

S P V I Public Company Limited
Interim report and interim financial information
For the three-month period ended 31 March 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 31 March 2022, 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.

P. Koonarangsri

Patcharawan Koonarangsri

Certified Public Accountant (Thailand) No. 6650

EY Office Limited

Bangkok: 5 May 2022

S P V I Public Company Limited
Statement of financial position
As at 31 March 2022

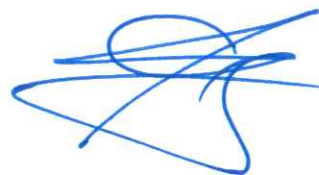
(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)
Assets			
Current assets			
Cash and cash equivalents	4	54,399	99,443
Trade and other receivables	3, 5	106,612	76,546
Inventories	6	366,943	324,716
Other current assets	7	12,494	10,760
Total current assets		<u>540,448</u>	<u>511,465</u>
Non-current assets			
Equipment	8	79,372	74,277
Right-of-use assets	9	137,823	145,592
Intangible assets		26,151	22,143
Other non-current assets		29,540	24,412
Deferred tax assets		14,290	13,895
Total non-current assets		<u>287,176</u>	<u>280,319</u>
Total assets		<u><u>827,624</u></u>	<u><u>791,784</u></u>

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



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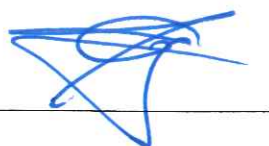


S P V I Public Company Limited
Statement of financial position (continued)
As at 31 March 2022

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	3, 10	126,226	116,632
Dividend payable		80	80
Current portion of long-term lease liabilities		52,862	50,784
Income tax payable		17,878	13,104
Other current liabilities		1,520	1,956
Total current liabilities		<u>198,566</u>	<u>182,556</u>
Non-current liabilities			
Long-term lease liabilities - net of current portion		89,172	97,591
Provision for long-term employee benefits		20,134	19,584
Total non-current liabilities		<u>109,306</u>	<u>117,175</u>
Total liabilities		<u>307,872</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		259,942	232,243
Total shareholders' equity		<u>519,752</u>	<u>492,053</u>
Total liabilities and shareholders' equity		<u>827,624</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 31 March 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		1,237,509	1,371,047
Service income		6,181	6,618
Other income	11	12,682	9,980
Total revenues		<u>1,256,372</u>	<u>1,387,645</u>
Expenses			
Cost of sales		1,109,586	1,240,531
Cost of services		2,119	2,329
Selling and distribution expenses		84,929	76,655
Administrative expenses		23,250	23,021
Total expenses		<u>1,219,884</u>	<u>1,342,536</u>
Operating profit		36,488	45,109
Finance cost		(1,858)	(2,883)
Profit before income tax expenses		34,630	42,226
Income tax expenses	12	(6,931)	(8,402)
Profit for the period		27,699	33,824
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>27,699</u>	<u>33,824</u>
Basic earnings per share	13		
Profit		<u>0.07</u>	<u>0.08</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 three-month period ended 31 March 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
Total comprehensive income for the period	-	-	-	33,824	33,824
Balance as at 31 March 2021	<u>200,000</u>	<u>39,810</u>	<u>20,000</u>	<u>186,289</u>	<u>446,099</u>
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>

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 2022

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Profit before tax	34,630	42,226
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	21,551	18,867
Reversal of allowance for expected credit losses	-	(561)
Reduction of inventories to net realisable value	869	1,677
Gain on disposals of equipment		(1)
Provision for long-term employee benefits	550	506
Interest expenses	1,501	2,500
Reduction in lease payment by lessors	(375)	(1,389)
Gain on lease modification	(77)	-
Profit from operating activities before changes in operating assets and liabilities	58,649	63,825
Operating assets (increase) decrease:		
Trade and other receivables	(30,066)	7,579
Inventories	(43,527)	33,053
Other current assets	(1,734)	4,375
Other non-current assets	(5,128)	1,695
Operating liabilities increase (decrease):		
Trade and other payables	9,406	41,042
Other current liabilities	(436)	(395)
Cash flows from (used in) operating activities	(12,836)	151,174
Cash paid for income tax	(2,552)	(2,279)
Net cash flows from (used in) operating activities	(15,388)	148,895

