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This document is in draft form. It is subject to review and change and therefore its contents cannot be relied upon as being accurate.

IT City Public Company Limited and its subsidiary
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2023

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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of IT City Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of IT City Public Company Limited and its subsidiary as at 30 September 2023, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of IT City Public Company Limited for the same periods (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.

Kamontip Lertwitworatep
Certified Public Accountant (Thailand) No. 4377

EY Office Limited
Bangkok: 8 November 2023

IT City Public Company Limited and its subsidiary

Statement of financial position

As at 30 September 2023

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(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	<u>Note</u> 30 September 2023 (Unaudited but reviewed)	31 December 2022 (Audited)	30 September 2023 (Unaudited but reviewed)	31 December 2022 (Audited)
Assets				
Current assets				
Cash and cash equivalents	168,396	216,994	168,396	216,994
Trade and other receivables	2, 3 337,910	325,526	337,910	325,526
Current portion of finance lease receivables	8.2 5,333	4,783	5,333	4,783
Inventories	4 1,309,871	1,205,801	1,309,871	1,205,801
Withholding tax deducted at source	87,468	75,909	87,468	75,909
Other current assets	15,767	15,213	15,767	15,213
Total current assets	1,924,745	1,844,226	1,924,745	1,844,226
Non-current assets				
Finance lease receivables - net of current portion	8.2 3,659	4,487	3,659	4,487
Investments in associates	5 183,254	179,719	70,000	70,000
Investment in subsidiary	6 -	-	89,067	89,067
Investment properties	8,200	8,200	8,200	8,200
Property, plant and equipment	7 283,170	290,339	283,170	290,339
Right-of-use assets	8.1 703,776	999,936	703,776	999,936
Intangible assets	258,958	264,612	258,958	264,612
Goodwill	77,385	77,385	77,385	77,385
Deferred tax assets	19,086	22,788	19,086	22,788
Other non-current assets	268,201	263,896	268,201	263,896
Total non-current assets	1,805,689	2,111,362	1,781,502	2,090,710
Total assets	3,730,434	3,955,588	3,706,247	3,934,936

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

IT City Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 30 September 2023

DRAFT

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(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	Note	30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	9	1,047,201	930,750	1,047,201	930,750
Trade and other payables	2, 6, 10	715,912	803,825	813,725	901,638
Current portion of lease liabilities	8.1	306,217	375,496	306,217	375,496
Other current liabilities		13,427	11,443	13,427	11,443
Total current liabilities		2,082,757	2,121,514	2,180,570	2,219,327
Non-current liabilities					
Lease liabilities - net of current portion	8.1	422,604	647,285	422,604	647,285
Provision for decommissioning		18,623	19,247	18,623	19,247
Provision for long-term employee benefits		24,813	22,909	24,813	22,909
Deferred tax liabilities		42,512	42,512	42,512	42,512
Other non-current liabilities		278	436	278	436
Total non-current liabilities		508,830	732,389	508,830	732,389
Total liabilities		2,591,587	2,853,903	2,689,400	2,951,716
Shareholders' equity					
Share capital					
Registered					
366,398,859 ordinary shares of Baht 1 each		366,399	366,399	366,399	366,399
Issued and fully paid up					
366,398,859 ordinary shares of Baht 1 each		366,399	366,399	366,399	366,399
Share premium		488,385	488,385	488,385	488,385
Retained earnings					
Appropriated - statutory reserve		36,680	36,680	36,680	36,680
Unappropriated		247,383	210,221	125,383	91,756
Total shareholders' equity		1,138,847	1,101,685	1,016,847	983,220
Total liabilities and shareholders' equity		3,730,434	3,955,588	3,706,247	3,934,936
		-	-	-	-

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

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(Unaudited but reviewed)

IT City Public Company Limited and its subsidiary
Statement of comprehensive income
For the three-month period ended 30 September 2023

