

Premier Technology Public Company Limited
and its subsidiary
Report and consolidated interim financial statements
For the three-month period ended 31 March 2012

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Premier Technology Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Premier Technology Public Company Limited and its subsidiary as at 31 March 2012, the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month periods ended 31 March 2012 and 2011, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Premier Technology Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of review

I conducted my reviews in accordance with Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Accounting Standard 34 *Interim Financial Reporting*.

Statements of financial position as at 31 December 2011 for comparative purposes

I have previously audited the consolidated financial statements of Premier Technology Public Company Limited and its subsidiary and the separate financial statements of Premier Technology Public Company Limited for the year ended 31 December 2011 in accordance with auditing standards, and expressed an unqualified opinion on those statements, but drew attention that the Company adopted the revised and new accounting standards for the preparation and presentation of its financial statements, under my report dated 16 February 2012. The consolidated and separate statements of financial position as at 31 December 2011, as presented herein for comparative purposes, formed an integral part of those financial statements. I have not performed any other audit procedures subsequent to the date of the above report.

Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

Ernst & Young Office Limited
Bangkok: 14 May 2012

Premier Technology Public Company Limited and its subsidiary

Statements of financial position

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>31 March 2012</u>	<u>31 December 2011</u>	<u>31 March 2012</u>	<u>31 December 2011</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		5,044	10,633	1,333	449
Current investments		8	1,212	8	1,212
Trade and other receivables	3	359,572	376,607	-	-
Prepaid service cost		103,795	96,746	-	-
Dividend receivable from subsidiary		-	-	-	26,999
Short-term loan to related party	2	-	-	20,081	-
Inventories		276,801	215,372	-	-
Work in progress		52,153	33,294	-	-
Other current assets		33,019	47,151	2,471	1,581
Total current assets		830,392	781,015	23,893	30,241
Non-current assets					
Restricted bank deposits	4	32,288	48,512	1,204	-
Investment in subsidiary	5	-	-	152,727	152,727
Investment in associate	6	761	1,184	1,384	1,384
Investment properties	7	174,476	175,463	252,579	254,008
Property, plant and equipment	8	209,862	204,368	9	11
Intangible assets	9	11,289	10,727	-	-
Other non-current assets		14,593	15,214	-	-
Total non-current assets		443,269	455,468	407,903	408,130
Total assets		1,273,661	1,236,483	431,796	438,371

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

Premier Technology Public Company Limited and its subsidiary

Statements of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2012 (Unaudited but reviewed)	31 December 2011 (Audited)	31 March 2012 (Unaudited but reviewed)	31 December 2011 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	10	159,285	140,429	-	-
Trade and other payables	11	372,494	383,077	3,499	2,673
Deferred service income		167,385	145,699	-	-
Short-term loan from related party	2	-	-	-	2,373
Current portion of long-term loans	12	-	2,140	-	-
Current portion of long-term liabilities	13	33,770	30,648	-	-
Income tax payable		5,246	5,246	-	-
Other current liabilities		19,856	25,876	19	79
Total current liabilities		758,036	733,115	3,518	5,125
Non-current liabilities					
Long-term loans - net of current portion	12	194,000	194,000	194,000	194,000
Long-term liabilities - net of current portion	13	25,002	20,813	-	-
Provision for long-term employee benefits	14	33,650	32,166	-	-
Other non-current liabilities		252	252	-	-
Total non-current liabilities		252,904	247,231	194,000	194,000
Total liabilities		1,010,940	980,346	197,518	199,125

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

Premier Technology Public Company Limited and its subsidiary

Statements of financial position (continued)

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>31 March 2012</u>	<u>31 December 2011</u>	<u>31 March 2012</u>	<u>31 December 2011</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
142,440,489 ordinary shares of Baht 1 each	142,440	142,440	142,440	142,440
Issued and fully paid up				
141,944,471 ordinary shares of Baht 1 each	141,944	141,944	141,944	141,944
Company's shares held by subsidiary	(230)	(230)	-	-
Retained earnings				
Appropriated - statutory reserve	9,420	9,420	9,420	9,420
Unappropriated	111,587	105,003	82,914	87,882
Total shareholders' equity	262,721	256,137	234,278	239,246
Total liabilities and shareholders' equity	1,273,661	1,236,483	431,796	438,371
	-	-	-	-

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

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 Directors

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Statements of comprehensive income

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht except basic earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Profit or loss:				
Revenues				
Sales	244,710	221,083	-	-
Service income	149,915	131,658	-	-
Other income	8,840	6,586	4,712	247
Total revenues	<u>403,465</u>	<u>359,327</u>	<u>4,712</u>	<u>247</u>
Expenses				
Cost of sales and services	274,343	248,211	-	-
Selling expenses	36,119	20,482	-	-
Administrative expenses	74,770	70,911	5,282	708
Total expenses	<u>385,232</u>	<u>339,604</u>	<u>5,282</u>	<u>708</u>
Profit (loss) before share of loss from investment in associated company, finance cost and corporate income tax	18,233	19,723	(570)	(461)
Share of loss from investment in associated company	6	(423)	(52)	-
Profit (loss) before finance cost and corporate income tax	17,810	19,671	(570)	(461)
Finance cost	(7,206)	(958)	(4,398)	-
Profit (loss) before corporate income tax	10,604	18,713	(4,968)	(461)
Corporate income tax	15	(4,020)	(5,768)	-
Profit (loss) for the period	<u>6,584</u>	<u>12,945</u>	<u>(4,968)</u>	<u>(461)</u>
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>6,584</u>	<u>12,945</u>	<u>(4,968)</u>	<u>(461)</u>
Basic earnings per share (Baht)	16			
Profit (loss) for the period	<u>0.046</u>	<u>0.091</u>	<u>(0.035)</u>	<u>(0.003)</u>

