

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, 2020

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 accompanying 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, 2020, and the related consolidated and separate statements of profit or loss and other comprehensive income, for three-month and nine-month periods ended September 30, 2020, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the nine-month period ended September 30, 2020, and the condensed notes to interim financial statements ("Interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

Emphasis of Matter

1. I draw attention as discussed in Note to Financial Statements No. 27.5, regarding the criminal complaint against former directors and executives of the Subsidiary with the Department of Special Investigation. The Company's and the Subsidiary's management and the independent law firm have the opinion that the case is the criminal complaint against former 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. Presently, the investigation is still under the process.
2. I draw attention as discussed in Note to Financial Statements No. 2. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month and nine-month periods ended September 30, 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives Dealing with The Impact of COVID-19 Pandemic issued by the Federation of Accounting Professions.

My conclusion is not modified in respect of this matter.

Other Matter

I had reviewed the consolidated of profit or loss and other comprehensive income, for three-month and nine-month periods ended September 30, 2019, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the nine-month period ended September 30, 2019, whose report dated on November 13, 2019, which have been presented herein as comparative information, expressed a qualified conclusion on the financial statements from Investment in the PPC Asian Insulators Company Limited, an associated company, was recorded for under the equity method based on financial statements of the associated company which had not been reviewed by an auditor. At the end of year 2019, the Company does not have significant influence over the associated company. Therefore, the Company's management has classified the investment in associate as the other long-term investment which is recorded under at cost less allowance for impairment of investment.

Vichai Ruchitanont

Certified Public Accountant

Registration Number 4054

ANS Audit Co., Ltd

Bangkok, November 12, 2020

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

Unit: Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
ASSETS					
Current assets					
Cash and cash equivalents		586,533	145,419	423,049	76,741
Current investments	3.3	-	314,718	-	76,804
Trade and other current receivables - net	4, 5	513,676	555,772	136,812	175,529
Short-term loans to subsidiary	4	-	-	-	250,000
Contract assets	6	12,253	-	-	-
Inventories - net	7	430,738	521,641	193,485	203,434
Oil supplies	8	-	746	-	-
Other current financial assets	9	219,190	-	47,427	-
Total current assets		1,762,390	1,538,296	800,773	782,508
Non-current assets					
Other non-current financial assets - net	10	-	-	-	-
Investments in subsidiaries	11	-	-	997,612	997,612
Other long-term investment - net	3.3	-	-	-	-
Pledged deposits at financial institution	12	105,769	16,947	-	-
Property, plant, vessel and equipment - net	13	1,911,540	2,022,133	433,274	475,703
Right-of-use assets - net	14.1	3,114	-	-	-
Intangible assets - net	15	8,678	9,423	7,914	8,795
Deferred tax assets - net	21	5,865	2,467	8,418	4,963
Deposit for purchase of assets		2,858	1,877	-	450
Other non-current assets		1,699	7,311	380	380
Total non-current assets		2,039,523	2,060,158	1,447,598	1,487,903
Total assets		3,801,913	3,598,454	2,248,371	2,270,411

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

Unit: Thousand Baht

	Notes	Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		"UNAUDITED" "REVIEWED"	"AUDITED"	"UNAUDITED" "REVIEWED"	"AUDITED"
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term loan					
from financial institutions	16	50,000	53,558	-	50,000
Trade and other current payables	17	377,872	378,940	59,942	38,287
Short-term loans from related party	4	-	40,000	-	-
Current portion of lease liabilities	14.2	639	-	-	-
Contract liabilities	6	-	19,608	-	-
Income tax payable		19,541	2,245	14,887	2,225
Total current liabilities		448,052	494,351	74,829	90,512
Non-current liabilities					
Lease liabilities - net					
	14.2	2,499	-	-	-
Non-current provisions for employee benefits	18	39,171	36,262	26,929	24,902
Total non-current liabilities		41,670	36,262	26,929	24,902
Total liabilities		489,722	530,613	101,758	115,414
Shareholders' equity					
Authorized share capital					
Common shares 2,800,000,000 shares at Baht 0.25 each					
		700,000	700,000	700,000	700,000
Issued and fully paid-up share capital					
Common shares 2,799,996,084 shares at Baht 0.25 each					
		699,999	699,999	699,999	699,999
Premiums on share capital		902,769	902,769	902,769	902,769
Retained earnings (deficits)					
Appropriated					
Legal reserve					
	20.1	70,000	70,000	70,000	70,000
Unappropriated					
	20.2	(135,768)	(484,648)	471,582	479,966
Other components of shareholders' equity					
Difference on business combination					
under common control					
		(3,259)	(3,259)	-	-
Capital surplus from share premium of subsidiary	20.2	165,800	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	2,263
Total shareholders' equity of the Company		2,578,627	2,424,527	2,146,613	2,154,997
Non-controlling interests		733,564	643,314	-	-
Total shareholders' equity		3,312,191	3,067,841	2,146,613	2,154,997
Total liabilities and shareholders' equity		3,801,913	3,598,454	2,248,371	2,270,411

.....Director

(Narong Thareratanavibool)

.....Director

(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"UNAUDITED"
 "REVIEWED"

Unit: Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
	3, 4, 24, 26				
Revenues					
Revenue from sales of goods		1,267,929	750,336	237,701	376,956
Revenue from production contract		-	49	-	-
Revenue from construction contract		48,887	127	-	-
Revenue from vessel operating		-	767	-	-
Income from an insurance claim - net		-	13,332	-	-
Gain on sale of other long-term investment	10	26,000	-	26,000	-
Other incomes		1,204	4,350	1,351	3,183
Total revenues		1,344,020	768,961	265,052	380,139
Expenses					
Cost of sales		(1,060,408)	(632,793)	(114,807)	(203,510)
Cost of production contract		-	(39)	-	-
Cost of construction contract		(25,676)	(106)	-	-
Cost of vessel operating		-	(5,906)	-	-
Distribution costs		(9,863)	(8,382)	(1,910)	(3,044)
Administrative expenses		(41,427)	(45,135)	(17,444)	(18,766)
Share of loss from investment in associates	10	-	-	-	-
Total expenses		(1,137,374)	(692,361)	(134,161)	(225,320)
Profit before finance costs and income tax expenses		206,646	76,600	130,891	154,819
Finance costs		(237)	(588)	-	(1,648)
Profit before income tax expenses		206,409	76,012	130,891	153,171
Tax expense	22	(16,952)	(4,981)	(13,008)	(1,052)
Profit for the periods		189,457	71,031	117,883	152,119
Other comprehensive income					
Total comprehensive income for the periods		189,457	71,031	117,883	152,119
Profit (loss) attributable to :					
Equity holders of the parent		168,439	101,602	117,883	152,119
Non-controlling interests		21,018	(30,571)	-	-
		189,457	71,031	117,883	152,119
Total comprehensive income (loss) attributable to :					
Equity holders of the parent		168,439	101,602	117,883	152,119
Non-controlling interests		21,018	(30,571)	-	-
		189,457	71,031	117,883	152,119
Earnings per share					
Basic earnings per share of the Company (Baht)		0.060	0.036	0.042	0.054
Weighted average number of ordinary shares (share)		2,799,996,084	2,799,996,084	2,799,996,084	2,799,996,084

