

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
INTERIM FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT ON REVIEW OF  
INTERIM FINANCIAL INFORMATION  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019



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

### **To the Board of Directors and Shareholders of Asian Insulators Public Company Limited:**

I have reviewed the consolidated and separate statements of financial position of Asian Insulators Public Company Limited and its subsidiaries and of Asian Insulators Public Company Limited, respectively as at September 30, 2019, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2019, and the related consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the nine-month period ended September 30, 2019, and the condensed notes to the interim financial statements (Interim financial information) The management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Basis for Qualified Conclusion on the Consolidated Interim Financial Information**

As discussed in the Note to financial statements No. 10, the financial statements of PPC Asian Insulator Company Limited, an associated company, as at September 30, 2019, used for recording the investment under the equity method in the consolidated financial statement, is based on information from Management which had not been reviewed by an auditor. The Company's consolidated financial statements, as at September 30, 2019, included an investment of Baht 0.00 million, representing 0.00% total assets in the consolidated financial statements, and a share of profit for the three-month and nine-month periods ended September 30, 2019 in the amount of Baht 0.00 million, representing 0.00% of consolidated net profit. I am unable to obtain sufficient evidence for recording of such investment in associated company.

### **Qualified Conclusion on the Consolidated Interim Financial Information**

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

### **Conclusion on the Separate Interim Financial Information**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying separate interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

### **Emphasis of Matter**

I draw attention as discussed in Note to Financial Statements No. 27.5, in case of the Securities and Exchange Commission of Thailand has filed a criminal complaint against directors and executives of the Subsidiary, AI Energy Public Company Limited, in case of the preparation of incorrect financial statements for the year 2014 (Before restated), with the Department of Special Investigation for further legal proceedings. Presently, the investigation is still under the process. The legal opinion from an independent law firm, dated November 11, 2019, has an opinion that the case is the criminal complaint against directors and executives of the Subsidiary which is a personal matter, and the subsidiary which is a juristic person will not be liable in any way. Therefore, the Company's and the Subsidiary's management believes that final result investigation in such case has not any significant impact on the Company's Consolidated Interim Financial Information.

My conclusion is not modified in respect of these matters.

### **Other Matter**

I have audited the accompanying consolidated statements of financial position of the Company as at December 31, 2018, whose report dated on February 26, 2019, and April 5, 2019, and I have reviewed the accompanying consolidated statements of profit or loss and other comprehensive income for three-month and nine-month periods ended September 30, 2018, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the nine-month period ended September 30, 2018, whose report dated on November 13, 2018, which have been presented here in as comparative information, expressed the qualified opinion or provided the qualified conclusion on the consolidated financial statements, in respect of SEC has filed a criminal complaint against directors and executives of the Subsidiary, AI Energy Public Company Limited, in case of the preparation of incorrect financial statements for the year 2014 (Before restated), with the Department of Special Investigation for further legal proceedings. Presently, the investigation is still under the process.

Presently, the Company's and the Subsidiary's management and the independent law firm have the opinion that the case is the criminal complaint against directors and executives of the Subsidiary which is a personal matter, and the subsidiary which is a juristic person will not be liable in any way, as described in the emphasis of matter paragraph.



Vichai Ruchitanont

Certified Public Accountant

Registration Number 4054

ANS Audit Co., Ltd

Bangkok, November 13, 2019

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2019

Unit: Thousand Baht

|   | Notes | Consolidated financial statements |                   | Separate financial statements |                   |
|---|-------|-----------------------------------|-------------------|-------------------------------|-------------------|
|   |       | September 30, 2019                | December 31, 2018 | September 30, 2019            | December 31, 2018 |
|   |       | "UNAUDITED"                       | "AUDITED"         | "UNAUDITED"                   | "AUDITED"         |
|   |       | "REVIEWED"                        |                   | "REVIEWED"                    |                   |
| <b>ASSETS</b>                               |       |                                   |                   |                               |                   |
| <b>Current assets</b>                       |       |                                   |                   |                               |                   |
| Cash and cash equivalents                   |       | 102,220                           | 125,719           | 53,163                        | 26,270            |
| Current investments                         | 5     | 57,299                            | 562,301           | 649                           | 251,157           |
| Trade and other current receivables - net   | 4, 6  | 411,334                           | 234,149           | 279,189                       | 135,448           |
| Short-term loans to related party           | 4     | -                                 | -                 | 230,000                       | -                 |
| Unbilled receivables                        | 7     | -                                 | 10,136            | -                             | -                 |
| Inventories - net                           | 8     | 554,261                           | 445,295           | 274,442                       | 227,718           |
| Oil supplies                                | 9     | 1,463                             | 1,571             | -                             | -                 |
| <b>Total current assets</b>                 |       | <b>1,126,577</b>                  | <b>1,379,171</b>  | <b>837,443</b>                | <b>640,593</b>    |
| <b>Non-current assets</b>                   |       |                                   |                   |                               |                   |
| Investments in associated company - net     | 10    | -                                 | -                 | -                             | -                 |
| Investments in subsidiaries                 | 11    | -                                 | -                 | 997,612                       | 997,612           |
| Pledged deposits at financial institution   | 12    | 24,017                            | 24,017            | -                             | -                 |
| Property, plant, vessel and equipment - net | 13    | 2,048,740                         | 1,959,631         | 489,804                       | 523,991           |
| Intangible assets - net                     | 14    | 9,691                             | 5,662             | 9,101                         | 5,341             |
| Deferred tax assets - net                   | 21    | 3,552                             | 8,890             | 5,801                         | 7,144             |
| Deposit for purchase of assets              |       | 1,658                             | 6,537             | 379                           | 1,395             |
| Other non-current assets                    |       | 7,983                             | 13,555            | 315                           | 315               |
| <b>Total non-current assets</b>             |       | <b>2,095,641</b>                  | <b>2,018,292</b>  | <b>1,503,012</b>              | <b>1,535,798</b>  |
| <b>Total assets</b>                         |       | <b>3,222,218</b>                  | <b>3,397,463</b>  | <b>2,340,455</b>              | <b>2,176,391</b>  |

.....Director  
(Narong Thareratanavibool)

.....Director  
(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2019

| Unit: Thousand Baht                             |  |                                   |                   |                               |                   |
|---|--|-----------------------------------|-------------------|-------------------------------|-------------------|
|   |  | Consolidated financial statements |                   | Separate financial statements |                   |
|   |  | September 30, 2019                | December 31, 2018 | September 30, 2019            | December 31, 2018 |
|   |  | "UNAUDITED"                       | "AUDITED"         | "UNAUDITED"                   | "AUDITED"         |
| Notes   |  | "REVIEWED"                        |                   | "REVIEWED"                    |                   |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>     |  |                                   |                   |                               |                   |
| <b>Current liabilities</b>                      |  |                                   |                   |                               |                   |
| Bank overdrafts and short-term loan             |  |                                   |                   |                               |                   |
|   | from financial institutions                          | 15                                | 101,599           | -                             | 100,000           |
|   | Trade and other current payables                     | 4, 16                             | 155,128           | 200,272                       | 56,065            |
|   | Short-term loans from subsidiary                     | 4                                 | -                 | -                             | 160,000           |
|   | Advance received and deferred construction revenue   | 7                                 | 3,519             | -                             | -                 |
|   | Income tax payable                                   |                                   | 688               | 1,800                         | 688               |
|   | <b>Total current liabilities</b>                     |                                   | <b>260,934</b>    | <b>202,072</b>                | <b>316,753</b>    |
| <b>Non-current liabilities</b>                  |  |                                   |                   |                               |                   |
|   | Non-current provisions for employee benefits         | 17                                | 35,513            | 27,129                        | 24,292            |
|   | <b>Total non-current liabilities</b>                 |                                   | <b>35,513</b>     | <b>27,129</b>                 | <b>24,292</b>     |
|   | <b>Total liabilities</b>                             |                                   | <b>296,447</b>    | <b>229,201</b>                | <b>341,045</b>    |
| <b>Shareholders' equity</b>                     |  |                                   |                   |                               |                   |
| <b>Authorized share capital</b>                 |  |                                   |                   |                               |                   |
|   | Common shares 2,800,000,000 shares at Baht 0.25 each |                                   | 700,000           | 700,000                       | 700,000           |
| <b>Issued and fully paid-up share capital</b>   |  |                                   |                   |                               |                   |
|   | Common shares 2,799,996,084 shares at Baht 0.25 each |                                   | 699,999           | 699,999                       | 699,999           |
|   | Premiums on share capital                            |                                   | 902,769           | 902,769                       | 902,769           |
| <b>Retained earnings (deficits)</b>             |  |                                   |                   |                               |                   |
| <b>Appropriated</b>                             |  |                                   |                   |                               |                   |
|   | Legal reserve  | 20                                | 70,000            | 70,000                        | 70,000            |
| <b>Unappropriated</b>                           |  |                                   |                   |                               |                   |
|   |  |                                   | (632,827)         | (444,053)                     | 324,379           |
| <b>Other components of shareholders' equity</b> |  |                                   |                   |                               |                   |
| <b>Difference on business combination</b>       |  |                                   |                   |                               |                   |
|   | under common control                                 |                                   | (3,259)           | (3,259)                       | -                 |
|   | Capital surplus from share premium of subsidiary     |                                   | 360,580           | 360,580                       | -                 |
|   | Gain on disposal of investment in subsidiaries       |                                   | 861,443           | 861,443                       | -                 |
|   | Surplus from changes of shareholding in subsidiaries |                                   | 13,149            | 13,149                        | -                 |
|   | Actuarial gains                                      |                                   | 4,494             | 4,494                         | 2,263             |
|   | <b>Total shareholders' equity of the Company</b>     |                                   | <b>2,276,348</b>  | <b>2,465,122</b>              | <b>1,999,410</b>  |
|   | Non-controlling interests                            |                                   | 649,423           | 703,140                       | -                 |
|   | <b>Total shareholders' equity</b>                    |                                   | <b>2,925,771</b>  | <b>3,168,262</b>              | <b>1,999,410</b>  |
|   | <b>Total liabilities and shareholders' equity</b>    |                                   | <b>3,222,218</b>  | <b>3,397,463</b>              | <b>2,340,455</b>  |

.....Director  
(Narong Thareratanavibool)

.....Director  
(Thanit Thareratanavibool)

