



1. Q2/2024 Financial Summary

Financial performance of Advice IT Infinite Public Company Limited and its subsidiaries, as per the consolidated financial statements of Q2/2024 compared to the same period of the year 2023, is as follows:

Total Revenue	amounted to	THB	3,405.45	million	increased by	3.35%
Gross Profit	amounted to	THB	314.64	million	increased by	14.28%
Net Profit	amounted to	THB	61.32	million	increased by	60.83%

(Unit : Million Baht)

Statement of Comprehensive Income (Consolidated)	Q2/2023		Q2/2024		Increase (Decrease)	%YoY
	Amount	%	Amount	%		
Sales and services	3,295.06	99.96%	3,405.45	99.97%	110.40	3.35%
Cost of sales and services	3,019.74	91.61%	3,090.82	90.74%	71.08	2.35%
Gross Profit	275.32	8.35%	314.64	9.24%	39.32	14.28%
Other income	1.32	0.04%	0.87	0.03%	(0.45)	(33.95%)
Total revenues	3,296.37	100.00%	3,406.32	100.00%	109.95	3.34%
Distribution costs	131.70	4.00%	132.77	3.90%	1.07	0.81%
Administrative expenses	90.56	2.75%	104.05	3.05%	13.50	14.91%
Profit from operating activities	54.38	1.65%	78.68	2.31%	24.30	44.70%
Finance income	0.90	0.03%	0.84	0.02%	(0.05)	(5.87%)
Finance cost	7.59	0.23%	4.00	0.12%	(3.59)	(47.34%)
Profit before income tax expenses	47.68	1.45%	75.53	2.22%	27.85	58.40%
Tax expense	9.56	0.29%	14.21	0.42%	4.65	48.70%
Profit for the period	38.13	1.16%	61.32	1.80%	23.19	60.83%

Revenue from sales and services

At the end of Q2/2024, the Company has a total of 111 branches, consisting of 16 branches in Bangkok and vicinity, and 95 branches upcountry. The Company's distribution channels can be divided into three types, as follows:

(Unit : Million Baht)

Revenue by channel	3 Months Period (April - June)					
	Q2/2023		Q2/2024		Increase (Decrease)	%YoY
Business group	Amount	%	Amount	%		
Retail Business	2,088.52	63.38%	2,184.75	64.15%	96.24	4.61%
Wholesale Business	1,177.72	35.74%	1,184.56	34.78%	6.84	0.58%
Service	28.82	0.87%	36.14	1.06%	7.32	25.39%
Revenue from Sales and Services	3,295.06	100.00%	3,405.45	100.00%	110.40	3.35%



2. 1H 2024 Financial Summary

Financial performance of Advice IT Infinite Public Company Limited and its subsidiaries, as per the consolidated financial statements of 1H 2024 compared to the same period of the year 2023, is as follows:

Total Revenue	amounted to	THB	6,972.85	million	increased by	3.30%
Gross Profit	amounted to	THB	648.88	million	increased by	14.47%
Net Profit	amounted to	THB	117.77	million	increased by	38.08%

(Unit : Million Baht)

Statement of Comprehensive Income (Consolidated)	1H 2023		1H 2024		Increase (Decrease)	%YoY
	Amount	%	Amount	%		
Sales and services	6,750.10	99.95%	6,972.85	99.97%	222.75	3.30%
Cost of sales and services	6,183.22	91.56%	6,323.97	90.67%	140.75	2.28%
Gross Profit	566.88	8.39%	648.88	9.30%	82.00	14.47%
Other income	3.09	0.05%	1.85	0.03%	(1.25)	(40.32%)
Total revenues	6,753.19	100.00%	6,974.70	100.00%	221.51	3.28%
Distribution costs	271.86	4.03%	292.34	4.19%	20.49	7.54%
Administrative expenses	179.09	2.65%	210.04	3.01%	30.95	17.28%
Profit from operating activities	119.03	1.76%	148.34	2.13%	29.31	24.62%
Finance income	2.69	0.04%	1.10	0.02%	(1.59)	(59.21%)
Finance cost	15.25	0.23%	7.58	0.11%	(7.66)	(50.26%)
Profit before income tax expenses	106.48	1.58%	141.86	2.03%	35.38	33.23%
Tax expense	21.19	0.31%	24.09	0.35%	2.90	13.70%
Profit for the period	85.29	1.26%	117.77	1.69%	32.48	38.08%