.....Director

(Narong Thareratanavibool)

.....Director

(Thanit Thareratanavibool)

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

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

"UNAUDITED"

"REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
	3, 4, 24, 26				
Revenues					
		4,606,052	1,881,769	702,693	649,569
		-	5,114	-	-
		133,682	10,040	-	-
		9,778	10,734	-	-
		-	13,332	-	-
		26,000	-	26,000	-
		7,908	10,793	10,589	9,194
	11	-	-	10,000	10,000
Total revenues		4,783,420	1,931,782	749,282	668,763
Expenses					
		(3,906,745)	(1,654,559)	(341,998)	(356,163)
		-	(3,755)	-	-
		(91,623)	(4,117)	-	-
		(17,444)	(21,153)	-	-
		(31,841)	(22,372)	(4,977)	(6,122)
		(126,609)	(122,078)	(53,623)	(55,642)
	10	-	-	-	-
Total expenses		(4,174,262)	(1,828,034)	(400,598)	(417,927)
Profit before finance costs and income tax expenses		609,158	103,748	348,684	250,836
		(1,737)	(614)	(962)	(1,726)
Profit before income tax expenses		607,421	103,134	347,722	249,110
	22	(27,127)	(9,627)	(20,162)	(5,298)
Profit for the periods		580,294	93,507	327,560	243,812
Other comprehensive income		-	-	-	-
Total comprehensive income for the periods		580,294	93,507	327,560	243,812
Profit (loss) attributable to :					
		490,044	147,224	327,560	243,812
		90,250	(53,717)	-	-
		580,294	93,507	327,560	243,812
Total comprehensive income (loss) attributable to :					
		490,044	147,224	327,560	243,812
		90,250	(53,717)	-	-
		580,294	93,507	327,560	243,812
Earnings per share					
		0.175	0.053	0.117	0.087
		2,799,996,084	2,799,996,084	2,799,996,084	2,799,996,084

.....Director
 (Narong Thareratanavibool)

.....Director
 (Thanit Thareratanavibool)

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"UNAUDITED"
"REVIEWED"

Unit: Thousand Baht													
Consolidated financial statements													
Equity attributable to equity holders of the parent													
Notes	Retained earnings (deficit)			Other components of shareholders' equity				Other comprehensive income			Total	Non-controlling interests	Total Shareholders' Equity
	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			
	699,999	902,769	70,000	(484,648)	(3,259)	360,580	861,443	13,149	4,494	1,236,407	2,424,527	643,314	3,067,841
Balance as at January 1, 2020													
Changes in shareholders' equity for the period:													
Dividend paid	-	-	-	(335,944)	-	-	-	-	-	-	(335,944)	-	(335,944)
Transfer of premium on ordinary shares to offset the deficits	-	-	-	194,780	-	(194,780)	-	-	-	(194,780)	-	-	-
Total comprehensive income for the period	-	-	-	490,044	-	-	-	-	-	-	490,044	99,250	589,294
Balance as at September 30, 2020	699,999	902,769	70,000	(135,768)	(3,259)	165,800	861,443	13,149	4,494	1,041,627	2,578,627	733,564	3,312,191
	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
Balance as at January 1, 2019													
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, 2020	699,999	902,769	70,000	(632,827)	(3,259)	360,580	861,443	13,149	4,494	1,236,407	2,276,348	649,423	2,925,771

..... Director
(Nareng Tharetanavithool)

..... Director
(Thanit Tharetanavithool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"UNAUDITED"
"REVIEWED"

		Unit: Thousand Baht						
		Separate financial statements				Total other components of shareholders' equity		
		Retained earnings		Other comprehensive income		Total		
Notes	Issued and paid-up share capital	Premiums on share capital	Appropriated to legal reserve	Unappropriated	Actuarial gains	Shareholders' Equity		
	699,999	902,769	70,000	479,966	2,263	2,154,997		
Balance as at January 1, 2020								
Changes in shareholders' equity for the period:								
Dividend paid	-	-	-	(335,944)	-	(335,944)		
Total comprehensive income for the period	-	-	-	327,560	-	327,560		
Balance as at September 30, 2020	699,999	902,769	70,000	471,582	2,263	2,146,613		
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:								
Dividend paid	-	-	-	(335,998)	-	(335,998)		
Total comprehensive income for the period	-	-	-	243,812	-	243,812		
Balance as at September 30, 2020	699,999	902,769	70,000	324,379	2,263	1,999,410		

Or

.....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, 2020

"UNAUDITED"
 "REVIEWED"

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash Flows from Operating Activities				
Profit for the periods	580,294	93,507	327,560	243,812
Adjustments to reconcile profit to cash provided by (used in) operating activities:				
Tax expense	27,127	9,627	20,162	5,298
Depreciation	133,646	114,864	49,579	56,126
Amortization of intangible assets	1,056	765	886	640
(Gain) loss on disposal asset	9,249	3,395	(95)	(80)
Unrealized (gain) loss on investments in Open-end Fund	(171)	3,167	(195)	986
Gain on sale of other long-term investment	(26,000)	-	(26,000)	-
(Reversal) allowance for devaluation of inventories	(43,350)	20,650	-	-
Reversal loss on impairment of asset	(1,620)	(2,077)	-	(2,077)
Dividend income	-	-	(10,000)	(10,000)
Non-current provisions for employee benefits	4,242	9,003	2,457	7,172
Income from an insurance claim - net	-	(13,332)	-	-
Interest income	(377)	(426)	(5,602)	(1,612)
Interest expenses	1,737	614	962	1,726
Gain from operating activities before changes in operating assets and liabilities	685,833	239,757	359,714	301,991
Changes in operating assets - (increase) decrease				
Trade and other current receivables	44,696	(172,445)	38,717	(143,741)
Contract assets	(12,253)	10,135	-	-
Inventories	136,259	(129,508)	9,949	(46,724)
Deposit for purchase of assets	(981)	203	450	1,016
Other non-current assets	1,437	(1,446)	-	-
Changes in operating liabilities - increase (decrease)				
Trade and other current payables	(8,499)	(52,683)	15,908	(9,801)
Contract liabilities	(19,608)	3,518	-	-
Retention payables	244	(1,510)	-	-
Cash provided by (used in) operating activities	827,128	(103,979)	424,738	102,741

