



No. AC 015/2016 (PPP)

11 May 2016

Subject: Summary on the business operation of the 1st quarter of 2016

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

According to the operating results of the Company and subsidiaries for the 1st quarter of 2016, ending 31 March 2016, the net profit of the Company and subsidiaries was 46.79 Million Baht increased from the same period of the previous year by 3.93 Million Baht, to which the profit of the Company increased by 5.34 Million Baht and the profit of subsidiaries decreased by 1.41 Million Baht. The Company would like to clarify the details of significant changes as follows;

1. The revenue from sales and services of the Company was 296.49 Million Baht, increased from the same period of the previous year by 74.10 Million Baht, resulted from the revenue from the sale of environment products by 27.52 Million and the sale of construction and industrial products by 26.32 Million Baht. In terms of the environment products, Sales increased in part by selling more water container from drought conditions. Sales of the construction and industrial products increased since WIP from the past quarter was delivered in current quarter. And sales of the appliances with energy-efficient features by 20.26 million baht resulted from the transfer of the division from Premier Home Appliance Co., Ltd. since 1 January 2016. The gross profit margin of this period was at 33.32% being lower than the ratio of the previous year which was at 37.39%, due to appliances with energy-efficient features has low profit margins, the environment products has high price competitive and imported goods with higher costs of foreign exchange.
2. The selling expense was 48.71 Million Baht increased from the same period of the previous year by 5.26 Million Baht due to increase in sales and services. Selling expenses was 16.43% of sales revenue which was lower than the ratio of the previous year which was at 19.54%.
3. The administrative expense was 30.62 Million Baht increased from the same period of the previous year by 1.16 Million Baht, mainly resulted from loss from exchange rate 1.36 Million Baht, personnel expenses increased 1.34 Million Baht, research and development expenses increased 0.53 Million Baht and doubtful debts decreased 2.78 Million Baht from the received of overdue payment in current quarter.
4. The financial expense of the Company was 2.42 Million Baht increased from the same period of the previous year by 0.76 Million Baht.
5. The corporate income tax expense of the Company was 4.43 Million Baht increased from the same period of the previous year by 1.74 Million Baht resulted from the corporate income tax calculated under the Revenue Code by 0.83 Million Baht and deferred corporate income tax by 0.91 Million Baht.



6. Operating results of Infinite Green Co., Ltd., revenue from sales of electricity 70.77 Million Baht, decreased from the same period last year to 1.73 Million Baht from the reduction of the tariff variations (Ft), with a gross margin of 67.92%, earnings from operations before financial expenses 40.55 Million Baht and net profit of 31.18 Million Baht.

Please be informed accordingly.

Yours faithfully,
-Signed-
Mr. Suradej Boonyawatana
Authorized Person
Premier Products Public Company Limited