictly comply with.
- (3) If the subsidiary has transactions of the acquisition or disposition of assets under the Notification of the Capital Market Supervisory Board concerning the acquisition or disposition of assets or connected transactions. The Company has duty to seek approval from the board of directors' meeting. and/or disclose information to the SET and/or seek approval from the shareholders' meeting before entering into transactions. In this regard, the subsidiary will be able to enter into the transaction or proceed only after receiving the approval according to the specified criteria.

In addition, in some transactions or events of the subsidiary may have cause the Company to disclose information to the SET according to the specified criteria. Directors of the subsidiary are obliged to notify the managing director of the Company immediately that the subsidiary has a plan to enter into a transaction or such event occurs.

- (4) The Company has set a policy for directors of subsidiaries to disclose information about their interests and related persons and transactions with the Company in a manner that may cause a conflict of interest by the board of directors of the Subsidiary to the board of directors of the Company. Subsidiary's directors must not participate in approving matters in which he or she is a stakeholder or having conflicts of interest, both directly and indirectly.
- (5) In the event that the Company found significant suspected issues, the Company able to inform the subsidiary for clarification and submitting documents for consideration.

## Anti-Corruption Policy

The Company recognizes the important of a transparent business operation and embrace the principle of good corporate governance for effectiveness and equitably with responsibility to society and stakeholders. As well as to prevent corruption that may occur, hence the Company has declared the intention of anti-corruption that do not support the activities of groups or individuals acting in wrongful exploitation. In order to be entrusted in undertaking a no fraud operation, the Company has proclaimed the anti-corruption policy as the guidelines for the Board of Directors, management, and employees to strictly comply. The Company has participated in the declaration of intention to become a collective action coalition of the Thai private sector in anti-corruption and was already certified as member by the Private Sector Collective Action Coalition Council (CAC) to express the intention and commitment to combat all forms of corruption and corruption. The details of the policy are as follows;

### 1. Objectives

The purpose of formal "Anti-Fraud & Corruption Policy" is to declare the intent and commitment to working against fraud and corruption and to establish guidelines for review and oversight, to ensure that operations are conducted appropriately in accordance with this policy.



## 2. Scope

This policy applies to the Board of Directors, Sub-Committees, Senior Management and employees at all levels of AI Energy Public Company Limited and all subsidiaries (together called “Company Personnel”). This policy also applies to agents, intermediaries, contractors and consultants acting on behalf of The Company (together called “Related Business Partners”).

## 3. Definition

“Corruption” defined as the abuse of power to exploitation, whether in bribery or in other forms by offering or receiving from public sectors and private sectors including favor oneself or ally. However, there are exceptional cases for the activities that legal, tradition, and commercial conservative which can be performed.

## 4. Anti-Corruption Policy

- 4.1 Restricted the Board of Directors, management, and employees of the Company claim, perform, or accept corruption in all forms; both directly and indirectly. The Company has determined the reviewing of the anti-corruption policy’s implementation regularly. Moreover, the roles and responsibilities of the parties involved to comply with the policies and operations of the Company.
- 4.2 The Company Personnel shall not ignore or neglect to raise concerns or report any suspected instance of fraud or corruption in relation to The Company. Company Personnel shall report to the designated personnel any suspected instance of fraud or corruption and provide support to the investigation process.
- 4.3 The Company Personnel shall encourage good values and awareness in working honestly, ethically and transparently, without fraud and corruption, as part of the organizational culture.
- 4.4 The Company personnel shall operate in compliance with all related laws and regulations, especially the laws in relation to anti-fraud and corruption in every country in which Company operates.
- 4.5 The Company Personnel shall operate with transparency, accuracy, and fairness under the applicable regulations, policies, procedures and guidelines of Company, especially for marketing and sales, procurement, and accounting and finance processes.
- 4.6 Any act breaching this Anti-Fraud & Corruption Policy shall be considered for disciplinary action in accordance with Company’s Procedures which may include termination if deemed appropriate by Management. Additionally, any Personnel found to be in violation of this Policy may be subject to the law if the act is proven to be a violation of related Laws.
- 4.7 Company shall provide fair treatment and protect Personnel. Personnel will not suffer demotion, penalty or other adverse consequences for refusing involvement in any acts of fraud or corruption, even if such refusal may result in the Company’s loss of business’s opportunities.

## 5. Duties and Responsibilities

- 5.1 **Board of Director** is responsible for formulating policy against corrupt and approve the policy, including oversight and support against to the corruption by impelling policies to be implemented. Also being a role model in integrity for employees and recognize the importance of anti-corruption.



## 5.2 Audit Committees

5.2.1 To oversee and review the approved anti-corruption policy regards to the appropriateness to the Company.

5.2.2 Responsible for reviewing the Company's financial statement, the internal control system, and risk management to ensure that the Company has operated transparently and not in contradict to the anti-corruption policy itself.

5.2.3 Responsible for determining and propose agendas to the Board of Directors, when there was corruption in the Company, to impose sanctions and determine the prevention.

**5.3 Internal Audit** is responsible for reviewing and monitoring the Company's operation to in accordance with such policy and to ensure the internal control system was in place, which may reduce the corruption's risk in the Company and reported to the Board of Directors. Internal Auditors are responsible for reporting to the Audit Committee.

**5.4 Managing Director, Executive and Management** are responsible for establishing efficient protocols to support the Anti-Fraud & Corruption Policy, setting communications and a training program for all personnel, regardless of rank, to ensure that personnel have sufficient understanding and are able to effectively and efficiently apply related policies and protocols in their operations, as well as reviewing the appropriateness of related protocols to align with

**5.5 All Company Personnel** are responsible for working according to this Anti-Fraud & Corruption Policy and any related protocols. Personnel must report to their supervisor or to a designated reporting channel if they encounter any breach of policy or have any questions about this policy.

## 6. Anti-corruption Operational Guidelines

Directors, management, and employees at all levels of company and its subsidiaries must strictly follows the Company's policy and practice and no involvement in corruption in any cases; directly or indirectly. Nevertheless, the policy also including the anti-corruption within the procurement procedure; suppliers or contractors.

6.1 Employees must not neglect or ignore whenever encounter an act of possible corruption related to the Company and must notify the incident to the superior or the responsible person through various available channels (as presented below in this policy statement) and provide good cooperation when fact findings are needed.

6.2 Employees who commit, conspires with, or connects to corruption must face disciplinary punishment and related legal penalties.

6.3 The Company will ensure fairness and provide protective measures to complainants or whistleblowers for collaboration in reporting malpractice and corruption.

6.4 The Company puts emphasis on publicizing, communicating and training in order to constantly educate employees the Anti-Corruption Policy.

6.5 The Head of Internal Audit has duty and responsibility to monitor, review to report to the Audit Committee whether implementation of the anti-corruption is in accordance with the policy and operational guidelines with an attempt to ensure suitability and adequacy against risk of potential corruptions.

## 7. Anti-Corruption Practices

Employees must adhere to the anti-corruption policy when dealing business with customers, suppliers, trade partners or third parties in relevant to the Company's business



- 7.1 Employees must comply with laws, rules, business traditions and manners when interacts with relevant business-related third parties. Employees who didn't comply with to Anti-corruption Policy will face disciplinary punishment, related legal penalties and may also be legally prosecuted.
- 7.2 Employees must not seek any benefit from their positions in the Company in receiving or soliciting any business-related third party or relevant individual to provide service that has no connection to the Company's business.
- 7.3 When employees or management recommend an individual to the Company, such action must not induce conflict of interests or interfere with the company's recruitment process and must not be unlawful act towards personal gain.
- 7.4 The bribery with money or other benefits.
  - 7.4.1 Employees must not accept or solicit, both directly and indirectly, for money, gift voucher, check, stock, present, any bribe, special compensation or incentives of any value from relevant business-related third parties and employees in the Company such as the public sector and the private sector.
  - 7.4.2 Employees must not bribe authorities or government officials by offering money, gift vouchers, check, stock, present, or any bribe, special compensation or valuable incentives.
- 7.5 Procurement Process
  - 7.5.1 For the purchase and hire process must be conducted by the Company's working procedures, from the beginning of bidding, price comparisons, selected suppliers and/or contractors by prohibiting employees accept the bidding that enclose hidden benefits with suppliers and/or contractors. However, the Company have an active internal control system that monitor and involved by related manager departments, and all the procurements were approved by Managing Director only.
  - 7.5.2 The action of business relationship, negotiation and purchasing between public or private sectors must be carried out with transparency, integrity and strictly abide by the law.
- 7.6 Donate to charity, public interest and Sponsorships

There are restrictions on donations to charity, public interest, and funding as follow;

  - 7.6.1 Charitable contributions and sponsorships to individuals or organizations, both for government or private sector, must be transparent and with objectives for charity, and not made with the expectation of favorable treatment in return that may give the appearance as being for fraud or corruption. Thus, the request and approval processes must be in accordance with the Charitable Contributions and Sponsorships Procedures.
  - 7.6.2 To approve the donation is subject to the Company's approval authority but if donations and sponsorships in any form is worth not more than THB 10,000 must be approved by Human Resources Manager if more than THB 10,000 must be approved by Managing Director.
  - 7.6.3 The donation must be under 'the Company's name' only with reliable evidences and follow the Company's procedures. The Company shall not claim on the donation to other purpose.
  - 7.6.4 The sponsorships can be support in the way of asset or financial support to the project or activities that are made for business objectives and usually for brand or reputation management purposes. It must be under 'the Company's name' only with reliable evidences and purposes and follow the Company's procedures.
  - 7.6.5 Charitable contributions and sponsorships must demonstrate that their activities, based on the objective of the project, have taken place and can be traced.



Procedures for charitable contributions and sponsorships as follows:

1. The Requestor prepares the “Requesting Form” that indicates the name of the receiving organization and the objectives with the supporting documents attached. The Requesting Form shall be approved by the authority according to the authority limits as indicated in the table below.

Authorized Amount	Approver
Less than THB 10,000	HR and Corporate Support Manager
More than THB 10,000 But not exceeding THB 100,000	Managing Director
THB100,000 and above	The Chairman of the Executive Committee

2. HR and Corporate Support Manager reviews and approves the “Requesting Form” if the objectives for the charitable contributions and sponsorships are aligned with the established procedures.
3. The Requestor provides evidence of the charitable contribution or sponsorship, such as a “Thank You Letter” from the organization receiving the contribution or a picture of the donation, to the Finance Department as supporting documentation after the charitable contribution or sponsorship has been made.
4. The Finance Department reviews evidence relating to the charitable contribution or sponsorship, as well as retains the evidence in a proper manner. In the event of insufficient evidence, additional supporting documentation or clarification shall be requested. If it is proven the charitable contribution or sponsorship provided do not comply with the Company’s policy or has been used as an excuse/method for corruption, the perpetrator will be subject to the highest level of disciplinary action.
5. The Finance Department prepares a “Summary Charitable Contributions and Sponsorships Report” which is submitted to Managing Director on a quarterly basis.
6. The Internal Audit Department evaluates the charitable contribution and sponsorship process annually to ensure the efficiency, effectiveness and appropriateness of the internal controls of the process.

#### 7.7 Political Contributions

The Company adopts a political neutrality policy and establishes independent management and operations, without involvement in political activities. The definition of political contribution is a contribution, financial or in-kind, to support a political cause. Defining what a political contribution is presents some difficulty. Financial contributions can include loans. In-kind contributions can include gifts of property or services, advertising or promotional activities endorsing a political party. The release of employees without pays from the employer to undertake political campaigning or to stand for office could also be included in the definition.

Employees have right and political liberty and have the freedom to participate in political activities under the terms of the Constitution, related laws, and regulations. However, Employees must not participate in any political activities on behalf of The Company or employ any of The Company's resources as political contributions to political parties or any parties in relation to politics. However, one must not use company's resources in either directly or indirectly for the political purpose that leads to the loss of company's neutrality and a potential to damage company's reputation.

## 7.8 Gifts, Hospitality and Expenses

Managers and Employees of the Company must not accept any gifts, hospitality and expenses from customers and suppliers. However, the gifts are acceptable if it is intended solely for the reception, greeting or congratulate only, no hidden agendas, such as gift baskets during festive season, snacks, Promotional products in small values such as pens, books, calendars, or mugs with the organization's logo. The receiving or providing of gifts and entertainment must be transparent and not with the expectation of favorable treatment in return. Receiving or providing gifts and entertainment but be done on behalf of the Company only.

### Procedures for receiving and providing Gifts, Hospitality and Expenses

7.8.1 The receiving or providing of gifts and entertainment is permitted according to tradition but must not impact The Company's operations and business decisions. Employees must not ask for gifts and entertainment.

#### 7.8.2 Providing Gifts, Hospitality and Expenses during festive season

7.8.2.1 The Requestor has to prepare "Requesting Form" that shall be indicated the name of the organization receiving the gifts and hospitality, the details of gifts and entertainment to be provided, the quantity, the amount (Not More Than THB 2,000 per piece), and the objectives as well as the supporting documents attached. The Requestor submits the form to Human Resource Manager to review and approve.

7.8.2.2 Human Resource Manager reviews and approves the "Requesting Form" if the objectives for gifts and entertainment align with the established procedures.

7.8.2.3 The Requestor provides evidence of gifts and entertainment, such as receipts and a "Thank You Letter" from the organization receiving the gifts or hospitality, as supporting documentation after the gift or entertainment has been provided.

7.8.2.4 The Finance Department reviews evidence relating to the gifts or entertainment as well as retains evidence in a proper manner. In the event of insufficient evidence, additional supporting documentation or clarification shall be requested. If it is proven that the gifts and entertainment provided do not comply with the Company's policy or have been used as an excuse/method for corruption, the perpetrator will be subject to the highest level of disciplinary action.

7.8.2.5 The Finance Department prepares a "Summary Gifts and Hospitality Provided Report" which is submitted to the Managing Director on a quarterly basis.

7.8.2.6 The gift and hospitality process shall be evaluated by the Internal Audit Department annually to ensure its efficiency, effectiveness and appropriateness.



## 8. Fraud Risk Management and Internal Control Processes

- 8.1 Establishes a program and procedures for fraud risk management covering fraud prevention, detection and response.
- 8.2 Establishes appropriate and sufficient internal controls for fraud and corruption prevention and the assessment/review of internal processes to ensure the efficiency and effectiveness of internal controls.
- 8.3 Establishes the assessment of fraud and corruption risks to ensure that The Company has appropriate internal controls in place to mitigate all types of fraud and corruption risks.
- 8.4 Establishes measures and procedures for particular expenses such as charitable contributions, sponsorships or other expenses to formally prevent fraud and corruption.
- 8.5 Establishes preventive measures to prevent the providing or receiving of gifts, assets or other benefits, entertainment, or any other expenses that are not aligned with the Company's policies or not in compliance with the applicable laws.
- 8.6 Establishes protocols to support the issuance of transparent and accurate financial reports which comply with international accounting standards.
- 8.7 Establishes a process for maintaining accurate books and records that accurately, properly and fairly document all financial transactions in accordance with applicable laws and regulation. Expenses in particular need to have adequate supporting documentation with approvals from authorized person to ensure the appropriateness of the expenses and that they have not been made for the purpose of fraud or corruption.
- 8.8 Establishes channels to report, comment, or make complaints about fraud or corruption cases as well as establishes a process to investigate, enforce and report cases of fraud or corruption to the Board of Directors and Senior Management.
- 8.9 Establishes communications and training to provide understanding of the Policy and Procedures on anti-fraud and corruption to all levels of employees, from the Board of Directors, Management and Staff to Agents and Intermediaries acting or working on behalf of The Company.

## 9. Review of Policy

The review of this policy is set for at least once a year and is to be submitted to the board of directors for approval.

## 10. Whistleblowing or Complaints

### 10.1 Issue to whistleblowing or complaints

- 10.1.1 An action of malpractice and corruption connected to the organization, directly or indirectly.
- 10.1.2 A practice of wrong procedure in contrary to Company's regulations or of adverse effect on the Company's internal control system that raise doubt of being a possible channel for malpractice
- 10.1.3 An act that misconducted obtain or destructs the Company's benefits and damages the Company's reputation
- 10.1.4 An act of illegal nature and immoral business ethics

## 11. Whistleblowing or Complaints Channels

### 11.1 Mechanisms for internal complaints

- 11.1.1 Suggestion box
- 11.1.2 Supervisor of working units
- 11.1.3 Internal Auditors or HR Manager
- 11.1.4 Electronic mail box (hr@aienergy.co.th / ac@aienergy.co.th)

### 11.2 Mechanisms for external complaints

- 11.2.1 Website (<http://www.aienergy.co.th>)
- 11.2.2 Electronic mail box (aienergy@aienergy.co.th / ac@aienergy.co.th )
- 11.2.3 By Post to The Audit Committee  
55/2 Moo 8 Sethakit 1 Rd., Klongmadua, Krathum Baen, Samut Sakhon 74110

## 12 Protection of whistleblower and confidentiality

### 12.1 Protection of the whistleblower and related person

Because filing complaints and providing information of malpractice in good faith can result an immense benefit to the Company and employee as a whole, therefore the person who files complaint, testify, provides information and facts or gives relevant evidence to the complaint, despite troublesome that might follow, will be guarantee of no lay-off, punishment, or any harmful effects to career growth, performance assessment, welfare and related benefits eligible for employee. This guarantee is also applied to the personnel in charge of complaint's investigation. The Company has policy to ensure fairness and equitable treatment to all stakeholders in accordance with to the Company's regulations. The whistleblower will receive protection and the complaints will be hold confidential.

### 12.2 The anonymity and confidentiality

Employee or external whistleblower may choose to stay anonymous when reporting violations of other employees. However, the Company encourages employees to identify themselves when filing the report for ease of communication and investigation. Upon completion of report filing by employees or related business partners or the external whistleblower, the working team who takes compliant shall act for a reasonable protection and prevention measures towards efficient investigation in order to safeguard personnel or the external whistleblower from harassing or unfair treatment.

## 13 Investigation and Punishment

- 13.1 After receiving complaint, it will be scrutinized and investigated towards fact findings by the Executive Committee or the Audit Committee.
- 13.2 During the investigation, Executive Committee or the Audit Committee will appoint representative (of management) to keep the whistleblower or the complainant informed of progress.
- 13.3 If fact findings from the investigation unveil information or evidence reasonable to believe that the alleged person is corrupted or malpractice, the Company will inform such allegations to the alleged person. The alleged person has rights to prove him/herself of no connection with the acts of malpractice as alleged.
- 13.4 Malpractice of the alleged person is considered violation to the anti-corruption policy and will face disciplinary hearing regulated by the Company. If the malpractice is illegal, the law penalty will also apply. As for disciplinary consideration, ruling of the Executive Committee or the Audit Committee or Management deems final.



- 13.5 In case of alleged person is member of the Board or management level, the loss is more than THB 500,000, Investigation committee must notify Audit Committees immediately for appointing one member of Audit Committee to join the investigation committee. Audit Committee must report result to Executive Committee immediately or within 7 Days.

#### 14 The Publication of Anti-Corruption Policy

For employees, subsidiary company, associated company, other company that has the control power and representatives to be informed and aware of the Anti-Corruption policy, there is procedure as follows;

- 14.1 The Company will put on announcement of the anti-corruption policy for broad acknowledgement.
- 14.2 The Company shall announce to all employees, subsidiary company, associated company, other company that has the control power and representatives about Anti-Corruption policy and practices by email to all departments.
- 14.3 The Company shall train Anti-Corruption policy and practices to its new and potential employees, others who interested, subsidiary company, associated company, other company that has the control power and representatives. By communicate through the following channels.
- 14.3.1 Website: <http://www.aienergy.co.th>
- 14.3.2 Publish the Anti-Corruption Policy in Form 56-1 One Report

The Company recognizes the significance of establishing the Anti-Corruption policy and practices, which may improve the Company's operation effectiveness and also may build trust among stakeholders in terms of a company with good corporate governance practices. Thus, the Company believes that the policy against the corruption is the vital parts of its stability growth.

- The Company has participated in the declaration of intention to become a collective action coalition of the Thai private sector in anti-corruption and was already certified as member by the Private Sector Collective Action Coalition Council (CAC).
- The Company announced and enforced all employees about Anti-Corruption Policy via internal Email and posted in each department, including provide anti-corruption training to its employees.
- The Company sent letters to all suppliers to announce its intention of Anti-Corruption Policy and all suppliers shall comply with such policy.
- The Company published the Anti-Corruption Policy on its website; <http://www.aienergy.co.th>, for shareholders, investors and potential investors.
- The Company published the Anti-Corruption Policy in Form 56-1 One Report.

