

S P V I Public Company Limited
Interim report and interim financial information
For the three-month period ended 31 March 2023



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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of S P V I Public Company Limited

I have reviewed the accompanying statement of financial position of S P V I Public Company Limited as at 31 March 2023, the related statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim financial statements (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai 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 Thai Standards on Auditing 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 review, 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 Thai Accounting Standard 34 Interim Financial Reporting.

Patcharawan Koonarangsri
Certified Public Accountant (Thailand) No. 6650

EY Office Limited
Bangkok: 9 May 2023

S P V I Public Company Limited
Statement of financial position
As at 31 March 2023

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2023</u> (Unaudited but reviewed)	<u>31 December 2022</u> (Audited)
Assets			
Current assets			
Cash and cash equivalents	3	50,254	50,277
Trade and other receivables	2, 4	129,917	68,870
Inventories	5	653,223	603,761
Other current assets	6	24,086	18,886
Total current assets		<u>857,480</u>	<u>741,794</u>
Non-current assets			
Equipment	7	94,991	92,680
Right-of-use assets	8	125,924	134,609
Intangible assets		36,299	37,111
Other non-current assets		34,721	34,209
Deferred tax assets		12,997	12,543
Total non-current assets		<u>304,932</u>	<u>311,152</u>
Total assets		<u>1,162,412</u>	<u>1,052,946</u>

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





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S P V I Public Company Limited
Statement of financial position (continued)
As at 31 March 2023

(Unit: Thousand Baht)

	Note	31 March 2023 (Unaudited but reviewed)	31 December 2022 (Audited)
Liabilities and shareholders' equity			
Current liabilities			
Short-term loan from financial institution	9	63,962	-
Trade and other payables	2, 10	345,448	333,725
Dividend payable		130	130
Current portion of long-term lease liabilities		62,190	63,728
Income tax payable		18,568	11,784
Other current liabilities		765	1,819
Total current liabilities		<u>491,063</u>	<u>411,186</u>
Non-current liabilities			
Long-term lease liabilities - net of current portion		66,016	71,661
Provision for long-term employee benefits		20,862	20,252
Total non-current liabilities		<u>86,878</u>	<u>91,913</u>
Total liabilities		<u>577,941</u>	<u>503,099</u>
Shareholders' equity			
Share capital			
Registered			
400,000,000 ordinary shares of Baht 0.50 each		<u>200,000</u>	<u>200,000</u>
Issued and fully paid up			
400,000,000 ordinary shares of Baht 0.50 each		200,000	200,000
Share premium		39,810	39,810
Retained earnings			
Appropriated - statutory reserve		20,000	20,000
Unappropriated		324,661	290,037
Total shareholders' equity		<u>584,471</u>	<u>549,847</u>
Total liabilities and shareholders' equity		<u>1,162,412</u>	<u>1,052,946</u>

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




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 Directors
 S P V I Public Company Limited
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(Unaudited but reviewed)

S P V I Public Company Limited
Statement of comprehensive income
For the three-month period ended 31 March 2023

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

	<u>Note</u>	<u>2023</u>	<u>2022</u>
Profit or loss			
Revenues			
Sales		1,526,183	1,237,509
Service income		8,621	6,181
Other income	11	11,530	12,682
Total revenues		<u>1,546,334</u>	<u>1,256,372</u>
Expenses			
Cost of sales		1,361,911	1,109,586
Cost of services		2,478	2,119
Selling and distribution expenses		106,856	84,929
Administrative expenses		30,188	23,250
Total expenses		<u>1,501,433</u>	<u>1,219,884</u>
Operating profit		44,901	36,488
Finance cost		(1,341)	(1,858)
Profit before income tax expenses		43,560	34,630
Income tax expenses	12	(8,936)	(6,931)
Profit for the period		34,624	27,699
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>34,624</u>	<u>27,699</u>
Basic earnings per share	13		
Profit		<u>0.09</u>	<u>0.07</u>
Weighted average number of ordinary shares (shares)		<u>400,000,000</u>	<u>400,000,000</u>

