

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

รายงานประจำปี 2554



ANNUAL REPORT
2011



<http://www.premier-technology.co.th>

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General Information

GENERAL INFORMATION

Name of Listed Company	:	Premier Technology Public Company Limited
Company Registration Number	:	0107535000320
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	:	0-2301-1585
Facsimile	:	0-2301-1020
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
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 Chonlaros Santiasavaraporn with CPA No. 4523, or
Mr. Supachai Phanyawattano with CPA No. 3930, or
Mr. Krisada Lertwana with CPA No. 4498
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

FINANCIAL SUMMARY

(1) Financial Information

(Unit: Million Baht)

	2011	2010	2009
Total Assets	1,236.48	890.29	717.54
Total Liabilities	980.34	621.02	479.47
Total Shareholders' Equity	256.14	269.27	238.07
Sales and Services Revenues	1,840.12	1,540.44	1,212.55
Total Revenues	1,860.18	1,567.49	1,230.68
Gross Profit	501.57	423.11	308.99
Net Income (Loss)	51.33	28.39	(6.99)

(2) Financial Ratio

	2011	2010	2009
Gross Profit Margin (%)	27.26	27.47	25.48
Net Profit Margin (%)	2.76	1.81	-0.57
Return on Equity (%)	19.54	11.19	-2.91
Return on Total Assets (%)	8.66	5.36	-0.56
Net Income (Loss) per share (Baht)	0.36	0.20	2.01
Dividend per Share (Baht)	0.25	0.10	0.10
Book Value per Share (Baht)	1.81	1.90	1.68



Business Operation

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.

Significant changes in 2011 were as follows:

1. The Company joined and won the bid for acquisition of a piece of Land together with an Office Building thereon from the sale by auction arranged by the Legal Execution Department, the Ministry of Justice on 5 July 2011 at the price of the assets and other related expenses paid [totalled] / to the amount of 255 million baht. And transferred the building right in October 2011 The Company invests in such piece of Land and the Office Building thereon, for purpose of utilization as the office of the Company and the office and the business place for rendering service of Data Center of the clients of the Subsidiary and partial lease out to the other person.

2. From the expansion of the data center business in 2010, the subsidiary had focused more in 2011 on the provision of service in the form of software as a service. This is a service that allows users to access the applications developed by the Company in the subsidiary's data center through the internet and to pay monthly usage fees based upon the number of real usage. The systems development and offered for such usage includes:

- D-Work Human Resources Management System
- D-CRM Customer Relationship Management system

In 2011, the subsidiary was selected as provider of various services to the customers, as well as being certified and presented with awards by various organizations, agencies and trade partners, for instance:

- Certified ISO 27001 Information Security Management System standards by Bureau Veritas (Thailand) Ltd.
- Received the Distinguished Symantec Partner Technical Team FY2011 award from Symantec (Thailand) Ltd.
- Selected as Microsoft Gold Certified Partner 2010-2011 by Microsoft (Thailand) Ltd.
- Received the Microsoft Partner Network – Silver Customer Relationship Management 2011 award from Microsoft (Thailand) Ltd.

- Received the Blue Coat – Security Partner of the Year ASEAN & INDIA – FY2012 award from Blue Coat Systems Inc.
- Trusted by leading organizations in Thailand in the selection of products and services that enhances information technology capability, for instance:
 - IBM and HP server & storage to increase the capability and capacity of the server, as well as enhance the ability to support the changing operating systems.
 - Network infrastructure for organizations and disaster recovery centers.
 - BMC Control M to monitor and manage workflow in the data centers.
 - Veritas software to manage desktop virtualization.
 - Security Infrastructure software.
 - Mimix software to support an organization’s business continuity plan with real-time data backup.
 - Disaster Recovery Center and Back-up Office services.
 - Multimedia products, including projectors, plasma & LCD display devices and CCTV for hotels, theaters, large exhibitions, and used for educational purposes by leading educational institutions.
- Trusted by the Stock Exchange of Thailand to provide live broadcast of the SET Opportunity Day event held every quarter in 2011.

At present, the main business of the Company and its subsidiary is the information technology business in which it is a Total Enterprise Solution and Service Provider. This business is operated by its subsidiary, Datapro Computer Systems Co., Ltd. whose products and services can be categorized as follows:

1. Hardware Products Group
The products within this group comprise IT products and multimedia products.
2. Software Products Group
The products in this group include business application software, operating system and database, and tools and utilities software.
3. Services Group
The services provided in this group include the provision of IT products maintenance services, training and consulting services, outsourcing services, etc.

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

Unit: Million Baht

Products/Services	Operator	% of shareholding	2011		2010		2009	
			Revenue	%	Revenue	%	Revenue	%
Revenue from Sales and Services								
- Hardware and Software Product Group	DCS	100.00	1,284.3	67.3	1,036.3	67.3	818	67.4
- Service Group	DCS	100.00	555.8	32.7	504.1	32.7	395	32.6
Total Revenue from Sales and Services			1,840.1	100.0	1,540.4	100.0	1,213	100.0

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

Competition and Product Procurement

INDUSTRY COMPETITION

Although the flooding in the last quarter of 2011 will affect all industrial sectors, the trend for new technologies in the market will continue to be active. In addition, information technology has come to play an important role in the drive for a speedy recovery of the overall economy, especially in the safety of the operating system and data and including business continuity in unusual situations. Organizations must now consider investing in and selecting information technologies to assist them to timeously cope with various events

International Data Corporation (IDC) expects that in 2012 business organizations will clearly become more interested in cloud computing in order to better manage their information technology systems while Gartner predicts that the cloud computing market will grow five times faster than the whole information technology market within the next 4 years.

In addition, there is still continuous use of social media and mobile communication devices in digital communication, especially large files that require large storage space, management system and network for data transmission.

The above predictions are in line with the subsidiary's business development plan that includes the establishment of a Data Center and a Disaster Recovery Center, as well as a back-up office, which have been operational since 2008 and have been constantly upgraded. Therefore, the subsidiary is well equipped to provide data center services that are capable of handling large amounts of data and to provide cloud computing services with international information security standard, as well as act as back-up data center and office that is located far away from any risk.

The competition in the technology industry in which the Company operates is relatively fierce, both from local and overseas operators. The Company needed to differentiate itself from other operators by becoming a Total Enterprise Solution and Service Provider that maintains quality and standards that are internationally accepted. This has been accomplished through its professional employees who are continuously trained and have much experience. Because of this accomplishment, the Company has been well-recognized by leading organizations for a long time. This is an important strategy that has made the Company one of Thailand's leading information technology providers throughout the past 25 years.

PRODUCTS AND SERVICES SOURCING



As the Company is a total information technology services provider, its personnel who provide the services are very important. The Company has invested in building and maintaining efficient personnel by providing both in-house and external training and by building a data center with state of the art equipment which is continuously upgraded for training and development of its work process in the provision of services to

customers. The Company also hires experts in the business and in new technologies to educate its personnel in order to help build the confidence of the customers who uses the Company's services and to develop its human resources in line with the development of new technologies that the customers may require.

The Company is a direct importer and distributor of various well-known leading information technology products of global companies who have a presence in Thailand, such as products from IBM, Hewlett-Packard, Cisco Systems, Sanyo, Canon and Hitachi and software packages from IBM, BMC Software, Oracle, Microsoft, Information Builders, etc. imported from different countries like Japan, U.S.A., France and Great Britain. Additionally, the Company has continuously added to its product range several new products in order to be current with the changes in

technology and to satisfy the needs of its customers, including SOA (Service-Oriented Architecture) and internet infrastructure products, in addition to its existing products, which includes the Business Intelligence software package, Business Efficiency software package, Enterprise Content Management Solution package and Corporate Performance Management software package together with the use of the high speed internet technology to transmit high quality video and sound signals.

In order to add value to the information technology products for which the Company provides services, the Company has invested in the development of additional application software in order to meet the customers' requirements. These application software comprise the Thailand Tax Localization System for JD Edwards EnterpriseOne & World, the Cheque Control System for JD Edwards EnterpriseOne & World, the Thailand Payroll Tax Localization for PeopleSoft Enterprise & JD Edwards EnterpriseOne, the Hotel Management Analytic Application (HMAA), the Electronic Document Warehouse Management software and the Patient Relationship Management (PRM) software.

Even though the Company is presently distributing a large variety of products, it has not ceased to add value to these products and provides continuous long-term services to its customers. Therefore, the risk of the Company incurring any loss from the provision of services or from being a distributor of products is low.





Risk Factors

RISK FACTORS

Risk factors both external and internal that may significantly impact on the Company's business operations can be summarized as follows:

Risks from Natural Disasters

At the end of 2011, a portion of the Company's customers were affected by the severe flooding and had to delay or cancel their planned information technology (IT) projects. However, this risk factor is force majeure. Subsequent to the event, a large number of customers are seeking preventive measures for floods and other threats to protect themselves as well and as much as they can. The Company itself was not in any way affected by the floods as it had a protective system that was well planned in advance. In addition, the floods did not have any affect on the provision of services to customers.

Risk from the Liberalization of the ICT Sector in 2015

By 2015 the information and communication technology (ICT) sector in ASEAN countries will be liberalized and thus the Company must expedite the strengthening of its ability to compete. The Company already has a process, covering personnel development, technology development and business development, to support this strengthening in order to disperse any risk that may arise. The Company has also looked for additional new overseas business partners who believe that the Company is capable of strengthening its potential and ability to compete in time for the liberalization.

Risks from Technology Changes

There has been continuously rapid development and change in the information technology industry with the trend to include new technologies, such as the wireless 3G technology and high speed internet, Software as a Service (SaaS), Web 2.0 and mobile applications.

As a Total Enterprise Solution and Service Provider, the Company realizes the risks involved in servicing its customers, which requires the provision of the most advanced hardware and software that is abreast with the current technological advancements and appropriate for the customers' requirements. In addition, the Company has developed its personnel into experts through the close monitoring and learning of these technological advancements, including taking examinations to obtain the required certifications for these new technologies. This enables the Company to appropriately provide services with added value to its customers from the continuously developing information technologies.

Risks from Competition

Provide alternative services in cloud computing through the development of low price application software in order to reach a large number of the target customers.



Structure of Shareholding and Management

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 2011 are as follows:

Name	Number of Shares	Shareholding %
1. Mrs. Vimolthip Phongsathorn - Mrs. Vimolthip Phongsathorn - Mr. Vichien Phongsathorn	75,443,923 75,443,883 40	53.15
2. Thai NVDR Co., Ltd.	5,475,880	3.86
3. Thepthannya Co., Ltd.	4,000,000	2.82
4. The Nation Multimedia Group PCL	3,000,000	2.11
5. Mr. Kritipote Jirungworapute	1,500,000	1.06
6. Mr. Vichien Srimuninnimitre	1,394,400	0.98
7. Mr. Narong Weranupate	1,300,000	0.92
8. Miss Karnjana Tangsirikomom	1,250,000	0.88
9. Mr. Chutiwat Pastpache	1,160,000	0.82
10. Miss Somporn Sritumma	1,144,000	0.81
Total	95,668,203	67.41

% Shares in Minor Shareholders (% Free float) : 46.69

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

Name	Type of Business	Related Person
Mrs. Vimolthip Phongsathorn	-	Her husband is Mr. Vichien Phongsathorn, Chairman.

2. MANAGEMENT

2.1 Organization Structure

The Company's management structure comprises of 2 committees, namely the Board of Directors and the Audit Committee as detailed below.

2.1.1 Board of Directors

As at 31 December 2011, the Company's Board of Directors consists of 8 directors as follows:

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

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

Term of the Board of Directors

At every annual general meeting of shareholders, one-third of the directors must resign. If one-third is not a round number, the number closest thereto shall be the applicable number. The directors to vacate office within the first and second year following company registration shall draw lots. In subsequent years, the directors serving the longest shall resign. The directors who vacate office are eligible for re-election by shareholders.

