

S P V I Public Company Limited
Interim report and interim financial information
For the three-month and nine-month periods ended
30 September 2022



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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 30 September 2022, the related statements of comprehensive income for the three-month and nine-month periods then ended, and the related statement of changes in shareholders' equity and cash flows for the nine-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.

P. Koonarangsri

Patcharawan Koonarangsri

Certified Public Accountant (Thailand) No. 6650

EY Office Limited

Bangkok: 3 November 2022

S P V I Public Company Limited
Statement of financial position
As at 30 September 2022

(Unit: Thousand Baht)

	Note	30 September 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
Assets			
Current assets			
Cash and cash equivalents	4	53,556	99,443
Trade and other receivables	3, 5	84,097	76,546
Inventories	6	399,844	324,716
Other current assets	7	9,309	10,760
Total current assets		546,806	511,465
Non-current assets			
Equipment	8	82,385	74,277
Right-of-use assets	9	142,463	145,592
Intangible assets		35,159	22,143
Other non-current assets		29,850	24,412
Deferred tax assets		13,587	13,895
Total non-current assets		303,444	280,319
Total assets		850,250	791,784

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





S P V I Public Company Limited
Statement of financial position (continued)
As at 30 September 2022

(Unit: Thousand Baht)

	<u>Note</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	10	83,300	-
Trade and other payables	3, 11	87,353	116,632
Dividend payable		130	80
Current portion of long-term lease liabilities		62,494	50,784
Income tax payable		4,428	13,104
Other current liabilities		912	1,956
Total current liabilities		<u>238,617</u>	<u>182,556</u>
Non-current liabilities			
Long-term lease liabilities - net of current portion		84,582	97,591
Provision for long-term employee benefits		21,235	19,584
Total non-current liabilities		<u>105,817</u>	<u>117,175</u>
Total liabilities		<u>344,434</u>	<u>299,731</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		246,006	232,243
Total shareholders' equity		<u>505,816</u>	<u>492,053</u>
Total liabilities and shareholders' equity		<u>850,250</u>	<u>791,784</u>

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




Directors



(Unaudited but reviewed)

S P V I Public Company Limited

Statement of comprehensive income

For the three-month period ended 30 September 2022

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

	<u>Note</u>	<u>2022</u>	<u>2021</u>
Profit or loss			
Revenues			
Sales		1,300,452	994,814
Service income		5,401	5,673
Other income	12	13,820	8,830
Total revenues		<u>1,319,673</u>	<u>1,009,317</u>
Expenses			
Cost of sales		1,159,140	899,187
Cost of services		1,827	2,075
Selling and distribution expenses		94,720	66,271
Administrative expenses		25,486	21,728
Total expenses		<u>1,281,173</u>	<u>989,261</u>
Operating profit		38,500	20,056
Finance cost		(2,149)	(1,795)
Profit before income tax expenses		36,351	18,261
Income tax expenses	13	(7,273)	(3,876)
Profit for the period		29,078	14,385
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>29,078</u>	<u>14,385</u>
Basic earnings per share	14		
Profit		<u>0.07</u>	<u>0.04</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.



(Unaudited but reviewed)

S P V I Public Company Limited

Statement of comprehensive income

For the nine-month period ended 30 September 2022

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

	<u>Note</u>	<u>2022</u>	<u>2021</u>
Profit or loss			
Revenues			
Sales		3,914,331	3,523,192
Service income		16,773	18,787
Other income	12	36,238	26,071
Total revenues		<u>3,967,342</u>	<u>3,568,050</u>
Expenses			
Cost of sales		3,510,256	3,189,510
Cost of services		5,788	6,216
Selling and distribution expenses		266,962	216,954
Administrative expenses		73,942	67,371
Total expenses		<u>3,856,948</u>	<u>3,480,051</u>
Operating profit		110,394	87,999
Finance cost		(5,985)	(6,517)
Profit before income tax expenses		104,409	81,482
Income tax expenses	13	(20,649)	(16,424)
Profit for the period		83,760	65,058
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>83,760</u>	<u>65,058</u>
Basic earnings per share	14		
Profit		<u>0.21</u>	<u>0.16</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.