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



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(Unaudited but reviewed)

S P V I Public Company Limited

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Issued and paid up share capital	Share premium	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2022	200,000	39,810	20,000	232,243	492,053
Total comprehensive income for the period	-	-	-	27,699	27,699
Balance as at 31 March 2022	<u>200,000</u>	<u>39,810</u>	<u>20,000</u>	<u>259,942</u>	<u>519,752</u>
Balance as at 1 January 2023	200,000	39,810	20,000	290,037	549,847
Total comprehensive income for the period	-	-	-	34,624	34,624
Balance as at 31 March 2023	<u>200,000</u>	<u>39,810</u>	<u>20,000</u>	<u>324,661</u>	<u>584,471</u>

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



(Unaudited but reviewed)

S P V I Public Company Limited

Cash flow statement

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Profit before tax	43,560	34,630
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	26,889	21,551
Allowance for expected credit losses	161	-
Reduction of inventories to net realisable value	2,014	869
Loss on disposals/write-off of equipment and intangible assets	1,870	-
Provision for long-term employee benefits	610	550
Interest expenses	1,333	1,501
Reduction in lease payment by lessors	-	(375)
Gain from lease reassessment	132	-
Gain on lease modification	(113)	(77)
Profit from operating activities before changes in operating assets and liabilities	76,456	58,649
Operating assets (increase) decrease:		
Trade and other receivables	(61,208)	(30,066)
Inventories	(51,962)	(43,527)
Other current assets	(5,200)	(1,734)
Other non-current assets	(512)	(5,128)
Operating liabilities increase (decrease):		
Trade and other payables	13,135	9,406
Other current liabilities	(1,054)	(436)
Cash flows used in operating activities	(30,345)	(12,836)
Cash paid for income tax	(2,606)	(2,552)
Net cash flows used in operating activities	<u>(32,951)</u>	<u>(15,388)</u>

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



(Unaudited but reviewed)

S P V I Public Company Limited

Cash flow statement (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	<u>2023</u>	<u>2022</u>
Cash flows from investing activities		
Proceeds from sales of equipment	37	-
Acquisitions of equipment	(12,738)	(11,198)
Increase in intangible assets	(1,387)	(4,861)
Cash paid for right-of-use assets	(200)	-
Net cash flows used in investing activities	<u>(14,288)</u>	<u>(16,059)</u>
Cash flows from financing activities		
Increase in short-term loans from financial institution	248,462	247,000
Repayment of short-term loans from financial institution	(184,500)	(247,000)
Payment of principal portion of lease liabilities	(15,416)	(12,135)
Cash paid for interest expenses	(1,330)	(1,462)
Net cash flows from (used in) financing activities	<u>47,216</u>	<u>(13,597)</u>
Net decrease in cash and cash equivalents	(23)	(45,044)
Cash and cash equivalents at beginning of period	<u>50,277</u>	<u>99,443</u>
Cash and cash equivalents at end of period	<u><u>50,254</u></u>	<u><u>54,399</u></u>

Supplemental disclosures of cash flows information:

Non-cash related transaction

Payable for purchase of equipment	6,683	3,782
Payable for purchase of intangible assets	1,235	3,138
Additions to right-of-use assets and lease liabilities	8,826	6,324
Transfer inventory to equipment	486	431

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



S P V I Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2023

1. General information

1.1 Corporate information

S P V I Public Company Limited (“the Company”) is a limited company incorporated under Thai laws on 6 January 2011 and registered the change of its status to a public limited company under the Public Limited Companies Act on 10 April 2013 and domiciled in Thailand. Its major shareholder is IT City Public Company Limited, a company incorporated in Thailand. The Company is principally engaged in the distribution of computers, mobile phone, related accessories and related service. Its registered address is No. 1213/58-59 Soi Ladprao 94 Sriwara Road, Phlapphla, Wangthonglang, Bangkok.