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 2011, 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	5/6
2. Mr. Viwat Phongsathorn (resigned as a director on 30 June 2011)	2/6
3. Mrs. Duangthip Eamrungrroj	6/6
4. Mr. Suradej Boonyawatana	6/6
5. Mr. Paritud Bhandhubanyong	6/6
6. Mr. Udom Chatianont	6/6
7. Mr. Suchai Vatanatrinakul	6/6
8. Mr. Katiya Greigarn	5/6

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

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

For the independent director selection criteria, The Company has defined an independent director as specified by the Securities and Exchange Commission and the Stock Exchange of Thailand in notification Tor Jor. 4/2552 of the Capital Market Supervisory Board dated 20 February 2009 regarding the qualifications of the independent director. (as mentioned in Clause 2.2 Criteria for Director and Executive Nomination Method on page 24)

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 shareholder, 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.

2.1.2 Audit Committee

As at 31 December, 2011 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.

Term of the Audit Committee

The term of the Audit Committee member is 3 years. A retiring committee member is eligible for re-appointment. In the event of the resignation of any member of the Audit Committee prior to the expiration of their term, the appointed replacement shall hold office only for the remainder of the term of the replaced member.

Scope of Responsibilities

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. Verify the appropriateness and sufficiency of the Company's risk management system.
8. To perform any other act as assigned by the Company's Board of directors, with the approval of the audit committee.

In 2011, there were 4 Audit Committee's meetings and 5 meetings with the management executives. Attendance of each director can be summarized as followed:

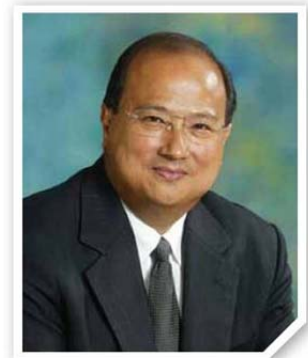
Audit Committee's Name	Attendance / Total Meetings (times)
1. Mr. Udom Chatiyant	5/5
2. Mr. Suchai Vatanatrinakul	5/5
3. Mr. Katiya Greigarn	5/5

2.1.3 Names of Executives

The Company does not have full-time employees since it only invests in the subsidiary.

DETAILS OF DIRECTORS AS AT 31 DECEMBER, 2011

- 1. Mr. Vichien Phongsathorn**
Chairman
Authorized Director
Age: 55



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

- 53.15%

Family Relationship between Executives

- None

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, Infinite Green Co., Ltd.

2. Mrs. Duangthip Eamrunroj
Authorized Director
Age: 56



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: 61



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

- None

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, Premier Manufacturing Co., Ltd.
- Director, Premier Planner Co., Ltd.
- Director, Premier Fission Capital Co., Ltd.
- Director, Raya Heritage Co., Ltd.
- Director, Imperial Eagle Co., Ltd.
- Director, Premier Alternatives Motors Co., Ltd.
- Director, Premier Metrobus Co., Ltd.
- Director, Infinite Green Co., Ltd.

**5. Mr. Paritud Bhandhubanyong
Independent Director
Age: 58**



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, Technology Promotion Association (Thailand – Japan)

6. Mr. Udom Chatiyant
Independent Director
Chairman of Audit Committee
Age: 75



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:

- Director and Chairman of Audit Committee, 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: 71

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:

- Freelance Consultant, 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: 59**



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
- Training on Auditing Committee Program (ACP), Group 34 year 2010

% 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
- Honorary Chairman, Thai Electrical, Electronics and Telecommunication Industries Association (TETA)
- Honorary Chairman, Electrical Electronics & Allied Industry Club
The Federation of Thai Industries
- 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 Development Co., Ltd.
- Director, Viptel Co., Ltd.
- Independent Director and Chairman of Audit Committee, Premier Marketing Public Co., Ltd.

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)	Infinite Green Co., Ltd	(IGC)

2.2 Criteria for Director and Executive Nomination Method

The Company 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, but excluding the directors with interest, will consider the characteristics of the candidate, taking into account the appropriateness of the candidate's qualifications, 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.

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 2011, the remuneration to the directors is as follows:

1) Premier Technology Public Company Limited

(Unit: Baht)

Name Position	Meeting Allowance		Directors' Pension	Total Remuneration
	Director	Audit Committee		
1. Mr. Udom Chatiyant Independent Director & Chairman of Audit Committee	81,000	88,000	140,000	309,000
2. Mr. Katiya Greigarn Independent Director & Audit Committee	67,000	66,000	140,000	273,000
3. Mr. Suchai Vatanatrinakul Independent Director & Audit Committee	81,000	66,000	140,000	287,000
4. Mr. Paritud Bhandhubanyong Independent Director	81,000	-	120,000	221,000
Total				1,090,000

Remark: Executive Director of 4 members do not receive any Directors' remuneration.

1. Mr. Vichien Phongsathorn (Chairman
2. Mr. Viwat Phongsathorn (Resigned as a Director on 30 June 2011)
3. Mrs. Duangthip Eamrungrroj
4. Mr. Suradej Boonyawatana

- 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 10 persons, is the amount of 23.2 Million Baht.

2.3.2 Other remuneration

-None -

2.4 Corporate Governance

(1) Good Corporate Governance Policy

The Company's Board of Directors emphasizes good corporate governance. It believes that good corporate governance and management under the framework of good ethics, transparency, accountability and fairness to all relevant parties will help to promote the Company's sustained growth and increase the confidence of the shareholders, investors and all related parties. Therefore, the Board of Directors has established in writing the principles of good corporate governance as guidance as follows:

1. Give importance to the basic rights of the shareholders and refrain from any act that may violate or curtail the rights of the shareholders.
2. Promote the equitable and fair treatment of all shareholders and set rules for the use of inside information according to which the directors, executives and employees must comply in order to prevent the misuse of such information for their personal benefit or the benefit of other persons.
3. Treat all groups of stakeholders with consideration of their legal rights or rights according to their agreement with the Company and establish a policy for environmental and social protection and the code of business ethics for the executives and employees to adhere to and implement.
4. Disclose both financial and non-financial information that is accurate, complete and timely through various channels to ensure equal access by all shareholders to such information.
5. Install internal control, risk management, and internal audit systems that are appropriate and effective.
6. Structure the Board of Directors appropriately and ensure its independence, with clear separation of responsibilities of the Board, the sub-committees and the management. The Board of Directors is responsible for the consideration and approval of significant issues related to the Company's operations, as well as the monitoring the management's performance to ensure the implementation of established policies and plans.

(2) Compliance with the Principles of Good Corporate Governance

Chapter 1. The Rights of Shareholders

The Board of Directors has established the policy for good corporate governance that gives importance to the basic rights of the shareholders and the prevention of any violation or curtailing of such rights. The basic rights of the shareholders, as security investors and owners of the Company, consist of the right to buy, sell or transfer shares that they hold, the right to receive a share in the profit of the Company, the right to receive adequate information on the





Company, and the right to participate in the shareholders' meetings to express an opinion and to make decisions on important issues, for instance dividend payment, election or removal of members of the Board, the setting of the remuneration for directors, the appointment of the external auditor and the setting of the audit fee, the approval of transactions that affect the Company's business, the amendment of the Company's Memorandum of Association and Articles of Association, etc.

For the shareholders' meetings, the Company has complied with all rules as prescribed by the law and relevant regulations, as well as in accordance with the principles for good corporate governance, and has taken actions to promote and facilitate the exercise of their rights by the shareholders' at all meetings. For 2011, the Company held the annual general meeting of shareholders on April 21, 2011 at the Premier Corporate Park, One Soi Premier 2, Srinakarin Road. The Company sent the invitation notice to the shareholders together with the rules and procedures for attending the meeting and all relevant supporting documents, which includes adequate and clear opinions of the directors for each agenda item to support shareholders in deciding their vote, to the Thailand Securities Depository Co., Ltd., which is the company registrar, to forward to shareholders 30 days prior to the meeting date. The notice and the supporting information were also posted 30 days prior to the meeting date on the Company's website. This is to allow shareholders sufficient time to review the information. Seven of the Company's eight directors attended the meeting, including the Chairman, the Chairman of the Audit Committee, the Managing Director and four other directors. In addition, the Company's senior executives and the external auditor also attended the meeting.

Prior to the meeting date, the Company provided all shareholders with the opportunity to send their questions, suggestions or opinions. In addition, the Chairman of the Meeting also allocated appropriate time during the meeting for shareholders to raise questions and express their opinions on each agenda item prior to casting their votes. The questions, replies and important opinions are recorded in the minutes of the meeting. The minutes of the meeting was filed with the Stock Exchange of Thailand and posted on the Company's website within 14 days after the meeting date, so that shareholders can verify its accuracy.

In 2011 The company has been evaluating the quality of the Annual General Meeting of Shareholders (AGM) for the year as "excellent" as a score 100 points.

Chapter 2 The Equitable Treatment of Shareholders

The Company's Board of Directors has ensured that the basic rights of every shareholder have been equitably protected, including the procedures on holding the shareholders' meetings, the prevention of the misuse of inside information by the directors, executives and employees, and the disclosure by the directors and executive of information on any personal interest or those of their related persons.

For the annual general meeting of shareholders (AGM) for the year 2011, the Company provided the opportunity for shareholders to propose agenda items and nominate any qualified candidate for election as director 5 months in advance from November 10, 2011 to January 15, 2012 and had advised the shareholders through

the Stock Exchange of Thailand, as well as posted the criteria and procedures for proposing AGM agenda items and director nomination on the Company's website www.premier-technology.co.th.

In case any shareholder could not personally attend the meeting, the Company has opened the opportunity for such shareholder to give proxy to an independent director or any other person to attend the meeting and vote on their behalf using proxy form type B in which the shareholder may cast his on vote on each agenda item, which the Company has enclosed with the notice of the meeting and made available on its website for downloading.

At the annual general meeting of shareholders for the year 2010, the sequence of the agenda items was not changed and no additional agenda item was included. The meeting was not requested to consider any other business except from the agenda items specified in the notice of the meeting.

As regards the care and protection from misuse of inside information including the disclosure of the personal interest of the directors or their related persons, the Company has set the following guidelines:

1) The Company has a policy on the security of its information systems in order to maintain the standard of important fundamental systems used in building quality control systems for the work process, computer systems and data communication systems.

2) The Company has signed confidentiality agreements with its personnel, contractors, suppliers, service providers, as well as company visitors, in order to prevent the disclosure of any sensitive information or news of the Company or its subsidiary that has not be disclosed to the public.

3) The Board of Directors has set in writing the procedures for the use of inside information to promote transparency, equality and fairness equally to all shareholders and to prevent the use of such inside information that has not been disclosed to the public for abusive self-dealing, as well as avoid criticism regarding the appropriateness of the trading of the Company's securities. The directors, executives and employees of the Company must protect the secret and/or inside information of the Company and may not disclose or use such information, directly or indirectly, for personal gains or for gains of other persons. They must not trade, transfer or receive securities of the Company resulting from the use of such secret and/or inside information of the Company except where the information has been disclosed to the public and must not enter into any transaction by using the Company's secret and/or inside information, which may directly or indirectly cause losses to the Company. They are also prohibited from trading, transferring and receiving the Company's securities for a period of 1 month prior to the disclosure of the Company's financial statements and for 2 working days after the disclosure of such information. This requirement includes spouses and minor children of directors, executives and employees of the Company. Violators of the requirement will be punishable according to the Company's rules and/or in accordance with the law depending on the case.

4) The Company has advised the directors and executives of their duty to report on their shareholding in the Company and the punishment terms stipulated in the Securities and Exchange Act B.E. 2535 (1992) and the requirements of the Stock Exchange of Thailand. In the case where the director or executive acquires or divests the Company's securities, they must also report their securities holding and the holding of their spouses and minor children of the securities of the Company as

prescribed by Section 59 of the Securities and Exchange Act B.E. 2535 within 3 working days of the transaction's execution to the SEC for further dissemination to the public. And report on their shareholding in the Company to the Board Meeting.

