

**Big Camera Corporation Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month period ended 31 March 2023**

**1. General information**

**1.1 Basis for preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

**1.2 Basis of consolidation**

The interim consolidated financial statements included the financial statements of Big Camera Corporation Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) (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 the composition of the Group during the current period.

**1.3 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.

## 2. Related party transactions

During the period, 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 commercial terms and bases agreed upon among the Group and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated for the consolidated financial statements)					
Hire of work	-	-	2,222	1,370	Contract prices
Purchases of goods	-	-	138,040	50,669	Mutual agree prices
Sales of goods	-	-	85	150	Mutual agree prices
Repair fee paid	-	-	536	529	Mutual agree prices
Rental income	-	-	-	140	Contract prices
Management income	-	-	2,056	643	Contract prices
Promotional supporting					
income	-	-	1,604	798	Contract prices
Trade discount	-	-	1,237	-	Contract prices
Interest income	-	-	158	104	5.505% per annum (2022: 1.21% per annum)
Other income	-	-	10	-	Contract prices
Other expenses	-	-	-	31	Contract prices
<b><u>Transactions with related party</u></b>					
Rental fee paid	1,050	1,013	1,050	1,013	Contract prices
<b><u>Transactions with shareholders</u></b>					
<b><u>and directors</u></b>					
Rental fee paid	1,042	831	874	831	Contract prices

(Unaudited but reviewed)

The balances of the accounts between the Group companies and those related companies are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
<b><u>Trade and other receivables - subsidiaries (Note 3)</u></b>				
Trade receivables	-	-	91	-
Other receivables	-	-	1,345	605
Accrued revenue	-	-	1,474	1,183
Advance payments for goods	-	-	19,373	40,220
Total	-	-	22,283	42,008
<b><u>Deposits paid to related parties</u></b>				
Related party (related by common				
shareholders)	921	921	921	921
Shareholders and director	685	685	685	685
Total	1,606	1,606	1,606	1,606
<b><u>Trade and other payables - related parties (Note 9)</u></b>				
Trade payables - subsidiaries	-	-	47,234	2,400
Other payables - shareholders and directors	56	-	-	-
Total	56	-	47,234	2,400

(Unaudited but reviewed)

**Long-term loan to subsidiary**

During the period, the Company entered into a loan agreement with Piccasus Co., Ltd., a subsidiary, of Baht 50 million. Interest on loan is 5.505% per annum. The loan will repaid in March 2026.

**Directors and management's benefits**

(Unit: Thousand Baht)

For the three-month periods ended  
31 March

	<u>Consolidated financial statements/ Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	9,334	9,067
Post-employment benefits	599	549
Total	<u>9,933</u>	<u>9,616</u>

(Unaudited but reviewed)

### 3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
<u>Trade receivables</u>				
Trade receivable - related party (Note 2)	-	-	91	-
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	18,122	19,033	15,118	10,530
Past due				
Up to 3 months	4,228	7,538	3,627	6,520
3 - 6 months	4	3	-	3
Total trade receivables	22,354	26,574	18,836	17,053
<u>Other receivables</u>				
Other receivables - related parties				
(Note 2)	-	-	1,345	605
Other receivables - unrelated parties	682	771	682	771
Prepaid expenses	6,056	6,150	5,397	5,557
Accrued revenue from sales supporting				
promotion	40,340	41,468	39,503	38,959
Accrued revenue - related party (Note 2)	-	-	1,474	1,183
Interest receivables	308	27	305	27
Advance payments for goods - related				
party (Note 2)	-	-	19,373	40,220
Advance payments for goods -				
unrelated parties	24,583	15,852	4,512	-
Others	4,717	2,052	2,268	1,401
Total other receivables	76,686	66,320	74,859	88,723
Less: Allowance for expected credit loss	(3,677)	(3,505)	(2,724)	(2,991)
Total other receivables, net	73,009	62,815	72,135	85,732
Total trade and other receivables, net	95,363	89,389	90,971	102,785

(Unaudited but reviewed)

#### 4. Reduction of cost to net realisable value of inventories

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
<b>Balance as at 1 January 2023</b>	217,601
Less: Reversal of reduction cost to net realisable value of inventories during the period	(5,449)
<b>Balance as at 31 March 2023</b>	<u>212,152</u>

#### 5. Other current financial assets

The balances represent fixed deposit receipt (FDR) which carries interest rate between 1.35 and 1.60 percent per annum.