Revenue from sales and services

At the end of 1H 2024, the Company has a total of 111 branches, consisting of 16 branches in Bangkok and vicinity, and 95 branches upcountry. The Company's distribution channels can be divided into three types, as follows:

(Unit : Million Baht)

Revenue by channel	6 Months Period (January - June)					
	1H 2023		1H 2024		Increase (Decrease)	%YoY
Business group	Amount	%	Amount	%		
Retail Business	4,264.19	63.17%	4,591.66	65.85%	327.47	7.68%
Wholesale Business	2,428.98	35.98%	2,316.59	33.22%	(112.40)	(4.63%)
Service	56.92	0.84%	64.60	0.93%	7.68	13.49%
Revenue from Sales and Services	6,750.10	100.00%	6,972.85	100.00%	222.75	3.30%



In 1H 2024, revenue from sales and services amounted to THB 6,972.85 million, increased by THB 222.75 million YoY (+3.30%) compared to the same period last year. The increase in revenue was due to the following:

- Retail Business: There was an increase in income of THB 327.47 million YoY (+7.68%), accounting divided into income from retail sales through branches increased by THB 209.87 million YoY (+8.72%). Revenue from online retail sales increased by THB 116.47 million YoY (+7.80%), and income from retail sales to Commercial increased by THB 1.13 million YoY (+0.31%).
- Wholesale Business: Income decreased by THB 112.40 million YoY (-4.63%), consisting of income from wholesale dealers decreasing by THB 113.10 million YoY (-7.24%), and income from wholesale franchises increasing by THB 0.70 million YoY (+0.08%).
- Service revenue increased by THB 7.68 million YoY (+13.49%).

Factors contributing to the increase in revenue from sales and services.

- Revenue from retail sales through branches increased by THB 209.87 million. As of June 30, 2024, the company sells smartphones through 71 Apple CE branches and 97 Android CE branches. The company has also expanded payment options, including payments via True Money, installment payments using only an ID card, and trade-ins of old products for new ones. Additionally, the company held the Advice IT Expo at its branch storefronts, contributing to the increase in sales.
- Revenue from sales and services at existing branches (Same Store Sales Growth) increased to 4.84% compared to the same period last year (Q2/2023: 110 branches).
- Revenue from online retail sales increased by THB 116.47 million, increased by sales through the website advice.co.th. The company focused on marketing through its own website, such as organizing the Advice IT Expo online near the Commart event (which the company did not participate in for 2024). Additionally, the company created exclusive models in collaboration with brands and ran promotional activities on marketplaces like Shopee and Lazada in campaigns such as Double Date, Mid-Month, and Pay Day.
- Revenue from the smartphone segment has increased for both Apple and Android products. The company is an official distributor of Apple products, and new smartphone models from the Samsung brand have been launched, receiving positive responses due to high consumer interest in AI technology. Additionally, sales have been boosted by various accessory products. The company continues to focus on a strategy of selling accessories alongside primary products, which helps achieve a higher gross profit (GP).



- Revenue from services and corporate continues to grow steadily, with a relatively high gross profit (GP).
- Revenue from the wholesale business decreased due to competition from larger competitors within the dealer customer group. However, the trend for franchises has improved, even though it cannot fully compensate for the decline. Nevertheless, the growth in retail sales has been strong enough to ensure that the company's overall revenue continues to grow steadily.