5) The Board of Directors has set guidelines and procedures for reporting the interest of directors and executives as prescribed by Section 89/14 of the Securities and Exchange Act(No.4) B.E. 2551 (2008) and notification Tor Jor. 2/2552 of the Capital Market Supervisory Board. This reporting system was implemented on July 1, 2009.

Chapter 3 Role of Stakeholders

The Company operates its business with consideration of the rights, righteousness and fairness to all groups of its stakeholders and has prepared a written Business Ethics guideline for the Company (details of which can be found on the Company's website) as guidance for the management and employees that includes the treatment of all groups of its stakeholders, including shareholders, customers, business partners, employees and any person with business relationship with the company, such as:

<u>Shareholders</u>	: Perform duties with honesty and transparency to the maximum benefits of the Company and its shareholders
<u>Customers</u>	: Attend to and be responsible for customers, produce and distribute only goods/services that are of standard quality and safety, strictly abide by the terms and agreements with customers and maintain the confidentiality of clients' non-public information
<u>Business Partners and Creditors</u>	: Conduct business with fairness, do not exploit, respect and abide by the terms of the agreement
<u>Competitors</u>	: Compete within a competitive context with fairness and honesty
<u>Employees</u>	: Treat all employees equally and with fairness in terms of opportunity, knowledge development, potential, hygiene, safety and working environment, including remuneration and benefits

The Company has prepared a policy and a code of business such as Environmental and Social Policy, Refrain from any action that infringes the intellectual property rights of the Company or others, including the use of pirated software in the Company, Do not solicit, accept or give any undue benefits in dealing with business partners or creditors, Refrain from any actions that will damage the natural resources or the environment, the details of which can be found on the Company's website, www.premier-technology.co.th.



The Company realizes that good relation and cooperation between the Company and its stakeholder are essential in promoting sustained operational growth. The Company seeks to foster this through the provision of sufficient important information on the Company and the building of good connections between the employees and stakeholders through various joint activities that are beneficial to society, as well as consult with business partners on the operating concept for mutual goals and benefit in the long term. Stakeholders can directly advise the Company's directors at facsimile number 0-2301-1020 or by e-mail at ircontact@premier-technology.co.th of any illegal practices, incorrect financial reporting, insufficient internal control or unethical practices.



In addition, the Company has developed mechanisms for participation of stakeholders in improving the Company's operations, which include:

1) To regularly provide information and news of current services and products, as well as arrange training, to the customers.

2) To build a good relationship between the Company's employees and the stakeholders through staff club activities, such

as playing sports, joint social activities, etc.

3) To create different forms of partnership programs through which the Company and its stakeholders can jointly strengthen its business.

Corporate Social Responsibility

The Company has placed much importance on its corporate social responsibility throughout the last 25 years. It has operated its business and organized activities based on the Premier Group's core values that emphasizes "The Premier Business, The Premier People, The Premier Society", which is in line with the principles and main recommendations of the ISO 26000 Guidance on Social Responsibility standard that supports the implementation of social responsibility from good intentions to good actions as follows:

Labour Practices

- The Company's subsidiary has established a Welfare Committee in accordance with Section 96 of the Labour Protection Act B.E. 2541 (1998) and provides standard types of labour welfare to employees at all levels, such as annual medical check-up and annual health insurance.
- Arrange employee relations activities every year for employees at all levels, such as Sports Day, activities to promote good health, annual New Year's Party, basic music education courses, etc.
- Establishment of the Company's Committee for Safety, Occupational Sanitation, and Working Environment, which is trained as prescribed by the laws approved by the Department of Labour Protection and Welfare, Ministry of Labour.
- Provision of temporary accommodation for employees affected by the flood.



The Environment

- The Company provides services for energy efficient data centers or “green data centers”. The designs of our data centers are analyzed by engineering experts to ensure that they have a high energy efficiency ratio where the power usage effectiveness (PUE) is less than 1.7, which is considered highly efficient. DCS utilizes energy efficient technologies that are capable of reducing energy consumption by more than 30% when compared with the standard systems that are widely used and thus helping companies to reduce their operating cost in the long-term.
 - The in-row cooling system for data centers, which is capable of improving the cooling capacity to accurately correspond with the temperature of the installed equipment, enables the installation of equipment to the rack’s maximum capacity and thus helping to lower space requirement when compared with the standard server layout in general data centers.
 - The hot-aisle containment system is a space designed to manage the heat released by the server and other equipment within the data center that, especially, helps to reduce energy consumption by the cooling system as it does not have to adjust temperature in a large area and helps to increase the cooling capacity.
 - The power distribution and back-up systems of a data center, which allows it to provide its services with maximum operational stability 24 hours a day, is controlled by the automatic power distribution management system that distributes power from the main distribution board, as well as the back-up generator and the high capacity Uninterruptible Power Supply (UPS) unit that supplies power to the computer equipment in the data center in case of a blackout.
- The use of the electronic document system has helped to increase the reduction in paper consumption.
- The use of the digital broadcasting system within the company to disseminate information and news to the employees within the company both at the head office and in the branches instead of placing notices on the board has assisted in reducing a large amount of paper consumption.
- On December 8, 2011, the Company organized an activity for its employees and their families, totaling 100 persons, to prepare artificial mineral licks in the Khao Ang Lue Nai Wildlife Sanctuary in Sanam Chai Khet District of Chachoengsao Province.
- On 14 October 2011, the Company provided funding to the Khlong Khon Mangrove Forest Preservation Center in support of the mangrove forest replanting project for school children in the Khlong Khon District of Samut Songkhram Province.

Responsibility towards Consumers

- The Company’s subsidiary operates its business based on the principle that it would only provide products for which it is capable of providing continuous after sales services. Therefore, its customers are not burdened with having to source for another service provider subsequent to making a purchase.
- The management service provided by the Company’s subsidiary is certified with the international ISO/IEC 20000 IT Service Management and ISO 27001 Information Security Management System standards by Bureau Veritas

- (Thailand) Ltd., which includes its disaster recovery services, data center hosting services and service desk support services.
- The Company's subsidiary together with its trade partners and educational institutes have regularly organized joint activities that emphasize on the provision of useful information and knowledge to the general public, such as:
 - January 20, 2011 – joined Microsoft (Thailand) Ltd. in organizing the Microsoft BI Workshop for Commercial Business seminar for retail business operators with the aim of providing information on how to maximize the use of the Business Intelligence software package and to educate the users on how to access and analyze data from their organization's database through the use of the various tools.
 - March 9, 2011 - provided information regarding the trend of the use of the Human Resource Management System to business operators in the Hemaraj industrial estates.
 - March 9, 2011 - organized the Human Capital Management seminar for the human resources management units of its general customers.
 - April 25, 2011 - together with Hemaraj organized the New Balance for Human Resource Management seminar for business operators in the Hemaraj industrial estates.
 - May 11, 2011 – supported IBM Thailand Co., Ltd. in organizing the IBM Technology Conference & Expo 2011 for general businesses that are interested in information technology.
 - May 26, 2011 – joined Lenovo (Thailand) Ltd. in organizing the Modernize Your SMB Marketing Tactic seminar for medium and small enterprises on how to maximize the use of the Customer Relationship Management software and to educate the users on how to access and analyze data through the use of the various tools, as well as lectured on the topic "Anywhere, anytime CRM on the Think".
 - June 29, 2011 – provided support to Symantec (Thailand) Ltd. in organizing the Symantec is SMB seminar in order to provide general businesses with information on its new products.
 - July 6, 2011 – joined Hewlett Packard (Thailand) Ltd. in organizing the DRC opens to Yours seminar to provide information to general customers on disaster recovery center management.
 - July 11-12, 2011 – provided funding and support to the Faculty of Medicine of Mahidol University and the Ministry of Public Health in organizing the international MOPH-TITC Healthcare International Forum by installing equipment and technology for broadcasting the event on the broadband internet.
 - August 3, 2011 – arranged for the Office of the Higher Education Commission to bring a party of teachers to visit the Company's data center and to listen to a briefing on the management of data centers and disaster recovery centers.
 - September 21, 2011 – supported The Aspirers Group Co., Ltd. by providing information on cloud computing under the topic "Step out from all concerns to the confident success in Cloud Computing".
 - October 12, 2011 – supported the organization of the itSMF Thailand Chapter, 5th Annual Conference by providing information regarding the standards for the management of an information technology service provider business to organizations wishing to develop their capability in the provision of information technology services to be at the internationally accepted level.

Social Development

- On 14 June 2011, the Company donated 1,000,000 Baht to the Ramathibodi Foundation for procurement of medical equipment for the medical center in the Princess Maha Chakri Sirindhorn Building of Ramathibodi Hospital.
- From September 26-October 1, 2011, the Company's subsidiary supported the "Tutoring for Entrance to the University with Mama" project by broadcasting the event on the broadband internet to 408 participating schools throughout Thailand. This is because the Company recognizes the benefit of youths across the country receiving equal education and for youths in all regions of the country to have the opportunity to study with renowned teachers. A copy of the broadcast will be stored in DCS's Green Data Center for one year and can be retrieved for reviewing at all times through a computer or a mobile phone that supports such function.
- Student job trainee program for students from Thai educational institutes, such as from the Rajamangala University of Technology Thanyaburi.
- Provide support for the education development activities of the Yuvabadhana Foundation:
 - Donate 5% of the subsidiary's income to the foundation every year.
 - Provide support through the purchase of products sold by the foundation for use as gifts for customers on different occasions, such as souvenir of a seminar, gifts for special festivals, etc.
- Donated 50,000 Baht for the rehabilitation of flood victims through Nation Broadcasting Corporation Public Co., Ltd.
- Donation by the Company's employees of money to help flood victims.



Chapter 4 Disclosure and Transparency

The Board of Directors recognizes the importance of disclosure of information, both financial and non-financial, that is accurate, complete and transparent as stipulated by the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as other significant information that may affect the price of the Company's securities and influence the decision-making process of investors and stakeholders. The Company disseminates information on the Company to the shareholders, investors and general public through the various channels of the SET and the Company's website in Thai and English, which is constantly updated.

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiary and the financial information presented in the annual report, which are reported in conformity with generally accepted accounting principles and prepared based on the appropriate accounting policy with consistency and adequate disclosures. The financial statements were unconditionally certified by the auditor, who is independent, possess accepted qualifications, and is approved by

the SEC. The Report of the Board of Directors' Responsibilities for Financial Statements is presented with the report of the independent auditor in the annual report.

As for investor relations, the Company has not yet set up a specific unit for this purpose but has assign personnel to specifically handle investor relations who investors can contact at telephone number 0-2301-1585 and by e-mail at ircontact@premier-technology.co.th.

Chapter 5 Responsibilities of the Board

1. Structure of the Board of Directors

The Company's Board of Directors comprises knowledgeable and competent persons with experiences that are beneficial to the Company's business. The Board is responsible for setting the corporate policy, strategy, target, work plan and budget of the Company, as well as supervising, monitoring and evaluating the operational performance of the management to ensure adherence to corporate plans.

As at December 31, 2011, the Board of Directors is composed of 7 directors, 3 of whom are executives and 4 are independent directors. The number of independent directors equals 57 per cent and exceeds one-third of the total number of directors in the Board as prescribed by the regulations of the SEC in order to create a balance in the consideration of any matter. All 7 of the directors hold not more than 4 directorship positions in public listed companies.

The Board has appointed a sub-committee, namely the Audit Committee, which is composed of 3 independent directors with each director having a term of office of 3 years. The responsibilities of the Audit Committee have been clearly defined as detailed in item 2.1.2 on page 14-15 and the qualifications of each committee member are as stipulated by the SEC.

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 The Board reviewed the written good corporate governance policy as detailed in Section 2.4(1) and in the website of the company 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 the website of the company, 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 Control

(See details in Section 2.7 Internal Control on page 39-40)

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 2011, 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.

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 2011 is in 2.1.1.on page 12) 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 remuneration of the directors and executives are determined by the directors who do not have an interest in the Company. The Company has a policy to remunerate the directors and executives at an appropriate level based on the Company's operating results and the comparative rates of companies within the same industry, as well as the responsibilities of each director and executive. The remuneration for the directors is in the form of annual rewards and meeting allowances while the remuneration of the executives is in the form of salary, bonus and provident fund contribution.

