

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 SIX-MONTH PERIODS ENDED JUNE 30, 2020



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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 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 June 30, 2020, and the related consolidated and separate statements of profit or loss and other comprehensive income, for three-month and six-month periods ended June 30, 2020, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the six-month period ended June 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 six-month periods ended June 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 six-month periods ended June 30, 2019, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the six-month period ended June 30, 2019, whose report dated on August 13, 2019, which have been presented herein as comparative information, expressed a qualified conclusion on the financial statements from the following matters:

1. As discussed in the Note to financial statements No. 27.5. 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 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, as described in the emphasis of matter paragraph.
2. 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, August 14, 2020

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2020

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
<b>ASSETS</b>					
Current assets					
	Cash and cash equivalents	197,020	145,419	58,291	76,741
3.3	Current investments	-	314,718	-	76,804
4.5	Trade and other current receivables - net	492,443	555,772	166,841	175,529
4	Short-term loans to subsidiary	-	-	130,000	250,000
6	Contract assets	27,756	-	-	-
7	Inventories - net	455,743	521,641	196,078	203,434
8	Oil supplies	-	746	-	-
9	Other current financial assets	348,696	-	107,332	-
	<b>Total current assets</b>	<b>1,521,658</b>	<b>1,538,296</b>	<b>658,542</b>	<b>782,508</b>
Non-current assets					
10	Other non-current financial assets - net	-	-	-	-
11	Investments in subsidiaries	-	-	997,612	997,612
3.3	Other long-term investment - net	-	-	-	-
12	Pledged deposits at financial institution	5,769	16,947	-	-
13	Property, plant, vessel and equipment - net	1,949,400	2,022,133	447,849	475,703
14.1	Right-of-use assets - net	3,284	-	-	-
15	Intangible assets - net	8,772	9,423	8,190	8,795
21	Deferred tax assets - net	2,488	2,467	5,271	4,963
	Deposit for purchase of assets	1,051	1,877	450	450
	Other non-current assets	4,276	7,311	380	380
	<b>Total non-current assets</b>	<b>1,975,040</b>	<b>2,060,158</b>	<b>1,459,752</b>	<b>1,487,903</b>
	<b>Total assets</b>	<b>3,496,698</b>	<b>3,598,454</b>	<b>2,118,294</b>	<b>2,270,411</b>

.....Director  
(Narong Thareratanavibool)

.....Director  
(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2020

Unit: Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements	
		June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Current liabilities					
Bank overdrafts and short-term loan					
	16	-	53,558	-	50,000
	17	322,503	378,940	56,147	38,287
	4	-	40,000	-	-
	14.2	633	-	-	-
	6	195	19,608	-	-
		9,709	2,245	7,345	2,225
		333,040	494,351	63,492	90,512
Non-current liabilities					
	14.2	2,661	-	-	-
	18	38,263	36,262	26,072	24,902
		40,924	36,262	26,072	24,902
		373,964	530,613	89,564	115,414
Shareholders' equity					
Authorized share capital					
		700,000	700,000	700,000	700,000
Issued and fully paid-up share capital					
		699,999	699,999	699,999	699,999
		902,769	902,769	902,769	902,769
Retained earnings (deficits)					
Appropriated					
	20.1	70,000	70,000	70,000	70,000
	20.2	(304,207)	(484,648)	353,699	479,966
Other components of shareholders' equity					
Difference on business combination					
		(3,259)	(3,259)	-	-
	20.2	165,800	360,580	-	-
		861,443	861,443	-	-
		13,149	13,149	-	-
		4,494	4,494	2,263	2,263
		2,410,188	2,424,527	2,028,730	2,154,997
		712,546	643,314	-	-
		3,122,734	3,067,841	2,028,730	2,154,997
		3,496,698	3,598,454	2,118,294	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 JUNE 30, 2020

"UNAUDITED"

"REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
3, 4, 24, 26					
<b>Revenues</b>					
	Revenue from sales of goods	1,294,036	527,074	258,032	80,767
	Revenue from construction contract	48,311	-	-	-
	Revenue from vessel operating	4,900	3,526	-	-
	Other incomes	3,486	3,130	4,306	2,441
	Dividend income	-	-	10,000	10,000
11					
	<b>Total revenues</b>	<b>1,350,733</b>	<b>533,730</b>	<b>272,338</b>	<b>93,208</b>
<b>Expenses</b>					
	Cost of sales	(1,069,353)	(480,508)	(118,727)	(48,179)
	Cost of construction contract	(35,366)	-	-	-
	Cost of vessel operating	(7,099)	(7,388)	-	-
	Selling expenses	(10,614)	(8,333)	(1,493)	(1,872)
	Administrative expenses	(46,476)	(41,877)	(18,767)	(18,366)
	Share of loss from investment in associates	-	-	-	-
10					
	<b>Total expenses</b>	<b>(1,168,908)</b>	<b>(538,106)</b>	<b>(138,987)</b>	<b>(68,417)</b>
	<b>Profit (loss) before finance costs and income tax expenses</b>	<b>181,825</b>	<b>(4,376)</b>	<b>133,351</b>	<b>24,791</b>
	Finance costs	(620)	(26)	(510)	(78)
	<b>Profit (loss) before income tax expenses</b>	<b>181,205</b>	<b>(4,402)</b>	<b>132,841</b>	<b>24,713</b>
	Tax revenue (expense)	(7,799)	208	(5,691)	(198)
22					
	<b>Profit (loss) for the periods</b>	<b>173,406</b>	<b>(4,194)</b>	<b>127,150</b>	<b>24,515</b>
	<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total comprehensive income (loss) for the periods</b>	<b>173,406</b>	<b>(4,194)</b>	<b>127,150</b>	<b>24,515</b>
Profit (loss) attributable to :					
	Equity holders of the parent	154,901	2,278	127,150	24,515
	Non-controlling interests	18,505	(6,472)	-	-
		<b>173,406</b>	<b>(4,194)</b>	<b>127,150</b>	<b>24,515</b>
Total comprehensive income (loss) attributable to :					
	Equity holders of the parent	154,901	2,278	127,150	24,515
	Non-controlling interests	18,505	(6,472)	-	-
		<b>173,406</b>	<b>(4,194)</b>	<b>127,150</b>	<b>24,515</b>
Earnings per share					
	Basic earnings per share of the Company (Baht)	0.055	0.001	0.045	0.009
	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 Thararatnavibool)

