

S P V I Public Company Limited
Interim report and interim financial information
For the three-month and six-month periods ended
30 June 2020



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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 June 2020, the related statements of comprehensive income for the three-month and six-month periods then ended, and the related statement of changes in shareholders' equity and cash flows for the six-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 No. 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.



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Emphasis of Matter

I draw attention to Note 1.4 to the interim financial statements. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month and six-month periods ended 30 June 2020, the Company has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.

P. Koonarangsri

Patcharawan Koonarangsri
Certified Public Accountant (Thailand) No. 6650

EY Office Limited
Bangkok: 6 August 2020

S P V I Public Company Limited
Statement of financial position
As at 30 June 2020

(Unit: Thousand Baht)

	Note	30 June 2020 (Unaudited but reviewed)	31 December 2019 (Audited)
Assets			
Current assets			
Cash and cash equivalents	5	466,624	36,905
Current investments		-	122,277
Trade and other receivables	4, 6	36,334	55,918
Inventories	7	185,205	391,507
Other current assets	8	6,375	14,107
Total current assets		694,538	620,714
Non-current assets			
Other non-current financial assets	9	10,000	-
Other long-term investments	9	-	10,000
Equipment	10	46,997	42,179
Right-of-use assets	11	136,108	-
Intangible assets		16,499	18,148
Leasehold right		-	5,601
Other non-current assets		22,754	21,796
Deferred tax assets		12,473	10,262
Total non-current assets		244,831	107,986
Total assets		939,369	728,700

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

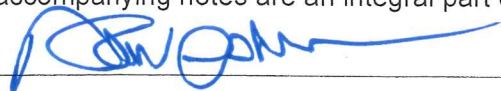


S P V I Public Company Limited
Statement of financial position (continued)
As at 30 June 2020

(Unit: Thousand Baht)

<u>Note</u>	<u>30 June 2020</u>	<u>31 December 2019</u>
	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity		
Current liabilities		
Trade and other payables	411,861	317,173
Dividend payable	315	63
Current portion of long-term lease liabilities	40,395	-
Income tax payable	5,114	8,525
Other current liabilities	1,449	866
Total current liabilities	459,134	326,627
Non-current liabilities		
Long-term lease liabilities - net of current portion	93,302	-
Provision for long-term employee benefits	24,225	23,100
Total non-current liabilities	117,527	23,100
Total liabilities	576,661	349,727
Shareholders' equity		
Share capital		
Registered		
400,000,000 ordinary shares of Baht 0.50 each	200,000	200,000
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	18,335	18,335
Unappropriated	104,563	120,828
Total shareholders' equity	362,708	378,973
Total liabilities and shareholders' equity	939,369	728,700

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 June 2020

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

	Note	2020	2019
Profit or loss			
Revenues			
Sales		691,320	785,040
Service income		4,938	4,180
Other income	13	8,121	11,103
Total revenues		<u>704,379</u>	<u>800,323</u>
Expenses			
Cost of sales		623,800	698,975
Cost of services		1,211	1,034
Selling and distribution expenses		47,717	61,039
Administrative expenses		15,924	23,429
Total expenses		<u>688,652</u>	<u>784,477</u>
Profit from operating activities		15,727	15,846
Finance cost		(1,310)	(227)
Profit before income tax expenses		14,417	15,619
Income tax expenses	14	(2,780)	(2,939)
Profit for the period		11,637	12,680
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>11,637</u>	<u>12,680</u>
Basic earnings per share	15		
Profit		<u>0.03</u>	<u>0.03</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 six-month period ended 30 June 2020

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

	Note	2020	2019
Profit or loss			
Revenues			
Sales		1,422,897	1,547,711
Service income		8,492	8,565
Other income	13	18,769	20,261
Total revenues		<u>1,450,158</u>	<u>1,576,537</u>
Expenses			
Cost of sales		1,267,298	1,373,187
Cost of services		1,758	2,309
Selling and distribution expenses		111,842	123,537
Administrative expenses		37,696	42,877
Total expenses		<u>1,418,594</u>	<u>1,541,910</u>
Profit from operating activities		31,564	34,627
Finance cost		(2,213)	(414)
Profit before income tax expenses		29,351	34,213
Income tax expenses	14	(5,616)	(6,614)
Profit for the period		23,735	27,599
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>23,735</u>	<u>27,599</u>
Basic earnings per share	15		
Profit		<u>0.06</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.