## Principle 4 : Ensure Effective Top Executives and People Management

The Company has systematically arranged a succession plan for the top executives of each line. This is to ensure that the Company has executives and employees with skills, knowledge, abilities and attitudes that will lead the Company to success as targeted and support the Company's future growth.

The Company encourages directors and executives to attend training for knowledge and ability development annually. The Company sent them to various training courses to develop skills and knowledge organized by the Thai Institute of Directors Association (IOD), courses namely Director Certification Program, Ethical Leadership Program, Advance Audit Committee Program, Board Secretary Program, and Anti-Corruption Practical Guide. etc., including organizing annual internal training and seminars via electronic media during the COVID-19 epidemic.

## Principle 5 : Nurture Innovation and Conduct Business with responsibility

The Company emphasizes and supports the creation of innovations that create value to the business while creating benefits for all groups of stakeholders and are responsible to society and the environment as follows:

- (1) The Company is part of the Roundtable on Sustainable Palm Oil (RSPO), sustainable and environmentally friendly palm oil production. Palm tree must be planted on land with documented rights, strictly comply with labor laws, protection against soil, water, and the environment, such as using chemicals as necessary as appropriate, reduce chemical contamination in water, soil, store containers in appropriate places, restore soil and water. Importantly, do not burn in any case which the Company provides support by joining as a member and obtaining RSPO certification, including purchasing some CPO from trading partners and sell products to RSPO certified customers as well throughout the chain.
- (2) The Company designs and develops products and services, researches, improves production and work processes, including collaborating with partners to create mutual benefits for the Company, customers, partners, community and the environment. The Company does not encourage inappropriate behavior Illegal or unethical activities. Currently, the Company is currently studying the possibility in developing the production process to reduce the maximum contaminants of 3-MCPD and Glycidyl fatty acid esters (GE) in palm oil used for direct consumption or used as other food ingredients in the criteria that The European Food Safety Authority (EFSA) has established and accepted. Such substances were caused by distillation and processing at temperatures above 200 degrees Celsius to remove the color, odor and acid that cause rancidity. Both substances cause damage to the genetic material, especially the highest risk group is new born babies which is likely to be exposed to high levels of 3-MCPD from the use of palm oil in the production of infant formula.
- (3) The Company places importance on social and community responsibility to build believe and trust from surrounding communities by listening to opinions/problems from the community through the Company's personnel from the safety, occupational health, and environment unit and cooperate fully to improve.



## Principle 6 : Strengthen Effective Risk Management and Internal Control

The Board of Directors has established a risk management policy to ensure that the Company has a risk management system to effectively achieve its objectives and complies with relevant laws and standards. The risks are divided into 2 groups, namely corporate risk and operational risk. The board of directors and the risk management committee emphasized the Company's awareness of risks that may arise from business operations and to carry out risk management according to the risk mitigation plan and to effectively monitor performance according to the indicators of each critical risk in each work system. Business Development and Corporate Strategy Manager is representing the management team do the monthly report of performance to the managing director and report to the Risk Management Committee on a quarterly basis.

The Board of Directors and Audit Committee has established an internal control that covers operations performance, finance and accounting in order to operate in accordance with the relevant laws, regulations and regulations by appointing internal auditors from outside to perform audits (outsource), giving opinions and suggestions on the internal control, including the overall organization to make the internal control of the Company more efficient and has a duty to report to the audit committee for approval on a quarterly basis.

## Principle 7 : Ensure Disclosure and Financial Integrity

The Board of Directors attaches importance to the disclosure of accurate and complete financial information within a specified period for stakeholders to receive information equally in accordance with the requirements, laws, rules and regulations of the Company. The Company provides quarterly and annually financial statements that has been reviewed and audited according to accounting standards, which has been consented and approved by the Audit Committee and the Board of Directors, respectively along with MD&A, before disclosing to shareholders and stakeholders through the SETLink and the Company website.

According to the Board of Directors held on 15 May 2013, the resolution included the regulations on the use of internal information in order to adhere to the principles of Good Corporate Governance of the company as follows:

### ○ Control of Internal Information

1. Directors, executive, and employees of the Company shall abide the following.
  - a) Maintain the confidentiality and/or internal data within the Company.
  - b) No disclosure of secret information and/or internal data of the Company shall be carried out to seek own benefits or the benefit of any other persons either directly or indirectly, and either receive or not receive the return.
  - c) Neither selling, nor transfer of securities of the Company by sign confidential and/or internal data shall be conducted, and/or entering into any other transactions by using confidential and /or internal data that may cause damage to the Company either directly or indirectly.

However, the directors, executive, management and employees of the Company are receiving the internal information of the Company should avoid or refrain from trading securities of the Company during a period of one month prior to the public disclosure of financial statements. Such regulations shall include the spouse and immature children of directors, executives, management, and employees of the Company. Any violation of such regulations shall be deemed to have committed a serious offense.

2. Company's directors and executives, including the external auditors of the Company shall report the change in holdings the securities in their own companies, including the spouse and immature children, to the Securities and Exchange Commission and the SET pursuant to Section 59
3. Such regulations shall be declared to the directors, executives, management, and employees accordingly.

Due to the situation of the COVID-19 epidemic in 2021, the Company did not arrange a meeting to provide information to institutional investors and analyst. The Company has disclosed various information via SET Link and the Company's website [www.aienergy.co.th](http://www.aienergy.co.th). So, all groups of stakeholders are informed equally and in timely manners. Those who are interested in asking for information on the Company's news can contact via the following channels:

- |              |   |   |
|--------------|---|---|
| a) Postal    | : | Investor Relations, AI Energy Public Company Limited<br>55/2 Moo 8 Sethakit 1 Rd., Klongmadua, Krathum Baen,<br>Samut Sakhon, 74110 |
| b) Telephone | : | +66 34 877-485-86   |
| c) Email     | : | <a href="mailto:ir@aienergy.co.th">ir@aienergy.co.th</a>  |
| d) LINE ID   | : | aie-ir  |
| e) Website   | : | <a href="http://www.aienergy.co.th">www.aienergy.co.th</a>  |



## Principle 8 : Ensure Engagement and Communication with Shareholders

The Board of Directors emphasis on the rights and equality of shareholders by giving shareholders the right to receive complete information and in a timely manner for attending the shareholders' meeting to decide on the matters of approval of the Company.

### The 2023 Annual General Meeting of Shareholders

In 2023, the Annual General Meeting (AGM) of shareholders was held on 5 April 2023 at 10:00 hrs. only through Electronic Media (E-AGM), in accordance with criteria specified in related laws and regulations at Asian Insulators Public Company Limited 5th floor, 254 Seri Thai Road, Kannayaow, Bangkok. As the AGM was held during the COVID-19 pandemic, the Company is aware of and cares about the health of the shareholders and has a lot of participants in organizing the meeting. To prevent and reduce the risks from the spread of COVID-19, the Board of Directors has determined that the meeting is held via E-AGM only.

There were 6 out of 6 directors attending the meeting and there were shareholders attended the e-meeting by themselves and proxy, totaling 35. The total number of shares 945,298,349 shares, representing 71.26% of the total number of ordinary shares with voting rights of 1,326,613,416 shares. The Company has complied with the best practices according to the AGM Checklist of the Thai Investors Association and in accordance with the principles of good corporate governance as follows:

### Prior to the Meeting

- Shareholders were provided with channels to propose meeting agenda and nominate qualified candidates for directorship, as well as to send any questions concerning meeting agenda, which needed to be answered at the AGM prior to the meeting 1 month in advance between 23 December 2022 to 31 January 2023. The criteria were posted on the Company's website. The Board of Directors will consider the agenda proposed by the shareholders, if the board of directors rejects the agenda proposed the board of directors must notify the reason to the shareholders' meeting for acknowledgment.
- The board shall ensure that the Company arranges for the notice of the shareholders' meeting and related papers to be sent to shareholders at least fourteen (14) days before the meeting and posted the notice in Thai and English version on the Company's website at least 30 days before the meeting.
- The meeting invitation informs details of the nomination of independent directors for shareholders to consider as proxies. In the event that shareholders are unable to attend the meeting via electronic media by themselves as well as the rules and regulations used in the meeting such as registration and the exercise of voting rights are also provided.
- The Company has posted the notice of shareholder meeting invitation on ThunHood newspaper for a consecutive 3 days in the period of 22-24 March 2023, specified date, time, location as well as agendas.

### On the day of the Meeting

- The Web Link registration began 1 hour before the meeting and live streaming started.
- All 6 directors, managing director, finance and accounting manager, auditor, financial advisor, and legal consultant attended the AGM to provide information and handle questions raised during each agenda.
- The Company explicitly informed the AGM of the meeting criteria in accordance with the laws and the Company's articles of association, such as announced the number of attendees, total number of shares with voting rights, etc. The manual and method to use Web Link system also provided. All the mentioned details were recorded in the minutes of the AGM.

### After the Meeting

- The Company disclosed the resolution passed at the 2023 Annual General Meeting of Shareholders (AGM) and voting results of every agenda through the SET's portal once the meeting had ended.
- The Company prepared the minutes of the AGM, specifying the names of director and management in attendance, as well as other relevant attendees, important explanations, a list of questions and answers and submitted to the SET and related agencies within 14 days after the meeting date, and posted it on the Company's website.



## Report of the Audit Committee

Dear Shareholders,

The Audit Committee consists of 3 independent directors and non-executive directors that are knowledgeable and experiences in various fields. The Chairman of the Audit Committee is Mr.Damrong Joongwong and Mr.Choti Sontiwattananont is a director who has sufficient expertise and experience in finance and accounting to review the credibility of financial statements. All Audit Committee members are qualified to the Audit Committee Charter and in accordance with the announcements of the Capital Market Supervisory Board and SET.

In 2023, the Audit Committee held a total of 8 meetings. Miss Ratima Thareratanavibool is serving as the committee secretary. In the meeting, the Audit Committee has invited an external audit and an internal audit to join the meeting as to the due agenda, presented to the Board of Directors at every time. Audit Committee's meeting attendance can be summarized in table below;

No.	Audit Committee	Position	No. of Meeting / No. of Meeting Attendance
1	Mr.Damrong Joongwong	Chairman of Audit Committee	8/8
2	Mr.Sampan Hunpayon	Audit Committee	8/8
3	Mr.Choti Sontiwattananont	Audit Committee	8/8

### Duties and Responsibilities

The key responsibilities are to oversight and regulate in relation to financial reporting to ensure of the accuracy, completeness and compliance with generally accepted accounting principles and adequate disclosure prior to present the Board of Directors. As well as, review the risk management and internal control to be effective and suggest solutions to the Board of Directors when the systems should be corrected or improved. The key responsibilities are summarized below;

#### 1. Financial Statements

Reviewed the information in the financial statements of the Company and its subsidiaries quarterly and for the year 2023, which had a meeting with the external auditor and the Company's accounting department for accuracy, completeness, according to accepted accounting principles and adequately disclosed. Moreover, the Audit Committee responsible for reviewing all related-parties' transactions are as reasonable, appropriated, and free of conflicts of interest such as the acquisition or disposition of assets prior to submission to the Board of Director for approval.

In the Audit Committee meeting, there are no executive directors attended, to allow the Audit Committee and the external audit discuss freely, including inform all the problem and obstacle in auditing process. As a result, the Audit Committee has an opinion regards to the financial statements for the year 2023 are adequately disclosed in an appropriate information, no conflict with the facts and are prepared in accordance with accepted accounting principles.

## 2. Internal Control Systems

The Audit Committee has appointed Honor and Advisory Co., Ltd. as an internal auditor to review and monitor the accuracy and integrity in the operation of various departments in complying with the policy. The internal auditor has a duty to follow up the correction of comments and suggestions, then prepared the internal audit report for the Audit Committee Meeting on quarterly basis. In order to prevent any significant deficiencies of the internal control of the accounting system that impact on the Company's financial statements.

## 3. Risk Management Processes

The Audit Committee has monitored the Company's risk management with the implementation of the established risk mitigation plan through quarterly reports of the Risk Management Committee in order to be able to monitor measures and risk mitigation strategies effectively and provide suggestions to improve procedures or action plans to be appropriate and to cope with unpredictable situations.

## 4. Compliance

In monthly and quarterly meeting of Audit Committee, the Audit Committee has been continuously audited and reviewed regarding the Securities and Exchange Act and the Stock Exchange of Thailand regulations including laws relating to the Company's operation.

## 5. Whistleblowing

In 2023, No reports of misconduct, fraud, and abnormal activities.

## 6. Appointment of the External Auditor

The Audit Committee has appointed Siam Truth Audit Company Limited as an external auditor to examine and comment on the Company's 2023 financial statements and set the Audit fee for no more than 3.30 million Baht and proposed for the Board of Director's approval prior to present the Shareholder Meeting approved.

The Audit Committee is of the opinion that the Company prepares financial reports in accordance with accounting standards, is reliable and has adequate information disclosure and useful to users of financial statements. There is an internal control system that is sufficient and effective. There is proper risk management and able to complete the planned work in a timely manner. In 2023, the Audit Committee received good cooperation from the Board of Directors, managements, auditors, internal auditors, and all departments.

On behalf of Audit Committee

(Mr.Damrong Joongwong)  
Chairman of Audit Committee



## Report of the Risk Management Committee

Dear Shareholders,

The Risk Management Committee consists of 3 members from the board of directors, one of which is an independent director, who experience and knowledge of accounting and finance. Mr.Thanit Thareratanavibool serves as a chairman of the committee.

Risk Management Committee members as of 31 December 2023;

No.	Name	Position
1	Mr.Thanit Thareratanavibool	Chairman of Risk Management Committee
2	Mr.Choti Sontiwattananont	Risk Management Committee
3	Miss Pimwan Thareratanavibool	Risk Management Committee

Remarks: There is no remuneration for the Risk Management Committee.

In 2023, the Risk Management Committee held a total of 4 meetings and performed its duties in accordance with the missions set out in the Risk Management Committee Charter as follows:

- (1) Regulate and develop the overall risk management in accordance with ISO 9001:2015 and COSO ERM ‘Enterprise Risk Management’ in order to mitigate possible risks, maintain at an acceptable level.
- (2) Develop and suggest the risk mitigation plan for both corporate risk and operational risk to maintain acceptable risk level and effectively manage remaining risks.
- (3) Opinions on the improvement of risk management methods in various fields according to the suggestion of the internal auditor and external auditor, including suggesting directions on how to supervise the managements of various departments.
- (4) Follow up with the management to arrange a meeting on risk management of each department on a monthly basis and collect the actual results to compare with the plans that have been set. Then, proposing to the Risk Management Committee quarterly to review and assessment together with a summary of material risks reported to the Executive Committee, Audit Committee, and Board of Directors on a quarterly basis.
- (5) Review the risk management policy and the risk management committee’s charter to be consistent with risk management guidelines (COSO ERM “Enterprise Risk Management”) throughout the Company.

On behalf of Risk Management Committee

(Mr.Thanit Thareratanavibool)  
Chairman of Risk Management Committee

# 9.

## Internal Control and Connected Transactions

### 9.1 Internal Control

The Company has appointed Honor and Advisory Co., Ltd. to be an internal auditor for year 2023 by having Miss Piyamas Ruangsangrob is as primarily responsible for examine and evaluate the efficiency of internal control as well as overviewed and followed up the correcting and improving the internal controls to be more appropriate and effective. Then, the internal auditor required to quarterly report the audit results to the Audit Committee. The Audit Committee has carefully considered the qualifications of Honor and Advisory Co., Ltd. and Miss Piyamas Ruangsangrob, who independently appropriated and experience to perform internal audit duties.

In addition, the Company determined to have good corporate governance system in business operation in accordance with the laws, rules, regulations, policies and regulations of relevant authorities such as the Securities and Exchange Commission and the Stock Exchange of Thailand. Also, the Company has set up a Corporate Governance Policy to determine the Board of Directors, Audit Committee, Management and employees to strictly follow the rules.

#### Detail of Internal Auditor for the year 2023

Subject	Details
Internal Audit (Outsource)	: Honor and Advisory Company Limited 518/5 Maneeya Center Building, 7th Floor, Ploenchit Rd., Lumpini, Pathumwan, Bangkok 10330 Telephone 0-2652-0898
Head of Internal Audit	: Miss Piyamas Ruangsangrob
Education	: <ul style="list-style-type: none"> <li>- Master Degree, Master of Financial Accounting and Assurance, Thammasat University</li> <li>- Graduate Diploma Program in Accountancy Chulalongkorn University</li> <li>- Bachelor Degree, Bachelor of Business Administration in Accounting Rajamangala University of Technology Borphitphimuk Campus</li> <li>- Bachelor Degree, Bachelor of Fine and Applied Art in Communication Ramkhamhaeng University</li> </ul>



Subject	Details
Work Experiences	: 2010 - Present Audit Partner Honor and Advisory Company Limited  2012 – 2014, Special Instructor 2019 – Present Burapha University  2019 – 2021 Special Instructor Bangkok University  2019 Special Instructor Thammasat University  2000 - 2010 Audit Manager AMC Company Limited
Training	: 2019-2023 <ul style="list-style-type: none"> <li>- Agile Internal Audit No. 2/65 (2022)</li> <li>- TFRS 16 – Lease (2022)</li> <li>- Auditing Hotel business (2022)</li> <li>- Fundamental of TFRS 9 (2022)</li> <li>- Working paper preparation for Anti – Corruption (2019)</li> <li>- Executives and the preparation of sustainability reports and social compensation (2019)</li> <li>- Taxes on land and buildings Planning and preparation before enforcement in 2020 (2019)</li> <li>- Fraud related to information technology (2019)</li> </ul>
Licenses or Certification	: <ul style="list-style-type: none"> <li>- Certified Public Accountant of Thailand</li> <li>- Certified Internal Auditor No. 7, Federation of Accounting Professions</li> <li>- IT Audit, Federation of Accounting Professions</li> <li>- Well-Prepared before Auditor Perform Audits under ISQC1 No. 3</li> <li>- Procedure after Receive BOI, Certified from Investor Club Association.</li> <li>- Tax Law, Thammasat University</li> </ul>
Responsibility	: To examine and evaluate the efficiency of internal control as well as overviewed and followed up the correcting and improving the internal controls to be more appropriate and effective, then report the audit results to the Audit Committee.

## Summary of Internal Audit Report for the year 2023

According to internal auditor, the internal control system of AI Energy Public Company Limited has been audited in accordance with the Internal Audit Plan of 2023 with the following objectives:

1. To evaluate the Company's internal control system, which appropriately and adequately designed and able to protect the Company from potential risks in accordance to the guidelines of COSO (The Committee of Sponsoring Organization of the Treadway Commission) and the Association of Internal Auditors of Thailand as well as the guidelines of the Stock Exchange of Thailand.
2. To ensure that all transactions related have done according by the Company's rules and procedures.
3. To ensure that the Company has complied with relevant laws and regulations of external agencies and government.
4. To assure that information related to each system is accurate and reliable.
5. To Suggest and improve the internal control in each system, where there are observations that should be corrected and improved to make the Company's internal control system more efficient and effective.

The internal auditor has studied operational systems by interviewing with management level and manager of each department. To observe by considering the 5 key factors; Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring. These has been done on quarterly basic and reported directly to the Audit Committee, so the internal auditor can perform independently. In 2023, the internal auditor has covered the operating system as follow;

### ○ 1<sup>st</sup> Quarter of 2023

- Revenue Management: Sales, and Logistic
- Depot and Store Management; including truck scale
- Followed-up the correcting and improving the internal control system observed in previous quarter.

### ○ 2<sup>nd</sup> Quarter of 2023

- Production Planning
- Production
- Quality Control and Production Control Management
- Production Costing
- Followed-up the correcting and improving the internal control system observed in previous quarter.

### ○ 3<sup>rd</sup> Quarter of 2023

- Human Resource Management
- Procurement
- Anti-corruption Policy
- Accounting and Finance system; including
  - E-Tax Invoice & Receipt and Payment
  - Account Receivable and Account Payable
  - Correction of Received and Paid Transactions
  - Tax and Financial Reports
  - Accounting Reports and Documenting
  - Application Control: E-Tax Invoice & Receipt
- Followed-up the correcting and improving the internal control system observed in previous quarter.