DRAFT

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

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss					
Revenues					
Revenue from contracts with customers		1,973,201	2,138,489	1,973,201	2,138,489
Other income		197	563	197	563
Total revenues		1,973,398	2,139,052	1,973,398	2,139,052
Expenses					
Cost of sales and services		1,638,196	1,788,297	1,638,196	1,788,297
Selling and distribution expenses		244,463	254,672	244,463	254,672
Administrative expenses		73,957	82,862	73,957	82,862
Total expenses		1,956,616	2,125,831	1,956,616	2,125,831
Operating profit		16,782	13,221	16,782	13,221
Share of profit from investments in associates	5.2	7,129	9,069	-	-
Finance income		118	35	118	35
Finance cost		(15,728)	(14,695)	(15,728)	(14,695)
Profit (loss) before income tax expenses		8,301	7,630	1,172	(1,439)
Income tax expenses	11	(359)	(1,383)	(359)	(1,383)
Profit (loss) for the period		7,942	6,247	813	(2,822)
Other comprehensive income					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		7,942	6,247	813	(2,822)
Profit or loss attributable to:					
Equity holders of the Company		7,942	6,247	813	(2,822)
Total comprehensive income attributable to:					
Equity holders of the Company		7,942	6,247	813	(2,822)
Earnings (loss) per share					
12					
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company (Baht)		0.022	0.017	0.002	(0.008)
Weighted average number of ordinary shares (Thousand shares)		366,399	366,399	366,399	366,399

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

(Unaudited but reviewed)

IT City Public Company Limited and its subsidiary
Statement of comprehensive income
For the nine-month period ended 30 September 2023

DRAFT

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

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss					
Revenues					
Revenue from contracts with customers		6,107,899	6,554,143	6,107,899	6,554,143
Dividend income	5.2	-	-	21,740	20,300
Other income		2,013	5,334	2,013	5,334
Total revenues		6,109,912	6,559,477	6,131,652	6,579,777
Expenses					
Cost of sales and services		5,097,073	5,480,570	5,097,073	5,481,318
Selling and distribution expenses		738,256	769,498	738,256	769,498
Administrative expenses		211,363	224,582	211,363	224,582
Total expenses		6,046,692	6,474,650	6,046,692	6,475,398
Operating profit		63,220	84,827	84,960	104,379
Share of profit from investments in associates	5.2	25,275	26,050	-	-
Finance income		422	88	422	88
Finance cost		(47,525)	(44,036)	(47,525)	(44,036)
Profit before income tax expenses		41,392	66,929	37,857	60,431
Income tax expenses	11	(4,230)	(9,257)	(4,230)	(9,257)
Profit for the period		37,162	57,672	33,627	51,174
Other comprehensive income					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		37,162	57,672	33,627	51,174
Profit attributable to:					
Equity holders of the Company		37,162	57,672	33,627	51,174
Total comprehensive income attributable to:					
Equity holders of the Company		37,162	57,672	33,627	51,174
Earnings per share					
Basic earnings per share	12				
Profit attributable to equity holders of the Company (Baht)		0.101	0.157	0.092	0.140
Weighted average number of ordinary shares (Thousand shares)		366,399	366,399	366,399	366,399

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

(Unaudited but reviewed)

IT City Public Company Limited and its subsidiary
Statement of changes in shareholders' equity
For the nine-month period ended 30 September 2023

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(Unit: Thousand Baht)

	Consolidated financial statements				
	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			statutory reserve	Unappropriated	
Balance as at 1 January 2022	366,399	488,385	36,680	300,181	1,191,645
Profit for the period	-	-	-	57,672	57,672
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	57,672	57,672
Dividend paid (Note 13)	-	-	-	(109,919)	(109,919)
Balance as at 30 September 2022	<u>366,399</u>	<u>488,385</u>	<u>36,680</u>	<u>247,934</u>	<u>1,139,398</u>
Balance as at 1 January 2023	366,399	488,385	36,680	210,221	1,101,685
Profit for the period	-	-	-	37,162	37,162
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	37,162	37,162
Balance as at 30 September 2023	<u>366,399</u>	<u>488,385</u>	<u>36,680</u>	<u>247,383</u>	<u>1,138,847</u>

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

(Unaudited but reviewed)

IT City Public Company Limited and its subsidiary
Statement of changes in shareholders' equity (continued)
For the nine-month period ended 30 September 2023

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(Unit: Thousand Baht)

