

รายงานประจำปี 2552
ANNUAL REPORT 2009



บริษัท พรีเมียร์ เทคโนโลยี จำกัด (มหาชน)
PREMIER TECHNOLOGY PUBLIC COMPANY LIMITED

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Annual Report 2009



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GENERAL INFORMATION

Name of Listed Company	:	Premier Technology Public Company Limited
Company Registration Number	:	0107535000320 (formerly Bor Mor Jor 65)
Type of Business	:	Investment in Information Technology business
Head Office	:	One Premier Corporate Park, Soi Premier 2 Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok 10250
Telephone	:	0-2301-1037
Facsimile	:	0-2301-1188
Homepage	:	www.premier-technology.co.th
Registered Capital	:	142,440,489 Baht
Number of Issued Shares	:	141,944,471 Shares



OVER 10% OF SHARES HELD BY THE COMPANY

(1)

Name of Company	:	Datapro Computer Systems Co., Ltd.
Company Registration number	:	0105529045455 (formerly 4548/2529)
Type of Business	:	Total Enterprise Solution and Service Provider
Head Office	:	One Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok 10250
Telephone	:	0-2684-8484
Facsimiles	:	0-2677-3500 – 2
Homepage	:	www.datapro.co.th
Registered Capital	:	30,000,000 Baht
Number of Issued Shares	:	300,000 Shares
Shares held by the Company	:	299,994 Shares

(2)

Name of Company	:	Advanced Cyber Technology Co., Ltd.
Company Registration number	:	0105551114316
Type of Business	:	Services on development of Information Technology to enterprises both in Thailand and overseas
Head Office	:	Room 702 The Dusit Thani Bldg, 946 Rama4 Rd, Silom, Bangrak, Bangkok 10500
Telephone	:	0-2236-8586-7
Facsimiles	:	0-2236-8588
Homepage	:	www.act-thai.net
Registered Capital	:	20,000,000 Baht
Number of Issued Shares	:	200,000 Shares
Shares held by the Company	:	52,000 Shares



OTHER REFERENCES

(1) **Securities Registrar**

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building

No. 62 Rachadapisek Road, Klongtoei Sub-district, Klongtoei District, Bangkok, 10110

Telephone: 0-2229-2800 Facsimile: 0-2359-1259 Call Center: 0-229-2888

Website: www.tsd.co.th

Email: contact.tsd@set.or.th

(2) **Debenture Holders' Representations**

- None -

(3) **Auditors**

Miss Siraporn Ouaanunkul with CPA No. 3844, or

Mr. Supachai Phanyawattano with CPA No. 3930, or

Miss Thipawan Nananuwat with CPA No. 3459

Ernst & Yong Office Limited

33rd Floor, Lake Rajada Office Complex

193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110

Telephone: 0-2264-0777, 0-2661-9190

Facsimile: 0-2264-0789-90, 0-2661-9192

(4) **Financial Advisors**

- None -

(5) **Legal Advisors**

- None -

(6) **Consultant or Manager under Management Contact**

Business Management and Consulting Contract

Premier Fission Capital Co., Ltd.

No. 1 Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon Sub-district, Prawet District, Bangkok 10250



FINANCIAL SUMMARY

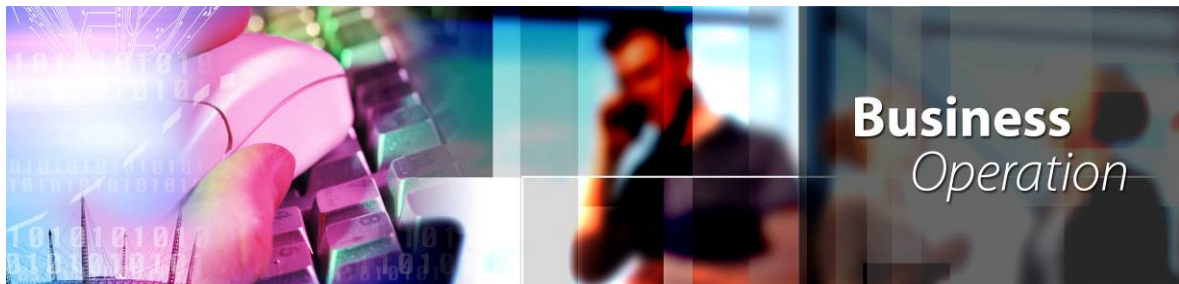
(1) Financial Information

(Unit: Million Baht)

	2009	2008	2007
Total Assets	717.54	798.56	732.10
Total Liabilities	479.47	556.30	535.52
Total Shareholders' Equity	238.07	242.26	196.58
Sales and Services Revenues	1,212.55	1,591.95	1,399.18
Total Revenues	1,230.68	1,611.70	1,419.87
Gross Profit	308.99	414.12	370.76
Net Income (Loss)	(6.99)	30.01	18.78

(2) Financial Ratio

	2009	2008	2007
Gross Profit Margin (%)	25.48%	26.01%	26.50%
Net Profit Margin (%)	-0.57%	1.86%	1.74%
Return on Equity (%)	-2.91%	13.68%	12.91%
Return on Total Assets (%)	-0.56%	6.65%	5.91%
Net Income (Loss) per share (Baht)	2.01	0.21	0.13
Dividend per Share (Baht)	0.10	-	0.10
Book Value per Share (Baht)	1.68	1.71	1.38



NATURE OF BUSINESS

Premier Technology Public Company Limited is a holding company investing in the Information Technology Businesses. The Company has one subsidiary namely Datapro Computer System Co., Ltd. whose business is Total Enterprise Solution and Services Provider. It has been appointed as a distributor of IT products, multimedia products, system and data management software, application software as well as providing maintenance services, training and consulting services, outsourcing and other services to medium to large business corporations.

In 2009, its subsidiary has been appointed as the first Distributor of BOMGAR's Secure Remote Support Software in Thailand, selected by Assumption University to provide Intranet Multimedia and internal communication in the university, and provided broadcast of activities of the Stock Exchange of Thailand on the Opportunity Day.

The Certifications and Awards received in 2009 are:

- In February: ISO / IEC 20000: 2005 (IT Service Management) from Bureau Veritas Certification (Thailand) relating to Disaster Recovery, Data Center, Hosting Services and Service Desk Support.
- In March: Microsoft Gold Certified Partner 2009 – 2010 from Microsoft (Thailand) Co., Ltd.
- In May: Symantec Platinum Partner in the Symantec Partner Program 2009.
- In September: Microsoft Business Intelligence Partner of the Year and Microsoft Dynamics CRM Partner of the Year.

The Company has a joint venture with Nippon Unica Systems Co., Ltd to set up a company namely Advanced Cyber Technology Co., Ltd. by holding 26 percent shares of its registered capital. The joint venture core businesses are Software Development and Total Information Technology Outsourcing Services aiming at Japanese companies in Thailand as well as overseas with latest software development methodologies. ACT will be working in partnership with many software companies and welcomes partners with strong intention to contribute to the growth and prosperity of Thai IT and Software Industry.

The core business of the Company and its subsidiary is Total Enterprise Solution and Services Provider, operated by its subsidiary, Datapro Computer Systems Co., Ltd. Its products can be divided into 2 main groups as follows:

1. Hardware and Software Products

The Products include IT Products Multimedia Products System and Data Management Software Application Software, etc.



2. Services

They include Annual Maintenance Services, Training and Consulting Services, Outsourcing Services, Other Services, etc.

The Revenue Structure of the Company and its subsidiary over the past 3 years is shown below:

Products/Services	Operator	% of shareholding	Unit: Million Baht						
			2009		2008		2007		
			Revenue	%	Revenue	%	Revenue	%	
Revenue from Sales and Services									
- Hardware and Software Product Group	DCS	100.00	818	67.4	1,210	76.0	80.00	1,089	77.8
- Service Group	DCS	100.00	395	32.6	382	24.0	80.00	307	21.9
Total Revenue from Sales and Services			1,213	100.0	1,592	100.0		1,399	100.0

Remark: DCS means Datapro Computer Systems Co., Ltd.

Competition and Product Procurement

INDUSTRY COMPETITION

1. The trend of information technology still has continuous growth. According to the survey of Information Technology Market by National Electronics and Computer Technology Center (NECTEC), Software Industry Promotion Agency (Public Organization) (SIPA), the Ministry of Information Communication and Technology and their teams, they found that the value of ICT market in Thailand in 2009 was 555,501 million Baht, increased by 6.0 percent from year 2008. Majority are communication equipments with value of 361,895 million Baht, the rest are hardware, software and services, with value of 80,869 million Baht, 64,365 million Baht and 48,372 million Baht, respectively.

In view of IT market which includes computer hardware, software, services and data communication equipments, they found that in year 2009, IT market had value of 257,146 million Baht, and forecast that in year 2010, IT market would have a growth of 10.5 percent, approximately 284,049 million Baht.

Additionally, the survey forecasted that in year 2010, the overall ICT market will increase up to 7.2 percent with the value of 595,604 million Baht, if broadband solution is more consistency, such as 3G or Fiber to the X (FTTX). The ICT market will expand subject to the most applications to be developed to support highly efficient broadband as well as new services to be proposed to the market.

Even though the competitive circumstance in ICT market is highly intense amongst domestic and multi-international operators. It is necessary that the Company will differentiate itself from other operators. Therefore, the Company proposes the best quality and professional resources as one stop service of "Total Enterprise Solution and Service Provider" depending on the customers need.



In addition, to stalk the future trend of technology is quite important for the Company to contest service delivery to customers continuously and efficiently. Well-trained staff with high experiences will be continuously crucial. Since, the total information technology service is our significant strategy to be one of the leader in this aspect.

PRODUCT PROCUREMENT

Because the Company is the total information technology service provider, well-trained and experienced staffs are very important. The Company has invested to recruit and maintain certified staffs, supported by training both inside and outside the organization, built up computer center to ensure that the staffs will be familiar to new technology and ability to efficient render services to customers. In addition, the Company has engaged experts to transfer knowledge and expertise to the staffs in order to build confidence to customers.

The Company is an importer and a distributor of various well-known products such as IBM, Hewlett-Packard, Cisco, Sanyo, Canon, ORACLE, Information Builders, SAP, and many others. Products are imported from Japan, U.S.A., France and Great Britain. Furthermore, in order to stalk new technology, the Company always procures additional and updated new products at all times to serve customers need such as Services Oriented Architecture (SOA), and intelligent internet infrastructure, software for Corporate Content Management Solution, Corporate Performance Management, as well as high speed internet broadband with efficient visual and sound.

In order to add value from the information technology products which the Company provides services, the Company invests in development of application software upon customers need, comprising Thailand Tax Localization System for JD Edwards EnterpriseOne & World, Cheque Control System for JD Edwards EnterpriseOne and World, Thailand Payroll Tax Localization for PeopleSoft Enterprise and JD Edwards EnterpriseOne, and Hotel Management Analytic Application (HMAA), Electronic Document Warehouse Management and Patient Relationship Management (PRM).

Although the Company has variety products on its shelves, the Company has never stopped developing and adding further values on its products. The Company's customers has engaged and used its services for long time, therefore, the Company is confident that the risk of decreasing its customers and dealership rights are quite slim.



RISK FACTORS

Major external and internal factors that may affect the Company's operations can be summarized as follows:

1. RISK FROM TECHNOLOGY CHANGES

Information Technology has developed and changed rapidly and continuously. New trend of Information Technology include Green Technology, 3G and Wi-Max, Monitor OLED (Organic Light Emitting Diode), RFID (Radio Frequency Identification) and Sensor, Software as a Services (SaaS), web2.0 and Mobile Applications, etc.

As its business is the Total Enterprise Solution and Service Provider, the Company challenges the risk in procurement of hardware and software which is current, meets the change of technology, and is suitable for the requirements of its customers. Therefore, the Company has trained its staffs to closely chase the updated technology, as well as to receive certificate on the current and updated technology. This will ensure that the Company to provide appropriate services and to add value for customers from the current technology at all time.

2. RISK FROM HIGH COMPETITION

The Company is a dealer of hardware and software products for major vendors who continue to appoint more dealers in order to maintain and increase more market share. The Company then has to compete with operators proposing the same products in the market, seems to reflect the Company's profit decreasingly. In order to reduce this risk and differentiate itself from other dealers, the Company has shifted its business from being just a hardware and software product dealer to a "Total Enterprise Solution and Service Provider" and to differentiate the Company from other dealers by:

- Enhance product lines, both hardware and software, and new technology to correspond customers needs.
- Developing advanced application software to have value added on business intelligence software upon customers' business need such as tax, cheque and payroll system software solutions which interface with ERP software, and analytical software which supports hotel and hospital management solutions.
- Providing a comprehensive information technology outsourcing services which include hardware, software and services for the customers who do not wish to invest their own.



3. RISK FROM DEPENDENCY ON HUMAN RESOURCES

Human resources are significant factor in operating an information technology business. Professionals with specialized knowledge and expertise are needed to provide consultancy and develop successful business in order to follow the changes in information technology, which is continuous at all times as stated in Clause 1, and the high competition, as stated in Clause 2, which are the important matters that the Company pays much attention to. Hence, the Company's policy is to give priority to personnel management and to provide stable career paths. It regularly organizes training and seminar to develop its staff's skills and potential. In order to maintain good morale and retain its personnel, the Company has set appropriate remuneration plans which are competitive with other companies in the same industry. In addition, it has created a pleasant working environment and appropriate welfare offerings, as well as fostering good relationships with and between its personnel.