(Unaudited but reviewed)

S P V I Public Company Limited

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2022

(Unit: Thousand Baht)

	Issued and paid up share capital	Share premium	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2021	200,000	39,810	20,000	152,465	412,275
Dividend paid (Note 15)	-	-	-	(43,999)	(43,999)
Total comprehensive income for the period	-	-	-	65,058	65,058
Balance as at 30 September 2021	<u>200,000</u>	<u>39,810</u>	<u>20,000</u>	<u>173,524</u>	<u>433,334</u>
Balance as at 1 January 2022	200,000	39,810	20,000	232,243	492,053
Dividend paid (Note 15)	-	-	-	(69,997)	(69,997)
Total comprehensive income for the period	-	-	-	83,760	83,760
Balance as at 30 September 2022	<u>200,000</u>	<u>39,810</u>	<u>20,000</u>	<u>246,006</u>	<u>505,816</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 nine-month period ended 30 September 2022

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Profit before tax	104,409	81,482
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	69,222	50,869
Reversal of allowance for expected credit losses	(165)	(628)
Reduction of inventories to net realisable value (reversal)	(4,500)	11,939
Loss (gain) on disposals/write-off of equipment and intangible assets	24	(390)
Provision for long-term employee benefits	1,651	1,517
Interest income	(31)	(28)
Interest expenses	4,868	4,818
Reduction in lease payment by lessors	(1,625)	7,613
Gain on lease modification	(397)	-
Profit from operating activities before changes in operating assets and liabilities	173,456	157,192
Operating assets (increase) decrease:		
Trade and other receivables	(7,386)	18,489
Inventories	(72,876)	166,495
Other current assets	1,451	10,179
Other non-current assets	(5,438)	(384)
Operating liabilities increase (decrease):		
Trade and other payables	(31,855)	29,434
Other current liabilities	(1,044)	(814)
Cash flows from operating activities	56,308	380,591
Cash received from interest income	31	28
Cash paid for income tax	(29,017)	(25,697)
Net cash flows from operating activities	<u>27,322</u>	<u>354,922</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 nine-month period ended 30 September 2022

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Cash flows from investing activities		
Proceeds from sales of equipment	4	414
Acquisitions of equipment	(20,495)	(21,736)
Increase in intangible assets	(20,850)	(7,580)
Cash paid for right-of-use assets	(2,272)	-
Net cash flows used in investing activities	<u>(43,613)</u>	<u>(28,902)</u>
Cash flows from financing activities		
Increase in short-term loans from financial institution	968,800	793,406
Repayment of short-term loans from financial institution	(885,500)	(915,406)
Dividend paid	(69,947)	(43,988)
Payment of principal portion of lease liabilities	(38,174)	(35,249)
Cash paid for interest expenses	(4,775)	(4,913)
Net cash flows used in financing activities	<u>(29,596)</u>	<u>(206,150)</u>
Net increase (decrease) in cash and cash equivalents	(45,887)	119,870
Cash and cash equivalents at beginning of period	99,443	44,968
Cash and cash equivalents at end of period	<u>53,556</u>	<u>164,838</u>

Supplemental disclosures of cash flows information:

Non-cash related transaction

Payable for purchase of equipment	9,100	10,236
Payable for purchase of intangible assets	-	2,550
Additions to right-of-use assets and lease liabilities	39,526	6,115
Payable for acquisition of leasehold right	200	-
Transfer inventory to equipment	2,248	1,972
Write-off trade account receivable as bad debts	197	-

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 and nine-month periods ended 30 September 2022

1. General information

1.1 Company 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.

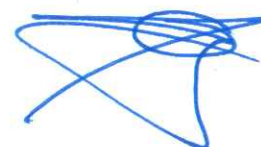
As at 30 September 2022, the Company operates 79 branches (31 December 2021: 66 branches).

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.



2. 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 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Company's financial statements.