#### ○ 4<sup>th</sup> Quarter of 2023

- IT General Control
- Fixed Assets
- Maintenance system
- OSHA System
- Followed-up the correcting and improving the internal control system observed in previous quarter

In 2023, the internal audit was performed according to the annual internal audit plan, which approved by the Audit Committee. Overall, the results of the internal control system for 2023 can be summarized as follows.

#### 1. Internal Control and Management

The internal auditor has an opinion that the Company has a satisfactory internal control and management system. There is an environment that promotes the Company's internal control system. The Company has appropriately controlled both management and operational level, including follow-up operating performance and risk management regularly. The Company is making improvements according to some recommendations in order to have control measures that are more suitable for the situation.

#### 2. Compliance with Company Regulations

From randomly audited in some systems, found that the majority has adhered to the Company's regulations and procedures. The identified deficiency has been issued with the management to correct it according to the existing regulations and procedures and follow-up regularly.

#### 3. Financial and Accounting's Compliance

The financial information is reliable as it should be. However, the Company is in the process of revising some procedures to enhance the effectiveness of its internal controls related to its accounting, financial compliance matters, and Personal Data Protection Act. The Company is making improvements according to some recommendations in order to have control measures that are more suitable for the situation.

#### 4. Information Technology

The Company has a satisfactory level of control. However, there are observations that have been discussed with the Company's management to improve the efficiency of internal control and follow-up regularly.

Internal Audit has been cooperated with the related Company's employees and be able to complete the auditing task. The internal auditor would like to take this opportunity to thank you.

(Miss Piyamas Ruangsangrob)

Internal Auditor

Honor and Advisory Company Limited

## 9.2 Connected Transaction

### 9.2.1 Measures and Procedures for the Approval of Connected Transactions

In case of having connected transactions of the Company and its subsidiaries with persons who may have conflict of interest, interests, or possibly future conflict of interest as trade agreement in the same format into which person of ordinary prudence may enter with general contractual party under the same situation by exercising trade negotiation power without any power as board, executive, or any relevant person, as well as having normal trade condition or market price under reasonable, accountable, and non-benefit transfer, the Management of the Company can perform such implementation normally under the principles approved by the Company's board and must prepare summary report to the Audit Committee quarterly.

In case that the connected transactions are not normal transactions, the Company will have comments by the Audit Committee on necessity and appropriation of such transactions. In case that the auditing committee does not have expertise in considering on possible related transactions, the Company will consider having independent price estimator, independent specialized expert, or account auditor prepare comments on such related transactions for the Audit Committee so that the committee can apply such comments in support of their decision making and preparation of comments to the board of the Company or shareholders, as appropriate in each case, to approve such items before performing such transactions.

In this connection, the Company will disclose such connected transactions in the note to financial statements which are audited by the Company's auditor and Form 56-1 One Report based on principles and laws concerning securities and exchange market. In this connection, the consideration to approve such connected transactions shall comply with laws concerning securities and exchange market, as well as regulations, notifications, orders, or provisions of the SET in which a person who may have conflict of interest or interests from the preparation of such connected transactions will have no right to make any vote for such connected transactions preparation.

### 9.2.2 Policies or Trends for Connected Transactions Preparation in the Future

In the future, if the Company needs to prepare connected transactions with a person who may have conflict of interest with the Company, the Company will set out conditions based on normal trade characteristics and as market prices which could be comparatively referred to conditions or prices incurring with the similar business that the Company does with any third party. In this connection, the Company will have the Audit Committee provide opinions regarding price, compensation rate, as well as necessity and appropriation of such connected transactions. In case that the Audit Committee does not have expertise in considering on possible related transactions, the Company will consider having independent price estimator, independent specialized expert, or account auditor prepare comments on such connected transactions for the Audit Committee so that the committee can apply such comments in support of their decision making and preparation of comments as appropriate in each case. In this connection, the Company will disclose such connected transactions in the note to financial statements which are audited by the Company's auditor and Form 56-1 One Report based on principles and laws concerning securities and exchange market. In this connection, the consideration to approve such connected transactions shall comply with laws concerning securities and exchange market, as well as regulations, notifications, orders, or provisions of the SET.



Furthermore, regarding selling and purchasing of goods in exchange, only the purchase of crude palm oil high-acid over 5% and crude palm kernel oil will remain by considering the implementation under policies for ordering crude palm oil from relevant companies whereas the Company clearly determined transactions with relevant persons. In this regard, for any future connected transactions the Audit Committee must comply with regulations determined and must not approve any transactions related to themselves or any persons who may have conflict of interest of any kind with the Company, as well as must disclose such transactions to the Company's board for their consideration. In this case, the Company must abide by laws concerning securities and exchange market, as well as regulations, notifications, orders, or provisions of the Stock Exchange of Thailand, including regulations related to information disclosure of connected transactions preparation and the acquisition or selling of the properties of the Company or its subsidiaries, as well as must be strictly consistent with accounting standard determined by the Accountants Association. In addition, the Company must not conduct any connected transaction with any relevant companies if it is not for the normal business performance of the Company.

The Company has connected transactions with juristic persons or persons who may have conflicts of interest and related companies with the same group of shareholders or having common directors or having connected persons of executives, directors and shareholders of the Company become a director controller and shareholders of such connected persons. The Audit Committee has examined and reviewed the appropriateness of the transaction reasonableness as well as the determination of remuneration and conditions as normal business.

### **Audit Committee's opinions**

Audit Committee considered connected transactions of the Company and its subsidiaries with persons who may have conflict of interest, interests, or possibly future conflict of interest in accordance with Notification of the Securities and Exchange Commission at the Audit Committee meeting. Therefore, the Committee agreed that such connected transactions are reasonable, in accordance with fair trade conditions, consistent with general practices used with any irrelevant individual or business, and have no benefits transfer within the companies.

Persons, who may have conflict of interest, having connected transactions with the Company 2023 to 2021 accounting period are as follows:

Person with Connected Transactions	Type of Business	Relationship Characteristics
1) Asian Insulators Public Company Limited (AI)	Perform business in manufacturing and selling electric insulators used for electricity generating system.	<ul style="list-style-type: none"><li>• Parent company, Authorized Controller, and principal shareholder of the Company whereas AI is holding shares accounting for 58.38 percent of the Company have registered capital.</li><li>• Board members holding AI stocks are Mr. Narong Thareratanavibool, and Mr. Thanit Thareratanavibool, whose stocks accounts for 21.29% and 5.06%, of AI's registered capital.</li><li>• Board members authorized for co-signing are Mr. Narong Thareratanavibool and Mr. Thanit Thareratanavibool.</li></ul>



The Company has connected transactions with entities which may have conflict of interest for accounting period 2023 to 2021 as follows:

Person with Possible Conflict of Interest	Connected Transactions	Transaction Value (Million Baht)			Transaction Characteristics/ Needs and Reasons
		31 Dec 23	31 Dec 22	31 Dec 21	
1) Asian Insulators Public Company Limited (AI)	<u>Administrative Expenses:</u> - The Company and its subsidiaries made a payment for accounting software service fees to AI. - The Company paid dividend to AI	1.44	203.45	163.66	<ul style="list-style-type: none"> <li>- In 2008, AI as a parent company arranged accounting software to jointly use within the AI Group, including AI, the Company, AIPT, AIL, AIES. AI hired computer consultant to perform services for 5 companies. AI has also signed in the Agreement Concerning the Acceptance of Maintenance Services and has continuously supported the use of such software with computer consultants since 2008. Such services covered maintenance and software supports for the aforementioned 5 companies. In 2023 - 2021 for the amount of 1.44 million Baht, 1.44 million Baht, and 2.06 million Baht, respectively.</li> <li>- In 2023 no dividend paid. In 2022 - 2021, the Company has paid cash dividend to AI for 202.01 million Baht and 161.60 million Baht, respectively.</li> </ul> <p><u>Audit committee's opinions</u></p> <p>Audit Committee considered the proposed connected transactions were based on the Company's policy and appropriation, due to provide the business growth opportunity for the Company which beneficial to shareholders. Such connected transactions have no negatively impact on the rights of shareholders.</p>

Furthermore, as of 31 December 2023, the Company had no related transactions with persons who may have conflict of interest due to debt guarantee made with financial institutes of the Company and its subsidiaries as follows:

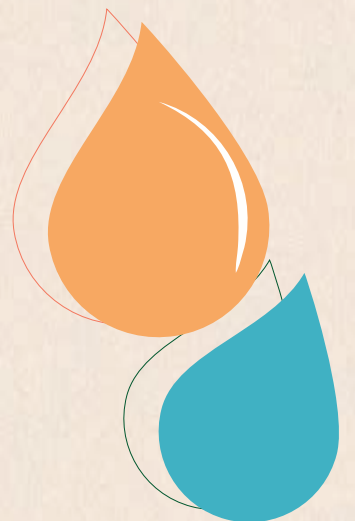
User	Guarantor	Financial Institute	Type of Credits	Credit Limit (Million Baht)	Outstanding (Million Baht)	Collaterals
AIE	-	Siam Commercial Bank Public Company Limited	Letter of Guarantee – Electricity	2.00	-	- Pledged fixed account fully covered credit limit
AIE	-	Kasikorn Bank Public Company Limited	Letter of Guarantee – Electricity	8.53	8.53	- Pledged fixed account fully covered credit limit
			Fleet Card	1.00	0.16	- Clean
AIE	-	TMB Thanachart Bank Public Company Limited	PN / LC / DLC / TR	100.00	-	- Pledged fixed account of 50 million Baht
			OD	10.00	-	
			Forward & Option	5.00	-	
			Fleet Card	0.30	0.02	- Clean
AIPT	-	Kasikorn Bank Public Company Limited	Letter of Guarantee – Electricity	0.02	0.02	- Pledged fixed account fully covered outstanding





# Section 3

## Financial Statements



## Statement of the Board of Directors Responsibilities for the Financial Statements

AI Energy Public Company Limited and its Subsidiaries' Financial Statements that used to prepare the consolidated financial statements, has been prepared according to the regulations of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 and the announcement of the Department of Business Development dated 28 September 2015, issued under Section 11 paragraph three of the Accounting Act B.E. 2543 and complying with the financial reporting standards prescribed by the Federation of Accounting Professions.

The Board realized of good corporate governance by established systems of risk management and internal control to ensure the accuracy, completeness of information used and prevent potential fraud or operating with significant abnormalities

For an accuracy of the Company's the financial statements. The Board has appointed an Audit Committee, in which consist of independent directors to review the accurateness of the financial report for reliability of the reporting. However, the Audit Committee had given an opinion on the financial statements in the Audit Committee report, which is presented in this One-Report.

As regulatory and policies for financial report mentioned above, the Board has an opinion that the Company's financial statement as of 31<sup>st</sup> December 2023, is adequately disclose, complete, and reliable in accordance with accounting standards and related regulations.

(Mr.Narong Thareratanavibool)  
Chairman of the Board of Director





**AI ENERGY PUBLIC COMPANY LIMITED**

**FINANCIAL STATEMENTS AND AUDITOR'S REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2023**



## AUDITOR'S REPORT

### To the Shareholders of AI Energy Public Company Limited

#### Opinion

I have audited the accompanying consolidated and separate financial statements of AI Energy Public Company Limited and its subsidiary (“the Group”) and of AI Energy Public Company Limited (“the Company”), respectively, which comprise the consolidated and separate statement of financial position as at December 31, 2023, the consolidated and separate statement of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of AI Energy Public Company Limited and its subsidiary and of AI Energy Public Company Limited as at December 31, 2023, and their consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of consolidated and separate the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



The key audit matter	Audit procedures
<p><b>Revenue from sale</b></p> <p>The Group are engaged businesses in production and distribution of palm oil. Those revenues are significant high value transaction and are recognized at the terms specified in the contract on delivery of the goods transferred to the customer. For the year ended December 31, 2023, the revenue from sales was of Baht 8,193 million as disclosed in note 22 to the financial statements.</p> <p>I have identified the revenue from sales to be the key audit matters as its high value is significant to the financial statements.</p>	<p>Other than making the inquiries, the audit procedures for revenue from sales included sampling test as follows:</p> <ul style="list-style-type: none"> <li>- assessing the efficiency and test of internal control relates to the sales system;</li> <li>- inspecting sale documents occurred during the year, including, before and after the end of accounting period, to test the delivery term and the proper period of revenue recognition in accordance the contract regarding to control of the goods transferred to the customer.</li> </ul>
<p><b>Property, plant and equipment</b></p> <p>Property, plant and equipment are significant high value transaction and are used as principal assets for the Group's business operations. As at December 31, 2023, property, plant and equipment had its net book value of Baht 1,254 million as disclosed in note 11 to the financial statements. The management is required to exercise significant judgement regarding the determination of depreciation rate, useful life and residual value, including assess both of internal and external situations to consider whether there is any effects to the recoverable amount in the future.</p> <p>I have identified property, plant and equipment to be the key audit matters as its high value is significant to the financial statements.</p>	<p>Other than making the inquiries, the audit procedures for property, plant and equipment included sampling test as follow:</p> <ul style="list-style-type: none"> <li>- assessing the judgment of management of the Group for the accounting estimates regarding to the determination of depreciation rate, useful life and residual value by basing on the characteristic and pattern of the benefits embodied in the asset to evaluate the appropriateness and consistency of accounting estimates;</li> <li>- assessing the appropriateness of internal and external information of the Group throughout the future operating performance, including inspect the related documents;</li> <li>- testing the calculation model of recoverable amount as per the independent appraisal report, including test the appropriateness of the variables and estimations comprising market value of other assets and replacement cost.</li> </ul>
<p><b>Inventories</b></p> <p>Inventories are significant high value transaction and are principal assets for the Group's business operations. As at December 31, 2023, inventories had its net book value of Baht 381 million as disclosed in note 8 to the financial statements. Due to inventories are commodities goods that contain intense price volatility, there may affect to its valuation at the end of accounting year measured at the lower of cost or net realizable value. That is required the management exercise the judgement to estimate the net realizable value of inventories.</p>	<p>Other than making the inquiries, the audit procedures for inventories included sampling test as follow:</p> <ul style="list-style-type: none"> <li>- assessing the appropriateness on the calculation of net realizable value of inventories at the end of reporting period, reasonableness of the expected selling price and necessary cost to make sales, including inspecting the related documents.</li> </ul>

The key audit matter	Audit procedures
I have identified inventories to be the key audit matters as its high value is significant to the financial statements.	

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the Group, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence



the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group and business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Bunjong Pichayaprasat  
Certified Public Accountant  
Registration Number 7147

Siam Truth Audit Company Limited  
Bangkok  
February 20, 2024



**AI ENERGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**
**STATEMENT OF FINANCIAL POSITION**
**AS AT DECEMBER 31, 2023**
*Baht*

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	168,379,475	102,335,965	152,229,454	88,789,683
Short-term investments	6	6,160,219	2,844,161	3,622,722	344,353
Trade and other receivables	7	672,553,433	538,158,164	672,553,433	538,158,164
Inventories	8	381,059,643	426,304,748	381,059,643	426,304,748
Other current assets		6,349,900	6,597,585	5,821,317	6,161,494
<b>Total current assets</b>		<b>1,234,502,670</b>	<b>1,076,240,623</b>	<b>1,215,286,569</b>	<b>1,059,758,442</b>
<b>Non-current assets</b>					
Restricted bank deposits	9	60,548,200	56,397,200	60,528,200	55,997,200
Investment in subsidiaries	10	-	-	352,395,280	352,395,280
Property, plant and equipment	11	1,254,054,853	1,346,278,227	1,135,289,401	1,211,950,309
Right-of-use asset	12	59,609	247,172	59,609	247,172
Intangible assets	13	1,399,411	442,401	1,397,337	434,714
Other non-current assets		2,169,229	1,644,459	2,102,749	1,330,368
<b>Total non-current assets</b>		<b>1,318,231,302</b>	<b>1,405,009,459</b>	<b>1,551,772,576</b>	<b>1,622,355,043</b>
<b>Total assets</b>		<b>2,552,733,972</b>	<b>2,481,250,082</b>	<b>2,767,059,145</b>	<b>2,682,113,485</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The accompanying notes are an integral part of these financial statements.

**AI ENERGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**
**STATEMENT OF FINANCIAL POSITION**
**AS AT DECEMBER 31, 2023**
*Baht*

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	15	386,745,614	417,330,533	386,654,924	417,232,927
Short-term loans from related party	4	-	-	260,000,000	260,000,000
Current portion of leases liabilities	12	65,493	195,250	65,493	195,250
Provisions for employee benefit	17	-	779,401	-	779,401
Other current liabilities	16	50,512,492	47,610,438	49,511,706	46,609,722
Total current liabilities		437,323,599	465,915,622	696,232,123	724,817,300
Non-current liabilities					
Leases liabilities	12	-	65,493	-	65,493
Provisions for employee benefit	17	13,052,089	10,578,118	12,051,874	9,735,731
Total non-current liabilities		13,052,089	10,643,611	12,051,874	9,801,224
Total liabilities		450,375,688	476,559,233	708,283,997	734,618,524
Shareholders' equity					
Share capital	18				
Ordinary shares		1,384,014,009	1,326,613,416	1,384,014,009	1,326,613,416
Premium on share capital		289,794,916	289,794,916	289,794,916	289,794,916
Retained earnings	19, 20				
Appropriated					
Legal reserve		49,700,000	47,000,000	49,700,000	47,000,000
Unappropriated		380,339,055	342,772,213	330,546,737	279,367,143
Other components of equity		(1,489,696)	(1,489,696)	4,719,486	4,719,486
Total shareholders' equity		2,102,358,284	2,004,690,849	2,058,775,148	1,947,494,961
Total liabilities and shareholders' equity		2,552,733,972	2,481,250,082	2,767,059,145	2,682,113,485

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The accompanying notes are an integral part of these financial statements.



**AI ENERGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**
**STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE YEAR ENDED DECEMBER 31, 2023**
*Baht*

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
<b>Revenue</b>	22				
Revenue from sales		8,193,337,374	7,688,119,686	8,193,337,374	7,688,119,686
Revenue from rendering of services		27,775,782	36,872,474	27,775,782	36,872,474
<b>Total revenue</b>		<b>8,221,113,156</b>	<b>7,724,992,160</b>	<b>8,221,113,156</b>	<b>7,724,992,160</b>
<b>Cost</b>	24, 25				
Cost of sales		(8,054,186,394)	(7,652,428,587)	(8,054,186,394)	(7,652,428,587)
Cost of rendering of services		(19,177,422)	(29,315,092)	(19,177,422)	(29,315,092)
<b>Total cost</b>		<b>(8,073,363,816)</b>	<b>(7,681,743,679)</b>	<b>(8,073,363,816)</b>	<b>(7,681,743,679)</b>
<b>Gross profit</b>		<b>147,749,340</b>	<b>43,248,481</b>	<b>147,749,340</b>	<b>43,248,481</b>
Other income	22	6,348,732	21,154,335	6,307,771	9,741,415
Selling expenses	24, 25	(38,529,236)	(28,615,313)	(38,529,236)	(28,615,313)
Administrative expenses	24, 25	(75,887,522)	(79,226,378)	(55,735,838)	(60,699,471)
<b>Profit (loss) from operations</b>		<b>39,681,314</b>	<b>(43,438,875)</b>	<b>59,792,037</b>	<b>(36,324,888)</b>
Finance income		605,623	279,730	551,948	270,304
Reversal of expected credit loss	7	-	22,635,583	-	22,635,583
Finance costs		(20,095)	(173,026)	(6,464,391)	(5,399,667)
<b>Profit (loss) before income tax</b>		<b>40,266,842</b>	<b>(20,696,588)</b>	<b>53,879,594</b>	<b>(18,818,668)</b>
Tax expense	27	-	(1,435,316)	-	(1,435,316)
<b>Profit (loss) for the year</b>		<b>40,266,842</b>	<b>(22,131,904)</b>	<b>53,879,594</b>	<b>(20,253,984)</b>
<b>Other comprehensive income (loss)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income (loss)</b>		<b>40,266,842</b>	<b>(22,131,904)</b>	<b>53,879,594</b>	<b>(20,253,984)</b>
<b>Earnings (loss) per share</b>	28				
Basic earnings (loss) per share		0.030	(0.017)	0.040	(0.015)
Weighted average number of ordinary shares (shares)		1,363,412,700	1,316,600,426	1,363,412,700	1,316,600,426
Diluted earnings per share		0.029		0.038	
Weighted average number of ordinary shares (shares)		1,400,934,451		1,400,934,451	

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The accompanying notes are an integral part of these financial statements.