SHAREHOLDING STRUCTURE AND MANAGEMENT

1. TOP OF 10 SHAREHOLDERS

1.1 Details of the top 10 shareholders whose names are shown in the shareholders register as of 30 December 2009 are as follows:

Name	Number of Shares	Shareholding %
1. Mrs. Vimolthip Phongsathorn - Mrs. Vimolthip Phongsathorn - Mr. Vichien Phongsathorn	64,259,216 64,259,176 40	45.27
2. Premier Fission Capital Co., Ltd.	21,884,707	15.42
3. Miss Chadarat Korintarasak	5,180,690	3.65
4. Mrs. Jiraporn Nuangplee	4,604,336	3.24
5. Mr. Viwat Phongsathorn	4,341,998	3.06
6. Thepthannya Co., Ltd.	4,000,000	2.82
7. Mr. Sinchai Taveeporntanapat	3,757,297	2.65
8. The Nation Multimedia Group PCL	3,000,000	2.11
7. Mr. Ananta Srikurecha	1,713,300	1.21
8. Miss Somporn Sritumma	954,000	0.67
Total Major Shareholders	113,695,544	80.10

1.2 Major Shareholders who are related persons participating the Company Management are as follows:

Name	Type of Business	Related Person
1. Mrs. Vimolthip Phongsathorn	-	Her husband is Mr. Vichien Phongsathorn, Chairman.
2. Mr. Viwat Phongsathorn	-	His brother is Mr. Vichien Phongsathorn, Chairman.
3. Premier Fission Capital Co., Ltd.	Management Services and investment	Mr. Vichien Phongsathorn, Mr. Viwat Phongsathorn, Mrs. Duangthip Eamrungraj and Mr. Suradej Boonyawatana are co-directors.



2. MANAGEMENT

2.1 Organization Structure

The Company has 2 sets of committee, consisting of Board of directors committee and Audit Committee with the following details:

2.1.1 Board of Directors

As at 31 December 2009, the Company's Board of Directors consists of 8 directors as follows:

- | | |
|-------------------------------|--|
| 1. Mr. Vichien Phongsathorn | Chairman |
| 2. Mr. Viwat Phongsathorn | Director and Managing Director |
| 3. Mrs. Duangthip Eamrungraj | Director |
| 4. Mr. Suradej Boonyawatana | Director |
| 5. Mr. Paritud Bhandhubanyong | Independent Director |
| 6. Mr. Udom Chatiyant | Independent Director and Chairman of Audit Committee |
| 7. Mr. Suchai Vatanatrinakul | Independent Director and Audit Committee |
| 8. Mr. Katiya Greigarn | Independent Director and Audit Committee |

Mrs. Suchada Samaisut acts as Secretary of the Board of Directors and Corporate Secretary.

Scope of Responsibilities of the Board of Directors

1. Manage the Company in compliance with the laws, objectives and articles of association as well as the resolutions of the shareholders' meeting, except for any issues which must be approved by the shareholders' meeting before implementation. For examples, the issues required the resolution of the shareholders' meeting as specified by the law, related transactions, and purchase and sale of major assets as specified by the Stock Exchange of Thailand or other government agencies.



2. Assign one or more directors or another people to act on their behalf.
3. Appoint the Audit Committee Directors and other committees.
4. Review and approve significant issues such as policies, plans and budgets, organization structure, management authority and any transactions specified by the Stock Exchange of Thailand or the laws.
5. Supervise the management's operations to ensure that they follow the approved policies, plans and budget.

In 2009, there were 4 Board of Directors' meetings. Attendance of each director can be summarized as followed:

Director's Name	Attendance / Total Meetings (times)
1. Mr. Vichien Phongsathorn	3/4
2. Mr. Viwat Phongsathorn	4/4
3. Mrs. Duangthip Eamrungrroj	3/4
4. Mr. Suradej Boonyawatana	4/4
5. Mr. Paritud Bhandhubanyong	4/4
6. Mr. Udom Chatiyant	4/4
7. Mr. Suchai Vatanatrinakul	4/4
8. Mr. Katiya Greigarn	4/4

The Company's Board of Directors consists of 4 independent directors:

1. Mr. Udom Chatiyant
2. Mr. Suchai Vatanatrinakul
3. Mr. Katiya Greigarn
4. Mr. Paritud Bhandhubanyong

For the independent director selection criteria, the Company considers the qualifications according to the policy provided by the Security Exchange Commission and the Stock Exchange of Thailand. The nominating procedure is practiced as mentioned in Clause 2.2 relating to Criteria for Appointing Directors and Managements.



Qualification of the Independent Directors

1. holding shares not exceeding one per cent of the total number of shares with voting rights of the applicant, its parent Company, subsidiary Company, associate Company, major shareholder or controlling person, including shares held by related persons of such independent director;
2. neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the applicant, its parent Company, subsidiary Company, associate Company, same-level subsidiary Company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing an application with the Office. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the applicant;
3. not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the applicant or its subsidiary Company;
4. neither having nor used to have a business relationship with the applicant, its parent Company, subsidiary Company, associate Company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be significant shareholder or controlling person of any person having a business relationship with the applicant, its parent Company, subsidiary Company, associate Company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years.

The term 'business relationship' under the first paragraph shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or service or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the applicant or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the applicant or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;

5. neither being nor used to be an auditor of the applicant, its parent Company, subsidiary Company, associate Company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the applicant, its parent Company, subsidiary Company, associate Company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years;
6. neither being nor used to be a provider of any professional service including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent Company, subsidiary Company, associate Company, major shareholder or controlling person, and not being a significant shareholding, controlling person or partner of the provider or professional service, unless the foregoing relationship has ended not less than two years;



7. not being a director appointed as representative of director of the applicant, major shareholder or shareholder who is related to major shareholder;
8. not undertaking any business in the same nature and in competition to the business of the applicant or its subsidiary Company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one per cent of the total number of shares with voting rights of other Company which undertakes business in the same nature and in competition to the business of the applicant or its subsidiary Company; and
9. not having any other characteristics which cause the inability to express independent opinions with regard to the applicant's Company's operation.

Board of Directors Term

The Articles of Association of the Company provide that at every ordinary meeting of the shareholders, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third must retire from office. The directors retire during the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year the directors who have been longest time office shall retire. A retiring director is eligible for re-election.

2.1.2 Audit Committee

As at 31 December, 2009 the Company's Audit committee consists of 3 directors, as follows:

- | | |
|------------------------------|---|
| 1. Mr. Udom Chatiyant | Chairman of Audit Committee
(with financial report review experiences) |
| 2. Mr. Suchai Vatanatrinakul | Audit Committee |
| 3. Mr. Katiya Greigarn | Audit Committee |

Mrs. Suchada Samaisut acts as Secretary of the Board of Audit Committee.

Scope of Responsibilities

On 19 February 2009, the Audit Committee has resolved to change their duties to comply with the new regulations of the Securities Exchange Committee of Thailand, effective on 20 February 2009 onwards. The scope of responsibilities and duties of the Audit Committee are as follows:

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the Company's compliance with the law on securities and exchange, the exchange's regulations, and the laws relating to the Company's businesses;



4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and regulations of the Stock Exchange of Thailand, and are reasonable and for the highest benefit of the Company;
6. To prepare and to disclose in the Company's annual report, and audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (1) An opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (2) An opinion on the adequacy of the Company's internal control system,
 - (3) An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - (4) An opinion on the suitability of an auditor,
 - (5) An opinion on the transaction that may lead to conflicts of interests,
 - (6) The member of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (7) An opinion or overview comment received by the audit committee form its performance of duties in accordance with the charter,
 - (8) Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of directors; and
7. To perform any other act as assigned by the Company's Board of directors, with the approval of the audit committee.

In its performance of duties under the first paragraph, the audit committee must be directly responsible to the Company's Board of directors, while the Company's Board of directors shall remain responsible to third parties for the operations of the Company.

In 2009, there were 4 Audit Committee's meetings and 7 meetings with the management executives. Attendance of each director can be summarized as followed:

Director's Name	Attendance / Total Meetings (times)
1. Mr. Udom Chatiyant	11/11
2. Mr. Suchai Vatanatrinakul	11/11
3. Mr. Katiya Greigarn	11/11

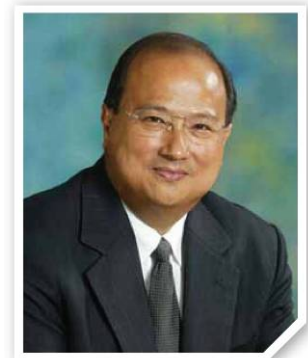
2.1.3 Names of Executives

The Company does not have full-time employees since it only invests in the subsidiary. All finance and accounting work has also been outsourced to subsidiary.



DETAILS OF DIRECTORS AS AT 31 DECEMBER, 2009

1. **Mr. Vichien Phongsathorn**
Chairman
Authorized Director
Age: 53



Educational Background

- Master's degree of Business Administration
Rensselaer Polytechnic Institute, Troy,
New York, U.S.A.
- Bachelor's degree of Nuclear Engineering
Rensselaer Polytechnic Institute, Troy, New York, U.S.A.

% of Shares held in the Company

- 45.27067%

Family Relationship between Executives

- A brother of Mr. Viwat Phongsathorn, Authorized Director and Managing Director

Working Experience from the past 5 years

Present:

- President & CEO, Premier Group of Companies
- Director, Companies in the Premier Group of Companies
- Director, Chiangmai Night Bazaar Co., Ltd.
- Director, Calbee Tanawat Co., Ltd.



2. **Mr. Viwat Phongsathorn**
Authorized Director and Managing Director
Age: 52



Educational Background

- Bachelor's degree of Computer Science
University of Florida, USA

Training from Thai Institute of Director (IOD):

- Director Accreditation Program (DAP),
Group 19 year 2004
- Training Understanding Fundamental of Financial
Statements(UFS) Group 12 year 2007
- Training Finance for Non-Finance Director (FND) Group 38 year 2007
- Training Director Certification Program (DCP) Group 96 year 2007

% of Shares held in the Company

- 3.06 %

Family Relationship between Executives

- A brother of Mr. Vichien Phongsathorn, Chairman and
Authorized Director

Working Experience from the past 5 years

Present:

- Managing Director, Datapro Computer Systems Co., Ltd.
- Director, Premier Planner Co., Ltd.
- Director, Premier Resorts and Hotels Co., Ltd.
- Director, Allied Products (Thailand) Co., Ltd.
- Director, Premier Enterprise Public Co., Ltd.
- Director, Premier Fission Capital Co., Ltd.
- Director, Broadband Technology Services Co., Ltd.
- Director, Professional Training Service Co., Ltd.
- Director, Advanced Cyber Technology Co., Ltd.



3. **Mrs. Duangthip Eamrungrroj**
Authorized Director
Age: 54



Educational Background

- Diploma in Clinical Organizational Psychology
INSEAD, France
- Master's degree of Business Administration
Thammasat University
- Bachelor's degree of Mechanical Engineering
Chulalongkorn University

Training from Thai Institute of Director (IOD):

- Training on Director Accreditation Program (DAP), Group 22 year 2004

% Shares held in the Company

- 0.00013 %

Family Relationship between Directors

- None

Working Experience from the past 5 years

Present:

- Group Corporate Director, Corporate Affairs, Premier Group of Companies
- Director, Companies in the Premier Group of Companies



4. **Mr. Suradej Boonyawatana**
Authorized Director
Age: 59

Educational Background

- Bachelor's degree of Industrial Technology
Eastern Washington State University, U.S.A.

Training from Thai Institute of Director (IOD):

- Training on Director Accreditation Program (DAP)
Group 19 year 2004
- Training on Finance for Non-Finance Director (FND)
Group 12/2004
- Training Director Certification Program (DCP) Group 97 year 2007



% Shares held in the Company

- 0.02114 %

Family Relationship between Directors

- None

Working Experience from the past 5 years

Present:

- Director, Premier Motors Co., Ltd.
- Director, Premier Products Co., Ltd.
- Director, Premier Home Appliance Co., Ltd.
- Director, Premier Resorts and Hotels Co., Ltd.
- Director, Kulthorn Premier Co., Ltd.
- Director, Premier Planner Co., Ltd.
- Director, Premier Fission Capital Co., Ltd.
- Director, Premier Enterprise Public Co., Ltd.
- Director, Raya Heritage Co., Ltd.
- Director, Imperial Eagle Co., Ltd.
- Director, Premier Alternatives Motors Co., Ltd.
- Director, Premier Metrobus



5. **Mr. Paritud Bhandhubanyong**
Independent Director
Age: 56



Educational Background

- Doctorate of Metallurgical Engineering
Tokyo University, Japan
- Master's degree of Business Administration
Thammasart University
- Master's degree of Industrial Engineering
Chulalongkorn University
- Bachelor's degree of Industrial Engineering
Chulalongkorn University

Training from Thai Institute of Director (IOD):

- Training on Director Certification Program (DCP) Group 105 year 2008

% Shares held in the Company

- None

Family Relationship between Directors

- None

Working Experience from the past 5 years

Present:

- Director's Advisor, National Science and Technology Development Agency



6. **Mr. Udom Chatyanont**
Independent Director
Chairman of Audit Committee
Age: 73



Educational Background

- Bachelor's degree of Accounting
Thammasat University
- Bachelor's degree of Business Administration
Thammasat University

Training from Thai Institute of Director (IOD):

- Training on Director Accreditation Program (DAP), Group 37 year 2005

% Shares held in the Company

- None

Family Relationship between Directors

- None

Working Experience from the past 5 years

Present:

- Chairman of the Board Premier Enterprise Public Co., Ltd.
- Director, Chiangmai Night Bazaar Co., Ltd.
- Director and Managing Director, Five Tor Co., Ltd.
- Independent Director and Chairman of Audit Committee, Singer Thailand Public Co., Ltd.
- Director, Premier Marketing Public Co., Ltd.
- Director, Suvitdumri Group Co., Ltd.