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

"REVIEWED"

|  |                  | Unit: Thousand Baht               |                      |                               |                      |
|--|------------------|-----------------------------------|----------------------|-------------------------------|----------------------|
|  |                  | Consolidated financial statements |                      | Separate financial statements |                      |
| Notes  |                  | 2019                              | 2018                 | 2019                          | 2018                 |
|  | 3, 4, 24, 25, 26 |                                   |                      |                               |                      |
| <b>Revenues</b>  |                  |                                   |                      |                               |                      |
|  |                  | 750,336                           | 615,429              | 376,956                       | 255,245              |
|  |                  | 49                                | 11,960               | -                             | -                    |
|  |                  | 127                               | 46,474               | -                             | -                    |
|  |                  | 767                               | 13,631               | -                             | -                    |
|  |                  | 13,332                            | -                    | -                             | -                    |
|  |                  | 4,350                             | 4,632                | 3,183                         | 2,498                |
|  |                  | <u>768,961</u>                    | <u>692,126</u>       | <u>380,139</u>                | <u>257,743</u>       |
| <b>Expenses</b>  |                  |                                   |                      |                               |                      |
|  |                  | (632,793)                         | (496,205)            | (283,510)                     | (128,571)            |
|  |                  | (39)                              | (8,551)              | -                             | -                    |
|  |                  | (106)                             | (43,082)             | -                             | -                    |
|  |                  | (5,906)                           | (14,259)             | -                             | -                    |
|  |                  | (8,382)                           | (3,337)              | (3,044)                       | (1,652)              |
|  |                  | (45,135)                          | (36,115)             | (18,766)                      | (15,897)             |
|  |                  | (588)                             | -                    | (1,648)                       | -                    |
|  | 10               | -                                 | (1,042)              | -                             | -                    |
|  |                  | <u>(692,949)</u>                  | <u>(602,591)</u>     | <u>(226,968)</u>              | <u>(146,120)</u>     |
|  |                  | 76,012                            | 89,535               | 153,171                       | 111,623              |
|  | 22               | (4,981)                           | (1,722)              | (1,052)                       | (1,167)              |
|  |                  | <u>71,031</u>                     | <u>87,813</u>        | <u>152,119</u>                | <u>110,456</u>       |
|  |                  | -                                 | -                    | -                             | -                    |
|  |                  | <u>71,031</u>                     | <u>87,813</u>        | <u>152,119</u>                | <u>110,456</u>       |
| <b>Profit (loss) attributable to :</b>                     |                  |                                   |                      |                               |                      |
|  |                  | 101,602                           | 96,569               | 152,119                       | 110,456              |
|  |                  | (30,571)                          | (8,756)              | -                             | -                    |
|  |                  | <u>71,031</u>                     | <u>87,813</u>        | <u>152,119</u>                | <u>110,456</u>       |
| <b>Total comprehensive income (loss) attributable to :</b> |                  |                                   |                      |                               |                      |
|  |                  | 101,602                           | 96,569               | 152,119                       | 110,456              |
|  |                  | (30,571)                          | (8,756)              | -                             | -                    |
|  |                  | <u>71,031</u>                     | <u>87,813</u>        | <u>152,119</u>                | <u>110,456</u>       |
| <b>Earnings per share</b>                                  |                  |                                   |                      |                               |                      |
|  |                  | 0.04                              | 0.03                 | 0.05                          | 0.04                 |
|  |                  | <u>2,799,996.084</u>              | <u>2,799,996.084</u> | <u>2,799,996.084</u>          | <u>2,799,996.084</u> |

.....Director  
 (Narong Tharatanavibool)

.....Director  
 (Thanit Tharatanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"  
 "REVIEWED"

|  |                  | Unit: Thousand Baht               |                      |                               |                      |
|--|------------------|-----------------------------------|----------------------|-------------------------------|----------------------|
|  |                  | Consolidated financial statements |                      | Separate financial statements |                      |
| Notes  |                  | 2019                              | 2018                 | 2019                          | 2018                 |
|  | 3, 4, 24, 25, 26 |                                   |                      |                               |                      |
| <b>Revenues</b>  |                  |                                   |                      |                               |                      |
|  |                  | 1,881,769                         | 1,807,826            | 649,569                       | 683,068              |
|  |                  | 5,114                             | 42,183               | -                             | -                    |
|  |                  | 10,040                            | 86,091               | -                             | -                    |
|  |                  | 10,734                            | 40,997               | -                             | -                    |
|  |                  | 13,332                            | -                    | -                             | -                    |
|  |                  | 10,793                            | 19,195               | 9,194                         | 8,017                |
|  | 11               | -                                 | -                    | 10,800                        | 10,000               |
|  |                  | <u>1,931,782</u>                  | <u>1,996,292</u>     | <u>668,763</u>                | <u>701,085</u>       |
| <b>Expenses</b>  |                  |                                   |                      |                               |                      |
|  |                  | (1,654,559)                       | (1,454,405)          | (356,163)                     | (347,715)            |
|  |                  | (3,755)                           | (30,950)             | -                             | -                    |
|  |                  | (4,117)                           | (79,806)             | -                             | -                    |
|  |                  | (21,153)                          | (41,544)             | -                             | -                    |
|  |                  | (22,372)                          | (9,318)              | (6,122)                       | (4,187)              |
|  |                  | (122,078)                         | (114,100)            | (55,642)                      | (49,262)             |
|  |                  | (614)                             | (80)                 | (1,726)                       | -                    |
|  | 10               | -                                 | (1,837)              | -                             | -                    |
|  |                  | <u>(1,828,648)</u>                | <u>(1,732,040)</u>   | <u>(419,653)</u>              | <u>(401,164)</u>     |
|  |                  | 103,134                           | 264,252              | 249,110                       | 299,921              |
|  | 22               | (9,627)                           | (11,292)             | (5,298)                       | (7,714)              |
|  |                  | <u>93,507</u>                     | <u>252,960</u>       | <u>243,812</u>                | <u>292,207</u>       |
| <b>Other comprehensive income:</b>                           |                  |                                   |                      |                               |                      |
| <b>Items that will not be reclassified to profit or loss</b> |                  |                                   |                      |                               |                      |
|  | 17               | -                                 | 4,107                | -                             | 1,258                |
|  |                  | -                                 | (855)                | -                             | (251)                |
|  |                  | <u>-</u>                          | <u>3,252</u>         | <u>-</u>                      | <u>1,007</u>         |
|  |                  | <u>93,507</u>                     | <u>256,212</u>       | <u>243,812</u>                | <u>293,214</u>       |
| <b>Profit (loss) attributable to :</b>                       |                  |                                   |                      |                               |                      |
|  |                  | 147,224                           | 263,206              | 243,812                       | 292,207              |
|  |                  | (53,717)                          | (10,246)             | -                             | -                    |
|  |                  | <u>93,507</u>                     | <u>252,960</u>       | <u>243,812</u>                | <u>292,207</u>       |
| <b>Total comprehensive income (loss) attributable to :</b>   |                  |                                   |                      |                               |                      |
|  |                  | 147,224                           | 265,768              | 243,812                       | 293,214              |
|  |                  | (53,717)                          | (9,556)              | -                             | -                    |
|  |                  | <u>93,507</u>                     | <u>256,212</u>       | <u>243,812</u>                | <u>293,214</u>       |
| <b>Earnings per share</b>                                    |                  |                                   |                      |                               |                      |
|  |                  | 0.05                              | 0.09                 | 0.09                          | 0.10                 |
|  |                  | <u>2,799,996,084</u>              | <u>2,799,996,084</u> | <u>2,799,996,084</u>          | <u>2,799,996,084</u> |

.....Director  
 (Narong Thararatnavibool)

.....Director  
 (Thanit Thararatnavibool)

ASIAN INSULATORS PULVIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"  
 "REVIEWED"

|  |                                  | Unit: Thousand Baht                                 |                               |                |   |  |  |  |                 |  |                               |                           |                            |
|--|----------------------------------|---|-------------------------------|----------------|---|--|--|--|-----------------|--|-------------------------------|---------------------------|----------------------------|
|  |                                  | Consolidated financial statements                   |                               |                |   |  |  |  |                 |  |                               |                           |                            |
|  |                                  | Equity attributable to equity holders of the parent |                               |                |   |  |  |  |                 |  |                               |                           |                            |
|  |                                  | Other components of shareholders' equity            |                               |                |   |  |  |  |                 |  |                               |                           |                            |
|  |                                  | Other comprehensive income                          |                               |                |   |  |  |  |                 |  |                               |                           |                            |
|  |                                  | Total other components of shareholders' equity      |                               |                |   |  |  |  |                 |  |                               |                           |                            |
|  |                                  | Total Equity holders of the Company                 |                               |                |   |  |  |  |                 |  |                               |                           |                            |
|  |                                  | Non-controlling interests                           |                               |                |   |  |  |  |                 |  |                               |                           |                            |
|  |                                  | Total Shareholders' Equity                          |                               |                |   |  |  |  |                 |  |                               |                           |                            |
| Notes  | Issued and paid-up share capital | Premiums on share capital                           | Appropriated to legal reserve | Unappropriated | Difference on business combination under common control | Capital surplus from share premium of subsidiary | Gain on disposal of investment in subsidiaries | Surplus from changes of shareholding in subsidiaries | Actuarial gains | Total other components of shareholders' equity | Equity holders of the Company | Non-controlling interests | Total Shareholders' Equity |
| Balance as at January 1, 2019                      | 699,999                          | 902,769   | 70,000                        | (444,053)      | (3,259)   | 360,580  | 861,443  | 13,149   | 4,494           | 1,236,407                                      | 2,465,122                     | 703,140                   | 3,168,262                  |
| Changes in shareholders' equity for the period:    |                                  |   |                               |                |   |  |  |  |                 |  |                               |                           |                            |
| Dividend paid                                      | -                                | -   | -                             | (335,998)      | -   | -  | -  | -  | -               | -  | (335,998)                     | -                         | (335,998)                  |
| Total comprehensive income (loss) for the period   | -                                | -   | -                             | 147,224        | -   | -  | -  | -  | -               | -  | 147,224                       | (53,717)                  | 93,507                     |
| Balance as at September 30, 2019                   | 699,999                          | 902,769   | 70,000                        | (632,827)      | (3,259)   | 360,580  | 861,443  | 13,149   | 4,494           | 1,236,407                                      | 2,276,346                     | 649,423                   | 2,925,771                  |
| Balance as at January 1, 2018                      | 699,999                          | 902,769   | 70,000                        | (656,766)      | (3,259)   | 360,580  | 861,443  | -  | 1,932           | 1,220,686                                      | 2,266,698                     | 698,499                   | 2,965,197                  |
| Changes in shareholders' equity for the period:    |                                  |   |                               |                |   |  |  |  |                 |  |                               |                           |                            |
| Dividend paid                                      | -                                | -   | -                             | (139,999)      | -   | -  | -  | -  | -               | -  | (139,999)                     | -                         | (139,999)                  |
| Change in proportion of shareholders in subsidiary | -                                | -   | -                             | -              | -   | -  | -  | 13,149   | -               | 13,149   | 13,149                        | (13,535)                  | (386)                      |
| Capital increase                                   | -                                | -   | -                             | -              | -   | -  | -  | -  | -               | -  | -                             | 43,403                    | 43,403                     |
| Total comprehensive income (loss) for the period   | -                                | -   | -                             | 263,206        | -   | -  | -  | -  | 2,562           | 2,562  | 2,562,768                     | (9,356)                   | 256,212                    |
| Balance as at September 30, 2018                   | 699,999                          | 902,769   | 70,000                        | (603,559)      | (3,259)   | 360,580  | 861,443  | 13,149   | 4,494           | 1,236,407                                      | 2,405,616                     | 718,411                   | 3,124,027                  |

.....Director  
 (Nawang Tharentamaaibhoet)

.....Director  
 (Thani Tharentamaaibhoet)



**ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

"UNAUDITED"  
"REVIEWED"

|       |   | Unit: Thousand Baht           |                               |                |                         |                            |                            |  |
|-------|---|-------------------------------|-------------------------------|----------------|-------------------------|----------------------------|----------------------------|--|
|       |   | Separate financial statements |                               |                |                         |                            |                            |  |
| Notes | Issued and paid-up share capital                | Premiums on share capital     | Appropriated to legal reserve | Unappropriated | Retained earnings       |                            | Total Shareholders' Equity |  |
|       |   |                               |                               |                | of shareholders' equity | Other comprehensive income |                            |  |
|       |   | Total other components        |                               |                |                         |                            |                            |  |
|       | Balance as at January 1, 2019                   | 699,999                       | 902,769                       | 70,000         | 416,565                 | 2,263                      | 2,091,596                  |  |
|       | Changes in shareholders' equity for the period: |                               |                               |                |                         |                            |                            |  |
| 19    | Dividend paid                                   | -                             | -                             | -              | (335,998)               | -                          | (335,998)                  |  |
|       | Total comprehensive income for the period       | -                             | -                             | -              | 243,812                 | -                          | 243,812                    |  |
|       | Balance as at September 30, 2019                | 699,999                       | 902,769                       | 70,000         | 324,379                 | 2,263                      | 1,999,410                  |  |
|       | Balance as at January 1, 2018                   | 699,999                       | 902,769                       | 70,000         | 178,963                 | 1,255                      | 1,852,986                  |  |
|       | Changes in shareholders' equity for the period: |                               |                               |                |                         |                            |                            |  |
| 19    | Dividend paid                                   | -                             | -                             | -              | (139,999)               | -                          | (139,999)                  |  |
|       | Total comprehensive income for the period       | -                             | -                             | -              | 292,207                 | 1,007                      | 293,214                    |  |
|       | Balance as at September 30, 2018                | 699,999                       | 902,769                       | 70,000         | 331,171                 | 2,262                      | 2,006,201                  |  |

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.....Director  
(Narong Thararatnavibool)

.....Director  
(Thanit Thararatnavibool)

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF CASH FLOWS  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"  
 "REVIEWED"

Unit: Thousand Baht

|   | Consolidated financial statements |         | Separate financial statements |          |
|---|-----------------------------------|---------|-------------------------------|----------|
|   | 2019                              | 2018    | 2019                          | 2018     |
| <b>Cash Flows from Operating Activities</b>   |                                   |         |                               |          |
| Profit before income tax expenses   | 103,134                           | 264,252 | 249,110                       | 299,921  |
| Adjustments to reconcile profit to cash provided by (used in) operating activities: |                                   |         |                               |          |
| Depreciation  | 114,864                           | 103,232 | 56,126                        | 50,518   |
| Amortization of computer softwares  | 765                               | 827     | 640                           | 738      |
| (Gain) loss on disposal asset   | 3,395                             | 8,287   | (80)                          | 5,560    |
| Unrealized (gain) loss on investments in Open-end Fund                              | 3,167                             | (813)   | 986                           | 363      |
| (Reversal) allowance for devaluation of inventories                                 | 20,650                            | (1,856) | -                             | -        |
| Reversal impairment loss on asset   | (2,077)                           | (5,874) | (2,077)                       | (5,874)  |
| Share of loss from investment in associate  | -                                 | 1,837   | -                             | -        |
| Dividend income   | -                                 | -       | (10,000)                      | (10,000) |
| Non-current provisions for employee benefits  | 9,003                             | 3,820   | 7,172                         | 2,343    |
| Income from an insurance claim - net  | (13,332)                          | -       | -                             | -        |
| Interest income   | (426)                             | (2,630) | (1,612)                       | (112)    |
| Interest expenses   | 614                               | 80      | 1,726                         | -        |
| Gain from operating activities before changes in operating assets and liabilities   | 239,757                           | 371,162 | 301,991                       | 343,457  |
| Changes in operating assets - (increase) decrease                                   |                                   |         |                               |          |
| Trade and other current receivables   | (172,445)                         | (943)   | (143,741)                     | (4,882)  |
| Unbilled receivables  | 10,135                            | 31,910  | -                             | -        |
| Inventories   | (129,508)                         | (2,936) | (46,724)                      | (581)    |
| Deposit for purchase of assets  | 203                               | 928     | 1,016                         | -        |
| Other non-current assets  | (1,446)                           | 10,082  | -                             | 6,495    |

.....Director  
 (Narong Thareeratanavibool)

.....Director  
 (Thanit Thareeratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF CASH FLOWS  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"  
 "REVIEWED"

Unit: Thousand Baht

|   | Consolidated financial statements |           | Separate financial statements |           |
|---|-----------------------------------|-----------|-------------------------------|-----------|
|   | 2019                              | 2018      | 2019                          | 2018      |
| Changes in operating liabilities - increase (decrease)    |                                   |           |                               |           |
| Trade and other current payables                          | (52,683)                          | 10,319    | (9,801)                       | (15,395)  |
| Advance received and deferred construction revenue        | 3,518                             | (7,062)   | -                             | -         |
| Retention payables  | (1,510)                           | (2,462)   | -                             | -         |
| Cash provided by operating activities                     | (103,979)                         | 410,998   | 102,741                       | 329,094   |
| Payment for employee benefit obligations                  | (619)                             | (2,134)   | (309)                         | (782)     |
| Refund of income tax                                      | 7,125                             | 895       | -                             | -         |
| Income tax paid   | (5,735)                           | (18,936)  | (5,066)                       | (8,534)   |
| Net cash provided by (used in) operating activities       | (103,208)                         | 390,823   | 97,366                        | 319,778   |
| <b>Cash Flows from Investing Activities</b>               |                                   |           |                               |           |
| Increase in restricted deposits at financial institution  | -                                 | (1,000)   | -                             | -         |
| Interest received   | 426                               | 1,849     | 1,612                         | 112       |
| Increase (decrease) in current investments                | 501,836                           | (145,757) | 249,522                       | (39,993)  |
| Payment for short-term loans to subsidiary                | -                                 | -         | (230,000)                     | -         |
| Dividend income from investments in subsidiary            | -                                 | -         | 10,000                        | 10,000    |
| Payment for investment in subsidiary                      | -                                 | (135,057) | -                             | (135,057) |
| Payment for purchases of assets                           | (223,127)                         | (175,270) | (20,503)                      | (15,385)  |
| Payment for purchases of intangible assets                | (4,794)                           | (5,413)   | (4,400)                       | (5,413)   |
| Proceeds from receive from an insurance claim             | 39,244                            | -         | -                             | -         |
| Proceeds from disposal of assets                          | 1,042                             | 8,358     | 925                           | 771       |
| Proceeds from disposal of intangible assets               | -                                 | 312       | -                             | 312       |
| Net cash provided by (used in) investing activities       | 314,627                           | (451,978) | 7,156                         | (184,653) |
| <b>Cash Flows from Financing Activities</b>               |                                   |           |                               |           |
| Increase in bank overdrafts from financial institutions   | 1,599                             | -         | -                             | -         |
| Interest paid   | (614)                             | (80)      | (1,726)                       | -         |
| Proceeds of short-term loan from financial institutions   | 100,000                           | -         | 100,000                       | -         |
| Proceeds of short-term loan from subsidiary               | -                                 | -         | 160,000                       | -         |
| Cash received from increase in share capital              | -                                 | 178,073   | -                             | -         |
| Dividend payment  | (335,903)                         | (139,976) | (335,903)                     | (139,976) |
| Net cash provided by (used in) financing activities       | (234,918)                         | 38,017    | (77,629)                      | (139,976) |
| Net increase (decrease) in cash and cash equivalents      | (23,499)                          | (23,138)  | 26,893                        | (4,851)   |
| Cash and cash equivalents at beginning of the periods     | 125,719                           | 127,687   | 26,270                        | 55,498    |
| Cash and cash equivalents at end of the periods           | 102,220                           | 104,549   | 53,163                        | 50,647    |
| <b>Supplemental disclosures of cash flows information</b> |                                   |           |                               |           |
| Non-cash transactions consisted of:                       |                                   |           |                               |           |
| Assets payable for plant and equipment                    | 8,945                             | 20,285    | 205                           | 1,653     |

.....Director  
 (Narong Thararatnavibool)

.....Director  
 (Thanit Thararatnavibool)

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**ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**THE CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019 (UNAUDITED)**  
**(REVIEWED)**

**1. GENERAL INFORMATION**

Asian Insulators Public Company Limited (“the Company”) was registered as a company under the Civil and Commercial Code of Thailand on May 12, 1981, and was registered as a public company limited with the Ministry of Commerce on March 19, 2004. The Company was listed on the Stock Exchange of Thailand on September 9, 2004.

The Company’s main businesses are as producing and selling porcelain insulators and electrical equipment.

The Company’s registered office is located at No. 254 Seri Thai Road, Khan na yao Sub-District, Khan na yao District, Bangkok and The Factory located at No. 99 Moo 2, Asia Highway Km. 70 -71 Road, Tambol Banmor, Amphur Promburi, Singburi Province.

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

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

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

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

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

The preparation of the interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about

..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

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

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

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

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

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

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

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

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

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

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

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

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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

The financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

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

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

**Financial reporting standards related to financial instruments**

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

**Financial reporting standards:**

|        |                                    |
|--------|------------------------------------|
| TFRS 7 | Financial Instruments: Disclosures |
| TFRS 9 | Financial Instruments              |

**Accounting standard:**

|        |                                     |
|--------|-------------------------------------|
| TAS 32 | Financial Instruments: Presentation |
|--------|-------------------------------------|

**Financial Reporting Standard Interpretations:**

|          |   |
|----------|---|
| TFRIC 16 | Hedges of a Net Investment in a Foreign Operation           |
| TFRIC 19 | Extinguishing Financial Liabilities with Equity Instruments |

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

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

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

### **TFRS 16 Leases**

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

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

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

### **3. SIGNIFICANT ACCOUNTING POLICIES**

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

### **4. TRANSACTIONS WITH THE RELATED PARTIES**

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market value or, where no market value exists, at contractually agreed prices. Sale of hybrid clay and repurchase of scrap clay with PPC Asian Insulators Company Limited are conducted at agreed prices on the basis determined by both parties.