AI ENERGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023

Baht

Consolidated financial statements								
Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of shareholders' equity			
			Appropriated - legal reserve	Unappropriated	Difference from business combinations under common control	Defined benefit plan actuarial gains	Total other components of shareholders' equity	Total shareholders' equity
<b>Balance as at January 1, 2022</b>	<b>1,308,072,982</b>	<b>289,794,916</b>	<b>47,000,000</b>	<b>691,290,620</b>	<b>(5,225,115)</b>	<b>4,361,312</b>	<b>(863,803)</b>	<b>2,335,294,715</b>
Increase in ordinary shares	18	18,540,434	-	-	-	-	-	18,540,434
Dividend payment	19	-	-	(327,012,396)	-	-	-	(327,012,396)
Total comprehensive loss		-	-	(22,131,904)	-	-	-	(22,131,904)
Difference from subsidiary - the dissolution		-	-	625,893	(438,292)	(187,601)	(625,893)	-
<b>Balance as at December 31, 2022</b>	<b>1,326,613,416</b>	<b>289,794,916</b>	<b>47,000,000</b>	<b>342,772,213</b>	<b>(5,663,407)</b>	<b>4,173,711</b>	<b>(1,489,696)</b>	<b>2,004,690,849</b>
Increase in ordinary shares	18	57,400,593	-	-	-	-	-	57,400,593
Legal reserve	20	-	2,700,000	(2,700,000)	-	-	-	-
Total comprehensive income		-	-	40,266,842	-	-	-	40,266,842
<b>Balance as at December 31, 2023</b>	<b>1,384,014,009</b>	<b>289,794,916</b>	<b>49,700,000</b>	<b>380,339,055</b>	<b>(5,663,407)</b>	<b>4,173,711</b>	<b>(1,489,696)</b>	<b>2,102,358,284</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The accompanying notes are an integral part of these financial statements.



AI ENERGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023

Baht

		Separate financial statements					
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of shareholders' equity	Total
				Appropriated - legal reserve	Unappropriated	Defined benefit plan actuarial gains	shareholders' equity
<b>Balance as at January 1, 2022</b>		<b>1,308,072,982</b>	<b>289,794,916</b>	<b>47,000,000</b>	<b>626,633,523</b>	<b>4,719,486</b>	<b>2,276,220,907</b>
Increase in ordinary shares	18	18,540,434	-	-	-	-	18,540,434
Dividend payment	19	-	-	-	(327,012,396)	-	(327,012,396)
Total comprehensive loss		-	-	-	(20,253,984)	-	(20,253,984)
<b>Balance as at December 31, 2022</b>		<b>1,326,613,416</b>	<b>289,794,916</b>	<b>47,000,000</b>	<b>279,367,143</b>	<b>4,719,486</b>	<b>1,947,494,961</b>
Increase in ordinary shares	18	57,400,593	-	-	-	-	57,400,593
Legal reserve	20	-	-	2,700,000	(2,700,000)	-	-
Total comprehensive income		-	-	-	53,879,594	-	53,879,594
<b>Balance as at December 31, 2023</b>		<b>1,384,014,009</b>	<b>289,794,916</b>	<b>49,700,000</b>	<b>330,546,737</b>	<b>4,719,486</b>	<b>2,058,775,148</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The accompanying notes are an integral part of these financial statements.

AI ENERGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

*Baht*

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
<b>Profit (loss) for the year</b>	<b>40,266,842</b>	<b>(22,131,904)</b>	<b>53,879,594</b>	<b>(20,253,984)</b>
Adjustments to reconcile profit (loss) for the year				
to cash generated (paid) from operating activities				
Depreciation and amortization	132,902,912	123,187,600	117,332,022	109,124,530
Reversal of expected credit loss	-	(22,635,583)	-	(22,635,583)
Unrealized gain on revaluation of investments	(38,707)	(12,198)	(1,018)	(268)
Reversal of loss from impairment of assets	-	(11,400,000)	-	-
Loss on disposal and written-off of assets	3,320,045	6,428,961	3,320,045	6,428,961
Employee benefit	2,462,503	2,261,936	2,304,675	2,110,819
Interest income	(605,623)	(279,730)	(551,948)	(270,304)
Finance costs	20,095	173,026	6,464,391	5,399,667
Tax expense	-	1,435,316	-	1,435,316
<b>Cash flows from operating activities before changes</b>				
<b>    in operatings assets and liabilities</b>	<b>178,328,067</b>	<b>77,027,424</b>	<b>182,747,761</b>	<b>81,339,154</b>
<b>Operating assets decrease (increase)</b>				
Trade and other receivables	(134,395,269)	95,867,373	(134,395,269)	95,867,373
Inventories	42,579,985	137,777,500	42,579,985	137,777,500
Other current assets	247,685	(2,600,588)	340,177	(2,496,169)
Restricted bank deposits	(4,151,000)	-	(4,531,000)	-
Other non-current assets	102,400	(103,600)	102,400	(103,600)
<b>Operating liabilities increase (decrease)</b>				
Trade and other payables	(33,670,872)	(151,037,467)	(33,663,957)	(151,031,937)
Other current liabilities	2,902,054	(10,968,841)	2,901,984	(11,406,129)
<b>Cash flows generated from operations activities</b>	<b>51,943,050</b>	<b>145,961,801</b>	<b>56,082,081</b>	<b>149,946,192</b>
Employee benefit paid	(767,933)	(866,849)	(767,933)	(866,849)
Interest received	605,623	279,730	551,948	270,304
Income tax paid	(939,761)	(1,140,965)	(874,781)	(1,088,605)
Income tax returned	312,589	209,944	-	-
<b>Net cash flows provided by operating activities</b>	<b>51,153,568</b>	<b>144,443,661</b>	<b>54,991,315</b>	<b>148,261,042</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The accompanying notes are an integral part of these financial statements.



AI ENERGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

*Baht*

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Net (increase) decrease in short-term investments	(3,277,351)	50,042,285	(3,277,351)	50,042,285
Purchase of building and equipment	(38,360,163)	(70,170,267)	(38,357,353)	(70,166,267)
Purchase of intangible assets	(1,208,190)	(70,700)	(1,208,190)	(70,700)
Sale of assets	560,748	-	560,748	-
<b>Net cash flows used in investing activities</b>	<b>(42,284,956)</b>	<b>(20,198,682)</b>	<b>(42,282,146)</b>	<b>(20,194,682)</b>
<b>Cash flows from financing activities</b>				
Repayment for leases liabilities	(205,800)	(205,800)	(205,800)	(205,800)
Increase in ordinary shares	57,400,593	18,540,434	57,400,593	18,540,434
Dividend paid	(10,350)	(326,794,647)	(10,350)	(326,794,647)
Finance costs paid	(9,545)	(150,904)	(6,453,841)	(5,377,545)
<b>Net cash flows provided by (used in) financing activities</b>	<b>57,174,898</b>	<b>(308,610,917)</b>	<b>50,730,602</b>	<b>(313,837,558)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>66,043,510</b>	<b>(184,365,938)</b>	<b>63,439,771</b>	<b>(185,771,198)</b>
Cash and cash equivalents at the beginning of the year	102,335,965	286,701,903	88,789,683	274,560,881
<b>Cash and cash equivalents at the end of the year</b>	<b>168,379,475</b>	<b>102,335,965</b>	<b>152,229,454</b>	<b>88,789,683</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

The accompanying notes are an integral part of these financial statements.

**AI ENERGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**1. GENERAL INFORMATION**

AI Energy Public Company Limited (“the Company”) was incorporated in Thailand.

Its registered office is at 55/2 Moo 8, Tambol Klongmadua, Amphur Krathum Baen, Samut Sakhon.

The Company was listed in the Stock Exchange of Thailand on November 11, 2021.

The Company and its subsidiary (“the Group”) are engaged in producing and distribution of energy product (bio-diesel), vegetable oil.

The Company’s major shareholders were as follow:

Major shareholders	Country/ Nationality	Shareholding	
		December 31,	
		2023	2022
Asian Insulators Public Company Limited	Thai	58.38	60.91
Thareratanavibool Group	Thai	9.68	9.86

The financial statements have been approved for issue by the Company’s Board of Directors on February 20, 2024.

**2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), including the related interpretations and guidelines promulgated by the Federation of Accounting Professions (“TFAC”) and the financial reporting requirements and promulgated of the Securities and Exchange Commission.

The financial statements in Thai language are presented in Thai Baht, which is the Group’s functional currency. The preparation of these official statutory financial statements is issued for Thai reporting purposes. The financial statements in English language have been translated from the financial statements in Thai language.

The preparation of the financial statements in conformity with Thai Financial Reporting Standards (“TFRS”) 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 accounting period, and in the accounting period of the revision and future periods, if the revision affects both current and future accounting periods.



## BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the financial statements of AI Energy Public Company Limited and its subsidiary (together referred to as the “Group”)

Subsidiary	Country of incorporation	Business type	%	
			Shareholding	
			December 31,	
			2023	2022
AI Ports and Terminals Company Limited	Thailand	Port service (Ceased operations)	100	100

The preparations of the consolidated financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

### Acquisitions from entities under common control

Business combination of the entities or the business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognizes assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognized as surplus or discount from business combinations under common control in shareholder’s equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

### Subsidiary

Subsidiaries are an entity controlled by the Group. The Company is deemed to have control over subsidiaries if it has rights, or is exposed, to variable returns from its involvement with subsidiaries, and it has the ability to affect those returns through its power over the entity.

The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

### Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss and other comprehensive income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

### Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated.

## **New financial reporting standards**

### **a) New financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards, including the accounting guidances which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision and clarification of accounting practices, for some financial reporting standards, providing temporary reliefs or temporary exemptions to users of TFRSs.

The management assessed there are not any significant impact on the Group's financial statements in the year those financial reporting standards are initially adopted.

### **b) Financial reporting standard that will become effective in the future**

The Federation of Accounting Professions promulgated the numbers of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the clarification of accounting practices and accounting guidances to users of TFRSs.

The management of the Group believes that the revision of TFRSs does not have any significant impact on the Group's financial statements.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

### **The measurement bases used in preparing the financial statements**

Other than those disclosed elsewhere in the significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

### **Revenue**

The Group accounts for a contract with a customer when it has entered into an agreement between counter parties that creates enforceable rights and obligations. The Group has to identify its performance obligations and allocate a transaction price to each obligation on an appropriate basis.

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time.

Revenues from contracts with multiple elements are allocated by fair value of standalone selling price in each performance obligation. In case of contracts have both obligations to perform at point of time and overtime, difference from revenue recognition and performance obligations at the beginning of contracts is recognized as contract assets or contract liabilities and recognized over the contracts periods.



## **Sale of goods and rendering of services**

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized is adjusted for estimated returns.

For bundled packages, the Group accounts for individual products and services separately if they are distinct, or a product or service is separately identifiable from other items and a customer can benefit from it, or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices of products and services.

## **Advances**

Advances received from customers is classified as current liabilities and recognized as revenue when the Group transferred control over the goods to the customers. For the advances that contain a significant financing component, they include the interest expense accreted on the contract liability under the effective interest method. The Group uses practical expedient which is not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

## **Revenue from rendering of services**

The Group recognized services revenue over the contract period. Such recognition is on a straight-line basis according to the proportion of the rendered services over the contract period.

### **Rental income**

Rental income is recognized on a straight-line basic over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income. Contingent rentals are recognized as income in the accounting period in which they are earned.

### **Interest income**

Interest income is recognized using the effective interest method.

Interest income is calculated by applying the effective interest rate to the gross book value of financial assets.

When financial assets are determined to credit impair, interest income is calculated by applying the effective interest rate to the net book value (gross book value less allowance for expected credit losses) of the financial assets. If the financial assets are not credit impaired, interest income is calculated basing on the original gross book value.

### **Other income**

Other income is recognized on an accrual basis.

## **Consideration payable to the customer**

The Group recognizes the consideration payable to the customer as a reduction of the revenue from contract with customers.

## **Expenses**

### **Finance cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets.

All other borrowing costs are expensed in the period they are incurred basing on the effective interest method. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds, unwinding of the discount on provisions and contingent consideration.

Interest expenses are recognized as an expenses over the term of loan. Interest expenses are calculated from the outstanding of loan principal on an accrual basis using the effective interest method.

Expenses are recognized on an accrual basis.

### **Deferred financial fees**

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees and presented as a deduction against the related loan account and amortized using the effective interest method over the term of loan.

## **Financial instruments**

Financial assets and financial liabilities are recognized in the Group's consolidated statements of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities and subsequently measured at amortized cost or fair value through other comprehensive income are added to or deducted from the fair value of the financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities subsequently measured at fair value through profit or loss are recognized immediately in profit or loss.

## **Classification and measurement of financial assets and financial liabilities**

### **Financial assets classified as debt instruments**

The Group classifies financial assets that are debt instruments as financial assets that are subsequently measured at amortized cost or fair value depends on the Group's business model for managing financial assets and the contractual cash flow characteristics of the financial assets as follows:

- Financial assets measured at amortized cost

The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognized at fair value on trade date and subsequently measured at amortized cost net of allowance for expected credit losses (if any).



## Amortized cost basing on the effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. Interest income is recognized in profit or loss and is included in the “interest income” item.

- Financial assets measured at fair value through profit or loss

Unless the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognized at fair value and are subsequently measured at fair value. Unrealized gains and losses from change in fair value, and gains and losses on disposal of instruments are recognized as gains (losses) on financial instruments.

The fair value of investment units is determined from their net asset values.

Purchase and sales of investments are recorded on trade date.

The weighted average method is used for computation of the cost of investments.

In case of investments are interest-bearing, interest calculated using the effective interest method is recognized in profit or loss.

Losses on impairment of investments (if any) are included in profit or loss.

## Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

## Derecognition of financial assets

The Group derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which all or substantially all the risks and rewards of ownership are transferred. Any interest from transferred financial assets, which is created, controlled or retained by the Group, are still recognized as financial assets and recognized as borrowing which have collateral for proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

On derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

## **Write-off**

The Group writes off debts (either partially or in full) when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the legal criteria for bad debts written-off, whichever occurs sooner. Bad debt written-off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. However, the Group continues to execute the case, in order to comply with the Group's recovery policy.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

## **Allowance for expected credit losses on financial assets**

The Group applies the Simplified Approach for recognition of expected credit losses of financial assets - debt instruments which are deposit at financial institutions, trade receivables and the contractual assets and certain of other assets.

The Group recognizes allowance for expected credit losses at an amount equal to the lifetime expected credit losses in cases where there has been a significant increase in credit risk since initial recognition, but the assets are not credit impaired, or where the assets are credit impaired.

At every reporting date, the amount of allowance for expected credit losses is reassessed to reflect changes in credit risk of financial assets since initial recognition of related financial instruments.

## **Simplified Approach**

The measurement of expected credit losses on financial assets by applying the Simplified Approach is a calculation to estimate using a provision matrix depended on the Group's historical credit loss experience adjusted with the factors that are specific to the receivables, general economic conditions, forecast of future economic conditions an assessment of both the current as well as the forecast direction of conditions at the reporting date, and time value of money, as appropriate. In addition, the Group shall principally determine the past due status of the customers and also their capability to maintain the value of collateral relative to the terms of contract.

At every reporting date, the Group determines whether the credit risk of other debt instruments and deposit at financial institutions has increased significantly since initial recognition, by mainly taking into account internal and external credit rating of the counterparties as well as overdue status.

The Group assesses whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Group classifies financial assets on the basis of shared credit risk characteristics, such as the type of instrument, internal credit rating, overdue status, and other relevant factors.

Financial assets are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred, there are indications that the borrower is experiencing significant financial difficulties, or there is a breach of contract, as well as delinquency.

The Group recognizes an allowance for expected credit losses by adjusting to the carrying amount of related accounts. For the increase (decrease) in an allowance for expected credit losses is recognized as expenses during the period in profit or loss, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the allowance for loss is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.



## Financial liabilities

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method or at fair value through profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or a shorter period, to the amortized cost of a financial liability.

Financial liabilities designated at fair value through profit or loss

Financial liabilities may be designated at fair value through profit or loss upon initial recognition if;

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

Financial liabilities that are designated at fair value through profit or loss are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss.

Financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are transferred to retained earnings upon derecognition of the financial liability.

## Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective date is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

## **Trade and other accounts receivable**

Trade and other receivables are stated at their invoice value less allowance for expected credit losses.

A receivable is recognized when the Group has an unconditional right to receive consideration. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is recognized as a contract asset that means accrued income.

The Group estimates expected credit losses, using a provision matrix to find the expected credit losses rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

## **Employee benefits**

### **Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **Post-employment benefits**

The Group and its employees have jointly established the provident funds which is a monthly contributed and defined contribution plan. The fund's asset of the provident fund is separated from the Group's asset and has been managed by a licensed fund manager.

The provident fund receives a cash contribution from employee and the Group. The contribution expenditure of the provident fund and obligation in respect of defined contribution plan is recognized as expense in profit or loss for the period that transaction incurred.

### **Post-employment benefits**

The employee benefit obligations in relation to the severance payment under the labor law and the additions determined by the Group are recognized as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the employee benefits are improved, the portion of the increased benefit relating to past service rendered by employee is recognized in profit or loss on a straight-line basis over the average period until the benefits become vested.

When the actuarial assumptions are changed, the Group recognizes actuarial gains (losses) immediately in other comprehensive income.

Past service costs relating the amendment of plan are recognized as an expense in other comprehensive income when the plan amendment is effective.



## Termination benefits

Termination benefits are recognized as liability and as expense in profit or loss when the Group are committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy or the Group have made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the end of the reporting period, then they are discounted to their present value.

## Income tax

Income tax for the year comprises current tax and deferred tax.

Current tax and deferred taxes are recognized in profit or loss.

Deferred tax in the extent that they relate to items recognized directly in shareholders' equity are recognized other comprehensive income.

## Current tax

The expected tax payable is calculated on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous years.

## Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes.

The Group does not recognise a deferred tax liability of all taxable temporary differences associated with investments in subsidiary, as the Group is able to control the timing of reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. The Group will recognise a deferred tax liability of all taxable temporary differences associated with investments in subsidiary, associates and joint ventures immediately when it is probable that The Group will dispose the investments in subsidiary, associates and joint ventures in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change their judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized, including unutilized taxable losses. Deferred tax assets are reviewed at the end of reporting period date and reduced its carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized against to the temporary differences and unutilized taxable losses.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash, cash at banks type current accounts and saving accounts, cash at bank with an original maturity not exceeding 3 months, including negotiable certificate of deposit and highly liquid short-term investments in bill of exchange or promissory notes issued by financial institutions due at call or with original maturities of three months or less, excluded deposits at bank on obligation or subject to withdrawal restrictions and insignificant risk of change in value.

### **Inventories**

Inventories which are energy product (bio-diesel), vegetable oil are stated at the lower of cost or net realizable value.

Cost of inventories is calculated by using the moving average cost method.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and goods in process, cost includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

The Group records the allowance for devaluation of inventories for all deteriorated, damaged, obsolete and slow-moving inventories.

### **Investments in subsidiary**

Investments in subsidiary in the separate financial statements are accounted for using the cost method net of allowance for impairment (if any).

The Company records loss on impairment (if any) in profit or loss.

### **Property, plant and equipment**

Owned assets

Land is stated at cost less allowance for impairment losses (if any).

Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, including capitalized borrowing costs when meets the criteria.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.



When parts of an item of property, plant and equipment have different consumption patterns or useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds less cost to sale and the carrying amount of property, plant and equipment, and are recognized net within other income or other expenses in profit or loss.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognized

#### Leased assets

Leases in terms of which the Group substantially assume all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and allowance for impairment losses (if any).

Lease payments are apportioned between the finance cost and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance cost are recognized in the statement of profit or loss.

#### Subsequent costs

The cost of replacing a part of an item of property, plant and equipment and cost of renovations are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group within more than one accounting period, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

#### Depreciation

Depreciation is calculated based on the depreciable amount of plant and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Assets from cost of replacement and cost of renovations are depreciated over the remaining useful life of the related asset.

Depreciation is calculated basing on a straight-line basis over the estimated useful lives of each component of an item of assets.

The estimated useful lives are as follows:

	<i><b>Years</b></i>
Land improvements	5 - 30
Buildings and port	5 - 40
Utility system	5 - 20
Machinery and factory equipment	5 - 20
Office equipment	5
Vehicles	5 - 20

Depreciation is recognized as an expense in profit or loss.