7. **Mr. Suchai Vatanatrakul**
Independent Director
Audit Committee
Age: 69

Education Background

- Bachelor's degree of Education
Srinakarintaraviroj University

Training from Thai Institute of Director (IOD):

- Training on Director Accreditation Program (DAP),
Group 37/2005

% Shares held in the Company

- None

Family Relationship between Directors

- None

Working Experience from the past 5 years

Present:

- Independent Advisor Consulting, development, design and layout service
business for compensation/salary/wages/organization management
system
- Director, Retail Training Co., Ltd.





8. **Mr. Katiya Greigarn**
Independent Director
Audit Committee
Age: 57



Educational Background

- Doctorate of Electrical Engineering,
University of Missouri-Rolla, U.S.A.
- Master's degree of Electrical Engineering,
University of Missouri-Rolla, U.S.A.
- Bachelor's degree of Electrical Engineering,
Chulalongkorn University

Training from Thai Institute of Director (IOD):

- Training on Director Accreditation Program (DAP), Group 37 year 2005
- Training on Financial Statements for Director (FSD), Group 3 year 2008
- Training on Director Certification Program (DCP), Group 110 year 2008

% Shares held in the Company

- None

Family Relationship between Directors

- None

Working Experience from the past 5 years

Present:

- Director and General Manager, KV Electronics Co., Ltd
- Director, The Federation of Thai Industries
- Chairman, The Electrical and Electronics Industry Club
- Director, Electrical and Electronics Institute (EEI), Ministry of Industry
- Director, Nanotechnology Center (NANOTEC)
- Director, Chok-Udom Property Co., Ltd.
- Director, Sub-Udom Property Co., Ltd.
- Director, Makpha Real Estate Co., Ltd.
- Director, Viptel Co., Ltd.
- Independent Director and Chairman of Audit Committee, Premier Marketing Public Co., Ltd.
- Association, Transgender Electronics Empowerment Initiative (TEEI)
- Executive Director, Thailand Center of Excellence in Physic (ThEP)



LIST OF COMPANIES IN THE PREMIER GROUP OF COMPANIES

Premier Enterprise Public Co., Ltd	(PE)	Premier Resorts and Hotels Co., Ltd.	(PRH)
Premier Marketing Public Co., Ltd.	(PM)	Premier Manufacturing Co., Ltd.	(PMN)
Imperial Eagle Co., Ltd.	(IME)	Premier Metrobus Co., Ltd.	(PMB)
Moo Ban Seri Co., Ltd.	(MS)	Premier Motors Co., Ltd.	(PMC)
Seri Premier Co., Ltd.	(SP)	Premier Frozen Products Co., Ltd.	(PFP)
Seri Assets Co., Ltd.	(SA)	Premier Fission Capital Co., Ltd.	(PFC)
Seri Properties Holding Co., Ltd.	(SPH)	Premier Products Co., Ltd.	(PP)
Sarasuk Co., Ltd.	(SRS)	Premier Planner Co., Ltd.	(PPlanner)
Premier Sukhumvit Center Co., Ltd.	(PSC)	Premier TDO Co., Ltd.	(PTDO)
Raya Heritage Co., Ltd.	(RYH)	Premier Pet Products Co., Ltd.	(PPP)
P.M. Food Co., Ltd.	(PMF)	Premier Capital (2000) Co., Ltd.	(PC2000)
Premier Brokerage Co., Ltd.	(PB)	Premier Capital Co., Ltd.	(PC)
Premier Home Appliance Co., Ltd.	(PHA)	Premier Canning Industry Co., Ltd.	(PCI)
Premier LMS Co., Ltd.	(PLMS)	Premier Global Capital Co., Ltd.	(PGCAP)
Premier Inter Leasing Co., Ltd.	(PIL)	Sea Harrier Co., Ltd.	(SHR)
Premier Alternative Motors Co., Ltd.	(PAM)		



2.2 Criteria for Director and Executive Nomination Method

In 2009, the Board had not yet appointed the Nomination Committee. The selecting of the qualified persons to be appointed as the directors will be made by consultation among the Board. The Board will select them according to knowledge, experience, ability, before presenting to the shareholders' meeting for approval. Each nominated person must have the vote exceeding a half of total votes right of the shareholders who attended to the Shareholders Meeting. For the Annual General Meeting of the Shareholders for the year 2009, there were three directors who would retire by rotation: Mr. Suradej Boonyawattana, Mr. Suchai Vatanatrinakul and Mr. Katiya Greigarn. The Board, except any directors having conflict of interest, had considered and resolved that it was deemed appropriate to present to the Annual General Meeting of Shareholders that those three directors would be re-elected as directors for another one term, because these persons had knowledge, ability, and experience which is helpful for the business operation of the Company. The Annual General Meeting of Shareholders for the year 2009, had unanimously resolved to re-elect those three directors for another term.

2.3 Remuneration for the Directors and Executives

2.3.1 Monetary Remuneration

(1) Directors

The Company has the policy to pay remuneration only to directors who not involve in the operation management. In 2009, the remuneration to the directors is as follows:

1) Premier Technology Public Company Limited

(Unit: Baht)

No.	Name	Meeting Allowance	Annual Gratuity	Total
1.	Mr. Udom Chatiyant	180,000	120,000	300,000
2.	Mr. Suchai Vatanatrinakul	140,000	120,000	260,000
3.	Mr. Katiya Greigarn	140,000	120,000	260,000
4.	Mr. Paritud Bhandhubanyong	44,000	120,000	164,000
Total Remuneration for the Directors		504,000	480,000	984,000

2) Datapro Computer Systems Co., Ltd.: subsidiary - None -

(2) Executives

1) Premier Technology Public Company Limited - None -



- 2) Datapro Computer Systems Co., Ltd. : subsidiary
The remuneration of the executives of Datapro Computer Systems Co., Ltd., in the form of salary, bonus and provident fund, totaling 8 persons, is the amount of 22.3 Million Baht.

2.3.2 Other remuneration

-None -

2.4 Corporate Governance

- (1) Good Corporate Governance Policy

The Board emphasizes on good corporate governance. The procedure of good governance and management in the frame of good ethics, fairness and transparency which can be audited and disclosed to all related parties will be important and necessary for business operations to grow with sustainability, enhance confidence to shareholders, investors, and all relevant parties. In 2007, the Board reviewed and determined the written good governance policy for use as a guideline, as appeared in the website of the Company www.premier-technology.co.th

- (2) Compliance with the Principles of Good Corporate Governance

The Company holds importance in compliance with the good governance policy, as determined by the Board for fairness to all the relevant parties, as well as to provide services to customers with international quality products and staff. It made the report on compliance with good governance, which is in accordance with the 5 categories of the principles of good governance, as regulated by the Stock Exchange of Thailand in the year 2006, as follows:

Category 1. The Rights of Shareholders

The Board determined the good corporate governance policy to recognize fundamental shareholder rights, and to not perform any actions to violate their rights. The fundamental rights of shareholders as security investors, and the Company owners, are comprised of the right to buy, sell, or transfer any security which they hold, the right to have profit sharing of the Company, the right to obtain adequate information from the Company, and the right to participate in shareholder meetings to express opinions, decision making on important matters such as dividend payment, electing or removal of members of the Board, the fixing of directors' remuneration, the appointing of the auditor and auditor's fee, the approval of important transactions that affect the direction of the operation of the Company, amendments of the memorandum and articles of association of the Company, etc. Normally, the annual general meeting of the shareholders is held once a year.

For the shareholders' meeting the Company complies with the criteria as prescribed by law, and operates in any matters to facilitate the rights of the shareholders in every meeting. For the year 2009, the Company held the Extraordinary Shareholders Meeting No. 1/2009 on 19 January, 2009 and the Annual General Meeting of Shareholders of 2009 on 23 April, 2009, at Premier Corporate Park, One Soi Premier 2, Srinakarin Road. The Company sent the invitation letter including criteria and procedure to participate in the shareholders' meeting, and information regarding the agenda with the opinion of the Board sufficiently and clearly for the decisions of the shareholders to vote, 15 days in advance to Thailand Securities Depository Co., Ltd., the Registrar of the Company. Additionally, the



Company put all the information on the website of the Company 15 days before the date of the meeting. The Extraordinary Meeting of Shareholders No. 1/2009, there were 8 directors participated in the meeting, and the Annual General Meeting of Shareholder of 2009, there were 7 directors (out of all 8 directors) participated in the meeting. They included the Chairman of the Board, Managing Director, other 5 Directors. The Chairman of the meeting gave the shareholders the opportunity to explore their queries. The minutes of the meeting was sent to the Stock Exchange of Thailand within 14 days from the date of the meeting and also put on the website of the Company.

Additionally, the Company arranged the convenience to shareholders to send online their queries, suggestion, or their opinion before the date of the meeting via website of the Company.

Category 2 Equitable Treatment of Shareholders

The Board has emphasized the protection of the fundamental rights equally for all shareholders. For example, the procedure on the shareholder meetings, prevention of directors, executives, and staff using inside information to procure their owned benefits, to disclose information on their interests, and the related persons of the directors and executives.

For the Extraordinary Meeting of Shareholders No. 1/2009 and the Annual General Meeting of Shareholders of 2009, the Board gave the opportunity to shareholders, who could not attend the meeting by themselves, to proxy independent directors, or other persons, to attend the meeting on their behalf, by using forms which allow both for shareholders to indicate voting by themselves, or which allow the proxy to consider and vote on their behalf, and which were sent together with the notice for the meeting, or which could be downloaded from the website of the Company. The Company fixed the names and addresses of 3 independent directors to be alternatives for appointing as a proxy by shareholders. For the Annual General Meeting of Shareholders of 2009, the Board has the policy that each shareholder should present any matter to be added as agenda, and to present the name of the person for director election. The period for acceptance of any matter was from 1 November, 2008, to 15 January, 2009. The Company publicized the criteria and qualification of the directors, the form for presenting any matter, the form for presenting the name of the person, and the letter of consent from the person whose name was presented, in the website of the Company, and also informed the Stock Exchange of Thailand on 31 October, 2008.

The keeping and preventing of the use of inside information, and the disclosure by the directors and executives on the information concerning their interests, and of relevant persons, is comprised of:

- 1) The Company has the policy, on the security of information systems, to maintain the criteria on important fundamental systems in order to build control systems which have the quality for use with, work, computer, and information communication systems.
- 2) The Company makes secrecy agreements with its staff, employees, suppliers, service providers, and the Company visitors to prevent the disclosure of secret data or information of the Company or its subsidiaries.
- 3) The Board and executive of the Company jointly fixed written procedures concerning the use of inside information of the Company to ensure transparency, equitable treatment, and fairness to the shareholders, and to prevent procurement of interest by the use of inside information which has not been disclosed to the public, including to avoid the criticism on the suitability of the sale



and purchase of the Company's securities. This means that the directors, executives, and staff of the Company must keep the Company's secrets, and/or inside information, and to not disclose or procure benefits for themselves or for other persons, whether directly or indirectly, and must not sell, purchase, transfer, or receive the transfer of the securities of the Company by using the secret and/or inside information of the Company, unless such information has been disclosed to the public, and must not use the secret and/or inside information of the Company which may cause damage to the Company, whether directly or indirectly, and must not sell, purchase, transfer, or receive the transfer of the securities of the Company during the period of 1 month and within 2 working days after the disclosure of such information. This requirement includes the spouse, and any child who has not yet become sui juris, of the directors, executives, and staff of the Company. Any person who violates such requirement will be punished by discipline and/or law, as the case may be.

4) The Company provides information to the directors and executives on the duty of executives to report their holdings of shares in the Company, the penalty under the Securities and Securities Exchange Act B.E. 2535, the requirement of the Stock Exchange of Thailand, and in the event that the directors or executives sell or purchase securities of the Company, that they must report their holding of shares of the Company, and of their spouse, and any children who have not become sui juris, according to Section 59 of the Securities and Securities Exchange Act B.E. 2535, within 3 working days to the SEC, so that it can publicize such information.

Category 3 Role of Stakeholders

The Company pays attention to the rights of every group of stakeholder, whether they are inside stakeholders, such as the executives and staff of the Company, or outside stakeholders, such as creditors or customers, etc. The Company is aware that the support and presenting of opinion from every group of stakeholders is helpful for the operation and business development of the Company. The Company has performed in accordance with the relevant laws and regulations so that the rights of the stakeholders will be well protected. The Company has reported on the operations of the Company to the stakeholders both through its annual report and the website of the Company. The stakeholders can contact the Board by normal communication.

The Company determined the business ethic for staff to work with continuous loyalty and honesty, responsibility, determination, discipline, unity, devotion, and development, by taking into account the rights of every group of stakeholders, which is comprised of shareholders, customers, creditors, competitors and the staff of the Company, as per the details in the website of the Company www.premier-technology.co.th

The Company has developed the mechanism that the stakeholders can be involved in improving the Company performance, which comprises of:

- 1) To regularly provide information on current services and products, including providing training, to the customers.
- 2) To build a good relationship between the staff of the Company and the stakeholders through the activities of the staff club such as playing sport, and having social activities together, etc.
- 3) To create partnership programs in various forms between the Company and the stakeholders to improve business together.