.....Director  
 (Thanit Thararatnavibool)

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

"UNAUDITED"  
 "REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
	3, 4, 24, 26				
<b>Revenues</b>					
		3,338,123	1,131,433	464,992	272,613
		-	5,065	-	-
		84,795	9,913	-	-
		9,778	9,967	-	-
		6,704	6,443	9,238	4,956
	11	-	-	10,000	10,000
		<u>3,439,400</u>	<u>1,162,821</u>	<u>484,230</u>	<u>287,569</u>
<b>Expenses</b>					
		(2,846,337)	(1,021,766)	(227,191)	(152,653)
		-	(3,716)	-	-
		(65,947)	(4,011)	-	-
		(17,444)	(15,247)	-	-
		(21,978)	(13,990)	(3,067)	(3,078)
		(85,182)	(76,943)	(36,179)	(35,821)
	10	-	-	-	-
		<u>(3,036,888)</u>	<u>(1,135,673)</u>	<u>(266,437)</u>	<u>(191,552)</u>
		402,512	27,148	217,793	96,017
		(1,500)	(26)	(962)	(78)
		401,012	27,122	216,831	95,939
	22	(10,175)	(4,646)	(7,154)	(4,246)
		<u>390,837</u>	<u>22,476</u>	<u>209,677</u>	<u>91,693</u>
		-	-	-	-
		<u>390,837</u>	<u>22,476</u>	<u>209,677</u>	<u>91,693</u>
Profit (loss) attributable to :					
		321,605	45,622	209,677	91,693
		69,232	(23,146)	-	-
		<u>390,837</u>	<u>22,476</u>	<u>209,677</u>	<u>91,693</u>
Total comprehensive income (loss) attributable to :					
		321,605	45,622	209,677	91,693
		69,232	(23,146)	-	-
		<u>390,837</u>	<u>22,476</u>	<u>209,677</u>	<u>91,693</u>
Earnings per share					
		0.115	0.016	0.075	0.033
		<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 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 SIX-MONTH PERIOD ENDED JUNE 30, 2020

"UNAUDITED"  
 "REVIEWED"

Unit: Thousand Baht													
Consolidated financial statements													
Equity attributable to equity holders of the parent													
Other components of shareholders' equity													
Retained earnings (deficits)													
Other comprehensive income													
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	Total Equity holders of the Company	Non-controlling interests	Total Shareholders' Equity
Balance as at January 1, 2019	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
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	-	-	-	321,605	-	-	-	-	-	-	321,605	69,232	390,837
Balance as at June 30, 2020	699,999	902,769	70,000	(304,207)	(3,259)	165,800	861,443	13,149	4,494	1,041,627	2,410,188	712,546	3,122,734
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	-	-	-	45,622	-	-	-	-	-	-	45,622	(23,146)	22,476
Balance as at June 30, 2019	699,999	902,769	70,000	(734,429)	(3,259)	360,580	861,443	13,149	4,494	1,236,407	2,174,746	679,994	2,854,740

.....Director  
 (Narong Tharetranavibool)

.....Director  
 (Thamit Tharetranavibool)

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

"UNAUDITED"  
"REVIEWED"

		Unit: Thousand Baht						
		Separate financial statements						
Notes	Issued and paid-up share capital	Premiums on share capital	Appropriated to legal reserve	Retained earnings		Total other components of shareholders' equity		Total Shareholders' Equity
				Unappropriated	Actuarial gains	Other comprehensive income		
	Balance as at January 1, 2020	699,999	902,769	70,000	479,966	2,263		2,154,997
	Changes in shareholders' equity for the period:							
19	Dividend paid	-	-	-	(335,944)	-		(335,944)
	Total comprehensive income for the period	-	-	-	209,677	-		209,677
	Balance as at June 30, 2020	699,999	902,769	70,000	353,699	2,263		2,028,730
	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	-	-	-	91,693	-		91,693
	Balance as at June 30, 2019	699,999	902,769	70,000	172,260	2,263		1,847,291

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.....Director  
(Narong Thararatnavibool)

.....Director  
(Thanit Thararatnavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

"UNAUDITED"