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

Significant transactions between the Company and related parties for the three-month and nine-month periods ended September 30, 2019 and 2018 were as follows:

|  |                    | Unit: Thousand Baht               |        |                               |        |
|--|--------------------|-----------------------------------|--------|-------------------------------|--------|
|  |                    | Consolidated financial statements |        | Separate financial statements |        |
| Pricing Policy                             |                    | 2019                              | 2018   | 2019                          | 2018   |
| <b><u>For the three-month periods</u></b>  |                    |                                   |        |                               |        |
| <b>Sales of products and raw materials</b> |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Mutually agreed    | -                                 | 424    | -                             | 424    |
| <b>Sales of hybrid clay</b>                |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Mutually agreed    | -                                 | 13,932 | -                             | 13,932 |
| <b>Other income - rental and services</b>  |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Mutually agreed    | 83                                | 132    | 83                            | 132    |
| AI Engineering Services Co., Ltd.          | Mutually agreed    | -                                 | -      | 271                           | 312    |
| AI Energy Public Co., Ltd.                 | Mutually agreed    | -                                 | -      | 232                           | 232    |
| AI Logistics Co., Ltd.                     | Mutually agreed    | -                                 | -      | 126                           | 131    |
| AI Ports and Terminals Co., Ltd.           | Mutually agreed    | -                                 | -      | 48                            | 49     |
| <b>Other incomes - interest receive</b>    |                    |                                   |        |                               |        |
| AI Energy Public Co., Ltd.                 | 2.84% - 3.75% P.A. | -                                 | -      | 1,437                         | -      |
| <b>Finance costs - interest paid</b>       |                    |                                   |        |                               |        |
| AI Engineering Services Co., Ltd.          | 2.84% - 3.75% P.A. | -                                 | -      | 1,095                         | -      |
| <b>Purchase of goods</b>                   |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Market Price       | -                                 | 94     | -                             | 94     |
| Samart Palm Oil Co., Ltd.                  | Market Price       | 17,490                            | -      | -                             | -      |
| Samart Palm Industry Co., Ltd.             | Market Price       | 1,517                             | -      | -                             | -      |
| <b>Repurchases of scrap clay</b>           |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Mutually agreed    | -                                 | 4,845  | -                             | 4,845  |

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)



Unit: Thousand Baht

|  | Pricing Policy     | Consolidated financial statements |        | Separate financial statements |        |
|--|--------------------|-----------------------------------|--------|-------------------------------|--------|
|  |                    | 2019                              | 2018   | 2019                          | 2018   |
| <b>For the nine-month periods</b>          |                    |                                   |        |                               |        |
| <b>Sales of products and raw materials</b> |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Mutually agreed    | 40                                | 1,475  | 40                            | 1,475  |
| AI Engineering Services Co., Ltd.          | Market Price       | -                                 | -      | -                             | 2      |
| <b>Sales of hybrid clay</b>                |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Mutually agreed    | 961                               | 42,132 | 961                           | 42,132 |
| <b>Dividend income</b>                     |                    |                                   |        |                               |        |
| AI Engineering Services Co., Ltd.          | As declared        | -                                 | -      | 10,000                        | 10,000 |
| <b>Other income - rental and services</b>  |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Mutually agreed    | 320                               | 403    | 320                           | 403    |
| AI Engineering Services Co., Ltd.          | Mutually agreed    | -                                 | -      | 816                           | 894    |
| AI Energy Public Co., Ltd.                 | Mutually agreed    | -                                 | -      | 735                           | 742    |
| AI Logistics Co., Ltd.                     | Mutually agreed    | -                                 | -      | 415                           | 446    |
| AI Ports and Terminals Co., Ltd.           | Mutually agreed    | -                                 | -      | 148                           | 148    |
| <b>Other income - interest receive</b>     |                    |                                   |        |                               |        |
| AI Energy Public Co., Ltd.                 | 2.84% - 3.75% P.A. | -                                 | -      | 1,515                         | -      |
| <b>Finance costs - interest paid</b>       |                    |                                   |        |                               |        |
| AI Engineering Services Co., Ltd.          | 2.84% - 3.75% P.A. | -                                 | -      | 1,173                         | -      |
| <b>Purchase of goods</b>                   |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Market Price       | -                                 | 415    | -                             | 415    |
| Samart Palm Oil Co., Ltd.                  | Market Price       | 17,490                            | -      | -                             | -      |
| Samart Palm Industry Co., Ltd.             | Market Price       | 3,533                             | -      | -                             | -      |
| <b>Repurchases of scrap clay</b>           |                    |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.             | Mutually agreed    | 958                               | 15,481 | 958                           | 15,481 |

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

## Management's remuneration

Management's remuneration for the three-month and nine-month periods ended September 30, 2019 and 2018 consisted of:

|   | Unit : Thousand Baht              |        |                               |        |
|---|-----------------------------------|--------|-------------------------------|--------|
|   | Consolidated financial statements |        | Separate financial statements |        |
|   | 2019                              | 2018   | 2019                          | 2018   |
| <b><u>For the three-month periods</u></b> |                                   |        |                               |        |
| Short-term employee benefits              | 11,353                            | 10,856 | 6,271                         | 6,081  |
| Long-term post-employment benefits        | 236                               | 233    | 88                            | 110    |
| Total management's remuneration           | 11,589                            | 11,089 | 6,359                         | 6,191  |
| <b><u>For the nine-month periods</u></b>  |                                   |        |                               |        |
| Short-term employee benefits              | 33,963                            | 33,598 | 18,899                        | 18,663 |
| Long-term post-employment benefits        | 707                               | 760    | 263                           | 330    |
| Total management's remuneration           | 34,670                            | 34,358 | 19,162                        | 18,993 |

Significant balances with related parties as at September 30, 2019 and December 31, 2018 were as follows:

|  | Unit: Thousand Baht               |        |                               |        |
|--|-----------------------------------|--------|-------------------------------|--------|
|  | Consolidated financial statements |        | Separate financial statements |        |
|  | 2019                              | 2018   | 2019                          | 2018   |
| <b>Trade receivable</b>                |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.         | -                                 | 10,161 | -                             | 10,161 |
| <b>Other receivable</b>                |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.         | 26                                | 95     | 26                            | 95     |
| AI Engineering Services Co., Ltd.      | -                                 | -      | 11                            | 7      |
| AI Logistics Co., Ltd.                 | -                                 | -      | 2                             | 1      |
| <b>Short-term loan to subsidiary</b>   |                                   |        |                               |        |
| AI Energy Public Co., Ltd.             | -                                 | -      | 230,000                       | -      |
| <b>Trade payable</b>                   |                                   |        |                               |        |
| PPC Asian Insulators Co., Ltd.         | -                                 | 9,337  | -                             | 9,337  |
| <b>Short-term loan from subsidiary</b> |                                   |        |                               |        |
| AI Engineering Services Co., Ltd.      | -                                 | -      | 160,000                       | -      |

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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As at September 30, 2019, the Company has short-term loan to subsidiary, AI Energy Public Co., Ltd. The subsidiary issued promissory notes in the amount of Baht 230 million with an interest rate of 2.84% - 3.75% per annum, due on December 19, 2019.

As at September 30, 2019, the Company has short-term loan from subsidiary, AI Engineering Services Co., Ltd. The Company issued promissory notes in the total amount of Baht 160 million with an interest rate of 2.84% - 3.75% per annum, due on November 1, 2019.

## 5. CURRENT INVESTMENTS

Current investments as at September 30, 2019 and December 31, 2018 consisted of:

|  | Unit : Thousand Baht              |                |                               |                |
|--|-----------------------------------|----------------|-------------------------------|----------------|
|  | Consolidated financial statements |                | Separate financial statements |                |
|  | 2019                              | 2018           | 2019                          | 2018           |
| Investment in Open-end Fund-Debt securities          | 55,364                            | 557,352        | 638                           | 250,160        |
| <u>Add Unrealized gains on changes in fair value</u> |                                   |                |                               |                |
| of investments                                       | 1,420                             | 4,632          | 11                            | 997            |
| Investment in Open-end Fund-Fair value               | 56,784                            | 561,984        | 649                           | 251,157        |
| Fixed deposits                                       | 515                               | 317            | -                             | -              |
| Total current investments                            | <u>57,299</u>                     | <u>562,301</u> | <u>649</u>                    | <u>251,157</u> |

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

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## 6. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables as at September 30, 2019 and December 31, 2018 consisted of:

|   | Unit: Thousand Baht               |          |                               |         |
|---|-----------------------------------|----------|-------------------------------|---------|
|   | Consolidated financial statements |          | Separate financial statements |         |
|   | 2019                              | 2018     | 2019                          | 2018    |
| Trade receivables                               |                                   |          |                               |         |
| Trade receivables - related parties             | -                                 | 10,161   | -                             | 10,161  |
| Trade receivables - state enterprises           | 264,647                           | 117,589  | 263,794                       | 117,589 |
| Trade receivables - others                      | 133,741                           | 110,129  | 10,374                        | 3,582   |
| Total trade receivables                         | 398,388                           | 237,879  | 274,168                       | 131,332 |
| Less Allowance for doubtful accounts            | (3,222)                           | (11,110) | -                             | -       |
| Total trade receivables - net                   | 395,166                           | 226,769  | 274,168                       | 131,332 |
| Other current receivables                       |                                   |          |                               |         |
| Other receivables - related parties             | 26                                | 95       | 39                            | 103     |
| Prepaid insurance                               | 5,478                             | 2,631    | 1,889                         | 1,178   |
| Prepaid expense                                 | 2,987                             | 1,440    | 1,487                         | 596     |
| Deposit for inventories                         | 6,440                             | 1,917    | 1,515                         | 1,917   |
| Revenue Department receivable                   | 704                               | 52       | -                             | -       |
| Undue input tax                                 | 431                               | 667      | 91                            | 322     |
| Advance payment to subcontractors               | -                                 | 249      | -                             | -       |
| Others  | 408                               | 635      | -                             | -       |
| Total other current receivables                 | 16,474                            | 7,686    | 5,021                         | 4,116   |
| Less Allowance for doubtful accounts            | (306)                             | (306)    | -                             | -       |
| Total other current receivables - net           | 16,168                            | 7,380    | 5,021                         | 4,116   |
| Total trade and other current receivables - net | 411,334                           | 234,149  | 279,189                       | 135,448 |

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(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

As at September 30, 2019 and December 31, 2018, outstanding balances of trade receivables aged by number of months were as follows:

|   | Unit: Thousand Baht               |          |                               |         |
|---|-----------------------------------|----------|-------------------------------|---------|
|   | Consolidated financial statements |          | Separate financial statements |         |
|   | 2019                              | 2018     | 2019                          | 2018    |
| <b>Related parties</b>                      |                                   |          |                               |         |
| Current                                     | -                                 | 3,759    | -                             | 3,759   |
| Overdue                                     |                                   |          |                               |         |
| Within 3 months                             | -                                 | 6,402    | -                             | 6,402   |
| Total                                       | -                                 | 10,161   | -                             | 10,161  |
| <b>State enterprises</b>                    |                                   |          |                               |         |
| Current                                     | 264,647                           | 117,589  | 263,794                       | 117,589 |
| Total                                       | 264,647                           | 117,589  | 263,794                       | 117,589 |
| <b>Others</b>                               |                                   |          |                               |         |
| Current                                     | 85,586                            | 96,128   | 1,353                         | 3,532   |
| Overdue                                     |                                   |          |                               |         |
| Within 3 months                             | 44,933                            | 2,891    | 9,021                         | 50      |
| Over 3 months to 12 months                  | -                                 | 2,782    | -                             | -       |
| Over 12 months                              | 3,222                             | 8,328    | -                             | -       |
| Total                                       | 133,741                           | 110,129  | 10,374                        | 3,582   |
| Total trade receivables                     | 398,388                           | 237,879  | 274,168                       | 131,332 |
| <u>Less</u> Allowance for doubtful accounts | (3,222)                           | (11,110) | -                             | -       |
| Total trade receivables - net               | 395,166                           | 226,769  | 274,168                       | 131,332 |

