

No. AC004/2022 (PPP)

18 February 2022

Subject: Clarification on the difference of the profit (loss) from the same period of the previous year
To: Director
Listing & Disclosure Department, The Stock Exchange of Thailand.

According to the Company and its subsidiary's business operational results for the year ended 31 December 2021, the Company and its subsidiary had a loss of THB 30.37 million, compared to the same period last year, the profit decreased by THB 60.35 million. The company's revenue stream was affected by the spread of COVID-19, thereafter resulted in obstacles in process and delays of some construction sites. Some projects that the Company had already undertaken had to postpone deliveries to next year. Moreover, the Company had higher costs, resulting from higher prices of the main raw materials and main equipment such as resin, glass fiber, steel, solar panels and solar power generation equipment, in which were adjusted according to the world market's prices. In addition, the subsidiary's income decreased due to the expiration of additional power purchase agreement of the power plant no.1 (Adder). Therefore, the company had focused on cost and expense management for efficiency improvement and managed the liquidity of the business appropriately. Such result represents the difference of the Company and its subsidiary's business operational results for this period from the same period of the previous year of more than 20%. Key changing items are as follows:

- (1) Revenue from sales and service of the Company was THB 778.67 million, decreasing from the same period of the previous year by THB 119.37 million. Sales of water solutions products of THB 509.22 million, decreasing from the same period of the previous year by THB 41.89 million. Sales of construction material products was THB 113.21 million, decreasing from the same period of the previous year by THB 65.56 million, and sales of solar roof products was THB 156.24 million, decreasing from the same period of the previous year by THB 11.91 million. Gross profit was THB 162.63 million, decreasing from the same period of the previous year by THB 75.75 million. Gross profit margin was at 20.9%, decreasing from the previous year by 5.6% from higher cost of raw material, higher production cost and, in the period, there was an increase in a write off of slow-moving products when compared to the previous year.
- (2) Distribution cost of the Company was THB 157.61 million, decreasing from the same period of the previous year by THB 19.09 million, mainly due to a decrease in sales and marketing expenses from the same period of the previous year. The ratio of distribution cost to sales and services revenue was 20.2%, increasing from the same period of the previous year which was 19.7% of sales and services revenue.

- (3) Administrative expense of the Company was THB 118.35 million, decreasing from the previous year by THB 16.16 million, mainly due to various expense control and optimizing the organizational structure.
- (4) Loss from impairment regarding to TFRS9 amounted to THB 1.79 million, increasing from the same period of the previous year by THB 0.85 million.
- (5) Income tax of the Company was THB 21.19 million, wholly being deferred income tax.
- (6) In relation to the business operational results of the Company's subsidiary (Infinite Green Co., Ltd.), the profit for this period was THB 60.84 million, decreasing from the same period of the previous year by 34.26 million. This was due to revenue from sales of electricity in this period of THB 184.72 million, decreasing from the same period of the previous year by THB 53.11 million, as a consequence from the expiration of additional power purchase agreement of the power plant no.1 (Adder). Gross profit was THB 100.38 million, decreasing by THB 42.64 million. Gross profit margin was at 54.5%. Administrative expense in this period decreased by THB 5.46 million. Financial expense in this period decreased by THB 5.26 million due to lower debt and interest rates in which repayment of the loan from its subsidiary was complete.

Please be informed accordingly.

Yours faithfully,

-Signed-

Mrs. Pensri Dettingeng
Authorized Person

Premier Products Public Company Limited