"REVIEWED"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Cash Flows from Operating Activities</b>				
Profit for the periods	390,837	22,476	209,677	91,693
Adjustments to reconcile profit to cash provided by (used in)				
operating activities:				
Tax expense	10,175	4,646	7,154	4,246
Depreciation	85,926	75,036	31,630	37,958
Amortization of intangible assets	718	456	605	386
(Gain) loss on disposal asset	7,293	2,177	(95)	(19)
Unrealized (gain) loss on investments in Open-end Fund	(146)	1,570	(334)	989
Reversal for devaluation of inventories	(40,800)	(760)	-	-
Reversal loss on impairment of asset	(1,620)	(2,077)	-	(2,077)
Dividend income	-	-	(10,000)	(10,000)
Non-current provisions for employee benefits	2,808	7,693	1,600	6,252
Interest income	(344)	(364)	(4,816)	(174)
Interest expenses	1,500	26	962	78
Gain from operating activities before changes				
in operating assets and liabilities	456,347	110,879	236,383	129,332
Changes in operating assets - (increase) decrease				
Trade and other current receivables	65,889	1,701	8,687	78,694
Contract assets	(27,756)	10,136	-	-
Inventories	107,444	(121,500)	7,356	(119,946)
Deposit for purchase of assets	826	(10,910)	-	1,101
Other non-current assets	974	516	-	-
Changes in operating liabilities - increase (decrease)				
Trade and other current payables	(74,619)	13,893	15,888	(10,668)
Contract liabilities	(19,413)	-	-	-
Retention payables	(226)	(1,260)	-	-
Cash provided by operating activities	509,466	3,455	268,314	78,513
Interest paid	(21)	-	-	-
Payment for employee benefit obligations	(807)	(508)	(430)	(198)
Refund of income tax	2,067	3,902	-	-
Income tax paid	(2,912)	(2,407)	(2,340)	(1,956)
Net cash provided by operating activities	507,793	4,442	265,544	76,359

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.....Director  
(Narong Thareratanavibool)

.....Director  
(Thanit Thareratanavibool)

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

"UNAUDITED"  
 "REVIEWED"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Cash Flows from Investing Activities</b>				
Decrease in restricted deposits at financial institution	11,178	-	-	-
Interest received	344	339	4,816	174
Decrease in current investments	-	388,813	-	249,522
Increase in other current financial assets	(33,832)	-	(30,194)	-
Cash paid from short-term loans to subsidiary	-	-	(200,000)	(50,000)
Proceeds from repayment of short-term loans to subsidiary	-	-	320,000	-
Dividend income from investments in subsidiary	-	-	10,000	10,000
Payment for purchases of assets	(23,236)	(135,170)	(2,114)	(15,365)
Payment for purchases of intangible assets	(66)	(204)	-	-
Proceeds from disposal of assets	20,395	971	295	854
Net cash provided by (used in) investing activities	(25,217)	254,749	102,803	195,185
<b>Cash Flows from Financing Activities</b>				
Increase (decrease) in bank overdrafts from financial institutions	(3,558)	469	-	-
Payment for interest expenses	(1,479)	(26)	(962)	(78)
Proceeds from short-term loan from financial institutions	100,000	-	100,000	-
Repayment for short-term loan from financial institutions	(150,000)	-	(150,000)	-
Proceeds from short-term loan from related parties	-	-	-	50,000
Repayment for short-term loans from related party	(40,000)	-	-	-
Dividend payment	(335,835)	(335,793)	(335,835)	(335,793)
Repayment of lease liabilities	(103)	-	-	-
Net cash use in financing activities	(430,975)	(335,350)	(386,797)	(285,871)
Net increase (decrease) in cash and cash equivalents	51,601	(76,159)	(18,450)	(14,327)
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	197,020	49,560	58,291	11,943
Supplemental disclosures of cash flows information				
Non-cash transactions consisted of:				
Assets payable for plant and equipment	15,912	17,144	1,862	2,249

.....Director  
 (Narong Thareratanavibool)

.....Director  
 (Thanit Thareratanavibool)

**ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**THE CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 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 Promburi, 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)

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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## 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

Financial Reporting Standard Interpretations:

TRFIC 16 Hedges of a Net Investment in a Foreign Operation

TRFIC 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

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

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

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

..... 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
<b>Financial assets</b>				
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
<b>Total financial assets</b>	<b>1,032,856</b>	<b>308,553</b>	<b>724,303</b>	<b>1,032,856</b>
<b>Financial liabilities</b>				
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
<b>Total financial liabilities</b>	<b>472,498</b>	<b>-</b>	<b>472,498</b>	<b>472,498</b>

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

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
<b>Financial assets</b>				
Cash and cash equivalents	76,741	-	76,741	76,741
Current investment	76,804	76,804	-	76,804
Trade and other receivables - net	175,529	-	175,529	175,529
Short-term loans to subsidiary	250,000	-	250,000	250,000
Other long-term investment - net	-	-	-	-
<b>Total financial assets</b>	<b>579,074</b>	<b>76,804</b>	<b>502,270</b>	<b>579,074</b>
<b>Financial liabilities</b>				
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
<b>Total financial liabilities</b>	<b>88,287</b>	<b>-</b>	<b>88,287</b>	<b>88,287</b>

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 six-month periods ended June 30, 2020 and 2019 were as follows:

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Pricing Policy		2020	2019	2020	2019
<b><u>For the three-month periods</u></b>					
<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	-	111	-	111
AI Engineering Services Co., Ltd.	Mutually agreed	-	-	338	282
AI Energy Public Co., Ltd.	Mutually agreed	-	-	493	271
AI Logistics Co., Ltd.	Mutually agreed	-	-	75	158
AI Ports and Terminals Co., Ltd.	Mutually agreed	-	-	47	52
<b>Other income - interest receive</b>					
AI Energy Public Co., Ltd.	2.84% - 3.75% P.A.	-	-	1,898	78
<b>Purchase of raw material</b>					
Samart Palm Industry Co., Ltd.	Market Price	-	2,016	-	-
<b>Finance costs - interest paid</b>					
AI Engineering Services Co., Ltd.	2.84% P.A.	-	-	-	78
Director	3.75% P.A.	58	-	-	-

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

Unit: Thousand Baht

	Pricing Policy	Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>For the six-month periods</b>					
<b>Sales of products and raw materials</b>					
PPC Asian Insulators Co., Ltd.	Mutually agreed	-	40	-	40
<b>Sales of hybrid clay</b>					
PPC Asian Insulators Co., Ltd.	Mutually agreed	-	961	-	961
<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	-	237	-	237
AI Engineering Services Co., Ltd.	Mutually agreed	-	-	626	545
AI Energy Public Co., Ltd.	Mutually agreed	-	-	947	503
AI Logistics Co., Ltd.	Mutually agreed	-	-	332	289
AI Ports and Terminals Co., Ltd.	Mutually agreed	-	-	91	100
<b>Other income - interest receive</b>					
AI Energy Public Co., Ltd.	2.84%-3.75% P.A.	-	-	4,703	78
<b>Purchase of raw material</b>					
Samart Palm Industry Co., Ltd.	Market Price	5,416	2,016	-	-
<b>Repurchases of scrap clay</b>					
PPC Asian Insulators Co., Ltd.	Mutually agreed	-	958	-	958
<b>Finance costs - interest paid</b>					
AI Engineering Services Co., Ltd.	2.84% P.A.	-	-	-	78
Director	3.75% P.A.	432	-	-	-

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(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

## Management's remuneration

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>For the three-month periods</b>				
Short-term employee benefits	11,618	11,481	6,647	6,403
Long-term post-employment benefits	261	235	90	88
Total management's remuneration	11,879	11,716	6,737	6,491
<b>For the six-month periods</b>				
Short-term employee benefits	22,789	22,610	12,783	12,628
Long-term post-employment benefits	522	471	179	175
Total management's remuneration	23,311	23,081	12,962	12,803

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>ASSETS</b>				
<b>Other current receivable</b>				
AI Engineering Services Co., Ltd.	-	-	31	15
AI Logistics Co., Ltd.	-	-	42	1
AI Ports and Terminals Co., Ltd.	-	-	3	-
<b>Short-term loan to subsidiary</b>				
AI Energy Public Co., Ltd.	-	-	130,000	250,000
<b>LIABILITIES</b>				
<b>Short-term loans from related party</b>				
Director	-	40,000	-	-

As at June 30, 2020 and 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 130 million and 250 million, respectively, with an interest rate of 3.65% - 3.75% per annum, due on September 30, 2020.

..... Director  
(Narong Thararatanavibool)

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(Thanit Thararatanavibool)

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 June 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	158,133	144,553	157,364	144,553
Trade receivables - others	318,334	397,479	5,202	28,560
Total trade receivables	476,467	542,032	162,566	173,113
Less Allowance for doubtful accounts	(2,782)	(3,222)	-	-
Total trade receivables - net	473,685	538,810	162,566	173,113
Other current receivables				
Other current receivables - related parties	-	-	76	16
Other current receivables - other	424	306	-	-
Prepaid insurance	2,041	3,539	1,575	1,175
Prepaid expense	2,567	1,317	1,765	559
Deposit for inventories	2,803	7,824	243	506
Revenue Department receivable	2,315	96	-	-
Undue input tax	1,193	751	590	134
Retention	7,570	3,149	-	-
Others	151	286	26	26
Total other current receivables	19,064	17,268	4,275	2,416
Less Allowance for doubtful accounts	(306)	(306)	-	-
Total other current receivables - net	18,758	16,962	4,275	2,416
Total trade and other current receivables - net	492,443	555,772	166,841	175,529

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(Thanit Thareratanavibool)

As at June 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
<b>State enterprises</b>				
Current	158,133	137,125	157,364	137,125
Overdue				
Within 3 months	-	7,428	-	7,428
Total	158,133	144,553	157,364	144,553
<b>Others</b>				
Current	288,271	340,802	5,202	13,391
Overdue				
Within 3 months	-	22,939	-	15,169
Over 3 months to 6 months	-	30,516	-	-
Over 12 months	30,063	3,222	-	-
Total	318,334	397,479	5,202	28,560
Total trade receivables	476,467	542,032	162,566	173,113
<u>Less</u> Allowance for doubtful accounts	(2,782)	(3,222)	-	-
Total trade receivables - net	473,685	538,810	162,566	173,113

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)



## 6. CONTRACT ASSETS/ CONTRACT LIABILITIES

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

	Unit : Thousand Baht	
	Consolidated financial statements	
	2020	2019
Contract Assets		
Contract value	108,374	-
Recognition of income by the percentage of completion	75,781	-
<u>Less</u> Value of billing construction	(48,025)	-
Total	27,756	-
Contract liabilities		
Contract value	35,547	143,921
Value of billing construction	30,038	40,875
<u>Less</u> Recognition of income by the percentage of completion	(29,843)	(21,267)
Total	195	19,608