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2022	366,399	488,385	36,680	202,068	1,093,532
Profit for the period	-	-	-	51,174	51,174
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	51,174	51,174
Dividend paid (Note 13)	-	-	-	(109,919)	(109,919)
Balance as at 30 September 2022	<u>366,399</u>	<u>488,385</u>	<u>36,680</u>	<u>143,323</u>	<u>1,034,787</u>
Balance as at 1 January 2023	366,399	488,385	36,680	91,756	983,220
Profit for the period	-	-	-	33,627	33,627
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	33,627	33,627
Balance as at 30 September 2023	<u>366,399</u>	<u>488,385</u>	<u>36,680</u>	<u>125,383</u>	<u>1,016,847</u>

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

(Unaudited but reviewed)

IT City Public Company Limited and its subsidiary

Cash flow statement

For the nine-month period ended 30 September 2023

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(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before tax	41,392	66,929	37,857	60,431
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	359,506	387,581	359,506	387,581
Reduction in lease payments by lessors	-	(6,916)	-	(6,916)
Reversal of allowance for expected credit losses	-	(417)	-	(417)
Allowance for diminution in inventory value (reversal)	551	(14,200)	551	(14,200)
Loss on disposals/write off of equipment	10,139	2,465	10,139	2,465
Net difference of right-of-use assets and lease liabilities arising				
from termination of contracts	(1,794)	(1,551)	(1,794)	(1,551)
Gain from subleases	(632)	-	(632)	-
Allowance for impairment loss on assets (reversal)	(19,966)	2,644	(19,966)	2,644
Reversal of provision for decommissioning	(1,411)	(1,032)	(1,411)	(1,032)
Dividend income from associates	-	-	(21,740)	(20,300)
Share of profit from investments in associates	(25,275)	(26,050)	-	-
Reversal of other provision for liabilities	(158)	(6,546)	(158)	(6,546)
Provision for long-term employee benefits	2,030	1,728	2,030	1,728
Unrealised (gain) loss on exchange rate	118	(17)	118	(17)
Interest income	(422)	(88)	(422)	(88)
Interest expenses	47,525	44,036	47,525	44,036
Profit from operating activities before changes in operating assets and liabilities	411,603	448,566	411,603	447,818
Operating assets (increase) decrease				
Trade and other receivables	(12,384)	(21,134)	(12,384)	(21,134)
Finance lease receivables	3,735	-	3,735	-
Inventories	(108,732)	70,510	(108,732)	71,258
Other current assets	(554)	(1,675)	(554)	(1,675)
Other non-current assets	801	(25,534)	801	(25,534)
Operating liabilities increase (decrease)				
Trade and other payables	(90,003)	(146,482)	(90,003)	(146,482)
Other current liabilities	1,371	95	1,371	95
Cash from operating activities	205,837	324,346	205,837	324,346
Cash paid for interest expenses	(25,325)	(21,067)	(25,325)	(21,067)
Cash paid for retirement benefits	(126)	-	(126)	-
Cash received from tax refund	14,285	-	14,285	-
Cash paid for income tax	(26,372)	(35,852)	(26,372)	(35,852)
Net cash from operating activities	168,299	267,427	168,299	267,427

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

(Unaudited but reviewed)

IT City Public Company Limited and its subsidiary
Cash flow statement (continued)
For the nine-month period ended 30 September 2023

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(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Cash received from interest income	422	88	422	88
Dividend received from associates	21,740	20,300	21,740	20,300
Proceeds from disposals of equipment	164	271	164	271
Purchases of equipment	(52,279)	(88,274)	(52,279)	(88,274)
Purchases of computer software	(1,154)	(11,853)	(1,154)	(11,853)
Net cash used in investing activities	(31,107)	(79,468)	(31,107)	(79,468)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	2,396,223	2,261,955	2,396,223	2,261,955
Repayment of short-term loans from financial institutions	(2,279,772)	(2,157,395)	(2,279,772)	(2,157,395)
Cash paid for lease liabilities	(302,241)	(316,899)	(302,241)	(316,899)
Dividend paid	-	(109,919)	-	(109,919)
Net cash used in financing activities	(185,790)	(322,258)	(185,790)	(322,258)
Net decrease in cash and cash equivalents	(48,598)	(134,299)	(48,598)	(134,299)
Cash and cash equivalents at beginning of period	216,994	275,651	216,994	275,651
Cash and cash equivalents at end of period	168,396	141,352	168,396	141,352
	-	-	-	-
Supplemental cash flow information				
Non-cash related transactions				
Transfer inventories to equipment	4,111	2,280	4,111	2,280
Transfer right-to-use assets to finance lease receivables	2,825	-	2,825	-
Payables for purchases of plant and equipment	16,128	68,619	16,128	68,619
Payables for purchases of computer software	841	118	841	118
Payable from the entire business transfer from subsidiary	-	-	97,813	97,813
Right-of-use assets increase from leases	61,982	220,100	61,982	220,100