In 2011, the annual general meeting of shareholders passed a resolution approving the remuneration of directors as follows :

<u>Board of Directors</u>		
Meeting Allowance	- Chairman (Baht/person/time)	18,000.-
	- Directors (Baht/person/time)	14,000.-
Annual Remuneration (Baht/person/year)		140,000.-
<u>Audit Committee</u>		
Meeting Allowance	- Chairman (Baht/person/time)	18,000.-
	- Directors (Baht/person/time)	14,000.-

Note: Meeting allowances are paid only to directors who attend each respective meeting.

Remuneration paid to directors and executives for the year 2011 is detailed in item 2.3 Remuneration for the Directors and Executives on page 24.

5. Board Self-Assessment

The Board of Directors evaluates its performance at least once a year to collectively review its overall performance, problems and obstacles during the past year in order to help increase operational efficiency. In 2011, the directors have completed the self-assessment forms, which has the 6 evaluation topics, namely, structure and characteristics of the board, roles and responsibilities of the board, board meetings, the board's performance of duties, relationship with management, and development of directors and executives.

6. Development of Directors and Executives

The Board of Directors has a policy to promote and support directors, executives, the Corporate Secretary and all involved persons to attend training program provided by the Thai Institute of Directors, the Stock Exchange of Thailand and other independent organizations so as to increase knowledge, improve performance, and increase efficiency in the work process. In the case where there is a change of directors or a newly-appointed director, these directors are provided with documents and information that are beneficial for them in fulfilling their duties as directors, as well as an introduction to the Company's business and its business

practices. In addition, the Company develops employees for succession to top management positions and has identified successors at various management levels in the case that any executive can no longer perform his duties.

2.5 Protection Against the Use of Inside Information

(See details in Section 2.4 Corporate Governance Chapter 2 on page 27 - 28)

2.6 Human Resource

As at 31 December 2011, the Company and its subsidiaries had a total of 348 employees (excluding management) who are all permanent employees.

Remuneration of Employees

In 2011, the Company and its subsidiaries paid remuneration to its employees totaling 146.10 million baht which is in the form of salary, bonus and contribution to the provident fund.

Provident Fund

The Company has established a provident fund since 27 June 1990 with the purpose of building employee morale and to motivate employees to work with Company in the long term.

Human Resource Development Policy

From the vision and goal to operate a business that provides the best quality services to its customers for the success of the organization over the long-term, the Company has therefore emphasized the continuous development of the quality of its employees in their knowledge, competency and practical skills because it considers its employees to be its strength. The Company has set a guideline for their development according to its corporate culture under the concept "Our People" with the aim of ensuring that its employees have qualities that are appropriate for the provision of good services of high quality so as to assure customer satisfaction.

The Company realizes that human resource development not only is limited to the provision of training but also includes the effective management of human resource development, the preparation of tools, the provision of procedures, and the creation of a working environment that is appropriate for learning by the employees to ensure the maximum development of their capabilities. This is the building and development of high quality human resources for the Company, society and the country in the future.

The Company has prepared a training roadmap as a guideline for the systematic development of its employees that covers and is consistent with the core competency of the organization, as well as managerial/ professional competency and functional competency. For the third consecutive year, the Company has arranged for its employees and management to receive training from experts in different fields so that they can utilize the knowledge gained to help increase their work efficiency. The training focuses on four areas as follows:

1. Our Professional Program - courses designed to develop desirable qualities according to the "Our People" corporate culture.
2. Professional ICT Program – courses designed to develop skills necessary to become a professional in ICT.
3. Leadership Program – courses designed to help develop the leadership skills of the employees.
4. English Literacy – courses designed to develop the English literacy skills.



The Company also emphasizes the development of its employees' technical skills in order for them to be accepted and trusted by the customers. The Company promotes and supports its employees in attaining certification of their expertise by leading ICT organizations.

In 2011, the Company has developed an electronic human resource development (e-HRD) system as a tool to effectively manage its human resource development. The functions of the system include the registration of participants for training courses, the management of participants, the recording of information from the training sessions, and the reporting in different formats of the results of the receipt of such training, which facilitate the employees and supervisors in the systematic development of human resources.

หน้าแรก		การลงทะเบียน		การเริ่มหลักสูตร		แสดงจากระบบ			
หน้าแรก		Training Roadmap							
Training Roadmap		ชื่อหลักสูตร	ระดับการอบรม	ลำดับ	ลักษณะงาน				
					Business Development	Consulting Service	Customer Service	Project Management	Corporate Support
		Communication Skill	1	1	✓	✓	✓	✓	✓
		Personality Development	1	2	✓	✓	✓	✓	✓
		Customer Satisfaction	1	3	✓	✓	✓	✓	✓
		Personality Types	1	4	✓	✓	✓	✓	✓
		Presentation	1	5	✓	✓	✓	✓	✓
		Leadership Mindset	1	6	✓	✓	✓	✓	✓
		Professional Sales Person	1	7	✓	✓	✗	✓	✗
		Problem Solving and Decision Making	2	8	✓	✓	✓	✓	✓
		Facts for Action	2	9	✓	✓	✓	✓	✓
		Negotiation	2	10	✓	✓	✓	✓	✓
		Intrapreneurship	2	11	✓	✓	✓	✓	✓
		Strategic Persuasion	2	12	✓	✓	✓	✓	✗
		Business Thinking for IT Professionals	2	13	✓	✓	✓	✓	✗

In 2011, the Company allocated a budget for human resource development of Baht 13,803 per person and approximately 47 per cent of the total number of its employees attended training courses.

2.7 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:

2.7.1. 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.

2.7.2. Risk Management

The Company has established policies and important strategies for the management of risks by linking risk management with its business plan. Risk factors, both internal and external, that may affect the Company's business operation are assessed then analyzed and rated based on their impact and likelihood to occur in each business process in order to determine the risk management plan. In addition, the Company conducts control self-assessments in collaboration with the Internal Control Department annually, as well as monitors events and risk factors on a regular basis.

2.7.3. Management Operations Control

The Company has established important policies for business operations as the basis for systematic and efficient operations to achieve the set objectives and goals. A written manual has been prepared clearly detailing the scope of duties and the authorized approval limits for each level of management. The work structure has been organized to clearly segregate the duties for the approval of transactions, recording of accounting entries, and assets supervision and storage. The Company's operational performance and its strict compliance with prevailing laws and regulations are also monitored.

2.7.4. Information Technology System and Communication

The Company has put in place an appropriate information system for important information and communication channels for sourcing internal and external information. This is to allow all concerned parties to receive information that is accurate, complete and timely in order to assist them in meeting their work objectives. Reports containing information on each business unit are prepared and presented to the management to support their decision-making, including accounting and financial reports. For its accounting policy, the Company uses generally accepted accounting principles and stores its financial documents as prescribed by the laws and regulations of the Revenue Department.

The Company has as system through which to communicate various matters, i.e. the informing of the scope of duties and responsibilities of the personnel when they start working for the Company, orientations, training, and probation periods. The Company has also opened channels through which its employees express their opinions, as well as for communication between business units and with outside parties. Any reports or complaints regarding the Company's products and services or any other matter is promptly attended to and rectified.

2.7.5. Monitoring System

The Company monitors its operational performance in order to ensure that predetermined targets are met by comparing the actual results with estimates before preparing a rolling plan for every quarter. Each business unit is also required to analyze the reasons for such difference and determine ways to improve operational efficiency so as to achieve the Company's targets. There is sufficient, complete and accurate information disclosure, including the disclosure of connected transactions or transactions with conflict of interest with transparency and accountability.

The Company has a comprehensive internal control structure comprising all 5 components of the Internal Control Standard, which is effective, sufficient and appropriate for preventing or minimizing probable risks.

The Audit Committee has reviewed the assessment of the internal control system for the year 2011 performed by the Company's Internal Control Department and found no material error or weakness. This is in line with the opinion of the Company's external auditor that the Company has an effective internal control system that is sufficient and effective for preventing or minimizing any risk that may occur.

2.8 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.

In 2011, the Company distributed dividends as follows:

1. Distribution of dividend to the shareholders based on the operational performance for the year 2010 at the ratio of 0.15 baht per share, totaling

21.29 million baht, in May 2011 in accordance with the resolution of the Annual General Meeting of Shareholders for the year 2011 held on April 21, 2011.

2. On August 4, 2011, the Board of Directors' Meeting No. 4/2011 had a resolution to distribute interim dividend to the shareholders based on the operating performance for the 6-month period from January 1, 2011 to June 30, 2011 at the ratio of 0.10 baht per share, totaling 14.19 million baht, in September 2011.

Related Transactions

(1) Related Transactions between the Company and its subsidiaries and related persons incurred in 2010

Million Baht

Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
				In 2010	
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	Common Directors	52.40	Selling prices and service fee are under normal business conditions.
P.M. Food Co., Ltd. Premier Product Co., Ltd. Premier Motors Co., Ltd. Premier Home Appliance Co., Ltd. Premier Resorts and Hotels Co., Ltd. Raya Heritage Co., Ltd. i Seri Premier Co., Ltd.					

Million Baht

Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
				In 2010	
Premier Fission Capital Co., Ltd. Broadband Technology Service Co., Ltd. Professional Training Service Co., Ltd. Premier Metro Bus Co., Ltd. Premier Manufacturing Co., Ltd. Advanced Cyber Technology Co., Ltd.		Account receivable		5.82	
Premier Product Co., Ltd.	Normal Business	Company -The Company leases space in the Premier Place building that it had acquired through an auction by the Legal Execution Department. Premier Products Co., Ltd. had entered into a lease agreement with the previous owner of the building prior to the auction and the Legal Execution Department has duly informed of such commitment with the details of the auction.	Common Directors	0.87	The rental fee and central maintenance fee are as specified in the lease agreement and service agreement, respectively, while the cost of electricity charge is billed according to actual usage

Million Baht

Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
				In 2010	
Professional Training Service Co., Ltd.	Normal Business	Subsidiary - Cost of Sales is the fee payable to Professional Training Service Co., Ltd. for provision of services for the JDE system to the customers of the subsidiary company arising from the corporate reorganization of the subsidiary.	Common Directors	31.53	Service fee are under normal business conditions.
Premier Fission Capital Co., Ltd.	Support Normal Business	Subsidiary - Consulting fee is under management and business consultancy contract	Common Directors	6.30	Service fee is computed from the average actual cost of each business structure of Premier Fission Capital Co., Ltd 's customer.
Premier Resorts and Hotels Co., Ltd / Raya Heritage Co., Ltd.	Support normal business	Subsidiary - Hotel room complimentary for employees working from 15 – 20 years	Common Directors	0.17	Price is under the normal business practice.

Million Baht

Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
				In 2010	
Premier Inter Leasing Co., Ltd.	Support normal business	Subsidiary	Common Directors	0.44	Rental fee is under normal business practice
Professional Training Service Co., Ltd.	Support normal business	Subsidiary - Meeting Room for Training and service for project arrangement on staff development training. Account payable	Common Directors	6.59	Price is under the normal business practice.
				0.88	
Seri Property Holdings Co., Ltd.	Support normal business	Subsidiary - Service fee for common facilities under the Lease Agreement - Utilities expenses in actual basis	Common Directors	3.95	Common facilities fee is under normal business practice. Electricity and telephone charges are in actual basis.
Seri Premier Co., Ltd.	Support normal business	Subsidiary - Consulting service fee for the construction of the Disaster Recovery Center for use in servicing the subsidiary's customers.	Common Directors	0.05	Prices are normal business practice.