## 7. INVENTORIES - NET

Inventories as at June 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	202,503	247,561	118,937	131,195
Work in process	123,909	190,720	32,100	33,945
Finished goods	103,000	113,448	29,259	35,196
Supplies	15,446	12,242	1,697	1,428
Goods in transit	14,085	1,670	14,085	1,670
Total	458,943	565,641	196,078	203,434
<u>Less</u> Allowance for devaluation of inventories	(3,200)	(44,000)	-	-
Total inventories - net	455,743	521,641	196,078	203,434

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(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

## 8. OIL SUPPLIES

Oil supplies as at June 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 June 30, 2020 consisted of:

	Unit : Thousand Baht	
	Consolidated financial	Saparate financial statements
Investment in Open-end Fund-Debt securities	296,224	106,914
<u>Add</u> Unrealized gains on changes in fair value of investments	2,174	418
Investment in Open-end Fund-Fair value	298,398	107,332
Fixed deposits	50,298	-
Total Other current financial assets	348,696	107,332

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10. OTHER NON-CURRENT FINANCIAL ASSETS – NET

Other non-current financial assets as at June 30, 2020 consisted of:

	Unit: Thousand Baht
	Consolidated/Separate financial statements
	Investments
<b><u>Other long-term investment</u></b>	
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.

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.

..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

## 11. INVESTMENTS IN SUBSIDIARIES

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

Company	Nature of business	Percentage of investment (%)		Unit : Million Baht		Unit: Thousand Baht			
		2020	2019	2020	2019	2020	2019		
		Investment		Issued share capital		Cost method		Dividend	
<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 passenger, merchandise, parcel and other materials (At present halted business operation)	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

..... Director

(Narong Tharatanavibool)

(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 June 30, 2020 and December 31, 2019 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
As at December 31, 2019	3,521,778	1,270,676
Purchases during period	39,618	3,976
Transfers in during period	81,700	-
Disposal /written off during period	(138,762)	(2,403)
Transfer out during period	(81,700)	-
As at June 30, 2020	<u>3,422,634</u>	<u>1,272,249</u>
<b>Accumulated Depreciation</b>		
As at December 31, 2019	(1,480,625)	(794,973)
Depreciation for the period	(85,813)	(31,630)
Depreciation - disposals for/written off the period	110,604	2,203
As at June 30, 2020	<u>(1,455,834)</u>	<u>(824,400)</u>
<b>Allowances for impairment of assets</b>		
As at December 31, 2019	(19,020)	-
Reversal loss on impairment for the period	1,620	-
As at June 30, 2020	<u>(17,400)</u>	<u>-</u>
<b>Book value</b>		
As at December 31, 2019	<u>2,022,133</u>	<u>475,703</u>
As at June 30, 2020	<u>1,949,400</u>	<u>447,849</u>

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>For the three-month periods</u></b>				
Cost of sale and service	38,530	34,029	14,836	18,801
Selling and administrative expenses	7,380	6,789	2,874	1,996
	<u>45,910</u>	<u>40,818</u>	<u>17,710</u>	<u>20,797</u>
<b><u>For the six-month periods</u></b>				
Cost of sale and service	75,251	63,656	27,496	34,168
Selling and administrative expenses	10,562	11,380	4,134	3,790
	<u>85,813</u>	<u>75,036</u>	<u>31,630</u>	<u>37,958</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 June 30, 2020 and December 31, 2019, in the consolidated financial statement totaling approximately Baht 285.56 million and Baht 385.54 million, respectively, and in the separate financial statements totaling approximately Baht 234.07 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 consolidated 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 consolidated 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 reversed allowance for impairment amount of Baht 1.62 million and recorded loss on disposal of the assets in amount of Baht 4.30 million in the consolidated statements of profit or loss for the six-month period ended June 30, 2020.

#### 14. LEASES

In the second 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 six-month period ended June 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 June 30, 2020	3,397
Accumulated Depreciation	
As at December 31, 2019	-
Depreciation for the period	(113)
As at June 30, 2020	(113)
Net book value	
As at December 31, 2019	-
As at June 30, 2020	3,284

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## 14.2 LEASE LIABILITIES - NET

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

	Unit: Thousand Baht
	Consolidated financial statements
As at December 31, 2019	-
Additions - net	3,397
Accretion of interest	21
Payments	(124)
As at June 30, 2020	3,294
Less: current portion	(633)
Lease liabilities - net of current portion	2,661

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

	Unit: Thousand Baht
	Consolidated financial statements
<b><u>For the three-month periods</u></b>	
Depreciation of right-of-use assets	113
Interest expense on lease liabilities	21
Total	134
<b><u>For the six-month periods</u></b>	
Depreciation of right-of-use assets	113
Interest expense on lease liabilities	21
Total	134

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## 15. INTANGIBLE ASSETS - NET

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

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
As at December 31, 2019	32,136	30,437
Purchases during period	67	-
Disposal /written off during period	(6)	-
As at June 30, 2020	32,197	30,437
<b>Accumulated amortization</b>		
As at December 31, 2019	(22,713)	(21,642)
Amortization for the period	(718)	(605)
Accumulated amortization - disposals for the period	6	-
As at June 30, 2020	(23,425)	(22,247)
<b>Book value</b>		
As at December 31, 2019	9,423	8,795
As at June 30, 2020	8,772	8,190

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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 June 30, 2020 and December 31, 2019 consisted of:

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

	Credit facilities (Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bank overdrafts	22,000	22,000	12,000	12,000
Promissory notes	270,000	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	1,453,765	1,454,380	847,500	847,500

As at December 31, 2019 The Company has short-term loans in the amount of Baht 50 million. The Company issued a promissory note with an interest rate of at 3.75% per annum, and are repayable in 3 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.