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

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IT City Public Company Limited and its subsidiary

Notes to interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2023

1. General information

1.1 Company information

IT City Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is SVOA Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the distribution of computers, mobile phones and related accessories and its registered address is 555 The Palladium World Shopping, B1-B2 and 5th Floor, Ratchaprarop Road, Makkasan, Ratchathewi, Bangkok.

As at 30 September 2023, the Company operated 343 branches (31 December 2022: 371 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 interim financial statements.

1.3 Basis of consolidation

The interim consolidated financial statements included the financial statements of IT City Public Company Limited and its subsidiary (collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022, with no change in shareholding structure of subsidiary during the current period.

1.4 Significant accounting policies

The interim financial statements are prepared by 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 Group's financial statements.

1.5 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. 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.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

2. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 30 September				Pricing policy
	Consolidated financial statements		Separate financial statements		
	2023	2022	2023	2022	
<u>Transactions with entity with significant influence over the Group (SVOA Public Company Limited)</u>					
Purchases of goods	47	31	47	31	At cost plus approximately 5.6 percent average profit margin (2022: 1.8 percent)
<u>Transactions with related companies</u>					
Sales of goods	2	4	2	4	Market price
Service fee expenses	-	1	-	1	Market price

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(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with entity with significant influence over the Group (SVOA Public Company Limited)</u>					
Purchases of goods	105	138	105	138	At cost plus approximately 6.3 percent average profit margin (2022: 6.8 percent)
<u>Transactions with associates</u>					
Dividend income	21	20	21	20	At the declared rate
<u>Transactions with related companies</u>					
Sales of goods	6	8	6	8	Market price
Service fee expenses	5	1	5	1	Market price
Promotional fee expenses	3	3	3	3	Contract price

The balances of the accounts as at 30 September 2023 and 31 December 2022 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
	(Audited)		(Audited)	
<u>Trade and other receivables - related parties (Note 3)</u>				
Entity with significant influence over the Group	2,538	2,110	2,538	2,110
Associated company	33	-	33	-
Related companies (related by common shareholders and common directors)	630	885	630	885
Total trade and other receivables - related parties	3,201	2,995	3,201	2,995
<u>Trade and other payables - related parties (Note 10)</u>				
Subsidiary	-	-	97,813	97,813
Entity with significant influence over the Group	23,741	18,647	23,741	18,647
Associated company	236	-	236	-
Related companies (related by common shareholders and common directors)	42	2,065	42	2,065
Total trade and other payables - related parties	24,019	20,712	121,832	118,525

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(Unaudited but reviewed)Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2023 and 2022, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	6.1	8.7	6.1	8.7
Total	6.1	8.7	6.1	8.7

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	18.2	22.1	18.2	22.1
Post-employment benefits	0.1	-	0.1	-
Total	18.3	22.1	18.3	22.1

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated/Separate	
	financial statements	
	30 September	31 December
	<u>2023</u>	<u>2022</u>
		(Audited)
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	585	771
Past due		
Up to 3 months	2,615	2,113
Total trade receivables - related parties	3,200	2,884

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	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	30 September 2023	31 December 2022
		(Audited)
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	172,107	193,430
Past due		
Up to 3 months	12,035	20,521
3 - 6 months	241	49
6 - 12 months	21	6
Over 12 months	2,787	2,787
Total trade receivables - unrelated parties	187,191	216,793
Less: Allowance for expected credit losses	(2,787)	(2,787)
Total trade receivables - unrelated parties - net	184,404	214,006
Total trade receivables - net	187,604	216,890
<u>Other receivables</u>		
Other receivables - related parties	1	111
Other receivables - unrelated parties	66,940	44,592
Accrued commission income	83,365	63,933
Total other receivables	150,306	108,636
Total trade and other receivables - net	337,910	325,526