The Company pays attention to environmental responsibility of the community and society by fixing a policy on the environment and society, as per the



details in the website of the Company www.premier-technology.co.th. For the year 2009, the Company had the activity for conservation of natural resources and the environment by mangrove forest forestations at Khlong Khon, Samutsongkram province and donation to Yuvabadhand Foundation for educational purposes.

Category 4 Disclosure and Transparency

The Board pays attention to the disclosure of information which is correct, accurate, timely, and transparent, of its business operations, and reports both financial and non-financial information according to the criteria set by the SEC and the Stock Exchange of Thailand, and includes the information on the performance of the duties of the Board, which comprises of the number of meetings, policies and remuneration of the directors. In addition, the Company also discloses policies and results on its performance with the environment and society, and its policies and performance on good governance. The Company publicizes the information of the Company through channels, including the media of the Stock Exchange of Thailand, and the website of the Company, both in Thai and English languages, which the Company adjusts to be current information

The Board is responsible for the financial statements of the Company and its subsidiaries, and the financial information in its annual report. Such financial report is made in accordance with generally accepted accounting principles and standards. The accounting policy chosen is suitable. The auditing committee will review the quality of the financial statements and the internal audit system, including the adequate disclosure of important information in the notes of the financial statement, and then report to the Board.

For investor relations, the Company has not set up any specific division, but has assigned the Managing Director to communicate with institutional investors, shareholders, security analysts, and the relevant government authorities, including giving the opportunity to the general public to present opinion or making queries through the investor relation section in the website of the Company.

Category 5 Responsibilities of the Board

1. Board Structure

The Board is comprised of the persons having knowledge, ability, and experience which are useful to the Company, and of those who devote time to performing their duties in the best interests of the shareholders. They are persons who fix policies and plans, supervise, and follow up the performance of executives to be in accordance to the plans. At 31 December, 2009, the Board comprised of 4 Executive Directors and 4 Independent Directors. The number of independent directors was equally to 50 per cent or which exceeds 1/3 of the total Board of Directors, which is in accordance with the criteria set by the SEC, in order to make a balance in consideration of any matters, which is suitable with the duties of the Board. Under the articles of association, the Board must comprise of directors of not less than 5 persons, whose term is as per the details in Board of Directors Term provided in 2.1.1.

For the committee of the Company, the audit committee is comprised of 3 independent committee whose term is 3 years, with main duties to build credibility, correctness, reliability, and to present the financial information of the Company on time, and to have qualifications as set by the SEC.

The Board determined the guideline to appoint a nomination committee from time to time to help the Board as assigned.

The performance of duties of the directors and executives of the Company are clearly separated. The chairman of the Board, who is a director, has the additional



power and duty aside from other director, as to calling for a meeting of the Board, to be the chairman in the Board meeting, to make a vote as the casting vote in the event that the votes are equal, and to act as the chairman in the shareholder meeting. The managing director has the power and duty to manage and carry out the works. The Chairman of the Board and the managing director are different persons. Therefore, the Board can check and balance the performance of the executive efficiently.

For the performing of the duty as a director of another Company, the Company has disclosed the information on directorship positions for each director in the form presenting annual information (Form 56-1), and in the Annual Report so that the shareholders know annually. The Company does not limit the number of companies for which a director can be the director in those companies, which depends on the discretion and potential of each director, which is different from each other. For the managing director and the executives, the Company has a clear set policy and procedure for the holding of directorship in other Company.

The Board of Director appointed a corporate secretary for making and coordinating to make the notices and minutes of the Board meetings, committee meetings, shareholder meetings, and annual reports, and to keep document on the director register, including to keep it within a computer system which is easy to access and which cannot be amended, and coordinate with the legal division and other divisions to support the works of the Boards on laws and regulations.

2. Roles, Duties, and Responsibilities of the Board

The Board performs the duty to consider and approve the operation of the Company which is comprised of policies, visions, missions, strategies, risks, plans, and budgets, so that the management can proceed according to the policies efficiently and effectively.

Good Corporate Governance Policy For the year 2007, the Board reviewed the written good corporate governance policy as per the details in www.premier-technology.co.th in order to have the efficient, transparent, policy which can be checked, and build confidence for all relevant parties, and to fix the procedure to review such policy regularly in order that it will be in accordance with the conditions of the Company.

Business Ethics The Board arranged to have the written business ethics as per the details in www.premier-technology.co.th, so that the execution and staff will hold them as principles for business operation which is correct and fair to all relevant persons, including the staff, and which has been informed to every person to know in order for them to perform accordingly.

Conflict of Interest The Board has set the policy on conflict of interest, so that any decision to proceed with business activities must be for the best interest of the Company only, and which should avoid any action which would cause a conflict of interest, by fixing that any person related or connected to the considered transaction must inform the Company of his relationship or connection with that transaction and must not participate, and who has no power to approve anything in that transaction. The audit committee will present to the Board about any connected transaction, and any transaction which has a conflict of interest. The suitability of such stipulation is considered carefully, and the Company must comply with the criteria of the Stock Exchange of Thailand, including to disclose it in the form to present as annual information (Form 56-1), and in the Annual Report.

Internal Audit The Board pays attention to the supervision and internal audit, both at the executive level and operation level, which is efficient. The internal



audit is the important mechanism to build management confidence, to help reduce business risks, to help the business operate efficiently by proper allocation of resources to achieve its goals, to help prevent dishonesty or the loss of property, to help ensure that financial reports are correct and reliable, and to help that staff perform in accordance with the relevant laws and regulations, and to help to protect the investment money of the shareholders. Therefore, the Company determined the duty, and the power of the executives and operating staff, clearly in writing. There is the supervision of using of assets of the Company for benefit and division of duties between the operating staff and the person who supervises and assesses their performance, so that there are the proper check and balances between them.

The Company makes and reviews controlling systems, operations, financial reporting, compliance with rules, regulations, policies, and working supervision, including risk management, and pays attention to early warning and unusual transactions, of which the internal auditor from outside the organization has the duty to inspect to ensure that the Company has sufficient and proper internal auditing, and also that the internal auditor has independence and can perform fully the duty of checks and balances. The internal auditor will report the result to the audit committee. The Company will follow up and assess it regularly. The Company will assess the sufficiency of the internal audit at least once a year to ensure that the system will continue efficiently.

Risk Management The Board pays attention to risk management for the organization as a whole, and assesses and manages the risk of the organization, in order to manage risk to be at an acceptable level. The Company has no division responsible directly for this matter. However, the Company makes the control self assessment both at executive level and operation level, to jointly assess the risks, problems, obstacles, and uncertainties, which may affect the operation in achieving the goals of the Company, or the incidents which may make the Company lose business opportunities, the risks which may arise from the causes from inside and outside the organization. It is fixed that if any risk is an obstacle to the business operation, and that it can prevent achieving the Company's goals, then the Company must have the measures to manage that risk, and to promote, and stimulate every person to build a working culture of risk awareness, have understanding of the causes the risk, such as to improve working procedure, and to use the resources properly to prevent and reduce any loss which may occur. In contrast, such systematical operation will make the Company receive new business opportunities which will build additional value for the organization.

In 2009, the Company assessed the risks and the sufficiency of the internal audit system in order to seek the guidelines to improve and amend the working operations to have more efficient performance, of which the scope includes the management, marketing, sales and resources. The Company assigns and follows up that the executive who is responsible for each work proceeds with the guidelines on working improvement, including having the relevant persons used for the proceedings so that the performance will be more efficient. The Board considers and reviews the sufficiency of the risk management system and the effectiveness of the risk management many times, including paying attention to early warnings.

Report of the Board of Directors The audit committee has a duty to review financial report, which accounting staff and auditor will have a meeting altogether, and then present the financial report to the Board of Director of the Company every quarter. The Board the Director of the Company will be responsible for total financial statements of the Company and subsidiaries, including the financial information (Report on Responsibility of the Board of Director as to Financial Report) which is specified in prepared in accordance with the accounting standard, and audited by the



certified public accountant of the Company. The disclosure of the important information, both financial and non-financial information, is made based on the complete and consistent of facts.

3. Meetings of the Board of Directors

The Board of Directors fixes the meeting normally every 3 months. The meeting schedules are set in advance annually, and additional special meeting may be held as necessary. The agenda is set clearly. The Chairman of the Board of Directors and the Managing Director jointly set the agenda, consider the matters to be transacted in the meeting, and give opportunity to each director to propose any matter to be transacted as the agenda of the meeting. The documents will be sent in advance before the meeting date so that the Board of Director will have sufficient time to study the information before the meeting unless in case of emergency, which the director can ask information from Managing Director, or secretary of the Board of Directors, in addition to the documents sent. The Company makes performance report and presented it to the Board of Director every month, so that the Board of Director can supervise the operation of the managing division continuously and on time.

In consideration of the matters, Chairman of the Board of Director who acts as the Chairman of the meeting will grant the opportunity to the directors to express their opinion freely, and allocate sufficient time for the director to discuss the important issue. The Managing Director, as the top executive of the Company, participates in the meetings every time to explain information which is year plan, performance, new project, etc., including to know the policy directly and use it efficiently. The resolution of the meeting will be in accordance with the articles of association of the Company. The decision of the meeting will be made by majority rote. That is a director will have only one vote for the voting. Any director who has interest in any matter will have no right to vote in that matter. In case of equal vote, the Chairman of the meeting can have another vote as the casting vote.

In each meeting of the Board of Director of the Company, the secretary of the Board of Director attends the meeting and will record the minutes of the meeting. The material part is comprised of date, time of beginning - finishing the meeting, names of the directors present and absent, summary of the matter proposed to the Board of Directors, summary of the issue which has discussion, note of the Board of Director, and resolution of the Board of Directors, etc. Then, it will be proposed to the meeting to be certified in the next meeting, and send to the Chairman of the Board of Director to consider and sign to certify its correctness. In addition, the information and documents on the meetings is kept both the original and by computer system for convenience in searching and referring, which it cannot be amended.

Normally, the Board of Directors will attend the meeting every time and every person unless in case of necessary cause which will be informed in advance before the meeting (Additional details of the meeting in the year 2008 is in 2.1.1. Moreover, it is the policy of the Board that the non-executive directors have the opportunity to have meeting, as necessary, among themselves, without management team, to debate the issues they are interested. The meeting outcome will be notified by them to the managing director.



4. Remuneration

The Company has the policy to pay remuneration to the directors and executive which is incentive in the appropriate levels, by taking into account the performance of the Company, and in accordance with the industry level in which the Company operates, including suitability with the position and responsibility of each director and executive, in the forms of director's remuneration, meeting remuneration, salary, bonus and provident fund.

In 2009, the directors who were not stakeholders considered the payment of director remuneration, and the Annual General Meeting of the Shareholders of 2009 had a resolution to approve the director's remuneration on 23 April, 2009, by fixing the payment of directors' remuneration for the director who not involve in the operation management., which is currently comprised of 4 Independent Directors, and for the amount of not exceed Baht 1,000,000 totally per annum.

5. Board Self Assessment

The Board assessed their performance as the whole to assist in reviews of their performance, problem, and obstruction in the previous year, and to help increase the efficiency of their works. The Board jointly fixed the criteria of assessment and the assessment as a whole regularly since the year 2007.

6. Board and Management Training

The Board has policy to encourage and facilitate training for all internal parties related the corporate governance including member of the audit committee and executive to continuously improve their performances, such as consultancy, study guideline of making foresight. The members of the Board have participated the training in various courses from the Association to Promote Institute of Thai Director (IOD) at all times. In the event that there is a change of director, or new directors, the management will provide documents and information useful to perform their duties, including arranging to have introduction to the nature of business and the operation of the Company to the new directors. In addition, the Company promotes to provide knowledge to personnel relating to works of Company secretary and internal auditing, which relates to supervision of the Company. The Company develops personnel to succeed the executive's, and fixes the successors in case the executives in any levels in cannot perform their duties.

2.5 Protection Against the Use of Inside Information

(Details are as described on Page 27-28)

2.6 Internal Control

The company's directors emphasize on consistent risk management and internal control system by assigning the Audit Committee consisting of independent directors to review and evaluate the internal control system. The Internal Control Department, independent from the management and reporting directly to the Audit Committee, is responsible for reviewing the operations of various departments in the company and its subsidiaries based on the annual audit plans, which have been approved by the Internal Audit Committee. Main objectives of the audit are to ensure of efficient and effective operations. There will be a consistent revision on internal control system effectiveness; optimal resources utilization; operating control on accurate; reliable and real-time financial report; as well as compliance with



company's policies, government laws and regulations. All mentioned above will enable the business operations to meet the shareholders' optimal benefits. Summaries on the company's internal control system in various aspects are as follows:

2.6.1. Organization and Environment

The Company defines clear and measurable targets for business operations and revises the target possibilities determined into phases for employees' motivation and returns. Appropriate organization chart is designed to segregate the responsibilities by functions. Authorization and implementation procedures will be indicated in writing.

2.6.2. Risk Management

The Company evaluates internal and external risk factors impacting the company's operations so as to analyze and classify the probable risks and their consequences in each business process and determines risk management plans.

2.6.3. Management Operations Control

The Company clearly determines scope, responsibilities, power and approval limit amount of each management level in writing. Clear segregation of duties is made on transaction approval, accounting entry, assets supervision and storage in compliance with enforced laws and regulations.

