

Summary of Financial Information

For the year ended December 31, 2013 and 2012

(Unit : Million Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	2013	2012	2013	2012
Total Revenue	7,100.6	9,785.3	5,178.8	7,778.9
Gross Profit	858.5	850.5	496.1	557.0
Net Profit	60.5	82.0	19.6	34.5
Total Assets	4,890.1	5,835.4	2,830.3	3,882.1
Total Liabilities	3,125.1	4,139.6	1,646.5	2,701.5
Shareholders' Equity	1,738.7	1,695.8	1,183.8	1,180.6
Financial Ratio				
Gross Profit to Total Revenue (%)	12.1%	8.7%	9.6%	7.2%
Net Profit to Total Revenue (%)	0.9%	0.8%	0.4%	0.4%
Return on Equity (%)	3.5%	4.8%	1.7%	2.9%
Return on Asset (%)	1.3%	1.4%	0.7%	0.9%
Current Ratio (times)	1.3	1.2	1.3	1.2
Debt to Equity Ratio (times)	1.8	2.4	1.4	2.3
Information per Share (Baht)				
Earnings per Share	0.064	0.086	0.021	0.036
Share Capital Issued and Paid up (Million Shares)	947.0	947.0	947.0	947.0
Par Value	1.00	1.00	1.00	1.00
Dividend per Shares	0.019	0.053	0.019	0.053

Investors can study more from the issuing company's annual statement (Form 56-1) shown at www.sec.or.th or www.svoa.co.th



In 2013, the overall economic situation in the region was highly volatile. In Thailand, it was clear that the consumption of goods as a whole continuously declined, either in the household or industrial sector. The IT sector witnessed a gradual deceleration and decrease during the year, especially at the end of year where political problem in the country affected the overall economy.

In the retail and wholesale market, a decreased purchasing power was caused by changes in consumers' emotions and behaviors. For example, smart phones and tablets have taken the place of notebooks and desktop computers because they are much easier to use and able to meet people's new modern lifestyle. However, in the public sector, state enterprises and large private organizations, the use of technology has grown much larger since the technology is used to improve the organizations' performance. Therefore, the Company has focused its effort on providing services to the government agencies, state enterprises and large private organizations, which have contributed greatly to the Company's revenue and profit.

Although economic volatility has impacted business operation of SVOA Public Company Limited and its affiliated companies, the Company continues to exercise caution in managing corporate risks in every respect, especially internal restructuring and marketing adjustment by focusing on products and services that make a profit for the Company rather than those products and services that generate income, but not contribute to profit making. The Company is also careful with its investments to ensure that its financial resources are spent in accordance with the gradually changing economic situations.

The Company's Board of Directors would like to express our thanks and gratitude to all shareholders, business partners, customers, executives, employees, and all other parties contributing to the Company's business operation. We would like to assure you that the Board of Directors as well as all executives and employees will continue to work hard in order to ensure the Company's sustainable growth under the principles of good corporate governance and social responsibility for utmost benefits of all shareholders and stakeholders.

Prof. Dr. Thienchai Srivichit
Chairman of the Board

Mr. Min Intanate
Chief Executive Officer



To Shareholders,

The Audit Committee of SVOA Public Company Limited comprises three independent members as follows:

- | | |
|--------------------------|---|
| 1. Mr. Manu Leoparote | Independent Director and Audit Committee Chairman |
| 2. Mr. Prapon Phasukyud | Independent Director and Audit Committee Member |
| 3. Mr. Anant Tangtatswas | Independent Director and Audit Committee Member |

All of the Audit Committee members have possessed all qualifications required by and complied with the best practices stipulated by Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Audit Committee has complied with the scope of duties and responsibilities assigned by SVOA's Board of Directors, which are in line with the rules and regulations of the Stock Exchange of Thailand. In 2013, the Committee held five meetings with top management, auditor, and internal auditors to discuss relevant matters. Once a year, the Committee held a meeting with the auditor without involvement of the management. Results of the audits are summarized below.

1. Review of the 2013 Financial Reports: the Audit Committee has audited the quarterly and annual financial statements for the year 2013 as well as the consolidated financial statements along with the company's management. In conducting such audits, the Audit Committee has held a meeting to ask and listen to explanations from the management and auditors on the matters related to accuracy and completeness of the financial statements and adequacy of data disclosure for the year 2013. The Audit Committee agrees with the auditor that the said financial statements are presented fairly, in all material respects, in accordance with generally accepted accounting principles.
2. Review of Business Operations and Internal Control System: the Audit Committee has evaluated suitability and efficiency of the internal control system. This is performed by fully supporting and promoting independency of the Internal Audit Department and the auditor by allowing the Internal Audit Department to continually follow up material matters. This is to enable effective operation of the Company's business.
3. Review of Internal Audit: the Audit Committee has considered and approved the internal audit plan for the year 2014 based on the missions, scope of works, duties and responsibilities, and independency of the internal audit unit and no significant errors have been found. The Company has had sufficient internal control system capable of providing reasonable assurance that the Company is able to achieve its objectives, including efficiency and effectiveness, reliability of its financial reports, and compliance with the Company's regulations and policies.
4. Review of Compliance with Laws on Securities and Stock Exchange, Regulations of the Stock Exchange of Thailand, and Other Laws Relating to the Company's Business: the Audit Committee has inspected the Company's business operation and found no essential issues on non-compliance with laws, regulations, and commitments that the Company has with third parties.
5. Suitability, Selection and Appointment of Auditors: the Audit Committee has considered on election of the auditors and determination of their remuneration by presenting the Board of Directors to ask the shareholders' meeting to approve the appointment of Miss Siriwan Suratepin, CPA No. 4604, and/or Miss Kamontip Lertwitworatep, CPA No. 4377, and/or Mr. Wichart Lokatekrawee, CPA No. 4451 from Ernst & Young Office Limited to serve as the Company's Auditor for the Year 2014.

