

For the year ended December 31, 2011 and 2010

(Unit : Million Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2011	2010	2011	2010
Total Revenue	9,192.7	7,560.5	7,127.8	4,293.2
Gross Profit	940.1	776.2	632.3	463.4
Net Profit	124.4	126.2	88.6	94.6
Total Assets	5,575.2	4,469.6	3,795.6	2,670.6
Total Liabilities	3,959.2	2,968.8	2,633.0	1,601.9
Shareholders' Equity	1,616.0	1,500.8	1,162.6	1,068.7
Financial Ratio				
Gross Profit to Total Revenue (%)	10.2%	10.3%	8.9%	10.8%
Net Profit to Total Revenue (%)	1.4%	1.7%	1.3%	2.2%
Return on Equity (%)	7.7%	8.4%	7.6%	8.9%
Return on Asset (%)	2.2%	2.8%	2.3%	3.5%
Current Ratio (times)	1.2	1.2	1.2	1.3
Debt to Equity Ratio (times)	2.4	2.0	2.3	1.5
Information per Share (Baht)				
Earnings per Share	0.14	0.15	0.10	0.11
Share Capital Issued and Paid up (Million Shares)	947.0	862.04	947.0	862.04
Par Value	1.00	1.00	1.00	1.00
Dividend per Shares	0.062	0.048	0.062	0.048



Thailand economy faced numerous challenges throughout 2011, such as, global economic instability, domestic political problems earlier in the year, and the major flood during the last quarter. All of which were factors that had tremendous impacts on the country's market as a whole.

Though having been under such circumstance, SVOA Plc. had managed the organization to counteract the impact effectively. The Board of Directors, together with the Company's management, had set directions for adapting, as well as, unitarily integrated the electronic component distribution channel of Asys Computer Co., Ltd. into the company's channel, in order to effectively direct and control the operation. This was done by utilizing our existing strengths to improve the company's capability, and setting strict cost control policy, which enabled us to achieve a satisfactory operation performance while withholding our commitment to sustainable growth.

Additionally, SVOA placed emphasis on risk management, and management under Corporate Governance principle. Along with that, social and environmental contribution projects were undertaken, as well as, improvements in our customer service centers located throughout the country. New innovations have also been employed to improve the quality of our products and services to be on par with international standard.

On behalf of the Board of Directors, we would like to extend our gratitude to our shareholders, investors, partners, customers and employees for the continued support, and confidence in our products and services.

A blue ink signature of Prof. Dr. Thienchai Srivichit.

Prof. Dr. Thienchai Srivichit
Chairman of the Board

A blue ink signature of Mr. Vira Intanate.

Mr. Vira Intanate
Chief Executive Officer



To Shareholders,

The Audit Committees were established and approved by a meeting of the Board of Directors which was comprised of three independent persons. :

1. Mr. Manu Leopaiprote Independent Director and Audit Committee Chairman
2. Mr. Prapon Phasukyud Independent Director and Audit Committee Member
3. Mr. Tanavich Chindapradist Independent Director and Audit Committee Member

The Committee has audited in accordance to the scope of duty and responsibility as assigned by the SVOA's Board of Directors and the Company rules concerning principles and practices of auditing committee in correspondence to the Stock Exchange's regulations. For the year 2011, the Committee held 4 meetings in total, with the company's management, internal auditors, and independent auditors as well as, a separate meeting with independent auditors without the company's management. The meetings have yielded the following findings:

Financial Statements

The Committee has audited SVOA's quarterly, annual, as well as, consolidated financial reports for 2011 in conjunction with the company's management. Independent auditors were invited to all meetings concerning financial reports. The committee investigated the management and the accountants for accuracy and completeness of the reports, as well as, for sufficiency of the disclosed information. In agreement with independent auditors the committee found the reports to be accurate with appropriate content, acceptable by general accounting standard.

Lawful conducts and Corporate Governance

The Committee has audited the company's management, and operation on the basis of the Securities and Exchange Act and other acts concerning the company' business by having the internal auditors follow up on crucial issues continuously for efficiency in business operations.

Operations and Internal Control

The Committee has audited and revised SVOA's internal control system by examining tasks, job descriptions, duties and responsibilities, as well as, internal auditors' aloofness. All things considered, no significant shortcomings were found. Moreover, the Company has in place, an adequate internal control system. This brings about a well-grounded confident in SVOA's ability to achieve its objectives in operation effectiveness and efficiency, in credibility of its financial reports, as well as, adherence to company's rules and policies.

Auditing Committee's evaluation

Each Committee member has conducted a self-evaluation and investigated the evaluation of other committee members with the Stock Exchange's corporate governance model as the reference. The inquiry shows the auditing committee to be efficient.

Selection and nomination of Independent Auditors

The Audit Committee considered and then selected the Auditor, including determination of remuneration. The Board of Directors then requested a proposal for the appointment of Miss Siriwan Suratepin C.P.A. Registration No. 4604 and/or Miss Kamontip Lertwitworatep, C.P.A. Registration No. 4377, and/or Mr. Wichart Lokatekrawee, C.P.A. Registration No. 4451 of Ernst & Young Office Limited to serve as the Company's Auditor for the Year 2012.

(Mr. Manu Leopaiprote)

Audit Committee Chairman

February 27, 2012



Mr. Thienchai Srivichit
Chairman of the Board



Mr. Pang Hee Hon
Director



Mr. Vira Intanate
Director



Mr. Wilson Teo Yong Peng
Director



Mr. Henry Goh
Director



Mr. Sompon Ekteerajit
Director



Mr. Manu Leopaibrote
*Independent Director
and Audit Committee Chairman*



Mr. Tanavich Chindapradist
*Independent Director
and Audit Committee Member*



Mr. Prapon Phasukyud
*Independent Director
and Audit Committee Member*



SVOA Public Co., Ltd.
Mr. Vira Intanate
Chief Executive Officer



SVOA Public Co., Ltd.
Mr. Wilson Teo Yong Peng
Chief Financial Officer



SVOA Public Co., Ltd.
Mr. Surachai Sitichaivijit
Chief Operating Officer



SVOA Public Co., Ltd.
Mr. Krit Kulsuppaisarn
Chief Operating Officer



SVOA Public Co., Ltd.
Mr. Hu Tai-San
Chief Operating Officer



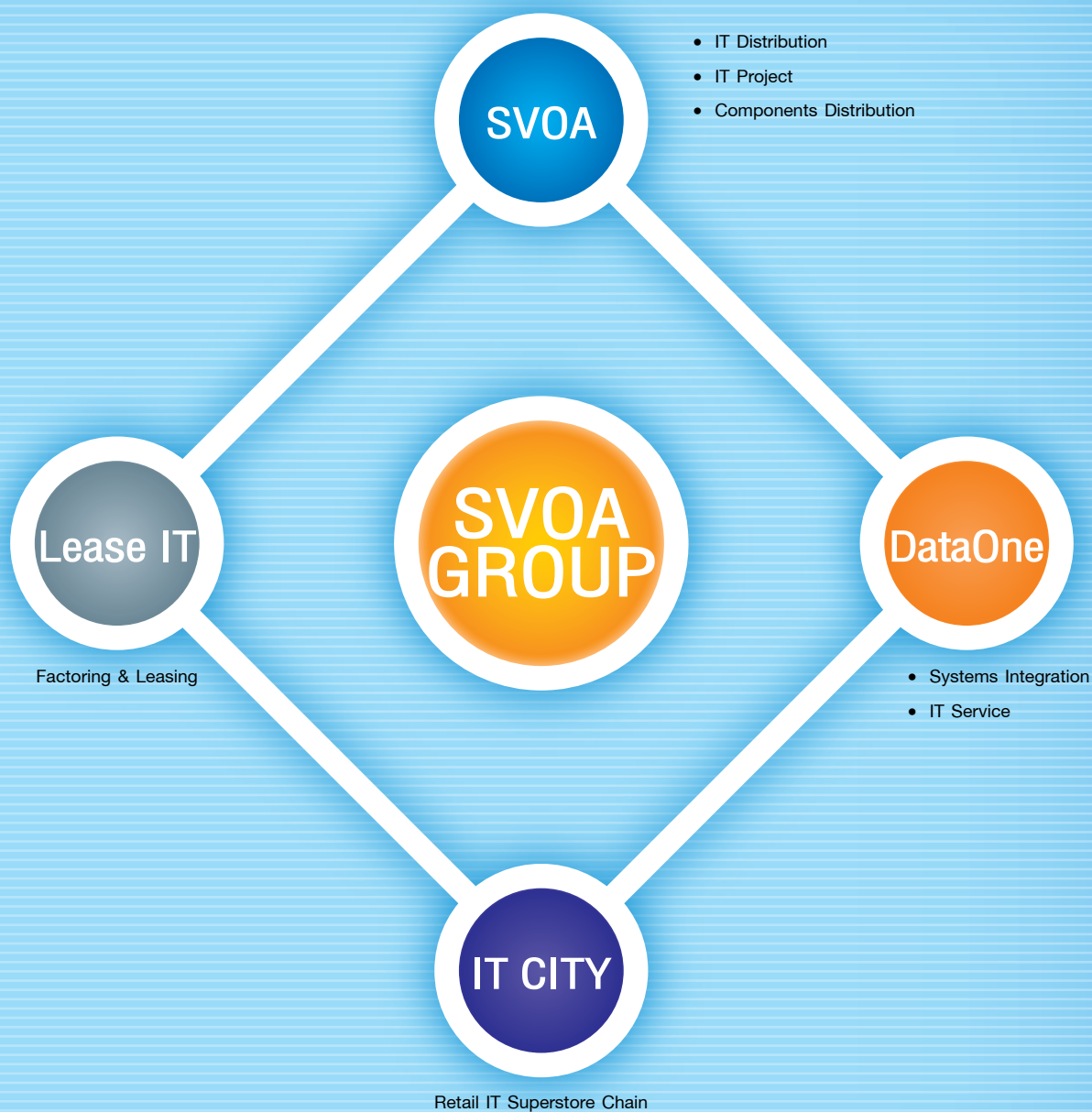
IT City Public Co., Ltd.
Mr. Ekachai Sirijirapatana
Chief Executive Officer

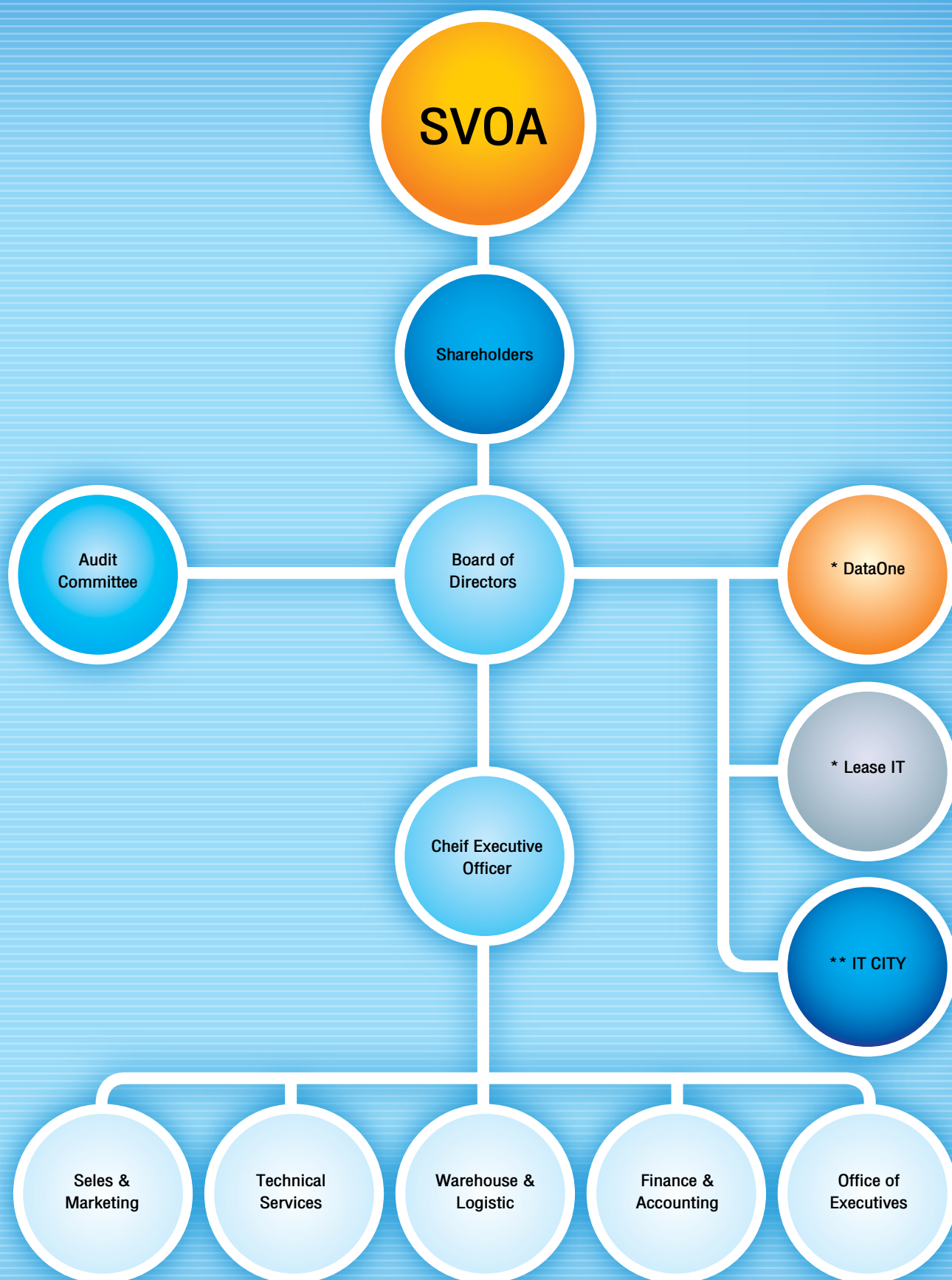


DataOne Asia (Thailand) Co., Ltd.
Mr. Adisorn Kaewbucha
Chief Executive Officer

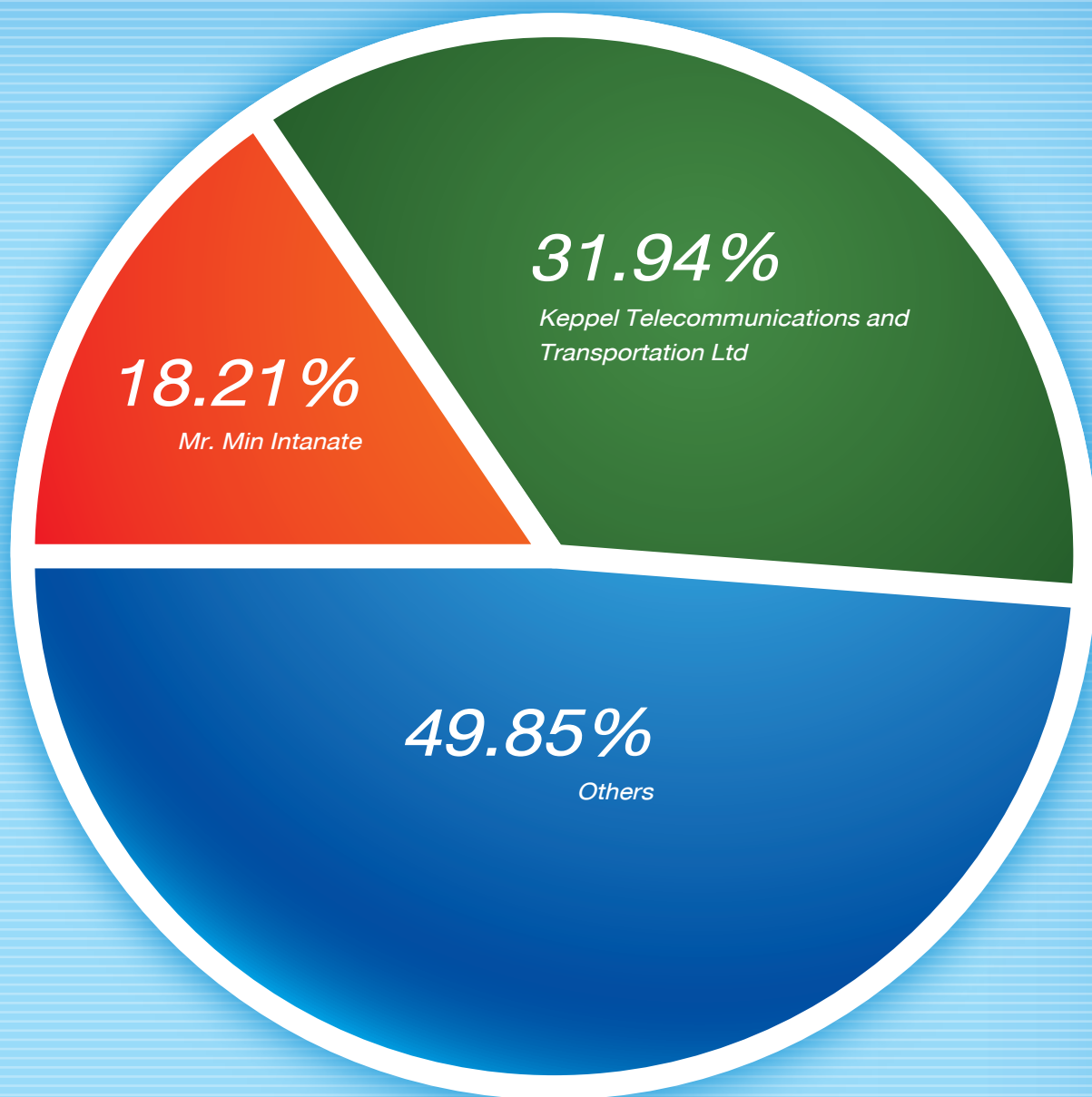


Lease IT Co., Ltd.
Mr. Sompon Ekteerajit
Chief Executive Officer





Remark : * Wholly Owned Subsidiaries
** Associated Company



-  Mr. Min Intanate holds 172,496,450 shares (18.21%)
-  Keppel Telecommunications and Transportation Ltd (31.94%)
 - Via Apsilon Ventures Pte Ltd 240,000,000 shares (25.34%)
 - Via Nomura Singapore Ltd 62,461,740 shares (6.60%)
-  Others hold 472,041,810 shares (49.85%)

* As of 6 July 2011



◆ Mission

“We never stop developing as long as the clock is still ticking”

SVOA Public Company Limited is committed to developing and delivering high-quality products, services, and up-to-date information technology with worldclass standard. We strive to respond and satisfy our customers, partners, and business alliances with the highest value.

◆ Vision

1. To be the Nation's Leader in the Information Technology Industry

Responding To All Customer Needs

We are ready to respond skillfully and professionally to any and all customer needs through a varied selection of products and services; from personal computers to mainframe computer systems, IT information outsourcing with consultation services, and customized alternative solutions.

Aspiring to be the e-Business Leader

With our extensive experience and expertise in the IT business industry, we are confident of our capabilities and ready to be the leading e-Commerce business in the near future.

Delivering Quality Products & Services with Worldwide Standard

We operate our business efficiently by adhering to a high-quality standard. We strive to be a corporation that delivers the highest benefits to our shareholders and employees while also providing our customers with the highest quality products and services.

2. Social Contribution to IT Industry in Thailand

The principle aspect of SVOA's business is to produce high-quality products and create a variety of new services. We have emphasized the same business principle in our social contribution and responsibility to the Thai community as well. For example, we have developed many programs for Thai children in rural areas so that they have more opportunities to receive IT knowledge such as those found in the big cities. Importantly, we have always encouraged our IT industry in Thailand to develop further in business and society segments to match the higher level of standards found in advanced countries.

Milestone

SVOA Public Company Limited was founded in 1982 to operate computer businesses and to develop an information technology (IT) system in Thailand. We have focused our efforts on the efficient use of advanced high-performance information technology. We have also developed and driven the IT business industry in Thailand to an advanced level that can easily compete in the worldwide market.

Over the last two decades, we have been one of the pioneering companies that initiated several high-density innovative software applications and programs in Thailand. They include the development of Thai language program software and Thai script for Personal Computer software. We also promoted the franchise system for our computer retail stores and were the first company who implemented the “office automation system” in Thailand.

Customer satisfaction is SVOA’s commitment. The Company has continued to implement innovations and develop the latest computer technology in addition to providing superior services. Because of this commitment, we have continually earned a high volume of positive feedback and trust from our customers. SVOA’s rapid growth and strong position as a leading IT company is a reflection of that trust. Based on a one-stop shopping policy, we have been expanding our network of services to every geographical area in the country. This is the advantage that raises our market share. Strategically, customers can conveniently receive all desired computer products and services in any location throughout the country, including hardware, accessories, and licensed software from our international suppliers.

We are unique business because we have our own production base, mainly under the commercial brand name, “SVOA” We also achieved ISO 9001:2000 and ISO 14001:2004 certifications (International Organization for Standardization). With these quality standards, SVOA has gained a tremendous amount of trust from worldwide merchandisers as a recognized brand. They choose SVOA computers to import to several countries.

For the domestic market, SVOA is known throughout the country for carrying the largest network of service centers and outlet channels which offer a variety of alternative services. Currently, our company operates SVOA’s authorized dealer network to supply products and services to every regional area across the country. Based on a one-stop shopping concept, we also provide SVOA’s authorized service centers “Modern Trade”.

In addition to operating computer product and service businesses, we also provide consulting services and mainframe computer installation. We specifically target government sectors and large banking and telecommunications companies, as well as large international corporations. Simultaneously, our IT Project business offers outsourcing services. This business unit supplies quality computers and accessories at reasonable prices that meet our customer’s needs, especially government sectors, businesses, and educational institutions.

SVOA’s business structure is divided into 6 units as follows;

1. IT Distribution
2. IT Project
3. Systems Integration
4. IT Service
5. Retail IT Superstore Chain
6. Factoring & Leasing

SVOA is a leader in the IT industry, providing production as well as retail distribution on a worldwide basis. Looking forward, we continue to be mindful of the need to provide our valued customers with superior service and the most modern information technology. The priority of our business is to assure that our products and services will reach customers of all sizes through our one-stop shopping strategy.

General Information

SVOA Public Co., Ltd. Commercial Registration No: 0107537002001 (previously No. 447) is engaged in Wholesaling and Retailing handling Office Automation products including development and installation of information system operates in the addresses as follow:

- **Corporate Headquarter:**

900/29 Rama III Road, Bangpongpan, Yannawa,
Bangkok 10120 Thailand
Tel: +66 2682 6111 Fax: +66 2682 6300
www.svoa.co.th

- **Finance & Accounting, Logistics and Distribution office:**

131, Ratburana Road, Ratburana
Bangkok 10140 Thailand
Tel: +66 2462 5822, +66 2462 5933, +66 2816 7511
Fax: +66 2462 7030

Nationwide Sales & Services Network

- **North**

- o Chiangmai 61/2 Sripum Road, Sripum, Muang, Chiangmai 50000
Tel: +66 5322 4680-3 Fax: +66 5322 4654
- o Phitsanulok 59/27-28 Srithumtraipidok Road, Naimuang, Muang, Phitsanulok 65000
Tel: +66 5524 7361, +66 5524 7446-7
Fax: +66 5524 7500
- o Chiangrai 814/5 Nongbua Road, Wiang, Muang, Chiangrai 57000
Tel: +66 5360 0484, +66 5360 0401
Fax: +66 5360 0335

- **Northeast**

- o Khon Khaen 5/1-2 Srijantr Road, Naimuang, Muang, Khon Khaen 40000
Tel: +66 4324 1503, +66 4324 1925
Fax: +66 4323 9323
- o Nakhon Ratchasima 28 Chumpol Road, Naimuang, Muang, Nakhon Ratchasima 30000
Tel: +66 4424 3333 Fax: +66 4424 3588
- o Ubonratchathani 292 Chanangkrun Road, Naimuang, Muang, Ubonratchathani 34000
Tel: +66 4531 6849-51 Fax: +66 4531 6852-3

- **East**

- o Chonburi 53/125-126 Moo 3, Nam Building, Sukhumvit Road, Bansuan, Muang, Chonburi 20000
Tel: +66 3879 6788-91 Fax: +66 3879 6813

- **Central**

- o Ratchaburi 159/41 Petchakasem Road, Nahmuang, Muang, Ratchaburi 70000
Tel: +66 3232 2030-1, +66 3232 2033-4
Fax: +66 3232 2035

- **South**

- o Surat Thani 97/20 Moo 6, Chonkasem Road, Makham Tieh, Muang, Surat Thani 84000
Tel: +66 7728 1235-6 Fax: +66 7728 8822
- o Hat Yai 577, 579 Supasanrangsang Road, Hat Yai, Songkla 90110
Tel: +66 7426 2101 Fax: +66 7426 2105
- o Phuket 98/4 Surin Road, Taladyai, Muang, Phuket 83000
Tel: +66 7623 2400-1, +66 7623 2412
Fax: +66 7623 2413

THE LEGAL ENTITIES IN WHICH SVOA HOLDS OVER 10% OF THE TOTAL OUTSTANDING CAPITAL STOCK

- **IT CITY Public Co., Ltd. : SVOA holds a 31.96 percent accounting share.**

Headquarter : 604/3 5th-6th Floor, Pantip Plaza Building, Petchburi Road, Tanon Petchburi, Rajthevee, Bangkok 10400
Telephone No. : +66 2656 5030-45
Fax. No. : +66 2254 8550
www.itcity.co.th
Registered Capital : 351,734,016 Baht
Paid up Capital : 349,398,859 Baht
Divided into : 351,734,016 Ordinary shares at par value of 1 Baht each

Business Profile:

The primary business is a one-stop shopping retail superstore that offers a wide variety of computers, peripherals, and other information technology products & services. The business is operated under the commercial title "IT City" which has been well known through its retail superstore in the IT market.