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

## 7. UNBILLED RECEIVABLES/ADVANCE RECEIVED AND DEFERRED CONSTRUCTION REVENUE

Unbilled receivables/advance received and deferred construction revenue as at September 30, 2019 and December 31, 2018 consisted of:

|   | Unit : Thousand Baht              |           |
|---|-----------------------------------|-----------|
|   | Consolidated financial statements |           |
|   | 2019                              | 2018      |
| Unbilled receivables  |                                   |           |
| Contract value  | -                                 | 135,757   |
| Recognition of income by the percentage of completion             | -                                 | 126,693   |
| <u>Less</u> Value of billing construction                         | -                                 | (116,557) |
| Total   | -                                 | 10,136    |
| Advance received and deferred construction revenue                |                                   |           |
| Contract value  | 35,547                            | -         |
| Value of billing construction                                     | 3,552                             | -         |
| <u>Less</u> Recognition of income by the percentage of completion | (33)                              | -         |
| Total   | 3,519                             | -         |

## 8. INVENTORIES - NET

Inventories as at September 30, 2019 and December 31, 2018 consisted of:

|  | Unit: Thousand Baht               |         |                               |         |
|--|-----------------------------------|---------|-------------------------------|---------|
|  | Consolidated financial statements |         | Separate financial statements |         |
|  | 2019                              | 2018    | 2019                          | 2018    |
| Raw materials and chemicals                          | 216,591                           | 226,290 | 145,817                       | 133,392 |
| Work in process                                      | 210,568                           | 106,907 | 33,261                        | 37,703  |
| Finished goods                                       | 145,269                           | 102,494 | 98,007                        | 52,504  |
| Supplies   | 9,492                             | 8,941   | 1,617                         | 706     |
| Goods in transit                                     | 465                               | 8,137   | 464                           | 8,137   |
| Total inventories                                    | 582,385                           | 452,769 | 279,166                       | 232,442 |
| <u>Less</u> Allowance for devaluation of inventories | (28,124)                          | (7,474) | (4,724)                       | (4,724) |
| Total inventories - net                              | 554,261                           | 445,295 | 274,442                       | 227,718 |

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

9. OIL SUPPLIES

Oil supplies as at September 30, 2019 and December 31, 2018 consisted of:

|                    | Unit: Thousand Baht               |       |
|--------------------|-----------------------------------|-------|
|                    | Consolidated financial statements |       |
|                    | 2019                              | 2018  |
| Bunker oil         | 1,221                             | 1,338 |
| Lubricants         | 242                               | 233   |
| Total oil supplies | 1,463                             | 1,571 |

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10. INVESTMENTS IN ASSOCIATED COMPANY - NET

Investments in associated company as at September 30, 2019 and December 31, 2018 consisted of:

|   | Company   | Nature of business | Percentage of investment (%) |         | Unit: Thousand Baht  |      | Unit: Thousand Baht  |                      |          |
|---|---|--------------------|------------------------------|---------|----------------------|------|----------------------|----------------------|----------|
|   |   |                    | 2019                         | 2018    | Issued share capital |      | Consolidated         | Separate             |          |
|   |   |                    | 2019                         | 2018    | 2019                 | 2018 | financial statements | financial statements |          |
| PPC Asian Insulators Company Limited        | Producing and distributing electronics insulators and ceramic | 25.10              | 25.10                        | 263,000 | 263,000              | -    | -                    | 66,000               | 66,000   |
| Less Provision for diminution in investment |   |                    |                              |         |                      | -    | -                    | (66,000)             | (66,000) |
| Total investments in associate - net        |   |                    |                              |         |                      | -    | -                    | -                    | -        |

The consolidated and separate financial statements for the nine-month periods ended September 30, 2019 and 2018 of Asian Insulators Public Company Limited and its subsidiaries, and of Asian Insulators Public Company Limited respectively, included an investment in the associated company based on financial statements of the associated company which had not been reviewed by an auditor. The carrying value of the investment in the consolidated financial statements as at September 30, 2019 and December 31, 2018, amounted to Baht 0.00 million and Baht 0.00 million, respectively, representing 0.00% and 0.00% of total assets in the consolidated financial statements, representing.

The equity of net loss of the associated company in the consolidated financial statements for the three-month periods ended September 30, 2019 and 2018 amounted to Baht 0.00 million and Baht 1.04 million, respectively, representing 0.00% and 1.19% of consolidated net profit, respectively and the equity of net loss of the associated company in the consolidated financial statements for the nine-month periods ended September 30, 2019 and 2018 amounted to Baht 0.00 million and Baht 1.84 million, respectively, representing 0.00% and 0.73% of consolidated net profit, respectively.

As at September 30, 2019, the management of the Company has considered the net realizable value from investments in associate and passed a resolution to set up fully provision for diminution of investment in associate in the separate financial statements.

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

..... Director

(Narong Tharatanavibool)

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(Thanit Tharatanavibool)

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## 11. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at September 30, 2019 and December 31, 2018, and dividend income from the investment during the nine-month periods ended September 30, 2019 and 2018, consisted of

| Company  | Nature of business  | Percentage of investment (%) |        | Unit : Million Baht |         | Separate financial statements |         |          |        |
|--|---|------------------------------|--------|---------------------|---------|-------------------------------|---------|----------|--------|
|  |   | 2019                         | 2018   | 2019                | 2018    | Cost method                   |         | Dividend |        |
|  |   |                              |        | 2019                | 2018    | 2019                          | 2018    | 2019     | 2018   |
| <b>Subsidiaries directly held by the Company</b>             |   |                              |        |                     |         |                               |         |          |        |
| AI Engineering Services Company Limited                      | Undertake construction and install electrical transmission, power sub-station and trading electrical equipment          | 100.00                       | 100.00 | 200                 | 200     | 197,386                       | 197,386 | 10,000   | 10,000 |
| AI Energy Public Company Limited                             | Producing and distributing biodiesel, vegetable oil and other fuel oil  | 61.77                        | 61.77  | 1,308               | 1,308   | 800,226                       | 800,226 | -        | -      |
| <b>Subsidiaries held by AI Energy Public Company Limited</b> |   |                              |        |                     |         |                               |         |          |        |
| AI Logistics Company Limited                                 | Local and overseas logistics for merchandise sea freight services.  | 100.00                       | 100.00 | 209                 | 209     | -                             | -       | -        | -      |
| AI Ports and Terminals Company Limited                       | Servicing port (AI present temporarily halted main business operation and in the process of preparing a business plan.) | 100.00                       | 100.00 | 460                 | 460     | -                             | -       | -        | -      |
| Total investments in subsidiaries                            |   |                              |        | 997,612             | 997,612 | 997,612                       | 997,612 | 10,000   | 10,000 |

On June 6, 2018, the Company exercised its right to purchase 583,688 million shares of AIE-W1, amount of Baht 134.67 million, at Baht 0.25 per share.

..... Director  
(Narong Tharatanavibool)

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(Thanit Tharatanavibool)

**12. PLEDGED DEPOSITS AT FINANCIAL INSTITUTION**

The subsidiary has pledged fixed deposit at bank as collateral for the issuance of bank guarantee (Note 27.1).

**13. PROPERTY, PLANT, VESSEL AND EQUIPMENT - NET**

Property, plant, vessel and equipment as at September 30, 2019 and December 31, 2018 consisted of:

|   | Unit : Thousand Baht              |                               |
|---|-----------------------------------|-------------------------------|
|   | Consolidated financial statements | Separate financial statements |
| <b>At cost</b>  |                                   |                               |
| As at December 31, 2018                                 | 3,346,373                         | 1,263,242                     |
| Purchases during period                                 | 232,072                           | 20,708                        |
| Disposal /written off during period                     | (63,247)                          | (13,629)                      |
| As at September 30, 2019                                | 3,515,198                         | 1,270,321                     |
| <b>Accumulated Depreciation</b>                         |                                   |                               |
| As at December 31, 2018                                 | (1,367,265)                       | (737,174)                     |
| Depreciation for the period                             | (114,864)                         | (56,126)                      |
| Depreciation - disposals for/written off the period     | 33,071                            | 12,783                        |
| As at September 30, 2019                                | (1,449,058)                       | (780,517)                     |
| <b>Allowances for impairment of assets</b>              |                                   |                               |
| As at December 31, 2018                                 | (19,477)                          | (2,077)                       |
| Reversal of Allowances for<br>impairment for the period | 2,077                             | 2,077                         |
| As at September 30, 2019                                | (17,400)                          | -                             |
| <b>Book value</b>                                       |                                   |                               |
| As at December 31, 2018                                 | 1,959,631                         | 523,991                       |
| As at September 30, 2019                                | 2,048,740                         | 489,804                       |

..... Director  
(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

Depreciations in the statements of profit or loss for the three-month and nine-month periods ended September 30, 2019 and 2018 consisted of:

|   | Unit: Thousand Baht               |                |                               |               |
|---|-----------------------------------|----------------|-------------------------------|---------------|
|   | Consolidated financial statements |                | Separate financial statements |               |
|   | 2019                              | 2018           | 2019                          | 2018          |
| <b><u>For the three-month periods</u></b> |                                   |                |                               |               |
| Cost of sale and service                  | 33,278                            | 29,805         | 16,047                        | 15,539        |
| Selling and administrative expenses       | 6,550                             | 5,272          | 2,121                         | 1,777         |
|   | <u>39,828</u>                     | <u>35,077</u>  | <u>18,168</u>                 | <u>17,316</u> |
| <b><u>For the nine-month periods</u></b>  |                                   |                |                               |               |
| Cost of sale and service                  | 96,934                            | 87,413         | 50,215                        | 45,071        |
| Selling and administrative expenses       | 17,930                            | 15,819         | 5,911                         | 5,447         |
|   | <u>114,864</u>                    | <u>103,232</u> | <u>56,126</u>                 | <u>50,518</u> |

As at September 30, 2019 and December 31, 2018 interest incurred on loans used for a Purify Glycerin project of AI Energy Public Company Limited (“the subsidiary”), totaling to Baht 1.37 million, have been capitalized as part of cost of construction in process.

The gross carrying amounts of equipment were fully depreciated but these items are still in active use by the Group as at September 30, 2019 and December 31, 2018, in the consolidate financial statement totaling approximately Baht 397.00 million and Baht 394.56 million respectively, and separate financial statements totaling approximately Baht 236.64 million and Baht 243.65 million, respectively.

The subsidiary, AI Ports and Terminals Co., Ltd, due to at present temporarily halted main business. Management has assessed the appropriateness of the valuation of the property, plant and equipment of the subsidiary from temporarily halted by using the work of the independent appraiser that the Company uses to evaluate the fair value of underlying assets. According to the appraisal report, the appraisal value amounted Baht 176.65 million. The property, plant and equipment appraisal above is the fair value measurement hierarchy in Level 2. The net book value of property, plant and equipment as at September 30, 2019 and December 31, 2018 amount of Baht 167.37 million and Baht 194.05 million, respectively. And considered to set up the allowance for impairment amount of Baht 17.40 million, in the consolidate statements of financial position as at September 30, 2019 and December 31, 2018.

