



## 1. Overview of Business Operations, Economy, and Industrial Conditions Affecting Operations

In Q3/2024, Thailand's economic outlook shows signs of recovery due to interest rate cuts and increased government budget disbursements. Additionally, the launch of the iPhone 16, featuring Apple Intelligence, which introduces a revamped camera control system, has boosted retail sales this quarter.

In the second half of 2024, our company's IT product sales have significantly recovered. This positive trend is expected to continue into the Q4/2024, even with the postponement of the Windows 12 operating system launch until mid-next year. Additionally, the company has plans to expand into the solar cell sales and installation business, with an anticipated launch in the fourth quarter of 2024. Overall, the company continues to maintain steady growth in both sales and profits.

## 2. Significant events and developments

- The company has a total of 115 branches, divided into 16 branches in Bangkok and vicinity and 99 branches upcountry. In 2024, the company opened 5 new branches and closed 3 (In 2023: 113 branches). During the Q3/2024, the company added 4 new branches.
- The company has launched smartphone sales, specifically Apple products. As of September 30, 2024, there were 74 Apple CE branches and 97 Android CE branches. In Q3 2024, the company launched "Advice iStore" at two branches, Phichit and Rayong, which are dedicated to selling Apple products.
- An interim dividend payment was made on September 9, 2024, based on the performance as of June 30, 2024, at a rate of THB 0.15 per share for 620,000,000 shares, resulting in a total dividend payment of THB 93 million.
- During the period from 2024 to September 30, 2024, the company redeemed collateralized bank deposits totaling THB 178.90 million, including THB 136.90 million redeemed in Q3/2024. Additionally, the company released the mortgage on land and buildings that were used as collateral for credit facilities with financial institutions.
- Utilization of funds from the issuance of newly issued ordinary shares as of September 30, 2024, is as follows:

(Unit : Million Baht)

Purpose of fund utilization	Budgeted amount	Used between January 25, 2024, and September 30, 2024	Balance as of September 30, 2024
1. Invest in expanding the company's business, including expanding the company's branches and improving the existing branches.	110.00	38.66	71.34
2. Repay loans from financial institutions.	250.00	250.00	-
3. Working capital is used to purchase products and work capital in the business.	117.30	117.30	-
4. Invest in improving information technology systems.	50.00	10.14	39.86
<b>Total</b>	<b>527.30</b>	<b>416.10</b>	<b>111.20</b>



### 3. Q3/2024 Financial Summary

Financial performance of Advice IT Infinite Public Company Limited and its subsidiaries, as per the consolidated financial statements for the **three-month** period ended September 30, 2024, compared to the same period of the year 2023, is as follows:

Revenue from sales and services	amounted to THB 3,747.82	million	increased by	4.50%
Gross Profit	amounted to THB 340.67	million	increased by	8.28%
Net Profit	amounted to THB 62.24	million	increased by	21.45%

(Unit : Million Baht)

Statement of Comprehensive Income (Consolidated)	Q3/2023		Q3/2024		Increase (Decrease)	%YoY
	Amount	%	Amount	%		
Sales and services	3,586.39	99.97%	3,747.82	99.98%	161.43	4.50%
Cost of sales and services	3,271.76	91.20%	3,407.15	90.89%	135.39	4.14%
<b>Gross Profit</b>	<b>314.63</b>	<b>8.77%</b>	<b>340.67</b>	<b>9.09%</b>	<b>26.04</b>	<b>8.28%</b>
Other income	1.19	0.03%	0.75	0.02%	(0.44)	(37.16%)
<b>Total revenues</b>	<b>3,587.58</b>	<b>100.00%</b>	<b>3,748.57</b>	<b>100.00%</b>	<b>160.99</b>	<b>4.49%</b>
Distribution costs	159.17	4.44%	156.53	4.18%	(2.63)	(2.04%)
Administrative expenses	88.27	2.46%	105.82	2.82%	17.55	19.88%
<b>Profit from operating activities</b>	<b>68.39</b>	<b>1.91%</b>	<b>79.07</b>	<b>2.11%</b>	<b>10.68</b>	<b>15.61%</b>
Finance income	0.24	0.01%	0.05	0.00%	(0.18)	(77.08%)
Finance cost	4.55	0.13%	2.17	0.06%	(2.38)	(52.33%)
<b>Profit before income tax expenses</b>	<b>64.08</b>	<b>1.79%</b>	<b>76.95</b>	<b>2.05%</b>	<b>12.88</b>	<b>20.10%</b>
Tax expense	12.83	0.36%	14.72	0.39%	1.89	14.70%
<b>Profit for the period</b>	<b>51.25</b>	<b>1.43%</b>	<b>62.24</b>	<b>1.66%</b>	<b>10.99</b>	<b>21.45%</b>