Gross Profit

In 1H 2024, gross profit amounted to THB 648.88 million, increased by THB 82.00 million YoY (+14.47%). Gross profit margin was 9.30% due to the increase in retail sales at branches and online, along with higher sales of peripheral devices and more cash purchases resulting in greater trade discounts, the gross profit (GP) has increased.

Selling and administrative expenses

In 1H 2024, selling and administrative expenses amounted to THB 502.38 million, an increase of THB 51.44 million YoY (+11.41%), and accounted for 7.20% of total revenue compared to the same period last year. This increase is comprised of the following main reasons:

- The increase in personnel for both management and sales staff in the smartphone segment, including Android and Apple, in preparation for opening Mono stores under the name iStore.
- The adjustment of marketplace fees, which the company has included in the selling price.
- Rent and service fees associated with the expansion of new branches.
- Bonus estimation increased from last year.
- Advertising films for high-end speakers were produced to expand the customer base.
- Expenses related to the IPO at the beginning of the year.

Financial costs

In 1H 2024, financial costs amounted to THB 7.58 million, a decrease of THB 7.66 million YoY (-50.26%). The company used the additional capital received from the IPO fundraising to repay promissory notes and long-term loans with all financial institutions, resulting in a significant reduction in interest expenses.

Net Profit

In 1H 2024, the company's net profit amounted to THB 117.77 million, an increase of THB 32.48 million YoY (+38.08%). This increase is attributed to the abovementioned reasons, resulting in a higher net profit for the company.



3. Statement of financial position

(Unit : Million Baht)

Statement of financial position (Consolidated)	December 31, 2023		June 30, 2024		Increase (Decrease)	%YoY
	Amount	%	Amount	%		
Cash and cash equivalents	99.84	3.78%	260.83	8.33%	160.99	161.24%
Trade and other current receivables	273.09	10.33%	377.03	12.05%	103.94	38.06%
Inventories	1,366.64	51.70%	1,620.23	51.77%	253.59	18.56%
Total current assets	1,739.57	65.81%	2,258.09	72.15%	518.53	29.81%
Pledged bank deposits	178.90	6.77%	136.90	4.37%	(42.00)	(23.48%)
Investment property	24.87	0.94%	24.36	0.78%	(0.51)	(2.05%)
Property, plant and equipment	453.93	17.17%	457.46	14.62%	3.53	0.78%
Right-of-use assets	155.92	5.90%	145.13	4.64%	(10.80)	(6.92%)
Intangible assets	5.96	0.23%	15.47	0.49%	9.51	159.60%
Deferred tax assets	36.80	1.39%	38.23	1.22%	1.44	3.90%
Deposits for rental and service usage	46.13	1.75%	51.41	1.64%	5.27	11.43%
Other non-current assets	1.27	0.05%	2.71	0.09%	1.45	114.45%
Total non-current assets	903.78	34.19%	871.67	27.85%	(32.10)	(3.55%)
Total assets	2,643.35	100.00%	3,129.77	100.00%	486.42	18.40%
Overdraft and short-term borrowings from financial institutions	344.24	13.02%	0.00	0.00%	(344.24)	(100.00%)
Trade and other current payables	1,704.40	64.48%	1,955.97	62.50%	251.57	14.76%
Current portion of long-term borrowings	15.41	0.58%	0.00	0.00%	(15.41)	(100.00%)
Current portion of lease liabilities	72.10	2.73%	70.33	2.25%	(1.77)	(2.45%)
Corporate income tax payable	10.55	0.40%	16.81	0.54%	6.26	59.31%
Other current provisions	10.15	0.38%	11.39	0.36%	1.25	12.27%
Total current liabilities	2,156.86	81.60%	2,054.50	65.64%	(102.36)	(4.75%)
Long-term borrowings from financial institution	14.74	0.56%	0.00	0.00%	(14.74)	(100.00%)
Lease liabilities	82.91	3.14%	72.68	2.32%	(10.23)	(12.33%)
Non-current provision for employee benefit	68.19	2.58%	73.38	2.34%	5.19	7.60%
Other non-current provisions	9.87	0.37%	9.78	0.31%	(0.09)	(0.92%)
Total non-current liabilities	175.71	6.65%	155.84	4.98%	(19.87)	(11.31%)
Total liabilities	2,332.56	88.24%	2,210.34	70.62%	(122.22)	(5.24%)
Total shareholders' equity	310.78	11.76%	919.43	29.38%	608.65	195.84%
Total liabilities and shareholders' equity	2,643.35	100.00%	3,129.77	100.00%	486.42	18.40%