2.6.4. Information Technology System and Communication

The Company has valuable information in various topics to support the management's decisions. Documents are well filed. Accounting entries and supplemental documents are properly and completely classified in compliance with the generally accepted accounting principles to match with the business types.

2.6.5. Monitoring System

The Company sets up a consistent reporting and monitoring system by determining the monitoring period for following up the performances.

The Company has comprehensive internal control structure of the 5 components of Internal Control Standard which is sufficient and effective control.

The Audit Committee has revised and evaluated 2009 internal control system. There is no significant problem or weakness. This complies with the company's external auditor's opinions that there is a significant and an effective internal control system in the company.

2.7 Dividend Payment Policy

The Company has dividend payment policy based on its performance and cash flow. The Company's Board of Directors will propose dividend payment to shareholders' meeting for consideration on a yearly basis.

For its subsidiary, Datapro Computer Systems Co., Ltd., has a policy to pay dividend to the Company not less than 50% of after-tax profit, legal reserve, liabilities and reserve for investment in subsidiary extension.



Regarding the dividend payment of 2009, the Company paid dividend from the performance of 2008 to shareholders at the rate of 0.10 Baht per share, totaling 14.2 million Baht of dividends which were paid in May 2009 according to the resolution of Annual General Meeting of Shareholders of 2009 held on 23 April 2009.

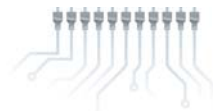


Related Transactions

(1) Related Transactions between the Company and its subsidiaries and related persons incurred in 2009

Million Baht

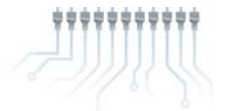
Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
				In 2009	
Premier Capital (2000) Co., Ltd. Premier Inter Leasing Co., Ltd. Premier LMS Co., Ltd. Premier Brokerage Co., Ltd. Premier Marketing PCL Premier Canning Industry Co., Ltd. Premier Frozen Products Co., Ltd.	Normal Business	Subsidiary - Sales of License Software - Services in email, internet and IT systems	Co-directors	46.01	Selling prices and service fee are under normal business conditions.





Million Baht

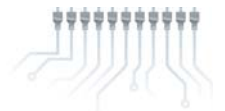
Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
				In 2009	
P.M. Food Co., Ltd.					
Premier Product Co., Ltd.					
Premier Motors Co., Ltd.					
Premier Home Appliance Co., Ltd.					
Imperial Eagle Co., Ltd.					
Premier Resorts and Hotels Co., Ltd.					
Raya Heritage Co., Ltd.					
Seri Premier Co., Ltd.					
Mooban Seri Co., Ltd.					
Premier Fission Capital Co., Ltd.					
Broadband Technology Service Co., Ltd.					
Professional Training Service Co., Ltd.		Account receivable		0.80	
Premier Pet Product Co., Ltd.					
Premier Manufacturing Co., Ltd.					





Million Baht

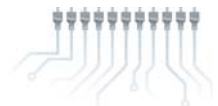
Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
				In 2009	
KV Electronics Co., Ltd.	Normal Business	Subsidiary - Purchase of products for selling	Co-directors	1.59	Prices are normal business practice.
Premier Fission Capital Co., Ltd.	Support normal business	The Company and Subsidiary - Consulting fee for Premier Fission Capital is under the Management and Business Consultancy Contract.	Co-directors	8.79	Consulting fee is computed from the average actual cost of each business structure of Premier Fission Capital Co., Ltd.'s customer
Premier Inter Leasing Co., Ltd.	Support normal business	Subsidiary - Car rental as operation lease for using in the business	Co-directors	1.34	Rental fee is under normal business practice
Premier Resorts and Hotels Co., Ltd/ Raya Heritage Co., Ltd.	Support normal business	Subsidiary - Hotel room complimentary for employees working from 15 – 20 years	Co-directors	0.07 0.10	Price is under the normal business practice.





Million Baht

Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
Professional Training Service Co., Ltd.	Support normal business	Subsidiary - Meeting Room for Training and service for project arrangement on staff development training	Co-directors	11.37	Price is under the normal business practice.
Seri Property Holdings Co., Ltd.	Support normal business	Subsidiary - Service fee for common facilities under the Lease Agreement - Utilities expenses in actual basis	Co-directors	3.56	Common facilities fee is under normal business practice. Electricity and telephone charges are in actual basis.
Premier Marketing PCL	Support normal business	Subsidiary - Goods purchase for seasoning greetings	Co-directors	0.32	Price is under the normal business practice.
Premier Capital (2000) Co., Ltd.	Support normal business	Subsidiary - Equipment purchase for server to use in the business	Co-directors	0.22	Price is under the normal business practice.

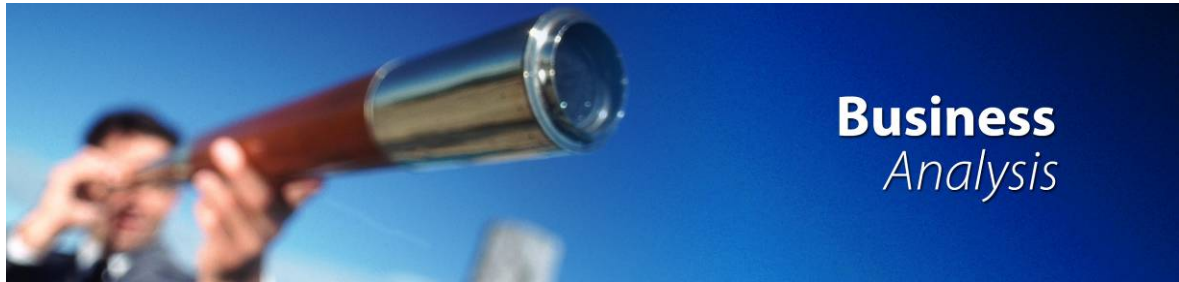




2. Policy of Trends of Related Transaction in the Future

The company and/or its subsidiaries expect that in the future related transactions still remain based on normal business practice or normal business support e.g. purchase of goods for resale, leasehold amortization, service on office space rental contract, management under management and consulting contract, information technology service contract, car rental for business operations and accounts receivable discount, etc. All of the related transactions will incur as necessary and for business operation effectiveness within the group. Pricing policies are clearly determined based on the appropriate and fair price and conditions by significantly considering the company's benefits. However, the company's Audit Committee will review related transactions as normal business practice or normal business support every quarter.

In the mean time, for related transactions that may incur conflict of interest in the future, it requires that the Board of Directors must comply to securities and exchange laws and Office of Securities and Exchange Commission's rules, notification, order and requirement. The company must also follow requirements on disclosure regarding related transactions, acquisition and sales of the company's and its subsidiaries' assets as well as the accounting standards as determined by The Institute of Certified Accountants and Auditors of Thailand.



EXPLANATION AND ANALYSIS OF PERFORMANCE AND FINANCIAL POSITION

1. OPERATING PERFORMANCE

In year 2009, the Company and its subsidiaries had net loss from operation at the amount of 6.99 million Baht, derived from sales revenue of 818.01 million Baht, from service revenue of 394.53 million Baht, and from other revenue of 18.14 million Baht. The cost of sales and services were 903.56 million Baht, sales and administration expenses were 305.62 Million Baht, Remuneration of executives was 23.24 million Baht. Loss sharing in associated company was 2.49 million Baht and the financial expense was 2.78 million Baht and none of corporate income tax was paid.

The financial status and performance of the Company compared in the year 2009 with the year 2008 is that the Company and its subsidiary has net loss at the amount of 6.99 million Baht, increasing from last year by 37 million Baht due to the significant changes as follows:

1. Sales revenue in year 2009 of 818.01 million Baht decreased from the last year by 391.56 million Baht because most of customers slow down their investment in IT which reflected the sales revenue in 1st – 3rd quarter of year 2009. However, services revenue of year 2009 was to 394.53 million Baht, increased by 12.15 million Baht from the subsidiary focusing on variety services.

2. Sales and administrative expenses of year 2009 are 328.85 million Baht. The sales expenses decreased by 79.51 million Baht while the administrative expenses increased from the last year to 28.02 million Baht due to the subsidiary has invested in new divisions and arrange intensive training of 26.90 million Baht in order to prepare itself to render advanced services to customer and the Company donated at the amount of 1.10 million Baht in year 2009.

3. In 2009, the Company recognized loss from the investment in associated company at the amount of 2.49 million Baht (Year 2008: None)

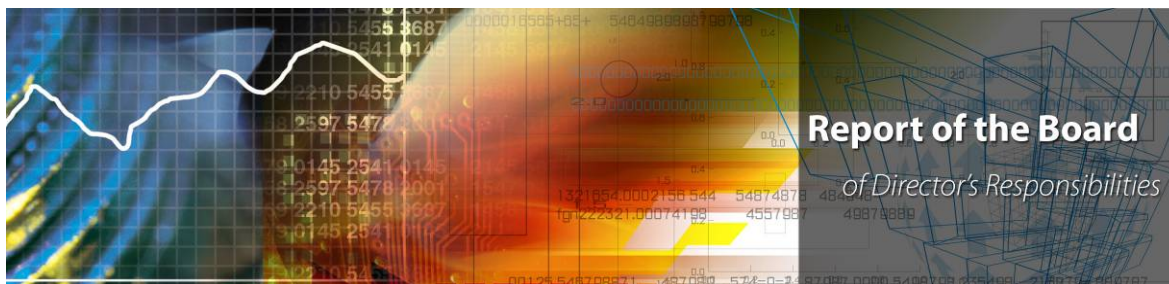
2. FINANCIAL STATUS

The total assets of the Company and its subsidiaries in the amount of 717.54 million Baht decreased by 81.02 million Baht, resulted from the cash and cash equivalents increased by 17.94 million Baht, current investment increased by 5.39 Million Baht, trade receivable decreased by 47.61 million Baht, remaining of the inventory decreased by 57.25 million Baht, other current assets increased by 36.08 million Bath from withholding tax and cost of service deposit paid in advance, restricted fixed deposit with bank decreased by 13.07 million Baht, investment in associated company and other long-term investment decreased by 10.77 million Baht, net equipments decreased by 9.91 million Baht, other non-current assets decreased by 1.81 million Baht.



The total liabilities of the Company and its subsidiaries in the amount of 479.47 million Baht decreased by 76.83 million Baht, comprising Short-term loan from financial institution decreased by 10.00 million Baht, account payable decreased by 36.75 million Baht, factoring payable account increased by 24.73 million Baht, short-term loan increased by 4.10 million Baht, accrued expenses decreased by 38.93 million Baht resulting from deferred service decreased by 52.83 million Baht, revenue receivable in advance increased by 16.46 million Baht and other current liabilities decreased by 2.56 million Baht, long-term loans and current portion of long-term loans due within 1 year decreased by 13.03 million, current portion of long term liabilities under rehabilitation plan due within 1 year decreased by 2.15 million Baht.

Shareholder's equity of the Company and its subsidiaries in the amount of 238.07 million Baht decreased by 4.19 million Baht from net loss of the Company and its subsidiaries in the amount of 6.99 million Baht, and profit from selling investment to related company increased by 17 million Baht and in year 2009, the Company paid dividends at the amount of 14.19 million Baht.



REPORT OF BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

Board of Directors are responsible for the financial report as prepared by Premier Technology Public Co., Ltd. and its subsidiaries in order to ensure the accurate and reasonable presentation of financial position, revenues and expenses and statement of cash flow. The presentation reflects accurate, complete and sufficient data entry of assets; prevents frauds and abnormal business operations. In preparing the financial report, appropriate accounting policies have been practiced consistently and in compliance with the generally accepted accounting standards. Significant information has also been sufficiently disclosed in notes to financial statements and the auditors provided their opinion in Report of the Independent Auditors.

Board of Directors appointed Audit Committee consisting of the independent directors monitoring the financial report and assessing the internal control system, which have been approved by Audit Committee as appeared in Report of the Audit Committee, which has been exhibited in the annual report.

(Mr. Vichien Phongsathorn)
Chairman
On behalf of the Board of Directors



REPORT OF THE AUDIT COMMITTEE

Board of Audit Committee of Premier Technology Public Co., Ltd. consisted of 3 independent directors:

1. Mr. Udom Chatiyantont as the Chairman of the Audit Committee
2. Mr. Suchai Vatanatrinakul as members of the Audit Committee
3. Mr. Katiya Greigarn as members of the Audit Committee

The requirements of Audit committee are full-featured office for the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET).

The Audit Committee complies with scope, duties and responsibilities as assigned by the Board of Directors in compliance with Stock Exchange of Thailand's requirements. In 2009 Audit Committee held a total 4 meeting, the Audit Committee to all participants all the time and meeting with executives, external auditor and internal auditor, which can significantly by summarized as follows:

1. Review quarterly financial statements and annual financial statements through review and audit by the auditor by asking and listening to the executives' and the auditor's explanation regarding the accuracy and completeness of financial statements as well as the sufficiency of disclosure. The Audit Committee expresses their opinions in compliance with the auditor that the substances of such financial statements are appropriately accurate following the generally accepted accounting standards.
2. Review the adequacy of internal controls based on the results of monitoring and evaluating the adequacy of internal control guidelines set by the SEC of the internal audit department. The Audit Committee is of the opinion consistent with the audit. That the company has adequate internal controls and appropriate manner based business. And found no weaknesses or deficiencies to be material.
3. Consider internal audit plan covering both the Company and its subsidiaries and advice to perform their jobs effectively and efficiently.
4. Review its compliance with securities and exchange laws, Stock Exchange of Thailand requirement and laws related to the company's businesses, which the Audit Committee conclude that significant issues regarding noncompliance with laws and requirements have not been found.
5. Meeting with management related to learn and understand the operations risk Management Company and suggestions to management to risk management systems are effective and suitable business environment.
6. Considered connected transactions or transactions that may have conflicts of interest to comply with laws and regulations of the Stock Exchange. The auditors have commented with items related to the material disclosed and then listed in the



financial statements and Notes to Financial Statements. The Audit Committee is of the opinion consistent with the auditor as well as see a list of such items at reasonable. And most firms.