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



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(Unaudited but reviewed)

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Cash flow statement (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Cash flows from investing activities		
Proceeds from sales of equipment	-	1
Acquisitions of equipment	(11,198)	(2,869)
Increase in intangible assets	(4,861)	(4,164)
Net cash flows used in investing activities	<u>(16,059)</u>	<u>(7,032)</u>
Cash flows from financing activities		
Increase in short-term loans from financial institution	247,000	442,657
Repayment of short-term loans from financial institution	(247,000)	(564,657)
Cash paid for long-term lease liabilities	(12,135)	(8,842)
Cash paid for interest expenses	(1,462)	(2,307)
Net cash flows used in financing activities	<u>(13,597)</u>	<u>(133,149)</u>
Net increase (decrease) in cash and cash equivalents	(45,044)	8,714
Cash and cash equivalents at beginning of period	99,443	44,968
Cash and cash equivalents at end of period	<u><u>54,399</u></u>	<u><u>53,682</u></u>

Supplemental disclosures of cash flows information:

Non-cash related transaction

Payable for purchase of equipment	3,782	652
Payable for purchase of intangible assets	3,138	827
Additions to right-of-use assets and lease liabilities	6,324	681
Transfer inventory to equipment	431	1,056

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 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 31 March 2022, the Company operates 69 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

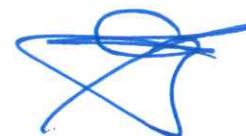
During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and based agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the three-month periods		Pricing policy
	ended 31 March		
	<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	99	367	Approximate market price
Purchases of fixed assets	-	11	Market price
Service expenses	-	3	Prices agreed by the parties
<u>Transactions with related parties</u>			
Sales of goods	24,285	813	Market price
Purchases of goods	1,379	861	Market price
Service expenses	1,497	1,516	Prices agreed by the parties
Logistics and distribution fee	2,091	2,123	Prices agreed by the parties




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(Unaudited but reviewed)

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

(Unit: Thousand Baht)

	31 March 2022	31 December 2021
<u>Trade and other receivables - related parties (Note 5)</u>		
Related companies (related by common shareholders and common directors)	5,781	5,800
Total trade and other receivables - related parties	5,781	5,800
<u>Trade and other payables - related parties (Note 10)</u>		
Major shareholders	105	239
Related companies (related by common shareholders and common directors)	3,371	6,444
Total trade and other payables - related parties	3,476	6,683

Directors and management's benefits

During the three-month periods ended 31 March 2022 and 2021, the Company had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

For the three-month periods
ended 31 March

	<u>2022</u>	<u>2021</u>
Short-term employee benefits	7.2	6.2
Post-employment benefits	0.2	0.3
Total	7.4	6.5

4. Cash and cash equivalents

(Unit: Thousand Baht)

	31 March 2022	31 December 2021
Cash	1,495	4,417
Bank deposits	52,904	95,026
Total	54,399	99,443



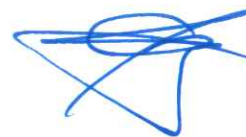
(Unaudited but reviewed)

As at 31 March 2022, bank deposits in savings accounts and fixed deposits carried interests between 0.05 and 0.25 percent per annum (31 December 2020: between 0.05 and 0.25 percent per annum).