Million Baht

Related Companies	Transaction Type	Description	Transaction	Value	Necessity and Rational
				In 2010	
Advanced Cyber Technology Co., Ltd.	Support normal business	Subsidiary - Referral fee in marketing the subsidiary's products and services.	Common Directors	0.80	Service fee is under normal business practice.
Premier Home Appliance Co., Ltd.	Support normal business	Subsidiary - Service fee for the repair of the water cooler.	Common Directors	.001	Service fee is under normal business conditions.
Advanced Cyber Technology Co., Ltd.	Asset	Subsidiary - Programming Development Fee and purchase time recorder.	Common Directors	1.59	Service fee is under normal business conditions.
Premier Product Co., Ltd.	Asset	Subsidiary - Purchase of water pump for using in the office.	Common Directors	0.008	Price is 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 meantime, 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.



Business Analysis

EXPLANATION AND ANALYSIS OF PERFORMANCE AND FINANCIAL POSITION

In 2011, the Company and its subsidiary had classified accounting items according to the Notification of the Department of Business Development relating to the financial statement presentation and reclassified certain items in the financial statements for the years ended December 31, 2010 and 2009 to conform with the current year's classification, without any effect to the previously reported statements of financial position and statements of comprehensive income.

1. OPERATING PERFORMANCE

For the operating performance for the year ended December 31, 2011, the Company and its subsidiary earned net profit of 51.33 million baht, up 22.93 million baht from the previous year due to the following material changes:

1. Sales revenue for the year 2011 was 1,284.34 million baht, increasing by 247.99 million baht or 23.93 per cent, and sales revenues for the year 2010 was 555.78 million baht, up by 51.68 million baht or 10.25 percent. This resulted in an increase in gross profit from sales and service of 78.46 million baht or 18.54 per cent.
2. Other income was 20.27 million baht, down by 6.98 million baht as in the year 2010 the subsidiary registered gain on foreign exchange of 6.73 million baht while in 2011 the Company had income from rental and service of office building of 3.46 million baht and the subsidiary had loss on foreign exchange of 3.80 million baht.
3. Administrative expenses increased by 22.59 million baht, which was an increase in the Company's expenses of 5.98 million baht due to expenses associated with the lease of space in the building that the Company acquired through an auction during the third quarter of 2011 and an increase of the subsidiary's expenses of 16.61 million baht from the recognition of long-term employee benefits of 5.88 million baht, increase in personnel expenses of 7.04 million baht, decrease in provision of doubtful accounts of 7.41 million baht, increase in depreciation and amortization of intangible assets of 1.98 million baht, financial assistance related to the flood of 1.92 million baht, fee for the valuation of computer equipment for sale of 1.61 million baht, increase in expenses associated with the office resulting from an increase in amount of space rented of 2.60 million baht, and decrease in financial expenses of 11.27 million baht. The decrease in the financial expenses is due to the restructuring in 2010 of the subsidiary's loan agreements into long-term loans with higher credit limits to support its business expansion. Debts under the former loan agreements were repaid prior to the maturity dates and the subsidiary recognized interest expenses on the termination of the agreements of 15.80 million baht. Therefore, financial expenses for the year 2011 compared to the year 2010 after deduction of interest expenses from the termination of the agreements will be lower by 4.53 million baht.

4. Financial expenses increased by 10.63 million baht from the financial expenses of the Company of 6.41 million baht that resulted from the Company entering into a loan agreement to borrow funds to purchase an office building for leasing. The financial expenses of the subsidiary increased by 4.22 million baht due to the increase in sales and the expansion of the credit limits of short-term loans and factoring loans.
5. In 2011, the subsidiary had corporate income tax payable of 26.38 million baht, an increase of 15.29 million baht.

2. FINANCIAL STATUS

Assets – As at December 31, 2011, the Company and its subsidiary have total assets worth 1,236.48 million baht, up by 346.19 million baht or 38.88 per cent due to the following changes:

1. Cash and cash equivalents and current investments were 11.84 million baht, decreasing by 100.12 million baht because of the investment in the office building the Company had acquired through an auction by the Legal Execution Department and the distribution of dividend.
2. Net trade and other receivables was 376.61 million baht, increasing 68.98 million baht or 22.42 per cent due to increased sales and service revenues.
3. Inventories were 215.37 million baht, increasing by 51.92 million baht or 31.77 per cent. These were products ordered by customers that were in process of being delivered.
4. Work in progress was 33.29 million baht, increasing by 27.97 million baht, and was related to the provision of services that were recognized based on completion of the work.
5. Investment properties were 175.46 million baht, which was a transaction where the Company bid for land and a building auctioned by the Legal Executive Department, the Ministry of Justice on July 5, 2011.
6. Plant, property and equipment was 204.37 million baht, increasing by 91.53 million baht or 81.11 per cent and comprise land and building of the Company worth 78.90 million baht, which was from the classification of investment properties that are land, property and equipment of the Company as the Company had leased the space to the subsidiary, and computer equipment.

Liabilities – As at December 31, 2011, the Company and its subsidiary had total liabilities of 1,236.48 million baht, increasing by 346.19 million baht or 38.88 per cent due to the following changes:

1. Short-term loans from financial institutions were 140.43 million baht, up 96.36 million baht, which were short-term loans and factoring loans of the subsidiary that were secured by the pledge of bank deposits of the subsidiary and the transfer of the right of the claim of collections from sales and service income from a customer of the subsidiary.

2. Trade and other payables were 383.08 million baht, decreasing 30.83 million baht or 7.45 per cent.
3. Deferred service income was 145.70 million baht, increasing 74.43 million baht or 104.45 per cent, and was recognized based on the completion of the service provided.
4. Corporate income tax was 5.25 million baht.
5. Long-term loans were 196.14 million baht, up 191.86 million baht due to the Company entering into a loan agreement with a company for the purchase of land and building for leasing and using as the subsidiary's office.
6. Long-term liabilities were 51.46 million baht, increasing by 18.69 million baht or 26.64 per cent.
7. Provision for long-term employee benefits was 32.17 million baht due to the subsidiary's adoption of the Thai Accounting Standard (TAS) 19 Employee Benefits.

Shareholders' Equity – As at December 31, 2011, the total shareholders' equity of the Company and its subsidiary equaled 256.14 million baht, down 13.13 million baht or 4.88 per cent due to the following changes:

1. Appropriated retained earnings - statutory reserve was 9.42 million baht, increasing by 2.30 million baht from the transfer of unappropriated retained earnings as specified by Section 116 of the Public Limited Companies Act B.E. 2535 (1992).
2. Unappropriated retained earnings were 105.00 million baht, decreasing by 15.43 million baht or 12.81 per cent arising from net profit of the Company and its subsidiary of 56.53 million baht, cumulative effect of change in accounting policy for employee benefits of 34.18 million baht, transfer of unappropriated retained earnings to statutory reserve of 2.30 million baht and dividend paid of 35.49 million baht.



Report of the Board of Director's Responsibilities

REPORT OF BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The 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.

The 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.

The Board of Directors is of the opinion that the company's overall internal control is adequate and appropriate to be rationally confident that the company's financial statements and the consolidated financial statements for the year ended December 31, 2011 are reliable in accordance with the generally accepted accounting standards and accurate under the relevant laws and procedures.

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



Report of Audit Committee

REPORT OF THE AUDIT COMMITTEE

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

1. Mr. Udom Chatiyant as the Chairman of the Audit Committee with financial report review experiences.
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 term of the Audit Committee member is 3 years.

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 2010 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.

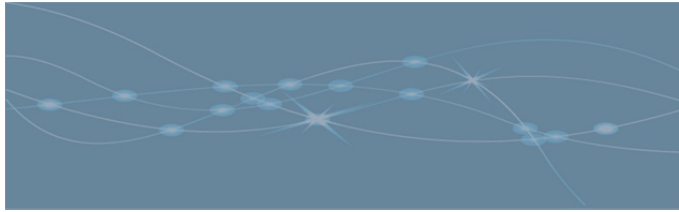


5. Reviewed the appropriateness and adequacy of risk management, by meeting with the management involved so as to be aware of all the operations of the Company's risk management, and give recommendations to make the risk management systems even more efficient and most suitable to the prevailing economic situations.
6. Reviews the good corporate governance principle and purpose to the Board.
7. 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.
8. 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 2011 as auditor at the audit work has always been very good.
9. The Audit Committee report results of the performance as well as recommendations to the Board of Directors every time in the Board's meeting.

The Audit Committee performed its duty with prudence and independence. All the opinions expressed were straightforward, transparent and verifiable, and in accordance with good corporate governance. In this regard, the Audit Committee is of the opinion that the Bank's financial statements and disclosure of information are complete and reliable, consistent with generally accepted accounting principles. Overall risk management and internal control systems have been implemented effectively and appropriately. Internal audits have been independently conducted in compliance with internal audit standards covering all high-risk processes. Moreover, there are adequate system of control to ensure compliance with applicable laws and regulations, consistent with the current business environment.

On behalf of Audit Committee

(Mr. Udom Chatiyant)
Chairman of the Audit Committee



Report of Independent Auditor

Report of Independent Auditor

To the Shareholders of Premier Technology Public Company Limited

I have audited the accompanying consolidated statement of financial position of Premier Technology Public Company Limited and its subsidiary as at 31 December 2011 and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and have also audited the separate financial statements of Premier Technology Public Company Limited for the same period. These financial statements are the responsibility of the management of the Company and its subsidiary as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated financial statements of Premier Technology Public Company Limited and its subsidiary, and the separate financial statements of Premier Technology Public Company Limited as at 31 December 2010 and for the year then ended, as presented herein for comparative purposes, were audited in accordance with generally accepted auditing standards by another auditor of our firm who, under her report dated 17 February 2011, expressed an unqualified opinion on those financial statements.

I conducted my audit 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 audit provides 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 2011, and the results of their operations, and cash flows for the year then ended in accordance with generally accepted accounting principles.

Without qualifying my opinion on the aforementioned financial statements, I draw attention to Note 3 to the financial statements. During the current year, the Company adopted a number of revised and new accounting standards as issued by the Federation of Accounting Professions, and applied them in the preparation and presentation of its financial statements.

Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

Ernst & Young Office Limited
Bangkok: 16 February 2012

Premier Technology Public Company Limited and its subsidiary

Statements of financial position

As at 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
Assets					
Current assets					
Cash and cash equivalents	9	10,632,603	61,961,038	449,052	25,261,718
Current investments	10	1,212,109	50,008,876	1,212,109	50,008,876
Trade and other receivables	11	376,606,881	307,623,425	-	-
Prepaid service cost		96,745,574	77,559,459	-	-
Dividend receivable from subsidiary	15	-	-	26,999,460	-
Inventories	12	215,371,870	163,447,291	-	-
Work in progress		33,293,880	5,320,383	-	-
Other current assets	13	47,151,188	49,071,940	1,581,361	897,932
Total current assets		781,014,105	714,992,412	30,241,982	76,168,526
Non-current assets					
Restricted bank deposits	14	48,511,696	36,385,115	-	-
Investment in subsidiary	15	-	-	152,726,861	152,726,861
Investment in associate	16	1,184,521	1,383,701	1,383,701	1,383,701
Investment properties	17	175,463,110	-	254,008,232	-
Property, plant and equipment	18	204,368,323	112,839,471	10,887	17,221
Intangible assets	19	10,727,294	8,803,822	-	-
Other non-current assets		15,213,599	15,888,407	-	-
Total non-current assets		455,468,543	175,300,516	408,129,681	154,127,783
Total assets		1,236,482,648	890,292,928	438,371,663	230,296,309

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

Premier Technology Public Company Limited and its subsidiary

Statements of financial position (continued)

As at 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	11,20	140,429,141	44,068,351	-	-
Trade and other payables	21	383,077,497	413,910,640	2,673,216	191,702
Deferred service income		145,698,270	71,264,415	-	-
Short-term loan from related party	8	-	-	2,372,700	-
Current portion of long-term loan	22	2,140,000	2,140,000	-	-
Current portion of long-term liabilities	23	30,648,650	37,970,873	-	-
Current portion of long-term liabilities under rehabilitation plan	24	-	500,986	-	500,986
Income tax payable		5,245,990	-	-	-
Other current liabilities		25,874,431	16,598,288	79,136	220,961
Total current liabilities		733,113,979	586,453,553	5,125,052	913,649
Non-current liabilities					
Long-term loans - net of current portion	22	194,000,000	2,140,000	194,000,000	-
Long-term liabilities - net of current portion	23	20,812,664	32,178,111	-	-
Provision for long-term employee benefits	25	32,166,437	-	-	-
Other non-current liabilities		252,000	252,000	-	-
Total non-current liabilities		247,231,101	34,570,111	194,000,000	-
Total liabilities		980,345,080	621,023,664	199,125,052	913,649

