

No. AC011/2021 (PPP)

6 August 2021

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 subsidiary's business operational results for the three-months period ended 30 June 2021, the Company and its subsidiary had a loss of THB 6.19 million, increasing from the same period of the previous year by THB 12.08 million. Such change was due to the new outbreak of COVID-19, in which construction sites were closed or projects were delayed, affecting the sales of the Company, while cost of raw materials used in production process increased. This caused the company to increase efficiency in cost management and cost control, including liquidity management of the business to cope up with such situation. Such result represents the difference of the Company and its subsidiary's 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. Revenue from sales and service of the Company was THB 196.50 million, decreasing from the same period of the previous year by THB 23.61 million, mainly from sales of water solutions products of THB 133.68 million, decreasing from the same period of the previous year by THB 4.91 million. Sales of construction material products was THB 35.09 million, decreasing from the same period of the previous year by THB 8.54 million, and sales of solar roof products was THB 27.73 million, decreasing from the same period of the previous year by THB 10.16 million. The gross profit margin was 23.9%, decreasing from the previous year by 3.1%.
2. Distribution cost of the Company was THB 41.23 million, decreasing from the same period of the previous year by THB 2.82 million, mainly as a result of a decrease in sales and marketing expenses from the same period of the previous year. The ratio of distribution cost to sales and services revenue was at 21.0%, close to the same period of the previous year.
3. Administrative expense of the Company was THB 29.46 million, decreasing from the previous year by THB 4.76 million, mainly due to a decrease in personnel expense by THB 4.08 million.
4. Loss on impairment in accordance with the TFRS 9 (an allowance for doubtful accounts) was THB 0.94 million, increasing by THB 2.73 million, as a result of setting an allowance for doubtful accounts in the period, while, in the same period of the previous year, there was profit of THB 1.79 million regarding to repayment from debtors.
5. Income tax of the Company was THB 4.57 million, wholly being deferred income tax.

6. In relation to the business operational results of the Company's subsidiary (Infinite Green Co., Ltd.), the profit for the three-months period ended 30 June 2021 was THB 13.37 million, decreasing from the same period of the previous year by 5.78 million. This was due to revenue from sales of electricity in this period of THB 46.30 million, decreasing from the same period of the previous year by THB 15.63 million, as a consequence from the expiration of additional power purchase agreement of the power plant no. 1 (Adder). The profit margin was at 55.4%. Administrative expense decreased by THB 3.86 million. Financial expense in this period decreased by THB 1.44 million due to lower debt and interest rate. Repayment of the long-term loan was complete.

Please be informed accordingly.

Yours faithfully,

-Signed-

Mrs. Pensri Dettingeng

Authorized Person

Premier Products Public Company Limited