A handwritten signature in black ink, appearing to read 'Manu Leoparote'.

(Mr. Manu Leoparote)

Audit Committee Chairman

February 27, 2014

Board of Directors



Mr. Thienchai Srivichit
Chairman of the Board



Mr. Pang Hee Hon
Director



***Mr. Min Intanate**
Director



Mr. Wilson Teo Yong Peng
Director



Mr. Henry Goh
Director



****Mr. Adisorn Kaewbucha**
Director



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



Mr. Anant Tangtatswas
*Independent Director
and Audit Committee Member*



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

Management Team



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



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



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

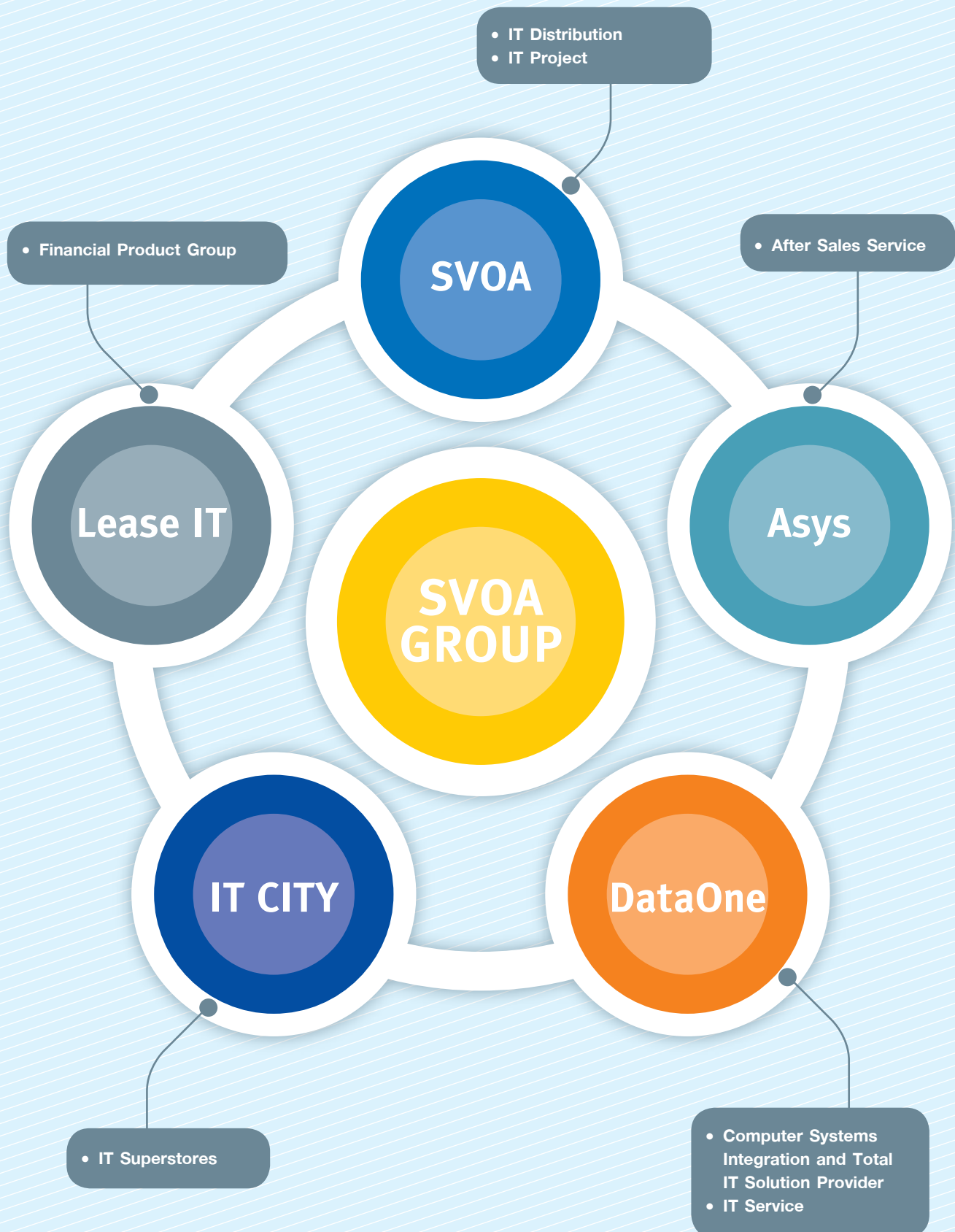


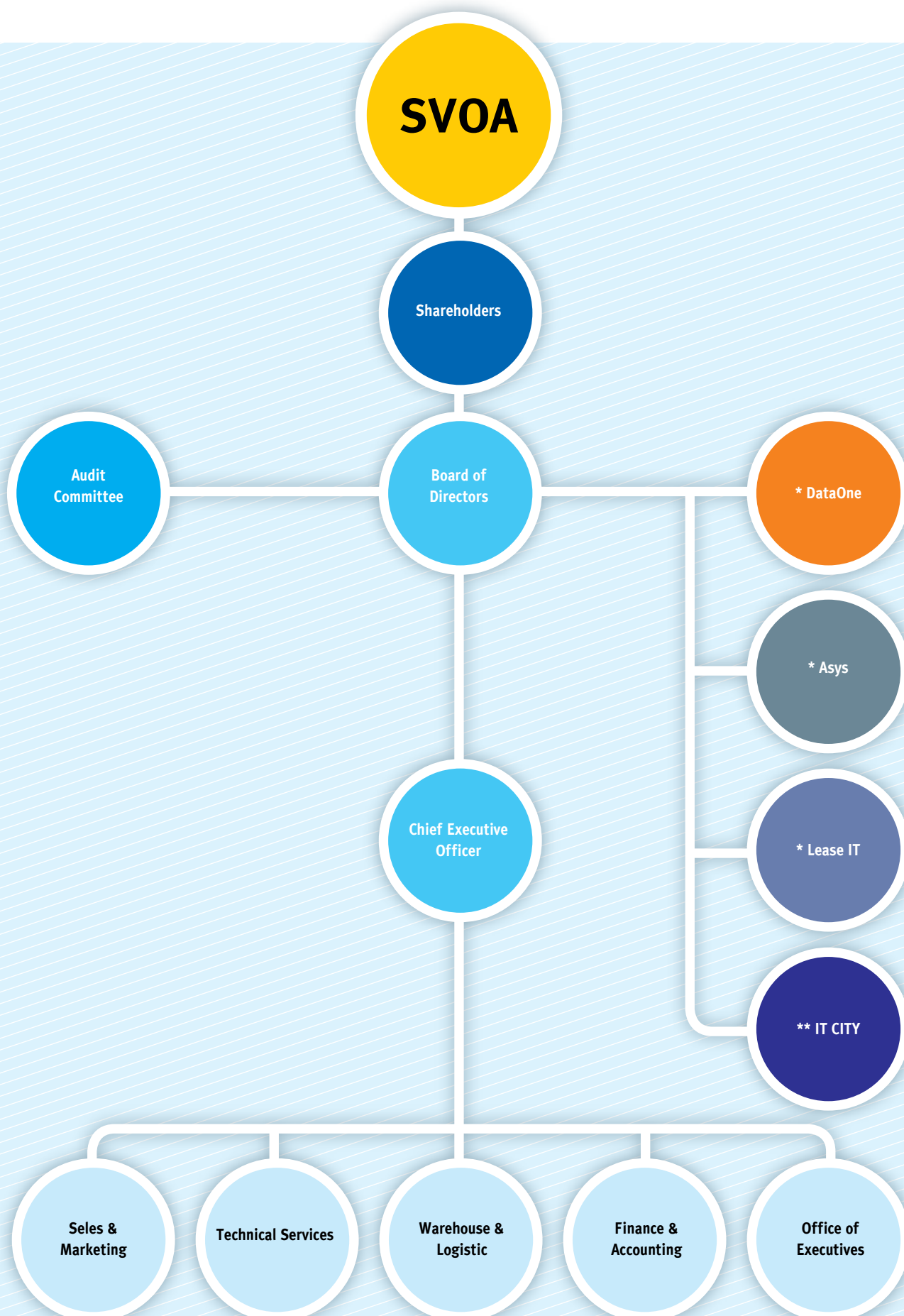
Lease IT Co., Ltd.
Mr. Sompon Aketerajit
Chief Executive Officer