No depreciation is provided on freehold land and work in progress and assets under construction.

The residual value of an asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The depreciation method, residual value and useful life of an asset should be reviewed at least at each financial year-end and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate.

### **Intangible assets**

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and allowance for impairment losses (if any).

#### **Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

#### **Amortization**

Amortization is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives are as follows:

	<i><b>Years</b></i>
Computer software	2 - 10

No amortization is provided on intangible assets under development and installation.

The Group regularly review the amortization methods, useful lives and residual values at least at each financial year-end, any changes are treated as a change in the estimates.

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal are the difference between the net proceeds from disposal and the carrying amount of intangible asset, and are recognized net in profit or loss.

### **Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets in respect of property, plant and equipment, intangible assets, right-of-use assets and other assets, are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.



## Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

## Reversals of impairment

An impairment loss in respect of financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized in profit or loss.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or accumulated amortization, if no impairment loss had been recognized.

## Leases

### As a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognizes right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

### Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use) or the date of lease modification. Right-of-use assets are measured at cost, less any accumulated amortization and allowance for impairment losses (if any) and adjusted for any remeasurement of lease liabilities.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date less any lease incentives received, including any initial direct costs and an estimate of costs in restoration.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, such provision is recognized and measured to the extent that the costs relate to a right-of-use asset.

The Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. The Group has elected not to separate non-lease components and accounted for the lease and non-lease components as a single lease component.

Amortization of right-of-use assets is recognized in profit or loss and calculated by reference to their costs, on the straight-line basis over the shorter of the estimated lease term and the estimated useful lives as follows:

	<i>Years</i>
Vehicles	3

If ownership of the underlying asset transfers to the Group at the end of the lease term they are classified as part of property, plant and equipment or investment property. The cost of such asset reflects the exercise of a purchase option. The amortization is calculated using the estimated useful life of the asset.

If the Group is unable to obtain reasonable assurance that the ownership of the underlying asset is substantially transferred to the Group at the end of the lease term, the right-of-use assets will be amortized on the straight-line method from the commencement date to the end of the useful lives or the end of the lease term, which is earlier.

The Group applies the derecognition and impairment requirements, in according to the financial instrument principle, to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

### **Lease liabilities**

The lease liability is initially measured at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable and amounts expected to be payable under a residual value guarantee. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Interest expense is recognized in profit or loss.

The lease liability is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### **Short-term leases and leases of low-value assets**

The Group recognized payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, as expenses on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

### **Foreign currencies**

#### **Functional and presentation currency**

The financial statements of each entity within the Group are presented in the functional currency which is the currency of the primary economic environment in which the entity operates. The financial statements of the Group are presented in the presentation currency as Thai Baht in accordance with the regulatory requirements in Thailand. The functional currency of the Group and company and its subsidiary in Thailand is Thai Baht.



## Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency using the exchange rate at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency using the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies measured at cost at the reporting date are translated to the functional currency using the exchange rate at the date of transaction.

Foreign currency differences arising from the translation are recognized in profit or loss in the reporting period as incurred.

## Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expected future cash flows are discounted by using a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognized as a finance cost.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

## Derivatives

The Group enters into derivative transactions to reduce the risk of fluctuations in foreign exchange rates and interest rates. These are forward contracts and interest rate swap.

The Group initially records the obligations under derivative contracts as off-balance sheet items and recognizes such contracts as assets or liabilities at fair value at the transaction date (trade date). The Group will subsequently measure them at fair value at the end of each reporting period whereby gains or losses as a result of changes in the fair value will be recognized in profit or loss.

The fair value of forward contracts is calculated using the exchange rate at the end of the reporting period.

## Dividends

Dividend and interim dividend payment are recorded in the period in which they are approved by Shareholders' meeting and Board of Directors' meeting.

## Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the years attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares issued during the years.

## Diluted earnings (loss) per share

Diluted earnings (loss) per share is calculated by dividing the profit (loss) for the years attributable to ordinary shareholders of the Group by the sum of the weighted average number of ordinary shares issued during the years plus the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into ordinary shares, without any consideration.

A calculation of the potential ordinary shares in the case warrants are assumed to be exercised and the excess proceeds received applied to buy back ordinary shares at the average market price during the period which are used to determine the number of ordinary shares to be additionally issued, and then combine those incremental ordinary shares with the ordinary shares.

### **Judgements of management**

The preparation of financial statements in conformity with financial reporting standards requires management to make subjective judgments to determine the accounting policies, estimates regarding matters that are inherently uncertain and various assumptions.

#### **Significant judgements and accounting estimates are as follow:**

##### **a) Recognition and derecognition of assets and liabilities**

In considering whether to recognize or to derecognize assets or liabilities, the management is required to make judgment on whether the Group transfers or have been transferred the significant risk and rewards of those assets or liabilities, based on their best knowledge of the current circumstances and arrangements.

##### **b) Fair value of financial instruments**

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risks, liquidity, correlation and long-term volatility of financial instruments. Any changes in assumption related to the inputs may affect to the fair value stated in the financial statements and disclosure of fair value hierarchy.

##### **c) Allowances for expected credit loss for financial assets**

Allowances for expected credit loss for financial assets are intended to adjust the value of receivables for probable credit losses. The management is required to use judgement in estimating allowance for expected credit losses for financial assets. The Group's calculation of allowance for expected credit losses depends on the criteria used for assessment of a significant increase in credit risk, the development of a model, the risk that collateral value cannot be realized, collective and individual analyses of the status of receivables, the probability of debt collection and the selection of the forecasted macroeconomic data inputs used in the model. However, the use of different estimates and assumptions could affect the amounts of allowances for expected credit loss and adjustments to the allowances may therefore be required in the future.

##### **d) Allowance for impairment on investments**

The Group treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

##### **e) Property, plant and equipment**

The recognition of cost incurred in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of buildings and equipment and to review estimated useful lives and residual values when circumstance changes.



The management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

**f) Intangible assets**

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

**g) Deferred tax assets**

The Group recognizes deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised, including unutilized taxable loss. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

**h) Leases**

The Group assesses whether a contract is or contains a lease, at inception of the contract. The management is required to use judgement in evaluating the condition and term of a contract to determine whether the Group transfers or have been transferred the risk and rewards of leased assets.

Determining the lease term of contracts with renewal and termination options

In determining the lease term, the management is required to use judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease considering all relevant facts and circumstances that create an economic incentive for it to exercise either the renewal or termination.

Incremental borrowing rate

In the case that the Group cannot readily determine the interest rate implicit in the lease, the Group is required to use its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

**i) Post-employment benefits**

The obligation under the defined benefit plan is determined based on actuarial techniques which depends on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

**j) Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

## **k) Revenue from contracts with customers**

### Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

### Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognizes revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Where the above criteria are not met, revenue is recognized at a point in time. Where revenue is recognized at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

## **l) Advance received from customers**

Sales form contract made with customers stipulates that the Group is entitled according to the condition order. The Group determines that there are no significant financing components arising from the payments received from customers because they are not the Group's funding but the customers' guarantee for partial or entire contractual performance.

## **m) Allowance for devaluation of inventories**

The Group treats value of inventories as impaired when a significant decline in the fair value is noted. The management determines the devaluation based on net realisable value. However, the determination of what is "significant" and the amount of devaluation requires the management to exercise judgment.

## **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applied a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measured fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 Use of quoted market prices for such identical assets or liabilities in an observable active market and the entity can access at the measurement date
- Level 2 Use of other observable inputs for such assets or liabilities other than quoted prices included within Level 1, whether directly or indirectly
- Level 3 Use of unobservable inputs for such assets or liabilities as the information related to future cash flows estimated by the Group

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

At the end of reporting period, the Group assesses whether transfers have to be occurred between levels within the fair value hierarchy for assets and liabilities held at the end of reporting period that are measured at fair value on a recurring basis.

#### 4. TRANSACTIONS WITH RELATED PARTIES

A related party is a person or entity that has control, or are controlled by, the Company and subsidiary, whether directly or indirectly, or which are under common control with the Company and subsidiary.

They also include a person which directly or indirectly own a voting interest in the Company and subsidiary that gives them significant influence over the Company, key management personnel, directors, or officers with authority in the planning and direction of the Company's and subsidiary operations, including, close family members of mentioned person and entity that has control or significant influence whether directly or indirectly.

Significant transactions with related parties for the years ended December 31, 2023 and 2022 were as follows:

	<i>Baht</i>			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Administrative expense				
Asian Insulators Public Company Limited	1,602,089	1,603,171	1,440,529	1,440,635
Finance Costs				
AI Ports and Terminals Company Limited	-	-	6,444,296	5,226,641
Dividend paid				
Asian Insulators Public Company Limited	-	202,006,218	-	202,006,218

## Management and director personnel compensation

Management and director personnel compensation for the years ended December 31, 2023 and 2022 consisted of:

			<i>Baht</i>	
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Management personnel compensation				
Short-term benefits	14,701,520	17,395,962	14,068,848	16,779,905
Long-term benefits	973,481	935,336	973,481	935,336
Post-employment benefits	751,178	607,558	718,790	576,514
Total	<u>16,426,179</u>	<u>18,938,856</u>	<u>15,761,119</u>	<u>18,291,755</u>
Directors' remuneration	<u>2,112,000</u>	<u>2,112,000</u>	<u>2,112,000</u>	<u>2,112,000</u>

Directors' remuneration represents benefits paid to the director of the Group in accordance with Section 90 of the Public Limited Companies Act B.E. 2535, exclusive of salaries and related benefit payable to directors who hold executive positions.

## Short-term loans from related party

Short-term loans from related party as at December 31, 2023 and 2022 consisted of:

			<i>Baht</i>	
	Interest rate		Separate financial statements	
	2023	2022	2023	2022
AI Ports and Terminals Company Limited	2.04 - 2.91	1.98 - 2.04	<u>260,000,000</u>	<u>260,000,000</u>

The Company had short-term loans from AI Ports and Terminals Company Limited, by issuing promissory notes for a period of 6 months and unsecured.

## Nature of relationship

Name	Country	Relation	Type of relation
Asian Insulators Public Company Limited	Thailand	Parent Company	Direct shareholding and common director
AI Ports and Terminals Company Limited	Thailand	Subsidiary	Direct shareholding



## Bases of measurement for intercompany revenues and expenses

	Pricing policies
Rental and other service	Stipulate in the agreement
Interest expenses	Referred with the commercial bank's interest rate.

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2023 and 2022 consisted of:

	<i>Baht</i>			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	30,000	380,000	-	350,000
Cash at banks	168,331,830	101,950,523	152,211,809	88,434,241
High liquid short-term investments	17,645	5,442	17,645	5,442
<b>Total</b>	<b>168,379,475</b>	<b>102,335,965</b>	<b>152,229,454</b>	<b>88,789,683</b>
				%
Interest rate	0.05 - 0.50	0.30 - 1.45	0.05 - 0.50	0.30 - 1.45

The currencies denomination of cash and cash equivalents as at December 31, 2023 and 2022 were as follows:

	<i>Baht</i>			
	Consolidated		Separate	
	financial statements		financial statements	
Currency	2023	2022	2023	2022
Thai Baht (THB)	150,625,019	102,335,965	134,474,998	88,789,683
US Dollars (USD)	17,754,456	-	17,754,456	-
<b>Total</b>	<b>168,379,475</b>	<b>102,335,965</b>	<b>152,229,454</b>	<b>88,789,683</b>

## 6. SHORT-TERM INVESTMENTS

Short-term investments as at December 31, 2023 and 2022 consisted of:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Investment measured at amortized cost</b>				
Fixed deposit receipt with a maturity more than 3 months but not over 1 year	3,556,966	279,614	3,556,966	279,614
<b>Investment measured at fair value through profit or loss</b>				
Investments in open-end fixed income fund	2,603,253	2,564,547	65,756	64,739
<b>Total</b>	<b>6,160,219</b>	<b>2,844,161</b>	<b>3,622,722</b>	<b>344,353</b>

Movements of short-term investment were as follows:

	Consolidated financial statements				
	As at January 1	Purchase/transfer-in	Sale/transfer-out	Adjustment	As at December 31
<b>Debt instruments</b>					
<b>2023</b>					
<b>Debt instruments measured at</b>					
- Amortized Cost	279,614	3,277,352	-	-	3,556,966
- Fair value through profit or loss	2,564,547	-	-	38,706	2,603,253
<b>Total</b>	<b>2,844,161</b>	<b>3,277,352</b>	<b>-</b>	<b>38,706</b>	<b>6,160,219</b>
<b>2022</b>					
<b>Debt instruments measured at</b>					
- Amortized Cost	50,321,899	-	(50,042,285)	-	279,614
- Fair value through profit or loss	2,552,349	-	-	12,198	2,564,547
<b>Total</b>	<b>52,874,248</b>	<b>-</b>	<b>(50,042,285)</b>	<b>12,198</b>	<b>2,844,161</b>



	Separate financial statements				
	As at January 1	Purchase/ transfer-in	Sale/ transfer-out	Adjustment	As at December 31
<b>Debt instruments</b>					
<b>2023</b>					
<b>Debt instruments measured at</b>					
- Amortized Cost	279,614	3,277,352	-	-	3,556,966
- Fair value through profit or loss	64,739	-	-	1,017	65,756
<b>Total</b>	<b>344,353</b>	<b>3,277,352</b>	<b>-</b>	<b>1,017</b>	<b>3,622,722</b>
<b>2022</b>					
<b>Debt instruments measured at</b>					
- Amortized Cost	50,321,899	-	(50,042,285)	-	279,614
- Fair value through profit or loss	64,471	-	-	268	64,739
<b>Total</b>	<b>50,386,370</b>	<b>-</b>	<b>(50,042,285)</b>	<b>268</b>	<b>344,353</b>

## 7. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at December 31, 2023 and 2022 consisted of:

	Consolidated and separate financial statements	
	2023	2022
Trade receivables	672,441,444	540,219,486
<b>Less</b> Allowance for expected credit loss	-	(2,182,107)
Trade receivables - net	672,441,444	538,037,379
Other receivables	111,989	120,785
<b>Trade and other receivables - net</b>	<b>672,553,433</b>	<b>538,158,164</b>

Movements of allowance for expected credit loss for the years ended December 31, 2023 and 2022 were as follows:

	<i>Baht</i>	
	Consolidated and separate financial statements	
	2023	2022
Beginning balance	2,182,107	24,817,690
<b>Less</b> Received from receivables	-	(22,635,583)
<b>Less</b> Written-off bad debt	(2,182,107)	-
Ending balance	-	2,182,107

As at December 31, 2023 and 2022, the Group had outstanding balances of trade receivables aged by number of months as follows:

	<i>Baht</i>	
	Consolidated and separate financial statements	
	2023	2022
Current	672,441,444	538,037,379
Overdue		
Over 12 months	-	2,182,107
Total	672,441,444	540,219,486

## 8. INVENTORIES

Inventories as at December 31, 2023 and 2022 consisted of:

	<i>Baht</i>	
	Consolidated and separate financial statements	
	2023	2022
Raw materials	119,411,710	154,049,205
Work in process	123,234,658	126,348,773
Finished goods	118,218,482	142,026,994
Supplies	20,194,793	17,879,776
Total	381,059,643	440,304,748
<b>Less</b> Allowance for devaluation of inventories	-	(14,000,000)
<b>Inventories - net</b>	<b>381,059,643</b>	<b>426,304,748</b>



For the years ended December 31, 2023 and 2022, cost of inventories were included in cost of sale and cost of rendering of service.

	<b>Baht</b>	
	Consolidated and separate	
	financial statements	
	2023	2022
Cost of sale	8,068,186,394	7,638,428,587
Cost of rendering of service	19,177,422	29,315,092
Adjustment for allowance for devaluation of inventories (Reversal)	(14,000,000)	14,000,000
Changes in work in process and finished good	26,922,627	38,646,390
Raw materials and supplies used	7,328,867,835	7,384,020,472

Movements of allowance for devaluation of inventories for the years ended December 31, 2023 and 2022 were as follows:

	<b>Baht</b>	
	Consolidated and separate	
	financial statements	
	2023	2022
Beginning balance	14,000,000	-
<b>Add (Less)</b> Loss from devaluation of inventories (Reversal)	(14,000,000)	14,000,000
Ending balance	-	14,000,000

## 9. RESTRICTED BANK DEPOSITS

Restricted bank deposits as at December 31, 2023 and 2022 consisted of:

<i>Baht</i>						
Accounts	Consolidated		Separate		Note	Collaterals
	financial statements		financial statements			
	2023	2022	2023	2022		
<b>Fixed</b>	<b>60,548,200</b>	<b>56,397,200</b>	<b>60,528,200</b>	<b>55,997,200</b>	14, 29	Credit for letter of guarantee and credit for short-term loan from financial institutions

## 10. INVESTMENT IN SUBSIDIARY

Investment in subsidiary as at December 31, 2023 and 2022 were as follows:

Subsidiary	Paid-up share capital		Shareholding		Cost value	
	2023	2022	2023	2022	2023	2022
AI Ports and Terminals Company Limited	460,000,000	460,000,000	100	100	<b>352,395,280</b>	<b>352,395,280</b>



## 11. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the years ended December 31, 2023 and 2022 were as follows:

*Baht*

	Consolidated financial statements								
	Land	Land improvements	Buildings and port	Utility system	Machinery and factory equipment	Office equipment	Vehicles	Work in progress/ assets under installations	Total
<b>Cost</b>									
At January 1, 2022	179,500,504	46,153,148	296,865,987	91,617,764	1,528,764,497	14,165,567	30,764,380	3,794,544	2,191,626,391
Purchase	-	810,000	1,140,000	792,500	12,475,481	1,490,212	-	70,671,263	87,379,456
Transfer in/ Transfer out	-	2,148,000	-	-	6,816,658	200,500	-	(9,165,158)	-
Disposal	-	-	(1,273,612)	(52,610)	(12,594,738)	(538,436)	-	(1,027,715)	(15,487,111)
At December 31, 2022	179,500,504	49,111,148	296,732,375	92,357,654	1,535,461,898	15,317,843	30,764,380	64,272,934	2,263,518,736
Purchase	-	1,183,426	404,433	835,000	16,786,680	578,040	9,666,333	14,667,675	44,121,587
Transfer in/ Transfer out	-	1,240,000	7,336,000	60,770,000	2,949,746	2,022,126	-	(74,317,872)	-
Disposal	-	-	(1,109,454)	-	(8,180,416)	(1,114,283)	(3,234,112)	(472,498)	(14,110,763)
At December 31, 2023	179,500,504	51,534,574	303,363,354	153,962,654	1,547,017,908	16,803,726	37,196,601	4,150,239	2,293,529,560
<b>Accumulated depreciation</b>									
At January 1, 2022	-	21,873,965	119,331,844	43,717,985	584,177,108	11,649,396	16,744,760	-	797,495,058
Depreciation	-	4,174,086	12,056,336	7,117,352	96,680,714	1,061,473	1,713,638	-	122,803,599
Transfer in	-	-	400,000	-	5,600,000	-	-	-	6,000,000
Disposal/ Transfer out	-	-	(804,350)	(48,762)	(7,681,903)	(523,133)	-	-	(9,058,148)
At December 31, 2022	-	26,048,051	130,983,830	50,786,575	678,775,919	12,187,736	18,458,398	-	917,240,509
Depreciation	-	4,347,097	12,468,583	13,083,822	99,516,491	1,251,493	1,799,177	-	132,466,663
Transfer in	-	-	-	-	-	-	-	-	-
Disposal/ Transfer out	-	-	(915,237)	-	(5,308,877)	(1,097,650)	(2,910,701)	-	(10,232,465)
At December 31, 2023	-	30,395,148	142,537,176	63,870,397	772,983,533	12,341,579	17,346,874	-	1,039,474,707

	Consolidated financial statements								
	Land	Land improvements	Buildings and port	Utility system	Machinery and factory equipment	Office equipment	Vehicles	Work in progress/ assets under installations	Total
Allowance for impairment									
At January 1, 2022	-	-	2,500,000	-	14,900,000	-	-	-	17,400,000
Reversal of loss for impairment of assets	-	-	(2,500,000)	-	(14,900,000)	-	-	-	(17,400,000)
At December 31, 2022	-	-	-	-	-	-	-	-	-
Net book value									
At December 31, 2022	179,500,504	23,063,097	165,748,545	41,571,079	856,685,979	3,130,107	12,305,982	64,272,934	1,346,278,227
At December 31, 2023	179,500,504	21,139,426	160,826,178	90,092,257	774,034,375	4,462,147	19,849,727	4,150,239	1,254,054,853



