

No. AC 016/2018 (PPP)

14 August 2018

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 ending 30 June 2018, the net profit of the Company and its subsidiaries was Baht 0.55 million, decreasing from the same period of the previous year by Baht 8.66 million, or 94.03%. The Company's profit according to the Company's business operational result before receivable dividends decreased by Baht 6.90 million and the profit of the Company's subsidiaries according to their business operational results decreased by Baht 1.76 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%. The Company would like to clarify the material causes of such change as follows:

1. The revenue from sale and service of the Company was Baht 249.88 million, increasing from the same period of the previous year by Baht 26.03 million, being the increase from sales of environmental products by Baht 1.91 million and from sales of construction materials and industrial products by Baht 24.12 million.
2. The gross profit of the Company was Baht 68.24 million, the gross profit margin was at 27.31%, lower than the gross profit margin for the same period of the previous year which was at 29.70%. The decrease was due to the gross profit margin in sales of environmental products.
3. The selling expense of the Company was Baht 46.67 million, increasing from the same period of the previous year by Baht 5.61 million. The selling expense was accounted for 18.68% of the total sales, close to the percentage for the same period of the period year which was at 18.34%.
4. The administrative expense of the Company was Baht 40.39 million, increasing from the same period of the previous year by Baht 3.52 million. The key items were the personnel expenses which was increased by Baht 1.72 million, allowance for doubtful accounts which was increased by Baht 0.48 million, R&D expenses which was increased by Baht 0.42 million and other expenses which was increased by Baht 0.90 million.

5. The financial expense of the Company was Baht 2.00 million, increasing from the same period of the previous year by Baht 0.35 million.
6. The income tax of the Company was Baht 2.51 million, comprising of the corporate income tax reversal amount of Baht 1.75 million and the deferred income tax reversal amount of Baht 0.76 million.
7. According to the business operational results of Infinite Green Co., Ltd. for this period, the total revenue from sale of electricity was Baht 62.86 million, increasing from the same period of the previous year by Baht 1.06 million. The gross profit margin was at 63.41%, the earnings from operations before financial expense was Baht 21.62 million and the net profit was Baht 16.10 million.

Please be informed accordingly.

Yours faithfully,

-Signed-
Mrs. Pensri Dettingeng

Authorized Person

Premier Products Public Company Limited