#### Revenue from sales and services

The Company's distribution channels can be divided into three types, as follows:

(Unit : Million Baht)

Revenue by channel  Business group	3 Months Period (July - September)					
	Q3/2023		Q3/2024		Increase (Decrease)	%YoY
	Amount	%	Amount	%		
Retail Business	2,328.49	64.92%	2,398.90	64.00%	70.41	3.02%
Wholesale Business	1,228.52	34.26%	1,310.85	34.98%	82.33	6.70%
Service	29.38	0.82%	38.07	1.02%	8.69	29.58%
<b>Revenue from Sales and Services</b>	<b>3,586.39</b>	<b>100.00%</b>	<b>3,747.82</b>	<b>100.00%</b>	<b>161.43</b>	<b>4.50%</b>



#### 4. 9M/2024 Financial Summary

Financial performance of Advice IT Infinite Public Company Limited and its subsidiaries, as per the consolidated financial statements for the **nine-month** period ended September 30, 2024, compared to the same period of the year 2023, is as follows:

Revenue from sales and services	amounted to THB 10,720.67	million	increased by 3.72%
Gross Profit	amounted to THB 989.55	million	increased by 12.26%
Net Profit	amounted to THB 180.01	million	increased by 31.84%

(Unit : Million Baht)

Statement of Comprehensive Income (Consolidated)	9M/2023		9M/2024		Increase (Decrease)	%YoY
	Amount	%	Amount	%		
Sales and services	10,336.49	99.96%	10,720.67	99.98%	384.18	3.72%
Cost of sales and services	9,454.98	91.43%	9,731.12	90.75%	276.14	2.92%
<b>Gross Profit</b>	<b>881.51</b>	<b>8.52%</b>	<b>989.55</b>	<b>9.23%</b>	<b>108.04</b>	<b>12.26%</b>
Other income	4.29	0.04%	2.60	0.02%	(1.69)	(39.44%)
<b>Total revenues</b>	<b>10,340.77</b>	<b>100.00%</b>	<b>10,723.27</b>	<b>100.00%</b>	<b>382.49</b>	<b>3.70%</b>
Distribution costs	431.02	4.17%	448.88	4.19%	17.86	4.14%
Administrative expenses	267.35	2.59%	315.86	2.95%	48.50	18.14%
<b>Profit from operating activities</b>	<b>187.42</b>	<b>1.81%</b>	<b>227.41</b>	<b>2.12%</b>	<b>39.99</b>	<b>21.34%</b>
Finance income	2.93	0.03%	1.15	0.01%	(1.78)	(60.67%)
Finance cost	19.80	0.19%	9.75	0.09%	(10.05)	(50.74%)
<b>Profit before income tax expenses</b>	<b>170.55</b>	<b>1.65%</b>	<b>218.81</b>	<b>2.04%</b>	<b>48.26</b>	<b>28.29%</b>
Tax expense	34.02	0.33%	38.81	0.36%	4.79	14.08%
<b>Profit for the period</b>	<b>136.54</b>	<b>1.32%</b>	<b>180.01</b>	<b>1.68%</b>	<b>43.47</b>	<b>31.84%</b>

#### Revenue from sales and services

The Company's distribution channels can be divided into three types, as follows:

(Unit : Million Baht)

Revenue by channel	9 Months Period (January - September)					
	9M/2023		9M/2024		Increase (Decrease)	%YoY
Business group	Amount	%	Amount	%		
Retail Business	6,592.68	63.78%	6,990.55	65.20%	397.87	6.04%
Wholesale Business	3,657.50	35.39%	3,627.44	33.84%	(30.06)	(0.82%)
Service	86.31	0.83%	102.68	0.96%	16.37	18.97%
<b>Revenue from Sales and Services</b>	<b>10,336.49</b>	<b>100.00%</b>	<b>10,720.67</b>	<b>100.00%</b>	<b>384.18</b>	<b>3.72%</b>