- **DataOne Asia (Thailand) Co., Ltd: SVOA holds a 100 percent accounting share.**

Headquarter : 900/29 Rama III Road,
Bangpongpan, Yannawa,
Bangkok 10120

Telephone No. : +66 2682 6111, +66 2682 6222
+66 2686 3000

Fax. No. : +66 2682 6300, +66 2682 6468

www.d1asia.co.th

Registered Capital : 300,000,000 Baht

Paid up Capital : 300,000,000 Baht

Divided into : 3,000,000 Ordinary shares,
at par value of 100 Baht each

Business Profile:

The primary business is as a provider of data processing center and information technology management.

- **Lease IT Co., Ltd.: SVOA holds a 100 percent accounting share.**

Headquarter : 900/27 Rama III Road,
Bangpongpan, Yannawa,
Bangkok 10120

Telephone No. : +66 2686 3202-4

Fax. No. : +66 2686 3228

www.leaseit.co.th

Registered Capital : 200,000,000 Baht

Paid up Capital : 100,000,000 Baht

Divided into : 20,000,000 Ordinary shares,
at par value of 10 Baht each

Business Profile:

The primary business is engaged in lending activities which are factoring and leasing services.

- **ABIKS Development Co., Ltd.**
131, Ratburana Road, Ratburana Bangkok 10140
Thailand
Tel: +66 2462 5822, +66 2462 5933, +66 2816 7511
Fax: +66 2462 7030
Registered Capital : 150,000,000 Baht
Paid up Capital : 150,000,000 Baht
Divided into : 15,000,000 Ordinary shares,
at par value of 10 Baht each

Business Profile:

Engage in real estate development business including investment in land, office building for rental and to render property management services.

OTHER REFERENCES

- **Share Registrar**
 - o **Common Shares**
4th, 6th-7th Floors, Stock Market of Thailand
Building, 62, Ratchadapisek, Klongteoy, Bangkok
10110 Thailand
Tel: +66 2359 1200 Fax: +66 2359 1262
 - o **Preferred Shares and Warrants**
SVOA Public Company Limited
131, Ratburana Road, Ratburana,
Bangkok 10140 Thailand
Tel: +66 2462 5822, +66 2462 5933, +66 2816 7511
Fax: +66 2843 2703
 - o **Company Secretary & Secretary to the Board of Directors**
Wilson Teo Yong Peng
SVOA Public Company Limited
131, Ratburana Road, Ratburana, Bangkok 10140
Thailand
Tel: +66 2462 5822, +66 2462 5933, +66 2816 7511
Fax: +66 2849 2703
 - o **Auditors**
Ernst and Young Co., Ltd.
33rd Floor, Lake Ratchada Building, 193/136-137
New Ratchadapisek Road, Klongteoy, Bangkok
10110 Thailand
Tel: +66 2264 0777 Fax: +66 2264 0789-90



◆ IT Distribution: ITD

Business Overview

Business Channel (IT Distribution: ITD) of SVOA Public Company Limited, ITD carries out the distribution of world-class IT products, particularly computer equipment, peripherals, and software, and also proceeds the assembling and distributing of house-branded “SVOA Computer” through its nationwide network. As being well accepted by the market, SVOA Computer has been certified by both the local and international organizations such as ISO 9001:2000, ISO 14001:2004, The Federal Communications Commission (FCC) the United States, Underwriters Laboratories Inc. (UL), USA, Center for Technology, National Electronics & Computer Technology Center (NECTEC), Ministry of Science and Technology, Thai Industry Standards Institute Ministry of Industry, etc.

SVOA’s computer hardware is not our only product line. We have significantly broadened our business by distributing printing equipment with a variety of size and technology features, projectors, scanners, sticker cutters, metal cutters, computer accessories such as ink, bulbs, blades, software for designing applications, English language learning, computer operation systems, and more.

Customers will find flexibility from full maintenance and repair service solutions which assure that customers receive high quality after-sales service from SVOA, with or without warranties from SVOA or other companies. Types of services as follows;

1. Repair service with warranties by our authorized dealers, particularly imported products from Japan, the U.S.A., and Taiwan, etc.
2. Repair service of all brands of IT products without warranties, if parts are still available.
3. Maintenance of IT usage, computers, and peripherals for large corporations, government sectors, education sectors, and banking, etc.

Business Potential

We received high positive feedback, especially from the high-quality computer parts user base. ISO certifications for the quality of our computer production process management and for the quality of our safety standards, domestically & internationally, are our key elements of success. Additionally, SVOA operates their IT distribution business for hardware & software to serve individual users or specific businesses. To create more strength and value and for mutual support, we integrated the operations of computer production manufacturing and the distribution business. This integration generated the best benefit for SVOA customers.

SVOA believes that offering a high quality computer production service is not enough, so we provide a distribution business service as well. Our goal is to ensure that our products and services are fully accessible to customers in all areas, regardless of geographical location or product selection. Presently, ITD is operating a chain of 4 types of product distribution entities as follows;

1. **Retailers:** Companies or existing computer retail stores who want to re-sell SVOA’s computers, peripherals, and software applications to corporations and individual users. These retail stores are computer specialist and general electronic stores throughout the country.
2. **Valued Added Resellers (VAR):** The key to this service is that the distributors are able to combine our products with other brands that will be attractive in the particular community. Therefore, the customers will make a quicker purchasing decision and help our reseller’s business move forward more easily. However, each reseller will follow the agreement with our company on a case by case basis.
3. **Modern Trade Distributors:** Accessibility is the key to increasing sales, so we implemented our expansion by selecting prime commercial areas like superstores and large shopping malls all over the country. For years, we have earned high positive feedback and respect from our customers and increased sales growth continually. We distribute SVOA computers and Epson printers.
4. **International Market:** Our international expansion continues at a steady pace. We export our products to other countries such as Vietnam, Burma, Laos and Cambodia.

5. Local Government Project

One of our principal goals at SVOA is to provide our customers with maintenance & repair services at any branches throughout the country. Our associates are able to handle distributing, repair and maintenance services, in essence, to deliver customer satisfaction. Our responsibility is to assure that customers receive after-sales service quickly and conveniently throughout the warranty period. We established authorized dealers to provide computer and peripheral maintenance services throughout the country in conjunction with the SVOA Authorized Service Center (SASC).

SVOA Authorized Service Center (SASC) is the company's authorized dealer which assists customers with computer and peripheral maintenance. The center will focus mainly on customers, with or without company warranties. Customers can conveniently access the center through a network of strategic locations in department stores. In practice, our nationwide network provides support and control under the standards of SVOA. Today, SASC has opened 220 locations.

Our Target

Our main targets at ITD are companies or computer retail stores who seek to provide high-quality products and excellent after-sales service to their customers in the general market, and for small to medium enterprises. Other targets are government sectors, private companies, including international vendors, with an outstanding level of high-end quality products, services, knowledge and assistance.

Quality System

In keeping with our policy of meeting all customer requirements and ensuring satisfaction, SVOA worked hard to improve the quality of its products and services to reach a world class global standard by achieving ISO, International Standards Organization.

These practices are consistent with satisfying the trust that both businesses and personal customers demand, thereby creating a higher volume of purchasing. Presently, SVOA has been recognized in 2 classifications of ISO as follows:

1. **ISO 9001: 2008** This certificate verified the standard of quality management. In our case, we developed the quality management standard in regards to Personal Computer (PC) production, sales operations, service, installation, and software development, including uniform sales-systems and service centers throughout the country. We obtained the certificate registrations as follows;
 - **The certification no. TH02/2596QM** was audited and approved by SGS Certificate, which is guaranteed by UKAS. We received this certification on 29 September, 2011.
 - **The certification no. TH02/2597** was audited and approved by SGS Certificate, which is guaranteed by NAC. We received this certification on 29 September, 2011.
2. **ISO 14001: 2004** This certificate verified that the computer manufacture and assembly facilities reached the standard of Environmental Management System. We obtained the certificate registrations as follow;
 - **The certification no. TH08/1644** was audited and approved by SGS Certificate, which is guaranteed by NAC. We received the certification on 7 July, 2008.

◆ IT Project: ITP

Business Overview

The objective of IT Project is to provide a "Turnkey Project" program by offering top-quality computer products and information technology equipment with a reasonable price that meets customer needs and requirements. We focus on government sectors and private companies. In our "Turnkey Project", we provide a full range of installation and after-sales service follow up throughout the contract to ensure that our customers are able to use their computer systems confidently and effectively. We make sure that our customers receive outstanding products and services from us. Together, we strive to find the right solutions to ensure that the project operates successfully.

Business Potential

Our professional and superior human resources team in the IT industry has given us the strengths and abilities to deliver the highest level of service to meet our customer satisfaction requirements. It is not just a relationship, it is a partnership. ITP has provided a follow up plan to work closely and carefully with our customers. Our priorities are to preserve relationships with our customers and to maintain credibility. We desire that our business remains successful in the long-term.

Our Target

Our Target Our customer accounts are IT projects of large corporations such as government sectors, educational sectors, and private sectors.

◆ DataOne Asia (Thailand) Company Limited

A Professional in Computer System Integration and Total IT Solutions Provider

DataOne Asia (Thailand) Co., Ltd. is a provider of Integration Information Technology that delivers outsourcing IT services to major business customers in banking, telecommunication, manufacturing, insurance, also the government sectors and general customers. We focus on 2 main strategic business units as follows;

1. Systems Integration or SI

We offer a full range of End-To-End IT Solutions and Consulting Services including hardware and software installation, system implementation, and maintenance assistance service after implementation. We provide this to our target customers in banking, telecommunication, manufacturing industries, insurance and end users.

2. IT Services or ITS:

We outsource a variety of IT application services such as ATM systems for banking and financial institutions with an up-to-date data center including a Hi-End Disaster Recovery Center. This service works together with IT asset management processing and our data processing control specialists to back up all its core operations. Customers will receive a monthly report of the results.



◆ Systems Integration: SI

Business Overview

We provide IT consulting services and End-To-End IT solutions for banking, insurance, telecommunication, manufacturing industries, and government sectors to enable peak business performance in a competitive market with the latest World Class computer technology.

Business Potential

To assist our clients at the highest level, we align our consulting business with outsourcing services to operate as one total solution. Our consulting capabilities allow us to provide system design and End-To-End computer systems integration including hardware, software, software implementation, customization, and system maintenance service after initiating implementation. In addition to our outsourcing service, we deliver End-To-End solutions to help clients achieve a high level of performance. Provided by our skilled specialists with over 20 years of experience, our IT management and Data Center team collaborates with alliance-business owners and their world-class products. In the Data Center we offer extensive services such as Co-location Service, Dedicated Server Hosting Service, Server Management, E-mail Outsourcing Service, Back-Up Data System Management as well as Disaster Recovery Service.

World Class Product Groups

1. Banking Industry Products

- **ATM Solutions:** We offer total solutions for banking services, focusing on ATM outsourcing management that includes Front End Systems and Back End Systems services.
- **Banking Applications:** A full portfolio of internal and inter-bank systems management of banking products and services by focusing on Wholesale and Retail Banking Solutions services.
- **Payment Solutions:** We offer comprehensive solutions for bill payment transactions by providing multiple bill and payment channels such as Mobile Banking, Internet Banking and etc.
- **Oracle Applications:** This integrated service helps banks to make the right decisions by providing ERP (Enterprise Resource Planning) and Business Intelligence Product in Banking called OFSA; Oracle Financial Services Applications.

2. Industry Products

- **Manufacturing Solutions:** Providing products and services to serve the core operations for private companies and industrial businesses by focusing on ERP; Enterprise Resource Planning, SCM; Supply Chain Management, and BI; Business Intelligence.
- **Insurance Solutions:** Providing products and services for core operations of insurance businesses.

3. General Products

- **Server & Storage Service:** We help customers to meet their requirements by using main applications based on world wide partner product such as SUN and Fujitsu. Our skilled professionals deliver a full range of installation and maintenance services.
- Security Solutions
- Infrastructure: Providing IT Resources (IT Resources Management Systems) for the customer with the core product as CA

4. Distribution Channel Products

- **Network and Security:** We offer a full range of network equipment solutions from Juniper and McAfee including sales, service, and installation.
- **Oracle Technology:** This application focuses on Database and Tools applications based on general tasks in computer system development.

5. Data Center Services ISO 27001:2005 Certification Information Security Management Systems (ISMSX)

- Management Solutions
- Disaster Recovery Center
- Application Services Provider (ASP)

6. Outsourcing Services

- ATM Application Solutions
- Enterprise Resource Planning Solutions
- Credit Union Solutions



Our Target

Target customers are in Banking & Financial Institutions, Telecommunication, Manufacturing, Governments and Insurance Industries.

◆ IT Services: ITS

Business Overview:

This IT business unit that was established in 2005 to provide total computer systems infrastructure services including computer operations enablement. We offer outsourcing services to governments and private businesses.

Business Potential:

The combination of high experience, comprehensive capabilities from our specialists, expertise in computer outsourcing, collaboration from worldwide alliance partners, Data Center, Back-Up Data Center, Hi-End Disaster Recovery Center, and IT Management, DataOne has been able to outsource total computer system solutions to large-scale projects (Long-term Turnkey Over a Year Project). Our total solutions are Application Outsourcing, full IT Outsourcing and etc. Our Data Center offers a wide range of services as follows;

- Co-location Service
- Dedicated Server Hosting Service
- Server Management Service
- Private Co-location Service
- E-mail Outsourcing Service
- Back-up System Managing and Disaster Recovery Center Service

Our Target:

- Financial Institutions and Banking: We focus specifically on the “new banking” which has been approved by Bank of Thailand. We offer application outsourcing services such as Core Banking System, ATM System, Credit Card and Internet Banking System and etc.
- Manufacturing: Offering application outsourcing and web service
- Multi-National Companies: Focusing on web service
- Governments: Specifically in Outsourcing and consulting service

◆ Retail IT Superstore Chain: IT CITY

Business Overview

This business unit is operated by IT City PLC or “IT City”. A joint venture company, IT City was mainly founded by SVOA PLC and SAHA Group Company including a partial investment from employees and business partners. The company currently holds 32.68% of the total investment shares as of December 31, 2010.

The IT City core business operates a retail superstore chain offering computers, peripherals, and related electronic products, mainly under the trademark “IT City”. The business model is positioned as specialized IT Superstore Retailers under a clear slogan, “The IT Superstore”. The company carries numerous electronic consumer products in over 10,000 categories. In addition, the superstore is designed to operate as a wholesale entity in supporting small retailers for Bangkok and throughout the country. Current business operations function as follows;

1. The total solution electronic retail center of computers, peripherals, accessories, and other related IT products which serves the business philosophy “One Stop Shopping”. Distributing high-end brand name computers and peripheral products such as printers, scanners, digital cameras, etc. Each main product is divided into four categories as follows;

- **Computers**

The company is specialized in Personal Computers (PC) which is mainly divided in Desktop computers and LCD notebooks. We categorized product details as follows;

- a) Various high end OEM computer and notebook brand name selections such as Acer, Apple, BenQ, Gateway, HP, Lenovo, Samsung, Sony, SVOA, Toshiba, etc.
- b) LCD Monitor brand names such as Acer, BenQ, LG, Samsung, etc.

- **Peripherals**

It offers a wide selection of printers and scanners.

- a) Printers include Ink Jet, Dot Matrix ,Laser, Multi function and Photocopier etc. There are various brands such as Brother, Canon, EPSON, HP, Lexmark, OKI, Ricoh, Samsung, Sharp, Xerox, etc.
- b) IT CITY has a lot of branded scanners, including Canon, EPSON, HP, etc.

- **Accessories**

We carry electronic accessories such as air-card, mouse, CD, DVD disks, software, ink, AC outlets, printing paper, UPS, speaker, optical drive, hard-disk, modem, network equipment router, calculator, etc.

- **Other related products**

This category includes computer desk, facsimile machine, telephones, sticker cutting tools, label printers, VDO camera, digital camera, LCD Television, Audio system small home appliances, MP3, LCD projector, Mobile Phone, Smart Phone, etc.

2. Maintenance and service center for computer, OEM distribution, and service by specialized well-trained technicians.

The company divided service categories as follows;

- a) Sales of extended warranties “I-Care” for computer, monitor, projector, and LCD products
- b) Offering “I-Clinic” for installation, software upgrading, computer set-up, and virus cleaning services
- c) The repair service center “iFix,” is certified directly by Original Equipment Manufacturers (OEM). The iFix particularly supports installation and repair services including offering home-delivery for non-repair products to manufacturers or distributors.

The iFix strategically distinguishes itself from competitors in terms of building differentiation to strengthen its business. In addition, this business unit established a remarkable relationship with our customers and raised opportunities in generating sales income. We collaborated with financial companies such as Easy Buy, 1st Choice, Paylite, Aeon and other lenders to provide lending services and convenience to customers in purchasing.



IT'S ALL YOU NEED.

Business Potential

IT City is one of the leading retail store chains in the IT product industry and continues to have a strong and steady profit growth. IT City continued to expand its retail stores across the country, currently having a total of 43 retail store branches, 20 branches in Bangkok and nearby areas and 23 branches in other provinces.

We take advantage of the “economy of scale principle” to keep the ratio of operation costs at a decreased level while the scale of sales revenue increased. As a result, it strengthened IT City and helped it obtain the highest outstanding IT sales revenue while positioning the company as the number one distributor in the Thai IT retailer industry. IT City strategically purchased high volumes of products directly from manufacturers which resulted in cost reduction while increasing profit. To encourage our business concept, “One Stop Shopping,” the company has continued to offer quality products and services by providing numerous IT selections, including continually generating marketing activities.

Target

In the retail segment of IT superstore, our policy is to focus strongly on selling directly to individual users such as families, students and SME businesses. Based on our business practice, SVOA positioned IT City as an alternative business to serve the mass market in terms of providing different products and services while SVOA focused on large corporations, government sectors, and private companies. However, the SME segment may overlap in both the SVOA and IT City markets.



◆ Factoring & Leasing: Lease IT

Business Overview

Lease IT Company Limited (“Lease IT”) is a new subsidiary company of SVOA Group providing Factoring & Leasing services. The company was established on August 25th, 2006 with registered capital of 200 million baht and paid-up capital of 100 million baht. The purpose of the business is to support IT trading services for SVOA’s Group. Lease IT’s main business services consists of Leasing, Hire purchase and Factoring. Long-Term Service, called Leasing, is designed for SVOA authorized dealers, mainly to support IT Distribution (ITD). While Hire Purchase service is designed for educational market, mainly to support IT Project (ITP). This service would be adjustable for students and small educational business, who are able to afford the payment installments, upon agreement. In addition, Factoring is formed to purchase current debts/receivables of SVOA’s subsidiary companies and are from large corporations who must passed credit qualification assessed by Credit Division.

Business Potential

The growth rate of the Leasing and Factoring business has continued dramatically over the last 5 years. With SVOA’s vision based on experience and being the leader of IT & Computer business in Thailand for decades, it continues to implement the business of Leasing & Factoring into the information technology market. The key element of this business is the sharing of SVOA’s business financing facilities. Strategically, this practice assures and strengthens SVOA’s subsidiary business financial group. Our strong financial resources will dynamically boost business growth and potential to be competitive in the market. Operation under our conditions, we will have the ability to effectively control risk factors that affect the business.

Especially Factoring service, it does not require any guarantee as advantage while other financing services do. However, competitors have continued to compete by offering a variety of service term options and funding solutions. With competitive environment, Factoring service has competed with several financial services facilitated by bank and financial institute such as offering Short-Term Promissory Note. Although financial institutes are more advantageous in lower cost than small financing company, their working efficiency for immediate services are less.

To sustain the Leasing business, Government sector grants tax benefits to lessee resulting higher growth rate of the business with a huge opportunity. Traditionally, most businesses focus on automobile leasing while leasing services for the personal computer market are quite rare. The major limitations for personal computer leasing market are progress of modern technology, low price per unit, and movable asset. Bank and Financial Institute do not seem to offer leasing or hire purchase options for personal computer to student or educational sector. Instead, these customers have to rely on other financial service companies that charge exorbitant interest rates and fees. To fill this void in the educational market, our business group has expanded to implement personal computer leasing services. This strategy drives our market share and increases our sales volume in this area.

Our Target Customer

Factoring service is a short-term financing service. It is the process by which we purchase accounts receivable at a discount for immediate cash. Our clients are SVOA’s suppliers and large corporations who have received a credit approval.

Leasing and Hire Purchase services are a type of leasing program that is limited to 3 years.

- **Dealer Financing:** This financial service focuses on SVOA’s dealers throughout the country, including government and private sectors which are operated by SVOA Group.
- **Retail Hire Purchase:** This financial service focuses on employees in educational institutions who are customers of SVOA Group.

Revenue Structure

(Unit :Million Baht)

Product Lines / Business unit	Operations	2011		2010		2009	
		Income	%	Income	%	Income	%
IT Distribution	ITD	4,765	52	2,477	33	2,244	37
System Integration and IT Service	SI	2,239	24	1,717	22	1,294	21
IT Project	ITP	1,468	16	1,203	16	868	14
Share of profit from investments in associated company accounted for under equity method	IT CITY	70	0	67	1	55	1
Components Distribution	ASYS	163	2	1,740	23	1,430	23
Leasing and Factoring	LEASE IT	245	3	155	2	61	1
Other Income		242	3	201	3	161	3
Total		9,192	100	7,560	100	6,113	100
Growth Rate		1,632	22	1,447	24	(29)	(0.5)

* Note : Since March 1, 2011 Asys Computer Co., Ltd. transferred the businesses included in the distribution channel (ITDSBU).

Business Goals

With more than 30 years of experience, SVOA Plc. has been conducting IT business 'By Thai People for Thai People' to fulfill our customers' needs. Not only with international standard quality, SVOA also serves various applications while taking to heart, the lifestyle of our customers in different regions, as well as, single standard customer service centers throughout the country.

Faced with economic crisis, domestic political instability, and major flood, the company was still able to adapt, and rely on our experience in crisis management. Furthermore, we were competent in maintaining our existing, as well as, comprehensively expanding new marketing channels to reduce risks, and to support future market expansion.

SVOA underwent a management transition by integrating the electronic component distribution channel of Asys Computer Co., Ltd. into our IT Distribution (ITD) channel. The company has a target of 5%-10% growth to be achieved by focusing on and expanding our key business units such as distribution via dealerships, and dissemination of IT products of various brands covering all regions. This is aimed to support the nation's economic recovery after the major flood. We are also enhancing our capability to collaborate with various business partners in order to increase transaction opportunity, expand IT service range, and emphasize on 'iFix' after-sale service centers in IT City Superstores to support customers' needs far and wide.

As for the company's policy on operation and human resource efficiency enhancement, we organize staff trainings on various techniques both by in-house and outsourced trainers, as well as, provide trainings on product and service knowledge to partnering dealerships in all regions. Further, SVOA placed emphasis on human resource capability and efficiency to prepare for challenges and opportunities to come, as well as, concise and continuous cost management to reduce impacts of any of such challenges.

Changes and Recent Significant Development of Business Operation

To keep pace with the 2011 economic situations, SVOA Plc. underwent a management transition by integrating the electronic component distribution channel of Asys Computer Co., Ltd. into our IT Distribution (ITD) channel since the beginning of the year.