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

## 17. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at June 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	236,684	287,933	34,944	15,030
Total trade payables	236,684	287,933	34,944	15,030
Other current payables				
Payables for purchase of assets	15,912	9,449	1,862	1,074
Other current payables	9,217	7,616	757	1,152
Advances received for goods	1,178	4,251	1,178	1,792
Accrued bonus	12,786	93	9,924	93
Electricity payable	6,622	6,223	1,359	1,170
Accrued expenses	10,084	6,976	4,483	4,152
Retention	7,845	14,603	-	-
Revenue Department payables	21,034	41,150	1,640	13,824
Others	1,141	646	-	-
Total other current payables	85,819	91,007	21,203	23,257
Total trade and other current payables	322,503	378,940	56,147	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 six-month periods ended June 30, 2020 and 2019 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Non-current provisions for employee benefits</b>				
<b>at beginning of periods</b>	36,262	27,130	24,902	17,429
Included in profit or loss:				
Past service cost	-	5,030	-	4,630
Current service cost	2,412	2,240	1,328	1,310
Interest cost	396	423	272	312
Benefit paid during the periods	(807)	(508)	(430)	(198)
<b>Non-current provisions for employee benefits</b>				
<b>at end of periods</b>	<u>38,263</u>	<u>34,315</u>	<u>26,072</u>	<u>23,483</u>

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>For the three-month periods</u></b>				
Cost of sales	951	4,248	686	3,999
Selling expenses	46	82	-	-
Administrative expenses	512	2,028	175	1,441
<b>Total employee benefit expenses</b>	<b>1,509</b>	<b>6,358</b>	<b>861</b>	<b>5,440</b>
<b><u>For the six-month periods</u></b>				
Cost of sales	1,899	5,151	1,383	4,654
Selling expenses	91	82	-	-
Administrative expenses	818	2,460	217	1,598
<b>Total employee benefit expenses</b>	<b>2,808</b>	<b>7,693</b>	<b>1,600</b>	<b>6,252</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.

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

Principal actuarial assumptions as at June 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.

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..... Director

(Narong Thareratanavibool)

..... Director

(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 June 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	8,253	7,826	5,354	4,980
Deferred tax liability	(5,765)	(5,359)	(83)	(17)
Deferred tax assets - net	2,488	2,467	5,271	4,963

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..... 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 June 30, 2020	As at January 1, 2020	Profit (Loss)	As at June 30, 2020
<b>Deferred tax assets</b>						
Allowance for doubtful accounts	706	(88)	618	-	-	-
Non-current provisions for employee benefits	7,120	375	7,495	4,980	234	5,214
Revenues treated as revenues under the Revenue Code	-	140	140	-	140	140
Total	7,826	427	8,253	4,980	374	5,354
<b>Deferred tax liability</b>						
Unrealized gain on investments in Open-end Fund	(397)	(27)	(424)	(17)	(66)	(83)
Depreciation	(4,962)	(379)	(5,341)	-	-	-
Total	(5,359)	(406)	(5,765)	(17)	(66)	(83)
Deferred tax assets - net	2,467	21	2,488	4,963	308	5,271

As at June 30, 2020 and December 31, 2019 the Subsidiaries had tax losses carried forward amounting to Baht 114.57 million and Baht 215.56 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 Thararatnavibool)

..... Director  
(Thanit Thararatnavibool)



## 22. INCOME TAX EXPENSE

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>For the three-month periods</u></b>				
<b>Current tax expense</b>				
Current periods	(8,078)	(1,309)	(5,956)	(1,655)
<b>Deferred tax expense</b>				
Movement in temporary differences	279	1,517	265	1,457
Total	<u>(7,799)</u>	<u>208</u>	<u>(5,691)</u>	<u>(198)</u>
<b><u>For the six-month periods</u></b>				
<b>Current tax expense</b>				
Current periods	(10,196)	(3,426)	(7,462)	(3,154)
<b>Deferred tax expense</b>				
Movement in temporary differences	21	(1,220)	308	(1,092)
Total	<u>(10,175)</u>	<u>(4,646)</u>	<u>(7,154)</u>	<u>(4,246)</u>

### **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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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

### 23. FOREIGN CURRENCY TRANSACTIONS

As at June 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	31.13	956.05	32.52	974.81	31.12	955.92	31.12	932.73
Total		956.05		974.81		955.92		932.73
Liabilities								
USD	327.83	10,184.45	129.17	3,917.80	327.58	10,176.61	123.26	3,738.60
EUR	288.00	10,100.48	-	-	288.00	10,100.48	-	-
Total		20,284.93		3,917.80		20,277.09		3,738.60

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

## 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.

The Company and subsidiaries have revenue from sales of goods which are granted the promotional certificates for the three-month and six-month periods ended June 30, 2020 and 2019 as follows:

	Unit: Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Promoted Activities	Non-promoted Activities	Total	Promoted Activities	Non-promoted Activities	Total
<b>For the three-month period ended June 30, 2020</b>						
Revenue from sales of goods	1,097,066	196,970	1,294,036	202,783	55,249	258,032
Revenue from construction contract	-	48,311	48,311	-	-	-
Revenue from vessel operating	-	4,900	4,900	-	-	-
Other incomes	590	2,896	3,486	590	3,716	4,306
Dividend income	-	-	-	-	10,000	10,000
<b>Total</b>	<b>1,097,656</b>	<b>253,077</b>	<b>1,350,733</b>	<b>203,373</b>	<b>68,965</b>	<b>272,338</b>
<b>For the three-month period ended June 30, 2019</b>						
Revenue from sales of goods	71,763	455,311	527,074	66,608	14,159	80,767
Revenue from vessel operating	-	3,526	3,526	-	-	-
Other incomes	403	2,727	3,130	403	2,038	2,441
Dividend income	-	-	-	-	10,000	10,000
<b>Total</b>	<b>72,166</b>	<b>461,564</b>	<b>533,730</b>	<b>67,011</b>	<b>26,197</b>	<b>93,208</b>

..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

Unit: Thousand Baht

	Consolidated financial statements			Separate financial statements		
	Promoted	Non-promoted	Total	Promoted	Non-promoted	Total
	Activities	Activities	Activities	Activities	Activities	Activities
Revenue from sales of goods	2,423,835	914,288	3,338,123	396,692	68,300	464,992
Revenue from construction contract	-	84,795	84,795	-	-	-
Revenue from vessel operating	-	9,778	9,778	-	-	-
Other incomes	676	6,028	6,704	676	8,562	9,238
Dividend income	-	-	-	-	10,000	10,000
<b>Total</b>	<b>2,424,511</b>	<b>1,014,889</b>	<b>3,439,400</b>	<b>397,368</b>	<b>86,862</b>	<b>484,230</b>

**For the six-month period ended June 30, 2019**

Revenue from sales of goods	388,813	742,620	1,131,433	225,826	46,787	272,613
Revenue from production contract	-	5,065	5,065	-	-	-
Revenue from construction contract	-	9,913	9,913	-	-	-
Revenue from vessel operating	-	9,967	9,967	-	-	-
Other incomes	942	5,501	6,443	942	4,014	4,956
Dividend income	-	-	-	-	10,000	10,000
<b>Total</b>	<b>389,755</b>	<b>773,066</b>	<b>1,162,821</b>	<b>226,768</b>	<b>60,801</b>	<b>287,569</b>

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..... Director  
(Narong Thararatnavibool)

..... Director  
(Thamit Thararatnavibool)

## 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 six-month periods ended June 30, 2020 and 2019 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b><u>For the three-month periods</u></b>				
Asian Insulators Public Company Limited	465	429	465	429
AI Engineering Services Company Limited	52	48	-	-
AI Energy Public Company Limited	419	387	-	-
AI Logistics Company Limited	7	11	-	-
Total	943	875	465	429
<b><u>For the six-month periods</u></b>				
Asian Insulators Public Company Limited	940	855	940	855
AI Engineering Services Company Limited	104	101	-	-
AI Energy Public Company Limited	833	770	-	-
AI Logistics Company Limited	14	21	-	-
Total	1,891	1,747	940	855

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

## 26. SEGMENT INFORMATION

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

		Unit: Thousand Baht					
		Consolidated financial statements					
		For the three-month period ended June 30, 2020					
		Group of AI Energy Public Company Limited					
		Sale of biodiesel	Sale of Refine	Vessel operating	Port services	Total	
		Sale of biodiesel and vegetable oil and by product	Sale of Refine Glycerine	Vessel operating	Port services	Total	
Revenues from sales and services	Sale of porcelain insulators and component	48,311	993,674	43,036	4,900	-	1,347,247
Cost of sales and services	Construction undertaking	(35,366)	(954,631)	(40,145)	(7,099)	-	(1,155,968)
Reversal for devaluation of inventories		-	39,950	4,200	-	-	44,150
Gross profit (loss) by segment		12,945	78,993	7,091	(2,199)	-	235,429
Other income							3,486
Selling expenses							(10,614)
Administrative expenses							(46,476)
Finance costs							(620)
Tax expenses							(7,799)
Profit for the period							173,406
Other comprehensive income							-
Total comprehensive income for the period							173,406
Equity holders of the parent							154,901
Non-controlling interests							18,505

..... Director

(Narong Thararatnavibool)

..... Director

(Thanit Thararatnavibool)

Unit : Thousand Baht

Consolidated financial statements

For the six-month period ended June 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 refine crude palm oil	Vessel operating	Port services	Total
Revenues from sales and services	464,286	84,795	2,814,581	59,256	9,778	-	3,432,696
Cost of sales and services	(227,191)	(65,947)	(2,594,684)	(65,262)	(17,444)	-	(2,970,528)
Reversal for devaluation of inventories	-	-	1,450	39,350	-	-	40,800
Gross profit (loss) by segment	237,095	18,848	221,347	33,344	(7,666)	-	502,968
Other income							6,704
Selling expenses							(21,978)
Administrative expenses							(85,182)
Finance costs							(1,500)
Income tax expenses							(10,175)
Profit for the period							390,837
Other comprehensive income							-
Total comprehensive income for the period							390,837
Equity holders of the parent							321,605
Non-controlling interests							69,232
Property, plant, vessel and equipment - net	447,849	132	890,200	453,127	-	158,092	1,949,400