Remark

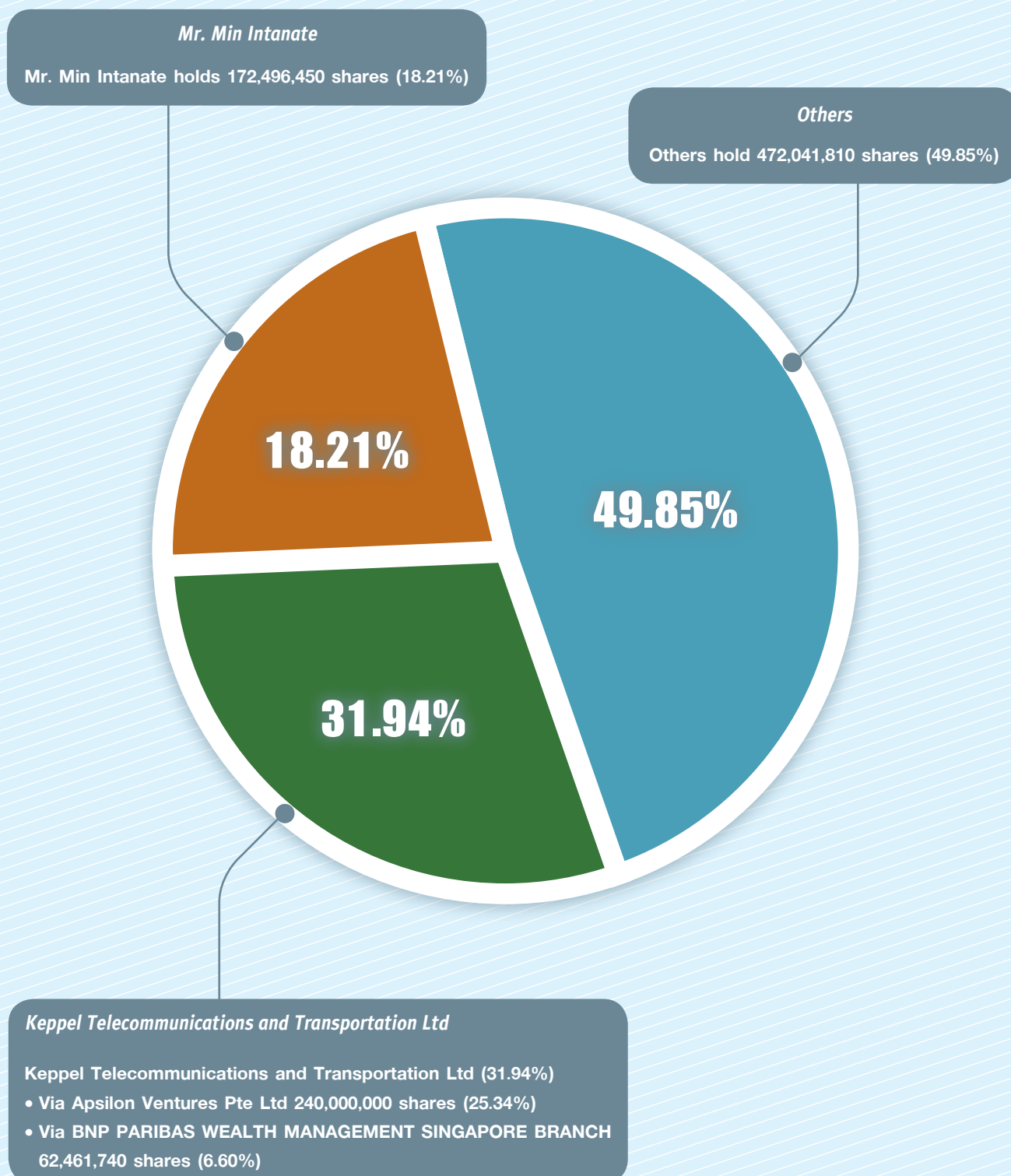
(*) Mr. Min Intanate has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director & Chief Executive Officer in place of Mr. Vira Intanate, who resigned from the position, effectively on 27th February, 2013.

(**) Mr. Adisorn Kaewbucha has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director in place of Mr. Sompon Aketerajit, who resigned from his position, effectively on 27th February, 2013.





Remark : * Wholly Owned Subsidiaries
** Associated Company



◆ Mission

We are committed to developing and delivering high-quality products, services and up-to-date technology with world-class standards. We strive to respond and satisfy the needs of our customers, partners and business alliances. **“We never stop developing as long as the time is still ticking”**

◆ Vision

To contribute to the development and continue to be the leader in the Information Technology industry in Thailand.

We are ready to respond skillfully and professionally to all customers' needs through a variety of products and services ranging from personal computers, large format printers, system integration services, IT outsourcing services and customized alternative solutions.

The principle aspect of SVOA's business is to offer high-quality products and deliver creative service propositions, which we believe will benefit both the society and the industry. SVOA has always encouraged both the private and public sectors to deploy Information Technology in order to be more competitive and enjoy a seamless integration into the global arena.

◆ Milestone

From a solid foundation to a robust growth

SVOA Public Company Limited was founded in 1982 to operate computer businesses and to promote Information Technology (IT) system in Thailand in line with the government's policy to increase IT literacy among Thai people to meet international standards.

Today SVOA becomes one of the leading integrated information technology service providers with service networks covering all IT services, products and service distribution centers throughout the country. It provides superior service, rendering for maximum satisfaction of customers, under the business philosophy of becoming **“a good role model of Thai business operated for the betterment of Thai society”**.

Business Segmentation Strategy

We divide our business into 6 subgroups for efficient management purposes, by taking into consideration the convenience, speed and quality for the greatest benefits of the customers.

