

NO. AC 014/2019 (PT)

6 November 2019

Subject: Clarification on the difference of the profit (loss) from the same period of the previous year, as of 30 September 2019
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 September 2019, the net profit of the Company and its subsidiaries was Baht 21.0 million, decreasing from the same period of the previous year by Baht 15.7 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%. 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 330.2 million, decreasing from the same period of the previous year by Baht 129.1 million or 28.1%. The decrease was due to not many works for large-scale projects being delivered in the period, comparing to last year which there were a number of works for large-scale projects being delivered under financial institution and telecommunication sectors. The gross profit margin was at 21.7%, increasing from the same period of the previous year by 1.4%.

The revenue from provision of services was Baht 268.2 million, increasing from the same period of the previous year by Baht 2.0 million or 0.8%. The increase was due to the increase in revenue from provision of Professional Services to customers under telecommunications sector. The gross profit margin was at 33.6%, decreasing from the previous year by 5.1%.

2. Revenue from rental and service income

The Company had the revenue from rental and service income in the amount of Baht 14.8 million (which included the revenue from lease of office space to the subsidiary in the amount of Baht 6.5 million). The cost of services was Baht 8.4 million, increasing from the same period of the previous year due to the depreciation of Mechanical & Electrical System invested last year. The gross profit margin was at 43.2%, decreasing from the same period of the previous year by 5.5%.

3. Other revenue

The other revenue for the period was Baht 12.9 million, increasing from the same period of the previous year by Baht 3.8 million mainly due to the discount received from manufacturers.

4. Selling and administrative expenses

The selling expense was Baht 55.5 million, decreasing from the same period of the previous year by Baht 27.6 million or 33.4%. The ratio of selling expense to revenue from sale and provision of services was at 9.1% (comparing to 11.3% in 2018), due to change in employee compensation structure.

The administrative expense was Baht 88.1 million, decreasing from the same period of the previous year by Baht 0.7 million, due to the increase in new business expansion advisory fee by Baht 3.4 million. There was a reversal of provision for doubtful debt in the amount of Baht 2.8 million following debt repayment occurred during the period.

During the period the subsidiary restructured base salary, the company and subsidiary reflect the effect of the change by recognizing past service costs as expenses in the amount of Baht 8.3 million.

5. Income tax

The income tax for the period was Baht 3.3 million decreasing from the same period of the previous year by Baht 4.9 million, comprising of the computed corporate income tax payable in the amount of Baht 4.6 million and the deferred tax income in the amount of Baht 1.3 million.

Please be informed accordingly.

Yours faithfully,

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