.....Director
 (Narong Thareratanavibool)

.....Director
 (Thanit Thareratanavibool)

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

"UNAUDITED"
 "REVIEWED"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Interest paid	(52)	-	-	-
Payment for employee benefit obligations	(1,333)	(619)	(430)	(309)
Refund of income tax	4,182	7,125	-	-
Income tax paid	(13,450)	(5,735)	(10,954)	(5,066)
Net cash provided by (used in) operating activities	816,475	(103,208)	413,354	97,366
Cash Flows from Investing Activities				
Increase in restricted deposits at financial institution	(88,822)	-	-	-
Interest received	377	426	5,602	1,612
Decrease in other current financial assets/current investments	95,700	501,836	29,572	249,522
Cash paid from short-term loans to subsidiary	-	-	(260,000)	(230,000)
Proceeds from repayment of short-term loans to subsidiary	-	-	510,000	-
Dividend income from investments in subsidiary	-	-	10,000	10,000
Proceeds from sales on other long-term investment	30,000	-	30,000	-
Payment for purchases of assets	(51,523)	(223,127)	(5,651)	(20,503)
Payment for purchases of intangible assets	(311)	(4,794)	(5)	(4,400)
Proceeds from receive from an insurance claim	-	39,244	-	-
Proceeds from disposal of assets	20,600	1,042	295	925
Net cash provided by investing activities	6,021	314,627	319,813	7,156
Cash Flows from Financing Activities				
Increase (decrease) in bank overdrafts from financial institutions	(3,558)	1,599	-	-
Payment for interest expenses	(1,668)	(614)	(962)	(1,726)
Proceeds from short-term loan from financial institutions	150,000	100,000	100,000	100,000
Repayment for short-term loan from financial institutions	(150,000)	-	(150,000)	-
Proceeds from short-term loan from related parties	-	-	-	160,000
Repayment for short-term loans from related party	(40,000)	-	-	-
Dividend payment	(335,897)	(335,903)	(335,897)	(335,903)
Repayment of lease liabilities	(259)	-	-	-
Net cash use in financing activities	(381,382)	(234,918)	(386,859)	(77,629)
Net increase (decrease) in cash and cash equivalents	441,114	(23,499)	346,308	26,893
Cash and cash equivalents at beginning of the periods	145,419	125,719	76,741	26,270
Cash and cash equivalents at end of the periods	586,533	102,220	423,049	53,163
Supplemental disclosures of cash flows information				
Non-cash transactions consisted of:				
Assets payable for plant and equipment	4,860	8,945	1,700	205

.....Director
 (Narong Thararatnavibool)

.....Director
 (Thanit Thararatnavibool)

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, 2020 (UNAUDITED)
(REVIEWED)

1. GENERAL INFORMATION

1.1. Corporate 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 Pramburi, Singburi Province.

1.2. Coronavirus disease 2019 pandemic

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

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

2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34 (Revised 2019), Interim Financial Reporting.

The interim financial statements consist of primary financial information (i.e. statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in shareholders’ equity, and statement of cash flows).

The Company has chosen to present the interim financial statements in a format consistent with the annual financial statements, in compliance with Thai Accounting Standard No. 1, Presentation of Financial Statements. The notes to the interim financial statements are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

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

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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The interim financial statements have been prepared to provide information in addition to that included in the financial statements for the year ended December 31, 2019. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2019.

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

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

Basis for preparation of the consolidated interim financial statements

The consolidated interim financial statements, related to the Company and its subsidiary (together referred to as the "Group") are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2019.

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

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

New financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarized below:

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..... Director
(Thanit Thareratanavibool)

Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

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

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or 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.

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

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

TFRS 16 Leases

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

..... Director
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..... Director
(Thanit Thareratanavibool)

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

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2019, except the adoption of new financial reporting standards which are effective on January 1, 2020 as follows:

3.1 Financial reporting standards related to financial instruments

Classification and measurement:

- The classification and measurement of debt instrument financial assets has three classification categories, which are amortised cost, fair value through profit or loss ("FVPL") and fair value through other comprehensive income ("FVOCI"). Classification of debt assets will be driven by the entity's business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
- Equity instrument financial assets shall be measured at fair value through profit or loss. The Group can make an irrevocable election to recognise the fair value change in other comprehensive income without subsequent recycling to profit or loss.

..... Director
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..... Director
(Thanit Thareratanavibool)

- Financial liabilities are classified and measured at amortised cost. The Group has elected to measure liabilities at fair value through profit or loss when stipulated conditions are met.
- Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied.

The impairment requirements

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

3.2 TFRS 16 Leases

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

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

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

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

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3.3 Impacts on the financial information

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

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

	Unit: Thousand Baht			January 1, 2020
	Consolidated financial statements			
	the impact of			
	December 31, 2019	TFRS 9	TFRS 16	
Statement of financial position				
Current assets				
Current investments	314,718	(314,718)	-	-
Other current financial assets	-	314,718	-	314,718
Non-current assets				
Other long-term investment - net	-	-	-	-
Other non-current financial assets - net	-	-	-	-
Total assets	314,718	-	-	314,718

	Unit: Thousand Baht			January 1, 2020
	Separate financial statements			
	the impact of			
	December 31, 2019	TFRS 9	TFRS 16	
Statement of financial position				
Current assets				
Current investments	76,804	(76,804)	-	-
Other current financial assets	-	76,804	-	76,804
Non-current assets				
Other long-term investment - net	-	-	-	-
Other non-current financial assets - net	-	-	-	-
Total assets	76,804	-	-	76,804

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

3.3.1 Financial instruments

The classification and measurement basis

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

Unit : Thousand Baht

Consolidated financial statements as at January 1, 2020				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through		
		profit or loss	Amortised cost	Total
Financial assets				
Cash and cash equivalents	145,419	-	145,419	145,419
Current investment	314,718	308,553	6,165	314,718
Trade and other receivables - net	555,772	-	555,772	555,772
Other long-term investment - net	-	-	-	-
Pledged deposits at financial institutions	16,947	-	16,947	16,947
Total financial assets	1,032,856	308,553	724,303	1,032,856
Financial liabilities				
Bank overdrafts and short-term loan				
from financial institutions	53,558	-	53,558	53,558
Trade and other current payables	378,940	-	378,940	378,940
Short-term loans from related parties	40,000	-	40,000	40,000
Total financial liabilities	472,498	-	472,498	472,498

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Unit : Thousand Baht

Separate financial statements as at January 1, 2020

Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
	Fair value through profit or loss	Amortised cost	Total
Financial assets			
Cash and cash equivalents	76,741	-	76,741
Current investment	76,804	76,804	76,804
Trade and other receivables - net	175,529	-	175,529
Shot-term loans to subsidiary	250,000	-	250,000
Other long-term investment - net	-	-	-
Total financial assets	579,074	76,804	579,074
Financial liabilities			
Bank overdrafts and shot-term loan			
from financial institutions	50,000	-	50,000
Trade and other current payables	38,287	-	38,287
Total financial liabilities	88,287	-	88,287

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

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

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

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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 is former associated company, are conducted at agreed prices on the basis determined by both parties.