5. Trade and other receivables

(Unit: Thousand Baht)

	31 March 2022	31 December 2021
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	5,665	5,749
Past due		
Up to 3 months	116	51
Total trade receivables - related parties	5,781	5,800
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	74,195	54,054
Past due		
Up to 3 months	22,846	12,329
3 - 6 months	-	4
Over 12 months	598	598
Total	97,639	66,985
Less: Allowance for expected credit losses	(598)	(598)
Total trade receivables - unrelated parties, net	97,041	66,387
Total trade receivable - net	102,822	72,187
<u>Other receivables</u>		
Other receivables - unrelated parties	3,790	4,359
Total other receivables	3,790	4,359
Total trade and other receivables - net	106,612	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 three-month period ended 31 March 2022 are summarised below.

(Unit: Thousand Baht)

Balance as at 1 January 2022	39,477
Add: Reduction of inventory value during the period	<u>869</u>
Balance as at 31 March 2022	<u><u>40,346</u></u>

7. Other current assets

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

(Unit: Thousand Baht)

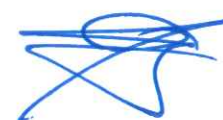
	31 March 2022	31 December 2021
Input tax and value added tax refundable	7,911	5,819
Advance payments for purchase of goods	51	494
Others	<u>4,532</u>	<u>4,447</u>
Total other current assets	<u><u>12,494</u></u>	<u><u>10,760</u></u>

8. Equipment

Movements of equipment account during the three-month period ended 31 March 2022 are summarised below.

(Unit: Thousand Baht)

Net book value as at 1 January 2022	74,277
Acquisitions during the period - at cost	10,798
Transfer from inventory	431
Depreciation for the period	<u>(6,134)</u>
Net book value as at 31 March 2022	<u><u>79,372</u></u>



9. Right-of-use assets

Movement of right-of-use assets account during the three-month period ended 31 March 2022 are summarised below:

	(Unit: Thousand Baht)
Net book value as at 1 January 2022	145,592
Addition during the period	6,324
Reduction in lease modification	(117)
Depreciation for the period	<u>(13,976)</u>
Net book value as at 31 March 2022	<u><u>137,823</u></u>

10. Trade and other payables

	(Unit: Thousand Baht)	
	31 March 2022	31 December 2021
Trade payables - related parties	1,322	2,684
Trade payables - unrelated parties	98,821	75,901
Other payables - related parties	1,454	3,299
Other payables - unrelated parties	13,292	8,783
Accrued expenses - related parties	700	700
Accrued expenses - unrelated parties	<u>10,637</u>	<u>25,265</u>
Total trade and other payables	<u><u>126,226</u></u>	<u><u>116,632</u></u>



(Unaudited but reviewed)

11. Other income

(Unit: Thousand Baht)
For the three-month
periods ended 31 March

	<u>2022</u>	<u>2021</u>
Selling support income	6,804	7,039
Selling promotion income	4,814	2,727
Gain in lease modification	77	-
Gain on exchange	61	-
Commission income	14	86
Others	912	128
Total	<u>12,682</u>	<u>9,980</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 period ended 31 March 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)
For the three-month periods
ended 31 March

	<u>2022</u>	<u>2021</u>
Current income tax:		
Interim corporate income tax charge	7,326	8,977
Deferred tax:		
Relating to origination and reversal of temporary differences	(395)	(575)
Income tax income reported in the profit or loss	<u>6,931</u>	<u>8,402</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 2022, the Company had capital commitments of approximately Baht 4.3 million (31 December 2021: Baht 2.9 million), relating to the contract for website development project.

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 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 2022 and 31 December 2021, future minimum payments were as follows:

	(Unit: Million Baht)	
	31 March 2022	31 December 2021
Payable:		
Within 1 year	16.9	20.3
In over 1 and up to 5 years	10.3	12.9

14.3 Guarantees

As at 31 March 2022, there were outstanding bank guarantees of approximately Baht 165.4 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.



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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 2022, the meeting of Annual General Meeting of the Company's shareholders passed a resolution approving the dividend payment for year 2021 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 2022.

18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 5 May 2022.