7. Meeting specifically with auditors without management meeting to ensure that auditors are independent in operation and considering the properties of the auditor, quality of the auditing team expertise and independent operations. The Audit Committee should offer to see the Board of Directors for approval the Annual General Meeting of Shareholders appointed auditor of the Office of Ernst & Young Ltd. as the auditor of the company in 2010 as auditor at the audit work has always been very good.

8. The Audit Committee report results of the performance as well as recommendations to the Board of Directors every time in the Board's meeting.

On behalf of Audit Committee

(Mr. Udom Chatiyant)
Chairman of the Audit Committee



Premier Technology Public Company Limited
and its subsidiary
Report and consolidated financial statements
31 December 2009 and 2008



**REPORT OF INDEPENDENT AUDITOR
TO THE SHAREHOLDERS OF PREMIER TECHNOLOGY PUBLIC COMPANY LIMITED**

I have audited the accompanying consolidated balance sheets of Premier Technology Public Company Limited and its subsidiary as at 31 December 2009 and 2008 and the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended, and the separate financial statements of Premier Technology Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Premier Technology Public Company Limited and its subsidiary and of Premier Technology Public Company Limited as at 31 December 2009 and 2008, and the results of their operations, and cash flows for the years then ended, in accordance with generally accepted accounting principles.

Siraporn Ouaanunkun
Certified Public Accountant (Thailand) No. 3844
Ernst & Young Office Limited
Bangkok: 18 February 2010



Premier Technology Public Company Limited and its subsidiary

Balance sheets

As at 31 December 2009 and 2008

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Assets					
Current assets					
Cash and cash equivalents		93,085,136	75,147,678	72,709,326	50,316,356
Current investment - fixed deposits with banks		8,794	8,643	8,794	8,643
Current investments - marketable securities	6	5,390,000	-	5,390,000	-
Trade accounts receivable					
Related parties	7	801,849	410,275	-	-
Unrelated parties		327,301,212	373,118,263	-	-
Less: Allowance for doubtful accounts		(15,282,442)	(13,097,061)	-	-
Trade accounts receivable - net	8	312,820,619	360,431,477	-	-
Inventories - net	9	51,164,280	108,418,600	-	-
Other current assets					
Withholding income tax deducted at source		21,915,471	5,359,736	716	639,761
Prepaid service cost		58,256,070	39,266,831	-	-
Others		17,228,207	16,690,412	737,667	619,329
Total current assets		559,868,577	605,323,377	78,846,503	51,584,089
Non-current assets					
Restricted fixed deposits with banks	24.4	36,860,843	49,934,821	-	-
Account receivable from transfer of rights of claim - related party - net	7	-	-	-	-
Investment in subsidiary - net	10	-	-	152,726,861	152,726,861
Investment in associated company	11	1,177,301	1,950,000	3,666,000	1,950,000
Other long-term investment	12	-	10,000,000	-	10,000,000
Equipment - net	13	101,405,164	111,316,942	23,556	29,890
Other non-current assets					
Prepaid rental expenses		14,162,159	16,641,954	-	-
Others		4,066,582	3,391,856	-	-
Total non-current assets		157,672,049	193,235,573	156,416,417	164,706,751
Total assets		717,540,626	798,558,950	235,262,920	216,290,840

The accompanying notes are an integral part of the financial statements.



Premier Technology Public Company Limited and its subsidiary

Balance sheets (continued)

As at 31 December 2009 and 2008

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Liabilities and shareholders' equity					
Current liabilities					
Short-term loan from financial institution	14	-	10,000,000	-	-
Trade accounts payable		228,278,567	265,032,455	-	-
Amounts due to related parties	7	87,412	56,109	-	-
Accounts payable - factoring company	8	24,726,257	-	-	-
Short-term loan	5	4,098,426	-	-	-
Current portion of long-term loans	6	3,537,889	4,821,093	-	-
Current portion of long-term liabilities	17	33,692,716	40,276,984	-	-
Current portion of long-term liabilities					
Under rehabilitation plan	18	1,547,836	2,153,699	1,547,836	2,153,699
Other current liabilities					
Accrued expenses		68,628,615	121,458,718	226,233	178,192
Deferred service income		70,304,320	53,846,113	-	-
Corporate income tax payable		-	715,725	-	-
Others		16,121,081	17,962,982	11,087	13,508
Total current liabilities		451,023,119	516,323,878	1,785,156	2,345,399
Non-current liabilities					
Long-term loans - net current portion	16	-	3,537,889	-	-
Long-term liabilities - net of current portion	17	27,691,974	34,135,606	-	-
Long-term liabilities under rehabilitation plan - net of current portion	18	500,986	2,048,822	500,986	2,048,822
Other non-current liabilities		252,000	252,000	-	-
Total non-current liabilities		28,444,960	39,974,317	500,986	2,048,822
Total liabilities		479,468,079	556,298,195	2,286,142	4,394,221

The accompanying notes are an integral part of the financial statements.



Premier Technology Public Company Limited and its subsidiary

Balance sheets (continued)

As at 31 December 2009 and 2008

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Shareholders' equity					
Share capital					
Registered					
142,440,489 ordinary shares of Baht 1 each		142,440,489	142,440,489	142,440,489	142,440,489
Issued and fully paid up					
141,944,471 ordinary shares of Baht 1 each		141,944,471	141,944,471	141,944,471	141,944,471
Company's shares held by subsidiary		(230,175)	(230,175)	-	-
Gain on sale of investment to related company	7	68,000,000	51,000,000	68,000,000	51,000,000
Retained earnings					
Appropriated - statutory reserve	19	2,870,000	1,950,000	2,870,000	1,950,000
Unappropriated		25,488,251	47,596,459	20,162,307	17,002,148
Total shareholders' equity		238,072,547	242,260,755	232,976,778	211,896,619
Total liabilities and shareholders' equity		717,540,626	798,558,950	235,262,920	216,290,840
		-	-	-	-

The accompanying notes are an integral part of the financial statements.



Premier Technology Public Company Limited and its subsidiary

Income statements

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Revenues					
Sales		818,012,987	1,209,571,465	-	-
Service income		394,533,783	382,378,996	-	-
Dividend income	10	-	-	23,999,520	26,999,460
Other income		18,136,369	19,749,379	508,185	296,602
Total revenues		1,230,683,139	1,611,699,840	24,507,705	27,296,062
Expenses					
Cost of sales and services		903,558,740	1,177,833,732	-	-
Selling expenses		68,780,272	148,286,755	-	-
Administrative expenses		236,197,465	208,173,909	4,609,338	3,467,304
Management benefit expenses		23,235,386	23,234,086	984,000	740,000
Other expenses		640,406	3,258,520	639,761	-
Total expenses		1,232,412,269	1,560,787,002	6,233,099	4,207,304
Share of loss from investment in associated company		(2,488,699)	-	-	-
Income (loss) before finance cost					
and income tax		(4,217,829)	50,912,838	18,274,606	23,088,758
Finance cost		(2,775,932)	(2,638,977)	-	-
Income (loss) before corporate income tax		(6,993,761)	48,273,861	18,274,606	23,088,758
Corporate income tax	21	-	(18,266,829)	-	-
Net income (loss) for the year		(6,993,761)	30,007,032	18,274,606	23,088,758
Basic earnings per share					
Net income (loss)	22	(0.05)	0.21	0.13	0.16

The accompanying notes are an integral part of the financial statements.



Premier Technology Public Company Limited and its subsidiary

Cash flow statements

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from operating activities				
Net income (loss) before tax	(6,993,761)	48,273,861	18,274,606	23,088,758
Adjustments to reconcile net income (loss) before tax to net cash provided by (paid from) operating activities:				
Unrealised loss on current investments	18,306	-	18,306	-
Allowance for doubtful accounts	2,185,381	5,180,889	-	-
Increase (decrease) from allowance for diminution in value of inventories	(3,181,646)	3,566,630	-	-
Depreciation	61,706,204	67,353,073	6,334	1,561
(Gain) loss on sale of equipment	(571,679)	4,030	-	-
Share of loss from investment in associated company	2,488,699	-	-	-
Amortisation of prepaid rental expenses	2,479,795	2,481,391	-	-
Income from investment - dividend received from investment in subsidiary	-	-	(23,999,520)	(26,999,460)
Interest expenses	<u>2,775,932</u>	<u>2,638,977</u>	-	-
Income (loss) from operating activities before changes in operating assets and liabilities	60,907,231	129,498,851	(5,700,274)	(3,909,141)
(Increase) decrease in operating assets				
Trade accounts receivable	45,425,477	22,994,246	-	-
Inventories	60,435,966	(53,807,880)	-	-
Other current assets	(18,172,264)	1,685,366	520,707	(259,124)
Other non-current assets	(674,726)	242,707	-	-
Increase (decrease) in operating liabilities				
Trade accounts payable	(36,753,888)	22,961,725	-	-
Amounts due to related parties	31,303	(457,640)	-	-
Other current liabilities	<u>(38,929,522)</u>	<u>6,056,601</u>	<u>45,620</u>	<u>(1,142,487)</u>
Cash from (used in) operating activities	72,269,577	129,173,976	(5,133,947)	(5,310,752)
Cash paid for interest expenses	(2,775,932)	(2,700,458)	-	-
Cash paid for corporate income tax	<u>(17,910,505)</u>	<u>(17,551,104)</u>	-	-
Net cash flows from (used in) operating activities	<u>51,583,140</u>	<u>108,922,414</u>	<u>(5,133,947)</u>	<u>(5,310,752)</u>

The accompanying notes are an integral part of the financial statements.



Premier Technology Public Company Limited and its subsidiary

Cash flow statements (continued)

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from investing activities				
(Increase) decrease in current investment	(151)	7,405,539	(151)	7,405,539
Acquisition of marketable securities	(5,408,306)	-	(5,408,306)	-
(Increase) decrease in fixed deposits subject to encumbrance	13,073,978	(14,451,231)	-	-
Acquisition of equipment	(21,579,230)	(15,605,159)	-	(29,439)
Proceeds from sales of equipment	1,267,095	637,866	-	-
Cash paid for investment in associated company	(1,716,000)	(1,950,000)	(1,716,000)	(1,950,000)
Proceed from sales of other long-term investment	10,000,000	-	10,000,000	-
Cash receipt from remuneration	17,000,000	34,000,000	17,000,000	34,000,000
Acquisition of other long-term investment	-	(10,000,000)	-	(10,000,000)
Dividend received from investment in subsidiary	-	-	23,999,520	26,999,460
Net cash flows from investing activities	<u>12,637,386</u>	<u>37,015</u>	<u>43,875,063</u>	<u>56,425,560</u>
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institution	(10,000,000)	10,000,000	-	-
Increase (decrease) in accounts payable - factoring company	24,726,257	(21,393,453)	-	-
Increase in short-term loan	4,098,426	-	-	-
Repayment of long-term loans	(4,821,093)	(8,032,824)	-	-
Cash receipt from long-term loan	-	9,842,000	-	-
Repayment of long-term liabilities	(43,938,512)	(36,406,812)	-	-
Repayment of long-term liabilities under rehabilitation plan	(2,153,699)	(2,274,521)	(2,153,699)	(2,274,521)
Dividend paid	(14,194,447)	-	(14,194,447)	-
Net cash flows used in financing activities	<u>(46,283,068)</u>	<u>(48,265,610)</u>	<u>(16,348,146)</u>	<u>(2,274,521)</u>
Net increase in cash and cash equivalents	17,937,458	60,693,819	22,392,970	48,840,287
Cash and cash equivalents at beginning of the year	<u>75,147,678</u>	<u>14,453,859</u>	<u>50,316,356</u>	<u>1,476,069</u>
Cash and cash equivalents at end of the year	<u>93,085,136</u>	<u>75,147,678</u>	<u>72,709,326</u>	<u>50,316,356</u>
	-	-	-	-
Supplementary disclosures of cash flows information:				
Non-cash transactions				
Assets under finance lease agreements	30,910,612	39,830,199	-	-
Settlement of payable from investment in subsidiary by offsetting with accounts receivable from transfer of right of claim	-	17,000,000	-	17,000,000
Settlement of payable from investment in subsidiary by offsetting with deposit on share	-	18,100,000	-	18,100,000

The accompanying notes are an integral part of the financial statements.