- 1. IT Distribution Strategic Business Unit (ITDSBU)**
- 2. IT Project Strategic Business Unit (ITPSBU)**
- 3. After Sales Service (Asys)**
- 4. Computer System Integration and Total IT Solution Provider (Data One)**
- 5. Financial Product Group (Lease IT)**
- 6. IT Superstores (IT CITY)**

◆ 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 9001:2008, 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.

In addition to SVOA computer, we have significantly broadened our business by distributing printing notebook 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, 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 in warranties products, SVOA has been appointed as Authorized Service Provider by major IT brands.
2. Repair service of all brands of IT products without warranties, if parts are still available.
3. IT Maintenance service for large corporations, government, educational institutions, and banking, etc.

Business Potential

SVOA computer has been certified by ISO for the quality of computer production process management and for the quality of safety standards. 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.

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. SVOA Sales & Services channels include ;

1. **Retailers:** Companies or 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.
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).
6. **iFIX Service Center** iFIX is a repair service center for computers and peripherals. It is collaboration between SVOA Public Company Limited and IT CITY Public Company Limited in order to provide more service center channels and more convenience to customers under the same standards of service. iFIX service center, located in all IT CITY branches, provides repair service both in-warranty and out-warranty period.

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. TH02/2596** was audited and approved by SGS Certificate, which is guaranteed by UKAS. We received this certification on 29 March , 2012.
 - **The certification no. TH02/2597** was audited and approved by SGS Certificate, which is guaranteed by NAC. We received this certification on 29 March , 2012.
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 UKAS. We received the certification on 7 July, 2011.
 - **The certification no. TH05/1643** was audited and approved by SGS Certificate, which is guaranteed by NAC. We received the certification on 2 August, 2011.

◆ 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.

◆ After Sales Service Business Channel (Asys)

Business Overview

The Company initiated the business of after sales service in November 2013 by operating under ASYS Computer Co., Ltd., which is engaged in providing after sales services for such IT products as computers, accessories, smart phones, and tablets. The types of services rendered are as follows:

1. Repair of products with warranty: the Company was appointed as an Authorized Service Provider (ASP). Currently, the Company serves as an Authorized Service Provider for a total of 22 domestic and international brands.
2. Repair of products without warranty: products of all brands are welcome. Genuine parts from the manufacturers are used as well as the equivalent parts or repair parts in the case where the genuine parts are not available.

3. Onsite Service: the Company provides services in accordance with product warranty and service or purchase contract as well as maintenance after expiry of the warranty period (Maintenance Agreement: MA).
4. Delivery and installation of IT products for project customers nationwide from small to large projects

Business Potential

In addition to a wide variety of IT services and the potential as an Authorized Service Provider, the Company has set up many service centers and networks throughout the country for customers' convenience as follows:

1. A total of 12 service centers in Bangkok and other provinces with five more service centers to open this year
2. A total of 224 service centers nationwide appointed by the Company
3. Service vehicles at the customers' places of business
 - a. One-hundred motorcycles
 - b. Eighty cars

Our Target

General customers, government agencies, state enterprises, educational institutions, banks, and private organizations in general

◆ Computer System Integration and Total IT Solution Provider

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 services to major business customers in Banking, Telecommunication, Manufacturing industries, Insurance, Cooperative, Healthcare , Government sectors and End users and also a distributor of Network and Security solution to general customers. We focus on 3 main strategic businesses as follows:

1. Systems Integration (SI)

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

2. IT Services (ITS)

We outsource a variety of IT application services such as ATM system 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.

3. Distribution

We are the distributor of the leading world-class network and security products/solutions with the full range of services from consulting, selling, installing, on-site supporting (7x24), training and maintenance services through more than 100 partners over the country.

◇ Systems Integration: SI

Business Overview :

We provide IT consulting services and End-To-End IT solutions for banking, insurance, telecommunication, manufacturing industries, insurance, cooperative, healthcare 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.

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 and Internet Banking and etc.

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.
- **Document Management System (DMS) : Docuflor**
an enterprise content management system with management capabilities for all types of content including business documents, photos, video, medical images, e-mail, reports, etc
- **Business Process Management (BPM) :**
The advanced process management capabilities to existing applications and systems. Ideal for independent software vendors (ISVs) and systems integrators (Sis), the Liquid BPM is designed from the ground-up for rapid and tight integration with enterprise and vertical applications.
- **Business Intelligence (Business Objects from SAP)**
SAP Business Objects allows organizations to better understand, analyze, and even predict what is occurring in the overall environment and organization. SAP Business Objects transforms data into useful and meaningful information and distributes it to those who need it, when they need it, wherever they need it – to assist in timely and better informed decisions. It allows organizations to combine data from a wide variety of sources and see an integrated, up-to-date, 360-degree view

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 HP. Our skilled professionals deliver a full range of installation and maintenance services.
- **Security Solutions:**
- **Infrastructure:**
We provide IT Resources (IT Resources Management Systems) for the customer with the core product as CA
- **Business Intelligence (BusinessObjects from SAP):**
This allows organizations to better understand, analyze, and even predict what is occurring in the overall environment and organization. SAP BusinessObjects transforms data into useful and meaningful information and distributes it to those who need it, when they need it, wherever they need it – to assist in timely and better informed decisions. It allows organizations to combine data from a wide variety of sources and see an integrated, up-to-date, 360-degree view.