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

Premier Technology Public Company Limited and its subsidiary

Statements of financial position (continued)

As at 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
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)	-	-
Retained earnings					
Appropriated - statutory reserve	26	9,420,000	7,120,000	9,420,000	7,120,000
Unappropriated		105,003,272	120,434,968	87,882,140	80,318,189
Total shareholders' equity		256,137,568	269,269,264	239,246,611	229,382,660
Total liabilities and shareholders' equity		1,236,482,648	890,292,928	438,371,663	230,296,309
		-	-	-	-

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

Premier Technology Public Company Limited and its subsidiary

Statements of comprehensive income

For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
Profit or loss:					
Revenues					
Sales		1,284,337,990	1,036,338,394	-	-
Service income		555,782,639	504,102,803	-	-
Dividend income	15	-	-	56,998,860	-
Other income		20,063,031	27,046,465	4,323,530	992,623
Total revenues		1,860,183,660	1,567,487,662	61,322,390	992,623
Expenses					
Cost of sales and services		1,338,550,469	1,117,334,658	-	-
Selling expenses		144,136,082	142,974,934	-	-
Administrative expenses		285,206,107	262,614,266	9,558,290	3,575,995
Loss on impairment of investment in associated	16	-	-	-	3,816,299
Total expenses		1,767,892,658	1,522,923,858	9,558,290	7,392,294
Profit (loss) before share of loss from investment in associate, finance cost and corporate income tax					
Share of loss from investment in associate	16	(199,180)	(1,327,600)	-	-
Profit (loss) before finance cost and corporate income tax					
Finance cost		(14,388,944)	(3,759,631)	(6,414,031)	-
Profit (loss) before corporate income tax		77,702,878	39,476,573	45,350,069	(6,399,671)
Corporate income tax	28	(26,377,241)	(11,085,409)	-	-
Profit (loss) for the year		51,325,637	28,391,164	45,350,069	(6,399,671)
Other comprehensive income:					
Actuarial gains	25	5,206,249	-	-	-
Other comprehensive income for the year		5,206,249	-	-	-
Total comprehensive income for the year		56,531,886	28,391,164	45,350,069	(6,399,671)
Basic earnings per share					
Profit (loss)	29	0.36	0.20	0.32	(0.05)

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 2011 and 2010

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cash flows from operating activities				
Profit (loss) before tax	77,702,878	39,476,573	45,350,069	(6,399,671)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Reversal of allowance for change in value of				
marketable securities	-	(18,000)	-	(18,000)
Gain on sale of marketable securities	-	(380,000)	-	(380,000)
Increase (decrease) in provision for doubtful accounts	(45,155)	6,968,347	-	-
Increase (decrease) of inventory to net realisable value	(323,105)	376,969	-	-
Depreciation	56,789,622	54,931,639	1,153,063	6,335
(Gain) loss on sale of equipment	(494,889)	15,076	-	-
Amortisation of intangible assets	880,382	-	-	-
Loss on impairment of investment in associate	-	-	-	3,816,299
Share of loss from investment in associate	199,180	1,327,600	-	-
Amortisation of prepaid rental expenses	2,479,795	2,479,795	-	-
Dividend received from investment in subsidiary	-	-	(56,998,860)	-
Long-term employee benefits expense	5,875,092	-	-	-
Interest expenses	11,661,144	3,759,631	3,492,000	-
Profit (loss) from operating activities before changes in operating assets and liabilities	154,724,944	108,937,630	(7,003,728)	(2,975,037)
(Increase) decrease in operating assets				
Trade and other receivables	(68,938,301)	2,393,152	-	-
Prepaid service cost	(19,186,115)	(19,303,389)	-	-
Inventories	(51,601,474)	(112,659,980)	-	-
Work in progress	(27,973,497)	(5,320,383)	-	-
Other current assets	2,061,739	(5,992,927)	(542,442)	(159,548)
Other non-current assets	(1,804,987)	(139,461)	-	-
Increase (decrease) in operating liabilities				
Trade and other payables	(30,833,143)	116,956,108	1,859,651	5,531
Deferred service income	74,433,855	960,095	-	-
Other current liabilities	8,654,280	437,145	(141,825)	169,812
Provision for long-term employee benefits	(2,679,870)	-	-	-
Cash from (used in) operating activities	36,857,431	86,267,990	(5,828,344)	(2,959,242)
Cash paid for interest expenses	(11,039,281)	(3,759,631)	(2,870,137)	-
Cash paid for corporate income tax	(21,272,238)	(19,185,049)	(140,987)	-
Net cash flows from (used in) operating activities	4,545,912	63,323,310	(8,839,468)	(2,959,242)

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 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash flows from investing activities				
Increase (decrease) in current investments	48,796,767	(50,000,082)	48,796,767	(50,000,083)
Proceeds from sales of marketable securities	-	5,788,000	-	5,788,000
(Increase) decrease in restricted bank deposits	(12,126,581)	475,728	-	-
Acquisition of investment properties	(176,255,244)	-	(255,154,961)	-
Acquisition of property, plant and equipment	(123,520,005)	(17,874,448)	-	-
Proceeds from sales of equipment	1,302,483	904,324	-	-
Cash paid for investment in associate	-	(1,534,000)	-	(1,534,000)
Cash paid for acquisition of intangible assets	(2,803,854)	(8,803,822)	-	-
Cash receipt from remuneration	-	17,000,000	-	17,000,000
Dividend received from investment in subsidiary	-	-	29,999,400	-
Net cash flows used in investing activities	(264,606,434)	(54,044,300)	(176,358,794)	(28,746,083)
Cash flows from financing activities				
Increase in short-term loans from financial institutions	96,360,790	19,342,094	-	-
Decrease in short-term loan	-	(4,098,426)	-	-
Increase in short-term loan from related party	-	-	2,372,700	-
Repayment of long-term loans	(2,140,000)	(5,677,889)	-	-
Cash receipt from long-term loans	194,000,000	6,420,000	194,000,000	-
Repayment of long-term liabilities	(43,501,599)	(40,646,604)	-	-
Repayment of long-term liabilities under rehabilitation plan	(500,986)	(1,547,836)	(500,986)	(1,547,836)
Dividend paid	(35,486,118)	(14,194,447)	(35,486,118)	(14,194,447)
Net cash flows from (used) in financing activities	208,732,087	(40,403,108)	160,385,596	(15,742,283)
Net decrease in cash and cash equivalents	(51,328,435)	(31,124,098)	(24,812,666)	(47,447,608)
Cash and cash equivalents at beginning of the year	61,961,038	93,085,136	25,261,718	72,709,326
Cash and cash equivalents at end of the year	10,632,603	61,961,038	449,052	25,261,718
	-	-	-	-
Supplementary disclosures of cash flows information:				
Non cash items				
Assets acquired under finance lease agreements	24,813,929	49,410,898	-	-

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 2011 and 2010

(Unit: Baht)

Consolidated financial statements

	Note	Issued and paid-up		Retained earnings		Gain on sale of investment to related company	Other components of equity		Total shareholders' equity
		share capital	Company's shares held by subsidiary	Appropriated -			Total other components of shareholders' equity		
				statutory reserve	Unappropriated				
Balance as at 31 December 2009 - as previously reported		141,944,471	(230,175)	2,870,000	25,488,251	68,000,000	68,000,000	238,072,547	
Transferred of gain on sale of investment to related company to retained earnings	8	-	-	-	68,000,000	(68,000,000)	(68,000,000)	-	
Balance as at 31 December 2009 - as restated		141,944,471	(230,175)	2,870,000	93,488,251	-	-	238,072,547	
Gain on sale of investment to related company	8	-	-	-	-	17,000,000	17,000,000	17,000,000	
Transferred of gain on sale of investment to related company to retained earnings	8	-	-	-	17,000,000	(17,000,000)	(17,000,000)	-	
Dividend paid	32	-	-	-	(14,194,447)	-	-	(14,194,447)	
Total comprehensive income for the year		-	-	-	28,391,164	-	-	28,391,164	
Unappropriated retained earnings transferred to statutory reserve	8,26	-	-	4,250,000	(4,250,000)	-	-	-	
Balance as at 31 December 2010		141,944,471	(230,175)	7,120,000	120,434,968	-	-	269,269,264	
Balance as at 31 December 2010		141,944,471	(230,175)	7,120,000	120,434,968	-	-	269,269,264	
Cumulative effect of change in accounting policy for employee benefits	5	-	-	-	(34,177,464)	-	-	(34,177,464)	
Dividend paid	32	-	-	-	(35,486,118)	-	-	(35,486,118)	
Total comprehensive income for the year		-	-	-	56,531,886	-	-	56,531,886	
Unappropriated retained earnings transferred to statutory reserve	26	-	-	2,300,000	(2,300,000)	-	-	-	
Balance as at 31 December 2011		141,944,471	(230,175)	9,420,000	105,003,272	-	-	256,137,568	

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 2011 and 2010

(Unit: Baht)

	Separate financial statements					
	Issued and paid-up share capital	Retained earnings		Gain on sale of investment to related company	Other components of equity	
		Appropriated - statutory reserve	Unappropriated		Total other components of shareholders' equity	Total shareholders' equity
Note						
Balance as at 31 December 2009 - as previous reported	141,944,471	2,870,000	20,162,307	68,000,000	68,000,000	232,976,778
Transferred of gain on sale of investment to related company to retained earnings	8	-	68,000,000	(68,000,000)	(68,000,000)	-
Balance as at 31 December 2009 - as restated	141,944,471	2,870,000	88,162,307	-	-	232,976,778
Gain on sale of investment to related company	8	-	-	17,000,000	17,000,000	17,000,000
Transferred of gain on sale of investment to related company to retained earnings	8	-	17,000,000	(17,000,000)	(17,000,000)	-
Dividend paid	32	-	(14,194,447)	-	-	(14,194,447)
Total comprehensive income for the year		-	(6,399,671)	-	-	(6,399,671)
Unappropriated retained earnings transferred to statutory reserve	8,26	-	4,250,000	(4,250,000)	-	-
Balance as at 31 December 2010	<u>141,944,471</u>	<u>7,120,000</u>	<u>80,318,189</u>	<u>-</u>	<u>-</u>	<u>229,382,660</u>
Balance as at 31 December 2010	141,944,471	7,120,000	80,318,189	-	-	229,382,660
Dividend paid	32	-	(35,486,118)	-	-	(35,486,118)
Total comprehensive income for the year		-	45,350,069	-	-	45,350,069
Transferred of gain on sale of investment to related company to retained earnings	26	-	2,300,000	(2,300,000)	-	-
Balance as at 31 December 2011	<u>141,944,471</u>	<u>9,420,000</u>	<u>87,882,140</u>	<u>-</u>	<u>-</u>	<u>239,246,611</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 2011 and 2010**

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. The registered office of the Company is 1 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 28 September 2011, 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	
			<u>2011</u> Percent	<u>2010</u> Percent
Datapro Computer Systems Company Limited	Distributor of computer software and hardware	Thailand	100	100

b) The subsidiary is fully consolidated, 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 are prepared using the same significant accounting policies as the Company.

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 and associate under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards during the year

During the current year, the Company adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, as listed below.

Accounting standards:

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period

TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
Financial reporting standards:	
TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
Financial Reporting Standard Interpretations:	
TFRIC 15	Agreements for the Construction of Real Estate
Accounting Standard Interpretations:	
SIC 31	Revenue-Barter Transactions Involving Advertising Services

These accounting standards do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 19 Employee Benefits

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefits using actuarial techniques. The Company and its subsidiary previously accounted for such employee benefits when they were incurred.