#### 6. Building and equipment

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2023</b>	96,430	81,637
Acquisitions during the period, at cost	6,316	5,018
Disposal/written-off during the period, net book value at disposal/written-off date	(648)	(623)
Depreciation for the period	(9,445)	(8,824)
Reversal of allowance for impairment	17	17
<b>Net book value as at 31 March 2023</b>	<u>92,670</u>	<u>77,225</u>

#### 7. Right-of-use assets

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
<b>Balance as at 1 January 2023</b>	569,371
Add: New lease contracts during the period	6,135
Less: Change in lease fee estimation	(31,910)
Depreciation for the period	(59,706)
Contracts termination due to branch closures during the period	(2,293)
Change in provision for decommissioning costs	(8)
<b>Balance as at 31 March 2023</b>	<u>481,589</u>

(Unaudited but reviewed)

## 8. Other non-current assets

(Unit: Thousand Baht)

Consolidated financial  
statements/ Separate  
financial statements

	31 March 2023	31 December 2022
		(Audited)
Deposit for lease and others	103,812	105,293
Others	521	540
Total	<u>104,333</u>	<u>105,833</u>

## 9. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Audited)		(Audited)
Trade payables - related parties (Note 2)	-	-	47,234	2,400
Trade payables - unrelated parties	247,651	271,612	248,576	271,191
Other payable - related party (Note 2)	56	-	-	-
Other payables	30,133	31,680	27,426	28,201
Accrued expenses	22,457	24,448	17,155	19,750
Others	12,036	12,761	11,069	11,076
Total	<u>312,333</u>	<u>340,501</u>	<u>351,460</u>	<u>332,618</u>

(Unaudited but reviewed)

## 10. Lease liabilities

Lease liabilities as at 31 March 2023 are presented below.

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
Lease payments	450,149
Less: Deferred interest expenses	(11,638)
Total	438,511
Less: Portion due within one year	(217,515)
Lease liabilities - net of current portion	220,996

Movements in lease liabilities during the three-month period ended 31 March 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
<b>Balance as at 1 January 2023</b>	525,653
Add: New lease contracts during the period	6,135
Accretion of interest during the period	2,558
Less: Change in lease fee estimations	(31,910)
Payments during the period	(57,106)
Contracts termination due to branch closures during the period	(2,377)
Reduction in lease payments by lessors	(4,442)
<b>Balance as at 31 March 2023</b>	438,511

**11. 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.

Tax expenses for the three-month periods ended 31 March 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current income tax charge	7,489	1,151	4,520	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(2,003)	1,731	859	1,731
<b>Income tax expenses reported in the profit or loss</b>	<u>5,486</u>	<u>2,882</u>	<u>5,379</u>	<u>1,731</u>

**12. Segment information**

The three principal operating segments of the Group are the distribution of cameras and photography-related products segment, the distribution of mobile phones segment and the photographic lab service segment. However, the distribution of mobile phones segment and the photographic lab services segment are not material. Their operations are carried on only 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 geographical area.

**13. Commitments and contingent liabilities****13.1 Capital commitments**

As at 31 March 2023, the Group had capital commitments of approximately Baht 14 million (31 December 2022: Baht 12 million) (Separate financial statements: Baht 10 million (31 December 2022: Baht 11 million)), relating to the purchase of equipment and installation of computer software.

### **13.2 Guarantees**

As at 31 March 2023, the Company had outstanding bank guarantees of approximately Baht 62 million (31 December 2022: Baht 62 million) issued by banks on behalf of the Company as required in the normal course of business.

### **13.3 Litigation**

In November 2019, the Company received a writ of summons because it was a guarantor under the overdraft agreement of a former subsidiary the Company had acquired through a reverse acquisition in 2014. This subsidiary had defaulted on payment of its loan to the bank. As a result, the Company, as the guarantor, was sued by the bank and was demanded to settle the principal and interest thereon totaling Baht 9.7 million. However, the legal advisor and the management believe that the Company has no obligations in respect of the guarantee because the obligation arising from this guarantee was included in the rehabilitation process of that business, and the bank opted to receive the loan payment from this subsidiary. Subsequently, the subsidiary completed the business rehabilitation plan, and the Central Bankruptcy Court ordered the cancellation of the business rehabilitation plan as requested before the Company proceeded with the business combination under the reverse acquisition. Furthermore, on 25 December 2020, the Court of First Instance considered the case and dismissed the case. On 23 November 2021, the Court of Appeal upheld the judgment of the Court of First Instance but did not preclude the right to file a suit with the Central Bankruptcy Court. In October 2022, the Supreme Court received the bank's petition and the Company's answer brief. Currently, the case is under the consideration of the Supreme Court. However, after careful consideration, the management of the Company believes that it will not incur any losses, and therefore, no provision has been recorded in its accounts.

### **14. Event after the reporting period**

On 26 April 2023, the Annual General Meeting of the Company's shareholders approved a dividend payment for 2022 of Baht 0.02 per share for 3,528,878,800 shares, totaling Baht 70.58 million.

### **15. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2023.