Premier Technology Public Company Limited and its subsidiary

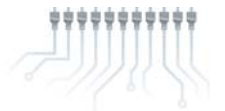
Statements of changes in shareholders' equity

For the years ended 31 December 2009 and 2008

(Unit: Baht)

Consolidated financial statements									
Equity attributable to the parent's shareholders									
	Note	Issued	Gain on sale of	Retained earnings		Total	Minority interest-	Total	
		and paid-up	Company's shares	investment to	Appropriated -				equity attributable
		share capital	held by subsidiary	related company	statutory reserve	Unappropriated	to the parent's	of subsidiary	
							shareholders	shareholders	
Balance as at 31 December 2007		141,944,471	(230,175)	-	3,150,000	16,389,427	161,253,723	35,324,593	196,578,316
Net income for the year		-	-	-	-	30,007,032	30,007,032	-	30,007,032
Gain on sale of investment to related company	7	-	-	51,000,000	-	-	51,000,000	-	51,000,000
Unappropriated retained earnings transferred to statutory reserve	19	-	-	-	1,200,000	(1,200,000)	-	-	-
Minority interest - equity attributable to minority shareholders of subsidiary		-	-	-	(2,400,000)	2,400,000	-	(35,324,593)	(35,324,593)
Balance as at 31 December 2008		<u>141,944,471</u>	<u>(230,175)</u>	<u>51,000,000</u>	<u>1,950,000</u>	<u>47,596,459</u>	<u>242,260,755</u>	<u>-</u>	<u>242,260,755</u>
Balance as at 31 December 2008		141,944,471	(230,175)	51,000,000	1,950,000	47,596,459	242,260,755	-	242,260,755
Net loss for the year		-	-	-	-	(6,993,761)	(6,993,761)	-	(6,993,761)
Gain on sale of investment to related company	7	-	-	17,000,000	-	-	17,000,000	-	17,000,000
Dividend paid	23	-	-	-	-	(14,194,447)	(14,194,447)	-	(14,194,447)
Unappropriated retained earnings transferred to statutory reserve	19	-	-	-	920,000	(920,000)	-	-	-
Balance as at 31 December 2009		<u>141,944,471</u>	<u>(230,175)</u>	<u>68,000,000</u>	<u>2,870,000</u>	<u>25,488,251</u>	<u>238,072,547</u>	<u>-</u>	<u>238,072,547</u>

The accompanying notes are an integral part of the financial statements.





Premier Technology Public Company Limited and its subsidiary

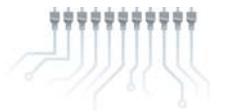
Statements of changes in shareholders' equity (continued)

For the years ended 31 December 2009 and 2008

(Unit: Baht)

	Separate financial statements					
	Note	Issued and paid-up share capital	Gain on sale of investment to related company	Retained earnings		Total
				Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2007		141,944,471	-	750,000	(4,886,610)	137,807,861
Net income for the year		-	-	-	23,088,758	23,088,758
Gain on sale of investment to related company	7	-	51,000,000	-	-	51,000,000
Unappropriated retained earnings transferred to statutory reserve	19	-	-	1,200,000	(1,200,000)	-
Balance as at 31 December 2008		<u>141,944,471</u>	<u>51,000,000</u>	<u>1,950,000</u>	<u>17,002,148</u>	<u>211,896,619</u>
Balance as at 31 December 2008		141,944,471	51,000,000	1,950,000	17,002,148	211,896,619
Net income for the year		-	-	-	18,274,606	18,274,606
Gain on sale of investment to related company	7	-	17,000,000	-	-	17,000,000
Dividend paid	23	-	-	-	(14,194,447)	(14,194,447)
Unappropriated retained earnings transferred to statutory reserve	19	-	-	920,000	(920,000)	-
Balance as at 31 December 2009		<u>141,944,471</u>	<u>68,000,000</u>	<u>2,870,000</u>	<u>20,162,307</u>	<u>232,976,778</u>
						-

The accompanying notes are an integral part of the financial statements.





Premier Technology Public Company Limited and its subsidiary
Notes to consolidated financial statements
For the years ended 31 December 2009 and 2008

1. General information

Premier Technology Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in a holding company, with a registered office located at One Premier Corporate Park, Soi Premier 2, Srinakarin Road, Nongbon, Prawet, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 30 January 2009, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Premier Technology Public Company Limited (“the Company”) and the following subsidiary (“the subsidiary”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding		Assets as a percentage to the consolidated total assets as at 31 December		Revenues as a percentage to the consolidated total revenues for the year ended 31 December	
			2009	2008	2009	2008	2009	2008
			Percent	Percent	Percent	Percent	Percent	Percent
Datapro Computer Systems Company Limited	Distributor of computer software and hardware	<u>Thailand</u>	100	100	88	92	100	100

- b) Subsidiary is fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiary is prepared for the same reporting period as the parent company, using consistent significant accounting policies.



- d) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements, which present investments in subsidiary under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards

In June 2009, the Federation of Accounting Professions issued Notification No. 12/2552, assigning new numbers to Thai Accounting Standards that match the corresponding International Accounting Standards. The numbers of Thai Accounting Standards as referred to in these financial statements reflect such change.

The Federation of Accounting Professions has issued Notification No. 86/2551 and 16/2552, mandating the use of new accounting standards, financial reporting standard and accounting treatment guidance as follows.

3.1 Accounting standards, financial reporting standard and accounting treatment guidance which are effective for the current year

Framework for the Preparation and Presentation of Financial Statements (revised 2007)

TAS 36 (revised 2007) Impairment of Assets

TFRS 5 (revised 2007) Non-current Assets Held for Sale and Discontinued Operations

Accounting Treatment Guidance for Leasehold Right

Accounting Treatment Guidance for Business Combination under Common Control

These accounting standards, financial reporting standard and accounting treatment guidance became effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these standards and believes that TFRS 5 (revised 2007), Accounting Treatment Guidance for leasehold right and Accounting Treatment Guidance for Business Combination under Common Control are not relevant to the business of the Company, while Framework for Preparation Presentation of Financial Statements (revised 2007) and TAS 36 (revised 2007) do not have any significant impact on the financial statements for the current year.

3.2 Accounting standards which are not effective for the current year

		<u>Effective date</u>
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2012
TAS 24 (revised 2007)	Related Party Disclosures	1 January 2011
TAS 40	Investment Property	1 January 2011

However, TAS 24 (revised 2007) and TAS 40 allow early adoption by the entity before the effective date.



The management of the Company has assessed the effect of these standards and believes that TAS 20 and TAS 40 are not relevant to the business of the Company, while TAS 24 (revised 2007) will not have any significant impact on the financial statements for the year in which it is initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Sale of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of service

Service revenue is recognised when services have been rendered taking into account the stage of completion. The Company assessed the stage of completion in accordance with the services rendered in proportion to the total services to be rendered.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated collection losses that may be incurred in the collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Inventories are valued at the lower of cost (under the first-in, first-out method and the specific identification method) and net realisable value.

4.5 Investments

- a) Investments in securities held for trading are stated at fair value. Gains or losses arising from changes in the carrying amounts of securities are included in determining income.
- b) Investments in debt securities, expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised by the



effective rate method with the amortised amount presented as an adjustment to the interest income.

- b) Investment in associate is accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiary and associate are accounted for in the separate financial statements using the cost method.
- d) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments in securities, such investments are adjusted to their fair value as at the reclassification date. Differences between the carrying amount of the investments and their fair value on that date are included in determining income or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment which is reclassified.

4.6 Equipment and depreciation

Equipment is stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of equipment is calculated by reference to its costs using the straight-line basis, over the following estimated useful lives:-

Leasehold improvements	-	5 years
Furniture and office equipment	-	3, 5 years

Depreciation is included in determining income.

No depreciation has been provided on assets under installation.

4.7 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.8 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in



other long-term payables, while the interest element is charged to the income statements over the lease period. The equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

4.9 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the balance sheet date.

Gains and losses on exchange are included in determining income.

4.10 Impairment of assets

At each reporting date, the Company performs impairment reviews in respect of equipment whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

4.11 Employee benefits

Salaries, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

4.12 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.13 Income tax

Income tax is provided in the accounts based on the taxable profits determined in accordance with tax legislation.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. Significant judgments and estimates are as follows:



Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Equipment/Depreciation

In determining depreciation of equipment, the management is required to make estimates of the useful lives and salvage values of the Company's equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

6. Current investments - marketable securities

(Unit: Baht)

	Consolidated financial statements / Separate financial statements			
	2009		2008	
	Cost	Fair value	Cost	Fair value
Marketable securities	5,408,306	5,390,000	-	-
Less: Allowance for change in value	(18,306)		-	-
Current investments - net	5,390,000		-	-

During 2009 the Company acquired marketable securities that are shares of a related company in the normal course of its trading on the Stock Exchange of Thailand. The purpose of such acquisitions was short-term working capital management, by means of stock market investments in securities that are liquid and provide an acceptable return.



7. Related party transactions

During the years, the Company and its subsidiary had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those companies. Below is a summary of those transactions.

(Unit : Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	2009	2008	2009	2008	
<u>Transactions with related companies</u>					
Sales and service income	46.0	51.4	-	-	Note 7.1
Purchase of goods	1.6	-	-	-	Cost plus certain margin.
Selling and administrative expenses	25.7	24.3	2.6	2.6	Contract price, which is price in the ordinary course of business

- 7.1 Sales prices are determined based on cost plus a margin while price of service are based on the contract price, which is price in the ordinary course of business. However pricing depends on the type of product or service and the pricing policy may change according to the type of business and the market situation at the time of the transaction.

The balances of the accounts as at 31 December 2009 and 2008 between the Company and those related companies are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
<u>Trade accounts receivable - related parties</u>				
Broad Band Technology Service Company Limited	195,223	-	-	-
Professional Training Services Company Limited	168,525	-	-	-
Seri Premier Company Limited	142,159	86,488	-	-
Premier Fission Capital Company Limited	115,206	6,592	-	-
Premier Metrobus Company Limited	-	179,660	-	-
Others	180,736	137,535	-	-
Total trade accounts receivable - related parties	801,849	410,275	-	-



	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
(Unit: Baht)				
<u>Account receivable from transfer of rights of claim - related party</u>				
Premier Manufacturing Company Limited	17,000,000	34,000,000	17,000,000	34,000,000
Less: Deferred gain from sales of investments	(17,000,000)	(34,000,000)	(17,000,000)	(34,000,000)
Total account receivable from transfer of rights of claim - related party - net	-	-	-	-
<u>Amounts due to related parties</u>				
Premier Marketing Public Company Limited	54,599	-	-	-
Premier Resorts and Hotels Company Limited (formerly known as "Premier Resort Krabi Company Limited")	-	36,259	-	-
Others	32,813	19,850	-	-
Total amounts due to related parties	87,412	56,109	-	-

Accounts receivable from transfer of rights of claim - related party

During the fourth quarter of 2005, the Company sold investments in two subsidiaries to Premier Manufacturing Company Limited with a gain on the sale of the investments amounting to Baht 143.6 million. The Company also transferred to the related company rights of claim in loans and receivable of Premier CE Company Limited and Premier Home Appliance Company Limited, with balances as at 30 November 2005, amounting to Baht 70 million and Baht 20 million, respectively, for which it is to receive remuneration amounting to Baht 90 million. The Company has received partial remuneration of Baht 5 million, and the balance of Baht 85 million was recorded as account receivable from transfer of rights of claim - related party. Such remuneration, on which no interest is charged, is to be paid in 5 annual installments of Baht 17 million each, commencing from 1 December 2006. However, for reasons of prudence, the Company has deferred the recognition of the gains on sale of the Baht 85 million of the investments until the payment is received.



During the year 2008, the Company transferred Baht 17 million of accounts receivable from transfer of rights of claim to net it with the amount payable to a related company for a share purchase. And the Company received remuneration of Baht 34 million from the above related company and thus recognised a deferred gain of Baht 51 million as gain on sale of investment to related company in shareholders' equity in the balance sheet.

During the year 2009, the Company received remuneration of Baht 17 million and thus recognised a deferred gain as gain on sale of investment to related company in shareholders' equity in the balance sheet.

As at 31 December 2009, the balance of gain on sale of investment to related company is Baht 68 million (2008: Baht 51 million).

Directors and management's remuneration

In 2009 the Company and its subsidiary paid salaries, meeting allowances and gratuities to their directors and management totaling Baht 23.2 million (The Company only: Baht 1.0 million) (2008: Baht 23.2 million, The Company only: Baht 0.7 million).

8. Trade accounts receivable

The outstanding balances of trade accounts receivable as at 31 December 2009 and 2008 are aged based on due date as follows:

	(Unit: Baht)	
	Consolidated	
	<u>2009</u>	<u>2008</u>
<u>Ages of receivable</u>		
<u>Related parties</u>		
Not yet due	631,217	69,010
Past due		
Within 3 months	170,632	320,304
3 - 6 months	-	15,280
6 - 12 months	-	5,681
Over 12 months	-	-
Total	801,849	410,275
Less: Allowance for doubtful accounts	-	-
Net	801,849	410,275



(Unit: Baht)

	Consolidated	
	<u>2009</u>	<u>2008</u>
<u>Unrelated parties</u>		
Not yet due	175,761,748	234,654,309
Past due		
Within 3 months	82,575,700	94,753,182
3 - 6 months	31,029,562	8,900,016
6 - 12 months	22,848,511	12,210,043
Over 12 months	15,085,691	22,600,713
Total	327,301,212	373,118,263
Less: Allowance for doubtful accounts	(15,282,442)	(13,097,061)
Net	312,018,770	360,021,202
Trade accounts receivable - net	<u>312,820,619</u>	<u>360,431,477</u>

The balance of trade accounts receivable as at 31 December 2009 included trade receivables amounting to Baht 27.5 million which the subsidiary has assigned its rights over collection to factoring company in accordance with the factoring agreements with interest as stipulated in the agreements. If the assignee is unable to make collection from the subsidiary's debtors, the subsidiary agrees to pay the outstanding debt balances to the assignee.