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

S P V I Public Company Limited

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2020

(Unit: Thousand Baht)

	Note	Issued and paid up share capital	Share premium	Retained earnings		Total
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2019		200,000	39,810	14,550	74,359	328,719
Dividend paid	16	-	-	-	(24,000)	(24,000)
Total comprehensive income for the period		-	-	-	27,599	27,599
Balance as at 30 June 2019		<u>200,000</u>	<u>39,810</u>	<u>14,550</u>	<u>77,958</u>	<u>332,318</u>
Balance as at 1 January 2020		200,000	39,810	18,335	120,828	378,973
Dividend paid	16	-	-	-	(40,000)	(40,000)
Total comprehensive income for the period		-	-	-	23,735	23,735
Balance as at 30 June 2020		<u>200,000</u>	<u>39,810</u>	<u>18,335</u>	<u>104,563</u>	<u>362,708</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

Cash flow statement

For the six-month period ended 30 June 2020

(Unit: Thousand Baht)

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Profit before tax	29,351	34,213
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	30,953	12,078
Allowance for expected credit losses	1,295	14
Reduction of inventories to net realisable value	6,658	5,198
Loss on disposals/write-off of equipment	823	1,656
Reversal of allowance for impairment of equipment	(822)	(838)
Allowance for impairment of guarantee fund (reversal)	(761)	600
Provision for long-term employee benefits	1,125	5,494
Gain on disposals of investments in open-end fund	(294)	(441)
Unrealised loss on changes in value of investments in open-end fund	-	6
Interest expenses	1,758	-
Interest income	(402)	(217)
Reduction in lease payments by lessors	6,825	-
Profit from operating activities before changes in operating assets and liabilities	76,509	57,763
Operating assets (increase) decrease:		
Trade and other receivables	18,464	(107,933)
Inventories	198,661	26,348
Other current assets	6,556	3,293
Other non-current assets	(197)	17
Operating liabilities increase:		
Trade and other payables	94,688	46,398
Other current liabilities	583	31
Cash flows from operating activities	395,264	25,917
Cash received from interest income	227	105
Refund of withholding tax deducted of source	889	-
Cash paid for income tax	(11,238)	(6,778)
Net cash flows from operating activities	385,142	19,244

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 six-month period ended 30 June 2020

(Unit: Thousand Baht)

	<u>2020</u>	<u>2019</u>
Cash flows from investing activities		
Decrease in current investments	-	9,650
Decrease in other current financial assets	122,571	-
Proceeds from sales of equipment	-	14
Acquisitions of equipment	(13,194)	(8,218)
Increase in intangible asset	(2,097)	(405)
Cash paid for right-of-use assets	(1,006)	-
Net cash flows from investing activities	<u>106,274</u>	<u>1,041</u>
Cash flows from financing activities		
Dividend paid	(39,748)	(24,000)
Cash paid for long-term lease liabilities	(21,949)	-
Net cash flows used in financing activities	<u>(61,697)</u>	<u>(24,000)</u>
Net increase (decrease) in cash and cash equivalents	429,719	(3,715)
Cash and cash equivalents at beginning of period	<u>36,905</u>	<u>45,274</u>
Cash and cash equivalents at end of period	<u><u>466,624</u></u>	<u><u>41,559</u></u>

Supplemental disclosures of cash flows information:

Non-cash related transaction

Increase in right-of-use assets	27,787	-
Transfer inventory to equipment	983	887
Dividend payable	315	71
Transfer inventory to intangible assets	-	6
Write off trade receivable as bad debt	-	191

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




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Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2020

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 June 2020, the Company operates 48 branches (31 December 2019: 48 branches).

1.2 COVID-19 Pandemic

The COVID-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have impact on the environment in which the Company operators. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 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.

  
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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.

1.4 New financial reporting standards that became effective in the current period

During the period, the Company has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial Reporting Standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting Standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

  
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These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

These standards do not have any significant impact on the Company's financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Company adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 3.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.



The Company has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Company uses a simplified approach to determine expected credit losses. The relief measure may affect the valuation of trade and other receivable and expenses accounts.
- Not to account for any reduction in lease payments by lessors resulting from the COVID-19 situation as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss. The relief measure may affect the valuation of lease liabilities and expenses accounts.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets. The relief measure may affect the valuation of equipment and expenses accounts.

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 2019 except the change in the accounting policies related to financial instruments and leases.

2.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial liabilities are classified and measured at amortised cost.

  
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Impairment of financial assets

The Company recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Company accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Company applies a simplified approach to determine the lifetime expected credit losses.