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements

For the three-month period ended June 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 refine crude palm oil	Vessel operating	Port services	Total
Revenues from sales and services	80,767	-	446,307	-	3,526	-	530,600
Cost of sales and services	(48,179)	-	(413,839)	-	(7,388)	-	(469,406)
Allowance for devaluation of inventories	-	-	(18,490)	-	-	-	(18,490)
Gross profit (loss) by segment	32,588	-	13,978	-	(3,862)	-	42,704
Other income							3,130
Selling expenses							(8,333)
Administrative expenses							(41,877)
Finance costs							(26)
Income tax expenses							208
Loss for the period							(4,194)
Other comprehensive income							-
Total comprehensive loss for the period							(4,194)
Equity holders of the parent							2,278
Non-controlling interests							(6,472)

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..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)



Unit: Thousand Baht

Consolidated financial statements							
For the six-month period ended June 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	272,613	9,913	858,820	5,065	9,967	-	1,156,378
Cost of sales and services	(152,653)	(4,011)	(868,353)	(3,716)	(15,247)	-	(1,043,980)
Allowance for devaluation of inventories	-	-	(760)	-	-	-	(760)
Gross profit (loss) by segment	119,960	5,902	(10,293)	1,349	(5,280)	-	111,638
Other income							6,443
Selling expenses							(13,990)
Administrative expenses							(76,943)
Finance costs							(26)
Tax expenses							(4,646)
Profit for the period							22,476
Other comprehensive income							-
Total comprehensive income for the period							22,476
Equity holders of the parent							45,622
Non-controlling interests							(23,146)
Property, plant, vessel and equipment - net	504,889	153	1,305,361		28,518	170,997	2,009,918

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

## 27. COMMITMENT AND CONTINGENT LIABILITIES

Commitments and contingent liabilities as at June 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	180,353	198,007
Guarantee for sale of porcelain insulators and component	199,118	181,290
Guarantee for importation machinery	-	11,178
Guarantee for electricity usage	7,698	7,698
<b>Total</b>	<b>387,169</b>	<b>398,173</b>

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

	Contracted Balance (Unit : Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2020	2019	2020	2019
Capital commitments				
work in process :				
- building and utility systems	4,338	1,877	-	-
- Machinery, accessories and tools	4,661	6,087	1,183	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 43.93 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 415 million and Baht 397 million, respectively.

..... Director  
(Narong Thareratanavibool)

..... Director  
(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.

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

## 29. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Unit : Thousand Baht				
Consolidated financial statements as at June 30, 2020				
	Carrying value			Fair value
	Fair value through			
	profit or loss	Amortised cost	Total	
<b>Financial assets</b>				
Cash and cash equivalents	-	197,020	197,020	197,020
Trade and other receivables - net	-	492,443	492,443	492,443
Contract assets	-	27,756	27,756	27,756
Other current financial assets	298,398	50,298	348,696	348,696
Other non-current financial assets - net	-	-	-	-
Pledged deposits at financial institutions	-	5,769	5,769	5,769
<b>Total financial assets</b>	<b>298,398</b>	<b>773,286</b>	<b>1,071,684</b>	<b>1,071,684</b>
<b>Financial liabilities</b>				
Trade and other current payables	-	322,503	322,503	322,503
Current portion of lease liabilities	-	633	633	633
Lease liabilities - net	-	2,661	2,661	2,661
<b>Total financial liabilities</b>	<b>-</b>	<b>325,797</b>	<b>325,797</b>	<b>325,797</b>

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..... Director  
(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	
<b>Financial assets</b>				
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
<b>Total financial assets</b>	<b>308,553</b>	<b>724,303</b>	<b>1,032,856</b>	<b>1,032,856</b>
<b>Financial liabilities</b>				
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
<b>Total financial liabilities</b>	<b>-</b>	<b>472,498</b>	<b>472,498</b>	<b>472,498</b>

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

Unit : Thousand Baht

Separate financial statements as at June 30, 2020

	Carrying value			Fair value
	profit or loss	Amortised cost	Total	
<b>Financial assets</b>				
Cash and cash equivalents	-	58,291	58,291	58,291
Trade and other receivables - net	-	166,841	166,841	166,841
Short-term loan to subsidiary	-	130,000	130,000	130,000
Other current financial assets	107,332	-	107,332	107,332
Other non-current financial assets - net	-	-	-	-
<b>Total financial assets</b>	<b>107,332</b>	<b>355,132</b>	<b>462,464</b>	<b>462,464</b>
<b>Financial liabilities</b>				
Trade and other current payables	-	56,147	56,147	56,147
<b>Total financial liabilities</b>	<b>-</b>	<b>56,147</b>	<b>56,147</b>	<b>56,147</b>

Unit : Thousand Baht

Separate financial statements as at January 1, 2020

	Carrying value			Fair value
	profit or loss	Amortised cost	Total	
<b>Financial assets</b>				
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
Other non-current financial assets - net	-	-	-	-
<b>Total financial assets</b>	<b>76,804</b>	<b>502,270</b>	<b>579,074</b>	<b>579,074</b>
<b>Financial liabilities</b>				
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
<b>Total financial liabilities</b>	<b>-</b>	<b>88,287</b>	<b>88,287</b>	<b>88,287</b>

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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 August 14, 2020.

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)