4. Distribution Channel Products

- **Network and Security**
We offer a full range of network and security equipment solutions from sales, installation, training and services. Our major products are Juniper, A10, HP and Vasco.

Our Target :

Target customers are in Banking & Financial Institutions, Telecommunication, Manufacturing industries, Insurance, Cooperative, Healthcare and Government sectors.

◇ 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

This service is a backup method for any customers who requires a second or more recovery sites outside their premises. With DataOne Asia's Recovery Site Service, we will provide our customers with one or more servers, together with all the necessary hardware and accessories, on our data center premises in order to back up all the data from the main site (customer's site). This service is more suitable for customers who have a very large amount of data and require the highest protection of their precious data.

Product Groups :

1. Data Center Services

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

2. Outsourcing Services

- ATM Application Solutions
- Enterprise Resource Planning Solutions

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, etc.
- Manufacturing : Offering application outsourcing and web service
- Multi-National Companies : Focusing on web service
- Governments : Specially in Outsourcing and consulting service

◇ Distribution

Business Overview :

We distribute the network and security system with the full range of services from consulting, maintenance and training from the World-class IT product through the channel of more than 100 partners over the country.

Business Potential :

As the Valued Added Distributor of the World-class Network and Security system products from Juniper Networks, A10 Network, VASCO data security and HP Enterprise Security by channel partners to End User customers over the country and the knowledgeable-experienced engineers certified by CCISP, GIAC, JNCIA, JNCIS, JNCI, Data One's capability is to provide the consultancy, installation, 24-hour technical support and training courses.

Product Groups :

1. Network

- Juniper Networks
- A10 Network

2. Security

- Juniper Networks
- Vasco
- HP Enterprise Security

Our Target :

Target customers are in Banking & Financial Institutions, Telecommunication, Manufacturing, Government sectors, Private Organizations and educational Institutions.

◆ 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.

- **Dealers 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.

Currently, Lease IT Company Limited has been added "Product" in order to support a wider variety of customer needs which we have two new options which are as follows.

1. Trade Finance is a short-term loan. It use for encourage consumers to bid for governor but needs funding to purchase products from supplier. Trade Finance also use for deliver or install equipment to government agencies, including the bid and working capital requirements for projects.
2. Bank Guarantee is also one kind of Product for Lease IT Company Limited which has been listening to customer needs and find ways to encourage customers to work with the government project. This method help customers who do not have bank guarantees with bank or have limited amount of money with bank. Lease IT Company Limited provides support for Letter of guarantee for Bid Bond envelope in government auctions to increase the ability to expand the business of its customers.
3. Project Backup Financing offer funding for the procurement. And to prepare the (Pre-Finance) prior to delivery to government agencies or large private enterprises

◆ 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 31.96% of the total investment shares as December 31, 2012.

The IT City core business operates a retail superstore chain offering computer, Mobile, Tablet, LED Monitor, 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 wholesale entity in supporting small retailers for Bangkok and throughout the country. Current business operations function as follows:

1. IT CITY provides one-stop shopping for Personal Computer divide into Desktop Notebook Tablet LED Monitor are divided into four main groups, as follows :
 - **Computer**
 - a) It offers desktop and notebook computers tablet such as Acer, Apple, Asus, Dell, HP, Lenovo, MSI, Samsung, SVOA, Toshiba etc.
 - b) It also offers various brands of LED monitors, including leading brands 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, Panasonic, Ricoh, Samsung, Sharp, Xerox, etc.
 - b) IT CITY has a lot of branded scanners, including Canon, EPSON, HP, etc.

- **Accessories**

It offers 3G Aircard, mouse, keyboard, software, ink, printing paper, UPS, powerbank, plug, loudspeaker, earphone, optical drive, CD/DV, harddisk, network equipment, cable, bag, smart phone equipment.

- **Others**

It offers smart phone LED&Plasma TV Audio system, MP3 Player, video camera, digital camera , office equipment such as photo copy, fax, telephone, sticker cutting tools, label printer and projector.

2. Establishment of repair and maintenance service center for computer equipment, supply of genuine parts from the manufacturers and provision of services by our expert technicians, The Company classifies type of services as follows:

- a) Selling “iCare” service with extended warranty for computers, monitors, projector, LCD television;
- b) “iFix”, a service center appointed by the manufacturers and the distributors, to provide repair and maintenance services for hardware as to transport goods which cannot be the Company to the manufacturers or the distributors for their further action.

The above operations are the integrated services which can distinguish the Company from its competitors. It can be regarded as an enhancement of good customer relationship and can a strategy to help boosting up revenues of the Company. To facilitate its customers, IT CITY has also cooperated with a financial firm to provide information on how to pay for the repair and maintenance service through several payments such as Easy Buy, First Choice, Paylite, Aeon etc.