3. 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 30 September		
	<u>2022</u>	<u>2021</u>	
<u>Transactions with major shareholder</u>			
(IT City Public Company Limited)			
Purchases of goods	274	41	Approximate market price
Purchases of fixed assets	79	86	Market price
Service expenses	4	2	Prices agreed by the parties
<u>Transactions with related parties</u>			
Sales of goods	19,375	30,956	Market price
Purchases of goods	286	331	Market price
Purchases of fixed assets	3,411	-	Market price
Service expenses	1,261	1,265	Prices agreed by the parties
Logistics and distribution fee	2,287	2,002	Prices agreed by the parties




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(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods
ended 30 September

Pricing policy

	<u>2022</u>	<u>2021</u>	
<u>Transactions with major shareholder</u>			
(IT City Public Company Limited)			
Sales of goods	-	1,140	Market price
Purchases of goods	411	845	Approximate market price
Purchases of fixed assets	79	163	Market price
Service expenses	4	10	Prices agreed by the parties
Dividend paid	20,300	12,760	At the declared rate
<u>Transactions with related parties</u>			
Sales of goods	66,294	42,782	Market price
Purchases of goods	1,955	3,324	Market price
Purchases of fixed assets	7,528	-	Market price
Service expenses	4,023	3,876	Prices agreed by the parties
Logistics and distribution fee	6,615	6,129	Prices agreed by the parties

The balances of the accounts as at 30 September 2022 and 31 December 2021 between the Company and those related companies are as follows:

	(Unit: Thousand Baht)	
	30 September 2022	31 December 2021
<u>Trade and other receivables - related parties (Note 5)</u>		
Related companies (related by common shareholders and common directors)	1,438	5,800
Total trade and other receivables - related parties	1,438	5,800
<u>Trade and other payables - related parties (Note 11)</u>		
Major shareholders	202	239
Related companies (related by common shareholders and common directors)	4,286	6,444
Total trade and other payables - related parties	4,488	6,683

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(Unaudited but reviewed)

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2022 and 2021, the Company had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	5.7	5.7	18.6	17.6
Post-employment benefits	0.2	0.2	0.7	0.8
Total	<u>5.9</u>	<u>5.9</u>	<u>19.3</u>	<u>18.4</u>

4. Cash and cash equivalents

(Unit: Thousand Baht)

	30 September	31 December
	<u>2022</u>	<u>2021</u>
Cash	4,286	4,417
Bank deposits	49,270	95,026
Total	<u>53,556</u>	<u>99,443</u>

As at 30 September 2022, bank deposits in savings accounts and fixed deposits carried interests between 0.05 and 0.25 percent per annum (31 December 2021: between 0.05 and 0.25 percent per annum).

  
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(Unaudited but reviewed)

5. Trade and other receivables

(Unit: Thousand Baht)

	30 September 2022	31 December 2021
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	1,328	5,749
Past due		
Up to 3 months	110	51
Total trade receivables - related parties	1,438	5,800
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	68,269	54,054
Past due		
Up to 3 months	7,315	12,329
3 - 6 months	9	4
6 - 12 months	1,075	-
Over 12 months	-	598
Total	76,668	66,985
Less: Allowance for expected credit losses	(236)	(598)
Total trade receivables - unrelated parties, net	76,432	66,387
Total trade receivables - net	77,870	72,187
<u>Other receivables</u>		
Other receivables - unrelated parties	6,227	4,359
Total other receivables	6,227	4,359
Total trade and other receivables - net	84,097	76,546



(Unaudited but reviewed)

6. Reduction of inventories to net realisable value

Movements in the reduction of inventories to net realisable value account during the nine-month period ended 30 September 2022 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2022	39,477
Less: Reversal reduction of inventory value during the period	(4,500)
Balance as at 30 September 2022	<u>34,977</u>

7. Other current assets

The outstanding balance of other current assets as at 30 September 2022 and 31 December 2021 are as follows:

	(Unit: Thousand Baht)	
	30 September 2022	31 December 2021
Input tax and value added tax refundable	5,006	5,819
Advance payments for purchase of goods	1,771	494
Others	2,532	4,447
Total other current assets	<u>9,309</u>	<u>10,760</u>

8. Equipment

Movements of equipment account during the nine-month period ended 30 September 2022 are summarised below.