As at 31 March 2023, the Company operates 81 branches (31 December 2022: 81 branches).

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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




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1.3 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Company's financial statements.

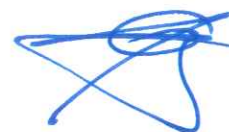
2. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and based agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the three-month periods		Pricing policy
	ended 31 March		
	<u>2023</u>	<u>2022</u>	
<u>Transactions with major shareholder</u>			
(IT City Public Company Limited)			
Purchases of goods	19	99	Approximate market price
<u>Transactions with related parties</u>			
Sales of goods	2,862	24,285	Market price
Purchases of goods	1,773	1,379	Market price
Purchases of fixed assets	903	-	Market price
Service expenses	2,127	1,497	Prices agreed by the parties
Logistics and distribution fee	2,382	2,091	Prices agreed by the parties





(Unaudited but reviewed)

The balances of the accounts as at 31 March 2023 and 31 December 2022 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	31 March 2023	31 December 2022
<u>Trade and other receivables - related parties (Note 4)</u>		
Related companies (related by common shareholders and common directors)	953	261
Total trade and other receivables - related parties	953	261
<u>Trade and other payables - related parties (Note 10)</u>		
Related companies (related by common shareholders and common directors)	2,111	1,662
Total trade and other payables - related parties	2,111	1,662

Directors and management's benefits

During the three-month periods ended 31 March 2023 and 2022, the Company had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

For the three-month
periods ended 31 March

	2023	2022
Short-term employee benefits	6.9	7.2
Post-employment benefits	0.2	0.2
Total	7.1	7.4

3. Cash and cash equivalents

(Unit: Thousand Baht)

	31 March 2023	31 December 2022
Cash	1,721	2,640
Bank deposits	48,533	47,637
Total	50,254	50,277



(Unaudited but reviewed)

As at 31 March 2023, bank deposits in savings accounts and fixed deposits carried interests between 0.15 and 0.5 percent per annum (31 December 2022: between 0.15 and 0.35 percent per annum).

4. Trade and other receivables

(Unit: Thousand Baht)

	31 March 2023	31 December 2022
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	953	261
Total trade receivables - related parties	953	261
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	115,200	57,551
Past due		
Up to 3 months	8,748	6,688
3 - 6 months	18	273
Over 6 months	235	-
Total	124,201	64,512
Less: Allowance for expected credit losses	(396)	(235)
Total trade receivables - unrelated parties, net	123,805	64,277
Total trade receivables - net	124,758	64,538
<u>Other receivables</u>		
Other receivables - unrelated parties	5,159	4,332
Total other receivables	5,159	4,332
Total trade and other receivables - net	129,917	68,870

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5. Reduction of inventories to net realisable value

Movements in the reduction of inventories to net realisable value account during the three-month period ended 31 March 2023 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2022	31,271
Add: Reduction of inventory value during the period	2,014
Balance as at 31 March 2023	<u>33,285</u>

6. Other current assets



The outstanding balance of other current assets as at 31 March 2023 and 31 December 2022 are as follows:

	(Unit: Thousand Baht)	
	31 March 2023	31 December 2022
Input tax and value added tax refundable	17,528	14,821
Advance payments for purchase of goods	1,818	221
Others	4,740	3,843
Total other current assets	<u>24,086</u>	<u>18,885</u>

7. Equipment

Movements of equipment account during the three-month period ended 31 March 2023 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2023	92,680
Acquisitions during the period - at cost	10,110
Transfer from inventory	486
Disposals and write-off during the period - net book value as at disposals and write-off date	(1,009)
Depreciation for the period	(7,276)
Net book value as at 31 March 2023	<u>94,991</u>

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(Unaudited but reviewed)

8. Right-of-use assets

Movement of right-of-use assets account during the three-month period ended 31 March 2023 are summarised below:

