

NO. AC009/2017 (PT)

15 February 2017

Subject: Clarification on the difference of the profit (loss) between the
year ended 2016 and the year ended 2015
To : Director
Listing & Disclosure Department, the Stock Exchange of Thailand

According to the Company and its subsidiaries' business operational results for the year ended 31 December 2016 of which the profit changed more than 20% from the previous year, the Company and its subsidiaries' net profit was Baht 164.3 million, increasing from the previous year by Baht 43.7 million. The Company's net profit for the year was Baht 191.4 million. According to the Company's business operational result excluding dividend income and reversal of impairment loss of investments in subsidiaries, the Company's profit was Baht 8.2 million, decreasing from the previous year by Baht 0.6 million. The changes were due to the subsidiaries' transaction. The Company would like to clarify the details of significant changes as follows:

1. Revenue from sale and provision of services relating to computer and computer system

The revenue from sale for the year 2016 was Baht 1,768.5 million, increasing from the previous year by Baht 381.0 million or 27.5% due to the increase of revenue from sale of IT products and multimedia products from the previous year as a result of inception of work and delivery of products for large-scale project during the year.

The revenue from provision of services for the year 2016 was Baht 851.9 million, increasing from the previous year by Baht 52.8 million or 6.6%. The non-recurring services revenue increased by Baht 0.3 million. The recurring services revenue increased by Baht 52.5 million which mainly came from revenue from work under maintenance service agreement which was the services work continual from the products and services the Company has increasingly sold to customers.

The total gross profit margin was at 27.9%, decreasing from the previous year by 2.6%. The gross profit margin from sale of products was at 19.7%, decreasing from the previous year by 1.8%. The gross profit margin from provision of services was at 45.0%, decreasing from the previous year by 1.1%.

2. Other revenue

The other revenue for the year 2016 was Baht 50.4 million, increasing from the previous year by Baht 16.9 million or 50.5%, principally due to the increase of discount from manufacturer according to the increased sales volume and due to the gain from exchange rate (there was loss from exchange rate in 2015 presented in administrative expense section).

3. Selling and administrative expenses

The selling expense for the year was Baht 229.5 million, increasing from the previous year by Baht 25.4 million or 12.4%, due to the increase in revenue from sale of products and services.

The administrative expense for the year was Baht 347.1 million, increasing from the previous year by Baht 3.8 million or 1.1%. The personnel expense increased by Baht 16.1 million due to the increase in manpower, annual wage adjustment and the increase in personnel training expense. The loss from exchange rate decreased by Baht 6.1 million. The unrealized loss from change in value of current investments decreased by Baht 4.1 million (in 2016, there were gain from exchange rate and unrealized gain from change in value of current investments presented in other revenues section).

4. Income tax

The income tax for the year 2016 was Baht 37.2 million, increasing from the previous year by Baht 9.8 million, comprising of the corporate income tax in the amount of Baht 37.6 million and the deferred tax income in the amount of Baht 0.4 million.

Please be informed accordingly.

Yours faithfully,
-Signed-
Mrs. Pensri Dettingeng
Authorized Person
Premier Technology Public Company Limited