The Company and its subsidiary have changed this accounting policy in the current year and recognised the liability in the transition period through an adjustment to the beginning balance of retained earnings in the current year. The change has the effect of decreasing the profit of the Company and its subsidiary for the year 2011 by Baht 6 million, (earnings per share decreasing by 0.04 Baht per share) (Separate financial statements: no effect). The cumulative effect of the changes in the accounting policy has been presented in Note 5 to the financial statements.

4. New accounting standards issued during the years not yet effective

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Accounting Standard Interpretations:

SIC 10	Government Assistance - No Specific Relation to Operating Activities
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognise deferred tax assets and liabilities under the stipulated guidelines.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

5. Cumulative effect of changes in accounting policies due to the adoption of new accounting standards

During the current year, the Company and its subsidiary made the change to its significant accounting policy described in Note 3 to the financial statements, as a result of the adoption of revised and new accounting standards. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position as at 31 December 2011 and the statements of comprehensive income for the year ended 31 December 2011 are summarised below.

	(Unit: Thousand Baht)	
	As at 31 December 2011	
	Consolidated financial statements	Separate financial statements
Statements of financial position		
Increase in provision for long-term employee benefits	32,166	-
Decrease in the beginning balance of unappropriated retained earnings	(34,177)	-

(Unit: Thousand Baht)
For the year ended 31 December
2011
Consolidated financial statements Separate financial statements

Statements of comprehensive income

Increase in employee expenses	5,875	-
Decrease in profit for the year	(5,875)	-
Increase in other comprehensive income for the year	5,206	-
Decrease in basic earnings per share (Baht per share)	(0.04)	-

6. Significant accounting policies

6.1 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.

6.2 Cash and cash equivalents

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

6.3 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 incurred in the collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

6.4 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.

6.5 Investments

- a) Investment in associate is accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiary and associate are accounted for in the separate financial statements using the cost method.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

6.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

6.7 Property, plant and equipment/Depreciation

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

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Building	- 20 years
Leasehold improvements	- 5 years
Furniture and fixtures	- 5 years
Office equipment	- 5 years
Computer and equipment	- 3, 5 and 10 years
Motor vehicles	- 5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

6.8 Intangible assets

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The Company amortises intangible assets, which comprise product design and development costs on the straight-line basis, with the periods of economic useful life being approximately 10 years.

6.9 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.

6.10 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 long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the assets.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

6.11 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 end of reporting period.

Gains and losses on exchange are included in determining income.

6.12 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment and intangible assets 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.

An impairment loss is recognised in profit or loss.

6.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The subsidiary and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the subsidiary. The fund's assets are held in a separate trust fund and the subsidiary's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiary have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

For the first-time adoption of TAS 19 Employee Benefits, the Company and its subsidiary elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in the current year.

6.14 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.

6.15 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

7. Significant accounting judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements 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 judgement 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 judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes. In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses 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.

Intangible assets

The initial recognition and measurement intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

8. 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)				Pricing policy
	Consolidated financial statements		Separate financial statements		
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	
<u>Transactions with subsidiary</u> (eliminated from the consolidated financial statements)					
Rental income	-	-	2	-	Contract price, which is price in the ordinary course of business
<u>Transactions with associate</u>					
Selling and administrative expenses	1	-	-	-	Contract price, which is price in the ordinary course of business
<u>Transactions with related companies</u>					
Sales and service income	52	42	-	-	Note 8.1
Rental income	1	-	1	-	Contract price, which is price in the ordinary course of business
Cost of sales and services	32	-	-	-	Contract price, which is price in the ordinary course of business
Selling and administrative expenses	18	26	2	2	Contract price, which is price in the ordinary course of business
Purchase of assets	-	2	-	-	Contract price, which is price in the ordinary course of business

- 8.1 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 2011 and 2010 between the Company and those related parties are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2011	2010	2011	2010
<u>Trade and other receivables - related parties (Note 11)</u>				
Related companies (related by common director)	5,339	752	-	-
<u>Trade and other payables - related parties (Note 21)</u>				
Related companies (related by common director)	913	1,616	541	-

Loan to related party and loan from related party

As at 31 December 2011 and 2010, the balance of loan to and loan from between the Company and the related party and the movement are as follows:

(Unit: Thousand Baht)

	Related by	Separate financial statements			Balance as at 31 December 2011
		Balance as at 31 December 2010	During the year	Balance as at 31 December	
<u>Short-term loan to related party</u>					
Datapro Computer Systems Company Limited	Subsidiary	-	Increase 14,000	Decrease (14,000)	-
<u>Short-term loan from related party</u>					
Datapro Computer Systems Company Limited	Subsidiary	-	2,373	-	2,373

Short-term loan to related party

Loan to Datapro Computer Systems Company Limited represents the loan in form of promissory note of Baht 14 million due for repayment at call and carrying interest at the rate of 3.5 percent per annum.

Short-term loan from related party

Loan from Datapro Computer Systems Company Limited represents the loan in form of promissory note of Baht 2 million due for repayment at call and carrying interest at the rate of 9.4 percent per annum.

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 144 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.

In 2010, the Company had received the full amount payable under the agreement.

On 17 February 2011, Meeting of the Company's Board of Directors No. 1/2554 approved the transfer of gain on the sale of the investments, which was recorded as gain on sale of investment to related company in the statements of changes in shareholders' equity, totaling to Baht 85 million (the year 2010 amounting to Baht 17 million and the year 2009 amounting to Baht 68 million) to retained earnings and this approval was retroactively effective to the year 2009. The meeting also approved the Company setting aside 5 percent of the gain on sale of investment to the related company, Baht 4 million, to the statutory reserve.

Directors and management's benefits

During the years ended 31 December 2011 and 2010, the Company and its subsidiary had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Short-term employee benefits	23	21	1	1
Post-employment benefits	1	-	-	-
Total	24	21	1	1

9. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Cash	105	90	5	5
Bank deposits	10,528	61,871	444	25,257
Total	10,633	61,961	449	25,262

As at 31 December 2011, bank deposits in saving accounts carried interests between 0.25 and 0.75 percent per annum (2010: between 0.25 and 0.75 percent per annum).

10. Current investments

As at 31 December 2010, the Company had an investment in Bank of Thailand interest-free bond with the face value of Baht 50 million. The bond had already matured in March 2011.

11. Trade and other receivables

(Unit: Thousand Baht)

Consolidated
financial statements

	<u>2011</u>	<u>2010</u>
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	264	42
Past due		
Up to 3 months	4,401	635
3 - 6 months	674	-
6 - 12 months	-	75
Over 12 months	-	-
Total trade receivables - related parties	5,339	752
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	229,275	187,897
Past due		
Up to 3 months	114,963	80,528

(Unit: Thousand Baht)
Consolidated
financial statements

	2011	2010
3 - 6 months	12,215	4,924
6 - 12 months	10,403	12,324
Over 12 months	21,533	32,884
Total	388,389	318,557
Less: Allowance for doubtful debts	(22,206)	(22,251)
Total trade receivables - unrelated parties, net	366,183	296,306
Total trade receivable - net	371,522	297,058
<u>Other receivables</u>		
Accrued income	5,085	10,565
Total other receivables	5,085	10,565
Total trade and other receivables - net	376,607	307,623

The balance of trade receivables as at 31 December 2011 included trade receivables amounting to Baht 129 million (2010: Baht 49 million) which the subsidiary has assigned its rights over collection to factoring companies in accordance with the factoring agreements with interest as stipulated in the agreements. If the assignees are unable to make collection from the subsidiary's debtors, the subsidiary agrees to pay the outstanding debt balances to the assignees.

12. Inventories

(Unit: Thousand Baht)

Consolidated financial statements

Reduce cost to net

	Cost		realisable value		Inventories - net	
	2011	2010	2011	2010	2011	2010
Finished goods	199,116	158,315	(1,638)	(1,961)	197,478	156,354
Goods in transit	17,894	7,093	-	-	17,894	7,093
Total	217,010	165,408	(1,638)	(1,961)	215,372	163,447

13. Other current assets

(Unit: Thousand Baht)
Separate

Consolidated
financial statements

financial statements

	2011	2010	2011	2010
Withholding tax deducted at source	29,525	30,015	142	1
Others	17,626	19,057	1,439	897
Total other current assets	47,151	49,072	1,581	898

14. Restricted bank deposits

Deposits with banks of the subsidiary have been pledged as security against credit facilities obtained from the financial institutions which are consist of loans and bank guarantees and other credit facilities of the subsidiary.

15. Investment in subsidiary

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

(Unit: Thousand Baht)

Company's	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2011	2010	2011 (%)	2010 (%)	2011	2010	2011	2010
Datapro Computer Systems Company Limited	30,000	30,000	100	100	255,887	255,887	57,000	-
Less: Allowance for impairment of investment in subsidiary					(103,160)	(103,160)		
Investment in subsidiary - net					152,727	152,727		

In June 2011, a meeting of subsidiary's Board of Directors approved the payment of interim dividend for 2011 of Baht 30 million to the shareholders at Baht 100 per share. The subsidiary paid such dividend in June 2011.

In December 2011, a meeting of subsidiary's Board of Directors approved the payment of interim dividend for 2011 of Baht 27 million to the shareholders at Baht 90 per share. The Company recorded the dividend receivable from the subsidiary in the statement of financial position as at 31 December 2011.

16. Investment in associate

16.1 Details of associate:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements		Carrying amounts based on equity method	
			2011	2010	Cost		2011	2010
			(%)	(%)	2011	2010	2011	2010
Advance Cyber Technology Company Limited	Service	Thailand	26	26	5,200	5,200	1,185	1,384

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net	
			2011	2010	2011	2010	2011	2010	2011	2010
			(%)	(%)	2011	2010	2011	2010	2011	2010
Advance Cyber Technology Company Limited	Service	Thailand	26	26	5,200	5,200	(3,816)	(3,816)	1,384	1,384

16.2 Share of profit/loss

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

(Unit: Thousand Baht)

Company's name	Consolidated financial statements Share of loss from investment in associate during the year	
	<u>2011</u>	<u>2010</u>
Advance Cyber Technology Company Limited	(199)	(1,328)

16.3 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 for the years ended		Loss for the years ended	
	as at		as at		as at		ended		<u>31 December</u>	
	31 December		31 December		31 December		31 December			
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Advance Cyber Technology Company Limited	20	20	8	9	4	3	1	6	(1)	(5)

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.

17. Investment properties

The net book value of investment properties as at 31 December 2011 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	Land and office building	Land and office building
31 December 2011		
Cost	176,255	255,155
<u>Less</u> Accumulated depreciation	<u>(792)</u>	<u>(1,147)</u>
Net book value	<u>175,463</u>	<u>254,008</u>

A reconciliation of the net book value of investment properties for the year 2011 is presented below.

(Unit: Thousand Baht)

	For the year ended 31 December 2011	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value at beginning of year	-	-
Acquisition of land and office building	176,255	255,155
Depreciation charged	(792)	(1,147)
Net book value at end of year	<u>175,463</u>	<u>254,008</u>

On 4 July 2011, a meeting of the Company's Board of Directors passed a resolution approving its participation in the bidding to acquire a plot of land with an office building thereon through an auction arranged by the Legal Execution Department of the Ministry of Justice. On 5 July 2011, the Company joined and won the bidding to acquire the property. The price of the property and other related expenses paid by the Company together totaled Baht 255 million.

The fair value of the investment properties as at 31 December 2011 stated below.

(Unit: Thousand Baht)

	As at 31 December 2011	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Land and office building	192,036	278,000

The fair value of the above investment properties have been determined based on valuations performed by an accredited independent valuer by using market prices.

The Company has mortgaged such investment properties as collateral against a long-term loan from a company.