	(Unit: Thousand Baht)
Net book value as at 1 January 2023	134,609
Additions	200
Increase during the period	8,826
Reduction in lease modification	(358)
Reduction from lease reassessment	(247)
Depreciation for the period	(17,106)
Net book value as at 31 March 2023	<u>125,924</u>



9. Short-term loan from financial institution

	(Unit: Thousand Baht)		
	Interest rate (percent per annum)	31 March 2023	31 December 2022
Trust receipt	3.35	63,962	-
Total		<u>63,962</u>	<u>-</u>

As at 31 March 2023, the short-term credit facilities of the Company which have not yet been drawn down amounted to Baht 308 million (31 December 2022: Baht 372 million).

10. Trade and other payables

	(Unit: Thousand Baht)	
	31 March 2023	31 December 2022
Trade payables - related parties	74	2
Trade payables - unrelated parties	312,249	298,005
Other payables - related parties	1,237	960
Other payables - unrelated parties	19,477	12,336
Accrued expenses - related parties	800	700
Accrued expenses - unrelated parties	11,611	21,722
Total trade and other payables	<u>345,448</u>	<u>333,725</u>



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(Unaudited but reviewed)

11. Other income

(Unit: Thousand Baht)

For the three-month
periods ended 31 March

	<u>2023</u>	<u>2022</u>
Selling support income	8,104	6,804
Selling promotion income	2,789	4,814
Gain on lease modification	113	77
Gain on exchange rate	149	61
Commission income	31	14
Others	344	912
Total	<u>11,530</u>	<u>12,682</u>

12. Income tax

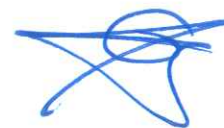
Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2023 and 2022 are made up as follows:

(Unit: Thousand Baht)

For the three-month periods
ended 31 March

	<u>2023</u>	<u>2022</u>
Current income tax:		
Interim corporate income tax charge	9,390	7,326
Deferred tax:		
Relating to origination and reversal of temporary differences	(454)	(395)
Income tax income reported in the profit or loss	<u>8,936</u>	<u>6,931</u>



13. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

14. Commitments and contingent liabilities**14.1 Capital commitments**

As at 31 March 2023, the Company had capital commitments of approximately Baht 5.0 million (31 December 2022: Baht 4.8 million), relating to the contract for website development project and computer software.

14.2 Lease and service commitments

14.2.1 The Company has entered into a logistics and distribution services agreement with a related company whereby the Company was obliged to pay for the service fee on a basis and at a rate as stipulated in the agreement. The term of agreement is 1 year and shall be renewal for another year each time, unless cancelled by either party.

14.2.2 The Company has entered into several contracts in respect of lease of the low value assets, short-term lease agreements and service agreement in respect of the warehouse and branch areas. The terms of the agreements are generally between 1 and 5 years.

As at 31 March 2023 and 31 December 2022, future minimum payments were as follows:

	(Unit: Million Baht)	
	31 March 2023	31 December 2022
Payable:		
Within 1 year	15.4	16.3
In over 1 and up to 5 years	4.0	7.7

14.3 Guarantees

As at 31 March 2023, there were outstanding bank guarantees of approximately Baht 162.8 million (31 December 2022: Baht 160.9 million) issued by bank on behalf of the Company in respect of the purchase of goods and services as required in the ordinary course of business of the Company.

15. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Managing Director.

The one main reportable operating segment of the Company is the distribution of computers, mobile phone, related accessories and related service, which revenue is recognised at a point in time, and the single geographical area of its operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

16. Financial Instrument

16.1 Fair value of financial instrument

Most of the Company's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

17. Event after the reporting period

On 4 April 2023, the Meeting of Annual General Meeting of the company's shareholders passed a resolution approving the dividend payment for year 2022 to the Company's shareholders at Baht 0.175 per share or a total dividend of Baht 70 million. The Company will pay the dividend within 25 April 2023.

18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 May 2023.




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