Significant transactions between the Company and related parties for the three-month and nine-month periods ended September 30, 2020 and 2019 were as follows:

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
	Pricing Policy	2020	2019	2020	2019
<u>For the three-month periods</u>					
Other income - rental and services					
PPC Asian Insulators Co., Ltd.	Mutually agreed	-	83	-	83
AI Engineering Services Co., Ltd.	Mutually agreed	-	-	278	271
AI Energy Public Co., Ltd.	Mutually agreed	-	-	461	232
AI Logistics Co., Ltd.	Mutually agreed	-	-	-	126
AI Ports and Terminals Co., Ltd.	Mutually agreed	-	-	43	48
Other income - interest receive					
AI Energy Public Co., Ltd.	2.84% - 3.75% P.A.	-	-	786	1,437
Purchase of raw material					
Samart Palm Oil Co., Ltd.	Market Price	-	17,490	-	-
Samart Palm Industry Co., Ltd.	Market Price	-	1,517	-	-
Finance costs - interest paid					
AI Engineering Services Co., Ltd.	2.84% - 3.75% P.A.	-	-	-	1,095

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(Thanit Thareratanavibool)

Unit: Thousand Baht

Pricing Policy	Consolidated financial statements		Separate financial statements		
	2020	2019	2020	2019	
For the nine-month periods					
Sales of products and raw materials					
PPC Asian Insulators Co., Ltd.	Mutually agreed	-	40	-	40
AI Engineering Services Co., Ltd.	Market Price	-	-	707	-
Sales of hybrid clay					
PPC Asian Insulators Co., Ltd.	Mutually agreed	-	961	-	961
Dividend income					
AI Engineering Services Co., Ltd.	As declared	-	-	10,000	10,000
Other income - rental and services					
PPC Asian Insulators Co., Ltd.	Mutually agreed	-	320	-	320
AI Engineering Services Co., Ltd.	Mutually agreed	-	-	904	816
AI Energy Public Co., Ltd.	Mutually agreed	-	-	1,408	735
AI Logistics Co., Ltd.	Mutually agreed	-	-	332	415
AI Ports and Terminals Co., Ltd.	Mutually agreed	-	-	134	148
Other income - interest receive					
AI Energy Public Co., Ltd.	2.84%-3.75% P.A.	-	-	5,489	1,515
Purchase of raw material					
Samart Palm Oil Co., Ltd.	Market Price	-	17,490	-	-
Samart Palm Industry Co., Ltd.	Market Price	5,415	3,533	-	-
Repurchases of scrap clay					
PPC Asian Insulators Co., Ltd.	Mutually agreed	-	958	-	958
Finance costs - interest paid					
AI Engineering Services Co., Ltd.	2.84%-3.75% P.A.	-	-	-	1,173
Director	3.75% P.A.	432	-	-	-

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(Narong Thareratanavibool)

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Management's remuneration

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>For the three-month periods</u>				
Short-term employee benefits	10,377	11,353	6,191	6,271
Long-term post-employment benefits	364	236	90	88
Total management's remuneration	10,741	11,589	6,281	6,359
<u>For the nine-month periods</u>				
Short-term employee benefits	33,166	33,963	18,974	18,899
Long-term post-employment benefits	886	707	269	263
Total management's remuneration	34,052	34,670	19,243	19,162

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>ASSETS</u>				
Other current receivable				
AI Engineering Services Co., Ltd.	-	-	9	15
AI Logistics Co., Ltd.	-	-	-	1
Short-term loan to subsidiary				
AI Energy Public Co., Ltd.	-	-	-	250,000
<u>LIABILITIES</u>				
Short-term loans from related party				
Director	-	40,000	-	-

As at December 31, 2019 the Company has short-term loan to subsidiary, AI Energy Public Co., Ltd. The subsidiary issued promissory notes in the amount of Baht 250 million, with an interest rate of 3.75% per annum, due on March 31, 2020.

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As at December 31, 2019 the subsidiary, AI Energy Public Co., Ltd, has short-term loan from related party, a director. The subsidiary issued promissory notes in the total amount of Baht 40 million with an interest rate of 3.75% per annum, due on June 30, 2020.

5. TRADE AND OTHER CURRENT RECEIVABLES – NET

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables				
Trade receivables - state enterprises	167,432	144,553	130,527	144,553
Trade receivables - others	328,499	397,479	2,551	28,560
Total trade receivables	495,931	542,032	133,078	173,113
<u>Less</u> Allowance for doubtful accounts	(4,722)	(3,222)	-	-
Total trade receivables - net	491,209	538,810	133,078	173,113
Other current receivables				
Other current receivables - related parties	-	-	9	16
Other current receivables - other	454	306	-	-
Prepaid insurance	5,538	3,539	2,109	1,175
Prepaid expense	2,172	1,317	1,277	559
Deposit for inventories	1,527	7,824	213	506
Revenue Department receivable	1,414	96	-	-
Undue input tax	887	751	100	134
Retention	10,597	3,149	-	-
Others	184	286	26	26
Total other current receivables	22,773	17,268	3,734	2,416
<u>Less</u> Allowance for doubtful accounts	(306)	(306)	-	-
Total other current receivables - net	22,467	16,962	3,734	2,416
Total trade and other current receivables - net	513,676	555,772	136,812	175,529

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
State enterprises				
Current	167,432	137,125	130,527	137,125
Overdue				
Within 3 months	-	7,428	-	7,428
Total	167,432	144,553	130,527	144,553
Others				
Current	297,176	340,802	1,230	13,391
Overdue				
Within 3 months	1,321	22,939	1,321	15,169
Over 3 months to 6 months	-	30,516	-	-
Over 12 months	30,002	3,222	-	-
Total	328,499	397,479	2,551	28,560
Total trade receivables	495,931	542,032	133,078	173,113
<u>Less Allowance for doubtful accounts</u>	(4,722)	(3,222)	-	-
Total trade receivables - net	491,209	538,810	133,078	173,113