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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#### 14. INTANGIBLE ASSETS - NET

Intangible assets as at September 30, 2019 and December 31, 2018 consisted of:

|                                 | Unit : Thousand Baht              |                               |
|---------------------------------|-----------------------------------|-------------------------------|
|                                 | Consolidated financial statements | Separate financial statements |
| <b>At cost</b>                  |                                   |                               |
| As at December 31, 2018         | 27,244                            | 26,037                        |
| Purchases during period         | 4,794                             | 4,400                         |
| As at September 30, 2019        | 32,038                            | 30,437                        |
| <b>Accumulated Depreciation</b> |                                   |                               |
| As at December 31, 2018         | (21,582)                          | (20,696)                      |
| Depreciation for the period     | (765)                             | (640)                         |
| As at September 30, 2019        | (22,347)                          | (21,336)                      |
| <b>Book value</b>               |                                   |                               |
| As at December 31, 2018         | 5,662                             | 5,341                         |
| As at September 30, 2019        | 9,691                             | 9,101                         |

#### 15. BANK OVERDRAFTS AND SHORT-TERM LOAN FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loan from financial institutions as at September 30, 2019 and December 31, 2018 consisted of:

|   | Unit : Thousand Baht              |           |                               |           |
|---|-----------------------------------|-----------|-------------------------------|-----------|
|   | Consolidated financial statements |           | Separate financial statements |           |
|   | 2019                              | 2018      | 2019                          | 2018      |
| Bank overdrafts                                 | 1,599                             | -         | -                             | -         |
| Promissory notes                                | 100,000                           | -         | 100,000                       | -         |
| Total   | 101,599                           | -         | 100,000                       | -         |
| <b>Credit facilities (Unit : Thousand Baht)</b> |                                   |           |                               |           |
|   | Consolidated financial statements |           | Separate financial statements |           |
|   | 2019                              | 2018      | 2019                          | 2018      |
| Bank overdrafts                                 | 22,000                            | 22,000    | 12,000                        | 12,000    |
| Promissory notes                                | 370,000                           | 870,000   | 330,000                       | 330,000   |
| Trust receipts                                  | 225,000                           | 225,000   | 225,000                       | 225,000   |
| Letter of guarantee                             | 1,260,013                         | 1,110,467 | 685,500                       | 535,500   |
| Total   | 1,877,013                         | 2,227,467 | 1,252,500                     | 1,102,500 |

..... Director

(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

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As at September 30, 2019, The Company has short-term loans in the amount of Baht 100 million. The Company issued a promissory note with an interest rate of at 3.75 % per annum, and are repayable in 6 months.

The Company and its subsidiaries had credit facilities from financial institutions, these credit facilities are secured by the guarantee from the Company and its subsidiaries, AI Energy Public Co., Ltd, and by pledge of fixed deposits of subsidiaries.

## 16. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at September 30, 2019 and December 31, 2018 consisted of:

|                                       | Unit : Thousand Baht              |                |                               |               |
|---------------------------------------|-----------------------------------|----------------|-------------------------------|---------------|
|                                       | Consolidated financial statements |                | Separate financial statements |               |
|                                       | 2019                              | 2018           | 2019                          | 2018          |
| Trade payables                        |                                   |                |                               |               |
| Trade payables - related parties      | -                                 | 9,337          | -                             | 9,337         |
| Trade payables - others               | 88,783                            | 127,492        | 29,080                        | 27,388        |
| <b>Total trade payables</b>           | <b>88,783</b>                     | <b>136,829</b> | <b>29,080</b>                 | <b>36,725</b> |
| Other payables                        |                                   |                |                               |               |
| Payables for purchase of assets       | 10,296                            | 8,726          | 1,237                         | 1,185         |
| Other current payables                | 4,522                             | 3,875          | -                             | -             |
| Advances received for goods           | 1,264                             | 16,527         | 1,122                         | 16,516        |
| Accrued bonus                         | 11,937                            | 97             | 10,960                        | -             |
| Electricity payable                   | 4,125                             | 3,938          | 1,508                         | 1,329         |
| Accrued expenses                      | 7,218                             | 5,815          | 4,265                         | 2,933         |
| Retention                             | 14,623                            | 9,129          | -                             | -             |
| Revenue Department payables           | 11,832                            | 13,898         | 7,373                         | 6,475         |
| Unearned revenue for vessel operating | -                                 | 612            | -                             | -             |
| Others                                | 528                               | 826            | 520                           | 403           |
| <b>Total other payables</b>           | <b>66,345</b>                     | <b>63,443</b>  | <b>26,985</b>                 | <b>28,841</b> |
| <b>Total trade and other payables</b> | <b>155,128</b>                    | <b>200,272</b> | <b>56,065</b>                 | <b>65,566</b> |

..... Director

(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

## 17. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Movement of the present value of Non-current provisions for employee benefits for the nine-month periods ended September 30, 2019 and 2018 were as follows:

|   | Unit: Thousand Baht               |         |                               |         |
|---|-----------------------------------|---------|-------------------------------|---------|
|   | Consolidated financial statements |         | Separate financial statements |         |
|   | 2019                              | 2018    | 2019                          | 2018    |
| <b>Non-current provisions for employee benefits</b> |                                   |         |                               |         |
| at beginning of periods                             | 27,129                            | 30,497  | 17,429                        | 18,526  |
| Included in profit or loss:                         |                                   |         |                               |         |
| Past service cost                                   | 5,030                             | -       | 4,630                         | -       |
| Current service cost                                | 3,343                             | 3,313   | 2,074                         | 1,987   |
| Interest cost                                       | 630                               | 506     | 468                           | 355     |
| Included in other comprehensive income:             |                                   |         |                               |         |
| Actuarial (gains) losses arising from               |                                   |         |                               |         |
| Financial assumptions changes                       | -                                 | (546)   | -                             | 804     |
| Experience adjustments                              | -                                 | (3,561) | -                             | (2,062) |
| Benefit paid during the periods                     | (619)                             | (2,134) | (309)                         | (783)   |
| <b>Non-current provisions for employee benefits</b> |                                   |         |                               |         |
| at end of periods                                   | 35,513                            | 28,075  | 24,292                        | 18,827  |

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(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

Employee benefit expenses in profit or loss for the three-month and nine-month periods ended September 30, 2019 and 2018 were as follows:

|   | Unit: Thousand Baht               |              |                               |              |
|---|-----------------------------------|--------------|-------------------------------|--------------|
|   | Consolidated financial statements |              | Separate financial statements |              |
|   | 2019                              | 2018         | 2019                          | 2018         |
| <b><u>For the three-month periods</u></b> |                                   |              |                               |              |
| Cost of sales                             | 902                               | 887          | 653                           | 630          |
| Selling expenses                          | 41                                | -            | -                             | -            |
| Administrative expenses                   | 366                               | 354          | 267                           | 146          |
| <b>Total employee benefit expenses</b>    | <b>1,309</b>                      | <b>1,241</b> | <b>920</b>                    | <b>776</b>   |
| <b><u>For the nine-month periods</u></b>  |                                   |              |                               |              |
| Cost of sales                             | 6,054                             | 2,697        | 5,307                         | 1,904        |
| Selling expenses                          | 123                               | 2            | -                             | -            |
| Administrative expenses                   | 2,826                             | 1,120        | 1,865                         | 438          |
| <b>Total employee benefit expenses</b>    | <b>9,003</b>                      | <b>3,819</b> | <b>7,172</b>                  | <b>2,342</b> |

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

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

Principal actuarial assumptions as at September 30, 2019 and December 31, 2018 (represented by the weighted-average) were as follows:

|                       | (Percentage (%)/annum)                               |  |  |  |
|-----------------------|--|--|--|--|
|                       | Consolidated financial statements                    |  | Separate financial statements                        |  |
|                       | 2019   | 2018   | 2019   | 2018   |
| Discount rate         | 2.16 - 2.94  | 2.16 - 2.85  | 2.21   | 2.21   |
| Salary increases rate | 1.00 - 5.00  | 1.00 - 5.00  | 1.00 - 5.00  | 1.00 - 5.00  |
| Mortality rate        | 100% of Thai<br>Mortality Ordinary<br>Tables of 2017 | 100% of Thai<br>Mortality Ordinary<br>Tables of 2017 | 100% of Thai<br>Mortality Ordinary<br>Tables of 2017 | 100% of Thai<br>Mortality Ordinary<br>Tables of 2017 |
| Turnover rate         |  |  |  |  |
| Under 31 years old    | 0 - 40   | 0 - 40   | 21 - 32  | 21 - 32  |
| 31 - 40 years old     | 0 - 28   | 0 - 28   | 5 - 22   | 5 - 22   |
| 41 - 50 years old     | 0 - 7  | 0 - 7  | 5 - 7  | 5 - 7  |
| Above 51 years old    | 0  | 0  | 0  | 0  |

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(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

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On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 5.03 million (The Company only: Baht 4.63 million) as a result. The Company and its subsidiaries has recorded the effect of the change by recognising past service costs as expenses immediately in the income statement of the period in which the law is effective, which is the second quarter of 2019

## 18. WARRANTS

### Warrants AIE-W1

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

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

During the period second quarter year 2018, the warrant holders exercised 712.29 million units. AIE-W1 warrants to purchase 712.29 ordinary million shares at Baht 0.25 each in the amount of Baht 178.07 million.



**19. DIVIDEND PAYMENT**

The 2019 Annual General Meeting of Shareholders of the Company held on April 26, 2019, passed a resolution to pay dividend for the year 2018 to the shareholders of 2,800 million shares at Baht 0.12 per share for a total amount of Baht 336 million from the separate financial statements' retained earnings after deduction of legal reserves and exempt from income tax, according to the BOI Certificate No. 1478 (2)/2553. The dividend was paid on May 22, 2019.

The Board of Directors' Meeting No. 1/2019 held on April 4, 2019 of AI Engineering Services Company Limited, ("the subsidiary") passed a resolution to pay dividends from retained earnings to the shareholders of 20 million shares at Baht 0.50 per share, amount Baht 10 million. The 2019 Annual General Shareholders' Meeting held on April 30, 2019, passed a resolution to pay such dividends. The dividend was paid on May 10, 2019.

The 2018 Annual General Meeting of Shareholders of the Company held on April 27, 2018, passed a resolution to pay dividend for the year 2017 to the shareholders of 2,800 million shares at Baht 0.05 per share for a total amount of Baht 140 million from the separate financial statements' retained earnings after deduction of legal reserves and exempt from income tax, according to the BOI Certificate No. 1478 (2)/2553. The dividend was paid on May 15, 2018.

The Board of Directors' Meeting No. 1/2018 held on April 9, 2018 of AI Engineering Services Company Limited, ("the subsidiary") passed a resolution to pay dividends from retained earnings to the shareholders of 20 million shares at Baht 0.50 per share, amount Baht 10 million. The 2018 Annual General Shareholders' Meeting held on April 30, 2018, passed a resolution to pay such dividends. The dividend was paid on May 10, 2018.

**20. LEGAL RESERVE**

Under the provisions of the Thai Public Company Limited Act B. E. 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as legal reserve until the reserve equal to 10% of authorized share capital. The reserve is not available for dividend distribution.