Such integration has helped to reduce costs in areas such as management and marketing while adding value of enlarged business size through department merging, staff performance, as well as, operation efficiency, which led to an increase in SVOA's asset, investment fund and liquidity. There was also an integration of knowledge and human resource capability. Thus, we were able to improve our potential for success, as well as, credibility in the eyes of partners and investors while reducing business risks and number of competitors. Market share and business strength have also increased through the variety of product brands in our dealerships' basket, for instance, Samsung, Dell, Fujitsu, Epson, Roland, and BenQ, as well as, an abundance of IT components.

As for IT solutions that would respond to customers' needs, the Company has launched 'SVOA Multi-Point'; single terminals accessible by 11 users at the same time, which, saves costs and energy answering to the needs of educational institutes, and SMEs. Moreover, 'SVOA Game Station', a gaming PC was developed to support high level gaming for game lovers and internet cafes.

Concerning the major flood during the last quarter of the year, it could be said that the effect on SVOA was minimal as our production plant and headquarters are situated in safe locations backed up with a well prepared countermeasure. In 2012, we believe that our customers both government and private sector would, with confidence, entrust us with hardware procurement and infrastructure set up to help in their flood-recovery effort.

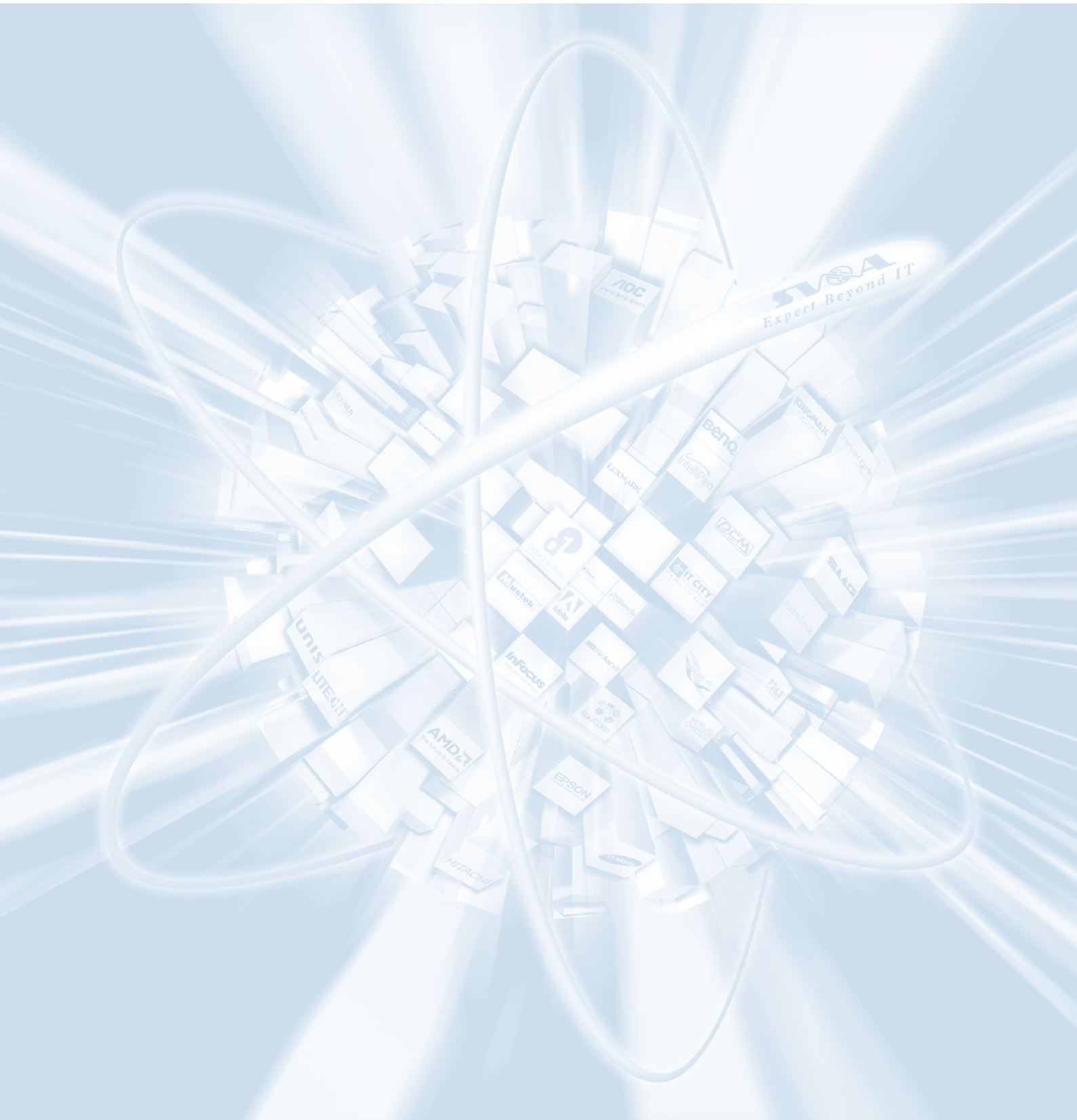
The Company has formulated tactics to closely monitor, and handle various situations that may arise in the future, whether economical, political and/or other issues, which seem unstable, especially, hard disk supply insufficiency, as well as, other relating components. Such challenges may have some effects on SVOA during the first quarter of 2012. However, we will get through this crisis agreeably by endeavoring to systematically plan, and manage our enterprise.

In the area of IT servicing under DataOne Asia (Thailand) Co., Ltd., continuous improvement in IT solution is still ongoing. Being the first domestic provider to design bond purchasing system through ATMs for Krungthai Bank is one example of the achievements from such service capability and efficiency improvement that we take pride in.

Our lending business, managed by Lease IT Co., Ltd., still prioritizes on leasing, and hire purchasing with the emphasis on promoting customers' organizational growth. In addition, debt factoring service targeting government sector, as well as, fast overall service with precision have resulted in continuous business growth.

Changes and Significant Development in Power of Major Shareholders to Control the Company

In 2011, there were no significant movement and development regarding Power of Major Shareholders. Mr. Min Intanate and Keppel Telecommunications and Transportation Ltd (Shareholding via Apsilon Ventures Pte Ltd and via Nomura Singapore Ltd) are currently maintain the amount of ordinary stocks and preferred stocks to total 474,958,190 shares based paid-in capital ratio of 50.15 Percent (947,000,000 baht). With this circumstance, these 2 major shareholders have majority of voting and power to control the company management.



Our business management conditions are influenced by outside risks and / or business characteristics. Management believes that other risks and uncertainties not currently known to us or that we currently deem to be immaterial may adversely affect our business management, financial conditions, and operation performance. This report is qualified in it's entirety by these risk factors.

1. Risks of Business Management

1.1 We face inventory risks due to our existing inventory of obsolete non-compliant products and if we are unable to sell these products on a timely basis. Computers and IT products are generally in a highly competitive environment because of high-level technology. Development is continuous and rapidly changing, impacting technological trends and leading to obsolescence. It could cause excess inventory risk if our existing products fail to sell on a timely basis. The excess inventories may adversely affect inventory management and could affect financial performance due to price reductions required to eliminate obsolete products in the inventory. To mitigate the uncertainties of inventory risks, we implement operation management systems to be more efficient as described below.

- We have implemented the inventory management policy that handles up to approximately 60 days turnover and requires us to estimate our monthly sales volumes according to forecast sales orders for each month.
- We implemented marketing promotion campaigns to eliminate obsolete inventory by offering attractive reward programs to motivate our distributors to reach sales targets. Furthermore, we launched product bundles with other packages to motivate buyers and increase our sales. As a result of offering product bundles, we are able to drive down the level of product inventory and also introduce new products to our customers.
- The company implemented a monthly reserved-fund policy based on the periods of excess inventories which are associated with the carrying value on the balance sheet as inventory write-offs. The inventory value is normally calculated at the end of every month as stated on the balance sheet. From time to time in 2010 and 2011, the formula calculated the value at a typical rate of 2.6 percent and 2.9 percent of excess inventories and obsolete inventories as described below.

Aging of Goods	Reserved Balance 2011			Reserved Balance 2010		
	%	Carrying Value	Estimated Reserved Fund Allowance	%	Carrying Value	Estimated Reserved Fund Allowance
Over 6 Months	25	20,915,879.91	5,228,969.98	25	9,414,255.54	2,353,563.89
Over 9 Months	50	18,724,308.20	9,362,154.10	50	4,697,257.85	2,348,628.93
Over 1 Year and Up	100	24,215,860.17	24,215,860.17	100	16,451,721.23	16,451,721.23
Total		63,856,048.28	38,806,984.25		30,563,234.62	21,153,914.05

1.2 We face credit risk with debts from commercial debtors. As part of operation management, approximately 90% of our sales are credit. We may face potential risk if our commercial customer accounts have operation disruptions and can't pay over a length of time. The past due receivables could adversely affect or disrupt our cash flow or operational performance. However, we have implemented a management system as described below that consists of credit approval and credit control departments to evaluate customer's payment ability before approving credit line.

- Credit control and sales departments are separate and work individually. In this case, the credit control department is able to work independently and more efficiently without disruption or control from the sales department.
- Company pays for trade credit insurance to protect the account receivables from the loss of bad debts which may incur from distributors or dealers. The insurance should cover most of damages that might happen from bad debts.
- Implementing a policy of allowance for bad debts in the account receivables reserve fund if our distributor's accounts are over 90 days past due without a securities hold or indemnity protection. The reserve fund instantly provides 100 percent coverage against bad debt defaults.

2. Strong Competition Could Adversely Affect Profitability

Competition in the computer wholesale business industry is intense and the prospect of turning a profit is challenging. However, the computer business is a substantial industry and has a potential growth rate. Most competitors compete aggressively on price as a major strategy and this may cause an adverse affect to the performance of our business operations. Therefore, we have reduced the level of competition by increasing the variety of distribution channels in order to expand our products to serve prospective consumers in every strategic market.

3. Risks of Fluctuation of the Exchange Rate

Currency fluctuations could also affect profitability performance regarding our computer components imported from overseas countries. To mitigate this risk, we have hedged our foreign currency requirements to guard against foreign currency exposures.

4. Risk Factor from The Major Shareholders Who Hold Over 25 Percent of Stock

As at 6 July 2011 (the latest date of additional paid-up capital) the major shareholders, Keppel Telecommunications and Transportation Ltd (Shareholding via Apsilon Ventures Pte Ltd and via Nomura Singapore Ltd) holds 31.94 Percent of total stocks, and Mr. Min Intanate, holds 18.21 Percent of total stocks. In this case, the major shareholders are able to control the voting in the meeting. Legally, a vote must pass by a three-fourths majority of total votes from the shareholders who have a right to vote in the meeting under the laws or Company's regulations. This circumstance could cause an imbalance and adversely affect the voting result if the major shareholder's votes are over 25 Percent of the total votes and are against the votes of the other shareholders.

1. Company Stock

• Registered Capital

The Company is authorized to issue two classes of shares designed as "Ordinary Stocks" and "Convertible Preferred Stock." The total number of shares which the Company shall have authority to issue is 750,000,000, of which 750,000,000 shares shall be Ordinary Stock with a par value of 1 Baht per share and 240,000,000, of which 240,000,000 shares shall be Convertible Preferred Stock with a par value of 1 baht per share.

• Paid-In-Capital

The Company is authorized to issue two classes of shares designed as "Ordinary Stock" and "Convertible Preferred Stock." The total number of shares which the Company shall have authority to issue is 707,000,000, of which 707,000,000 shares shall be Ordinary Stock with a par value of 1 Baht per share and 240,000,000, of which 240,000,000 shares shall be Convertible Preferred Stock with a par value of 1 baht per share.

• Amount, Value, Condition, and the Stockholder's Characteristic of Preferred Stocks

Effective May 30, 2001, our Board of Directors voted to authorize the issuance of up to a total of 24 Million shares of convertible preferred stock at par value 10 Baht per share with stock options of total 16 million units at zero Baht per unit. The issued stock was sold to Apsilon Ventures Pte Ltd., a Wholly Owned Subsidiary of Keppel Telecommunications and Transportation Ltd.

• Submission of Matters to a Vote of Stockholders: The Amount of Shares and the Effect of Shareholders votes regarding issued Thai Trust Fund or NVDR Shares

No share activity from Thai Trust Fund or NVDR.

• The Significant Characteristic of Convertible Preferred Stock

• Preferred Stocks

The par value of preferred stock is 1 Baht per share and can be converted to ordinary shares at par value 1 Baht per share. Convertible preferred stocks generally have the same characteristics as common stocks except dividends must be paid out before common stocks and in the event of company close-out, there is no limit period for conversion, and there is no secondary market, except that it is transferable. Effective December 31, 2005, there was no record that preferred stocks were vested to Apsilon Ventures Pte Ltd., a shareholder. The characteristics of preferred stock are that they are not guaranteed and have no value for credit purposes.

• Stock Option Compensations

On October 6, 2006, at the 4th Board of Directors meeting and November 10, 2006, at the Extraordinary Shareholders Meeting, it was authorized to grant up to 43,000,000 shares of ordinary stock with no cost to directors and employees. These stock options were authorized to not more than 35 persons who had a minimum of 12 month employment period. The employees are eligible to purchase a stock option of 1 unit valued at 1 ordinary share. The exercise price of these stocks is set at 1.76 Baht per share. Changes can be made if purchasing rights are modified. Stock options maintain a vesting period that expires 5 years after the grant date, non-transferable and the directors and/or employees must be currently employed. The right/eligibility to purchase stocks will be on the last business day of May and November through the purchase vesting period, except on the last day of the vesting period, there will be a 5 business day extension. No individual will be granted more than 5% of the total stock options. The Board of Directors will approve the issue date and exercise these stock options after permission from the Securities and Exchange Commission.

With the 5-years period of warrants, the right to exercise would finish on the last business day of May 2011, no directors and/or employees had exercised their rights to purchase ordinary shares. Thus, all the 43,000,000 units of warrants remain, resulting the Company would proceed the capital reduction for 43,000,000 Baht in accordance with the regulated law.

According to the resolution passed by the Board of Directors' Meeting No.5/2001 on April 25, 2001 and the Extraordinary General Meeting No.1/2001 on May 30, 2001, SVOA Public Company Limited was authorized to issue warrants of 16,000,000 units (transferrable) with option of 24,000,000 preferred shares (convertible) to Apsilon Ventures Pte Ltd. ("Apsilon") who acted as institution investor in consistent with announcement of the Securities and Exchange Commission.

At the Extraordinary General Meeting No.1/2003 on November 27, 2003, Company adjusted par value from 10 Baht to 1 Baht per share and approved the adjustment of exercise price and ratio of warrants to purchase ordinary shares in relation to the change of par value. As a result, 8,496,000 units of unexercised warrants, with unit value of 10 Baht would change to 84,960,000 units of warrants, with unit value of 1 Baht. This amount would be divided into 24,037,850 units for Apsilon Ventures Pte Ltd. and 60,922,150 units for Mr. Min Intanate. On June 22, 2011, warrants holders exercised his right to purchase ordinary shares for 60,922,150 units.

On July 5, 2011, a warrants holder exercised his right to purchase ordinary shares for the remaining warrants of 24,037,850 units. Company consequently reported the change of paidup capital from 922,962,150 Baht to 947,000,000 Baht to Department of Business Development, Ministry of Commerce on July 12, 2011.

- **Major Shareholders Agreement regarding Issued Stock or Company management and instruments directly affecting operation performance.**

No agreement established.

2. Shareholders' Rights and Equality

We conducted one Annual Meeting and also one General Meeting of Shareholders in 2011. The meetings were held at the Company's headquarters and included agendas that were submitted by the respective shareholders 10-14 business days prior to meeting. Shareholders were able to inspect the accuracy of corporate books, disclosure records regarding committee discussions and advisories. In addition, the Company's procedure allows shareholders to transfer their votes to one of three independent directors to express their opinions when they can not attend the meeting.

The following table sets forth information with respect to our major shareholders who held ordinary stocks and preferred stocks totaling 862,040,000 shares as of March 14, 2011, the latest date of the closing book entry.

No.	Shareholders List	No. of Shares	%
1	Apsilon Ventures Pte Ltd. (A Subsidiary of Keppel Telecommunications and Transportation Ltd)	240,000,000	27.84
2	Mr. Min Intanate	111,574,300	12.94
3	Thai NVDR Co.,Ltd.	66,321,160	7.69
4	Nomura Singapore Ltd (Customer Segregated Account, held for Apsilon Ventures Pte Ltd)	38,423,890	4.46
5	Mr. Sombat Suwannasingha	15,001,100	1.74
6	Kapiolani (Thailand) Co.,Ltd.	14,500,040	1.68
7	Mr. Kumtorn Poonsak-Au-domsin	12,173,100	1.41
8	Mr. Nopadon Anurakchaiwit	10,801,800	1.25
9	Mr. Narit Jia-arpha	10,238,700	1.19
10	T.K.S. Technologies Public Co.,Ltd.	9,000,000	1.04

Shareholders Meeting

At the Annual Shareholders Meeting in 2011, the 9 directors who attended included the Audit Committee Chairman, high-ranking Company Executives and Company Audit Committee Members. The Audit Committee Chairman presented equal opportunities for shareholders to inspect the Company's operational performance, express their opinions and to vote on an advisory resolution. The Company recorded the issues and important opinions on the meeting report.

3. Policy for Dividend Payment

- **Policy for Dividend Payment to Shareholders**

According to the resolution passed by the Board of Directors' Meeting No.1/2011 on February 24, 2011, it was agreed to approve the change of Company's dividend payment policy in compliance with the accounting practices for dividend payment as per the Act of Public Limited Company, B.E. 1992 dated April 25, 2011, noticed by the Department of Business Development, by which the payment should be made from net profit incurred in the period of financial year end date of separate financial statements.

Company pursues policy for making dividend payment of not less than 60 Percent of net profit of separate financial statement after accumulated losses and legal reserves. However, dividend payment rate will be defined upon cash flow and investment obligations of Company and Subsidiaries including other necessities in the future, by which separate financial statements should have net profit with no accumulated loss subject to approval of the Board of Directors. In addition, the dividend payment performance is subject to declaration by the Shareholders' Meeting.

In the business operation for the Year 2011, the Company earned net profit of 88,554,004 Baht. At the Board of Directors' Meeting No.1/2012 on February 27, 2012, it was agreed upon to propose the resolution for dividend payment of 60 Percent of net profit after legal reserve amounting to 84,126,304 Baht. A dividend payment amounting to 50,191,000 Baht or 0.053 Baht per share was approved at the Shareholders' Meeting.

- **Policy for Dividend Payment of Associated and Subsidiary Companies to the Company**

IT CITY Public Co., Ltd. (an Associated Company) pursues its policy to make dividend payment at the rate of not less than 50% of net profit after corporate income tax. However, Company may determine rate of dividend payment less than aforementioned rate in case of necessity to use the fund for ongoing business expansion. Such decision depends on approval of the Board of Directors, and capability of Company to pay dividend which must finally be approved by the Shareholders' Meeting.

DataOne Asia (Thailand) Co., Ltd. (a Subsidiary) pursues its policy to pay dividend payment at the rate of not less than 50% of net profit. The decision depends on approval of the Board of Directors, and capability of Company to pay dividend which must finally be approved by the Shareholders' Meeting.

Lease IT., Ltd. (a Subsidiary) pursues its policy to pay dividend payment at the rate of not less than 50% of net profit. The decision depends on approval of the Board of Directors, and capability of Company to pay dividend which must finally be approved by the Shareholders' Meeting.

ABIKS Development Co., Ltd. pursues its policy for dividend payment at the rate of not less than 50% of net profit, upon agreement of the Board of Directors and company's competency to pay dividend which must finally be approved by the Shareholders' Meeting.

Management Structure

SVOA Management Structure

1. Board of Directors who is in charge of directing the Company's business.
2. The Audit Committee whose responsibilities are to support overall operation of the Board of Directors.

Board of Directors

1. Leadership and Vision

Board of Directors took part in stipulating and/or approval on corporate vision, mission, strategy, objectives, business plan, and budget. It supervised the management team to operate and perform the business functions efficiently according to business plan and budget for optimal economic value of the business and stable returns for shareholders.

2. Segregation of duties

To separate roles in determining policy, supervising and managing daily business functions of the Company, Chairman of the Board of Directors is not the same entity as Chief Executive Officer.

3. Balance of Directors who are not Management

Nine Directors include the following:

- **4 Directors who are Management**

1. Mr. Thienchai Srivichit Chairman of the Board
2. Mr. Vira Intanate Director and Chief Executive Officer
3. Mr. Wilson Teo Yong Peng Director and Chief Financial Officer
4. Mr. Sompon Ekteerajit Director

- **2 Directors who are not Management**

1. Mr. Pang Hee Hon
2. Mr. Henry Goh

- **3 Independent Directors, accounting for 25% of total members of Company's Board of Directors**

1. Mr. Manu Leoparote
2. Mr. Prapon Phasukyud
3. Mr. Tanavich Chindapradist

Guidelines on selecting Independent Directors and Members of Audit Committee

Independent Director Definition

The Company defines specifications of "Independent Director" as equivalent to the minimum rules and standard requirements established by Securities and Exchange Commission and The Stock Exchange of Thailand.

Independent Director as defined by the committees shall express opinions independently and consist of the following qualifications:

1. The Independent Director must not hold more than 1 Percent of paid-up capital of the Company.
2. The Independent Director must not engage in the management of the Company, be an employee, staff member or adviser who receives a regular salary from the Company and/or its Subsidiaries.
3. The Independent Director shall be independent from management of the Company or should not be under control from major power shareholders.
4. The Independent Director must not be related both by family or acquaintance to the management or major shareholders of the Company.
5. The Independent Director shall have no major business relationship in essence with the Company which may have influence over the expression of independent opinion.

6. The Independent Director shall not be employees or staff members who receive a regular salary from the Company during the 2 year period after appointment.
7. The Independent Director shall not be in a professional service career field such as an auditing or legal consultant.
8. The Independent Director shall have no major business relationship in essence with the Company which may interfere with the duty of exercising independence. Such business relationships include purchasing and selling raw materials, products, services, lending, and leasing that specifically includes transaction sizes (if any).

Audit Committee

The members of the Audit Committee shall be appointed by the Board of Directors to support Corporate Governance of the Company.

The Audit Committee which was appointed on April 20, 2011 will perform their duties in the position for 1 year. It consists of 3 Independent Directors, all of whom are not representing major shareholders. They are as follows:

1. Mr. Manu Leopaïrote Audit Committee Chairman
2. Mr. Prapon Phasukyud Audit Committee Member
3. Mr. Tanavich Chindapradist Audit Committee Member

The Audit Committee regularly held 4 meetings in 2011 and reported to the Company's Board of Directors. The authority of the Audit Committee includes the following:

1. Annually review, nominate, and recommend independent members to be the Company's Auditor, and to propose such person's remuneration, as well as to attend a meeting with an Auditor at least once a year.
2. To review the Connected Transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the Laws and the Exchange's Regulations, and are reasonable for the highest benefit of the Company.
3. To prepare, and to disclose in the Company's Annual Report, an Audit Committee's report which must be signed by the Audit Committee Chairman and consist of at least the following information;
 - 3.1 An opinion on the accuracy, completeness and credibility of the Company's Financial Report.
 - 3.2 An opinion on the adequacy of the Company's internal control system.
 - 3.3 An opinion on the compliance with the Laws on Securities and Exchange, the Exchange's regulations, or the laws relating to the Company's business.
 - 3.4 An opinion on the suitability of an Auditor.
 - 3.5 An opinion on the transactions that may lead to conflicts of interest.
 - 3.6 The number of Audit Committee Meetings, and the attendance of such meetings by each committee member.

Scope of Power, Duties and Responsibilities of the Audit Committee

The Audit Committee has scope of duties and responsibilities as assigned by the Board of Directors including reporting to the Board of Directors as follows:

1. To review the Company's financial reporting process and to ensure its accuracy and adequacy as well as co-operate with auditors and management for the quarterly and annually preparation of the financial reports. The Audit Committee may suggest that the auditor inspect any transaction which is considered to be important.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the head of an internal audit unit or any other unit in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;

6. To prepare, and to disclose in the Company's Annual Report, an Audit Committee's Report which must be signed by the Audit Committee's Chairman and consist of at least the following information:
 - 6.1 An opinion on the accuracy, completeness and creditability of the Company's Financial Report.
 - 6.2 An opinion on the adequacy of the Company's Internal Control System.
 - 6.3 An opinion on the compliance with the law on Securities and Exchange, the Exchange's regulations, or the laws relating to the Company's business.
 - 6.4 An opinion on the suitability of an Auditor.
 - 6.5 An opinion on the transactions that may lead to conflicts of interests.
 - 6.6 The number of the Audit Committee Meetings, and the attendance of such Meetings by each Committee Member.
 - 6.7 An opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter.
 - 6.8 Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
7. To perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.
8. To perform the Audit Committee's Report to the Company's Board of Directors at least once for each quarter.