	Separate financial statements							
	Land		Machinery and			Work in progress/		Total
	Land	improvements	Buildings	Utility system	factory equipment	Office equipment	assets under installations	
<b>Cost</b>								
At January 1, 2022	162,080,318	46,153,148	254,737,166	91,604,110	1,280,152,976	13,350,795	30,732,380	1,882,605,437
Purchase	-	810,000	1,140,000	792,500	12,475,481	1,486,212	-	87,375,456
Transfer in /Transfer out	-	2,148,000	-	-	6,816,658	200,500	-	-
Disposal	-	-	(1,273,612)	(52,610)	(12,594,738)	(538,436)	-	(15,487,111)
At December 31, 2022	162,080,318	49,111,148	254,603,554	92,344,000	1,286,850,377	14,499,071	30,732,380	1,954,493,782
Purchase	-	1,183,426	404,433	835,000	16,786,680	575,230	9,666,333	44,118,777
Transfer in/Transfer out	-	1,240,000	7,336,000	60,770,000	2,949,746	2,022,126	-	-
Disposal	-	-	(1,109,454)	-	(8,180,416)	(1,114,283)	(3,234,112)	(14,110,763)
At December 31, 2023	162,080,318	51,534,574	261,234,533	153,949,000	1,298,406,387	15,982,144	37,164,601	1,984,501,796
<b>Accumulated depreciation</b>								
At January 1, 2022	-	21,873,965	87,252,627	43,704,332	462,429,901	10,881,893	16,712,761	642,855,479
Depreciation	-	4,174,086	11,070,126	7,117,352	83,628,882	1,042,058	1,713,638	108,746,142
Disposal/ Transfer out	-	-	(804,350)	(48,762)	(7,681,903)	(523,133)	-	(9,058,148)
At December 31, 2022	-	26,048,051	97,518,403	50,772,922	538,376,880	11,400,818	18,426,399	742,543,473
Depreciation	-	4,347,097	11,375,937	13,083,822	85,063,680	1,231,674	1,799,177	116,901,387
Disposal/ Transfer out	-	-	(915,237)	-	(5,308,877)	(1,097,650)	(2,910,701)	(10,232,465)
At December 31, 2023	-	30,395,148	107,979,103	63,856,744	618,131,683	11,534,842	17,314,875	849,212,395
<b>Net book value</b>								
At December 31, 2022	162,080,318	23,063,097	157,085,151	41,571,078	748,473,497	3,098,253	12,305,981	1,211,950,309
At December 31, 2023	162,080,318	21,139,426	153,255,430	90,092,256	680,274,704	4,447,302	19,849,726	1,135,289,401

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
As at December 31,				
The gross carrying amount of fully depreciated that is still in use	235,616,809	208,274,538	234,537,065	207,194,794
For the year ended December 31,				
Depreciation were recognized as an				
Cost of sales and services	112,415,537	104,510,207	112,415,537	104,510,207
Selling expenses	1,165,321	918,400	1,165,321	918,400
Administrative expenses	18,885,805	17,374,992	3,320,529	3,317,535
Total	132,466,663	122,803,599	116,901,387	108,746,142

## 12. LEASES

### Right-of-use assets

Movements of the right-of-use assets for the years ended December 31, 2023 and 2022 were summarized as follows:

	<i>Baht</i>
	Consolidated and separate
	financial statement
<b>Net book value</b>	
At January 1, 2022	434,736
Increase	-
<b>Less Amortization</b>	(187,564)
At December 31, 2022	247,172
<b>Less Amortization</b>	(187,563)
<b>At December 31, 2023</b>	<b>59,609</b>

The Group entered into a vehicle lease agreement for 3 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.



## Leases liabilities

As at December 31, 2023 and 2022, leases liabilities consisted of:

	<i>Baht</i>	
	Consolidated and separate	
	financial statement	
	2023	2022
Amount of lease payment	66,313	272,113
<b>Less</b> Deferred interest	(820)	(11,370)
Lease liabilities	65,493	260,743
<b>Less</b> Current portion	(65,493)	(195,250)
<b>Long-term liabilities</b>	<b>-</b>	<b>65,493</b>

The Group entered into the lease agreement for vehicle for their operations.

Movements of leases liabilities for the years ended December 31, 2023 and 2022 were as follows:

	<i>Baht</i>	
	Consolidated and separate	
	financial statement	
	2023	2022
Beginning balance	260,743	444,422
Enter into the lease	-	-
Amortized interest	10,550	22,121
Lease payment	(205,800)	(205,800)
Ending balance	65,493	260,743

As at December 31, 2023 and 2022, lease liabilities presented by term of repayment period were summarized as follow:

				<i>Baht</i>		
				Consolidated and separate financial statements		
Due of payment	Present value	Deferred interest expenses	Minimum lease payment			
<b>2023</b>						
Within 1 year	65,493	820	66,313			
More than 1 year but not over 5 years	-	-	-			
Total	65,493	820	66,313			
<b>2022</b>						
Within 1 year	195,250	10,550	205,800			
More than 1 year but not over 5 years	65,493	820	66,313			
Total	260,743	11,370	272,113			

**As a lessee**

		<i>Baht</i>	
		Consolidated and separate financial statements	
		2023	2022
<b>For the year ended December 31</b>			
<b>Recognized in profit or loss</b>			
Interest expense relating to lease liabilities		10,550	22,121
Expense relating to short term leases		58,440	58,440



### 13. INTANGIBLE ASSET

Movements of intangible asset for the years ended December 31, 2023 and 2022 were as follows:

	<i>Baht</i>	
	Consolidated	Separate
	financial statements	financial statements
<b>Cost</b>		
At January 1, 2022	1,665,656	1,564,334
Purchase/ Transfer in	70,700	70,700
Disposal/ Transfer out	-	-
At December 31, 2022	1,736,356	1,635,034
Purchase/ Transfer in	1,208,190	1,208,190
Disposal/ Transfer out	(71,500)	(71,500)
At December 31, 2023	2,873,046	2,771,724
<b>Accumulated amortization</b>		
At January 1, 2022	1,097,518	1,009,496
Amortization	196,437	190,824
Disposal/ Transfer out	-	-
At December 31, 2022	1,293,955	1,200,320
Amortization	248,685	243,072
Disposal/ Transfer out	(69,005)	(69,005)
At December 31, 2023	1,473,635	1,374,387
<b>Net book value</b>		
At December 31, 2022	442,401	434,714
<b>At December 31, 2023</b>	<b>1,399,411</b>	<b>1,397,337</b>

	<i>Baht</i>			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
At December 31,				
The gross carrying amount of fully				
amortized that is still in use	991,640	807,140	918,383	733,883

#### 14. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

The Group has credit facilities from financial institution as at December 31, 2023 and 2022 were as follows:

	<i>Baht</i>				<i>%</i>
	Credit limit				
	Company		Subsidiary		
Type of credit facilities	2023	2022	2023	2022	interest rate
Bank overdraft	10,000,000	10,000,000	-	-	MOR
Promissory notes/					
Letter of credit/Trust receipt	100,000,000	100,000,000	-	-	MMR
Forward contract	5,000,000	5,000,000	-	-	-
Letters of guarantee	10,528,200	5,997,200	20,000	400,000	-

#### Collateral

The Company and subsidiary had transferred rights in bank deposit under the contract of secured transaction as collateral for loans (see note 9).

#### 15. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, 2023 and 2022 consisted of:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Trade payables</b>				
Other parties	356,790,111	377,670,362	356,790,111	377,670,362
<b>Other payables</b>				
Other payables	9,148,000	10,941,062	9,134,500	10,929,398
Accrued expenses	17,494,458	14,903,079	17,417,268	14,817,137
Payables from purchase assets	3,313,045	13,816,030	3,313,045	13,816,030
Total	29,955,503	39,660,171	29,864,813	39,562,565
<b>Grand total</b>	<b>386,745,614</b>	<b>417,330,533</b>	<b>386,654,924</b>	<b>417,232,927</b>



## 16. OTHER CURRENT LIABILITIES

Other current liabilities as at December 31, 2023 and 2022 consisted of:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Retention	1,012,961	896,418	1,012,961	896,418
Advances received	1,000,000	1,865,951	-	865,951
Value added tax and withholding tax	48,499,531	44,844,348	48,498,745	44,843,632
Others	-	3,721	-	3,721
<b>Total</b>	<b>50,512,492</b>	<b>47,610,438</b>	<b>49,511,706</b>	<b>46,609,722</b>

## 17. PROVISIONS FOR EMPLOYEE BENEFIT

Provisions for employee benefit as at December 31, 2023 and 2022 consisted of:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Post employment benefits				
Present value of obligations	13,052,089	11,357,519	12,051,874	10,515,132
<b>Less</b> Current portion	-	(779,401)	-	(779,401)
<b>Provisions for long-term</b>	<b>13,052,089</b>	<b>10,578,118</b>	<b>12,051,874</b>	<b>9,735,731</b>

Movements of the present value of provisions for employee benefit for the years ended December 31, 2023 and 2022 were summarized as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Post-employment benefit plan</b>				
Present value of provision for employee benefit				
At January 1,	11,357,519	9,962,432	10,515,132	9,271,162
Included in profit or loss:				
Current service cost	2,298,893	2,121,960	2,158,509	1,985,147
Interest cost	163,610	139,976	146,166	125,672
Benefit paid during the year	(767,933)	(866,849)	(767,933)	(866,849)
At December 31,	13,052,089	11,357,519	12,051,874	10,515,132

Principal actuarial assumptions as at December 31, 2023 and 2022 were as follow:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Discount rate	1.44 - 2.07	1.44 - 2.07	1.44	1.44
Salary increase rate	1.50 - 5.00	1.50 - 5.00	1.50 - 5.00	1.50 - 5.00
Turnover rate	0 - 28	0 - 28	0 - 28	0 - 28

Discount rate were the market yields on government's bond for legal severance payments plan.

Salary increase rate depended on the management's policies.

Turnover rate depended on the length of service.

Mortality rate were the reference rate from TMO2017: Thai Mortality Ordinary Table 2017.



## Sensitivity analysis

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term provisions for employee benefit as at December 31, 2023 and 2022 are summarized below:

**Baht**

	Consolidated financial statement			
	2023		2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1,195,052)	1,391,935	(1,023,291)	1,193,016
Salary increase rate (1% movement)	1,669,944	(1,446,285)	1,314,627	(1,145,451)
Turnover rate (1% movement)	(1,283,149)	854,713	(1,098,675)	726,143

**Baht**

	Separate financial statement			
	2023		2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1,070,525)	1,242,886	(913,984)	1,061,643
Salary increase rate (1% movement)	1,496,811	(1,301,132)	1,172,578	(1,025,930)
Turnover rate (1% movement)	(1,154,134)	854,713	(985,429)	726,143

The Group presented in the statement of comprehensive income for the years ended December 31, 2023 and 2022 as follow:

**Baht**

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cost of sale	1,163,616	1,143,908	1,163,616	1,143,908
Selling expenses	65,065	76,087	65,065	76,087
Administrative expenses	1,233,822	1,041,941	1,075,994	890,824
Total	2,462,503	2,261,936	2,304,675	2,110,819

## 18. SHARE CAPITAL

Movement of share capital for the years ended December 31, 2023 and 2022 were summarized as follows:

<i>Baht</i>					
	Par value per share	2023		2022	
		Number	Amount	Number	Amount
<b>Share capital (Par value)</b>					
Ordinary shares					
At January 1	1	1,569,682,166	1,569,682,166	1,569,682,166	1,569,682,166
At December 31	1	1,569,682,166	1,569,682,166	1,569,682,166	1,569,682,166
<b>Issued and paid-up shares (paid-up shares capital)</b>					
Ordinary shares					
At January 1	1	1,326,613,416	1,326,613,416	1,308,072,982	1,308,072,982
Increase of new shares	1	57,400,593	57,400,593	18,540,434	18,540,434
<b>At December 31</b>	<b>1</b>	<b>1,384,014,009</b>	<b>1,384,014,009</b>	<b>1,326,613,416</b>	<b>1,326,613,416</b>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

### Premium on share capital

According to the Public Companies Act B.E. 2535, Section 51 the Company is required to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("premium on share capital"). Premium on share capital is not available for dividend distribution.

## 19. DIVIDEND

Dividend	Approval	Approval date	Dividend payment		Actual dividend paid
			date	Dividend per share	
Year 2022	The Ordinary General Meeting of Shareholders	5 Apr 22	28 Apr 22	0.25	327,012,396



## 20. LEGAL RESERVE

According to the Public Limited Companies Act B.E. 2535, Section 116 the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve is not available for dividend distribution.

	<i>Baht</i>	
	Consolidated and separate	
	financial statements	
	2023	2022
For the year ended December 31		
Appropriated - legal reserve	2,700,000	-

## 21. WARRANT

The detail of warrants were summarized as follow:

The second warrant to be exercised to the new ordinary share (AIE-W2)

Type of warrant	: The Warrant to be exercised to the new ordinary share of AI Energy Public Company Limited No.2 ("AIE-W2")
Category	: Registered and transferable
The offering price	: Baht 0.00
Terms of the warrant	: 2 years from the date of issuance and offering
Issuing and offering date	: May 5, 2021
Exercise ratio	: 4 warrant per 1 ordinary shares
Exercise price	: Baht 1.00 per share
Exercise period	: The initial as at March 31, 2022. The second as at September 30, 2022. The third as at May 3, 2023.
The last exercise date	: May 3, 2023
Expiration date	: May 4, 2023

In May 2023, the holders of the second warrants (AIE-W2) have exercised their warrants to be ordinary shares amount 229,602,372 units totaling amount of Baht 57.40 million.

The Company issued ordinary shares to the warrant holders and registered its share capital with the Department of Business Development, the Ministry of Commerce on May 12, 2023.

In March 2022 and September 2022, the holders of the second warrants (AIE-W2) have exercised their warrants to be ordinary shares amount 32,646,020 units totaling amount of Baht 8.16 million and amount 41,515,716 units totaling amount of Baht 10.38 million, respectively.

The Company issued ordinary shares to the warrant holders and registered its share capital with the Department of Business Development, the Ministry of Commerce on April 4, 2022 and October 7, 2022, respectively.

Changes of the warrants during the year were as follows:

Type of warrants	Beginning balance as at		Exercised	Expired	Ending balance as a
	January 1, 2023	New issued	during	during	December 31, 2023
AIE-W2	972,274,998	-	(229,602,372)	(742,672,626)	-

*Unit*

## 22. REVENUE FROM CONTRACT WITH CUSTOMERS

Disaggregation of revenue:

Type of goods or services	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Revenue from sale	8,193,337,374	7,688,119,686	8,193,337,374	7,688,119,686
Revenue from rendering of services	27,775,782	36,872,474	27,775,782	36,872,474
Total	8,221,113,156	7,724,992,160	8,221,113,156	7,724,992,160
Gain on exchange rate	332,999	1,213,122	295,309	1,201,192
Reversal of loss from impairment of assets	-	11,400,000	-	-
Rental income	2,592,000	720,000	2,592,000	720,000
Other income	3,423,733	7,821,213	3,420,462	7,820,223
Total	6,348,732	21,154,335	6,307,771	9,741,415
<b>Grand total</b>	<b>8,227,461,888</b>	<b>7,746,146,495</b>	<b>8,227,420,927</b>	<b>7,734,733,575</b>
<b>Timing of revenue recognition</b>				
At a point in time	8,224,536,889	7,744,213,373	8,224,533,618	7,732,812,383
Over time	2,924,999	1,933,122	2,887,309	1,921,192
Total	8,227,461,888	7,746,146,495	8,227,420,927	7,734,733,575

*Baht*



## 23. OPERATING SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance measured basing on segment operating profit or loss on a basis consistent with that used to measure operating profit or loss in the financial statements.

### Business segment

The Group identified their business segment as follow:

AI Energy Public Company Limited      Producing and distribution of energy product (bio-diesel), vegetable oil.

AI Ports and Terminals Company Limited      Ports service.

All inter-segment transaction were eliminated in preparing the consolidated financial statements.

Operating segment for the years ended December 31, 2023 and 2022 were summarized as follow

	<i>Baht</i>	
	Palm oil product	
	2023	2022
Revenue		
Timing of revenue recognition		
At a point in time	8,221,113,156	7,724,992,160
Cost of sales and service	(8,073,363,816)	(7,681,743,679)
Segment gross profit	147,749,340	43,248,481

Assets and liabilities as at December 31, 2023 and 2022 were are follows:

***Baht***

	Palm oil product		Ports service		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Cash and cash equivalents	152,229,454	88,789,683	16,150,021	13,546,282	168,379,475	102,335,965
Short-term investment	3,622,722	344,353	2,537,497	2,499,808	6,160,219	2,844,161
Trade and other receivables	672,553,433	538,158,164	-	-	672,553,433	538,158,164
Inventories	381,059,643	426,304,748	-	-	381,059,643	426,304,748
Other current assets	5,821,317	6,161,494	528,583	436,091	6,349,900	6,597,585
Restricted bank deposits	60,528,200	55,997,200	20,000	400,000	60,548,200	56,397,200
Property, plant and equipment	1,135,289,401	1,211,950,309	118,765,452	134,327,918	1,254,054,853	1,346,278,227
Right-of-use assets	59,609	247,172	-	-	59,609	247,172
Intangible assets	1,397,337	434,714	2,074	7,687	1,399,411	442,401
Other non-current assets	2,102,749	1,330,368	66,480	314,091	2,169,229	1,644,459
<b>Liabilities</b>						
Trade and other payables	386,654,924	417,232,927	90,690	97,606	386,745,614	417,330,533
Other current liabilities	49,511,706	46,609,722	1,000,786	1,000,716	50,512,492	47,610,438
Provisions for employee benefit	12,051,874	10,515,132	1,000,215	842,387	13,052,089	11,357,519



## Geographical segments

The Group operate in a single geographical segment principally in Thailand. There are no material revenues derived from or assets located in foreign countries. Therefore, revenue and assets presented in the financial statements are geographical segment reporting.

## Major customers

For the years ended December 31, 2023 and 2022 :

The Group has revenue from major customers in each segment as follow:

	<i>Person</i>		<i>Baht</i>	
	Major customers		Revenue	
	2023	2022	2023	2022
Palm oil product	4	3	7,129,080,914	6,072,361,516

## 24. EXPENSES BY NATURE

Expenses by nature for the years ended December 31, 2023 and 2022 were summarized as follow:

			<i>Baht</i>	
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cost of sales and services				
Employee benefit	55,303,136	49,174,132	55,303,136	49,174,132
Depreciation and amortization	112,415,537	104,510,207	112,415,537	104,510,207
Fuel	224,682,029	173,095,049	224,682,029	173,095,049
Repair and maintenance	31,780,177	32,395,335	31,780,177	32,395,335
Transportation expenses	14,020,236	5,363,537	14,020,236	5,363,537
Loss from devaluation of inventories (Reversal)	(14,000,000)	14,000,000	(14,000,000)	14,000,000
Selling expenses				
Employee benefit	2,039,251	1,861,089	2,039,251	1,861,089
Depreciation and amortization	1,165,321	918,400	1,165,321	918,400
Transportation expenses	33,939,985	24,802,852	33,939,985	24,802,852
Administrative expenses				
Employee benefit	32,105,266	33,862,306	29,176,402	30,871,997
Rent and services	3,643,529	3,884,962	3,504,004	3,740,892
Consultants and services	1,360,234	2,902,206	1,360,234	2,902,206
Depreciation and amortization	19,322,053	17,758,993	3,751,164	3,695,923
Repair and maintenance	290,180	666,684	212,682	579,313

## 25. EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses for the years ended December 31, 2023 and 2022 were summarized as follow:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Salaries and wages	75,368,259	71,274,133	72,742,458	68,543,450
Defined benefit plans	2,462,503	2,261,936	2,304,675	2,110,819
Provident fund	1,895,570	1,786,247	1,895,570	1,786,247
Others	9,721,321	9,575,211	9,576,086	9,466,702
<b>Total</b>	<b>89,447,653</b>	<b>84,897,527</b>	<b>86,518,789</b>	<b>81,907,218</b>

### Provident fund

The Group and their employees have jointly established a provident fund for the Group's employees under the Provident Fund Act B.E. 2530 comprises contributions made monthly by the employees and by the Group. The provident fund will be paid to the employees upon termination in accordance with the rules of the Fund. At the present, the provident funds are managed by Principal Asset Management Company Limited.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
For the year ended December 31				
Contributions paid to the provident fund	1,895,570	1,786,247	1,895,570	1,786,247

## 26. PROMOTIONAL PRIVILEGES

The Group received a promotion certificate under the Investment Promotion Act B.E.2520 for its business involving production energy product (bio-diesel) and refined glycerine. The major privileges granted to the Company are as follows:

- 1) Exemption from import duty on machinery as approved by the Board of Investment.
- 2) Exemption from corporate income tax on net profit derived from the operation of promoted business for a period of 8 years and 3 years from the date operation income is first derived.
- 3) Exemption from income tax on dividend received from the operations of promoted business.