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6. CONTRACT ASSETS/ CONTRACT LIABILITIES

Contract assets/ Contract liabilities as at September 30, 2020 and December 31, 2019 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	
	2020	2019
Contract Assets		
Contract value	115,116	-
Recognition of income by the percentage of completion	119,364	-
<u>Less</u> Value of billing construction	(107,111)	-
Total	12,253	-
Contract liabilities		
Contract value	-	143,921
Value of billing construction	-	40,875
<u>Less</u> Recognition of income by the percentage of completion	-	(21,267)
Total	-	19,608

7. INVENTORIES - NET

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Raw materials and chemicals	216,429	247,561	119,435	131,195
Work in process	105,795	190,720	33,074	33,945
Finished goods	88,627	113,448	35,302	35,196
Supplies	16,271	12,242	1,408	1,428
Goods in transit	4,266	1,670	4,266	1,670
Total	431,388	565,641	193,485	203,434
<u>Less</u> Allowance for devaluation of inventories	(650)	(44,000)	-	-
Total inventories - net	430,738	521,641	193,485	203,434

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8. OIL SUPPLIES

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

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

9. OTHER CURRENT FINANCIAL ASSETS

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

	Unit : Thousand Baht	
	Consolidated financial	Saparate financial statements
Investment in Open-end Fund-Debt securities	216,662	47,148
<u>Add Unrealized gains on changes in fair value</u> of investments	2,199	279
Investment in Open-end Fund-Fair value	218,861	47,427
Fixed deposits	329	-
Total Other current financial assets	219,190	47,427

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10. OTHER NON-CURRENT FINANCIAL ASSETS – N ET

Other non-current financial assets as at September 30, 2020 and January 1, 2020 consisted of:

	Unit: Thousand Baht	
	Consolidated/Separate financial statements	
	30 September 2020	1 January 2020
<u>Other long-term investment</u>		
PPC Asian Insulators Company Limited	-	66,000
<u>Less</u> Provision for diminution in investment	-	(66,000)
Other non-current financial assets – net	-	-

As the Extraordinary shareholders' meeting No. 3/2019 held on November 4, 2019, of PPC Asian Insulators Company Limited ("the former associated company"), passed a resolution to remove a director who is the representation of the Company on the board of the former associated company, causing the Company loses the power to participate in the financial and operating policy decisions of the former associated company. During the year 2019, the Company also does not have significant trading transactions with the former associated company. Therefore, the Company loses significant influence over the former associated company, the Company's management considered to classify the investment in associate as other long-term investment at the end of year 2019.

During the nine-month periods ended 2019, The interest of the investment in the former associated company is reduced to zero and the former associated company incurred lots of net liabilities. Since the Company does not have incurred legal obligation in net liabilities of the former associated company, therefore, the Company discontinues recognizing its share of further profit or loss and does not have a liability is recognized.

As the Company's management meeting No. 9/2020 held on July 3, 2020, the management passed a resolution to appoint a director of the Company to be a member of the former associated company's board of Director and considered to do not reclassify the other long-term investment becoming to the investment in associate again due to there is no significant impact on the Company's financial statements.

As the Board of Directors' Meeting No.7/2020 of the Company held on August 18, 2020, passed a resolution to Sale of other long-term investment totaling 660,000 ordinary shares of PPC Asian Insulators Company Limited to the Group of former associated company in foreign countries in the amount of Baht 30.00 million. The Company already received all payment in September 2020 and recorded a gain from the disposal of such investment net of the operating expenses under the contract amounting to Baht 26.00 million in the income statement.

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(Thanit Thareratanavibool)

11. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at September 30, 2020 and December 31, 2019, and dividend income from the investment during for the nine-month periods ended September 30, 2020 and 2019, consisted of:

Company	Nature of business	Percentage of investment (%)		Unit : Million Baht		Unit: Thousand Baht				
		2020	2019	2020	2019	Separate financial statements		Dividend		
				Issued share capital		Cost method	2020		2019	
Subsidiaries directly held by the Company										
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	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	-	-	-
Subsidiaries held by AI Energy Public Company Limited										
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials (At present temporarily halted main business operation and in the process of preparing a business plan.)	100.00	100.00	209	209	-	-	-	-	-
AI Ports and Terminals Company Limited	Servicing port and rental of tank farms. (At present temporarily halted main business operation and in the process of preparing a business plan.)	100.00	100.00	460	460	-	-	-	-	-
Total investments in subsidiaries						997,612	997,612	10,000	10,000	10,000

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12. PLEDGED DEPOSITS AT FINANCIAL INSTITUTION

The subsidiaries has pledged deposit at bank as collateral for credit facilities and issuance of bank guarantee (Note 16 and 27.1).

13. PROPERTY, PLANT, VESSEL AND EQUIPMENT - NET

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

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
At cost		
As at December 31, 2019	3,521,778	1,270,676
Purchases during period	56,811	7,351
Transfers in during period	89,231	6,352
Disposal /written off during period	(152,150)	(2,513)
Transfer out during period	(89,231)	(6,352)
As at September 30, 2020	3,426,439	1,275,514
Accumulated Depreciation		
As at December 31, 2019	(1,480,625)	(794,973)
Depreciation for the period	(133,363)	(49,579)
Depreciation - disposals for the period	116,489	2,312
As at September 30, 2020	(1,497,499)	(842,240)
Allowances for impairment of assets		
As at December 31, 2019	(19,020)	-
Written off impairment of vessel and equipment	1,620	-
As at September 30, 2020	(17,400)	-
Book value		
As at December 31, 2019	2,022,133	475,703
As at September 30, 2020	1,911,540	433,274

..... Director
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..... Director
(Thanit Thareratanavibool)

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>For the three-month periods</u>				
Cost of sale and service	40,986	33,278	15,967	16,047
Distribution costs and administrative expenses	6,564	6,550	1,982	2,121
	<u>47,550</u>	<u>39,828</u>	<u>17,949</u>	<u>18,168</u>
<u>For the nine-month periods</u>				
Cost of sale and service	116,237	96,934	43,463	50,215
Distribution costs and administrative expenses	17,126	17,930	6,116	5,911
	<u>133,363</u>	<u>114,864</u>	<u>49,579</u>	<u>56,126</u>

The gross carrying amounts of assets were fully depreciated but these items are still in active use by the Company and subsidiaries as at September 30, 2020 and December 31, 2019, in the consolidate financial statement totaling approximately Baht 293.36 million and Baht 385.54 million, respectively, and in the separate financial statements totaling approximately Baht 237.87 million and Baht 236.64 million, respectively.