18. Property, plant and equipment

(Unit: Thousand Baht)
Consolidated financial statements

	Furniture, fixtures and equipment	Computer and equipment	Motor vehicles	Assets under installation	Total
Cost:					
31 December 2009	78,972	295,320	524	69	374,885
Additions	4,603	30,091	-	32,591	67,285
Disposals	(3,056)	(24,884)	-	-	(27,940)
Transfers in (out)	2,177	-	-	(2,177)	-
31 December 2010	82,696	300,527	524	30,483	414,230
Accumulated depreciation:					
31 December 2009	56,038	216,921	521	-	273,480
Depreciation for the year	8,535	46,396	1	-	54,932
Depreciation on disposals	(2,363)	(24,658)	-	-	(27,021)
31 December 2010	62,210	238,659	522	-	301,391
Net book value:					
31 December 2010	20,486	61,868	2	30,483	112,839
Depreciation for the year:					
2010 (Baht 28 million included in service cost, and the balance in administrative expenses)					54,932

18. Property, plant and equipment (continued)

(Unit: Thousand Baht)
Consolidated financial statements

	Land	Building	Furniture, fixtures and equipment	Computer and equipment	Motor vehicles	Assets under installation	Total
Cost:							
31 December 2010	-	-	82,696	300,527	524	30,483	414,230
Additions	43,440	35,460	7,096	41,816	1,066	19,456	148,334
Disposals	-	-	(2,266)	(37,981)	-	-	(40,247)
Transfers in (out)	-	-	41,206	5,867	-	(47,073)	-
31 December 2011	43,440	35,460	128,732	310,229	1,590	2,866	522,317
Accumulated depreciation:							
31 December 2010	-	-	62,210	238,659	522	-	301,391
Depreciation for the year	-	355	11,586	43,872	184	-	55,997
Depreciation on disposals	-	-	(2,100)	(37,339)	-	-	(39,439)
31 December 2011	-	355	71,696	245,192	706	-	317,949
Net book value:							
31 December 2011	43,440	35,105	57,036	65,037	884	2,866	204,368
Depreciation for the year: 2011 (Baht 28 million included in service cost, and the balance in administrative expenses)							55,997

18. Property, plant and equipment (continued)

(Unit: Thousand Baht)
Separate
financial statements
Furniture and
office equipment

Cost	
31 December 2009	31
31 December 2010	31
Accumulated depreciation	
31 December 2009	8
Depreciation for the year	6
31 December 2010	14
Net book value	
31 December 2010	17
Depreciation for the year (include in administrative expenses)	
2010	6

(Unit: Thousand Baht)
Separate
financial statements
Furniture and
office equipment

Cost	
31 December 2010	31
31 December 2011	31
Accumulated depreciation	
31 December 2010	14
Depreciation for the year	6
31 December 2011	20
Net book value	
31 December 2011	11
Depreciation for the year (include in administrative expenses)	
2011	6

As at 31 December 2011, land and building as presented in the consolidated financial statements is the portion of the Company's investment properties that it has leased to its subsidiary.

As at 31 December 2011, the subsidiary had equipment under finance lease agreements with net book values amounting to Baht 63 million (2010: Baht 72 million).

As at 31 December 2011, certain equipment items of the subsidiary have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 221 million (2010: Baht 200 million).

Land and building have been mortgaged as collateral against a long-term loan from a company.

19. Intangible assets

Details of intangible assets which are the products' design and development costs are as follows:

(Unit: Thousand Baht)
Consolidated
financial statements

As at 31 December 2011	
Cost	11,607
<u>Less</u> Accumulated amortisation	(880)
Net book value	10,727
As at 31 December 2010	
Cost	8,804
<u>Less</u> Accumulated amortisation	-
Net book value	8,804

A reconciliation of the net book value of intangible assets for the years 2011 and 2010 is presented below.

(Unit: Thousand Baht)
Consolidated
financial statements

	<u>2011</u>	<u>2010</u>
Net book value at beginning of year	8,804	-
Development costs	2,803	8,804
Amortisation	(880)	-
Net book value at end of year	10,727	8,804

20. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements	
		<u>2011</u>	<u>2010</u>
Short-term loans from banks	MLR, MLR+0.25	27,806	-
Accounts payable - factoring companies	7.6 and 7.75	112,623	44,068
Total		140,429	44,068

Short-term loans from banks of the subsidiary are secured by the pledge of bank deposits of the subsidiary and the transfer of the right of the claim of collections from sales and service income from a customer to a bank.

21. Trade and other payables

(Unit: Thousand Baht)
Separate
financial statements

	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Trade payables - unrelated parties	296,347	319,971	-	-
Amounts due to related parties	913	1,616	541	-
Accrued expenses	85,817	92,324	2,132	192
Total trade and other payables	383,077	413,911	2,673	192

22. Long-term loans

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Long-term loans	196,140	4,280	194,000	-
Less: Current portion	(2,140)	(2,140)	-	-
Long-term loans - net of current portion	194,000	2,140	194,000	-

In December 2011, the Company entered into a loan agreement with a company, under which interest is to be paid at 9% per annum for the first three years and then at MLR+1.25% per annum. There is a grace period until April 2013, and which principal and interest are to be paid monthly, with full payment to be made within October 2024. The loan is secured by the mortgage of investment properties of the Company and the pledge of 299,994 shares of the subsidiary.

Long-term loan of the subsidiary represents a loan obtained from a company for use in the purchase of assets of the subsidiary. The loan is to be repaid in yearly installments within 3 years from the dates specified in the agreement, together with interest as stipulated in the agreement.

23. Long-term liabilities

Long-term liabilities (including current portion) of the subsidiary represent liabilities under financial lease agreements which are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2011</u>	<u>2010</u>
Liabilities under finance lease agreements	55,000	75,685
Less: Deferred interest expenses	(3,539)	(5,536)
	51,461	70,149
Less: Current portion	(30,648)	(37,971)
Long-term liabilities - net of current portion	20,813	32,178

The 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 3 years. The assets acquired by the subsidiary under the finance lease agreements have been recorded at their cash price.

As at 31 December 2011, future minimum lease payments required under the finance lease agreements were as follows:

	(Unit: Million Baht)		
	Less than 1 year	1-3 years	Total
Future minimum lease payments	33	22	55
Deferred interest expenses	(3)	(1)	(4)
Present value of future minimum lease payments	30	21	51

24. Long-term liabilities under rehabilitation plan

As at 31 December 2011 and 2010, the outstanding long-term liabilities restructured under the rehabilitation plan are as follows:

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	<u>2011</u>	<u>2010</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.	-	500
Add: Interest expenses pending recognition in future year	-	1
Long-term liabilities under rehabilitation plan	-	501
Less: Current portion	-	(501)
Long-term liabilities under rehabilitation plan - net of current portion	-	-

25. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2011, which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht) Consolidated financial statements
Cumulative effect of change in accounting policy for employee benefits adjusted against beginning balance of retained earnings (Note 5)	34,177
Current service cost	4,566
Interest cost	1,309
Benefits paid during the year	(2,680)
Actuarial gain	(5,206)
Balance at end of year	32,166

Long-term employee benefit expenses included in the profit or loss for the year ended 31 December 2011 amounted to Baht 6 million.

The cumulative amount of actuarial gain was recognised in the other comprehensive income for the year ended 31 December 2011 of approximately Baht 5 million.

Principal actuarial assumptions at the valuation date were as follows:

	% per annum
Discount rate	4.0
Future salary increase rate	5.0, 5.5
Staff turnover rate (depending on age of employee)	1.0 - 15.0

26. 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 profit 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.

27. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Salary and other employee benefits	347,067	368,277	1,090	820
Depreciation	56,790	54,932	1,153	6
Rental expenses from operating lease agreements	20,152	18,502	-	-
Purchase of goods	1,308,977	1,117,747	-	-
Changes in finished goods	(40,801)	(106,303)	-	-

28. Corporate income tax

The Company had no corporate income tax payable for the year 2011 since dividend income was exempted from income tax under section 65 bis (10) of the Revenue Code.

29. Basic earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year after deducting 230,175 shares of the Company held by the subsidiary.

30. 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 profit (loss) and assets reflected in these financial statements pertain to the aforementioned industry segment and geographic area.

31. 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 2011, the subsidiary contributed Baht 7 million (2010: Baht 8 million) to the fund.

32. Dividends

	Approved by	Total Dividends (Million Baht)	Dividend per share (Baht)	Paid in month
Dividends on 2009 retained earnings	Annual General Meeting of the shareholders on 22 April 2010	14	0.10	May 2010
Total dividend for 2010		14		
Dividends on 2010 retained earnings	Annual General Meeting of the shareholders on 21 April 2011	21	0.15	May 2011

Interim dividends on profit for the period as from January to June 2011	A Meeting of the Company's Board of Directors on 4 August 2011	14	0.10	September 2011
Total dividend for 2011		35		

33. Commitments and contingent liabilities

33.1 Capital commitment

As at 31 December 2011, the subsidiary had capital commitments of Baht 1 million in respect of purchases of equipment.

33.2 Operating lease commitments

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

As at 31 December 2011, future minimum lease payments required under these operating leases contracts were as follows:

	<u>Million Baht</u>
Payable within:	
Less than 1 year	23
1 to 5 years	22
More than 5 years	8

33.3 Service commitments

The Company and its subsidiary have entered into management service agreements with a related company, whereby management fees totaling Baht 0.5 million per month are payable in the future, with Baht 0.1 million per month payable by the Company. The agreements end in December 2012 but they automatically renew for periods of one year each time until terminated.

33.4 Bank guarantees

As at 31 December 2011, the subsidiary has outstanding bank guarantees of approximately Baht 84 million (2010: Baht 51 million) 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.

33.5 Licensing fee agreement

The subsidiary has entered into a memorandum of agreement with a local company, granting it the right to install advertising media systems, whereby the subsidiary will install and provide advertising media system services on buses. Under the conditions of the agreement, the subsidiary is required to pay an annual licensing fee from 2009 until 2012, totaling approximately Baht 13 million. During the year 2011, the subsidiary recorded the licensing costs amounting to approximately Baht 3 million (2010: Baht 3 million) under such agreement.

34. Financial instruments

34.1 Financial risk management

The Company and its subsidiary's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, restricted bank deposits, trade receivables, investments, 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 receivables. 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 statement of financial position.

Interest rate risk

The Company and its subsidiary's exposure to interest rate risk relates primarily to their cash at banks, short-term loans, long-term loans and long-term liabilities. 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 instruments to hedge such risk.

Significant financial assets and liabilities as at 31 December 2011 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
	Fixed interest rates	1-3 Year s	Floating interest rate	Non-interest bearing	Total	
	With in 1 year (Million Baht)					(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	11	-	11	Note 9
Current investments	1	-	-	-	1	1.0-2.25
Trade and other receivables	-	-	-	377	377	-
Restricted banks deposits	-	-	49	-	49	1.85
	1	-	60	377	438	
Financial liabilities						
Trade and others payables	-	-	-	383	383	-
Short-term loans	112	-	28	-	140	Note 20
Long-term loans	-	196	-	-	196	Note 22
	30	21	-	-	51	3.65 - 9.84
Long-term liabilities						
	142	217	28	383	770	

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 2011, the subsidiary had the net liabilities denominated in foreign currency amounting to USD 3 million (2010: USD 2 million) which had not been hedged against foreign exchange rate risk.

34.2 Fair values of financial instruments

As the majority of financial assets and liabilities are short-term and long-term financial liabilities carry interest rates which are close to 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.

35. Capital management

The primary objective of the Company and its subsidiary's capital management is to ensure that they have an appropriate financial structure and preserve the ability to continue their business as a going concern.

According to the statement of financial position as at 31 December 2011, the Group's debt-to-equity ratio was 4:1 (2010: 2:1).

36. Reclassification

To comply with the Notification of the Department of Business Development relating to the financial statement presentation as described in Note 2 and as the result of the adoption of revised and new accounting standards as described in Note 3, certain amounts in the financial statements for the year ended 31 December 2010 have been reclassified to conform to the current year's classification, without any effect to the previously reported profit (loss) or shareholder's equity.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 16 February 2012.

บริษัท พรีเมียร์ เทคโนโลยี จำกัด (มหาชน)

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