4. Allowance for diminution in inventory value

Movements in the allowance for diminution in inventory value account during the nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ Separate financial statements
Balance as at 1 January 2023	13,945
Additions during the period	551
Balance as at 30 September 2023	14,496

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(Unaudited but reviewed)

5. Investments in associates

5.1 Details of associates

(Unit: Thousand Baht)

Company	Shareholding percentage		Consolidated financial statements		Separate financial statements	
	30 September 2023	31 December 2022	Carrying amount based on equity method		Carrying amount based on cost method	
	Percent	Percent	30 September 2023	31 December 2022	30 September 2023	31 December 2022
			(Audited)			(Audited)
S P V I Public Company Limited	29	29	162,337	159,030	58,000	58,000
Touch Printing Republic Company Limited	24	24	20,917	20,689	12,000	12,000
Total			183,254	179,719	70,000	70,000

5.2 Share of comprehensive income

During the three-month and nine-month periods ended 30 September 2023 and 2022, the Company recognised its share of profit from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	Share of profit from investments in associates		Dividend received	
	2023	2022	2023	2022
S P V I Public Company Limited	6,925	8,432	-	-
Touch Printing Republic Company Limited	204	637	-	-
Total	7,129	9,069	-	-

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	Share of profit from investments in associates		Dividend received	
	2023	2022	2023	2022
S P V I Public Company Limited	23,607	24,290	20,300	20,300
Touch Printing Republic Company Limited	1,668	1,760	1,440	-
Total	25,275	26,050	21,740	20,300

5.3 Fair value of investment in listed associate

As at 30 September 2023, the fair value of the investment in S P V I Public Company Limited, calculated based on the latest bid price of the shares on the last trading day of the period as quoted on the MAI and in proportion to the Company's shareholding, was approximately Baht 552 million (31 December 2022: Baht 644 million).

6. Investment in subsidiary

Details of investment in subsidiary as presented in the separate financial statements are as follows:

Subsidiary company	(Unit: Thousand Baht)					
	Paid up capital		Shareholding percentage		Investment value under cost method	
	30 September	31 December	30 September	31 December	30 September	31 December
	2023	2022	2023	2022	2023	2022
		Percent	Percent		(Audited)	
Computer System Connection International Co., Ltd.	140,000	140,000	100	100	89,067	89,067

On 30 April 2021, the Annual General Meeting of the shareholders of Computer System Connection International Company Limited passed a resolution to approve the dissolution of the subsidiary. The subsidiary registered its dissolution with the Ministry of Commerce on 14 May 2021 and is currently in the liquidation process.

As at 30 September 2023, the Company had balance of Baht 97.8 million (31 December 2022: Baht 97.8 million) of the consideration payable to its subsidiary for the entire business transfer, which was included in other payables - related parties (Note 10).

7. Property, plant and equipment

Movements in property, plant and equipment account for the nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ Separate financial statements
Net book value as at 1 January 2023	290,339
Additions during the period - cost	55,528
Transferred from inventories	4,111
Disposals/write-off during the period - net book value at disposal/write-off date	(10,303)
Depreciation for the period	(71,365)
Reversal of impairment loss	14,860
Net book value as at 30 September 2023	<u>283,170</u>

8. Leases**8.1 The Group as a lessee**

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 and 13 years.

a) Right-of-use assets

Movements in right-of-use-assets for the nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ Separate financial statements
Net book value as at 1 January 2023	999,936
Additions during the period	61,982
Write-off during the period - net book value at write-off date	(72,707)
Transfer to finance lease receivables for sublease	(2,825)
Depreciation for the period	(282,610)
Net book value as at 30 September 2023	<u>703,776</u>

b) Lease liabilities

Movements in lease liabilities during the nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ Separate financial statements
Balance as at 1 January 2023	1,022,781
Add: Additions during the period	61,695
Accretion of interest during the period	21,087
Less: Payments during the period	(302,241)
Termination of contracts due to branch closures during the period	(74,501)
Balance as at 30 September 2023	728,821
Less: Portion due within one year	(306,217)
Lease liabilities - net of current portion	<u>422,604</u>