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Cash flow statements

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cash flows from operating activities				
Profit (loss) before tax	10,604	18,713	(4,968)	(461)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Interest income	-	-	(79)	-
Decrease in doubtful accounts	(1,234)	(374)	-	-
Reduce cost of inventory to net realisable value	110	46	-	-
Depreciation	14,813	13,872	1,431	2
(Gain) loss on sale of equipment	120	(326)	-	-
Amortisation of intangible assets	220	220	-	-
Share of loss from investment in associate	423	52	-	-
Amortisation of prepaid rental expenses	621	619	-	-
Provision for long-term employee benefits	1,484	1,469	-	-
Interest expenses	7,284	958	4,353	-
Profit (loss) from operating activities before changes in operating assets and liabilities	34,445	35,249	737	(459)
(Increase) decrease in operating assets				
Trade and other receivables	18,269	(13,629)	-	-
Inventories	(61,539)	(38,663)	-	-
Other current assets	(9,867)	(29,100)	(688)	(73)
Increase (decrease) in operating liabilities				
Trade and other payables	(10,583)	39,425	826	-
Other current liabilities	15,666	5,687	(60)	(215)
Cash flows from (used in) operating activities	(13,609)	(1,031)	815	(747)
Cash paid for interest expenses	(7,284)	(958)	(4,353)	-
Cash paid for corporate income tax	(5,929)	(5,360)	(123)	-
Net cash flows used in operating activities	(26,822)	(7,349)	(3,661)	(747)

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Cash flow statements (continued)

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cash flows from investing activities				
Decrease in current investments	1,204	50,000	1,204	50,000
Increase in short-term loan to related party	-	-	(20,081)	-
(Increase) decrease in restricted bank deposits	16,224	(806)	(1,204)	-
Acquisition of equipment	(3,128)	(12,392)	-	-
Proceeds from sales of equipment	46	803	-	-
Cash paid for acquisition of intangible assets	(782)	(833)	-	-
Dividend received from investment in subsidiary	-	-	26,999	-
Net cash flows from investing activities	13,564	36,772	6,918	50,000
Cash flows from financing activities				
Decrease in short-term loan from related party	-	-	(2,373)	-
Increase in short-term loan from financial institutions	18,856	11,677	-	-
Repayment of long-term loans	(2,140)	(2,140)	-	-
Repayment of long-term liabilities	(9,047)	(11,242)	-	-
Repayment of long-term liabilities under rehabilitation plan	-	(501)	-	(501)
Net cash flows from (used in) financing activities	7,669	(2,206)	(2,373)	(501)
Net increase (decrease) in cash and cash equivalents	(5,589)	27,217	884	48,752
Cash and cash equivalents at beginning of period	10,633	61,961	449	25,262
Cash and cash equivalents at end of period	5,044	89,178	1,333	74,014
	-	-	-	-

Supplementary disclosures of cash flows information

Non cash items

Assets acquired under finance lease agreements	16,358	11,929	-	-
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The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Statements of changes in shareholders' equity

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements				Total
	Issued and paid-up	Company's shares	Retained earnings		
	share capital	held by subsidiary	Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2010	141,944	(230)	7,120	120,435	269,269
Cumulative effect of change in accounting policy					
for employee benefits	-	-	-	(34,177)	(34,177)
Total comprehensive income for the period	-	-	-	12,945	12,945
Balance as at 31 March 2011	<u>141,944</u>	<u>(230)</u>	<u>7,120</u>	<u>99,203</u>	<u>248,037</u>
Balance as at 31 December 2011	141,944	(230)	9,420	105,003	256,137
Total comprehensive income for the period	-	-	-	6,584	6,584
Balance as at 31 March 2012	<u>141,944</u>	<u>(230)</u>	<u>9,420</u>	<u>111,587</u>	<u>262,721</u>

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

(Unaudited but reviewed)

Premier Technology Public Company Limited and its subsidiary

Statements of changes in shareholders' equity (continued)

For the three-month periods ended 31 March 2012 and 2011

(Unit: Thousand Baht)

	Separate financial statements			Total
	Issued and paid-up	Retained earnings		
	share capital	Appropriated- statutory reserve	Unappropriated	shareholders' equity
Balance as at 31 December 2010	141,944	7,120	80,318	229,382
Total comprehensive income for the period	-	-	(461)	(461)
Balance as at 31 March 2011	<u>141,944</u>	<u>7,120</u>	<u>79,857</u>	<u>228,921</u>
Balance as at 31 December 2011	141,944	9,420	87,882	239,246
Total comprehensive income for the period	-	-	(4,968)	(4,968)
Balance as at 31 March 2012	<u>141,944</u>	<u>9,420</u>	<u>82,914</u>	<u>234,278</u>

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