	(Unit: Thousand Baht)*
Net book value as at 1 January 2022	74,277
Acquisitions during the period - at cost	25,413
Transfer from inventory	2,248
Disposals and write-off during the period - net book value as at disposals and write-off date	(22)
Depreciation for the period	<u>(19,531)</u>
Net book value as at 30 September 2022	<u>82,385</u>

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(Unaudited but reviewed)

9. Right-of-use assets

Movement of right-of-use assets account during the nine-month period ended 30 September 2022 are summarised below:

	(Unit: Thousand Baht)
Net book value as at 1 January 2022	145,592
Additions	2,272
Addition during the period	39,526
Addition from leasehold right during the period	200
Reduction in lease modification	(131)
Reduction from lease reassessment	(583)
Depreciation for the period	(44,413)
Net book value as at 30 September 2022	<u>142,463</u>

10. Short-term loans from financial institution

		(Unit: Thousand Baht)	
	Interest rate	30 September	31 December
	(Percent per annum)	2022	2021
Promissory notes	2.97	83,300	-
Total		83,300	-

As at 30 September 2022, the short-term credit facilities of the Company which have not yet been drawn down amounted to Baht 567 million (31 December 2021: Baht 450 million).

11. Trade and other payables

	(Unit: Thousand Baht)	
	30 September	31 December
	2022	2021
Trade payables - related parties	466	2,684
Trade payables - unrelated parties	49,612	75,901
Other payables - related parties	3,222	3,299
Other payables - unrelated parties	12,830	8,783
Accrued expenses - related parties	800	700
Accrued expenses - unrelated parties	20,423	25,265
Total trade and other payables	<u>87,353</u>	<u>116,632</u>

(Unaudited but reviewed)

12. Other income

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Selling support income	7,469	6,145	21,353	20,495
Selling promotion income	2,830	1,246	9,486	3,779
Commission income	5	61	57	194
Gain on lease modification	-	309	397	309
Interest income	-	-	31	28
Others	3,516	1,069	4,914	1,266
Total	<u>13,820</u>	<u>8,830</u>	<u>36,238</u>	<u>26,071</u>

13. 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.

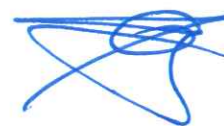
Income tax expenses for the three-month and nine-month periods ended 30 September 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September	
	<u>2022</u>	<u>2021</u>
Current income tax:		
Interim corporate income tax charge	7,349	5,509
Deferred tax:		
Relating to origination and reversal of temporary differences	(76)	(1,633)
Income tax income reported in the profit or loss	<u>7,273</u>	<u>3,876</u>



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(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods
ended 30 September

	<u>2022</u>	<u>2021</u>
Current income tax:		
Interim corporate income tax charge	20,341	19,362
Deferred tax:		
Relating to origination and reversal of temporary differences	308	(2,938)
Income tax income reported in the profit or loss	<u>20,649</u>	<u>16,424</u>

14. 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.

15. Dividend

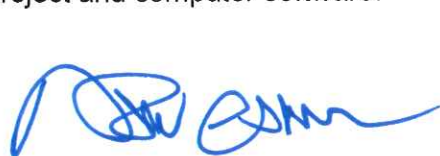
On 2 April 2021, the Annual General Meeting of Shareholders of the Company passed a resolution approving the payment of a dividend in respect of income for the year 2020 of Baht 0.11 per share, or a total of Baht 44 million. The Company paid such dividend in April 2021.

On 4 April 2022, the Annual General Meeting of Shareholders of the Company passed a resolution approving the payment of a dividend in respect of income for the year 2021 of Baht 0.175 per share, or a total of Baht 70 million. The Company paid such dividend in April 2022.

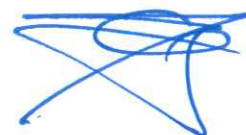
16. Commitments and contingent liabilities

16.1 Capital commitments

As at 30 September 2022, the Company had capital commitments of approximately Baht 6.5 million (31 December 2021: Baht 2.9 million), relating to the contract for website development project and computer software.



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16.2 Lease and service commitments

16.2.1 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.

16.2.2 The Company has entered into several contracts in respect of lease of the low value assets 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 30 September 2022 and 31 December 2021, future minimum payments were as follows:

	(Unit: Million Baht)	
	30 September 2022	31 December 2021
Payable:		
Within 1 year	12.3	20.3
In over 1 and up to 5 years	9.6	12.9

16.3 Guarantees

As at 30 September 2022, there were outstanding bank guarantees of approximately Baht 160.6 million (31 December 2021: Baht 99.6 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.

17. 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.

18. Financial Instrument

18.1 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.

19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 3 November 2022.



SPVI
SPVI Public Company Limited
सिंहविकास एन.पी. लि. (स.प.स. २०७३)