Meeting of the Board of Directors

Board of Directors holds regular meetings every 3 months and special meetings are held when necessary. Agendas are fixed in advance including agendas of operating results to be pursued regularly. The Company Secretary sends invitation letters, including agendas and documents 7 days ahead of the meeting date. Normally, the duration of each meeting is approximately 2 hours. In 2011, the Board of Directors' held regular meetings 4 times and extraordinary meetings 2 times. The Board of Directors Attendees are summarized as follows:

Director's Name	Period of Service	Ordinary Meeting (time)	No. of Absence (time)
1. Mr. Thienchai Srivichit	Remark (*)	4	0
2. Mr. Sompon Ekteerajit	Remark (*)	4	0
3. Mr. Pang Hee Hon	Remark (*)	4	0
4. Mr. Henry Goh	Remark (*)	4	0
5. Mr. Wilson Teo Yong Peng	Remark (*)	4	0
6. Mr. Manu Leopairote	Remark (*)	4	0
7. Mr. Vira Intanate	Remark (*)	4	0
8. Mr. Prapon Phasukyud	Remark (*)	4	0
9. Mr. Tanavich Chindapradist	Remark (*)	4	0

Remark

(*) The Company's Articles of Association do not specify the Director's total years of service. However, in every Annual General Meeting, one-third of total number of directors will have to vacate office and may be reelected to take the position.

All documentation of meetings and maintenance of written minutes of its meetings shall be approved by the Board of Directors in advance of distribution to the Audit Committees and any related auditors.

The Authorized Directors

“Mr. Thienchai Srivichit jointly signs with Mr. Sompon Ekteerajit or Mr. Vira Intanate or Mr. Henry Goh or Mr. Pang Hee Hon or Mr. Wilson Teo Yong Peng together with the Company’s seal affixed, or Mr. Sompon Ekteerajit or Mr. Vira Intanate jointly signs with Mr. Henry Goh or Mr. Pang Hee Hon, or Mr. Wilson Teo Yong Peng, together with the Company’s seal affixed”.

Scope of Power, Duties and Responsibilities of the Board of Directors

The Company’s Board of Directors has power, duties and responsibilities to direct the Company pursuant to the law, objectives and Articles of Association of the Company while also adhering to resolutions passed by Shareholders ensuring that they are carried out with transparency with the Company’s interests in the forefront. Summary of the duties is as follows:

1. Arranging Annual General Meeting within 4 months from date of ending of Company’s accounting period.
2. Arranging the Board of Directors’ Meeting for at least once in 3 months.
3. Preparing Statements of financial position and Statements of comprehensive income of the Company as at the ending date of accounting period audited by the Auditor and considered by the Audit Committee and proposing for Shareholders’ approval.
4. Assigning Power of Attorney approved by the Board of Directors to a Director or several Directors or another person to carry out business on their behalf, under control of the Board of Directors or assigning Power of Attorney approved by the Board of Directors to aforementioned person within a particular period. In addition, such assignment shall be subject to amendment or adjustment as necessary.

The Board of Directors may assign the power of attorney to Management Team in business operations by defining the scope of power of attorney which must not let the Management Team approve any transactions conducted by Management Team or person contrary to Company or Subsidiary’s benefits or interests, except any transaction done in accordance with policy and criteria approved by the Board of Directors.

5. Determining target, direction, policy, plan and budget of the Company under supervision of Management Team to ensure the fulfillment of assignments. However, there should be exceptions for some issues:- The Board of Directors must obtain approval from Shareholders, for instance: increase of capital, decrease of capital, issuance of debentures, selling or transferring business of the Company totally or partially, or purchase or receive from transfer of other Company’s business, amendment to Memorandum or Articles of Association of the Company, etc.

Additionally, the Board of Directors is required to manage the Company’s operation to be in line with Laws of Securities & Exchange and Stock Market’s Regulations such as connected transactions and selling & purchase of assets according to criteria of The Stock Exchange of Thailand or any law relating to Company’s business.

6. Considering management structure, appointing the Management Team, Chief Executive Officer, and other committee as appropriate.
7. Monitoring operating results to ensure that they adhere to the business plan and budget.
8. Appointing Directors, who should not engage in similar business competing with Company’s business or hold any stake in a ordinary partnership or general partnership or act as director of private Company or other Company running similar business and competing with Company’s business whether pursuing self-interests or the interests of others, except notice given to the Shareholders’ Meeting prior to the appointment.
9. Notifying the Company at once when having interests whether directly or indirectly in an agreement executed by the Company or holding shares or increasing/decreasing shareholdings of the Company or its Subsidiary.

Scope of Power, Duties and Responsibilities of the Management Team

Management Team has power, duties, and responsibilities for ordinary business management and operations of the Company including the determination of policy, business plan, budget, ensuring management structure compliance with the current economic situation and proposes to the Board of Directors for consideration and approval; including auditing and monitoring the operating results of the Company based on defined policy. The power, duties and responsibilities can be summarized as follow:

1. Considering the allocation of annual budget as presented by the Management before proposing to the Board of Directors for approval. It shall include consideration and approval for the changes and/or addition to the annual budget. In case the issue is considered when there is no Board of Directors' Meeting held, such matter should be propose and notify to the next Board of Directors' Meeting.
2. Approving the expenditure budget, not exceeding 50 million baht.
3. Approving the significant investments as defined in the annual budget and approved by the Board of Directors.
4. Serving as the Consultant for Management concerning financial, marketing, personnel management policies and other operations.
5. Allocating incentives/rewards to particular Company's officers or employees or other persons whose performance benefits the Company.

As such, power of the Management Team does not include approvals of any issue that may contradict any transactions or any issue which Management Team or related persons have conflict of interest, contrary to the Company and Subsidiary's benefits according to the regulations of The Stock Exchange of Thailand. The approval of such issue must be passed by the Board of Directors and/or Shareholders' Meeting upon the Company's Articles of Association and related law.

Responsibilities of Chief Executive Officer in managing the Company:

1. Controlling business operations/daily management of the Company.
2. Working or operating the business functions pursuant to the policy, business plan, budget approved by Board of Directors and Management Team of the Company.
3. Being granted the power of attorney to carry on business management in relation to corporate objectives, Articles of Association, disciplines, regulations, instructions, resolutions of shareholders' meeting and/or the Board of Directors Meeting and Management Team in all respects.

Power of Chief Executive Officer and its power of attorney to other person as agreed by Chief Executive Officer should not include power and/or power of attorney in approval of any transactions which contain conflict of interest contrary to Company and Subsidiary's benefits upon regulations of The Stock Exchange of Thailand. The approval of such issue must be passed by the Board of Directors and/or Shareholders' Meeting based on the Company's Articles of Association and related law.

At the meeting of Board of Directors No. 1/2012, consideration and approval were made to confer the Power of Attorney to Directors and relevant Management to approve the transactions, payment, collection as per flexibility and efficiency in management. This does not include power and/or power of attorney in approval of any transactions which contain conflict of interest contrary to Company and Subsidiary's benefits upon regulations of The Stock Exchange of Thailand. The approval of such issue must be passed by the Board of Directors and/or Shareholders' Meeting based on the Company's Articles of Association and related law.

Internal Control

The Board of Directors arranges internal control system covering every aspect such as financing, working performance, operation in relation to Law, Rules & Regulations of The Stock Exchange of Thailand. In addition, the sufficiency assessment of internal control, for organization & environment, risk management, management operation control, information technology & data communications systems and monitoring system, are provided to support the internal control system according to the current situation and the requirements of the Securities and Exchange Commission, Thailand.

The Board of Directors has to ensure that the Company has sufficient internal control system to check the transactions with major shareholders, Directors, Chief Executive Officer, executives and other related persons. For other transactions, the Company also has sufficient internal control system, since the Company has the Internal Audit function to audit the operations of the respective business units.

Board of Directors

Name and Position	Age	Qualifications	Shareholdings as at 6/7/2011	Working Experience for the last 5 Years		
				Year	Position	Company Name
1. Mr. Thienchai Srivichit Chairman of the Board	80	<ul style="list-style-type: none"> FCA, Fellow of The Institute of Chartered Accountants in England & Wales (U.K.) National Defence College Honorary Doctorate of Accounting, Ramkhamhang University DAP, Director Accreditation Program, Thai Institute of Directors RCP, Role of The Chairman Program, Thai Institute of Directors 	4,500,000 shares (0.48%)	Present Present Present Present Present	Director Director Director Director Director	<ul style="list-style-type: none"> - IT City Public Co., Ltd. - Lease IT Co., Ltd. - Asys Computer Co., Ltd. - DataOne Asia (Thailand) Co., Ltd. - ABIKS Development Co., Ltd.
2. Mr. Pang Hee Hon Director	52	<ul style="list-style-type: none"> Specialist Diploma in Web Development Technology, Singapore Polytechnic Security Technology and Management Module, Institute of Systems Science, NUS Certified IT Project Manager, SCS and iDA Master in Public Administration, Harvard University Attended Camberley Staff Course, Camberley Staff College, (U.K.) Bachelor of Science and Bachelor of Commerce, Birmingham University, (U.K.) 		2005-2009 2000-2004 Present Present	Dy President (Operations) Head of Joint Logistics Department Director Director	<ul style="list-style-type: none"> - ST Electronics (InfoSoft Systems) - Ministry of Defence - Advanced Research Group Co., Ltd. - Anew Corporation Co., Ltd.
3. Mr. Vira Intanate Director	53	<ul style="list-style-type: none"> BA, Computer Science, California State University of Sacramento CA (U.S.A.) 	417,570 shares (0.04%)	1982-2006	Chief Operating Officer	- SVOA Public Co., Ltd.
4. Mr. Wilson Teo Yong Peng Director	46	<ul style="list-style-type: none"> ASEP, Advanced Senior Executive Program, Kellogg School of Management (U.S.A.) MBA, Oxford Brookes University (U.K.) FCCA, Fellow of The Association of Chartered Certified Accountant (U.K.) FCPA, Fellow of Certified Public Accountant of S'pore FCPA, Fellow of Certified Practising Accountant (Australia) IIA, The Institute of Internal Auditors (U.S.A.) DAP, Director Accreditation Program. 		Present Present Present Present Present Present Present Present	Director Director Director Director Director Director Director Director	<ul style="list-style-type: none"> - Business Online Public Co., Ltd. - DataOne Asia (Thailand) Co., Ltd. - Advanced Research Group Co., Ltd. - Acerts Co., Ltd. - Anew Corporation Co., Ltd. - ABIKS Development Co., Ltd. - Asys Computer Co., Ltd. - ARIP Public Co., Ltd.

Board of Directors

Name and Position	Age	Qualifications	Shareholdings as at 6/7/2011	Working Experience for the last 5 Years		
				Year	Position	Company Name
5. Mr. Henry Goh Director	55	<ul style="list-style-type: none"> • FCPA, Fellow of The Institute of Certified Public Accountants of Singapore • FCMA, Fellow of The Chartered Institute of Management Accountants (U.K.) 		Present	Director	- Advanced Research Group Co., Ltd.
6. Mr. Sompon Ekteerajit Director	51	<ul style="list-style-type: none"> • Master of Science in Accounting, Thammasat University • BA, Accounting (Costing), Chulalongkorn University • Graduate Diploma in Auditing, Chulalongkorn University • DCP, Director Certification Program, Thai Institute of Directors 	1,446,800 shares (0.15%)	1999-2003 2004-2006 Present Present	Financial Controller Chief Executive Officer Director Chief Executive Officer	- SVOA Public Co., Ltd. - SVOA Public Co., Ltd. - Asys Computer Co., Ltd. - Lease IT Co., Ltd.
7. Mr. Manu Leopaiprote Independent Director and Audit Committee Chairman	69	<ul style="list-style-type: none"> • B.Sc. in Economics (Hons.), Thammasat University • M.Sc. in Economics, University of Kentucky, (U.S.A.) • Ph.D in Business Administration (Honorary), Thammasat University • Certificate in Industrial Development, Nagoya Training Center, Japan • Diploma for National Defence College, Class 34, Thailand • Certificate in Role of Chairman Program (RCP 3/2001) • Certificate in Directors Certification Program (DCP 30/2003) 		1994-1999 1999-2004 Present 2005-2010 Present Present	Director General Permanent Secretary Counsellor of State Chairman Chairman of the Audit Committee Chairman	- Department of Industrial Promotion, Ministry of Industry - Ministry of Industry - The Council of State - Neighboring Countries Economics Development Cooperation - Thai Oil Public Company Limited - Khonkhan Sugar Public Company Limited
8. Mr. Prapon Phasukyud Independent Director and Audit Committee Member	55	<ul style="list-style-type: none"> • PhD, Civil Engineering, University of Missouri-Columbia (U.S.A.) • MS, Engineering Management, University of Missouri-Rolla (U.S.A.) • MS, Civil Engineering, University of Texas, Arlington (U.S.A.) • Bachelor of Civil Engineering, Chulalongkorn University 				
9. Mr. Tanavich Chindapradist Independent Director and Audit Committee Member	43	<ul style="list-style-type: none"> • PhD, in Public Administration Suan Dusit University • Master of Science in Business Economics, Bentley College (U.S.A.) • Master of Science in Administration, Boston University (U.S.A.) • Bachelor of Science in Mathematics, King Mongkut University of Technology Thonburi 				

Management

Name and Position	Age	Qualifications	Shareholdings as at 6/7/2011	Working Experience for the last 5 Years		
				Year	Position	Company Name
1. Mr. Vira Intanate Chief Executive Officer SVOA Public Co., Ltd.	53	<ul style="list-style-type: none"> • BA, Computer Science, California State University of Sacramento CA (U.S.A.) 	417,570 shares (0.04%)	1982-2006	Chief Operating Officer	- SVOA Public Co., Ltd.
2. Mr. Wilson Teo Yong Peng Director	46	<ul style="list-style-type: none"> • ASEP, Advanced Senior Executive Program, Kellogg School of Management (U.S.A.) • MBA, Oxford Brookes University (U.K.) • FCCA, Fellow of The Association of Chartered Certified Accountant (U.K.) • FCPA, Fellow of Certified Public Accountant of S'pore • FCPA, Fellow of Certified Practising Accountant (Australia) • IIA, The Institute of Internal Auditors (U.S.A.) • DAP, Director Accreditation Program. 		Present Present Present Present Present Present Present	Director Director Director Director Director Director Director	- Business Online Public Co., Ltd. - DataOne Asia (Thailand) Co., Ltd. - Advanced Research Group Co., Ltd. - Acerts Co., Ltd. - Anew Corporation Co., Ltd. - ABIKS Development Co., Ltd. - Asys Computer Co., Ltd. - ARIP Public Co., Ltd.

Management

Name and Position	Age	Qualifications	Shareholdings as at 6/7/2011	Working Experience for the last 5 Years		
				Year	Position	Company Name
3. Mr. Surachai Sitichaivijit Chief Operating Officer SVOA Public Co., Ltd.	53	<ul style="list-style-type: none"> Master of Science in Decision Science, Georgia State University (U.S.A.) Master of Business Information System, Georgia State University (U.S.A.) Bachelor of Business Administration, Georgia State University (U.S.A.) 				
4. Mr. Krit Kulsuppaisarn Chief Operating Officer SVOA Public Co., Ltd.	59	<ul style="list-style-type: none"> Mini MBA Program, Thammasat University 	3,503,330 shares (0.37%)	2006-2009 Present	Chief Operating Officer Director	- DataOne Asia (Thailand) Co., Ltd. - DataOne Asia (Thailand) Co., Ltd.
5. Mr. Adisorn Kaewbucha Chief Executive Officer DataOne Asia (Thailand) Co., Ltd.	56	<ul style="list-style-type: none"> Bachelor of Electrical Engineering, Chulalongkorn University 	1,825,000 shares (0.19%)	1992-2005	Chief Operating Officer	- SVOA Public Co., Ltd.
6. Mr. Ekachai Sirijirapatana Chief Executive Officer IT City Public Co., Ltd.	58	<ul style="list-style-type: none"> Master of MBIS, Georgia State University (U.S.A.) DAP, Director Accreditation Program, Thai Institute of Directors 				
7. Mr. Sompon Ekteerajit Chief Executive Officer Lease IT Co., Ltd.	51	<ul style="list-style-type: none"> Master of Science in Accounting, Thammasat University BA, Accounting (Costing), Chulalongkorn University Graduate Diploma in Auditing, Chulalongkorn University DCP, Director Certification Program, Thai Institute of Directors 	1,446,800 shares (0.15%)	1999-2003 2004-2006 Present Present	Financial Controller Chief Executive Officer Director Director	- SVOA Public Co., Ltd. - SVOA Public Co., Ltd. - SVOA Public Co., Ltd. - Asys Computer Co., Ltd.
8. Mr. Hu Tai San Chief Operating Officer SVOA Public Co., Ltd.	50	<ul style="list-style-type: none"> Master in Engineering, Asian Institute of Technology 		2005-2011 Present	Managing Director Director	- Asys Computer Co., Ltd. - Asys Computer Co., Ltd.

Selection of Board of Directors and Management

Criteria for the selection of nominees to be on the Board of Directors and for the management positions are as follows:

Board of Directors

According to the selection of the Board of Directors for non-vacant position, the Board of Directors will search for suitable candidates and propose to the shareholders at the Shareholders' Meeting for consideration. For the selection of the Board of Directors for a vacant position, the Board of Directors will look for potential candidates and appoint the most suitable person to take the position. Since the Company has not set up a Screening Committee to select directors, all members of the Board of Directors have the rights to propose suitable candidates.

Management

For the selection of the Executive Committee, the Boards of Directors has assigned the Chief Executive Officer to search for candidates and propose the appointment of suitable person to the Board of Directors for consideration.

Members of the Board of Directors, who were major shareholders, consist of 2 groups:

1. Those who were representatives of shareholders naming Apsilon Ventures Pte Ltd.
 - 1.1 Mr. Pang Hee Hon
 - 1.2 Mr. Henry Goh
 - 1.3 Mr. Wilson Teo Yong Peng
2. Those who were representatives of shareholders naming Mr. Min Intanate
 - 2.1 Mr. Thienchai Srivichit
 - 2.2 Mr. Vira Intanate
 - 2.3 Mr. Sompon Ekteerajit

Voting Rights of Major shareholders for the Appointment of Directors

By means of majority votes, the shareholders' meeting shall appoint the Board of Directors based on the following criteria and procedures:

1. Each shareholder shall have one vote per one share.
2. Each shareholder shall vote for one or more candidates for members of the Board of Directors. In case, there are more candidates to be selected, each shareholder must exercise total votes as No. (1) to each person but shall not divide his/her total voting rights amongst more than one candidate, or voting right should be voted for each candidate to be Director. The persons with the most votes will be appointed to the Board of Directors respectively based on the number of Directors required.

Remuneration of the Executives:

- Monetary Remuneration to Directors: has been specified clearly in the policy. It has been set at the same level as the industry group which was high enough to attract and retain qualified Directors. The Directors, who are assigned more duties and responsibilities, will also receive higher monetary remuneration suitable for increasing duties and responsibilities.
- Monetary Remuneration to Management: follows the principle and policy set by the Board of Directors along with the operating results of the Company and performance of each management. The Department of Human Resources with the approval of the Chief Executive Officer will specify and propose the appropriate monetary remuneration to the Company's Board of Directors for their consideration and final approval.
- Monetary Remuneration to the Directors and Management in 2011 is as follows:

Monetary Remuneration

Board of Directors

	Name	Position	Remuneration 2011	Remuneration 2010
1.	Mr. Thienchai Srivichit	Chairman of The Board	-	-
2.	Mr. Pang Hee Hon	Director	-	-
3.	Mr. Vira Intanate	Director	-	-
4.	Mr. Wilson Teo Yong Peng	Director	-	-
5.	Mr. Henry Goh	Director	-	-
6.	Mr. Sompon Ekteerajit	Director	-	-
7.	Mr. Manu Leoparote	Independent Director & Audit Committee Chairman	620,000.00	620,000.00
8.	Mr. Prapon Phasukyud	Independent Director & Audit Committee Member	500,000.00	505,000.00
9.	Mr. Tanavich Chindapradist	Independent Director & Audit Committee Member	500,000.00	500,000.00

Remark

No.1-6 would not receive the remuneration mentioned above since they are directors who were representatives of major shareholders.

Directors and Management of SVOA Public Co., Ltd. and Subsidiaries

	2011		2010	
	(SVOA Consolidated)		(SVOA Consolidated)	
	Total Persons	Total Amount (Baht)	Total Persons	Total Amount (Baht)
Salaries	7	23,826,144.00	7	23,336,196.00
Bonus	7	2,472,327.00	5	1,308,242.00
Others	7	838,742.00	7	773,828.00
Contributions to provident fund	7	986,383.00	6	870,901.00
Contributions to social security fund	7	63,000.00	7	63,000.00
Total		28,186,596.00		26,352,167.00

Business Control Policy

Policies regarding Code of the Best Practices of the Stock Exchange of Thailand

The Board of Directors has stipulated business control policy as it is crucial for the sustainable growth of the business. Also, the Board of Directors is committed to follow such policy by specifying and directing the business operation. It has also established appropriate internal control system and internal audit to ensure effective management comply strictly with the Company's regulations and other related law. Besides, the Board of Directors has regularly provided the financial reports and general information to shareholders and general investors to acknowledge the Company's financial status and operating results of the Company for long-term benefits of the shareholders as required by laws and business ethics.

Conflicts of Interest

Transactions which may cause conflicts of interest: The Board of Directors recognized transactions which cause conflicts of interest and other connected transactions and has always exercised through proper judgment which complies with the SET's regulations. The price and conditions are similar to the Arm's Length Basis transaction and the details of transaction value, related parties; reason/necessity in connected transactions has been disclosed.

Monitoring of Inside Information

1. The Management is required to report any change of shareholding to The Office of the Securities and Exchange Commission, Thailand according to Clause 59 of the Act of Securities and Stock Exchange 1992.
2. The Company forbids Directors, Management and employees to utilize the Company's inside information for their own benefits. Inside information is to be disclosed only to concerned persons such as Auditors, Legal Advisor, etc. The Company will disclose particular information to shareholders at a proper time.

Provisions for Punishment

In case of abuse of internal information, the Executive would consider the punishment to the person depending on the gravity of the offence. Normal actions would be consideration of performance at the end of the year, transfer of employee to prevent access to sensitive information and issuance of warning notice.

Human Resources

As of December 31, 2011, the Group including associated had 1,508 employees, a increase of 86 employees from the previous year, amounting to 6.04%. The Company attempted to control recruitment by following a restrictive management policy which adapted to a more efficient and flexible manpower structure due to the World Economic Crisis.

Total Manpower

	Employees
1. SVOA Public Company Limited	717
2. IT CITY Public Company Limited	558
3. DataOne Asia (Thailand) Company Limited	216
4. Lease IT Company Limited	17
TOTAL	1,508

Justification/Policy: In case of changes in manpower structure with major implications or disputes over the past 3 years.
-None

Total Remuneration of Staff as follows:

Description	2011 (Baht) (SVOA Consolidated)	2010 (Baht) (SVOA Consolidated)
Salaries	248,667,683.00	237,727,979.00
Bonus	13,280,338.00	10,054,326.00
Contributions to provident fund	8,689,909.00	8,264,706.00
Contributions to social security fund	7,319,799.00	7,157,713.00
Others	103,598,347.00	83,193,435.00
Total	381,556,076.00	346,398,159.00

Staff Development Policy

The Company realizes that its most valuable asset is manpower with high potential performance that put their efforts to help the Company to make business plan, overcome problems, creates new conceptual ideas among their efficient working team and network for competitive advantages. The Company focuses on constant development of the organization becoming "Knowledge Based Organization" which emphasizes on leadership together with unity of the staff including providing training to increase skill and expertise. This would further improve staff morale and spirit; driving staff to move forward. The Company seeks to constantly improve its human resources development policy to help both staff and Company to grow into the future; thereby, aims to provide the best to our Stakeholders.

Opinions of the Audit Committee

The Company's Audit Committee has considered information concerning the related transactions and opined that such related transactions were reasonable and were transactions which occurred as per market prices or fair prices and there were no differences from selling and purchasing from other third parties.

- **Disclosure of related transactions**

Detail of related transactions was shown in Note to the Financial Statement No. 9: Business Transactions and Related Businesses.