Consequently, the Group has to comply with terms and conditions stipulated in the promotion certificate.



Revenue from domestic sales and export sales and other income for the years ended December 31, 2023 and 2022 are classified as promoted business and non-promoted business as follows:

**Baht**

Consolidated financial statements						
	2023			2022		
	Domestic	Export	Total	Domestic	Export	Total
Promoted segment	4,847,634,639	70,907,818	4,918,542,457	4,538,999,647	148,412,002	4,687,411,649
Non-promoted segment	3,230,498,484	78,420,947	3,308,919,431	2,991,418,445	67,316,401	3,058,734,846
Total	8,078,133,123	149,328,765	8,227,461,888	7,530,418,092	215,728,403	7,746,146,495

**Baht**

Separate financial statements						
	2023			2022		
	Domestic	Export	Total	Domestic	Export	Total
Promoted segment	4,847,634,639	70,907,818	4,918,542,457	4,538,999,647	148,412,002	4,687,411,649
Non-promoted segment	3,230,457,523	78,420,947	3,308,878,470	2,980,005,525	67,316,401	3,047,321,926
Total	8,078,092,162	149,328,765	8,227,420,927	7,519,005,172	215,728,403	7,734,733,575

## 27. INCOME TAX

Income tax of the Group for the years ended December 31, 2023 and 2022 were calculated at a rate specified by the Revenue Department on net earnings (loss) after adjusting certain conditions according to the Revenue Code. The Group recorded the corporate income tax as expense for the years and recorded the accrued portion as liabilities in the statements of financial position.

Tax expense for the year ended December 31, 2022 were as follow:

**Baht**

	Consolidated and separate financial statements
<b>Income tax recognised in profit or loss</b>	
<b>Current tax expense</b>	
Current year	-
<b>Deferred tax</b>	
Movements in temporary differences	(1,435,316)
<b>Tax expense</b>	<b>(1,435,316)</b>

**Reconciliation of effective tax rate**
**Baht**

	Consolidated financial statements				Separate financial statements			
	2023		2022		2023		2022	
	%		%		%		%	
	Tax rate		Tax rate		Tax rate		Tax rate	
Profit (loss) before income tax		40,266,842		(20,696,588)		53,879,594		(18,818,668)
<b>Less Privileges granted under the Investment Promotion</b>		(5,946,923)		(115,469,389)		(5,946,923)		(115,469,389)
Taxable income		34,319,919		(136,165,977)		47,932,671		(134,288,057)
Income tax using the Thai corporation tax rate	20	6,863,984	20	(27,233,195)	20	9,586,534	20	(26,857,611)
Income not subject to tax		(1,673,188)		(15,957,142)		(1,665,650)		(13,674,755)
Expenses not deductible for tax purposes		2,119,192		2,800,676		1,005,284		1,986,836
Addition expenses deductible for tax purposes		(45,383)		(41,332)		(45,383)		(41,332)
Current period taxable losses		11,974,021		41,251,078		10,357,841		39,415,716
Loss carry forward		(19,238,626)		(828,854)		(19,238,626)		(828,854)
Effects of elimination entries on consolidation		-		8,769		-		-
Current tax expenses	-	-	-	-	-	-	-	-
Movements in temporary differences		-		(1,435,316)		-		(1,435,316)
Tax expense	-	-	7	(1,435,316)	-	-	8	(1,435,316)



## Deferred tax

Deferred tax as at December 31, 2023 and 2022 consisted of:

	<i>Baht</i>	
	Consolidated and separate financial statements	
	2023	2022
Deferred tax assets	8,460,289	8,144,722
Deferred tax liabilities	(8,460,289)	(8,144,722)
<b>Deferred tax assets - net</b>	<b>-</b>	<b>-</b>

Movement of deferred tax assets and liabilities occurred during the year were summarized as follows:

	<i>Baht</i>				
	Consolidated and separate financial statements				
	At January 1, 2022	Profit (loss)	At December 31, 2022	Profit (loss)	At December 31, 2023
<b>Deferred tax asset</b>					
Trade and other receivables	4,963,538	(4,527,117)	436,421	(436,421)	-
Inventories	-	2,800,000	2,800,000	(2,800,000)	-
Leases liabilities	19,480	(16,766)	2,714	(1,537)	1,177
Provisions for benefit	1,854,233	248,794	2,103,027	307,348	2,410,375
Loss carry forward	-	2,802,560	2,802,560	3,246,177	6,048,737
<b>Total</b>	<b>6,837,251</b>	<b>1,307,471</b>	<b>8,144,722</b>	<b>315,567</b>	<b>8,460,289</b>
<b>Deferred tax liabilities</b>					
Property, plant and equipment	(5,401,935)	(2,742,787)	(8,144,722)	(315,567)	(8,460,289)

Deferred tax asset arising from temporary differences and accumulated loss not recognized in the financial statements as at December 31, 2023 and 2022 were summarized as follow:

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Loss carry forward	119,104,325	121,884,066	109,626,282	113,822,203
Temporary differences				
Provisions for employee benefit	200,043	168,477	-	-
<b>Total</b>	<b>119,304,368</b>	<b>122,052,543</b>	<b>109,626,282</b>	<b>113,822,203</b>

The Group has not recognized temporary differences for cumulative losses which are expired in 2024 – 2028 and not recognized deferred tax assets for unexpired temporary differences due to there is no certain future taxable profit to be utilized.

## 28. EARNINGS (LOSS) PER SHARE

### Basic earnings (loss) per share

Basic earnings (loss) per share for the years ended December 31, 2023 and 2022 is calculated by dividing profit (loss) for the years attributable to the ordinary shareholders of the Group by the weighted average number of ordinary shares issued during the years.

For the years ended December 31, 2023 and 2022 were as follows:

	<i>Baht</i>			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the year	40,266,842	(22,131,904)	53,879,594	(20,253,984)
<b>Weighted average number of ordinary shares (Shares)</b>				
Ordinary shares at the beginning of year	1,326,613,416	1,308,072,982	1,326,613,416	1,308,072,982
Increase in shares	36,799,284	8,527,444	36,799,284	8,527,444
Weighted average number of ordinary shares	1,363,412,700	1,316,600,426	1,363,412,700	1,316,600,426
Basic earnings (loss) per share	0.030	(0.017)	0.040	(0.015)

### Diluted earnings per share

Diluted earnings per shares are calculated by dividing profit for the years attributable to the ordinary shareholders of the Group by the sum of the weighted average number of ordinary shares outstanding during the years plus the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into ordinary shares, without any consideration. The calculation assumes that the holders will exercise dilutive potential ordinary shares into ordinary shares when the exercise price is lower than fair value of ordinary shares.

For the year ended December 31, 2023 were as follows:

	<i>Baht</i>	
	Consolidated	Separate
	financial statements	financial statements
Profit for the year	40,266,842	53,879,594
<b>Diluted ordinary shares (Shares)</b>		
Weighted average number of ordinary shares	1,363,412,700	1,363,412,700
Exercised warrants	37,521,751	37,521,751
Diluted ordinary shares	1,400,934,451	1,400,934,451
Diluted earnings per share	0.029	0.038



## 29. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2023 and 2022, the Group had commitments and contingent liabilities as follows:

### Commitments

- a) The Group has letters of guarantee issued by the banks regarding to the obligation under the agreement as follow:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Electricity use	8,548,200	6,069,000	8,528,200	5,669,000

- b) Commitments regarding to the agreements as follow:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Monthly payment</b>				
Consultants and services agreement	357,937	427,700	354,670	424,433
Leases liabilities	4,870	4,870	4,870	4,870
<b>Capital commitments</b>				
Unrecognized contractual commitments				
Buildings and equipment	2,548,271	9,684,000	2,548,271	9,684,000
Purchase orders for supplies and equipments	33,729,125	23,384,336	33,729,125	23,384,336
Purchase orders for material	193,874,363	216,760,637	193,874,363	216,760,637

### 30. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments of the Group principally comprise deposits at banks, investments, trade and other receivables, trade and other payables, short-term loans from related party and lease liabilities.

#### Risk management policy

The Group are exposed to risks from changes in interest rates and currency exchange rates and risks from non-performance of contractual obligations by counterparties. The Group uses derivatives, as and when it considers appropriate, to manage such risks. In addition, the Group has a policy to enter into contracts with creditworthy counterparties. Therefore, the Group does not expect any material financial losses to arise from that the counterparties will fail to discharge their obligations as stipulated in the financial instruments contracts.

#### a) Interest rate risk

Interest rate risk is the risk that future fluctuations in market interest rates will affect the operating result and cash flows of the Group.

The exposure to interest rate risk of the Group relates primarily to their deposits at financial institutions, short-term investments, short-term loans from related party and leases liabilities. However, as most of the financial assets and liabilities carry floating interest rate which fluctuates in line with the market interest rates or carry fixed interest rate which approximates to the current market interest rate, the Group do not use derivatives to manage their interest rate risk.

	Consolidated financial statements		Separate financial statements	
	Interest rate		Interest rate	
	Floating	Fixed	Floating	Fixed
<b>As at December 31, 2023</b>				
<b>Financial assets</b>				
Cash at banks	168,349,475	-	152,229,454	-
Short-term investments	-	3,556,966	-	3,556,966
Restricted bank deposits	60,548,200	-	-	60,528,200
<b>Financial liabilities</b>				
Short-term loans from related party	-	-	260,000,000	-
Leases liabilities	-	65,493	-	65,493
<b>As at December 31, 2022</b>				
<b>Financial assets</b>				
Cash at banks	101,955,965	-	88,439,683	-
Short-term investments	-	279,614	-	279,614
Restricted bank deposits	-	56,397,200	-	55,997,200
<b>Financial liabilities</b>				
Short-term loans from related party	-	-	260,000,000	-
Leases liabilities	-	260,743	-	260,743



b) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations, resulting in a financial loss to the Group.

Cash and cash equivalents

The Group's credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers having low credit risk.

Trade receivables

The Group is exposed to credit risk primarily with respect to trade and other receivables. However, the Group controls such risk by establishing credit limits for clients and counter parties and analysing their financial position as an ongoing basis. The Group is not expected to have much concentration risk of credit exposure and the maximum possible credit loss is the carrying amount shown in the statement of financial position.

The Group determines the impairment of trade and other receivables basing on an expected credit loss model which the Group have established and maintain an appropriate credit loss model. The risk management department periodically reviews the parameters and the data used in the credit loss model.

c) Liquidity risk

Liquidity risk is the risk that the Group will be unable to liquidate financial assets and/or procure sufficient funds to discharge obligations in a timely manner, resulting in a financial loss.

The maturity dates of financial instruments held as of December 31, 2023 and 2022, counting from the statements of financial position date were as follows:

*Baht*

	Consolidated financial statement					
	As at December 31, 2023					
	At call	Within 1 year	1 - 5 years	5 years	No maturity	Total
<b>Financial assets</b>						
Cash at banks	168,331,830	17,645	-	-	-	168,349,475
Short-term investments	-	6,160,219	-	-	-	6,160,219
Trade and other receivables	-	672,553,433	-	-	-	672,553,433
Restricted bank deposits	-	-	-	-	60,548,200	60,548,200
<b>Financial liabilities</b>						
Trade and other payables	-	386,745,614	-	-	-	386,745,614
Leases liabilities	-	65,493	-	-	-	65,493

## Consolidated financial statement

As at December 31, 2022

	At call	Within 1 year	1 - 5 years	5 years	No maturity	Total
<b>Financial assets</b>						
Cash at banks	101,950,523	5,442	-	-	-	101,955,965
Short-term investments	-	2,844,161	-	-	-	2,844,161
Trade and other receivables	-	538,158,164	-	-	-	538,158,164
Restricted bank deposits	-	-	-	-	56,397,200	56,397,200
<b>Financial liabilities</b>						
Trade and other payables	-	417,330,533	-	-	-	417,330,533
Leases liabilities	-	195,250	65,493	-	-	260,743

## Separate financial statement

As at December 31, 2023

	At call	Within 1 year	1 - 5 years	5 years	No maturity	Total
<b>Financial assets</b>						
Cash at banks	152,211,809	17,645	-	-	-	152,229,454
Short-term investments	-	3,622,722	-	-	-	3,622,722
Trade and other receivables	-	672,553,433	-	-	-	672,553,433
Restricted bank deposits	-	-	-	-	60,528,200	60,528,200
<b>Financial liabilities</b>						
Trade and other payables	-	386,654,924	-	-	-	386,654,924
Short-term loans from related party	-	260,000,000	-	-	-	260,000,000
Leases liabilities	-	65,493	-	-	-	65,493



Separate financial statement						
As at December 31, 2022						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>						
Cash at banks	88,434,241	5,442	-	-	-	88,439,683
Short-term investments	-	344,353	-	-	-	344,353
Trade and other receivables	-	538,158,164	-	-	-	538,158,164
Restricted bank deposits	-	-	-	-	55,997,200	55,997,200
<b>Financial liabilities</b>						
Trade and other payables	-	417,232,927	-	-	-	417,232,927
Short-term loans from related party	-	260,000,000	-	-	-	260,000,000
Leases liabilities	-	195,250	65,493	-	-	260,743

d) Foreign exchange risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

e) Fair value

The fair value of financial instruments, considerable judgment is necessarily required in estimation of fair value. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be amid in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value.

The fair value information presented herein, does not include fair value information for financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of fair value.

## Consolidated financial statement

	Carrying amount				Fair value			
	Fair value through profit or loss	Fair value through comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
<b>As at December 31, 2023</b>								
<b>Financial assets</b>								
<b>Measured at fair value</b>								
Investment in short-term								
Funds	2,603,253	-	-	2,603,253	-	2,603,253	-	2,603,253

**As at December 31, 2022****Financial assets****Measured at fair value**

## Investment in short-term

Funds	2,564,547	-	-	2,564,547	-	2,564,547	-	2,564,547
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## Separate financial statement

	Carrying amount				Fair value			
	Fair value through profit or loss	Fair value through comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
<b>As at December 31, 2023</b>								
<b>Financial assets</b>								
<b>Measured at fair value</b>								
Investment in short-term								
Funds	65,756	-	-	65,756	-	65,756	-	65,756
<b>As at December 31, 2022</b>								
<b>Financial assets</b>								
<b>Measured at fair value</b>								
Investment in short-term								
Funds	64,739	-	-	64,739	-	64,739	-	64,739

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.

Level 3: inputs are unobservable inputs for the asset or liability such as the future cash flow estimated by the Group.



# Appendix 1



## **Details of the Board of Directors, Management, Controllers, assigned Top Executives of the finance and accounting function, assigned personnel directly in charge of account preparation and Company Secretary**

# The Board of Directors

(As of 31 December 2023)



Mr. Narong Thareratanavibool



Mr. Thanit  
Thareratanavibool



Mr. Damrong  
Joongwong



Mr. Sampan  
Hunpayon



Miss Pimwan  
Thareratanavibool



Mr. Choti  
Sontiwattananont



# Mr.Narong Thareratanavibool

Age: 73

Chairman / Chairman of Executive  
Directors Committee / Authorized Director

## Date of Appointment:

4 October	2006	
24 March	2014	(1 <sup>st</sup> re-elected)
28 April	2017	(2 <sup>nd</sup> re-elected)
18 June	2020	(3 <sup>rd</sup> re-elected)
5 April	2023	(4 <sup>th</sup> re-elected)



## Education / Training:

- MBA, Kasetsart University
- Bachelor of Business Administration in Management, Sukhothai Thammathirat Open University
- Diploma, National Defense College, The Joint State - Private Sector Course Class 13
- Advanced Management Program, Capital Market Academy No. 15
- Chairman 2000 No. 10/2004, Thai Institute of Director Association (IOD)
- Chief Financial Officer Certification Program
- Director Certification Program (DCP) No. 46/2004, Thai Institute of Director Association (IOD)

## Board member / Management in Listed Company - SET: 2 companies

- Chairman / Chairman of the Executive Directors Committee / Authorized Director, AI Energy Public Company Limited
- Chairman / Chairman of the Executive Directors Committee / Authorized Director, Asian Insulators Public Company Limited

## Board member / Management in Non-Listed Company - SET: 6 companies

- Authorized Director, AI Ports and Terminals Company Limited
- Authorized Director, AI Engineering Services Company Limited
- Authorized Director, Asian Insulators Marketing Company Limited
- Authorized Director, AI Marketing Company Limited
- Authorized Director, AI Marketing 2566 Company Limited
- Authorized Director, AI Marketing 2023 Company Limited

## Positions in Other Organization / Remarkable Positions: - None -

## Work Experience (in the Last 5 Years):

- 2006 – May 2021 Authorized Director, AI Logistics Company Limited

## Shareholding:

- 7,446,944 shares, accounting for 0.54% of the total shares as of 28 December 2023

## Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- Mr.Thanit Thareratanavibool's brother
- Miss Pimwan Thareratanavibool, Miss Ratima Thareratanavibool, and Mr.Pongsakon Thareratanavibool's uncle

# Mr. Damrong Joongwong

Age: 78

Independent Director /  
Chairman of Audit Committee

## Date of Appointment:

31 May 2013 (as director)  
29 April 2016 (1<sup>st</sup> re-elected as director)  
27 April 2018 (2<sup>nd</sup> re-elected)  
5 April 2021 (as independent director  
and Chairman of audit  
committee)



## Education / Training:

- Master of Public Administration, NIDA
- Director Certification Program (DCP) No. 168/2013, Thai Institute of Director Association (IOD)

## Board member / Management in Listed Company - SET: 1 company

- Independent Director / Chairman of Audit Committee, AI Energy Public Company Limited

## Board member / Management in Non-Listed Company - SET: - None -

## Positions in Other Organization / Remarkable Positions: - None -

## Work Experience (in the Last 5 Years): - None -

## Shareholding:

- None -

## Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- None -



# Mr. Sampan Hunpayon

Age: 71

Independent Director /  
Audit Committee

## Date of Appointment:

9 April	2013	
21 April	2015	(1 <sup>st</sup> re-elected)
28 April	2017	(2 <sup>nd</sup> re-elected)
26 April	2019	(3 <sup>rd</sup> re-elected)
5 April	2022	(4 <sup>th</sup> re-elected)



## Education / Training:

- MBA, Kasetsart University
- Bachelor of Law, Chulalongkorn University
- Certification of Law and Development, ISS, Hague, Nederland
- Director Certification Program (DCP) No. 110/2008, Thai Institute of Director Association (IOD)
- Director Accreditation Program (DAP) No. 100/2013, Thai Institute of Director Association (IOD)

## Board member / Management in Listed Company - SET: 1 company

- Independent Director / Audit Committee, AI Energy Public Company Limited

## Board member / Management in Non-Listed Company - SET: 1 company

- Independent Director, SpaceMed Co., Ltd.