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## 21. DEFERRED TAX

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

|   | Unit: Thousand Baht               |                  |                             |                               |                  |                             |
|---|-----------------------------------|------------------|-----------------------------|-------------------------------|------------------|-----------------------------|
|   | Consolidated financial statements |                  |                             | Separate financial statements |                  |                             |
|   | As at January 1,<br>2019          | Profit<br>(Loss) | As at September 30,<br>2019 | As at January 1,<br>2019      | Profit<br>(Loss) | As at September 30,<br>2019 |
| <b>Deferred tax assets</b>                          |                                   |                  |                             |                               |                  |                             |
| Allowance for doubtful accounts                     | 706                               | -                | 706                         | -                             | -                | -                           |
| Allowance for devaluation of inventories            | 945                               | -                | 945                         | 945                           | -                | 945                         |
| Allowance for impairment of assets                  | 415                               | (415)            | -                           | 415                           | (415)            | -                           |
| Non-current provisions for employee benefits        | 5,290                             | 1,685            | 6,975                       | 3,486                         | 1,372            | 4,858                       |
| Tax loss carries forward                            | 4,145                             | (4,145)          | -                           | -                             | -                | -                           |
| Revenues treated as revenues under the Revenue Code | 2,497                             | (2,497)          | -                           | 2,497                         | (2,497)          | -                           |
| <b>Total</b>  | <b>13,998</b>                     | <b>(5,372)</b>   | <b>8,626</b>                | <b>7,343</b>                  | <b>(1,540)</b>   | <b>5,803</b>                |
| <b>Deferred tax liability</b>                       |                                   |                  |                             |                               |                  |                             |
| Unrealized gain on investments in Open-end Fund     | (675)                             | 398              | (277)                       | (199)                         | 197              | (2)                         |
| Depreciation  | (4,433)                           | (364)            | (4,797)                     | -                             | -                | -                           |
| <b>Total</b>  | <b>(5,108)</b>                    | <b>34</b>        | <b>(5,074)</b>              | <b>(199)</b>                  | <b>197</b>       | <b>(2)</b>                  |
| <b>Deferred tax assets - net</b>                    | <b>8,890</b>                      | <b>(5,338)</b>   | <b>3,552</b>                | <b>7,144</b>                  | <b>(1,343)</b>   | <b>5,801</b>                |

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..... Director

(Narong Tharatanavibool)

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(Thanit Tharatanavibool)

As at December 31, 2018, AI Energy Public Company Limited (“the subsidiary”) had the deferred tax asset for the carry forward of unused tax losses of Baht 4.15 million. The Company’s management believes that it is probable that future taxable profit will be available against the unused tax losses.

## 22. INCOME TAX EXPENSE

Income tax expense the three-month and nine-month periods ended September 30, 2019 and 2018 were as follows:

|   | Unit: Thousand Baht               |          |                               |         |
|---|-----------------------------------|----------|-------------------------------|---------|
|   | Consolidated financial statements |          | Separate financial statements |         |
|   | 2019                              | 2018     | 2019                          | 2018    |
| <b><u>For the three-month periods</u></b> |                                   |          |                               |         |
| <b>Current tax expense</b>                |                                   |          |                               |         |
| Current periods                           | (863)                             | (1,515)  | (801)                         | (1,250) |
| <b>Deferred tax expense</b>               |                                   |          |                               |         |
| Movement in temporary differences         | (4,118)                           | (207)    | (251)                         | 83      |
| Total                                     | (4,981)                           | (1,722)  | (1,052)                       | (1,167) |
| <b><u>For the nine-month periods</u></b>  |                                   |          |                               |         |
| <b>Current tax expense</b>                |                                   |          |                               |         |
| Current periods                           | (4,289)                           | (7,751)  | (3,955)                       | (6,923) |
| <b>Deferred tax expense</b>               |                                   |          |                               |         |
| Movement in temporary differences         | (5,338)                           | (3,541)  | (1,343)                       | (791)   |
| Total                                     | (9,627)                           | (11,292) | (5,298)                       | (7,714) |

### Income tax reduction

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

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(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

### 23. FOREIGN CURRENCY TRANSACTIONS

As at September 30, 2019 and December 31, 2018, the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging were as follows:

Unit: Thousand

| Particulars | Consolidated financial statements |                   |                    |                   | Separate financial statements |                   |                    |                   |
|-------------|-----------------------------------|-------------------|--------------------|-------------------|-------------------------------|-------------------|--------------------|-------------------|
|             | 2019                              |                   | 2018               |                   | 2019                          |                   | 2018               |                   |
|             | Foreign Currencies                | Converted to Baht | Foreign Currencies | Converted to Baht | Foreign Currencies            | Converted to Baht | Foreign Currencies | Converted to Baht |
| Assets      |                                   |                   |                    |                   |                               |                   |                    |                   |
| USD         | 31.24                             | 950.37            | 50.24              | 1,621.88          | 31.11                         | 946.23            | 31.10              | 1,004.08          |
| Total       |                                   | 950.37            |                    | 1,621.88          |                               | 946.23            |                    | 1,004.08          |
| Liabilities |                                   |                   |                    |                   |                               |                   |                    |                   |
| USD         | 58.24                             | 1,791.88          | 304.60             | 9,968.91          | 51.66                         | 1,589.35          | 253.74             | 8,275.52          |
| EUR         | 174.00                            | 5,879.55          | -                  | -                 | 174.00                        | 5,879.55          | -                  | -                 |
| Total       |                                   | 7,671.43          |                    | 9,968.91          |                               | 7,468.90          |                    | 8,275.52          |

### 24. PROMOTIONAL PRIVILEGES

The Company and subsidiaries have received promotional Privileges of Investment Promotion Act, B.E. 2520 (1977)

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

..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

The Company and subsidiaries have revenue from sales of goods which are granted the promotional certificates for the three-month and nine-month periods ended September 30, 2019 and 2018 was as follows:

|  | Unit: Thousand Baht               |                            |                |                               |                            |                |
|--|-----------------------------------|----------------------------|----------------|-------------------------------|----------------------------|----------------|
|  | Consolidated financial statements |                            |                | Separate financial statements |                            |                |
|  | Promoted<br>Activities            | Non-promoted<br>Activities | Total          | Promoted<br>Activities        | Non-promoted<br>Activities | Total          |
| <b>For the three-month period ended September 30, 2019</b> |                                   |                            |                |                               |                            |                |
| Revenue from sales of goods                                | 389,537                           | 360,799                    | 750,336        | 367,698                       | 9,258                      | 376,956        |
| Revenue from production contract                           | -                                 | 49                         | 49             | -                             | -                          | -              |
| Revenue from construction contract                         | -                                 | 127                        | 127            | -                             | -                          | -              |
| Revenue from vessel operating                              | -                                 | 767                        | 767            | -                             | -                          | -              |
| Income from an insurance claim - net                       | -                                 | 13,332                     | 13,332         | -                             | -                          | -              |
| Other incomes  | -                                 | 4,350                      | 4,350          | -                             | 3,183                      | 3,183          |
| <b>Total</b>   | <b>389,537</b>                    | <b>379,424</b>             | <b>768,961</b> | <b>367,698</b>                | <b>12,441</b>              | <b>380,139</b> |
| <b>For the three-month period ended September 30, 2018</b> |                                   |                            |                |                               |                            |                |
| Revenue from sales of goods                                | 585,976                           | 29,453                     | 615,429        | 239,284                       | 15,961                     | 255,245        |
| Revenue from production contract                           | -                                 | 11,960                     | 11,960         | -                             | -                          | -              |
| Revenue from construction contract                         | -                                 | 46,474                     | 46,474         | -                             | -                          | -              |
| Revenue from vessel operating                              | -                                 | 13,631                     | 13,631         | -                             | -                          | -              |
| Other incomes  | -                                 | 4,632                      | 4,632          | -                             | 2,498                      | 2,498          |
| <b>Total</b>   | <b>585,976</b>                    | <b>106,150</b>             | <b>692,126</b> | <b>239,284</b>                | <b>18,459</b>              | <b>257,743</b> |

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..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit: Thousand Baht

|   | Consolidated financial statements |                  |                  | Separate financial statements |                |                |
|---|-----------------------------------|------------------|------------------|-------------------------------|----------------|----------------|
|   | Promoted                          | Non-promoted     | Total            | Promoted                      | Non-promoted   | Total          |
|   | Activities                        | Activities       | Activities       | Activities                    | Activities     | Activities     |
| <b>For the nine-month period ended September 30, 2019</b> |                                   |                  |                  |                               |                |                |
| Revenue from sales of goods                               | 778,350                           | 1,103,419        | 1,881,769        | 593,524                       | 56,045         | 649,569        |
| Revenue from production contract                          | -                                 | 5,114            | 5,114            | -                             | -              | -              |
| Revenue from construction contract                        | -                                 | 10,040           | 10,040           | -                             | -              | -              |
| Revenue from vessel operating                             | -                                 | 10,734           | 10,734           | -                             | -              | -              |
| Income from an insurance claim - net                      | -                                 | 13,332           | 13,332           | -                             | -              | -              |
| Other incomes   | -                                 | 10,793           | 10,793           | -                             | 9,194          | 9,194          |
| Dividend income   | -                                 | -                | -                | -                             | 10,000         | 10,000         |
| <b>Total</b>  | <b>778,350</b>                    | <b>1,153,432</b> | <b>1,931,782</b> | <b>593,524</b>                | <b>75,239</b>  | <b>668,763</b> |
| <b>For the nine-month period ended September 30, 2018</b> |                                   |                  |                  |                               |                |                |
| Revenue from sales of goods                               | 1,660,686                         | 147,140          | 1,807,826        | 584,562                       | 98,506         | 683,068        |
| Revenue from production contract                          | -                                 | 42,183           | 42,183           | -                             | -              | -              |
| Revenue from construction contract                        | -                                 | 86,091           | 86,091           | -                             | -              | -              |
| Revenue from vessel operating                             | -                                 | 40,997           | 40,997           | -                             | -              | -              |
| Other incomes   | -                                 | 19,195           | 19,195           | -                             | 8,017          | 8,017          |
| Dividend income   | -                                 | -                | -                | -                             | 10,000         | 10,000         |
| <b>Total</b>  | <b>1,660,686</b>                  | <b>335,606</b>   | <b>1,996,292</b> | <b>584,562</b>                | <b>116,523</b> | <b>701,085</b> |

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

## 25. PROVIDENT FUND

The Company and subsidiaries have set up a provident fund for the employees under the Provident Fund Act, B.E. 2530 (1987), in order to be their welfare as well as security whenever resignation or retirement as defined by the Company's regulation, with partly contribute by its employees and another part by the Company at the rate 3 - 7 % on their salaries. The Company has also appointed Finansa Asset Management Company Limited to manage such fund.