Business Potential

IT City is one of the leading retail store chains in the IT product industry. IT City continued to expand its retail stores across the country, currently having a total of 75 retail store branches. The direction of IT City’s strategies is right sizing, selecting right locations and products that meet target consumers needs. Moreover, IT City has continued expanding the number of branches to cover potential areas in the new layout of IT CITY MOBILE.

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.

Changes and Recent Significant Development of Business Operation

As a result of economic volatility and changes in customers' IT behavior, people tend to look for tablets and smart phones rather than personal computers. However, the Company is still determined to make customers become more confident in our products and services, especially in the distribution market where we serve as a committed distributor of all brands. We have made marketing plans and built reliable after sales service team to meet customers' needs. Moreover, due to our strong belief in social responsibility, the Company pays attention to environmental management system and has executed agreements with a number of educational institutions to produce skilled personnel who have an opportunity to be trained.

With regard to our affiliated companies, different public and private organizations have to adjust their IT plans and develop new IT infrastructures to get ready for ASEAN Economic Community (AEC). Many organizations are interested in creating new innovations rather than purchasing new and cheap equipment. This gives DataOne Asia (Thailand) Co., Ltd., which provides system integration services and comprehensive IT solutions, an opportunity to render system integration, IT installation and maintenance services to government agencies, banks, and general customers. Moreover, DataOne Asia also provides IT Application outsourcing services to various customers such as banks and savings cooperatives.

As for our financing business, which is operated by Lease IT Company Limited, since May 16, 2013. Lease IT has become a public limited company and listed on the Market for Alternative Investment (MAI). It was permitted by Office of the Securities and Exchange Commission to first sell its shares to public (initial public offering or IPO) on December 24, 2013. Besides, on December 27, 2013. MAI accepted Lease IT's shares as listed shares and required the IPO to be completed in six months from the date of authorization or by June 26, 2014. Lease IT enjoys a gradual growth. Apart from delivering financial services focusing on IT sector, the Company expands its funding services outside IT sector in order to enable it to effectively compete with other entrepreneurs in the industry. Lease IT has developed new financial products in response to the customers' needs from factoring to leasing services as well as hire purchase, trade finance, project back up financing, and bid bond services to meet the customers' diverse needs and facilitate organizations' business growth.

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

In 2013, 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 BNP PARIBAS WEALTH MANAGEMENT SINGAPORE BRANCH) 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.

Activities & Significant Changes in the 2013



SVOA Road Show 2013 “Grow to the Future Grow Together”

SVOA Public Company Limited hosted the SVOA Road Show 2013 “Grow to the Future Grow Together” in 10 provinces around the country, aiming to increase and develop SVOA channels, build a good relationship, and update new IT products. The Road Show was led by Jack Min Intanate.

At the Road Show, new products were displayed and demonstrated by major suppliers. Furthermore, there was a session where participants exchanged their opinions on products and services. The event was well received and feedback from participants was positive.



1. Ms.Sochipun Vajropala, Executive Director, Data One Asia (Thailand) Co.,Ltd. held the annual event--" d1 Technology Update Seminar#7" at Worabura Resort and Spa during 21--22 June 2013. Besides technology updates by strategic partners and gratitude expression to the banking customers, the auction of the bank executives' belonging was held to raise fund for supporting the local school, the Better Thai Foundation and The Best Teacher in Thai culture, etc.

2. Bangkhen Cooperative Union hosted a Walk-Run for Health at Kasetsart University (Bangkhen Campus) on January 18, 2014. The purpose was to raise funds for Bang Bua Community. DataOne employees who are members of DataOne Asia (Thailand) Savings and Credit Cooperative Limited took part in this event.

3. DataOne and the Reseller, Next Step Co., Ltd. 's exhibit booths displayed the products of Juniper Networks and A10 Networks in 28th WUNCA & CIT2014 & UniNOMS2014 seminar which is to update educational technology for developing the administration of universities across Thailand. This seminar DataOne could gain the target customers' interest for further arrangement of presentation and proof of concept.

4. DataOne held the "Update Trends Technology Seminar" of Juniper Networks, A10 Networks, HP ESP and VASCO for customers and resellers. The guest speakers on the topic "New AGE CIO in IPv6 - Let's Built the Best" were the professionals from different markets as Dr. Kitti Kosavisutte, Vice President, Bangkok Bank Public Company Limited, Khun Siwat Tantikul Assistant Director, True Universal Convergence Co.,Ltd. and Dr.Passakon Prathombutr, NECTEC.