9. Inventories

(Unit: Baht)

	Consolidated financial statements							
	Allowance of diminution in value							
	of inventories							
	Cost		Reduction cost to net realisable value		Stock obsolescence		Inventories - net	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Finished goods	52,011,502	101,943,527	(109,745)	(109,745)	(1,474,516)	(4,656,162)	50,427,241	97,177,620
Goods in transit	737,039	11,240,980	-	-	-	-	737,039	11,240,980
Total	<u>52,748,541</u>	<u>113,184,507</u>	<u>(109,745)</u>	<u>(109,745)</u>	<u>(1,474,516)</u>	<u>(4,656,162)</u>	<u>51,164,280</u>	<u>108,418,600</u>



10. Investment in subsidiary

Details of investments in subsidiary as presented in separate financial statements are as follows:

(Unit: Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	Thousand Baht	Thousand Baht	(%)	(%)		
Datapro Computer Systems Company Limited	30,000	30,000	100	100	255,887,200	255,887,200
Less: Provision for loss in value of investments in subsidiary					(103,160,339)	(103,160,339)
Investments in subsidiary - net					<u>152,726,861</u>	<u>152,726,861</u>

On 29 July 2008, a meeting of subsidiary's Board of Directors approved the payment of interim dividend for 2008 of Baht 27 million to the shareholders at Baht 90 per share. The subsidiary paid such dividend in August 2008.

On 30 November 2009, a meeting of subsidiary's Board of Directors approved the payment of interim dividend for 2009 of Baht 24 million to the shareholders at Baht 80 per share. The subsidiary paid such dividend in December 2009.

11. Investment in associated company

11.1 Details of associate:

(Unit: Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements							
			Shareholding percentage		Cost		Carrying amounts based on equity method			
			<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>		
			(%)	(%)						
Advance Cyber Technology Company Limited	Service	Thailand	26	26	3,666,000	1,950,000	1,177,301	1,950,000		

(Unit: Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements									
			Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net			
			<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>		
			(%)	(%)								
Advance Cyber Technology Company Limited	Service	Thailand	26	26	3,666,000	1,950,000	-	-	3,666,000	1,950,000		



During the year 2008, the Company acquired 52,000 ordinary shares, amounting to Baht 2.0 million, or a 26 percent equity interest, in Advance Cyber Technology Company Limited, which called up 37.5 percent of the registered value of the shares. And during the year 2009, Advance Cyber Technology Company Limited called up 33 percent of the registered value of its share capital. The Company paid in additional share capital of Baht 1.7 million.

11.2 Share of income/loss and dividend received

During the year, the Company has recognised its share of net loss from investment in associated company in the consolidated financial statements as follows:

(Unit: Baht)

Company's name	Consolidated financial statements	
	Share of loss from investment in associate during the year	
	<u>2009</u>	<u>2008</u>
Advance Cyber Technology Company Limited	(2,488,699)	-

During the year 2009 and 2008, the associated company has not paid dividend.

11.3 Summarised financial information of associate

Financial information of the associated company is summarised below.

(Unit: Million Baht)

Company's name	Paid-up capital		Total assets		Total liabilities		Total revenues		Net income (loss)	
	as at		as at		as at		for the year ended		for the year ended	
	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Advance Cyber Technology Company Limited	14.1	6.6	4.9	5.5	0.4	0.2	1.8	-	(0.6)	(2.2)

Financial information and share of loss of associate were determined based on the financial statements prepared by its managements and were not audited by its auditors. The Company believes that the value of the investment would not significantly differ if the financial statements had been audited by auditor.

12. Other long-term investment



As at 31 December 2008, other long-term investment of the Company amounting to Baht 10 million is investment in bond issued by a bank and classified as investment in debt security, expected to be held to maturity. During the first quarter of 2009, all above investment was sold by the Company.

13. Equipment

(Unit: Baht)

	Consolidated financial statements		
	Furniture and office equipment	Assets under installation	Total
Cost			
31 December 2008	382,038,514	-	382,038,514
Additions	49,699,991	2,789,851	52,489,842
Disposals	(59,643,202)	-	(59,643,202)
Transfer in	2,720,913	-	2,720,913
Transfer out	-	(2,720,913)	(2,720,913)
31 December 2009	374,816,216	68,938	374,885,154
Accumulated depreciation			
31 December 2008	270,721,572	-	270,721,572
Depreciation for the year	61,706,204	-	61,706,204
Depreciation on disposals	(58,947,786)	-	(58,947,786)
31 December 2009	273,479,990	-	273,479,990
Net book value			
31 December 2008	111,316,942	-	111,316,942
31 December 2009	101,336,226	68,938	101,405,164
Depreciation for the year			
2008 (Baht 38 million included in service cost, and the balance in administrative expenses)			67,577,665
2009 (Baht 32 million included in service cost, and the balance in administrative expenses)			61,706,204



	(Unit: Baht)
	Separate financial statements
	Furniture and office equipment
Cost	
31 December 2008	31,673
31 December 2009	31,673
Accumulated depreciation	
31 December 2008	1,783
Depreciation for the year	6,334
31 December 2009	8,117
Net book value	
31 December 2008	29,890
31 December 2009	23,556
Depreciation for the year (include in administrative expenses)	
2008	1,561
2009	6,334

As at 31 December 2009, the subsidiary had equipment under finance lease agreements with net book values amounting to Baht 53.4 million (2008: Baht 56.1 million).

As at 31 December 2009, certain equipment items of the subsidiary have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 165.4 million (2008: Baht 129.7 million).

14. Short-term loan from financial institution

	Interest rate	(Unit: Baht)	
	(Percent per annum)	Consolidated financial statements	
		<u>2009</u>	<u>2008</u>
Short-term loan	MLR	-	10,000,000



15. Short-term loan

As at 31 December 2009, the balance of short-term loan of a subsidiary is Baht 4.1 million, with which the subsidiary has entered into a loan agreement with a company to provide funds to make payment for goods purchased of the subsidiary. The loan is to be repaid in quarterly installments within one year from the due date for payment for the goods, with interest charged as stipulated in the agreement.

16. Long-term loans

Long-term loans (including current portion) of the subsidiary consist of the followings:

	(Unit: Baht)	
	Consolidated financial statements	
	<u>2009</u>	<u>2008</u>
Other long-term loans	3,537,889	8,358,982
Less: Current portion	(3,537,889)	(4,821,093)
Long-term loans - net of current portion	-	3,537,889

Other long-term loans of the subsidiary represent loans obtained from a company for use in the purchase of assets of the subsidiary. The loans are to be repaid in monthly installments within 3 years from the dates specified in the agreements, together with interest as stipulated in the agreements.

17. Long-term liabilities

Long-term liabilities (including current portion) of the subsidiary consist of the followings:

	(Unit: Baht)	
	Consolidated financial statements	
	<u>2009</u>	<u>2008</u>
Liabilities under finance lease		
agreements - net of deferred interest	61,384,690	74,412,590
Less : Current portion	(33,692,716)	(40,276,984)
Long-term liabilities - net of current portion	27,691,974	34,135,606

A subsidiary has entered into the finance lease agreements with leasing companies for rental of equipment for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 3 years.

As at 31 December 2009, Future minimum lease payments required under the finance lease agreements were as follows:



(Unit: Million Baht)

	Less than		
	1 year	1-3 years	Total
Present value of future minimum lease payments	33.7	27.7	61.4

18. Long-term liabilities under rehabilitation plan

As at 31 December 2009 and 2008, the outstanding long-term liabilities restructured under the rehabilitation plan are as follows:

	(Unit: Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2009</u>	<u>2008</u>
Senior creditors of loans and financial instruments:		
- Principal is to be repaid in semi-annual installments within 10 years from the date the court issues its final order approving the plan, with a grace period of 3 years (repayment as from the year 2004). Interest is charged at the lower of 6 percent per annum or MLR.	2,000,000	4,000,000
Add: Interest expenses pending recognition in future year	48,822	202,521
Long-term liabilities under rehabilitation plan	2,048,822	4,202,521
Less: Current portion	(1,547,836)	(2,153,699)
Long-term liabilities under rehabilitation plan - net of current portion	<u>500,986</u>	<u>2,048,822</u>

19. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

20. Expenses by nature

Significant expenses by nature are as follow:



(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Salary and other employee benefits	286,885,480	343,823,652	984,000	740,000
Depreciation	61,706,204	67,577,665	6,334	1,561
Rental expenses	17,764,483	16,435,090	-	-
Purchase of goods	746,820,507	1,114,461,134	-	-
Changes in finished goods	49,932,025	(51,340,079)	-	-

21. Corporate income tax

No corporate income tax was payable for the years since dividend income is exempted from income tax under section 65 bis (10) of the Revenue Code.

22. Basic earnings per share

Basic earnings per share is calculated by dividing the net income (loss) for the year by the weighted average number of ordinary shares in issue during the year after deducting the number of shares of the Company held by a subsidiary.

23. Dividend paid

On 23 April 2009, the Annual General Meeting of the Company's shareholders passed a resolution approving the payment of a dividend of Baht 0.10 per share to the Company's shareholders from the Company's income for the year 2008, a total of Baht 14.2 million. The dividend was paid in May 2009.

24. Commitments

As at 31 December 2009, the Company and its subsidiary have commitments as follows:

24.1 Capital commitment

As at 31 December 2009, the subsidiary had capital commitments of Baht 10.8 million in respect of purchases of equipment.

24.2 Operating lease commitments

The subsidiary has entered into several lease agreements in respect of the lease of building, office space and related services. The terms of the agreements are generally between 1 and 13 years.

As at 31 December 2009, future minimum lease payments required under these operating leases contracts were as follows.



Payable within:	<u>Million Baht</u>
Less than 1 year	5.5
1 to 5 years	5.7
More than 5 years	10.2

24.3 Long-term service commitments

The Company and its subsidiary have entered into management service agreements with a related company, whereby management fees totaling Baht 0.7 million per month are payable in the future, with Baht 0.2 million per month payable by the Company. The agreements end in December 2010 but they automatically renew for periods of one year each time until terminated.

24.4 Guarantee

The subsidiary has commitments of Baht 36.2 million (2008: Baht 43.4 million) in respect of bank guarantee issued by banks on behalf of the subsidiary in respect of certain performance bonds as required in the normal course of business. All of letters of guarantee relate to guarantee contractual performance.

A Baht 36.9 million (2008: Baht 49.9 million) fixed bank deposits of the subsidiary have been pledged with banks to secure those bank guarantees and the facilities as discuss in note 25.

25. Facilities from financial institution

The subsidiary has been granted various types of credit facilities, by a financial institution of which Baht 56.7 million has not been utilised. Most of the facilities have been guaranteed by a part of fixed deposits with bank of the subsidiary.

26. Provident fund

The subsidiary and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the subsidiary contributed to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by TISCO Assets Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2009, the subsidiary contributed Baht 7.6 million (2008: Baht 7.1 million) to the fund.

27. Financial instruments

27.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No. 32 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk



The subsidiary is exposed to credit risk primarily with respect to trade accounts receivable. The subsidiary manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the subsidiary does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the balance sheet.

Interest rate risk

The Company and its subsidiary's exposure to interest rate risk relates primarily to their cash at banks, short-term and long-term loans, long-term liabilities and liabilities under rehabilitation plan. However, since most of the Company and its subsidiary's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal. The Company and its subsidiary do not use derivative to hedge such risk.

Significant financial assets and liabilities as at 31 December 2009 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	Consolidated financial statements					Interest rate (% p.a.)	
	Fixed interest rates				Total		
	Within 1 year	1-3 Years	Floating interest rate	Non- interest bearing			
	(Million Baht)						
Financial Assets							
Cash and cash equivalent	30	-	63	-	93	0.25 - 1.16	
Trade accounts receivable	-	-	-	328	328	-	
Deposits at financial institutions with restrictions	-	-	37	-	37	0.50 - 0.75	
	<u>30</u>	<u>-</u>	<u>100</u>	<u>328</u>	<u>458</u>		
Financial liabilities							
Trade accounts payable	-	-	-	228	228	-	
Account payable – factoring company	25	-	-	-	25	6.15	
Short-term loan	4	-	-	-	4	8.69	
Long-term loan	4	-	-	-	4	6.11 - 8.01	
Long-term liabilities	34	28	-	-	62	3.00 - 6.98	
Long-term liabilities under rehabilitation plan	-	-	2	-	2	Note 18	
	<u>67</u>	<u>28</u>	<u>2</u>	<u>228</u>	<u>325</u>		

Foreign currency risk

The subsidiary's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. As at 31 December 2009, the subsidiary had the net foreign currency - denominated liabilities, amounting to USD 1.8 million (2008: USD 1.4 million) which had not been hedged against foreign exchange rate risk.



27.2 Fair values of financial instruments

As the majority of financial assets are short-term and long-term financial liabilities carry interest rates which close to or lower than market rates, the management of the Company and its subsidiary believe that fair value of their financial assets and liabilities does not materially differ from their carrying value.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

28. Financial information by segment

The Company and its subsidiary's operations involve a single industry segment, information and communications technology, and are carried on in the single geographic area of Thailand. As a result, all of the revenues, operating income (loss) and assets reflected in these financial statements pertain to the aforementioned industry segment and geographic area.

29. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the balance sheet as at 31 December 2009, the Group's debt-to-equity ratio was 2.0:1 (2008: 2.3:1).

30. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 18 February 2010.

บริษัท พรีเมียร์ เทคโนโลยี จำกัด (มหาชน)

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