Assets

As of June 30, 2024, the Company's total assets amounted to THB 3,129.77 million, an increase of THB 486.42 million (+18.40%) from the end of 2023. This increase can be divided into an increase in current assets of THB 518.53 million (+29.81%) and a decrease in non-current assets of THB 32.10 million (-3.55%).

An increase in current assets of THB 518.53 million was mainly due to the rise in inventory, driven by the growth of product lines in smartphones and accessories from various brands to support the expansion plan for this product group. Additionally, there was an increase in inventory preparation for sales in next quarter's activities, such as the 2nd Advice IT Expo, scheduled for July 2024. Trade and other current receivables increased mainly due to trade receivables from commercial and franchise customers, corresponding with the rise in sales through these channels. Other current receivables increased primarily due to accrued promotional income and accounts receivable from the Revenue Department, which are related to the increase in inventory purchases. The rise in accrued promotional income resulted from the postponement of payments from brands according to the original schedule, with the company receiving the payments in the month following the end of the quarter. Cash and cash equivalents increased by THB 160.99 million (+161.24%), primarily from operating profits, net of operating expenses, along with the company withdrawing guaranteed credit lines from financial institutions used for investment activities and receiving funds from various financing sources.

A decrease in non-current assets of THB 32.10 million was mainly due to a reduction in bank deposits with collateral, as the company withdrew a guarantee credit line from one financial institution. The decrease in right-of-use assets resulted from depreciation recorded for these assets based on the lease terms for rental buildings and vehicles during the period. Additionally, there was an increase in intangible assets due to the company's investment in improving information technology systems as part of the investment objectives from the IPO, and an increase in rental and service deposits due to new branches.

Liabilities

As of June 30, 2024, the Company's total liabilities amounted to THB 2,210.34 million, a decrease of THB 122.22 million (-5.24%) from the end of 2023. This decrease can be divided into a decrease in current liabilities of THB 102.36 million (-4.75%) and a decrease in non-current liabilities of THB 19.87 million (-11.31%).

A decrease in current liabilities of THB 102.36 million was mainly due to a decline in overdrafts and short-term loans from financial institutions. The current portion of long-term loans due within one year also decreased because the company has fully repaid its loans to financial institutions. The increase in current liabilities is due to the rise in trade and other current payables. The increase in trade payables correlates with the rise in inventory, and accrued expenses increased due to the estimated accrued bonuses and higher corporate income tax payable resulting from the profit generated during the period.



A decrease in non-current liabilities of THB 19.87 million was mainly due to the decline in long-term loan accounts from financial institutions, as the company fully repaid its loans to these institutions. Lease liabilities decreased as a result of payments for building and vehicle rentals under lease agreements. Additionally, non-current liabilities for employee benefits increased.

Shareholders' equity

As of June 30, 2024, the company's shareholders' equity amounted to THB 919.43 million, an increase of THB 608.65 million (+195.84%) compared to the end of 2023. This increase was due to the period's profits and the capital raised through the IPO earlier this year.

4. Key financial ratios

	Unit	Y2023	Q1/2024	Q2/2024
Days sales outstanding	days	2	3	3
Days of inventory outstanding	days	39	42	44
Days payable outstanding	days	47	41	50
Cash conversion cycle	days	(6)	4	(3)