In the first nine months of 2024, revenue from sales and services amounted to THB 10,720.67 million, increased by THB 384.18 million YoY (+3.72%) compared to the same period of the previous year. The increase in revenue was due to the following:

- Retail Business: There was an increase in income of THB 397.87 million YoY (+6.04%), accounting divided into income from retail sales through branches increased by THB 219.05 million YoY (+5.88%). Revenue from online retail sales increased by THB 139.72 million YoY (+6.05%), and income from retail sales to Commercial increased by THB 39.10 million YoY (+6.99%).
- Wholesale Business: Income decreased by THB 30.06 million YoY (-0.82%), consisting of income from wholesale dealers decreasing by THB 91.56 million YoY (-3.86%), and income from wholesale franchises increasing by THB 61.50 million YoY (+4.79%).
- Service revenue increased by THB 16.37 million YoY (+18.97%).

**The factors that contributed to the increase in revenue from sales and services in the first 9 months of 2024.**

- Revenue from retail sales through branches increased by THB 219.05 million, driven by the sales of iOS and Android smartphones and the organization of the Advice IT Expo, which contributed to the increase in sales.
- Revenue from sales and services of Same-store sales growth increased by 10.73% compared to the same period last year.
- Revenue from online retail sales increased by THB 139.72 million, driven by sales on the company's website, advice.co.th. The company implemented targeted marketing initiatives on the website, such as organizing the Advice IT Expo online during the same period as the Commart event (which the company did not participate in during 2024).
- Revenue from the smartphone category, including Apple and Android, grew due to the company's role as an official Apple Authorized Reseller and the launch of two new "Advice iStore" branches in Phichit and Rayong in Q3/2024. The company aims to open a total of 8 standalone "Advice iStore" locations this year, expanding to 35 stores in 2025 and 70 in 2026. Samsung's new smartphone, introduced with AI technology earlier in 2024, also received strong consumer interest, further boosting sales. The company's focus on selling complementary accessories alongside main products has contributed to increased revenue and is expected to enhance gross profits.
- Revenue from services and corporate continues to grow steadily, with relatively high gross profits. In Q3, the corporate client segment showed a recovery in private sector investment and a return to normal government disbursements, contributing to improved sales growth.



- Revenue from the wholesale business declined in the dealer segment due to competition from major players in each region, with the decrease primarily occurring in Q1. However, sales improved in Q2 and Q3 as economic conditions strengthened. Franchise sales also showed improvement, supported by a strategic adjustment to extend credit terms for franchises with orders from government or private entities, which has increased sales opportunities for franchises. Nevertheless, the stronger growth in retail sales has allowed the company's overall revenue to continue growing steadily.

### **Gross Profit**

Gross profit amounted to THB 989.55 million, an increase of THB 108.04 million YoY (+12.26%) compared to the same period last year. The gross profit margin to total revenue ratio was 9.23%, supported by higher retail sales through branches, increased online sales, and a focus on selling more peripheral accessories. Additionally, cash-based purchases led to increased trade discounts, thereby boosting gross profit (GP). However, the growth in GP for Q3 showed a decrease compared to the first half of the year, mainly due to promotional activities held during the Advice IT Expo.

### **Selling and administrative expenses**

Selling and administrative expenses amounted to THB 764.74 million, an increase of THB 66.37 million YoY (+9.50%), compared to the same period last year. This accounted for 7.13% of total revenue, which was primarily due to the following factors:

- The increase in personnel for both management and sales staff in the smartphone segment, including Android and Apple, in preparation for opening of "Advice iStore" stores.
  - Rent and service fees from the opening of additional branches and the expansion of space to accommodate "Advice iStore."
  - Bonus estimation increased from last year.
  - Increased seminar and training costs from in-house employee development programs and employee health insurance benefits
  - Expenses related to the IPO at the beginning of the year.
  - Marketing expenses decreased due to not participating in the last two Commart events.
- However, the company organized the Advice IT Expo and the Advice ROV Tournament 2024 at branch locations and produced a commercial for high-end speakers to expand the customer base.