The Company and subsidiary' contributions for the employees' provident fund and recorded as expenses in the statements of profit or loss for the three-month and nine-month periods ended September 30, 2019 and 2018 were as follows:

|   | Unit: Thousand Baht               |       |                               |       |
|---|-----------------------------------|-------|-------------------------------|-------|
|   | Consolidated financial statements |       | Separate financial statements |       |
|   | 2019                              | 2018  | 2019                          | 2018  |
| <b><u>For the three-month periods</u></b> |                                   |       |                               |       |
| Asian Insulators Public Company Limited   | 427                               | 444   | 427                           | 444   |
| AI Engineering Services Company Limited   | 49                                | 47    | -                             | -     |
| AI Energy Public Company Limited          | 393                               | 371   | -                             | -     |
| AI Logistics Company Limited              | 9                                 | 9     | -                             | -     |
| Total                                     | 878                               | 871   | 427                           | 444   |
| <b><u>For the nine-month periods</u></b>  |                                   |       |                               |       |
| Asian Insulators Public Company Limited   | 1,282                             | 1,361 | 1,282                         | 1,361 |
| AI Engineering Services Company Limited   | 150                               | 140   | -                             | -     |
| AI Energy Public Company Limited          | 1,163                             | 1,087 | -                             | -     |
| AI Logistics Company Limited              | 30                                | 23    | -                             | -     |
| Total                                     | 2,625                             | 2,611 | 1,282                         | 1,361 |

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

26. SEGMENT INFORMATION

The segmented information for the three-month and nine-month periods ended September 30, 2019 and 2018 was as follows:

|  |  | Unit: Thousand Baht                                 |                             |  |                                      |                  |               |           |
|--|--|---|-----------------------------|--|--------------------------------------|------------------|---------------|-----------|
|  |  | Consolidated financial statements                   |                             |  |                                      |                  |               |           |
|  |  | For the three-month period ended September 30, 2019 |                             |  |                                      |                  |               |           |
|  |  | Group of AI Energy Public Company Limited           |                             |  |                                      |                  |               |           |
|  |  | Sale of porcelain<br>insulators and<br>component    | Construction<br>undertaking | Sale of biodiesel<br>and vegetable oil<br>and by product | Contract of refind<br>crude palm oil | Vessel operating | Port services | Total     |
| Revenues from sales and services           |  | 376,956   | 127                         | 373,380  | 49                                   | 767              | -             | 751,279   |
| Cost of sales and services                 |  | (203,510)   | (106)                       | (429,283)  | (39)                                 | (5,906)          | -             | (638,844) |
| Gross profit (loss) by segment             |  | 173,446   | 21                          | (55,903)   | 10                                   | (5,139)          | -             | 112,435   |
| Income from an insurance claim - net       |  |   |                             |  |                                      |                  |               | 13,332    |
| Other income                               |  |   |                             |  |                                      |                  |               | 4,350     |
| Selling expenses                           |  |   |                             |  |                                      |                  |               | (8,382)   |
| Administrative expenses                    |  |   |                             |  |                                      |                  |               | (45,135)  |
| Finance costs                              |  |   |                             |  |                                      |                  |               | (588)     |
| Tax expenses                               |  |   |                             |  |                                      |                  |               | (4,981)   |
| Profit for the period                      |  |   |                             |  |                                      |                  |               | 71,031    |
| Other comprehensive income                 |  |   |                             |  |                                      |                  |               | -         |
| Total comprehensive profit for the periods |  |   |                             |  |                                      |                  |               | 71,031    |
| Equity holders of the parent               |  |   |                             |  |                                      |                  |               | 101,602   |
| Non-controlling interests                  |  |   |                             |  |                                      |                  |               | (30,571)  |

..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)



Unit: Thousand Baht

Consolidated financial statements

For the nine-month period ended September 30, 2019

Group of AI Energy Public Company Limited

|   | Sale of porcelain<br>insulators and<br>component | Construction<br>undertaking | Sale of biodiesel<br>and vegetable oil<br>and by product | Contract of refined<br>crude palm oil | Vessel operating | Port services | Total       |
|---|--|-----------------------------|--|---------------------------------------|------------------|---------------|-------------|
| Revenues from sales and services            | 649,569  | 10,040                      | 1,232,200  | 5,114                                 | 10,734           | -             | 1,907,657   |
| Cost of sales and services                  | (356,163)  | (4,117)                     | (1,298,396)  | (3,755)                               | (21,153)         | -             | (1,683,584) |
| Gross profit (loss) by segment              | 293,406  | 5,923                       | (66,196)   | 1,359                                 | (10,419)         | -             | 224,073     |
| Income from an insurance claim - net        |  |                             |  |                                       |                  |               | 13,332      |
| Other income                                |  |                             |  |                                       |                  |               | 10,793      |
| Selling expenses                            |  |                             |  |                                       |                  |               | (22,372)    |
| Administrative expenses                     |  |                             |  |                                       |                  |               | (122,078)   |
| Finance costs                               |  |                             |  |                                       |                  |               | (614)       |
| Tax expenses                                |  |                             |  |                                       |                  |               | (9,627)     |
| Profit for the period                       |  |                             |  |                                       |                  |               | 93,507      |
| Other comprehensive income                  |  |                             |  |                                       |                  |               | -           |
| Total comprehensive income for the period   |  |                             |  |                                       |                  |               | 93,507      |
| Equity holders of the parent                |  |                             |  |                                       |                  |               | 147,224     |
| Non-controlling interests                   |  |                             |  |                                       |                  |               | (53,717)    |
| Property, plant, vessel and equipment - net | 489,804  | 143                         |  | 1,364,058                             | 27,367           | 167,368       | 2,048,740   |

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..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements

For the three-month period ended September 30, 2018

Group of AI Energy Public Company Limited

|   | Sale of porcelain<br>insulators and<br>component | Construction<br>undertaking | Sale of biodiesel and<br>vegetable oil and by<br>product | Contract of refined<br>crude palm oil | Vessel operating | Port services | Total     |
|---|--|-----------------------------|--|---------------------------------------|------------------|---------------|-----------|
| Revenues from sales and services            | 255,246  | 46,474                      | 360,183  | 11,960                                | 13,631           | -             | 687,494   |
| Cost of sales and services                  | (128,571)  | (43,082)                    | (367,634)  | (8,551)                               | (14,259)         | -             | (562,097) |
| Gross profit (loss) by segment              | 126,675  | 3,392                       | (7,451)  | 3,409                                 | (628)            | -             | 125,397   |
| Other income                                |  |                             |  |                                       |                  |               | 4,632     |
| Selling expenses                            |  |                             |  |                                       |                  |               | (3,337)   |
| Administrative expenses                     |  |                             |  |                                       |                  |               | (36,115)  |
| Finance costs                               |  |                             |  |                                       |                  |               | -         |
| Share of loss from investments in associate |  |                             |  |                                       |                  |               | (1,042)   |
| Tax expenses                                |  |                             |  |                                       |                  |               | (1,722)   |
| Profit for the period                       |  |                             |  |                                       |                  |               | 87,813    |
| Other comprehensive income                  |  |                             |  |                                       |                  |               | -         |
| Total comprehensive income for the periods  |  |                             |  |                                       |                  |               | 87,813    |
| Equity holders of the parent                |  |                             |  |                                       |                  |               | 96,569    |
| Non-controlling interests                   |  |                             |  |                                       |                  |               | (8,756)   |

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..... Director  
(Narong Thararatnavibool)

..... Director  
(Thanit Thararatnavibool)

Unit: Thousand Baht

Consolidated financial statements

For the nine-month period ended September 30, 2018

Group of AI Energy Public Company Limited

|  | Sale of porcelain<br>insulators and<br>component | Construction<br>undertaking | Sale of biodiesel and<br>vegetable oil and by<br>product | Contract of refine<br>crude palm oil | Vessel operating | Port services | Total       |
|--|--|-----------------------------|--|--------------------------------------|------------------|---------------|-------------|
| Revenues from sales and services                         | 683,066  | 86,091                      | 1,124,760  | 42,183                               | 40,997           | -             | 1,977,097   |
| Cost of sales and services                               | (347,715)  | (79,806)                    | (1,106,690)  | (30,950)                             | (41,544)         | -             | (1,606,705) |
| Gross profit (loss) by segment                           | 335,351  | 6,285                       | 18,070   | 11,233                               | (547)            | -             | 370,392     |
| Other income   |  |                             |  |                                      |                  |               | 19,195      |
| Selling expenses   |  |                             |  |                                      |                  |               | (9,318)     |
| Administrative expenses                                  |  |                             |  |                                      |                  |               | (114,100)   |
| Finance costs  |  |                             |  |                                      |                  |               | (80)        |
| Share of loss from investments in associate              |  |                             |  |                                      |                  |               | (1,837)     |
| Tax expenses   |  |                             |  |                                      |                  |               | (11,292)    |
| Profit for the period                                    |  |                             |  |                                      |                  |               | 252,960     |
| Defined benefit plan actuarial gains - net of income tax |  |                             |  |                                      |                  |               | 3,252       |
| Total comprehensive income for the period                |  |                             |  |                                      |                  |               | 256,212     |
| Equity holders of the parent                             |  |                             |  |                                      |                  |               | 265,768     |
| Non-controlling interests                                |  |                             |  |                                      |                  |               | (9,556)     |
| Property, plant, vessel and equipment - net              | 535,280  | 178                         | 1,166,248  |                                      | 20,447           | 198,560       | 1,920,713   |

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

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## 27. COMMITMENT AND CONTINGENT LIABILITIES

Commitment and contingent liabilities as at September 30, 2019 and December 31, 2018 were as follows:

### 27.1 Letters of guarantee

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

|  | Unit : Thousands Baht             |                |
|--|-----------------------------------|----------------|
|  | Consolidated financial statements |                |
|  | 2019                              | 2018           |
| Guarantee for construction undertaking                   | 209,966                           | 194,455        |
| Guarantee for sale of porcelain insulators and component | 173,550                           | 171,641        |
| Guarantee for importation machinery                      | 18,248                            | 18,248         |
| Guarantee for electricity usage                          | 11,818                            | 9,994          |
| <b>Total</b>   | <b>413,582</b>                    | <b>394,338</b> |

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

|   | Contracted Balance (Unit : Thousand Baht) |         |                               |       |
|---|---|---------|-------------------------------|-------|
|   | Consolidated financial statements         |         | Separate financial statements |       |
|   | 2019                                      | 2018    | 2019                          | 2018  |
| Capital commitments                       |   |         |                               |       |
| Contracted but not provided for :         |   |         |                               |       |
| Land improvement                          | -   | 2,771   | -                             | -     |
| work in process :                         |   |         |                               |       |
| - building and utility systems            | 1,877                                     | 6,871   | -                             | 235   |
| - Machinery, accessories and tools        | 7,211                                     | 12,874  | 990                           | 3,504 |
| work in process - Purify Glycerin project | 16,483                                    | 126,168 | -                             | -     |

27.3 As at September 30, 2019 and December 31, 2018, AI Engineering Services Company Limited (“the subsidiary”) has outstanding commitments with major subcontractors and the purchase of construction equipment for construction work amount of Baht 75.47 million and Baht 5.33 million, respectively.

27.4 The Company is the guarantor for the credit facilities from financial institutions for AI Engineering Services Company Limited (“the subsidiary”) amount of Baht 595 million.

..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

27.5 AI Energy Public Company Limited (“the subsidiary”) received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (the SEC), dated January 20, 2016, requesting for the facts about the Subsidiary predecessor auditor’s disclaimer of opinion in the subsidiary’s financial statements for the year 2014 (Before restated). The former management provided a clarification of the facts to the SEC.

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

During the 3rd quarter of 2019, the Subsidiary requested a legal opinion in case of the Securities and Exchange Commission of Thailand (the SEC), has filed a criminal complaint against directors and executives of the Subsidiary with the Department of Special Investigation (DSI), with an independent law firm, whose letter dated November 11, 2019, has an opinion that the case is the criminal complaint against directors and executives of the Subsidiary which is a personal matter, and the Subsidiary which is a juristic person will not be liable in any way. Therefore, when directors and executives of the Subsidiary have complaint against it will not have any impact on the Subsidiary.

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

## 28. CAPITAL MANAGEMENT

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

## 29. APPROVAL OF INTERIM FINANCIAL STATEMENT

These interim financial statements have been approved to issue by the Company’s Board of Directors on November 13, 2019.

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)