

No. AC013/2020 (PPP)

7 August 2020

Subject: Clarification on the difference of the profit (loss) from the same period of the previous year

To: Director  
Listing & Disclosure Department, The Stock Exchange of Thailand.

According to the Company and its subsidiaries' business operational results for the three-months period ended 30 June 2020, the Company and its subsidiaries had net profit of Baht 5.89 million, increasing from the same period of the previous year by Baht 10.23 million. Such result represents the difference of the Company and its subsidiaries' business operational results for this period from the same period of the previous year of more than 20%. Key changing items are as follows:

1. The revenue from sale and service of the Company and its subsidiaries was Baht 280.02 million, decreasing from the same period of the previous year by Baht 13.07 million, mainly due to the decrease in sales volume of environmental conservation products by Baht 8.52 million and the decrease in revenue from sale of electricity by the Company's subsidiary by Baht 2.01 million.
2. The gross profit of the Company and its subsidiaries was Baht 96.41 million, decreasing from the same period of the previous year by Baht 2.52 million due to lower sales volume. The gross profit margin was at 34.43%, increasing from the same period of the previous year which was at 33.75%. The increase was due to the higher rate of gross profit margin for water solutions products and clean energy products (solar roof).
3. The cost of distribution of the Company was Baht 44.06 million, decreasing from the same period of the previous year by Baht 1.00 million.
4. The administrative expense of the Company and its subsidiaries was Baht 49.40 million, decreasing from the same period of the previous year by Baht 12.80 million. This was due to the Company and its subsidiaries' realization of impact from change in employment law which increases retirement benefit of employees with employment term of 20 years or more to be 400 days last year, requiring expense reserve in the total amount of Baht 15.87 million. If excluding such item, the administrative expense of the Company and its subsidiaries shall increase by Baht 3.07 million due to the increase in the administrative expense of the Company's subsidiaries for example, donation and personnel related expenses.
5. The financial cost of the Company and its subsidiaries was Baht 2.87 million, decreasing from the previous year by Baht 2.27 million due to the decreased amount of debt and interest rate.

6. The Company had profit and reversed loss from impairment in the amount of Baht 1.80 million due to the realization of debtor's impairment in accordance with Thai Financial Reporting Standards 9 relating to financial instruments (TFRS 9).
7. The income tax receivable of the Company and its subsidiaries was Baht 2.84 million, decreasing from the same period of the previous year by Baht 4.91 million due to the deferred income tax last year which realized cost of service in the past.
8. According to the business operational results of the Company's subsidiary (Infinite Green Co., Ltd.) for this period, the total revenue from sale of electricity was Baht 61.93 million, decreasing from the same period of the previous year by Baht 2.01 million. The gross profit margin was at 60.00%. The operating profit before financial expense and income tax was Baht 21.15 million, decreasing from the same period of the previous year by Baht 7.11 million, being the decrease in gross profit by Baht 3.50 million; while the administrative expense increased by Baht 3.62 million.

Please be informed accordingly.

Yours faithfully,

-Signed-  
Mrs. Pensri Dettingeng

Authorized Person

Premier Products Public Company Limited