### **Financial costs**

Financial costs amounted to THB 9.75 million baht, a decrease of THB 10.05 million YoY (-50.74%) compared to the same period last year. This decrease resulted from the company receiving capital from the IPO fundraising, which was used to repay promissory notes and long-term loans with all financial institutions. Consequently, interest expenses were significantly reduced.

### **Net Profit**

The company's net profit amounted to THB 180.01 million, an increase of THB 43.47 million YoY (+31.84%). This increase is attributed to the abovementioned reasons, resulting in a higher net profit for the company.

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## 5. Statement of financial position

(Unit : Million Baht)

Statement of financial position (Consolidated)	December 31, 2023		September 30, 2024		Increase (Decrease)	%YoY
	Amount	%	Amount	%		
Cash and cash equivalents	102.87	3.89%	318.85	10.86%	215.98	209.95%
Trade and other current receivables	270.06	10.22%	372.57	12.69%	102.52	37.96%
Inventories	1,366.64	51.70%	1,480.99	50.44%	114.35	8.37%
<b>Total current assets</b>	<b>1,739.57</b>	<b>65.81%</b>	<b>2,172.42</b>	<b>73.99%</b>	<b>432.85</b>	<b>24.88%</b>
Pledged bank deposits	178.90	6.77%	0.00	0.00%	(178.90)	(100%)
Investment property	24.87	0.94%	24.10	0.82%	(0.77)	(3.09%)
Property, plant and equipment	453.93	17.17%	473.75	16.14%	19.82	4.37%
Right-of-use assets	155.92	5.90%	156.06	5.32%	0.14	0.09%
Intangible assets	5.96	0.23%	15.23	0.52%	9.27	155.57%
Deferred tax assets	36.80	1.39%	36.94	1.26%	0.14	0.38%
Deposits for rental and service usage	46.13	1.75%	54.60	1.86%	8.46	18.34%
Other non-current assets	1.27	0.05%	2.87	0.10%	1.60	126.44%
<b>Total non-current assets</b>	<b>903.78</b>	<b>34.19%</b>	<b>763.54</b>	<b>26.01%</b>	<b>(140.24)</b>	<b>(15.52%)</b>
<b>Total assets</b>	<b>2,643.35</b>	<b>100.00%</b>	<b>2,935.96</b>	<b>100.00%</b>	<b>292.61</b>	<b>11.07%</b>
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%	1,789.62	60.96%	85.22	5.00%
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%	71.82	2.45%	(0.28)	(0.39%)
Corporate income tax payable	10.55	0.40%	6.23	0.21%	(4.32)	(40.93%)
Other current provisions	10.15	0.38%	11.42	0.39%	1.28	12.59%
<b>Total current liabilities</b>	<b>2,156.86</b>	<b>81.60%</b>	<b>1,879.10</b>	<b>64.00%</b>	<b>(277.76)</b>	<b>(12.88%)</b>
Long-term borrowings from financial institution	14.74	0.56%	0.00	0.00%	(14.74)	(100.00%)
Lease liabilities	82.91	3.14%	81.97	2.79%	(0.93)	(1.13%)
Non-current provision for employee benefit	68.19	2.58%	76.02	2.59%	7.83	11.48%
Other non-current provisions	9.87	0.37%	10.21	0.35%	0.33	3.39%
<b>Total non-current liabilities</b>	<b>175.71</b>	<b>6.65%</b>	<b>168.20</b>	<b>5.73%</b>	<b>(7.51)</b>	<b>(4.27%)</b>
<b>Total liabilities</b>	<b>2,332.56</b>	<b>88.24%</b>	<b>2,047.30</b>	<b>69.73%</b>	<b>(285.27)</b>	<b>(12.23%)</b>
Total shareholders' equity	310.78	11.76%	888.66	30.27%	577.88	185.94%
<b>Total liabilities and shareholders' equity</b>	<b>2,643.35</b>	<b>100.00%</b>	<b>2,935.96</b>	<b>100.00%</b>	<b>292.61</b>	<b>11.07%</b>



## Assets

As of September 30, 2024, the Company's total assets amounted to THB 2,935.96 million, an increase of THB 292.61 million (+11.07%) from the end of 2023. This increase can be divided into an increase in current assets of THB 432.85 million (+24.88%) and a decrease in non-current assets of THB 140.24 million (-15.52%).