2.2 Leases

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Company is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

3. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.4 to the financial statements, during the current period, the Company has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the beginning balance of the statement of financial position of 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	The impacts of			1 January 2020
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Current investments	122,277	(122,277)	-	-
Other current financial assets	-	122,277	-	122,277
Other current assets	14,107	-	(287)	13,820
Non-current assets				
Other non-current financial assets	-	10,000	-	10,000
Other long-term investments	10,000	(10,000)	-	-
Right-of-use assets	-	-	131,285	131,285
Leasehold right	5,601	-	(5,601)	-
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	41,534	41,534
Non-current liabilities				
Long-term lease liabilities - net of current portion	-	-	83,863	83,863




3.1 Financial instruments

- a) The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

(Unit: Thousand Baht)

	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value			Total
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	
Financial assets as at 1 January 2020					
Cash and cash equivalents	36,905	-	-	36,905	36,905
Trade and other receivables	55,918	-	-	55,918	55,918
Other current financial assets	122,277	122,277	-	-	122,277
Other non-current financial assets	10,000	-	-	10,000	10,000
Total financial assets	225,100	122,277	-	102,823	225,100

- b) As at 1 January 2020, the Company has not designated any financial liabilities at fair value through profit or loss.

3.2 Leases

Upon initial application of TFRS 16 the Company recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Company recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.




(Unaudited but reviewed)

(Unit: Thousand Baht)

Operating lease commitments as at 31 December 2019	101,921
Less: Short-term leases and leases of low-value assets	(234)
Less: Contracts reassessed as service agreements	(26,881)
Add: Option to extend lease term	60,590
Less: Deferred interest expenses	(9,999)
Increase in lease liabilities due to TFRS 16 adoption	125,397
Liabilities under finance lease agreements as at 31 December 2019	-
Lease liabilities as at 1 January 2020	125,397

Comprise of:

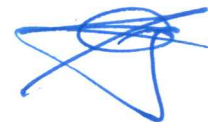
Current lease liabilities	41,534
Non-current lease liabilities	83,863
	125,397

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

(Unit: Thousand Baht)

Buildings and building improvement	125,684
Leasehold right	5,601
Total right-of-use assets	131,285



4. 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 June		
	<u>2020</u>	<u>2019</u>	
<u>Transactions with major shareholder</u>			
(IT City Public Company Limited)			
Purchases of goods	58	360	Approximate market price
Purchases of fixed assets	-	1	Market price
Service expenses	-	3	Prices agreed by the parties
Dividend paid	11,600	6,960	At the declared rate
<u>Transactions with related parties</u>			
Sales of goods	90	351	Market price
Purchases of goods	439	2,212	Market price
Purchases of fixed assets	-	53	Market price
Service expenses	980	2,374	Prices agreed by the parties
Logistics and distribution fee	1,644	1,621	Prices agreed by the parties

(Unit: Thousand Baht)

	For the six-month periods		Pricing policy
	ended 30 June		
	<u>2020</u>	<u>2019</u>	
<u>Transactions with major shareholder</u>			
(IT City Public Company Limited)			
Purchases of goods	343	911	Approximate market price
Purchases of fixed assets	6	1	Market price
Service expenses	-	3	Prices agreed by the parties
Dividend paid	11,600	6,960	At the declared rate
<u>Transactions with related parties</u>			
Sales of goods	206	570	Market price
Purchases of goods	1,251	2,550	Market price
Purchases of fixed assets	-	53	Market price
Service expenses	2,549	4,177	Prices agreed by the parties
Logistics and distribution fee	3,336	3,186	Prices agreed by the parties




(Unaudited but reviewed)

The balances of the accounts as at 30 June 2020 and 31 December 2019 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	30 June 2020	31 December 2019
<u>Trade and other receivables - related parties (Note 6)</u>		
Related companies (related by common shareholders and common directors)	91	425
Total trade and other receivables - related parties	91	425
<u>Trade and other payables - related parties (Note 12)</u>		
Related companies (related by common shareholders and common directors)	1,185	1,360
Total trade and other payables - related parties	1,185	1,360

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2020 and 2019, the Company had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	4.1	5.1	10.1	10.5
Post-employment benefits	0.3	3.1	0.7	3.5
Total	4.4	8.2	10.8	14.0

5. Cash and cash equivalents

(Unit: Thousand Baht)

	30 June 2020	31 December 2019
Cash	2,330	3,759
Bank deposits	464,294	33,146
Total	466,624	36,905

As at 30 June 2020, bank deposits in savings accounts carried interests between 0.1 and 0.5 percent per annum (31 December 2019: between 0.1 and 0.5 percent per annum).