## Positions in Other Organization / Remarkable Positions: - None -

## Work Experience (in the Last 5 Years): - None -

## Shareholding:

- None -

## Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- None -

# Mr.Choti Sontiwattananont

Age: 68

Independent Director / Audit Committee /  
Risk Management Committee

## Date of Appointment:

31 May	2013	
29 April	2016	(1 <sup>st</sup> re-elected)
26 April	2019	(2 <sup>nd</sup> re-elected)
5 April	2022	(3 <sup>rd</sup> re-elected)



## Education / Training:

- MBA, Kasetsart University
- Bachelor of Business Administration (Accounting), Ramkhamhaeng University
- Director Certification Program (DCP) No. 178/2013, Thai Institute of Director Association (IOD)

Board member / Management in Listed Company - SET: - None –

Board member / Management in Non-Listed Company - SET: - None –

Positions in Other Organization / Remarkable Positions: - None –

Work Experience (in the Last 5 Years): - None –

## Shareholding:

- 104,400 shares, accounting for 0.01% of the total shares as of 28 December 2023

Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- None –



# Mr.Thanit Thareratanavibool

Age: 66

Vice Chairman / Executive Directors /  
Chairman of Risk Management Committee /  
Authorized Director

## Date of Appointment:

4 October 2006  
21 April 2016 (1<sup>st</sup> re-elected)  
27 April 2018 (2<sup>nd</sup> re-elected)  
5 April 2021 (3<sup>rd</sup> re-elected)



## Education / Training:

- MBA, Kasetsart International, Kasetsart University
- Bachelor of Engineering (Mechanics), Northeastern University, USA
- Advanced Management Program No. 17, Capital Market Academy
- Director Certification Program (DCP) No. 47/2004, Thai Institute of Director Association (IOD)

## Board member / Management in Listed Company - SET: 2 companies

- Vice Chairman / Executive Directors / Chairman of Risk Management Committee / Authorized Director, AI Energy Public Company Limited
- Director / Executive Directors / Authorized Director, Asian Insulators Public Company Limited

## Board member / Management in Non-Listed Company - SET: 6 companies

- Authorized Director, AI Ports and Terminals Company Limited
- Authorized Director, AI Engineering Services Company Limited
- Authorized Director, Asian Insulators Marketing Company Limited
- Authorized Director, AI Marketing Company Limited
- Authorized Director, AI Marketing 2566 Company Limited
- Authorized Director, AI Marketing 2023 Company Limited

## Positions in Other Organization / Remarkable Positions: - None -

## Work Experience (in the Last 5 Years):

- 2006 – May 2021 Authorized Director, AI Logistics Company Limited

## Shareholding:

- 11,148,864 shares, accounting for 0.81% of the total shares as of 28 December 2023

## Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- Mr.Narong Thareratanavibool's brother
- Miss Pimwan Thareratanavibool, Miss Ratima Thareratanavibool, and Mr.Pongsakon Thareratanavibool's uncle

# Miss Pimwan Thareratanavibool

Age: 38

Director / Managing Director / Executive Director / Risk Management Committee / Authorized Director / Chief Financial Officer / Company Secretary / Investor Relation

## Date of Appointment:

17 May	2017
18 June	2020 (1 <sup>st</sup> re-elected)
5 April	2023 (2 <sup>nd</sup> re-elected)



## Education / Training:

- Master of International Business, Monash University Melbourne, Australia
- Bachelor of Commerce in Accounting, Macquarie University Sydney, Australia
- Director Certification Program (DCP) No. 242/2017, Thai Institute of Director Association (IOD)
- Strategic CFO in Capital Markets No. 8/2019
- Company Secretary Program No. 51/2013, Thai Institute of Director Association (IOD)
- How to prepare an auditor's working paper: 2021
- Preparing cash flow statement: 2022
- Governance System for Fraud Detection: 2023
- Risk Management for CFOs: 2023
- Fintech: 2023

## Board member / Management in Listed Company - SET: 1 company

- Director / Authorized Director, AI Energy Public Company Limited

## Board member / Management in Non-Listed Company - SET: 1 company

- Authorized Director, FWN Corporation Company Limited

## Positions in Other Organization / Remarkable Positions: - None -

## Work Experience (in the Last 5 Years): - None -

## Shareholding:

- 2,036,000 shares, accounting for 0.15% of the total shares as of 28 December 2023

## Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- Miss Ratima Thareratanavibool, and Mr.Pongsakon Thareratanavibool's sister



# Management Team

(As of 31 December 2023)



**Miss Pimwan Thareratanavibool**  
**Age: 38**

- **Date of Appointment:**

17 May 2017

(See details in Board of Directors section)

# Miss Piyanart Namphairoj

Age: 51

## Accounting and Finance Manager / Chief Accountant

(The Company has assigned Miss Piyanart Namphairoj as Accounting and Finance Manager since 30 April 2015, responsible for controlling and supervising the Company's accounting to comply with relevant standards, rules and regulations)

### Date of Appointment:

30 April 2015

#### Education / Training:

- Master of Business Administration, Stamford International University
- Bachelor of Accountancy, University of the Thai Chamber of Commerce
- Finance reporting in digital era and e-filing No. 3/2022
- Case Study for Pack 5 & Fair Value No. 2/2022
- Ethics for professional accountants and case studies: 2022
- TCMA No. 2/2023
- Secret of Secrets to Enhance Interview skill for Internal Auditor No. 2/2023

Board member / Management in Listed Company - SET: - None -

Board member / Management in Non-Listed Company - SET: - None -

Positions in Other Organization / Remarkable Positions: - None -

Work Experience (in the Last 5 Years): - None -

#### Shareholding:

- None -

Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- None -



# Mr.Chainarong Saenphuwa

Age: 41

Operational Excellence Manager

**Date of Appointment:**  
**30 April 2015**

## Education / Training:

- Bachelor of Science in Chemistry, Ramkhamhaeng University
- Establishment of a standard laboratory quality system ISO/IEC17025:2017 in 2018
- Interpretation of FSSC22000 version 5.1 Requirements
- Interpretation of BRCGS Global Standard for Food Safety Issue 9 Requirements

Board member / Management in Listed Company - SET: - None -

Board member / Management in Non-Listed Company - SET: - None -

Positions in Other Organization / Remarkable Positions: - None -

Work Experience (in the Last 5 Years): - None -

## Shareholding:

- None -

Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- None -

# Miss Ratima Thareratanavibool

Age: 33

HR and Corporate Support Manager / Sourcing and Commercial Manager /  
Audit Committee's Secretary

**Date of Appointment:**  
17 May 2017

## Education / Training:

- Master of Applied Finance, Monash University Melbourne, Australia
- Bachelor of Business in Accounting, Monash University Melbourne, Australia
- Company Secretary Program No. 116/2564, Thai Institute of Director Association (IOD)
- Anti-Corruption: The Practical Guide No. 47/2561, Thai Institute of Director Association (IOD)

## Board member / Management in Listed Company - SET: - None -

## Board member / Management in Non-Listed Company - SET: 1 company

- Authorized Director, FWN Corporation Company Limited

## Positions in Other Organization / Remarkable Positions: - None -

## Work Experience (in the Last 5 Years): - None -

## Shareholding:

- 316,800 shares,  
accounting for 0.02%  
of the total shares as of  
28 December 2023

## Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- Miss Pimwan Thareratanavibool and  
Mr.Pongsakon Thareratanavibool's  
sister



# Mr.Pongsakon Thareratanavibool

Age: 30

Business Development and Corporate Strategy Manager

**Date of Appointment:**

**12 May 2021**

## Education / Training:

- Master of Science in Business Analytics: Operational Research and Risk Analysis, The University of Manchester, United Kingdom
- Bachelor of Engineering in Chemical Engineering, The University of New South Wales, Sydney, Australia
- Director Certification Program (DCP) No. 306/2564, Thai Institute of Director Association (IOD)
- Interpretation of FSSC22000 version 5.1 Requirements
- Interpretation of BRCGS Global Standard for Food Safety Issue 9 Requirements

**Board member / Management in Listed Company - SET:** - None -

**Board member / Management in Non-Listed Company - SET:** 1 company

- Authorized Director, FWN Corporation Company Limited

**Positions in Other Organization / Remarkable Positions:** - None -

## Work Experience (in the Last 5 Years):

- 2017 – 2019      Production Supervisor, AI Energy Public Company Limited

## Shareholding:

- None -

## Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- Miss Pimwan Thareratanavibool, and Miss Ratima Thareratanavibool's brother

# Mr.Jirasak Sae-tung

Age: 40

Depot and Logistic Manager

**Date of Appointment:**  
**3 January 2023**

## Education / Training:

- Bachelor of Law, Ramkhamhaeng University
- Interpretation of FSSC22000 version 5.1 Requirements
- Interpretation of BRCGS Global Standard for Food Safety Issue 9 Requirements

Board member / Management in Listed Company - SET: - None -

Board member / Management in Non-Listed Company - SET: - None -

Positions in Other Organization / Remarkable Positions: - None -

## Work Experience (in the Last 5 Years):

- 2012 - 2022      Depot and Logistic Supervisor, AI Energy Public Company Limited

## Shareholding:

- None -

Family Relationship with other Directors, Executives, Major Shareholders of the Company or its Subsidiaries:

- None -



# Appendix 2



## Directorship of Subsidiaries / Related Companies

## Directorship of Subsidiaries / Affiliated Company / Related Companies (as of 31 December 2023)

Directorship of Subsidiaries / Affiliated Company / Related Companies									
Name	The Company	Subsidiary Company	Affiliated Companies					Related Companies	
		AIPT	AIES	AIM	AIMC	AI2566	AI2023	AI	FWN
Mr.Norong Thareratanavibool	●	■	■	■	■	■	■	●	
Mr.Thanit Thareratanavibool	■	■ ▲	■	■	■	■	■	■ ▲	
Mr.Damrong Joongwong	■								
Mr.Sampan Hunpayon	■								
Mr.Choti Sontiwattananont	■								
Miss Pimwan Thareratanavibool	■ ▲								■
Miss Piyanart Namphairoj	▲								
Mr.Chainarong Saenphuwa	▲								
Miss Ratima Thareratanavibool	▲								■
Mr.Pongsakon Thareratanavibool	▲								■
Mr.Jirasak Sae-tung	▲								

### Subsidiary Company

AIPT: AI Ports and Terminals Co., Ltd.

### Affiliated Companies

AIES: AI Engineering Services Co., Ltd.

AIM: Asian Insulator Marketing Co., Ltd.

AIMC: AI Marketing Co., Ltd.

AI2566: AI Marketing 2566 Co., Ltd.

AI2023: AI Marketing 2023 Co., Ltd.

### Related Companies

AI: Asian Insulator Public Co., Ltd.

FWN: FWN Corporation Co., Ltd.

### Remarks:

● = Chairman

■ = Director

▲ = Management

The aforementioned directors do not receive remuneration for being the directors of the subsidiary.

To promote and support companies in the group. The Company has appointed to directors or executives to be directors in the subsidiary in order to supervise policies and business plans for the best interests of shareholders or stakeholders.





# Appendix 3



## Internal Auditor

## Internal Auditor

The Company has appointed Honor and Advisory Co., Ltd. to be an internal auditor for year 2023 by having Miss Piyamas Ruangsangrob is as primarily responsible for examine and evaluate the efficiency of internal control as well as overviewed and followed up the correcting and improving the internal controls to be more appropriate and effective. Then, the internal auditor required to quarterly report the audit results to the Audit Committee. The Audit Committee has carefully considered the qualifications of Honor and Advisory Co., Ltd. and Miss Piyamas Ruangsangrob, who independently appropriated and experience to perform internal audit duties.

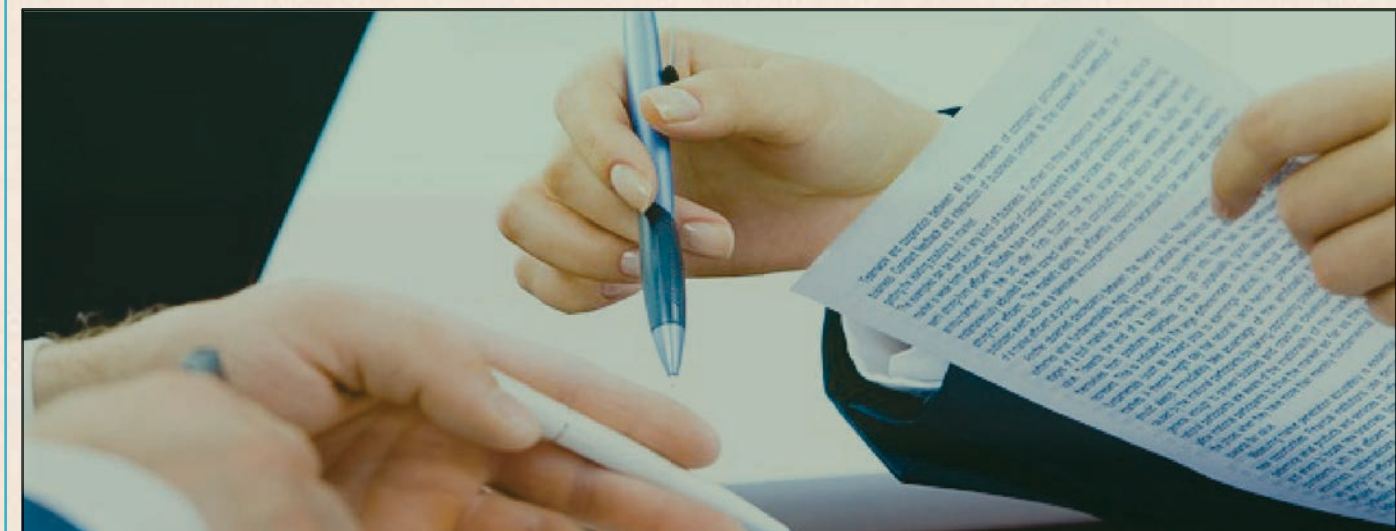
### Detail of Internal Auditor for the year 2023

Subject	Details
Internal Audit (Outsource)	: Honor and Advisory Company Limited 518/5 Maneeya Center Building, 7 <sup>th</sup> Floor, Ploenchit Rd., Lumpini, Pathumwan, Bangkok 10330 Telephone 0-2652-0898
Head of Internal Audit	: Miss Piyamas Ruangsangrob
Education	: - Master Degree, Master of Financial Accounting and Assurance, Thammasat University - Graduate Diploma Program in Accountancy Chulalongkorn University - Bachelor Degree, Bachelor of Business Administration in Accounting Rajamangala University of Technology Borphitphimuk Campus - Bachelor Degree, Bachelor of Fine and Applied Art in Communication Ramkhamhaeng University
Work Experiences	: 2010 - Present    Audit Partner Honor and Advisory Company Limited  2012 - 2014,      Special Instructor 2010 - Present    Burapha University  2019 - 2021      Special Instructor Bangkok University  2019                Special Instructor Thammasat University  2000 - 2010      Audit Manager AMC Company Limited



Subject	Details
Training	: 2019 - 2023 <ul style="list-style-type: none"> <li>- Agile Internal Audit No. 2/65 (2022)</li> <li>- TFRS 16 – Lease (2022)</li> <li>- Auditing Hotel business (2022)</li> <li>- Fundamental of TFRS 9 (2022)</li> <li>- Working paper preparation for Anti – Corruption (2019)</li> <li>- Executives and the preparation of sustainability reports and social compensation (Year 2019)</li> <li>- Taxes on land and buildings Planning and preparation before enforcement in 2020 (2019)</li> <li>- Fraud related to information technology (2019)</li> </ul>
Licenses or Certification	: - Certified Public Accountant of Thailand - Certified Internal Auditor No. 7, Federation of Accounting Professions - IT Audit, Federation of Accounting Professions - Well-Prepared before Auditor Perform Audits under ISQC1 No. 3 - Procedure after Receive BOI, Certified from Investor Club Association. - Tax Law, Thammasat University
Responsibility	: To examine and evaluate the efficiency of internal control as well as overviewed and followed up the correcting and improving the internal controls to be more appropriate and effective, then report the audit results to the Audit Committee.

# Appendix 4



## Asset in business and Valuation



### Key fixed assets of the Company and subsidiary

As of December 31<sup>st</sup>, 2023, Net book value of fixed assets in the Company's financial statements is as follow;

List of Asset	Ownership	Net Book Value (Baht)		Obligation
		31 Dec 2022	31 Dec 2023	
1. Land				
1.1 Deed No. 1533 and 1534, Samut Sakhon 31-2-19 Rai	The Company	162,080,318	162,080,318	No obligation
1.2 Deed No. 64303, 64304, 64305 and 28654, Chumphon 6-2-48.8 Rai	AIPT	17,420,186	17,420,186	No obligation
1.3 Deed No. 18643, Chumphon 6-2-9.9 Rai				
2. Land improvement	The Company	23,063,097	21,139,425	No obligation
3. Buildings and buildings improvement				
3.1 Office and factory, Samut Sakhon	The Company	157,085,151	153,255,430	No obligation
3.2 Office, storage tanks and jetty, Chumphon	AIPT	8,663,394	20,506,183	No obligation
4. Utilities	The Company and AIPT	41,571,079	90,092,259	No obligation
5. Machine, equipment, and tools				
5.1 In palm oil business	The Company	748,473,497	680,274,705	No obligation
5.2 In storage tanks service	AIPT	108,212,482	80,827,045	No obligation
6. Furniture, fixtures and office equipment	The Company and AIPT	3,130,107	4,459,335	No obligation
7. Vehicles	The Company and AIPT	12,305,982	19,849,727	No obligation
8. Assets under construction	The Company	64,272,934	4,150,240	No obligation
<b>Total</b>		<b>1,346,278,227</b>	<b>1,254,054,853</b>	

## Leasehold

- None -

## Intangible Assets

Intangible assets of the Company and subsidiary as of December 31<sup>st</sup>, 2023 are shown in the table below;

Intangible Assets	Net Value after Cumulative Amortization and Provision for Asset Impairment (Baht)
Goodwill	-
Other Intangible Assets	1,399,411
<b>Total Net Book Value</b>	<b>1,399,411</b>

## Trademarks

As of December 31<sup>st</sup>, 2023, the Company owns key trademarks for edible oil is shown below;

Trademark



For sell and  
distribution of  
Palm Olein



# Appendix 5



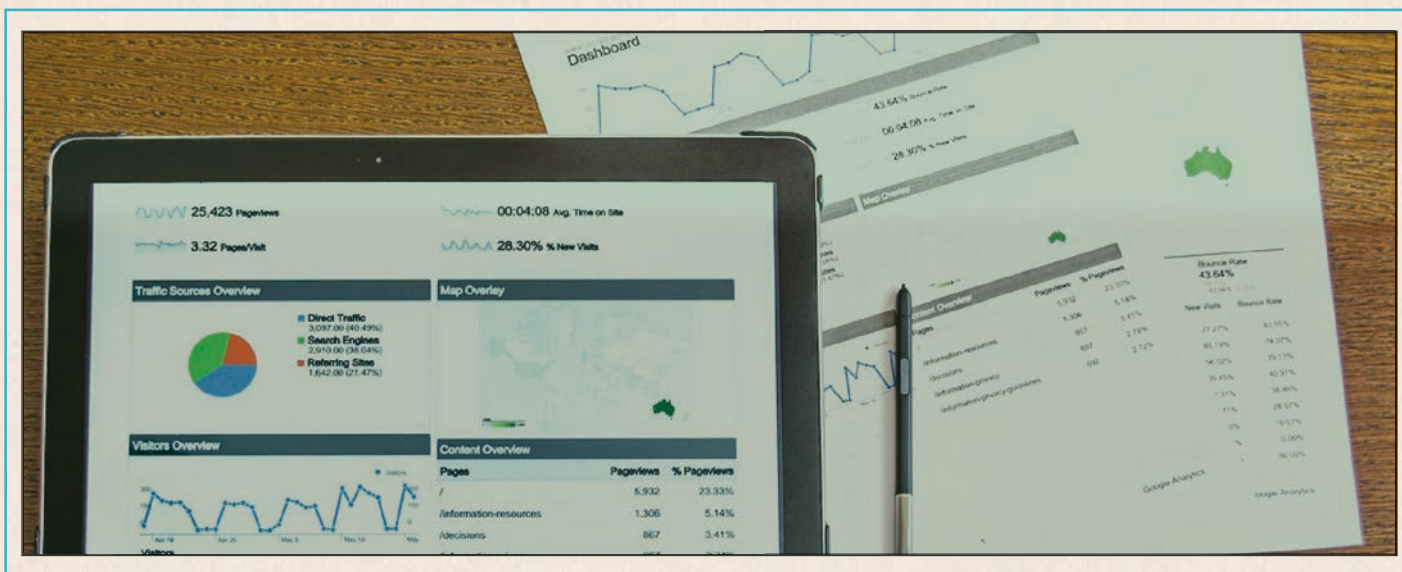
## Good Corporate Governance Report

The Company has established good corporate governance practices in line with the Good Corporate Governance Principles of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.

This is to ensure that the Company and subsidiary's businesses are conducted responsibly, transparently, fairly, and accountably for the best interest of shareholders and related stakeholders towards sustainable growth. The Company disclosed corporate governance information via <https://www.aienergy.co.th/en/good-cg-code>



# Appendix 6



## The Audit Committee Report

(Disclosed information in page 138)





**AI Energy Public Company Limited**