**An increase in current assets of THB 432.85 million** is primarily due to increased cash and cash equivalents from operating profit, net of cash used in operations. Additionally, the company withdrew the credit line guarantees from all financial institutions used for investment activities, resulting in higher circulating cash. Inventory increased in line with the company's higher sales targets set for the next quarter, mainly driven by the growth of IT products, particularly new models of notebooks with NPUs for AI processing, as well as other peripheral devices and Apple products to support the expansion of this product line. Trade and other current receivables also increased, mainly due to higher trade receivables from the commercial customer group and franchise customers, which aligned with the increased sales in these channels. Other current receivables grew, including accrued promotional income and tax receivables, which were related to the higher inventory purchases. The increase in accrued promotional income was due to deferred payments from certain brands, which will be settled in the following month after the end of the quarter.

**A decrease in non-current assets of THB 140.24 million** was mainly due to reduced pledged bank deposits as the company withdrew the credit line guarantees from all financial institutions. The right-of-use assets decreased due to depreciation recorded on right-of-use assets, in line with the lease term for rental properties and vehicles during the period. There was also an increase in land, buildings, and equipment from the opening of new branches and the renovation of the Phichit and Rayong branch locations in accordance with the plan to open Advice iStore at both branches. Intangible assets increased due to the company's investment in upgrading its information technology systems, in line with the intended use of funds from the IPO. Additionally, lease deposits and service deposits increased due to the opening of new branches.

## Liabilities

As of September 30, 2024, the Company's total liabilities amounted to THB 2,047.30 million, a decrease of THB 285.27 million (-12.23%) from the end of 2023. This decrease can be divided into a decrease in current liabilities of THB 277.76 million (-12.88%) and a decrease in non-current liabilities of THB 7.51 million (-4.27%).

**A decrease in current liabilities of THB 277.76 million** was mainly due to a reduction in overdrafts, short-term borrowings from financial institutions, and the portion of long-term loans due within one year, as the company fully repaid its debts to financial institutions. The increase was due to Trade and other current payables. Trade payable increased in line with the higher inventory levels. Accrued expenses also increased due to the estimation of accrued bonuses, withholding tax (PND.2) from dividend payments during the year, and corporate income tax payable, which rose from taxes on profits generated during the period.





**A decrease in non-current liabilities of THB 7.51 million** was mainly due to a reduction in Long-term borrowings from financial institutions, as the company fully repaid its debts to financial institutions. Lease liabilities decreased due to payments made for building and vehicle leases in accordance with the contracts. Additionally, the non-current provision for employee benefits increased.

### **Shareholders' equity**

As of September 30, 2024, the company's shareholders' equity amounted to THB 888.66 million, an increase of THB 577.88 million (+185.94%) 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.

## **6. Key financial ratios**

	Unit	Y2023	Q1/2024	Q2/2024	Q3/2024
Return on Equity (ROE)	%	58.89%	6.58%	12.81%	20.27%
Return on Assets (ROA)	%	6.92%	1.92%	3.76%	6.13%
Current ratio		0.81	1.09	1.10	1.16
Days sales outstanding	days	2	3	3	3
Days of inventory outstanding	days	39	42	44	40
Days payable outstanding	days	47	41	50	46
<b>Cash conversion cycle</b>	<b>days</b>	<b>(6)</b>	<b>4</b>	<b>(3)</b>	<b>(3)</b>

The company has strong short-term debt management capabilities and good liquidity. The improving liquidity ratio has contributed to the company's financial stability, even though interim dividends have already been paid to investors. The company continues to experience a negative cash cycle, indicating that it does not rely on financial institutions, leading to a consistent reduction in financial costs. The company's inventory turnover has improved in Q3/2024, and it aims to manage its inventory to return to the historical level of no more than 40 days shortly.



## 7. Sustainability Development

### 7.1 Completed projects in Q3/2024

No.	Project Type	Project Name	Key purpose
1	Environment	Installation of 350 kW Solar Panels at the Headquarters	1. To reduce the company's energy expenses by approximately THB 0.20 million per month, with depreciation costs of around THB 0.06 million per month. 2. To support the use of clean and environmentally friendly energy.

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