(Unaudited but reviewed)

6. Trade and other receivables

	(Unit: Thousand Baht)	
	30 June 2020	31 December 2019
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	-	103
Past due		
Up to 3 months	91	322
Total trade receivables - related parties	91	425
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	27,472	44,871
Past due		
Up to 3 months	6,009	5,879
3 - 6 months	53	-
6 - 12 months	1,033	-
Over 12 months	43	100
Total	34,610	50,850
Less: Allowance for expected credit losses	(1,333)	(38)
Total trade receivables - unrelated parties, net	33,277	50,812
Total trade receivables - net	33,368	51,237
<u>Other receivables</u>		
Other receivables - unrelated parties	2,966	4,681
Total other receivables	2,966	4,681
Total trade and other receivables - net	36,334	55,918

7. Reduction of inventories to net realisable value

Movements in the reduction of inventories to net realisable value account during the six-month period ended 30 June 2020 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2020	26,589
Add: Reduction of inventory value during the period	6,658
Balance as at 30 June 2020	33,247



SPVI Public Company Limited
บริษัท เอสพีวี จำกัด (มหาชน)



8. Other current assets

The outstanding balance of other current assets as at 30 June 2020 and 31 December 2019 are as follows:

	(Unit: Thousand Baht)	
	30 June 2020	31 December 2019
Input tax and value added tax refundable	137	8,969
Advance payments for purchase of goods	7	4
Others	6,231	5,134
Total other current liabilities	6,375	14,107

9. Other non-current financial assets/Other long-term investments

As at 30 June 2020, the Company had fixed deposit account amount of Baht 10 million (31 December 2019: Baht 10 million) with maturity over 1 year carried interest 2.25 percent per annum (31 December 2019: 2.25 percent per annum).

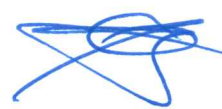
10. Equipment

Movements of equipment account during the six-month period ended 30 June 2020 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2020	42,179
Acquisitions during the period - at cost	13,194
Transfer from inventory	983
Write-off during the period - net book value as at written-off date	(823)
Decrease in allowance for impairment	822
Depreciation for the period	(9,358)
Net book value as at 30 June 2020	46,997




SPVI
 S P V I Public Company Limited
 บริษัท เอส พี วี โอล จำกัด (มหาชน)



11. Right-of-use assets


Movement of right-of-use assets account during the six-month period ended 30 June 2020 are summarised below:

	(Unit: Thousand Baht)
Net book value as at 1 January 2020	131,285
Addition during the period	27,787
Acquisition during the period	1,006
Depreciation for the period	<u>(23,970)</u>
Net book value as at 30 June 2020	<u><u>136,108</u></u>

12. Trade and other payables

	(Unit: Thousand Baht)	
	30 June 2020	31 December 2019
Trade payables - related parties	10	189
Trade payables - unrelated parties	384,345	293,513
Other payables - related parties	1,175	1,171
Other payables - unrelated parties	16,221	6,341
Accrued expenses - unrelated parties	10,110	15,959
Total trade and other payables	<u><u>411,861</u></u>	<u><u>317,173</u></u>





(Unaudited but reviewed)

13. Other income

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Selling support income	7,648	10,596	17,365	19,255
Commission income	21	20	175	213
Gain on disposal investments in open-end fund	-	171	293	441
Interest income	402	217	402	217
Others	50	99	534	135
Total	<u>8,121</u>	<u>11,103</u>	<u>18,769</u>	<u>20,261</u>

14. 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 six-month periods ended 30 June 2020 and 2019 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June	
	<u>2020</u>	<u>2019</u>
Current income tax:		
Interim corporate income tax charge	4,111	4,763
Deferred tax:		
Relating to origination and reversal of temporary differences	<u>(1,331)</u>	<u>(1,824)</u>
Income tax income reported in the profit or loss	<u>2,780</u>	<u>2,939</u>



SPVI
S P V I Public Company Limited
บริษัท เอส พี วี โส จำกัด (มหาชน)



(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended
30 June

	<u>2020</u>	<u>2019</u>
Current income tax:		
Interim corporate income tax charge	7,827	8,672
Deferred tax:		
Relating to origination and reversal of temporary differences	(2,211)	(2,058)
Income tax income reported in the profit or loss	<u>5,616</u>	<u>6,614</u>

15. 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.

16. Dividend

On 4 April 2019, 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 2018 of Baht 0.06 per share, or a total of Baht 24 million. The Company paid such dividend in April 2019.

On 30 March 2020, the Board of Directors Meeting no.2/2020 passed a resolution approving the payment of interim dividend in respect of income for the year 2019 of Baht 0.10 per share, or a totaling of Baht 40 million. The Company paid such dividend in April 2020.

17. Commitments and contingent liabilities

17.1 Lease and service commitments

17.1.1 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.

(Unaudited but reviewed)

17.1.2 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 3 years.

As at 30 June 2020 and 31 December 2019, future minimum payments were as follows:

	(Unit: Million Baht)	
	30 June 2020	31 December 2019
Payable:		
In up to 1 year	14.3	17.3
In over 1 year and up to 3 years	7.5	9.9

17.2 Guarantees

As at 30 June 2020, there were outstanding bank guarantees of approximately Baht 55 million (31 December 2019: Baht 46.7 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.

18. 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.

19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 6 August 2020.