

NO. AC 008/2020 (PT)

13 May 2020

Subject: Clarification on the difference of the profit (loss) from the same period of the previous year, as of 31 March 2020
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 31 March 2020, the profit of the Company and its subsidiaries was Baht 28.5 million, decreasing from the same period of the previous year by Baht 20.8 million, or 42.2%. Such decrease was due to the adoption of Thai Financial Reporting Standards 9 (TFRS 9) relating to financial instruments, resulting in the adjustment of fair value measurement of securities available for sale in the amount of Baht 13.1 million recognized in Profit and Loss Statements (FVPL) which was previously recognized in Statements of Comprehensive Income (FVOCI). Therefore, the profit for this period before the adjustment of fair value measurement of securities available for sale shall be Baht 41.6 million. Additionally, following such measurement of securities available for sale, there was an adjustment of transfer of capital surplus included in other components of shareholders' equity in the amount of Baht 6.7 million to retained earnings at the beginning of the period. 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. Revenue from sale and provision of services relating to computer and computer system

The revenue from sale was Baht 320.9 million, decreasing from the same period of the previous year by Baht 190.5 million or 37.3%. Such decrease was due to the situation of COVID-19 causing some of our customers to close their operation which has required the Company to delay installation and works delivery for some projects. The gross profit margin was at 16.7%, increasing from the same period of the previous year by 2.3%.

The revenue from provision of services was Baht 282.0 million, increasing from the same period of the previous year by Baht 18.1 million or 6.9% owing to revenue from provision of Professional Services. The revenue from provision of services was mainly derived from work under maintenance service contracts which was the services work continual from products the Company increasingly sold to its customers. The gross profit margin was at 33.4%, decreasing from the previous year by 6.9%.

2. Other revenue

The other revenue was Baht 15.7 million, increasing from the same period of the previous year by Baht 6.7 million mainly due to the discount and marketing funding support received from manufacturers.

3. Selling and administrative expenses

The selling expense was Baht 18.7 million, not changing from the same period of the previous year. The ratio of selling expense to revenue from sale and provision of services was at 3.1% (comparing to 2.4% in 2019).

The administrative expense was Baht 95.6 million, decreasing from the same period of the previous year by Baht 16.3 million or 14.6%, due to the decrease in personnel related expense and seminar expense.

4. Financial expense

The financial expense was Baht 1.9 million, increasing from the same period of the previous year by Baht 0.6 million.

5. Income tax

The income tax was Baht 8.2 million, decreasing from the same period of the previous year by Baht 3.8 million, comprising of the computed corporate income tax in the amount of Baht 10.2 million and the deferred tax income in the amount of Baht 2.0 million.

Please be informed accordingly.

Yours faithfully,

-Signed-
(Mrs. Pensri Dettingeng)
Authorized Person
Premier Technology Public Company Limited