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

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

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

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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

14. LEASES

In the third quarter of year 2020, the Subsidiary has many lease contracts to vehicles for operations.

14.1 RIGHT-OF-USE-ASSETS - NET

The movements of right-of-use assets for the nine-month period ended September 30, 2020 are presented below.

	Unit: Thousand Baht
	Consolidated financial statements
At cost	
As at December 31, 2019	-
During the period	3,397
As at September 30, 2020	3,397
Accumulated Depreciation	
As at December 31, 2019	-
Depreciation for the period	(283)
As at September 30, 2020	(283)
Net book value	
As at December 31, 2019	-
As at September 30, 2020	3,114

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14.2 LEASE LIABILITIES - NET

The movements of lease liabilities for the nine-month period ended September 30, 2020 are presented below.

	Unit: Thousand Baht
	Consolidated financial statements
As at December 31, 2019	-
Additions - net	3,397
Accretion of interest	52
Payments	(311)
As at September 30, 2020	3,138
Less: current portion	(639)
Lease liabilities - net of current portion	2,499

The following are the amounts for the three-month and nine-month periods ended September 30, 2020, recognized in profit or loss:

	Unit: Thousand Baht
	Consolidated financial statements
<u>For the three-month periods</u>	
Depreciation of right-of-use assets	170
Interest expense on lease liabilities	31
Total	201
<u>For the nine-month periods</u>	
Depreciation of right-of-use assets	283
Interest expense on lease liabilities	52
Total	335

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

15. INTANGIBLE ASSETS - NET

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

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
At cost		
As at December 31, 2019	32,136	30,437
Purchases during period	311	5
Disposal /written off during period	(6)	-
As at September 30, 2020	32,441	30,442
Accumulated amortization		
As at December 31, 2019	(22,713)	(21,642)
Amortization for the period	(1,056)	(886)
Accumulated amortization - disposals for the period	6	-
As at September 30, 2020	(23,763)	(22,528)
Book value		
As at December 31, 2019	9,423	8,795
As at September 30, 2020	8,678	7,914

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

16. BANK OVERDRAFTS AND SHORT-TERM LOAN FROM FINANCIAL INSTITUTIONS

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bank overdrafts	-	3,558	-	-
Promissory notes	50,000	50,000	-	50,000
Total	50,000	53,558	-	50,000

	Credit facilities (Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bank overdrafts	72,000	22,000	12,000	12,000
Promissory notes	320,000	270,000	230,000	230,000
Trust receipts	20,000	20,000	20,000	20,000
Letter of guarantee	1,141,765	1,142,380	585,500	585,500
Total	1,553,765	1,454,380	847,500	847,500

As at September 30, 2020. The subsidiary has short-term loans in the amount of Baht 50 million, and As at December 31, 2019 the company has short-term loans in amount of Baht 50 million. The subsidiary and the company issued a promissory note with an interest rate of at 2.06% per annum, and 3.75% per annum, respectively. and are repayable in 1 months and 3 months, respectively.

The Company and 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 bank deposits of subsidiaries. (Note 12)

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

17. TRADE AND OTHER CURRENT PAYABLES

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables				
Trade payables - others	274,548	287,933	18,139	15,030
Total trade payables	274,548	287,933	18,139	15,030
Other current payables				
Payables for purchase of assets	4,860	9,449	1,699	1,074
Other current payables	12,142	8,262	830	1,152
Advances received for goods	5,435	4,251	4,028	1,792
Accrued bonus	19,865	93	14,883	93
Electricity payable	7,355	6,223	1,838	1,170
Accrued expenses	12,192	6,976	7,768	4,152
Retention	8,437	14,603	-	-
Revenue Department payables	33,038	41,150	10,757	13,824
Total other current payables	103,324	91,007	41,803	23,257
Total trade and other current payables	377,872	378,940	59,942	38,287

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

18. 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, 2020 and 2019 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Non-current provisions for employee benefits				
at beginning of periods	36,262	27,130	24,902	17,429
Included in profit or loss:				
Past service cost	-	5,030	-	4,630
Current service cost	3,653	3,342	2,050	2,074
Interest cost	589	630	407	468
Benefit paid during the periods	(1,333)	(619)	(430)	(309)
Non-current provisions for employee benefits.				
at end of periods	39,171	35,513	26,929	24,292

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>For the three-month periods</u>				
Cost of sales	927	903	687	653
Distribution costs	46	41	-	-
Administrative expenses	461	366	170	267
Total employee benefit expenses	1,434	1,310	857	920
<u>For the nine-month periods</u>				
Cost of sales	2,826	6,053	2,070	5,307
Distribution costs	137	123	-	-
Administrative expenses	1,279	2,826	387	1,865
Total employee benefit expenses	4,242	9,002	2,457	7,172

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

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

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	2.16 - 2.94	2.16 - 2.94	2.21	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	100% of Thai	100% of Thai	100% of Thai
	Mortality Ordinary	Mortality Ordinary	Mortality Ordinary	Mortality Ordinary
	Tables of 2017	Tables of 2017	Tables of 2017	Tables of 2017
Turnover rate				
Under 31 years old	0 - 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

19. DIVIDEND PAYMENT

The Board of Directors' Meeting No. 4/2020 of the Company held on April 24, 2020, passed a resolution to the distribution of interim dividend payment for the year 2019 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, 2020.

The Board of Directors' Meeting No. 1/2020 held on April 3, 2020 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 2020 Annual General Shareholders' Meeting held on April 30, 2020, passed a resolution to pay such dividends. The dividend was paid on May 13, 2020.

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.

..... Director

(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

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.

20. LEGAL RESERVE

20.1 Appropriation of legal reserve

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

20.2 Transfer of legal reserve and premium on ordinary shares to offset the Subsidiary's deficits

The Board of Directors' Meeting AI Energy Public Company Limited ("the subsidiary") No. 1/2020 on February 24, 2020, passed a resolution to approve the reduction of legal reserve amounting to Baht 8.23 million and premium on ordinary shares amounting to Baht 315.32 million so as compensation to reduce the deficits in the subsidiary's separate financial statements as at December 31, 2019, which, subsequently, on June 18, 2020, the subsidiary's Annual General Shareholders' Meeting of 2020, passed a resolution for the aforementioned transfer of legal reserve and premium on ordinary shares. The subsidiary completely recorded the transfer of legal reserve and premium on ordinary shares amounting to Baht 323.55 million to offset the deficits in the subsidiary's financial statements. The Company completely recorded the transfer of the subsidiary's premium on ordinary shares amounting to Baht 194.78 million to offset the deficits, According to the shareholding proportion in the subsidiary 61.77% in Consolidated financial statement.