8.2 The Group as a lessor

The Group has entered into finance leases to lease out its computer tablets with the lease term of 2 - 5 years.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	30 September 2023	31 December 2022
	(Audited)	
Undiscounted lease payments receivable under finance leases		
Within 1 year	5,525	4,783
Over 1 year and up to 5 years	3,793	4,783
Total	9,318	9,566
Less: Deferred interest income	(326)	(296)
Finance lease receivables	8,992	9,270
Less: Portion due within one year	(5,333)	(4,783)
Finance lease receivables - net	<u>3,659</u>	<u>4,487</u>

9. Short-term loans from financial institutions

Short-term loan agreements contain certain covenants as specified in the agreements that, among other things, require the Company to maintain debt to equity ratio at the rate prescribed in the agreements, and the portion of the Company's shares held by the major shareholders.

10. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Audited)		(Audited)
Trade payables - related parties	23,995	18,677	23,995	18,677
Trade payables - unrelated parties	536,385	631,028	536,385	631,028
Other payables - related parties (Note 6)	24	2,035	97,837	99,848
Other payables - unrelated parties	20,942	20,352	20,942	20,352
Accrued expenses	80,590	87,432	80,590	87,432
Unearned revenues	53,976	44,301	53,976	44,301
Total trade and other payables	715,912	803,825	813,725	901,638

11. Income tax

Interim corporate income tax is 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 2023 and 2022 were made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Interim corporate income tax charge	528	126	528	126
Deferred tax:				
Relating to origination and reversal of temporary differences	(169)	1,257	(169)	1,257
Income tax expenses reported in the statements of comprehensive income	359	1,383	359	1,383

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	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Interim corporate income tax charge	528	7,318	528	7,318
Deferred tax:				
Relating to origination and reversal of temporary differences	3,702	1,939	3,702	1,939
Income tax expenses reported in the statements of comprehensive income	<u>4,230</u>	<u>9,257</u>	<u>4,230</u>	<u>9,257</u>

12. Earnings (loss) per share

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

13. Dividends

Details of dividend payment are set out below.

	Approved by	Total	Dividend paid
		Dividends paid	per share
		(Thousand Baht)	(Baht)
<u>2022</u>			
Dividends on the unappropriated retained earnings	Annual General Meeting of the shareholders on 5 April 2022	109,919	0.30
Total dividends paid for the year 2022		<u>109,919</u>	<u>0.30</u>

14. Segment information

The Company is organised into business units based on its products and services. During the current period, the Company has not changed the organisation of its reportable segment from the latest annual financial statements. The Company is principally engaged in a single reportable operating segment in the distribution of computers, smart phones and related accessories and its operations are carried on in the single geographic area in 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 exclusively to the aforementioned reportable operating segment and geographic area.

15. Commitments and contingent liabilities

15.1 Lease and service commitments

The Group has entered into several lease and service agreements in respect of the lease of office building space and branch areas. The terms of the agreements are generally between 1 and 5 years.

Future minimum payments required under these lease and service agreements were as follows:

	(Unit: Million Baht)	
	Consolidated/Separate financial statements	
	30 September 2023	31 December 2022
		(Audited)
Payable:		
In up to 1 year	32	51
In over 1 year and up to 5 years	7	22

In addition, the Company has obligations to pay rental and service fee at the percentage of sales under lease and service agreements for lease of certain branch areas.

15.2 Guarantees

As at 30 September 2023, there were outstanding bank guarantees of approximately Baht 71.5 million (the Company only: Baht 71.2 million) (31 December 2022: Baht 77.2 million, the Company only: Baht 76.8 million) issued by the banks on behalf of the Group to guarantee the purchases of goods and services as required in the ordinary course of business of the Group.

16. Fair value of financial instruments

Since most of the Group's financial instruments are classified as short-term or carry interest rates that are close to the market rate, their fair value is estimated to approximate the carrying amount presented in the statement of financial position.

17. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 8 November 2023.