- **Necessities and reasonableness of related transactions**

Operations concerning the related transactions were necessary and reasonable for the maximum benefits of the Company and were as per normal business practices and the Company has paid compensation at the fair market price.

- **Procedures on approval of related transaction**

For procedures on approval of related transaction in the future, the Company shall comply with the laws on securities and securities exchange including regulations, announcements, orders or requirements of the Stock Exchange of Thailand. Any transactions which the director or other person may have conflict of interest with the Company has been stipulated in the connected transactions and acquisition and disposal of assets of the Company, except when it is an approval of transaction in the nature course of the business of the Company. In addition, the Company has specified approval authorization rights clearly.

- **Trends of related transactions in the future**

The Company expected that such related transactions shall continue to occur in the future because the related transactions of the Company and the person who may have conflict of interest shall be as per normal business practices of the Company. In addition, the Company has appointed the Audit Committee to audit and consider the disclosure of information of related transactions which may have conflict of interest so they shall be correctly and completely be in accordance to the law on securities and securities exchange including regulations, announcements, orders or requirements of the Stock Exchange of Thailand as well as compliance with the regulations related to disclosure of information on connected transactions and acquisition or disposal of assets and in accordance with the generally accepted accounting standards specified by the Federation of Accounting Professions.

- **Reasons that may cause any person who may have conflict of interest to hold shares in the subsidiaries, the associated company more than 5 percent**

None

- **Investor's protection measures**

The Company has clear regulations concerning the related transactions and acquisition and disposal of assets in the Company's Articles of Association which specified that any director or person who may gain benefits or have conflict of interest shall not have the voting right to approve such matters, except when it is an approval of transaction in the ordinary course of business of the Company. In addition, the Audit Committee would provide opinions on necessities and reasonableness of the transactions and consideration on disclosure of transaction in the Annual Report of the Company.

In case the Audit Committee does not have any expertise on consideration of the related transaction, the Company shall find the independent expert or the auditor of the Company to provide opinions concerning such related transactions, so that the Board of Directors or the shareholders may consider such matters.

• **Operations overview of the Company and its Subsidiaries**

For the Year 2011, net profit of consolidated financial statements was Baht 124.4 million, a decrease of Baht 1.8 million or 1.4 percent from the same period last year, while net profit of the separate financial statements was Baht 88.6 million, a decrease of Baht 6.1 million or 6.4 percent. The corporate income tax in this period was Baht 68.9 million, which was calculated at the tax rate of 30 percent of net profit after adding up expenses which the Revenue Department did not allow as expenses for tax calculation purpose and it also excluded share of profits / (loss) from investments using the equity method.

(Unit : Baht Million)	Consolidated Financial Statements						Separate Financial Statements					
	2011		2010		Increase (Decrease)		2011		2010		Increase (Decrease)	
Total revenue	9,192.7	100.0%	7,560.5	100.0%	1,632.2	21.6%	7,127.8	100.0%	4,293.2	100.0%	2,834.6	66.0%
Total expense	8,860.3	96.4%	7,301.3	96.5%	1,559.0	21.4%	6,906.3	96.9%	4,130.6	96.2%	2,775.7	67.2%
Interest expense	139.1	1.5%	96.5	1.3%	42.6	44.2%	86.8	1.2%	51.2	1.2%	35.6	69.5%
Income tax	68.9	0.7%	36.5	0.5%	32.4	88.8%	46.1	0.7%	16.8	0.4%	29.3	174.4%
Net Profit (Loss)	124.4	1.4%	126.2	1.7%	-1.8	-1.4%	88.6	1.2%	94.6	2.2%	-6.0	-6.3%

• **Analysis of revenue structure**

(Unit : Baht Million)	Consolidated Financial Statements						Separate Financial Statements					
	2011		2010		Increase (Decrease)		2011		2010		Increase (Decrease)	
Revenues from sales and services	8,880.0	96.6%	7,292.0	96.4%	1,588.0	21.8%	6,884.4	96.6%	4,131.0	96.2%	2,753.4	66.7%
Other income	242.4	2.6%	200.9	2.7%	41.5	20.7%	243.4	3.4%	162.2	3.8%	81.2	50.1%
Share of profits from investments in the Associated Company using the equity method	70.3	0.8%	67.6	0.9%	2.7	4.0%	-	-	-	-	-	-
Total Revenues	9,192.7	100.0%	7,560.5	100.0%	1,632.2	21.6%	7,127.8	100.0%	4,293.2	100.0%	2,834.6	66.0%

The consolidated financial statements showed total income of Baht 9,192.7 million, an increase of Baht 1,632.2 million or 21.6 percent from the same period of last year. Total income of separate financial statements was Baht 7,127.8 million, an increase of Baht 2,834.6 million or 66.0 percent from the same period last year due to:

- Revenues of goods and services of the consolidated statements increased by Baht 1,588.0 million or 21.8 percent due to sales growth from business units such as IT Distribution (ITD), IT Project (ITP), and Systems Integration (SI). Major sales growth was derived respectively from significant projects as follows; ATM installations for Government Savings Bank, Office of The Higher Education Commission and Office of The Basic Education Commission.
- Other income increased by Baht 41.5 million or 20.7 percent derived from selling support by suppliers when sales has achieved its target.
- Share of profits from investments in the Associated Company using the equity method increased by Baht 2.7 million or 4.0 percent from the same period last year. This increase was generated directly by IT City Public Company Limited, an Associated Company. The Company received share of profits in this period amounted to Baht 70.3 million as compared to the amount of Baht 67.6 million gained in the Year 2010.

• Analysis of expense structure

(Unit : Baht Million)	Consolidated Financial Statements						Separate Financial Statements					
	2011		2010		Increase (Decrease)		2011		2010		Increase (Decrease)	
Cost of sales and services	7,939.9	89.6%	6,515.8	89.2%	1,424.1	21.9%	6,252.0	90.5%	3,667.5	88.8%	2,584.5	70.5%
Selling expenses	715.4	8.1%	579.8	8.0%	135.6	23.4%	470.0	6.8%	341.8	8.3%	128.2	37.5%
Administrative expenses	205.0	2.3%	205.7	2.8%	-0.7	-0.3%	130.7	1.9%	121.3	2.9%	9.4	7.8%
Loss from devaluation of investment capital in subsidiaries	-	-	-	-	-	-	53.6	0.8%	-	-	53.6	100.0%
Total Expenses	8,860.3	100.0%	7,301.3	100.0%	1,559.0	21.4%	6,906.3	100.0%	4,130.6	100.0%	2,775.7	67.2%

Consolidated financial statements showed total expenses of Baht 8,860.3 million, an increase of Baht 1,559.0 million or 21.4 percent, and expenses of the separate financial statements increased by Baht 2,775.7 million or 67.2 percent from the same period last year due to:

- 1) Costs of sales and services of the consolidated financial statements indicated an increase of Baht 1,424.1 million or 21.9 percent, while the separate financial statements indicated an increase of Baht 2,584.5 million or 70.5 percent according to the increase in sales, which resulted from business synergy of ITDSBU with a Subsidiary.
- 2) Selling expenses of consolidated financial statements increased by Baht 135.6 million or 23.4 percent according to the increase in sales.
- 3) Administrative expenses of consolidated financial statements decreased by Baht 0.7 million or 0.3 percent, but there was an increasing in the separate financial statements of Baht 9.4 million or 7.8 percent resulting from business synergy of ITDSBU with a Subsidiary.
- 4) As a result of the business synergy of ITDSBU with a Subsidiary, the Subsidiary ceased its business operation and therefore, the separate financial statements has to recognize the loss from the devaluation of investment in the Subsidiary in accordance with the accounting standard.

• Analysis of profit structure

In 2011, profit before interest expense and corporate income tax of the consolidated financial statements was Baht 332.4 million, an increase of Baht 73.2 million or 28.2 percent when compared with previous year. The corporate income tax in this period was Baht 68.9 million and the separate financial statements was Baht 46.1 million. They were calculated at the tax rate of 30 percent of net profit after adding up expenses which the Revenue Department did not allow for tax calculation purpose and it also excluded share of profits / (loss) from investments using the equity method.

Financial Position

• Analysis of asset structure

(Unit : Baht Million)	Consolidated Financial Statements						Separate Financial Statements					
	31 Dec 2011		31 Dec 2010		Increase (Decrease)		31 Dec 2011		31 Dec 2010		Increase (Decrease)	
Total current assets	4,763.7	85.4%	3,628.1	81.2%	1,135.6	31.3%	3,214.8	84.7%	2,029.4	76.0%	1,185.4	58.4%
Deposits with guarantee	10.2	0.2%	10.1	0.2%	0.1	1.0%	-	-	-	-	-	-
Investments in Subsidiary Company	-	-	-	-	-	-	170.9	4.5%	224.5	8.4%	-53.6	-23.9%
Investment in Associated Company	385.0	6.9%	379.5	8.5%	5.5	1.5%	174.4	4.6%	174.4	6.5%	0.0	0.0%
Other long term investments	5.6	0.1%	5.4	0.1%	0.2	3.7%	5.6	0.1%	5.4	0.2%	0.2	3.7%
Fixed operating assets	192.4	3.5%	206.8	4.6%	-14.4	-7.0%	168.7	4.5%	163.2	6.1%	5.5	3.4%
Long-term financial lease receivables-net of current portion	155.0	2.8%	155.0	3.5%	0.0	0.0%	49.0	1.3%	42.2	1.6%	6.8	16.1%
Total other non-current assets	63.3	1.1%	84.7	1.9%	-21.4	-25.3%	12.1	0.3%	31.5	1.2%	-19.4	-61.6%
Total Assets	5,575.2	100.0%	4,469.6	100.0%	1,105.6	24.7%	3,795.5	100.0%	2,670.6	100.0%	1,124.9	42.1%

Total assets of consolidated financial statements were Baht 5,575.2 million, an increase of Baht 1,105.6 million or 24.7 percent and separate financial statements was Baht 3,795.5 million, an increase of Baht 1,124.9 million, or 42.1 percent when compared to the previous year, due to:

- 1) Current assets of the separate financial statements increased by Baht 1,185.4 million and the consolidated financial statements increased by Baht 1,135.6 million due to:
 - Account receivables of the separate financial statements and consolidated financial statements increased to Baht 581.1 million and Baht 605.4 million respectively. The average collection period in 2011 of the separate financial statements and consolidated financial statements were estimated at 72 and 84 days respectively. Insurance for risk protection for bad debt losses for receivables of IT Distribution Business Unit has been undertaken with an insurance company with a coverage of 90 percent.
 - The inventory of separate and consolidated financial statements increased by Baht 547.4 million and Baht 425.6 million respectively as some projects were large and under delivery process to customers. Inventory turnover ratio in the separate financial statements and consolidated financial statements were 60 and 67 days respectively.
- 2) Fixed operating assets of the consolidated financial statements decreased by Baht 14.4 million or 5.5 percent resulted from business synergy with Subsidiary and there were some assets transferred for operation purpose.

• **Analysis of liabilities structure**

(Unit : Baht Million)	Consolidated Financial Statements						Separate Financial Statements					
	31 Dec 2011		31 Dec 2010		Increase (Decrease)		31 Dec 2011		31 Dec 2010		Increase (Decrease)	
Current liabilities	3,877.2	97.9%	2,941.4	99.1%	935.8	31.8%	2,603.4	98.9%	1,601.8	100.0%	1,001.6	62.5%
Non-current liabilities	82.0	2.1%	27.4	0.9%	54.6	199.3%	29.6	1.1%	0.1	0.0%	29.5	29,500%
Total Liabilities	3,959.2	100.0%	2,968.8	100.0%	990.4	33.4%	2,633.0	100.0%	1,601.9	100.0%	1,031.1	64.4%

Liabilities of the consolidated financial statements were Baht 3,959.2 million, an increase of Baht 990.4 million or 33.4 percent. Total liabilities of the separate financial statements were Baht 2,633.0 million, an increase of Baht 1,031.1 million or 64.4 percent from the previous year. The results were from: -

1. Bank overdrafts and short-term loans of separate financial statements and consolidated financial statements increased by Baht 599.1 million and Baht 582.7 million respectively; as it was necessary for the Company to use Project Finance to support several large projects and to reduce the usage of working capital directly from the Company.
2. Trust receipt receivables of the separate and consolidated financial statements increased by Baht 15.3 million and Baht 66.1 million respectively from the previous period resulting from the business synergy of ITDSBU with a Subsidiary that sourced for IT components from overseas. Hence, the Company has to apply for more services on L/C, T/R from banks to support the portion of the IT components business.
3. Account payables and payables from related business of separate and consolidated financial statements increased by Baht 343.9 million and Baht 359.4 million respectively, due to higher sales and investment in tools and equipment installation of several huge projects prior to delivery. Average payment periods in the separate and consolidated financial statements were 36 and 39 days respectively.
4. The portion of net long-term loans from the bank which was due in one year of the consolidated financial statements decreased by Baht 4.1 million due to repayment of loans according to the due dates of the contract. The Company has been granted such long-term loans from the banks and financial institutions to be used in long-term projects rendered to customers of IT Project Strategic Business Unit and Systems Integration Strategic Business Unit. The Company has transferred the right of receiving money to the banks as collateral.
5. Benefits payable to employee of separate and consolidated financial statements increased by Baht 28.5 million and Baht 50.0 million respectively, this was set in accordance with the Accounting Standard Issue No. 19, effectively on 1st January 2011.

• **Analysis of shareholders' equity**

(Unit : Baht Million)	Consolidated Financial Statements						Separate Financial Statements					
	31 Dec 2011		31 Dec 2010		Increase (Decrease)		31 Dec 2011		31 Dec 2010		Increase (Decrease)	
Issued and paid-up share capital	947.0	58.6%	862.0	57.4%	85.0	9.9%	947.0	81.5%	862.0	80.6%	85.0	9.9%
Share premium	0.5	0.0%	0.5	0.0%	-	-	0.5	0.0%	0.5	0.1%	-	-
Share premium of Associated Company	96.5	6.0%	87.9	5.9%	8.6	9.8%	-	-	-	-	-	-
Retained earnings	572.0	35.4%	550.4	36.7%	21.6	3.9%	215.1	18.5%	206.2	19.3%	8.9	4.3%
Total Shareholders' Equity	1,616.0	100.0%	1,500.8	100.0%	115.2	7.7%	1,162.6	100.0%	1,068.7	100.0%	93.9	8.8%

Total shareholder's equity of consolidated financial statements amounted to Baht 1,616.0 million, an increase of Baht 115.2 million or 7.7 percent and separate financial statements increased by Baht 93.9 million from the previous year due to an increase of share premium of Associated Company for Baht 8.6 million or 9.8 percent and an increase of retained earnings of Baht 21.6 million or 3.9 percent resulted from the operating results for the Year 2011.

To the Shareholders of SVOA Public Company Limited

I have audited the accompanying consolidated statements of financial position of SVOA Public Company Limited and its subsidiaries as at 31 December 2011, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and have also audited the separate financial statements of SVOA Public Company Limited for the same year. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated financial statements of SVOA Public Company Limited and its subsidiary, and the separate financial statements of SVOA Public Company Limited as at and for the year ended 31 December 2010, as presented herein for comparative purposes, were audited by another auditor of our firm who expressed an unqualified opinion on those statements under her report date 23 February 2011.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SVOA Public Company Limited and its subsidiaries and of SVOA Public Company Limited as at 31 December 2011, and the results of their operations and cash flows for the year then ended, in accordance with generally accepted accounting principles.

Without qualifying my opinion on the aforementioned financial statements, I draw attention to Note 3 and Note 5 to the financial statements. During the current year, the Company and its subsidiaries adopted a number of revised and new accounting standards as issued by the Federation of Accounting Professions, and applied them in their preparation and presentation of the financial statements. For the first-time adoption of TAS 19 Employee Benefits, the Company and its subsidiaries elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in the current year.



Siriwan Suratepin

Certified Public Accountant (Thailand) No. 4604

Ernst & Young Office Limited

Bangkok: 23 February 2012

SVOA Public Company Limited and its subsidiaries
Statements of financial position
As at 31 December 2011 and 2010

(Unit: Bah)

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
Assets					
Current assets					
Cash and cash equivalents	8	191,748,291	102,271,815	113,966,606	53,884,943
Trade and other receivables	10	2,361,589,146	1,756,224,694	1,648,305,651	1,067,244,726
Factoring receivables	11	166,721,362	104,580,418	-	-
Current portion of financial lease receivables	12	242,468,613	310,635,715	72,560,473	109,580,692
Inventories	13	1,679,894,744	1,254,289,473	1,336,593,902	789,232,135
Other current assets	14	121,299,772	100,087,656	43,373,466	9,439,955
Total current assets		4,763,721,928	3,628,089,771	3,214,800,098	2,029,382,451
Non-current assets					
Restricted bank deposits	15	10,174,532	10,100,920	-	-
Investments in subsidiary companies	16	-	-	170,947,065	224,518,541
Investments in associated companies	17	385,006,504	379,521,863	174,393,886	174,393,886
Other long-term investments	18	5,633,464	5,428,925	5,633,464	5,428,925
Property, plant and equipment	19	192,367,237	206,753,670	168,658,252	163,196,689
Financial lease receivables - net of current portion	12	155,028,216	154,978,933	49,030,662	42,201,074
Other non-current assets					
Withholding tax deducted at source	20	53,337,424	73,100,789	7,614,372	27,559,969
Others		9,915,767	11,614,299	4,496,059	3,891,464
Total other non-current assets		63,253,191	84,715,088	12,110,431	31,451,433
Total non-current assets		811,463,144	841,499,399	580,773,760	641,190,548
Total assets		5,575,185,072	4,469,589,170	3,795,573,858	2,670,572,999

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

SVOA Public Company Limited and its subsidiaries
Statements of financial position (continued)
As at 31 December 2011 and 2010

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from banks	21	2,182,812,092	1,600,144,264	1,518,602,980	919,522,264
Trust receipts		170,339,687	155,004,727	73,179,550	7,052,725
Trade and other payables	22	1,024,858,017	680,937,025	798,195,796	438,789,708
Current portion of long-term loans from banks	23	10,209,000	33,234,535	-	11,520,000
Current portion of liabilities under					
financial lease agreements	24	6,396,289	1,569,205	853,439	231,931
Income tax payable		3,280,975	2,844,816	-	-
Other current liabilities	25	479,321,785	467,671,579	212,562,371	224,641,008
Total current liabilities		3,877,217,845	2,941,406,151	2,603,394,136	1,601,757,636
Non-current liabilities					
Long-term loans from banks - net					
of current portion	23	4,769,000	8,870,465	-	-
Liabilities under financial lease agreements					
- net of current portion	24	10,303,813	2,303,737	1,086,696	105,606
Guarantee received from factoring receivable		10,175,999	10,233,297	-	-
Provision for long-term employee benefits	26	50,024,832	-	28,470,257	-
Other non-current liabilities		6,675,309	5,999,374	-	-
Total non-current liabilities		81,948,953	27,406,873	29,556,953	105,606
Total liabilities		3,959,166,798	2,968,813,024	2,632,951,089	1,601,863,242

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

SVOA Public Company Limited and its subsidiaries
Statements of financial position (continued)
As at 31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered					
240,000,000 convertible preferred shares of Baht 1 each		240,000,000	240,000,000	240,000,000	240,000,000
750,000,000 ordinary shares of Baht 1 each (2010: 622,040,000 ordinary shares of Baht 1 each)		750,000,000	750,000,000	750,000,000	750,000,000
		990,000,000	990,000,000	990,000,000	990,000,000
Issued and fully paid up					
240,000,000 convertible preferred shares of Baht 1 each		240,000,000	240,000,000	240,000,000	240,000,000
707,000,000 ordinary shares of Baht 1 each (2010: 622,040,000 ordinary shares of Baht 1 each)		707,000,000	622,040,000	707,000,000	622,040,000
		947,000,000	862,040,000	947,000,000	862,040,000
Premium on ordinary shares		471,474	471,474	471,474	471,474
Retained earnings					
Appropriated - statutory reserve	27	35,175,023	30,747,323	35,175,023	30,747,323
Unappropriated		536,824,735	519,636,017	179,976,272	175,450,960
		571,999,758	550,383,340	215,151,295	206,198,283
Other components of shareholders' equity -					
Premium on ordinary shares of associated company		96,547,042	87,881,332	-	-
Total shareholders' equity		1,616,018,274	1,500,776,146	1,162,622,769	1,068,709,757
Total liabilities and shareholders' equity		5,575,185,072	4,469,589,170	3,795,573,858	2,670,572,999

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

SVOA Public Company Limited and its subsidiaries
Statements of comprehensive income
For the years ended 31 December 2011 and 2010

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2011	2010	2011	2010
Profit or loss:					
Revenues					
Sales and service income		8,880,034,311	7,291,974,280	6,884,361,811	4,130,953,745
Other income	33	242,407,927	200,947,395	243,434,797	162,239,284
Total revenues		<u>9,122,442,238</u>	<u>7,492,921,675</u>	<u>7,127,796,608</u>	<u>4,293,193,029</u>
Expenses	34				
Cost of sales and services		7,939,907,424	6,515,751,823	6,252,032,032	3,667,540,257
Selling expenses		715,419,826	579,840,932	469,964,689	341,769,801
Administrative expenses		205,028,339	205,696,157	130,743,476	121,277,426
Impairment loss on investment in a subsidiary company	16	-	-	53,571,475	-
Total expenses		<u>8,860,355,589</u>	<u>7,301,288,912</u>	<u>6,906,311,672</u>	<u>4,130,587,484</u>
Profit before share of income from investments in associated companies, finance cost and corporate income tax		<u>262,086,649</u>	<u>191,632,763</u>	<u>221,484,936</u>	<u>162,605,545</u>
Share of income from investments in associated companies	17.2	70,327,385	67,565,686	-	-
Profit before finance cost and corporate income tax		<u>332,414,034</u>	<u>259,198,449</u>	<u>221,484,936</u>	<u>162,605,545</u>
Finance cost		(139,140,248)	(96,517,242)	(86,793,961)	(51,155,041)
Profit before corporate income tax		<u>193,273,786</u>	<u>162,681,207</u>	<u>134,690,975</u>	<u>111,450,504</u>
Corporate income tax		(68,857,543)	(36,491,536)	(46,136,971)	(16,814,411)
Net profit for the year		<u>124,416,243</u>	<u>126,189,671</u>	<u>88,554,004</u>	<u>94,636,093</u>
Other comprehensive income:					
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		<u>124,416,243</u>	<u>126,189,671</u>	<u>88,554,004</u>	<u>94,636,093</u>
Profit attributable to:					
Equity holders of the Company		<u>124,416,243</u>	<u>126,189,671</u>	<u>88,554,004</u>	<u>94,636,093</u>
Total comprehensive income attributable to:					
Equity holders of the Company		<u>124,416,243</u>	<u>126,189,671</u>	<u>88,554,004</u>	<u>94,636,093</u>
Earnings per share	29				
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company		0.14	0.15	0.10	0.11
Weighted average number of shares (shares)		904,979,272	862,040,000	904,979,272	862,040,000
Diluted earnings per share (Baht)					
Profit attributable to equity holders of the Company		0.14	0.14	0.10	0.11
Weighted average number of shares (shares)		904,979,272	875,000,000	904,979,272	875,000,000

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

SVOA Public Company Limited and its subsidiaries
Statements of cash flows
For the years ended 31 December 2011 and 2010
(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash flows from operating activities				
Profit before tax	193,273,786	162,681,207	134,690,975	111,450,504
Adjustment to reconcile net income before tax to net cash provided by (paid from) operating activities:				
Share of profit from investments in associated companies	(70,327,385)	(67,565,686)	-	-
Depreciation	36,928,632	56,207,619	19,168,182	28,699,446
Withholding tax receivables written-off	1,296,183	198,908	1,296,183	-
Allowance for doubtful trade and other accounts receivable	83,748	19,041,892	1,228,192	9,473,040
Allowance for doubtful factoring receivables	(267,573)	1,762,951	-	-
Allowance for impairment loss on deposit	288,789	-	-	-
Allowance for doubtful financial lease receivables	(801,588)	643,721	-	494,306
Allowance for diminution in inventory value	8,727,603	13,584,312	17,653,071	13,139,773
Allowance for impairment on investment in a subsidiary company	-	-	53,571,476	-
Allowance for impairment loss on investments in other companies (reversal)	(204,539)	754,477	(204,539)	754,477
Amortisation of goodwill	-	1,852,290	-	-
Loss (gain) on disposal of fixed assets	1,831,974	(666,291)	(1,630,995)	(611,302)
Amortisation of deferred interest income under the financial lease agreements	(40,902,594)	(43,166,212)	(7,845,094)	(10,618,485)
Unrealised loss (gain) on exchange	1,292,945	(1,296,629)	585,847	(101,574)
Reversal of liabilities and provisions	(40,032,425)	(22,251,354)	(9,238,151)	(11,801,682)
Provision for warranty (Reversal)	3,372,478	(101,439)	3,372,478	(101,439)
Interest expenses	138,709,795	96,282,518	86,689,970	51,115,798
Amortisation of deferred interest expenses under the financial lease agreements	430,453	234,724	103,991	39,243
Dividend received from an associated company and a subsidiary company	-	-	(78,745,769)	(71,106,381)
Provision for long-term employee benefits	8,680,336	-	3,098,655	-
Profit from operating activities before change in operating assets and liabilities	242,380,618	218,197,008	223,794,472	120,825,724