21. DEFERRED TAX

Deferred tax as at September 30, 2020 and December 31, 2019 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statement		Separate financial statement	
	2020	2019	2020	2019
Deferred tax assets	11,835	7,826	8,474	4,980
Deferred tax liability	(5,970)	(5,359)	(56)	(17)
Deferred tax assets - net	5,865	2,467	8,418	4,963

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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, 2020	Profit (Loss)	As at September 30, 2020	As at January 1, 2020	Profit (Loss)	As at September 30, 2020
Deferred tax assets						
Allowance for doubtful accounts	706	300	1,006	-	-	-
Non-current provisions for employee benefits	7,120	621	7,741	4,980	406	5,386
Revenues treated as revenues under the Revenue Code	-	2,288	2,288	-	2,288	2,288
Provision for contract fulfillment cost	-	800	800	-	800	800
Total	7,826	4,009	11,835	4,980	3,494	8,474
Deferred tax liability						
Unrealized gain on investments in Open-end Fund	(397)	(31)	(428)	(17)	(39)	(56)
Depreciation	(4,962)	(580)	(5,542)	-	-	-
Total	(5,359)	(611)	(5,970)	(17)	(39)	(56)
Deferred tax assets - net	2,467	3,398	5,865	4,963	3,455	8,418

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

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..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

22. INCOME TAX EXPENSE

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>For the three-month periods</u>				
Current tax expense				
Current periods	(20,329)	(863)	(16,155)	(801)
Deferred tax expense				
Movement in temporary differences	3,377	(4,118)	3,147	(251)
Total	(16,952)	(4,981)	(13,008)	(1,052)
<u>For the nine-month periods</u>				
Current tax expense				
Current periods	(30,525)	(4,289)	(23,617)	(3,955)
Deferred tax expense				
Movement in temporary differences	3,398	(5,338)	3,455	(1,343)
Total	(27,127)	(9,627)	(20,162)	(5,298)

Income tax reduction

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

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

23. FOREIGN CURRENCY TRANSACTIONS

As at September 30, 2020 and December 31, 2019, 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			
	2020		2019		2020		2019	
	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht
Assets								
USD	31.12	980.04	32.52	974.81	31.12	980.04	31.12	932.73
Total		980.04		974.81		980.04		932.73
Liabilities								
USD	158.14	5,032.88	129.17	3,917.80	157.84	5,023.50	123.26	3,738.60
Total		5,032.88		3,917.80		5,023.50		3,738.60

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..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

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.

Nevertheless, The Company's Promotional Certificates No.1478(2)/2553 ended the expiration date of the card on June 11, 2020.

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, 2020 and 2019 was as follows:

	Unit: Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Promoted Activities	Non-promoted Activities	Total	Promoted Activities	Non-promoted Activities	Total
For the three-month period ended September 30, 2020						
Revenue from sales of goods	888,492	379,437	1,267,929	-	237,701	237,701
Revenue from construction contract	-	48,887	48,887	-	-	-
Gain on sale of other long-term investment	-	26,000	26,000	-	26,000	26,000
Other incomes	22	1,182	1,204	22	1,329	1,351
Total	888,514	455,506	1,344,020	22	265,030	265,052
For the three-month period ended September 30, 2019						
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	-	-	-
In come from an insurance claim - net	-	13,332	13,332	-	-	-
Other incomes	680	3,670	4,350	680	2,503	3,183
Total	390,217	378,744	768,961	368,378	11,761	380,139

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit: Thousand Baht

	Consolidated financial statements			Separate financial statements		
	Promoted		Total	Promoted		Total
	Activities	Non-promoted Activities		Activities	Non-promoted Activities	
For the nine-month period ended September 30, 2020						
Revenue from sales of goods	3,312,327	1,293,725	4,606,052	396,692	306,001	702,693
Revenue from construction contract	-	133,682	133,682	-	-	-
Revenue from vessel operating	-	9,778	9,778	-	-	-
Gain on sale of other long-term investment	-	26,000	26,000	-	26,000	26,000
Other incomes	195	7,713	7,908	195	10,394	10,589
Dividend income	-	-	-	-	10,000	10,000
Total	3,312,522	1,470,898	4,783,420	396,887	352,395	749,282
For the nine-month period ended September 30, 2019						
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	1,622	9,171	10,793	1,622	7,572	9,194
Dividend income	-	-	-	-	10,000	10,000
Total	779,972	1,151,810	1,931,782	595,146	73,617	668,763

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..... 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, 2020 and 2019 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>For the three-month periods</u>				
Asian Insulators Public Company Limited	476	427	476	427
AI Engineering Services Company Limited	53	49	-	-
AI Energy Public Company Limited	429	393	-	-
AI Logistics Company Limited	1	9	-	-
Total	959	878	476	427
<u>For the nine-month periods</u>				
Asian Insulators Public Company Limited	1,416	1,282	1,416	1,282
AI Engineering Services Company Limited	157	150	-	-
AI Energy Public Company Limited	1,262	1,163	-	-
AI Logistics Company Limited	15	30	-	-
Total	2,850	2,625	1,416	1,282

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26. SEGMENT INFORMATION

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

		Unit: Thousand Baht						
		Consolidated financial statements						
		For the three-month period ended September 30, 2020						
		Group of AI Energy Public Company Limited						
		Sale of porcelain insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Sale of Refine Glycerine	Vessel operating	Port services	Total
Revenues from sales and services		237,701	48,887	996,672	33,556	-	-	1,316,816
Cost of sales and services		(114,807)	(25,676)	(920,074)	(28,077)	-	-	(1,088,634)
Reversal for devaluation of inventories		-	-	2,550	-	-	-	2,550
Gross profit by segment		122,894	23,211	79,148	5,479	-	-	230,732
Other income								1,204
Gain on sale of other long-term investment								26,000
Distribution costs								(9,863)
Administrative expenses								(41,427)
Finance costs								(237)
Tax expenses								(16,952)
Profit for the period								189,457
Other comprehensive income								-
Total comprehensive income for the period								189,457
Equity holders of the parent								168,439
Non-controlling interests								21,018
								44

..... Director
(Narong Thararatnavibool)

..... Director
(Thamit Thararatnavibool)