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

SVOA Public Company Limited and its subsidiaries
Statements of cash flows (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash flows from operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(606,458,953)	(455,848,574)	(582,289,117)	(264,729,563)
Factoring receivables	(61,873,371)	(15,200,350)	-	-
Inventories	(434,332,874)	105,812,038	(565,014,838)	131,990,223
Financial lease receivables	109,822,002	92,545,356	38,035,725	70,302,377
Other current assets	(18,354,544)	(40,404,090)	(32,086,696)	(54,711,799)
Other non-current assets	540,566	16,013,117	(748,130)	74,481
Operating liabilities increase (decrease)				
Trade and other payables	342,628,046	(223,519,871)	358,820,241	(189,289,786)
Other current liabilities	43,417,583	(21,486,279)	(9,882,971)	(56,232,117)
Other non-current liabilities	618,637	5,966,047	-	-
Cash flows used in operating activities	(381,612,290)	(317,925,598)	(569,371,314)	(241,770,460)
Cash paid for interest expense	(133,381,069)	(94,986,925)	(83,019,963)	(49,772,400)
Cash paid for corporate income tax	(91,342,035)	(73,189,109)	(47,983,786)	(24,300,188)
Cash received from withholding tax refund	39,974,033	20,376,448	18,792,949	114,351
Cash paid for long-term employee benefits	(5,967,021)	-	(782,910)	-
Net cash flows used in operating activities	(572,328,382)	(465,725,184)	(682,365,024)	(315,728,697)
Cash flows from investing activities				
Decrease in restricted bank deposits (increase)	(73,612)	6,259,185	-	-
Dividend received from a subsidiary company	-	-	7,279,144	6,339,752
Dividend received from an associated company	71,466,626	64,766,629	71,466,625	64,766,629
Purchase of property, plant and equipment	(15,913,054)	(12,589,507)	(22,871,762)	(6,475,630)
Proceeds from sales of property, plant and equipment	6,402,467	2,485,288	2,261,984	1,577,360
Net cash flows from investing activities	61,882,427	60,921,595	58,135,991	66,208,111

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

SVOA Public Company Limited and its subsidiaries
Statements of cash flows (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from banks	582,667,828	688,277,049	599,080,716	389,638,396
Increase (decrease) in trust receipts	15,334,960	(227,380,877)	66,126,825	(66,067,649)
Cash received from long-term loan from banks	9,500,000	39,550,000	-	-
Repayment of long-term loan from banks	(36,627,000)	(53,552,865)	(11,520,000)	(15,660,000)
Repayment of liabilities under financial lease agreement	(2,466,877)	(4,563,198)	(890,365)	(982,499)
Cash received from increase in ordinary shares from warrants exercised	84,960,000	-	84,960,000	-
Dividend paid	(53,446,480)	(41,377,920)	(53,446,480)	(41,377,920)
Net cash flows from financing activities	599,922,431	400,952,189	684,310,696	265,550,328
Net increase (decrease) in cash and cash equivalents	89,476,476	(3,851,400)	60,081,663	16,029,742
Cash and cash equivalents at beginning of the year	102,271,815	106,123,215	53,884,943	37,855,201
Cash and cash equivalents at end of the year	191,748,291	102,271,815	113,966,606	53,884,943

Supplemental disclosures of cash flows information

Non-cash related item:

Assets acquired under financial lease agreements	14,863,584	4,554,518	2,388,972	-
Provision for long-term employee benefits	47,311,517	-	26,154,512	-

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

SVOA Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the years ended 31 December 2011 and 2010

(Unit: Baht)

Consolidated financial statements								
					Retained earnings		Other components of shareholders' equity	
	Note	Convertible preferred shares	Ordinary shares issued and fully paid up	Share premium	Appropriated-statutory reserve	Unappropriated	Premium on ordinary shares of associated company	Total shareholders' equity
Balance as at 31 December 2009		240,000,000	622,040,000	471,474	26,015,518	439,556,071	79,942,602	1,408,025,665
Total comprehensive income for the year		-	-	-	-	126,189,671	-	126,189,671
Transferred to retained earnings	27	-	-	-	4,731,805	(4,731,805)	-	-
Change in shareholding percentage in an associated company	17.1	-	-	-	-	-	7,938,730	7,938,730
Dividend paid	30	-	-	-	-	(41,377,920)	-	(41,377,920)
Balance as at 31 December 2010		240,000,000	622,040,000	471,474	30,747,323	519,636,017	87,881,332	1,500,776,146
Balance as at 31 December 2010		240,000,000	622,040,000	471,474	30,747,323	519,636,017	87,881,332	1,500,776,146
Cumulative effect of changes in accounting policies:								
Employee benefits		-	-	-	-	(49,353,345)	-	(49,353,345)
Increase in ordinary shares from warrants exercised		-	84,960,000	-	-	-	-	84,960,000
Total comprehensive income for the year		-	-	-	-	124,416,243	-	124,416,243
Transferred to retained earnings	27	-	-	-	4,427,700	(4,427,700)	-	-
Change in shareholding percentage in an associated company	17.1	-	-	-	-	-	8,665,710	8,665,710
Dividend paid	30	-	-	-		(53,446,480)	-	(53,446,480)
Balance as at 31 December 2011		240,000,000	707,000,000	471,474	35,175,023	536,824,735	96,547,042	1,616,018,274

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

SVOA Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the years ended 31 December 2011 and 2010

(Unit: Baht)

Separate financial statements						
Note	Convertible preferred shares	Ordinary shares issued and fully paid up	Share premium	Retained earnings		Total
				Appropriated- statutory reserve	Unappropriated	
Balance as at 31 December 2009	240,000,000	622,040,000	471,474	26,015,518	126,924,592	1,015,451,584
Total comprehensive income for the year	-	-	-	-	94,636,093	94,636,093
Transferred to retained earnings	27	-	-	4,731,805	4,731,805	-
Dividend paid	30	-	-	-	(41,377,920)	(41,377,920)
Balance as at 31 December 2010	<u>240,000,000</u>	<u>622,040,000</u>	<u>471,474</u>	<u>30,747,323</u>	<u>175,450,960</u>	<u>1,068,709,757</u>
Balance as at 31 December 2010	240,000,000	622,040,000	471,474	30,747,323	175,450,960	1,068,709,757
Cumulative effect of changes in accounting policies:						
Employee benefits	-	-	-	-	(26,154,512)	(26,154,512)
Increase in ordinary shares from warrants exercised	-	84,960,000	-	-	-	84,960,000
Total comprehensive income for the year	-	-	-	-	88,554,004	88,554,004
Transferred to retained earnings	27	-	-	4,427,700	(4,427,700)	-
Dividend paid	30	-	-	-	(53,446,480)	(53,446,480)
Balance as at 31 December 2011	<u>240,000,000</u>	<u>707,000,000</u>	<u>471,474</u>	<u>35,175,023</u>	<u>179,976,272</u>	<u>1,162,622,769</u>

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

SVOA Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the years ended 31 December 2011 and 2010

1. General information

SVOA Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholders is Kepple Communication Pte Ltd., which is incorporated in Singapore. The Company is principally engaged in sales of IT products, consulting and system integration and maintenance of computer system with a total of 16 branches located in Bangkok and other provinces. Its registered address is located at 900/29, SVOA Tower, Rama III Road, Bangpongpan, Yannawa, Bangkok 10120.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of SVOA Public Company (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Percentage of shareholding	
		2011	2010
		Percent	Percent
Asys Computer Co., Ltd.	Sale of computer, spare part and computer components	100	100
DataOne Asia (Thailand) Co., Ltd.	Internet data center, sales of computer, installment and maintenance of computer system	100	100
Lease IT Co., Ltd.	Provide finance service in forms of factoring, leasing and hire-purchase	100	100

All of the subsidiaries are incorporated in Thailand.

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

2.3 The separate financial statements, which present investments in subsidiaries and associated companies presented under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards during the year

During the current year, the Company adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, as listed below.

Accounting standards:	
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
Financial reporting standards:	
TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
Financial Reporting Standard Interpretations:	
TFRIC 15	Agreements for the Construction of Real Estate
Accounting Standard Interpretations:	
SIC 31	Revenue-Barter Transactions Involving Advertising Services

These accounting standards do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 19 Employee Benefits

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefits using actuarial techniques. The Company and its subsidiaries previously accounted for such employee benefits when they were incurred.

The Company and its subsidiaries have changed this accounting policy in the current year and recognise the liability in the transition period through an adjustment to the beginning balance of retained earnings in the current year. The changes has the effect of decreasing the beginning balance of retained earnings of the Company and its subsidiaries by Baht 47 million (Separate financial statements: Baht 26 million) and decreasing the profit for the year 2011 by Baht 6 million, or 0.007 Baht per share (Separate financial statements: decreasing the profit by Baht 3 million, or 0.003 Baht per share).

In addition, an associated company has changed this accounting policy in the current year and recognise the liability in the transition period through an adjustment to the beginning balance of retained earnings in the current year. The change has the effect of decreasing the beginning balance of investment in such associated company under equity method in consolidated financial statements and consolidated retained earnings by Baht 2 million. The cumulative effect of the changes in the accounting policy has been presented in Note 5 to the financial statements.

As at 31 December 2011, the Company and its subsidiaries recognised Baht 50 million of such long-term employee benefit liabilities (Separate financial statements: Baht 28 million).

4. New accounting standards issued during the years not yet effective

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:	
TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
Accounting Standard Interpretations:	
SIC 10	Government Assistance - No Specific Relation to Operating Activities
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standards.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognize deferred tax assets and liabilities under the stipulated guidelines.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

5. Cumulative effect of changes in accounting policies due to the adoption of new accounting standards

During the current year, the Company and its subsidiaries made the changes to its significant accounting policies described in Note 3 to the financial statements, as a result of the adoption of revised and new accounting standards. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statement of financial position as at 31 December 2010 are summarised below.

(Unit: Thousand Baht)

	31 December 2010	
	Consolidated financial statements	Separate financial statements
Statements of financial position		
Decrease in investment in associated company	2,042	-
Increase in provision for long-term employee benefits	47,312	26,155
Decrease in unappropriated retained earnings	49,354	26,155

6. Significant accounting policies

6.1 Revenue Recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances and goods returns.

Income from sales under financial lease agreements

Financial lease receivables have been recorded based on the contractual value. The difference between the contractual value and the value equivalent to the cash price of the products is recognised as unearned interest income. Interest income on finance lease is recognised over the term of the lease using the annuity method.

Installment sale

Installment sales is recognised on the transaction date. The sale price is the present value of the consideration, determined by discounting the installment receivable at the imputed rate of interest. The interest element is recognised as revenue as it is earned.

Revenues from factoring

Revenues from factoring are recognised on an accrual basis except for overdue receivables more than six months, which are recognised on a cash basis.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Selling support income

Selling support income is recognised as income on an accrual basis.

Software maintenance income

Software maintenance income is recognised proportionately over the term of maintenance contracts.

Interest income

Interest income is recognized as interest accrues based on the effective rate method.

Dividends

Dividends are recognised when the right to receive the dividends is established.

6.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with original maturity of three months or less and not subject to withdrawal restrictions.

6.3 Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

6.4 Inventories

Inventories are valued at the lower of cost (weighted average method) and net realisable value. The net realisable value of inventory is estimated from the estimated selling price in the ordinary course of business, less the estimated costs to complete the sale.

Allowance for diminution in value of inventories and inventory obsolescence is set up for damaged, obsolete and slow-moving inventories.

6.5 Investments

- a) Investments in subsidiary and associated companies are accounted for in the separate financial statements using the cost method.
- b) Investments in associated companies are accounted for in the consolidated financial statements using the equity method.
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).

6.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives as follows:

Buildings	-	20	years
Building improvements	-	20	years
Machinery and tools	-	5	years
Furniture and office equipment	-	3, 5	years
Motor vehicles	-	5	years
Assets for lease and service	-	1, 3 and 5	years

No depreciation is provided on land and assets under installation.

Depreciation is included in determining income.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the profit or loss when the asset is derecognised.

6.7 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of the cost of the business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

6.8 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, and key management personnel, and directors and officers with authority in the planning and direction of the Company's operations.

6.9 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

6.10 Long-term lease agreements

Leases of plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The plant or equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Lease of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments made are recognised as expenses in profit or loss on a straight line basis over lease term.

6.11 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

6.12 Employee benefits

Short-term employee benefits

Salaries,wages,bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

For the first-time adoption of TAS 19 Employee Benefits, the Company and its subsidiaries elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in the current year.

6.13 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

6.14 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on the taxable profits determined in accordance with tax legislation.

6.15 Derivatives

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are included in determining income. Premiums or discounts on forward exchange contracts are amortized on a straight-line basis over the contract periods.

7. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

7.1 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

7.2 Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

7.3 Allowance for diminution in value of inventory

The determination of allowances for diminution in the value of inventory, requires management to make judgments and estimates. The allowance for decline in net realisable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, that is estimated based on the approximate useful life of each type of inventory.

7.4 Impairment of investments

The Company treats other investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment.

7.5 Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company’s plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

7.6 Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

7.7 Allowance for diminution in value of withholding tax deducted at sources

The Company and its subsidiaries regard withholding tax deducted at sources as an asset since they have the right to claim a refund of it. The net realisable value of tax depends on the exercise of the right to claim it, and the results of any tax audit by the Revenue officials. However, the management has used judgement to assess the outcome of the refund claim and estimate allowance for diminution in value of withholding tax deducted at sources as at the balance sheet date.

7.8 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Cash	10	80	-	-
Bank deposits	191,738	102,192	113,967	53,885
Total	191,748	102,272	113,967	53,885

As at 31 December 2011, bank deposits in saving accounts, and fixed deposits carried interests between 0.2 and 1.87 percent per annum (2010: between 0.25 and 0.75 percent per annum).

9. Related party transactions

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

1. The profit margin on cost for the sale transactions between the Company and its subsidiaries and between the Company and its associate is approximately 1.25 to 4 percent and 5 to 12 percent, respectively. Services transactions between the Company and its subsidiary has the profit margin on cost approximately 18 percent. However, the pricing policy is subject to change depending on the type of business and market competition at the time being.
2. The management fees and rental are charged at the agreed prices.
3. Other service incomes and expenses are charged at a determined price.
4. Guarantee fee income has been charged to its subsidiaries at the rate of 1.5 percent per annum of the guarantee by the Company to the credit facilities that its subsidiaries received from banks.
5. Fixed assets are sold and purchase at their net book value plus a margin at the rate of 1.5 percent.
6. Dividend income is recognised when declared.

During the years, significant transactions between the Company and related parties, are summarised below.

(Unit: Million Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<u>Transactions with subsidiary companies</u>				
(Eliminated from consolidated financial statements)				
Sales and services	-	-	53.7	29.1
Cost of sales and services	-	-	46.8	18.4
Purchases of goods and services	-	-	433.6	366.7
Interest Income	-	-	-	0.3
Guarantee fee income	-	-	23.8	33.6
Other service income	-	-	1.1	3.1
Management fee expense	-	-	9.9	16.9
Other service charge	-	-	1.9	1.8
Rental expense	-	-	5.1	3.0
Purchase of fixed assets	-	-	4.1	-
Interest expenses	-	-	0.1	-
Dividend income	-	-	7.3	6.3
<u>Transactions with an associated company</u>				
Sales and services	279.0	365.6	262.3	179.5
Cost of sales and services	258.1	357.4	241.4	165.3
Purchases of goods	48.3	21.8	47.6	19.9
Dividend income	71.5	64.8	71.5	64.8
Rental expense	1.2	1.2	1.2	1.2
<u>Transactions with related companies</u>				
Sales and services	32.7	28.4	23.3	26.9
Cost of sales and services	28.5	23.5	20.9	22.6
Purchases of goods and services	22.6	24.6	18.3	9.4
Service expense	1.4	1.3	1.4	1.3

The balance of the account as at 31 December 2011 and 2010 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade and other receivables - related parties (note 10)				
Subsidiaries	-	-	6,450	12,467
Associated companies	18,040	43,794	17,998	3,773
Related companies (related by common shareholder and/ or common directors)	11,436	12,706	10,018	11,537
Total trade and other receivables - related parties	29,476	56,500	34,466	27,777

Trade and other payables - related parties (note 22)

Subsidiaries	-	-	52,990	85,079
Associated companies	3,710	1,736	3,683	1,644
Related companies (related by common shareholder and/ or common directors)	3,654	11,423	2,247	2,225
Total trade and other payables - related parties	7,364	13,159	58,920	88,948

Directors and management's benefits

During the year ended 31 December 2011 and 2010, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Short-term employee benefits	29,806	27,977	20,428	15,997
Post-employment benefits	900	-	443	-
Total	30,706	27,977	20,871	15,997

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 35.3 to the financial statements.

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	24,532	31,047	27,047	10,689
Past due				
Up to 3 months	3,461	23,902	3,566	11,208
3 - 6 months	4	101	4	-
6 - 12 months	766	-	-	-
Over 12 months	148	-	-	-
Total trade receivables - related parties	28,911	55,050	30,617	21,897
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,197,912	936,866	944,053	552,527
Past due				
Up to 3 months	331,975	374,600	271,595	287,451
3 - 6 months	47,008	30,193	43,022	22,564
6 - 12 months	103,099	44,903	91,237	37,080
Over 12 months	45,947	25,772	29,038	11,407
Total	1,725,941	1,412,334	1,378,945	911,029
Less: Allowance for doubtful debts	(36,976)	(35,882)	(19,739)	(18,509)
Total trade receivables - unrelated parties, net	1,688,965	1,376,452	1,359,206	892,520
Total trade receivable - net	1,717,876	1,431,502	1,389,823	914,417
<u>Other receivables</u>				
Other receivables and accrued income - related party	565	1,450	3,849	5,880
Accrued income	643,148	323,273	254,634	146,948
Other receivables	643,713	324,723	258,483	152,828
Trade and other receivables - net	2,361,589	1,756,225	1,648,306	1,067,245

As at 31 December 2011, allowance for doubtful debt had not been set aside in full amount for the outstanding balances of the Company and its subsidiaries' accounts receivable that were aged more than 12 months past due, and 6-12 months past due totaling Baht 16 million and Baht 103 million, respectively (2010: Baht 14 million and Baht 32 million, respectively) and separate financial statements totaling Baht 16 million and Baht 91 million, respectively (2010: Baht 10 million and Baht 26 million, respectively) because the Company and its subsidiaries have taken out an insurance policy to insure collections from debtors. In addition, such accounts receivable are government units, banks, and modern trade entities who have no uncollectable experience and the process of payment approval for such receivables normally take a long time. The management of the Company and its subsidiaries believe that the allowance for doubtful debts is adequate.

The Company and its subsidiaries have transferred its collection rights of trade accounts receivable to banks as collateral for their credit facilities. As at 31 December 2011, the balance of the above accounts receivable included the receivable that were placed as collateral for such credit facilities totaling approximately Baht 556 million (2010: Baht 443 million) and separate financial statements: Baht 542 million (2010: Baht 443 million).

11. Factoring receivables

A subsidiary company has the factoring receivables, giving the credit with a rate of approximately 70 to 100 percent of invoice amount. As at 31 December 2011 and 2010, the factoring receivables classified by the age, based on due date, as follows:

(Unit: Thousand Baht)		
Consolidated financial statements		
	2011	2010
Aged on the basis of due dates		
Not yet due	153,140	103,812
Past due		
Up to 3 months	11,047	788
3 - 6 months	2,723	-
Over 12 months	2,958	3,395
Total	169,868	107,995
Less: Allowance for doubtful debts	(3,147)	(3,415)
Factoring receivables - net	166,721	104,580

12. Financial lease receivables

Financial lease receivables as at 31 December 2011 and 2010 consisted of the following:

(Unit: Thousand Baht)				
Consolidated financial statements		Separate financial statements		
	2011	2010	2011	2010
Financial lease receivables (contractual value)	1,042,090	1,219,351	382,928	545,122
Less: Receipts	(604,555)	(711,604)	(250,942)	(382,503)
Financial lease receivables	437,535	507,747	131,986	162,619
Less: Unearned interest income	(39,198)	(40,490)	(9,555)	(9,997)
Financial lease receivables, net of unearned interest income	398,337	467,257	122,431	152,622
Less: Allowance for doubtful accounts	(840)	(1,642)	(840)	(840)
Financial lease receivables - net	397,497	465,615	121,591	151,782
Less: Portion due within one year	(242,469)	(310,636)	(72,560)	(109,581)
Financial lease receivables - net of current portion	155,028	154,979	49,031	42,201

Current portion of financial lease receivables consists of the following:

(Unit: Thousand Baht)				
Consolidated financial statements		Separate financial statements		
	2011	2010	2011	2010
Current portion of financial lease receivables (contractual value)	268,853	338,646	78,740	115,996
Less: Unearned interest income	(26,384)	(28,010)	(6,180)	(6,415)
Current portion of financial lease receivables	242,469	310,636	72,560	109,581

The Company and its subsidiary companies have transferred their collection rights under the financial lease agreements to banks as collateral for the loans. As at 31 December 2011, the balance of the financial lease receivables that were placed as collateral for such loans totaling Baht 37 million (2010: Baht 40 million and separate financial statements: Baht 34 million).

The outstanding balances of financial lease receivables as at 31 December 2011 and 2010 are aged, based on due date, as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Aged on the basis of due dates				
Not yet due	397,655	432,689	104,479	118,170
Past due				
Up to 3 months	27,990	33,312	15,796	17,217
3 - 6 months	8,183	7,939	8,012	7,059
6 - 12 months	2,789	16,598	2,784	12,014
Over 12 months	918	17,209	915	8,159
Total financial lease receivables	437,535	507,747	131,986	162,619

As at 31 December 2011, future minimum lease receivables expected to be received under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease receivables	268,853	168,682	437,535
Less: Deferred interest income	(26,384)	(12,814)	(39,198)
Allowance for doubtful accounts	-	(840)	(840)
Present value of future minimum lease receivables	242,469	155,028	397,497

(Unit: Thousand Baht)

	Separate financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease receivables	78,740	53,246	131,986
Less: Deferred interest income	(6,180)	(3,375)	(9,555)
Allowance for doubtful accounts	-	(840)	(840)
Present value of future minimum lease receivables	72,560	49,031	121,591

13. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2011	2010	2011	2010	2011	2010
Finished goods	1,144,552	662,418	(41,787)	(33,060)	1,102,765	629,358
Work in process	553,128	498,009	-	-	553,128	498,009
Goods in transit	24,002	126,922	-	-	24,002	126,922
Total	1,721,682	1,287,349	(41,787)	(33,060)	1,679,895	1,254,289

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2011	2010	2011	2010	2011	2010
Finished goods	1,053,450	317,338	(38,806)	(21,154)	1,014,644	296,184
Work in process	302,077	388,268	-	-	302,077	388,268
Goods in transit	19,873	104,780	-	-	19,873	104,780
Total	<u>1,375,400</u>	<u>810,386</u>	<u>(38,806)</u>	<u>(21,154)</u>	<u>1,336,594</u>	<u>789,232</u>

14. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Input tax refundable	69,386	55,273	24,665	-
Prepaid expenses	20,887	19,760	2,775	1,054
Input vat suspense	9,225	13,228	2,431	3,207
Advance for purchase of inventories	5,674	5,978	1,505	757
Others	16,128	5,849	11,997	4,422
Total other current assets	<u>121,300</u>	<u>100,088</u>	<u>43,373</u>	<u>9,440</u>

15. Restricted bank deposits

As at 31 December 2011, a subsidiary company has the deposits at banks subject to withdrawal of restrictions totaling Baht 10 million (2010: Baht 10 million). The subsidiary company received cash deposit from its factoring debtor in order to guarantee the credit that given to its debtor.

16. Investments in subsidiary companies

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Subsidiary companies	Paid up capital		Shareholding percentage		Investment value under cost method		Dividend received during the year	
	2011	2010	2011	2010	2011	2010	2011	2010
	Million Baht	Million Baht	%	%				
Asys Computer Co., Ltd.	109	109	100	100	101,980	101,980	-	-
DataOne Asia (Thailand) Co., Ltd.	300	300	100	100	22,539	22,539	-	-
Lease IT Co., Ltd.	100	100	100	100	100,000	100,000	7,279	6,340
Total investments in subsidiary companies					224,519	224,519	<u>7,279</u>	<u>6,340</u>
Less: Allowance for impairment of investment - Asys Computer Co., Ltd.					(53,572)	-		
Investments in subsidiary companies - net					<u>170,947</u>	<u>224,519</u>		

During the year 2011, the Company had set allowance for impairment loss of investment in Asys Computer Co., Ltd. of Baht 54 million, which was separately shown in the separate statement of comprehensive income for the year ended 31 December 2011.

On 25 March 2011, the Annual General Meeting of Shareholders of Lease IT Co., Ltd. approved the dividend payment of 60 percent of income for the year of 2010 totaling Baht 7 million. The Company received such dividend in May 2011.

On 26 March 2010, the Annual General Meeting of Shareholders of Lease IT Co., Ltd. approved the dividend payment of 60 percent of income for the year of 2009 totaling Baht 6 million. The Company received such dividend in May 2010.

17. Investments in associated companies

17.1 Details of associates

(Unit: Thousand Baht)

Associated companies	Nature of business	Shareholding percentage		Consolidated financial statements		Separate financial statements	
		Investment value under equity method		Investment value under cost method			
		2011	2010	2011	2010	2011	2010
		%	%				
IT City Public Co., Ltd.	The distribution of computer and related accessories	31.96	32.68	354,610	349,316	144,394	144,394
ABIKS Development Co., Ltd.	Rental of office building	20.00	20.00	30,396	30,206	30,000	30,000
Total investments in associated companies				385,006	379,522	174,394	174,394

During the year 2011, IT City Public Co., Ltd. increase its paid-up share capital from Baht 341,684,959 (341,684,959 ordinary shares of Baht 1 each) to Baht 349,398,859 (349,398,859 ordinary shares of Baht 1 each) since there were 7,713,900 ordinary shares increase due to warrant exercised at a price of Baht 6.44 per share. The Company's shareholding percentage has therefore decreased from 32.68% to 31.96%. Therefore the Company records the change in shareholding percentage of investment in an associate company by increased of Baht 8.7 million in shareholder's equity-premium on ordinary shares of associate company in the consolidated financial statement for the year ended 31 December 2011.

17.2 Share of income and dividend received

During the years, the Company recognised its share of income from investments in associated companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of income from investments in associates during the year		Dividend received during the year	
	2011	2010	2011	2010
IT City Public Co., Ltd.	70,137	67,436	71,467	64,767
ABIKS Development Co., Ltd.	190	130	-	-
Total	70,327	67,566	71,467	64,767

Detail of dividend received from IT City Public Company Limited during the year ended 31 December 2011 are set out below:

	Approved by	Dividend received (Million Baht)	Dividend per share (Baht)	Receipt month
Dividends on the unappropriated retained earnings for the year 2010	Annual General Meeting of the shareholders of IT City Public Company Limited on 29 March 2011	17.87	0.16	April 2011
Interim dividends in respect of the income for the period from 1 January 2011 to 31 March 2011	Board of Director's meeting of IT City Public Company Limited on 10 May 2011	15.63	0.14	June 2011
Interim dividends in respect of the income for the period from 1 April 2011 to 30 June 2011	Board of Director's meeting of IT City Public Company Limited on 8 August 2011	17.87	0.16	August 2011
Interim dividends in respect of the income for the period from 1 July 2011 to 30 September 2011	Board of Director's meeting of IT City Public Company Limited on 8 November 2011	20.10	0.18	December 2011
		<u>71.47</u>		

Details of dividend received from IT City Public Company Limited during the year ended 31 December 2010 are set out below:

	Approved by	Dividend received (Million Baht)	Dividend per share (Baht)	Receipt month
Dividend in respect of 2009 earnings	Annual General Meeting of shareholders of IT City Public Company Limited on 31 March 2010	15.6	0.14	April 2010
Dividend in respect of income for the period as from 1 January 2010 to 31 March 2010	Board of Director's meeting of IT City Public Company Limited on 10 May 2010	13.4	0.12	June 2010
Dividend in respect of income for the period as from 1 April 2010 to 30 June 2010	Board of Director's meeting of IT City Public Company Limited on 10 August 2010	15.6	0.14	September 2010
Dividend in respect of income for the period as from 1 July 2010 to 30 September 2010	Board of Director's meeting of IT City Public Company Limited on 10 November 2010	20.1	0.18	December 2010
		<u>64.7</u>		

17.3 Fair value of investment in listed associate

As at 31 December 2011, the fair value of the investment in IT City Public Company Limited, calculated based on latest bid price of the shares on the last trading day of the period as quoted on the Stock Exchange of Thailand and in proportion to the Company's shareholding, was approximately Baht 1,172 million (2010: Baht 944 million).

17.4 Summarised financial information of associated companies

Financial information of the associated companies are summarised belows.

(Unit: Million Baht)

Company's name	Paid-up capital		Total assets		Total liabilities		Total revenues		Net income for	
	as at		as at		as at		for the year ended		the year ended	
	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
IT City Public Co., Ltd.	349	342	1,641	1,591	617	583	6,554	6,225	194	203
ABIKS Development Co., Ltd.	150	150	152	151	0.3	0.2	1.9	1.5	0.9	0.6

18. Other long-term investments

As at 31 December 2011 and 2010, the Company has long-term investments in equity securities of the following companies:

(Unit: Thousand Baht)

	Paid up share capital Million Baht	Interest		Investments at cost	
		2011	2010	2011	2010
		%	%		
Siam Telemarketing Co., Ltd	50	2.00	2.00	1,000	1,000
International Trade Information Co.,Ltd.	60	1.67	1.67	1,000	1,000
Thai Smart Card Co., Ltd.	800	0.74	0.74	11,850	11,850
Total				13,850	13,850
Less: Allowance for impairment on investments				(8,217)	(8,421)
Other long-term investments - net				5,633	5,429

The Company has set up allowance for impairment on investments in full amount of investments in Siam Telemarketing Co., Ltd. and International Trade Information Co., Ltd. based on the latest audited financial statements.

19. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements								
	Land	Building and building improvement	Office equipment	Furniture and fixture	Machinery and tools	Motor vehicles	Assets for lease and service	Total
Cost								
31 December 2010	89,025	131,920	437,848	81,328	4,837	41,446	151,463	937,867
Additions	-	1,991	16,585	3,353	1,189	3,237	4,421	30,776
Disposals and written off	-	(1,675)	(9,687)	(2,063)	(1,861)	(17,752)	(55,693)	(88,731)
Transfer in (Transfer out)	-	85	-	(85)	-	-	-	-
31 December 2011	89,025	132,321	444,746	82,533	4,165	26,931	100,191	879,912
Accumulated depreciation:								
31 December 2010	-	81,716	246,345	75,675	2,903	31,873	137,606	576,118
Depreciation for the year	-	6,625	14,314	1,189	481	3,776	10,544	36,929
Transfer in (Transfer out)	-	(3,008)	(5,391)	(1,291)	(679)	(14,438)	(55,690)	(80,497)
31 December 2011	-	85,333	255,268	75,573	2,705	21,211	92,460	532,550
Allowance for impairment loss:								
31 December 2010	-	607	154,388	-	-	-	-	154,995
31 December 2011	-	607	154,388	-	-	-	-	154,995
Net book value:								
31 December 2010	89,025	49,597	37,115	5,653	1,934	9,573	13,857	206,754
31 December 2011	89,025	46,381	35,090	6,960	1,460	5,720	7,731	192,367
Depreciation for the year								
2010 (Baht 18 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								56,208
2011 (Baht 2 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								36,929

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Building and building improvement	Office equipment	Furniture and fixture	Machinery and tools	Motor vehicles	Assets for lease and service	Total
Cost								
31 December 2009	89,025	131,262	383,686	81,028	4,313	38,936	221,129	949,379
Additions	-	807	7,595	2,400	1,141	4,760	441	17,144
Disposals and written off	-	(149)	(11,098)	(2,100)	(617)	(2,250)	(12,442)	(28,656)
Transfer in (Transfer out)	-	-	57,665	-	-	-	(57,665)	-
31 December 2010	89,025	131,920	437,848	81,328	4,837	41,446	151,463	937,867
Accumulated depreciation:								
31 December 2009	-	74,494	186,772	75,460	2,938	29,472	177,612	546,748
Depreciation for the year	-	7,371	23,876	2,221	582	3,892	18,266	56,208
Disposals and written off	-	(149)	(10,133)	(2,006)	(617)	(1,491)	(12,442)	(26,838)
Transfer in (Transfer out)	-	-	45,830	-	-	-	(45,830)	-
31 December 2010	-	81,716	246,345	75,675	2,903	31,873	137,606	576,118
Allowance for impairment loss:								
31 December 2009	-	607	154,388	-	-	-	-	154,995
31 December 2010	-	607	154,388	-	-	-	-	154,995
Net book value:								
31 December 2009	89,025	56,161	42,526	5,568	1,375	9,464	43,517	247,636
31 December 2010	89,025	49,597	37,115	5,653	1,934	9,573	13,857	206,754
Depreciation for the year								
2009 (Baht 28 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								68,691
2010 (Baht 18 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								56,208

(Unit: Thousand Baht)

Separate financial statements

	Land	Building and building improvement	Office equipment	Furniture and fixture	Machinery and tools	Motor vehicles	Assets for lease and service	Total
Cost								
31 December 2010	89,025	127,904	188,814	75,723	2,976	28,368	92,804	605,614
Additions	-	1,991	13,992	3,353	1,189	2,734	2,001	25,260
Disposals and written off	-	-	(404)	-	-	(14,929)	(55,693)	(71,026)
Transfer in (Transfer out)	-	85	-	(85)	-	-	-	-
31 December 2011	89,025	129,980	202,402	78,991	4,165	16,173	39,112	559,848
Accumulated depreciation:								
31 December 2010	-	79,032	171,237	73,285	2,530	26,223	90,110	442,417
Depreciation for the year	-	6,495	7,739	919	176	1,702	2,137	19,168
Disposals and written off	-	-	(267)	-	-	(14,438)	(55,690)	(70,395)
31 December 2011	-	85,527	178,709	74,204	2,706	13,487	36,557	391,190
Net book value:								
31 December 2010	89,025	48,872	17,577	2,438	446	2,145	2,694	163,197
31 December 2011	89,025	44,453	23,693	4,787	1,459	2,686	2,555	168,658
Depreciation for the year								
2010 (Baht 4 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								28,699
2011 (Baht 2 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								19,168

(Unit: Thousand Baht)

Separate financial statements

	Land	Building and building improvement	Office equipment	Furniture and fixture	Machinery and tools	Motor vehicles	Assets for lease and service	Total
Cost								
31 December 2009	89,025	127,234	131,022	74,512	2,696	28,368	162,648	615,505
Additions	-	670	3,774	1,489	280	-	263	6,476
Disposals and written off	-	-	(3,647)	(278)	-	-	(12,442)	(16,367)
Transfer in (Transfer out)	-	-	57,665	-	-	-	(57,665)	-
31 December 2010	89,025	127,904	188,814	75,723	2,976	28,368	92,804	605,614
Accumulated depreciation:								
31 December 2009	-	72,591	114,034	72,074	2,166	24,077	144,177	429,119
Depreciation for the year	-	6,441	14,147	1,397	364	2,146	4,204	28,699
Disposals and written off	-	-	(2,774)	(186)	-	-	(12,441)	(15,401)
Transfer in (Transfer out)	-	-	45,830	-	-	-	(45,830)	-
31 December 2010	-	79,032	171,237	73,285	2,530	26,223	90,110	442,417
Net book value:								
31 December 2009	89,025	54,643	16,988	2,438	530	4,291	18,471	186,386
31 December 2010	89,025	48,872	17,577	2,438	446	2,145	2,694	163,197
Depreciation for the year								
2009 (Baht 13 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								40,452
2010 (Baht 4 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								28,699

As at 31 December 2011, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 380 million. (2010: Baht 376 million) and separate financial statements: Baht 190 million (2010: Baht 188 million).

As at 31 December 2011, the Company and its subsidiaries have net book value of motor vehicles derived from liabilities under financial lease agreement approximately Baht 7 million (2010: Baht 7 million) and separate financial statements: Baht 3 million (2010: Baht 1 million)

20. Withholding tax deducted at sources

The balance of withholding tax deducted at sources as at 31 December 2011 and 2010, aged on years, are summarised below.

(Unit: Thousand Baht)				
Year	Consolidated		Separate	
	financial statements		financial statements	
	2011	2010	2011	2010
2000	20,169	20,169	20,169	20,169
2008	27	5,681	-	5,645
2009	-	35,621	-	14,429
2010	32,575	31,799	7,486	7,486
2011	20,735	-	128	-
Total	73,506	93,270	27,783	47,729
Less: Allowance for diminution in value	(20,169)	(20,169)	(20,169)	(20,169)
Withholding tax deducted at saucers - net	53,337	73,101	7,614	27,560

The Company and its subsidiaries regard withholding tax deducted at sources as an asset since they have the right to claim for refund of it. However, the net realisable value of withholding tax depends on the exercise right to claim it, and the results of any tax audit by the Revenue officials.

During the year 2011, the Company and its subsidiaries received the refund of the withholding tax of 2008 - 2009 totaling approximately Baht 40 million (separate financial statements: Baht 19 million). However, the management has used judgement to assess the outcome of the refund claims and believes that allowance for diminution in value of withholding tax deducted at sources as recorded as at the end of reporting period is adequate.

21. Bank overdrafts and short-term loans from banks

				(Unit: Thousand Baht)	
	Interest rate (Percent per annum)	Consolidated		Separate	
		financial statements		financial statements	
		2011	2010	2011	2010
Bank overdrafts	MOR, MOR-0.5, MOR-2.5	54,266	51,060	414	-
Short-term loans from banks	MOR-0.75, MLR-0.5, MLR-0.25, MMR, MLR-1, MOR+2.5	2,128,546	1,549,084	1,518,189	919,522
Total		2,182,812	1,600,144	1,518,603	919,522

Short-term loans from banks of the Company and its subsidiaries are secured by the transfer of collection rights under sales contracts and financial lease agreements to the banks, with the outstanding balance of the receivables placed as collateral of Baht 593 million as at 31 December 2011 (2010: Baht 449 million) and separate financial statements: Baht 542 million (2010: Baht 443 million).

Credit facilities of subsidiary companies obtained from banks are guaranteed by the Company.

In addition, short-term loan agreements with banks contain certain covenants as specified in the agreements that, among other things, require the Company and its subsidiaries to comply.

22. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Trade payables - related parties	6,305	11,593	25,599	16,376
Trade payables - unrelated parties	997,930	647,641	720,928	332,163
Other payables - related parties	1,059	1,566	33,321	72,572
Other payables - unrelated parties	19,564	20,137	18,348	17,679
Total trade and other payables	1,024,858	680,937	798,196	438,790

23. Long-term loans from banks/Current portion of long-term loans from banks

As at 31 December 2011 and 2010, long-term loans from local banks consist of:

			Outstanding long-term loan amount (Unit: Thousand Baht)						Significant conditions of the loan agreements			
No.	Agreement date	Credit facility	Current portion		Non-current portion		Total		Loan period	Principal repayment	Interest payment	Interest rate
Long-term loans of the Company (Million: Baht)			2011	2010	2011	2010	2011	2010				
1.	8 December 2008	14.0	-	4,400	-	-	-	4,400	3 years	Every 4 month	Monthly	At the rate of MLR-0.75% per annum
2.	13 January 2009	20.0	-	7,120	-	-	-	7,120	3 years	Monthly	Monthly	At the rate of MLR-0.75% per annum
Total long-term loans of the Company			-	11,520	-	-	-	11,520				

			Outstanding long-term loans amount (Unit: Thousand Baht)						Significant conditions of the loan agreements			
No.	Agreement date	Credit facility	Current portion		Non-current portion		Total		Loan period	Principal repayment	Interest payment	Interest rate
Long-term loans of the Company (Million: Baht)			2011	2010	2011	2010	2011	2010				
3.	30 June 2009	4.5	510	1,580	-	526	510	2,106	2 years 10 months	Monthly	Monthly	At the rate of MLR-0.25% per annum
4.	30 June 2009	5.4	-	1,350	-	-	-	1,350	2 years	Monthly	Monthly	At the rate of MLR-0.25% per annum
5.	8 December 2009	9.0	1,125	3,679	-	1,226	1,125	4,905	2 years 5 months	Monthly	Monthly	At the rate of MLR-0.25% per annum
6.	17 May 2010	9.0	810	4,906	-	818	810	5,724	1 years 10 months	Monthly	Monthly	At the rate of MLR per annum
7.	15 September 2010	8.0	-	6,000	-	-	-	6,000	1 years 4 months	Monthly	Monthly	At the rate of MLR per annum
8.	29 September 2010	11.6	4,200	4,200	2,100	6,300	6,300	10,500	2 years 9 months	Monthly	Monthly	At the rate of MLR per annum
9.	18 January 2011	9.5	3,564	-	2,669	-	6,233	-	2 years 10 months	Monthly	Monthly	At the rate of MLR per annum
Total long-term loans of subsidiaries			10,209	21,715	4,769	8,870	14,978	30,585				
Total long-term loans of the Company and its subsidiary companies			10,209	33,235	4,769	8,870	14,978	42,105				

As at 31 December 2011, the Company and its subsidiary have transferred its collection rights under sale contracts and financial lease agreements as collateral to the banks, with the outstanding receivables under the contracts amounting to Baht 37 million (2010: Baht 40 million and separate financial statements: Baht 34 million).

Credit facilities of subsidiary companies obtained from banks are guaranteed by the Company.

In addition, the loan agreements stipulated certain covenants with which the Company and its subsidiaries must comply.

Movements in the long-term loans account during the year ended 31 December 2011 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2010	42,105	11,520
Add: Addition borrowing	9,500	-
Less: Repayment	(36,627)	(11,520)
Balance as at 31 December 2011	14,978	-

24. Liabilities under financial lease agreements

Liabilities under finance lease agreements as at 31 December 2011 and 2010 consist of:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Liabilities under finance lease agreements (Contractual value)	22,508	11,154	3,286	2,044
Less: paid	(3,930)	(6,869)	(1,221)	(1,695)
Liabilities under financial leases	18,578	4,285	2,065	349
Less: Deferred interest expenses	(1,878)	(412)	(125)	(11)
	16,700	3,873	1,940	338
Less: Portion due within one year	(6,396)	(1,569)	(853)	(232)
Liabilities under finance lease agreements - net of current portion	10,304	2,304	1,087	106

The current portion of liabilities under financial lease agreements consists of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Current portion of liabilities under finance lease agreements (contract value)	7,489	1,818	936	242
Less: Deferred interest expenses	(1,093)	(249)	(83)	(10)
Current portion of liabilities under finance lease agreements	6,396	1,569	853	232

The Company has entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 5 years.

As at 31 December 2011, future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	7,489	11,089	18,578
Deferred interest expenses	(1,093)	(785)	(1,878)
Present value of future minimum lease payments	6,396	10,304	16,700

(Unit: Thousand Baht)

	Separate financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	936	1,129	2,065
Deferred interest expenses	(83)	(42)	(125)
Present value of future minimum lease payments	853	1,087	1,940

25. Other current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Accrued project costs	305,526	269,933	107,976	90,989
Accrued expense	76,739	57,553	66,851	44,802
Unearned revenue	38,611	67,819	14,461	57,534
Short-term provision - provision for warranty	8,537	5,165	8,537	5,165
Others	49,909	67,202	14,737	26,151
Total other current liabilities	479,322	467,672	212,562	224,641

26. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2011, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Cumulative effect of change in accounting policy for employee benefits adjusted against beginning balance of retained earnings (Note 5)	47,312	26,155
Current service cost	4,074	2,002
Interest cost	1,881	1,096
Benefit paid during the year	(3,242)	(783)
Balance at end of year	50,025	28,470

Long-term employee benefit expenses of the Company and its subsidiaries are included in the profit or loss for the year ended 31 December 2011 amounted to Baht 6 million and separate financial statements amount Baht 3 million.

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements	Separate financial statements
	2011	2011
	(% per annum)	(% per annum)
Discount rate	4.2%	4.2%
Future salary increase rate	5.5%	5.5%

27. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

28. Warrants

28.1 On 27 July 2001, the Company issued the 16 million warrants attached to the convertible preferred shares to the specific institution investor at a price of Baht zero per unit. The warrants are exercisable in a ratio of one warrant to one ordinary share, at a price of Baht 10 each. The exercise period for the warrants commenced one year after the date they were issued and offered to investors, and ends 10 years after such issuance and offer.

28.2 On 27 November 2003, the extraordinary general meeting of shareholders approved adjustments of the exercise price of the warrants and the number of warrants with an exercise ratio of one warrant to one ordinary share, and changed the exercise price from Baht 10 per share to Baht 1 per share.

28.3 The meeting of the Board of Directors of the Company held on 6 October 2006 passed a resolution approving the issuance of no more than 43,000,000 warrants, at free of charge, to no more than 35 directors and employees of the Company. The exercise price of the warrants is Baht 1.76 per share in a ratio of 1 warrant to 1 new ordinary share (unless there is a right adjustment), every 12 months for a period of 5 years from the issue and offering date. Warrant holders may exercise their options as follows:

After 12 months but no more than 24 months	Up to 25 percent of total warrants allotted may be exercised
After 24 months but no more than 36 months	A cumulative total of up to 25 percent of the warrants allotted may be exercised
After 36 months but no more than 48 months	A cumulative total of up to 25 percent of the warrants allotted may be exercised
After 48 months	A cumulative total of up to 100 percent of the warrants allotted may be exercised

28.4 During the year 2011, the Company's warrants holder informed the Company of their intention to exercising rights to subscribe totalling 84,960,000 ordinary shares. The Company has already registered the changes in its paid-up share capital with the Ministry of Commerce.

Movement of share warrant during the year are summarised below.

	Number of units (Thousand units)	
	2011	2010
Warrants issued at beginning of the period	127,960	127,960
Less: Exercised during the period	(84,960)	-
Expired during the period	(43,000)	-
Warrants issued at end of the period	-	127,960

As at 31 December 2011, there is no unexercised ordinary shares warrants (2010: 127,960,000 unexercised ordinary shares warrants).

29. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Company (excluding other comprehensive income) weighted average number of ordinary shares and convertible preferred shares in issue during the year as the convertible preferred shares have the same rights to receipt of net income and dividend as the ordinary shares.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) weighted average number of ordinary shares and convertible preferred shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
For the year ended 31 December						
		Weighted average number of ordinary shares		Earnings per share		
Profit						
2011	2010	2011	2010	2011	2010	
Thousand Baht	Thousand Baht	Shares	Shares	Thousand Baht	Thousand Baht	
Basic earnings per share						
Profit attributable to equity holders of the parent	124,416	126,190	904,979	862,040	0.14	0.15
Effect of dilutive potential ordinary shares						
Warrants issuance 2010: 127,960,000 units		-	12,960			
Diluted earnings per share						
Profit of ordinary shareholders assuming conversion of warrants to ordinary shares	124,416	126,190	904,979	875,000	0.14	0.15
Separate financial statements						
For the year ended 31 December						
		Weighted average number of ordinary shares		Earnings per share		
Profit						
2011	2010	2011	2010	2011	2010	
Thousand Baht	Thousand Baht	Shares	Shares	Thousand Baht	Thousand Baht	
Basic earnings per share						
Profit attributable to equity holders of the parent	88,554	94,636	904,979	862,040	0.10	0.11
Effect of dilutive potential ordinary shares						
Warrants issuance 2010: 127,960,000 units		-	12,960			
Diluted earnings per share						
Profit of ordinary shareholders assuming conversion of warrants to ordinary shares	88,554	94,636	904,979	875,000	0.10	0.11

30. Dividend

	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)	Payment date
Year 2011				
Dividends on 2010 income	Annual General Meeting of the shareholders No. 16 on 31 March 2011			
For preference shareholders		14,880	0.062	11 April 2011
For ordinary shareholders		38,566	0.062	11 April 2011
Total		53,446		
Year 2010				
Dividends on 2009 income	Annual General Meeting of the shareholders No. 15 on 30 March 2010			
For preference shareholders		11,520	0.048	9 April 2010
For ordinary shareholders		29,858	0.048	9 April 2010
Total		41,378		

31. Segment information

Financial information by segment for the Company and its subsidiaries, which carry on their operations in the single geographic area of Thailand and sell the products to both domestic and overseas markets, for the year ended 31 December 2011 and 2010, as follows:

(Unit: Million Baht)

	Consolidated financial statements															
	For the year ended 31 December															
	IT Terminal products strategic business unit		System integration strategic business unit		IT project strategic business unit		Components distribution business unit		Financial service in forms of factoring, leasing and hire purchase		Total		Elimination of inter-segment revenues		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Sales and services																
Domestic																
- outside customers	4,483	2,280	2,229	1,717	1,446	1,178	146	1,553	245	155	8,549	6,883	-	-	8,549	6,883
- related parties	290	205	70	128	47	63	389	390	-	-	796	786	(485)	(394)	311	392
Export	20	17	-	-	-	-	-	-	-	-	20	17	-	-	20	17
Total	4,793	2,502	2,999	1,845	1,493	1,241	535	1,943	245	155	9,365	7,686	(485)	(394)	8,880	7,292
Cost of sale and services	(4,308)	(2,171)	(1,985)	(1,570)	(1,372)	(1,126)	(522)	(1,893)	(238)	(149)	(8,425)	(6,909)	485	393	(7,940)	(6,516)
Gross profit	485	331	314	275	121	115	13	50	7	6	940	777	-	(1)	940	776
Other income	117	26	40	15	17	25	4	82	62	45	240	193	(43)	(60)	197	133
Selling expenses	(404)	(275)	(203)	(197)	(57)	(53)	(44)	(49)	(7)	(6)	(715)	(580)	-	-	(715)	(580)
Segment operating profit	198	82	151	93	81	87	(27)	83	62	45	465	390	(43)	(61)	422	329
Unallocated income (expenses):																
Other income											45	68	-	-	45	68
Administrative expenses											(244)	(260)	39	54	(205)	(206)
Share of profit from investments in associated companies											61	104	9	(36)	70	68
Financial expenses											(142)	(100)	3	3	(139)	(97)
Corporate income tax											(69)	(36)	-	-	(169)	(36)
Profit for the year											116	166	8	(40)	124	126

(Unit: Million Baht)

	Consolidated financial statements																	
	As at 31 December																	
	IT Terminal products strategic business unit		System integration strategic business unit		IT project strategic business unit		Components distribution business unit		Financial service in forms of factoring, leasing and hire purchase		Unallocated assets		Total		Elimination of inter - segment		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Trade accounts receivable - net	722	280	904	939	749	391	13	204	32	28	1	12	2,421	1,854	(60)	(98)	2,361	1,756
Factoring receivables - net	-	-	-	-	-	-	-	-	167	105	-	-	167	105	-	-	167	105
Financial lease receivables - net	-	1	-	-	167	229	-	-	230	236	-	-	397	466	-	-	397	466
Inventories - net	761	274	446	363	473	332	-	287	-	-	-	-	1,680	1,256	-	(2)	1,680	1,254
Investments in subsidiaries and associates under the equity method	-	-	-	-	-	-	-	-	-	-	799	831	799	831	(414)	(451)	385	380
Property, plant and equipment - net	25	15	23	30	6	8	-	7	2	1	136	146	192	207	-	-	192	207
Others	7	7	27	23	2	2	-	-	32	-	325	271	393	303	-	(1)	393	302
Total assets	1,515	577	1,400	1,355	1,397	962	13	498	463	370	1,261	1,261	6,049	5,022	(474)	(552)	5,575	4,470

The Company and its subsidiaries have applied the pricing policies described in Note 9 to set the transfer prices.

32. Provident fund

The Company and its subsidiary companies and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and subsidiaries contributed to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by SCB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2011, the Company and its subsidiaries contributed Baht 9 million (2010: Baht 9 million) and separate financial statements: 2011: Baht 4 million (2010: Baht 4 million) to the fund.

33. Other income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Selling support	98,546	87,506	108,026	24,237
Reversal of liabilities	42,694	22,251	9,238	11,802
Interest income	61,854	55,142	8,567	11,092
Guarantee fee income from subsidiaries	-	-	23,801	33,590
Dividend income	-	-	78,746	71,106
Others	39,314	36,048	15,057	10,412
Total other income	242,408	200,947	243,435	162,239

34. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
Salaries and wages and other employee benefits	418,277	379,092	229,413	169,720
Depreciation	36,928	56,208	19,168	28,699
Rental expenses from operating lease agreements and services expenses	31,883	26,406	18,574	9,171
Changes in inventories of finished goods and work in progress	(434,333)	106,954	(565,014)	133,132
Marketing expenses	186,426	125,975	162,147	99,595
Cost of services	1,188,796	547,384	212,650	163,064

35. Bank guarantees

The Company and its subsidiary

As at 31 December 2011, the Company and its subsidiary had outstanding bank guarantees amounting to approximately Baht 795 million and USD 0.25 million (2010: Baht 708 million and USD 0.25 million), and the separate financial statements: Baht 632 million and USD 0.25 million (2010: Baht 556 million and USD 0.25 million) issued by banks on behalf of the Company and its subsidiaries, in respect of certain performance bonds and bid bonds and others as required in the normal course of business of the Company and its subsidiaries.

The associated company

As at 31 December 2011, IT City Public Company Limited, an associated company, has the outstanding bank guarantees of approximately Baht 24 million and USD 0.2 million (2010: Baht 24 million and USD 0.2 million) issued by a bank on behalf of an associated company in respect of purchase of goods and services as required in the normal course of an associated company's business.

36. Commitments

As at 31 December 2011, the Company and its subsidiaries have commitments other than those disclosed in other notes as follows:

36.1 As at 31 December 2011, the Company and its subsidiaries had office building lease and related service commitments payable as follows:

	(Million Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Payable within:		
Less than 1 year	19	13
1 to 5 years	12	12
	<u>31</u>	<u>25</u>

36.2 As at 31 December 2011, IT City Public Company Limited, an associated company, had commitments under a lease and related service agreements for the lease of office building, warehouse and branch areas, under which the following rental and service fees are payable in the future.

	<u>Amount</u>
	<u>(Million Baht)</u>
Payable within:	
Less than 1 year	184
1 to 5 years	486
More than 5 years	495
	<u>1,165</u>

36.3 As at 31 December 2011 and 2010, the Company has outstanding loan guarantees provided on behalf of its subsidiaries for loans from banks. The balances of these guarantees are as follows:

<u>Guarantee facilities</u>	<u>2011</u>	<u>2010</u>
Short term loan	Baht 1,920 million	Baht 1,771 million
Credit line of forward contract	USD 7 million	USD 7 million
Credit line of forward contract	Baht 263 million	Baht 260 million

In addition, the Company issued guarantees to suppliers for purchase order of its subsidiary companies, with amounting to USD 0.6 million (2010: USD 4 million).

Generally, the guarantees are effective for as long as the underlying obligations have not been discharged by the subsidiaries. Guarantee fees are charged by the Company.

In addition, IT City Public Company Limited has guaranteed bank credit and issued letter of guarantees of its associated company amounting to Baht 80 million according to proportion of investment.

36.4 On 1 January 2011, the Company and a subsidiary company took out an insurance policy to insure collections from debtors of the distribution of IT products to distributors and retail customers business. Coverage is for one year. As a result the Company and a subsidiary company are obliged to pay premiums at an agreed rate.

36.5 As at 31 December 2011, the Company has outstanding commitment in respect of uncalled portion of investment in a subsidiary of approximately Baht 191 million (2010: Baht 191 million).

37. Financial instruments

37.1 Financial risk management

The Company and its subsidiary companies' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiary companies is exposed to credit risk primarily with respect to trade accounts receivable, other receivable. They manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, they do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable, factoring receivable, other receivables and financial lease receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries company's exposure to interest rate risk relates primarily to its deposits with financial institutions, bank overdrafts and short-term and long-term borrowings. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2011 classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements					
	Fixed interest rates					
	Within 1 year	Over 1-5 years	Floating interest rate	Non- interest bearing	Total	Interest rate
	(Million Baht)					(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	47.2	144.5	191.7	0.20 - 1.87
Trade and other receivable - net	-	-	-	2,361.6	2,361.6	-
Factoring receivables - net	166.7	-	-	-	166.7	-
Financial lease receivables - net	242.5	155.0	-	-	397.5	5.64 - 9.75
Restricted bank deposits	10.2	-	-	-	10.2	1.90
Financial liabilities						
Bank overdrafts and short-term loans	-	-	2,182.8	-	2,182.8	4.63 - 9.75
Trust receipts	-	-	170.3	-	170.3	4.70 - 7.50
Long term loans	10.2	4.8	-	-	15.0	7.25
Accounts payable and other payable	-	-	-	1,024.8	1,024.8	-
Financial lease payable	6.4	10.3	-	-	16.7	4.76 - 8.81

(Unit: Million Baht)

	Separate financial statements					Interest rate (% p.a.)
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	
	Within 1 year	Over 1-5 years				
	(Million Baht)					
Financial assets						
Cash and cash equivalents	-	-	29.5	84.5	114.0	0.20 - 1.87
Trade and other receivable - net	-	-	-	1,648.3	1,648.3	-
Financial lease receivables - net	72.6	49.0	-	-	121.6	5.64 - 9.75
Financial liabilities						
Bank overdrafts and short-term loans	-	-	1,518.6	-	1,518.6	4.63 - 9.75
Trust receipts	-	-	73.2	-	73.2	4.70 - 7.50
Accounts payable and other payable	-	-	-	798.2	798.2	-
Financial lease payable	0.8	1.1	-	-	1.9	4.76 - 5.96

Foreign currency risk

The Company and its subsidiaries's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The subsidiaries seek to reduce this risk by entering into forward exchange contracts when their consider appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies of the Company and its subsidiaries as at 31 December 2011 are summarised below.

(Unit: Million)

Foreign currency	Consolidated financial statements		Separate financial statements		Average exchange rate as at 31 December 2011 (Baht per 1 foreign currency unit)
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	
US dollar	0.53	3.67	0.06	1.8	31.8319

As at 31 December 2011, the Company and its subsidiaries had outstanding forward exchange contracts, of which details are presented below.

Currency	Amount bought (Unit: Million dollar)	Maturity date	Contractual exchange rate (Baht per unit of foreign currency)
<u>Consolidated financial statements</u>			
US dollar	0.35	January 2012 - March 2012	30.88 - 31.16
<u>Separate financial statements</u>			
US dollar	0.35	January 2012 - March 2012	30.88 - 31.16

37.2 Fair values of financial instruments

Since the majority of the Company and its subsidiary companies' financial instruments are short-term in nature and long-term financial assets and liabilities carry interest at rates close to current market rates or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statements of financial positions.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

38. Capital management

The primary objective of the Company and its subsidiaries capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. A subsidiary manage its capital position with reference to its debt-to-equity ratio in order to comply with conditions in short-term loan agreements with financial institutions, which require a subsidiary to maintain a debt-to-equity ratio of not more than 2:1.

As at 31 December 2011, the Group's debt-to-equity ratio was 2.45:1 (2010: 1.98:1) and the Company's was 2.26:1 (2010: 1.50:1).

39. Reclassification

To comply with the Notification of the Department of Business Development relating to the financial statement presentation as described in Note 2 and as the result of the adoption of revised and new accounting standards as described in Note 3, certain amounts in the financial statements for the year ended 31 December 2010 have been reclassified to conform to the current year's classification, without any effect to the previously reported profit or shareholders' equity.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 23 February 2012.



Corporate Governance Policy

- **Rights of Shareholders**

Principle

The Company values and recognizes that shareholders shall receive respect and basic rights of ownership. For example, the shareholders shall have a right to the division of profits or reserve compensation funds of any dividend, or to be entitled to obtain accurate, correct and full information about business operations for making decisions, or be entitled to vote, or to exercise any rights in respect to any change, conversion, or exchange of stock. Shareholders shall have the right to participate and vote particularly in significant shareholders meetings. For example, shareholders shall have the right to participate in meetings for the election and removal of directors, fees and compensation of directors, or any matters that affect the Company, dividend funds, and amendments to rules or regulations in memorandum of Association, authority to increase or decrease the shares of any series, or investigate suspicious financial matters.

Shareholders must be given timely notice in advance to review rules and regulations of the meeting, and provided adequate information for taking part in deliberation before the meeting. Additionally, they will have chance to have inquiries for directors' clarification at the meeting, including matters which can be discussed in advance, propose agendas for the meeting, and delegate other person to act as proxy of the shareholder to attend the meeting.

Board meetings are scheduled generally within 3 months of the end of the accounting year-end date. The agenda and meeting minutes shall specify the place, date, and hour of the meeting, including a map and all minutes of the meeting with committee's recommendations, all information relating to such business that needs to be decided at the meeting, and rules and regulations of the meeting. The shareholder must be given timely advanced notice of voting procedures pursuant to the Securities and Exchange regulations. The Company provides the information announcement on the website in advance before mailing any material interest of such business to shareholders. The shareholders will have reasonable time to understand the issues of the meeting prior to receiving materials or specific subjects from the Company.

- **Rights and Equality of Shareholders**

Principle

All shareholders shall receive basic rights in order to secure the confidence of investors and emphasize the practice of fairness by properly taking care of appropriate shareholder investments, an important investment factor of the Company.

SVOA specifically prohibits fraudulent use of internal information for personal benefit, or another person's benefit. This is the most common form of conflict of interest in privately held businesses. Abusive Self-Dealing is defined as taking advantage of other shareholders, for example, passing insider information to close personal connections between the Director and Executive Officers that may cause a material loss to shareholders.

The Board of Directors has arranged the procedure for equitable treatment of shareholders that every shareholder should be treated in an equal manner. Each shareholder may authorize another person to act for such shareholder by voting at the shareholder meetings. In addition, the Company's procedure allows shareholders to transfer their votes to one of three independent committees to express their opinions when they can not attend the meetings. A regular shareholder meeting may be conducted by the Board of Directors in which a voting event doesn't take place. These meetings offer shareholders the opportunities to ask questions, express opinions, make recommendations, and offer counseling. In no event shall the Company conduct additional meetings without necessity, especially important meetings where information such as minutes needs to be provided and understood in advance.

Directors and Executive Officers shall disclose to the Committees any information of any potential transaction of which he or she or any individual is aware that it relates to a conflict of interest. The Committees will consider and judge such transactions that may involve conflicts of interest that may have the potential to interfere with SVOA's business interests. Directors or Executive Officers, with his or her knowledge, who have direct or indirect conflict of interest transactions with SVOA, shall not participate in the judgment of any such transactions.

- **Rights of Associates in Conflicts of Interest**

Principle

It is essential that the Committee values the importance and perceives the rights of our constituencies of the potential conflict of interest among employees, strategic partners, shareholders or investors, financial institutions, customers, competitors, communities and socialites, government sectors, lenders, auditors, etc. We are confident that all rights will be protected with fair treatment at all times. Because of this, the Company requires all associates with a conflict of interest to cooperate and conduct business activities with the highest interest of the Company in mind.

The Committee implemented a business practice policy that represents our legal treatment of associates that follows the Company's contracts to ensure that the Company doesn't cause harm to our associates by violating their rights, and will take action to provide compensation for any damage to our associates pursuant to the Company's policy.

By developing the mechanics of cooperation among associates with conflicts of interest, the Company provides all disclosures with sufficient conflicts of interest information. This encourages the associates to understand and effectively participate in the policy and to perform their work with integrity for the long-term interests of the Company.

Individuals may, in good faith, seek advice, raise a concern, or report misconduct to the Company regarding illegal or unethical conduct, the accuracy of financial statements, misconduct in internal control, or code of ethics violations. The Company will not tolerate retaliation against these individuals in accordance with the Code of Ethics policy and they shall be protected by mechanisms of a protection system program.

- **Transparency and the disclosure of information**

Principle

The Committee established a policy for the disclosure of information in a manner that is correct, clear, transparent, and up to date, in order to secure the confidence of investors, shareholders and related officials.

Important information is subject to financial and non-financial reporting regarding regulations of the Securities and Exchange Commission, the Securities and Exchange (Thailand), and related information resources such as the Board of Directors, Independent Directors, their functions and duties of the last year, Corporate Governance Policy, social and environment responsibilities, and other business practice policies, etc.

To support financial information for our investors and shareholders and in response to disclosure control procedures for financial reporting, the financial reports shall be corrected based on accepted accounting principles and audited by independent auditors and the Audit Committee.

The Board believes that the Chief Executive Officer speaks for the Company with fairness and equality to shareholders, institutional investors, the press, financial analysts, and government representatives.

Beside, the Company arranges and facilitates the quarterly meeting with securities analysts at the office instead of participating in “Opportunity Day” activity organized by The Stock Exchange of Thailand.

- **The Board of Directors Responsibilities**

Principle

For the highest interests of the Company, the Board of Directors shall be independent from management control and have the authority and responsibility to oversee the performance of corporate governance and maintain relationships with shareholders.

The Board of Directors shall participate, regulate, and make advisories based on vision, strategies, goals, plans, and company the budget. In addition, the Directors will govern the effective and efficient business conduct of the management in response to the highest interest and economic values of our shareholders.

Board meetings are generally scheduled at least every four months. The agenda and meeting minutes shall be specified clearly for each meeting and will be mailed in advance so that the Board will have a reasonable time to understand such meetings before receiving specific materials from the Company. At each of the meetings, the Board will place a priority on the highest interest of the shareholders and other investors, and practice fairness and equality, including them to independently express their opinions. The Company’s management shall participate in every meeting to report business operations, raise business matters, suggest items that are valuable to the Company, and to follow the Board’s policies and designations in order to timely and effectively implement the given policies and planning.

The Board’s policy for the Chairman and Chief Executive Officer state that their roles and duties should be separate and the powers of business operation should be balanced.

When there is any change of shareholding of the Management of the Company, the Board of Director imposes that it is mandatory for such executive to declare the change and current shareholding to the next Board of Director’s Meeting, which is consistent with Clause 59, Public Limited Company Act, B.E. 1922.

The Company provides appropriate compensation for the Directors and Executive Officers which is divided into 2 categories as follow:

1. Cash and other compensation are at a comparable rate in the same industry, and the Company believes that meaningful compensation will preserve our leading position in this industry. This information is publicly disclosed in annual meeting reports.
2. Part of a Director’s total compensation is based on his or her duties and the Company’s business performance and requires the shareholder’s approval. Compensation for Executive Officers is based on their duties as well as their management and operation performance.

- **Code of Business Conduct and Ethics**

SVOA established a Code of Business Conduct and Ethics Program that applies to the Board of Directors, management, and employees in order to obtain guidance in fair business conduct, honesty, impartiality, and to practice an ethical and proper manner in compliance with the Company's standards of conduct and the SVOA Values. Throughout our business, SVOA expects every associate with a conflict of interest, community, and society with whom SVOA does business with, to embrace and share our commitment to integrity and compliance. By acting with integrity, the Board of Directors and high Executive Management are required to be impeccable role models of the SVOA Ethical Business Practices. Following the Code of Ethical Business Conduct is the right thing to do and it makes good business sense in establishing our way of doing business to meet achievements and to earn credibility in our communities.

- **Internal Control Policy**

In general, the Directors and executive management are responsible for the roles and duties of business management. In the mean time, they also govern internal control and risk management to make business and operation management work together effectively and to comply with the Company's policies, regulations, shareholder's agreement, and applicable laws and regulations. The Company provided adequate internal control in a safe and sound manner as an independent organization to measure the operation performance with annual or occasional auditing as required. The internal control and its activities will be reported directly to the Board of Directors and the Audit Committees in the minutes of each meeting. In some cases, the internal control may be called to focus on opinions and suggestions for the purpose of adjusting and reducing risk that may adversely affect the Company's business management.

- **Conflicts of Interest**

The Conflicts of Interest Policy of the Company is based on the individual discretion and good judgment of the employees at all levels in conducting business practices that must solely reflect the best interests of SVOA. The judgment must not be influenced by personal considerations or immediate family, or close relationships.

In most situations that produce conflicts of interest involving an individual's discretion, employees will be guided by personal relationships, immediate family, or close friends based on personal benefits or financial interests while conducting business activity. The passing of confidential information regarding the Company's operation activity and future plans to other parties is a conflict of interest.

SVOA expects that all employees shall avoid any conflicts of interest with the Company's financial matters and/or create personal relationships with outsiders that may affect loyalty and interest to the Company, or disrupt and reduce business operation efficiency.

On behalf of SVOA, we are firmly committed to bringing the best interests to our business with impartiality and ethics, while giving our employees the appropriate rights of freedom to perform their activities in good faith with fairness and respect.



1. SVOA Public Company Limited launched 'SVOA Game Station', PCs for game lovers.

'SVOA Game Station' is a personal computer designed especially for game lovers. It comes with specially picked components starting with the Intel motherboard, and high speed graphic card giving the most beautiful realistic pictures connectable to 2 monitors or more. This provides convenience and wider perspective for graphic related jobs and gaming, while also supporting 3D outputs. As a guaranty of quality, the PC has passed efficiency and value for money assessment by achieving the 'Gold Award 2011' from HWM, one of Thailand's leading IT magazines.



2. SVOA on dealership training tour, ready for 'SVOA Multi-Point Solution' launch

Mr. Surachai Sittichaivijit, Chief Operation Officer, SVOA Public Company Limited and the Company's management joined together on tour to train dealerships on the new 'SVOA Multi-Point Solution' that allows 1 single terminal to be accessed by 11 individuals simultaneously, reducing costs and energy. The trainings entailed the knowledge and details of this new product, its unique characteristics, target audience and sales tactics, which were well received by dealerships throughout the country.



3. The 30th Anniversary Roland Care Day 2011 by SVOA

Mr. Vira Intanate, Chief Executive Officer, SVOA Public Company Limited and Mr. Therdtham Narksakul, General Manager responsible for Roland products, SVOA Public Company Limited, together chaired the '30th Anniversary Roland Care Day 2011 by SVOA' at the Salon B Room, Swiss Hotel Le Concorde, Ratcharaphisek, Bangkok. The activity has been continuously run for 2 years with the aim to celebrate Roland's 30th anniversary and its leadership in the large-scale printer market with SVOA as its sole distributor in Indochina. The event also marked Roland's 30 years road to success from Japan to Thailand. The event was also held in 4 other regions of the country; North, Northeast, East and South.



4. DataOne Asia (Thailand) Ltd. entrusted with the task of being the first to design bond purchasing system through ATM for KTB in the country.

Mrs. Sochipun Vajaropala, Executive Director, DataOne Asia (Thailand) Ltd. congratulated Mr. Jakkrit Parapuntakul, Director of the Public Debt Management Office, Ministry of Finance at the signing ceremony for bond purchasing through ATMs. SVOA was trusted by Krungthai Bank with the task of developing the purchasing system along with other support systems such as currency conversion through credit cards and card expiration reminder.



1. SVOA Public Company Limited, in cooperation with the School of Commerce, Burapha University, opened GSC IT CITY, the first IT service center inside a university.

SVOA Public Company Limited, the leader in IT products distribution aided the launch of 'GSC IT CITY', the country's first university level IT service center managed by students. The aim is for students, teachers and university staff to have better access to IT and computing technology, as well as, products at cheaper than market prices through credit cards or installments.



2. SVOA gave financial aid for the flood.

Mr. Teerachai Phuwanartnaranubal, Finance Minister accepted a 1,000,000 Baht donation from Mr. Jack Min Intanate, SVOA Founder to support the Flood Victims Assistance Fund at the reception hall, Ministry of Finance.



3. SVOA donated notebook computers as prizes for “My Little Farm Year 2”, the self-sufficient farming competition to promote learning of Thai youths.

Mr. Jakrase Luewatthananon, Production Manager, SVOA Public Company Limited (6th person from the left), donated 10 notebook computers valued at more than 180,000 Baht to schools that applied for the self-sufficient farming reality show, ‘My Little Farm Year 2: the search for top Thai kid with a farmer’s heart’ to promote the learning of Thai youths. The program is aired through the Farm Channel, Kantana Studio.



4. SVOA joined hands with Bangkok Institute of Technology to design a bilateral vocational study program between private sector and educational institution

Mr. Vira Intanate, Chief Executive Officer, SVOA Public Company Limited signed an agreement with Bangkok Institute of Technology to create an applied study program, while preparing for a bilateral study program development with education institutes nationwide. This effort aims to develop the potential of vocational students; to learn while systematically receiving practical experience in a private organization in real working environment by making the program a gradable curriculum. This provides the opportunity for the students to learn from SVOA and perhaps, a future career prospect.