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Unit : Thousand Baht

Consolidated financial statements

For the nine-month period ended September 30, 2020

Group of AI Energy Public Company Limited

	Sale of porcelain insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refined crude palm oil	Vessel operating	Port services	Total
Revenues from sales and services	701,986	133,682	3,811,254	92,812	9,778	-	4,749,512
Cost of sales and services	(341,998)	(91,623)	(3,514,758)	(93,339)	(17,444)	-	(4,059,162)
Reversal for devaluation of inventories	-	-	4,000	39,350	-	-	43,350
Gross profit (loss) by segment	359,988	42,059	300,496	38,823	(7,666)	-	733,700
Other income							7,908
Gain on sale of other long-term investment							26,000
Distribution costs							(31,841)
Administrative expenses							(126,609)
Finance costs							(1,737)
Tax expenses							(27,127)
Profit for the period							580,294
Other comprehensive income							-
Total comprehensive income for the period							580,294
Equity holders of the parent							490,044
Non-controlling interests							90,250
Property, plant, vessel and equipment - net	433,274	122	883,714	439,833	-	154,597	1,911,540

..... Director

(Narong Thararatnavibool)

..... Director

(Thanit Thararatnavibool)

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 insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refined 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)	(407,873)	(39)	(5,906)	-	(617,434)
Allowance for devaluation of inventories	-	-	(21,410)	-	-	-	(21,410)
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
Distribution costs							(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)

Or

..... 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 insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refind 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)	(1,277,746)	(3,755)	(21,153)	-	(1,662,934)
Allowance for devaluation of inventories	-	-	(20,650)	-	-	-	(20,650)
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
Distribution costs							(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)
Properly, plant, vessel and equipment - net	489,804	143	1,364,058		27,367	167,368	2,048,740

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..... Director

(Narong Thararatnavibool)

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(Thanit Thararatnavibool)

27. COMMITMENT AND CONTINGENT LIABILITIES

Commitments and contingent liabilities as at September 30, 2020 and December 31, 2019 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	
	2020	2019
Guarantee for construction undertaking	246,558	198,007
Guarantee for sale of porcelain insulators and component	170,547	181,290
Guarantee for importation machinery	-	11,178
Guarantee for electricity usage	7,698	7,698
Total	424,803	398,173

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

	Contracted Balance (Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Capital commitments				
work in process :				
- building and utility systems	2,369	1,877	-	-
- Machinery, accessories and tools	4,608	6,087	1,129	1,530
- Purify Glycerin project	-	12,020	-	-

27.3 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 24.95 million and Baht 59.36 million, respectively.

27.4 The Company had commitments as a guarantee of credit facilities for AI Engineering Services Company Limited (“the subsidiary”) with a commercial bank in the amount of Baht 595 million. The loans credit facilities which has not yet been drawn down are Baht 348 million and Baht 397 million, respectively.

..... Director
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(Thanit Thareratanavibool)

27.5 On June 20, 2017, the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (the SEC) has filed a criminal complaint against two former directors and executives of the 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 year 2019, the Subsidiary requested a legal opinion this case with an independent law firm, whose letter dated November 11, 2019, has an opinion that the case is the criminal complaint against former directors and executives of the Subsidiary which is a personal matter, and the Subsidiary which is a juristic person will not be liable in any way. Therefore, when former 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.

..... Director
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..... Director
(Thanit Thareratanavibool)

29. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Unit : Thousand Baht				
Consolidated financial statements as at September 30, 2020				
	Carrying value			Fair value
	Fair value through			
	profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	586,533	586,533	586,533
Trade and other receivables - net	-	513,676	513,676	513,676
Contract assets	-	12,253	12,253	12,253
Other current financial assets	218,861	329	219,190	219,190
Pledged deposits at financial institutions	-	105,769	105,769	105,769
Total financial assets	218,861	1,218,560	1,437,421	1,437,421
Financial liabilities				
Bank overdraft and short-term loans from				
financial institutions	-	50,000	50,000	50,000
Trade and other current payables	-	377,872	377,872	377,872
Current portion of lease liabilities	-	639	639	639
Lease liabilities - net	-	2,499	2,499	2,499
Total financial liabilities	-	431,010	431,010	431,010

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(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

Unit : Thousand Baht

Consolidated financial statements as at January 1, 2020

	Carrying value			Fair value
	profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	145,419	145,419	145,419
Trade and other receivables - net	-	555,772	555,772	555,772
Other current financial assets	308,553	6,165	314,718	314,718
Other non-current financial assets - net	-	-	-	-
Pledged deposits at financial institutions	-	16,947	16,947	16,947
Total financial assets	308,553	724,303	1,032,856	1,032,856
Financial liabilities				
Bank overdrafts and short-term loan				
from financial institutions	-	53,558	53,558	53,558
Trade and other current payables	-	378,940	378,940	378,940
Short-term loans from related party	-	40,000	40,000	40,000
Total financial liabilities	-	472,498	472,498	472,498

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..... Director
(Thanit Thararatnavibool)

Unit : Thousand Baht

Separate financial statements as at September 30, 2020				
	Carrying value			Fair value
	Fair value through			
	profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	423,049	423,049	423,049
Trade and other receivables - net	-	136,812	136,812	136,812
Other current financial assets	47,427	-	47,427	47,427
Total financial assets	47,427	559,861	607,288	607,288
Financial liabilities				
Trade and other current payables	-	59,942	59,942	59,942
Total financial liabilities	-	59,942	59,942	59,942

Unit : Thousand Baht

Separate financial statements as at January 1, 2020				
	Carrying value			Fair value
	Fair value through			
	profit or loss	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	76,741	76,741	76,741
Trade and other receivables - net	-	175,529	175,529	175,529
Other current financial assets	76,804	-	76,804	76,804
Short-term loans to subsidiary	-	250,000	250,000	250,000
Total financial assets	76,804	502,270	579,074	579,074
Financial liabilities				
Bank overdrafts and short-term loan				
from financial institutions	-	50,000	50,000	50,000
Trade and other current payables	-	38,287	38,287	38,287
Total financial liabilities	-	88,287	88,287	88,287

..... Director
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The fair value of financial instruments is estimated on the following criteria.

- Other current financial assets that is investment in open-end Fund-Debt securities of the Group 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.
- Other non-current financial assets that are Other long-term investment are measured at fair value at level 3 by estimating the expected cash flows.

During the current period, there was no transfer within the fair value hierarchy.

30 APPROVAL OF INTERIM FINANCIAL STATEMENT

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



..... Director
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..... Director
(Thanit Thareratanavibool)