Revenue Structure

Revenue Structure

(Unit :Million Baht)

Product Lines / Business unit	Operations	2013		2012		2011	
		Income	%	Income	%	Income	%
IT Distribution	ITD	2,897	41	5,311	54	4,765	52
System Integration and IT Service	SI	2,029	29	2,090	21	2,239	24
IT Project	ITP	1,932	27	1,808	19	1,468	16
Share of profit from investments in associated company accounted for under equity method	IT CITY	(2)	0	28	0	70	0
Components Distribution	ASYS	-	-	0	0	164	2
Leasing and Factoring	LEASE IT	104	1	264	3	245	3
Other Income		138	1	312	3	242	3
Total		7,098	100	9,813	100	9,193	100
Growth Rate		(2,715)	(28)	620	7	1,633	22

Business Goals

The Company is determined to achieve quality business operation and organizational strengthening as well as to generate good return on investment for shareholders continuously and regularly. For the year 2014, we have set the primary goals for business operation as follows:

IT Distribution: the Company has expanded more channels for distribution of products and services, including the wholesale business, to cover all regions of the country, especially modern trade market. The Company also serves as a distributor of top IT products, offers comprehensive after-sales services to meet customers' needs, and organizes promotional activities for its shops to stimulate sales volume.

IT Project: the Company will implement a wide variety of IT projects and provide IT solutions for government agencies, private organizations, and educational institutions to raise customers' confidence.

System Integration & IT Service: the Company is consciously aware of changes in relation to investment, which includes cloud computing, mobility and data multiplication technologies. Most organizations have turned to use Business Intelligence (BI) as a management system to support business analysis and decision making and accomplish effective performance. It is the Company's goal to improve its system, increase internal effectiveness, reduce costs, enhance competitiveness, ensure efficiency of the existing projects, retain its customer base, and look for new business opportunities amidst technological changes in the future. The Company has expanded its customer base to banks, cooperatives, and insurance customers in both the public and private sectors. This can be witnessed from the fact that the Company has participated in the system design and integration for the Federation of Thai ICT for Savings and Credit Cooperatives Limited.

Financial Services: the Company serves as an alternative source of non-bank funding for small and medium enterprises (SME) that cannot secure regular funding sources. Moreover, the Company focuses on developing a diversity of products to offer total financial solution for entrepreneurs. Additionally, we are determined to act as business partner for and make an effort to grow together with our customers as suggested by our motto, "True Financial Partner."

Amidst changes both in and outside Thailand, the Company continues to give importance to personnel enhancement, which will result in increased performance. We will do our best to enhance the skills of the existing personnel and encourage new faces to become leaders because we truly believe that "the most important capital of an organization is its quality personnel who will lead the organization to success."

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.

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 30th May, 2013 the major shareholders, Apsilon Ventures Pte 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.

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 Mahidol Road, Haiya, Muang, Chiangmai 50100
Tel: +66 5327 2581-3 Fax: +66 5327 2581-3 Ext. 7
- o Phitsanulok 49/64 Chanvejchakij Road, Naimuang, Muang, Phitsanulok 65000
Tel: +66 5530 3576-8
Fax: +66 5530 3576-8 Ext. 30
- o Chiangrai 814/5 Nongbua Road, Wiang, Muang, Chiangrai 57000
Tel: +66 5360 0484
Fax: +66 5360 0335

- **Northeast**

- o Khon Khaen 156/46 Moo4, Pracha Samoson Road, Naimuang, Khon Khaen 40000
Tel: +66 4324 1503
Fax: +66 4324 1503 Ext. 5
- o Nakhon Ratchasima 28 Chumpol Road, Naimuang, Muang, Nakhon Ratchasima 30000
Tel: +66 4424 3333 Fax: +66 4424 3333 Ext. 5
- o Ubonratchathani 456/8 Thepyotee Road, Naimuang, Muang, Ubonratchathani 34000
Tel: +66 4531 6849-51 Fax: +66 4531 6852

- **East**

- o Chonburi 53/125-126 Moo 3, 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
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 20 Siamciti Center 2 Road, Hat Yai, Songkla 90110
Tel: +66 7426 2101-3 Fax: +66 7426 2101-3 Ext. 28
- o Phuket 98/4 Vichitsongkram Road, Taladnuea, Muang, Phuket 83000
Tel: +66 7623 4699-700
Fax: +66 7623 4699 Ext. 5

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 (Public) Co., Ltd.: SVOA holds a 86.21 percent accounting share.**

Headquarter : 900/17 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 : 116,000,000 Baht

Divided into : 200,000,000 Ordinary shares,
at par value of 1 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.

- **ASYS Computer Co., Ltd.**

Headquarter : 289/1 Block 1,
Soi Pattanakan 20,
Pattanakan Road,
Suanluang, Bangkok 10250

Telephone No. : +66 2720 0960-5

Fax. No. : +66 2720 0960 : 100

www.asys.co.th

Registered Capital : 200,000,000 Baht

Paid up Capital : 109,000,000 Baht

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

Business Profile:

After Sales Service.

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

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

Stockholders' Equity Structure

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 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.

• 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. The stock options had entirely been exercised since 12th July 2011.

• 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.

2. Shareholders

The following table sets forth information with respect to our major shareholders who held ordinary stocks and preferred stocks totaling 947,000,000 shares as of May 30, 2013, 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	25.34
2	Mr. Min Intanate	172,496,450	18.21
3	BNP PARIBAS WEALTH MANAGEMENT SINGAPORE BRANCH (Customer Segregated Account, held for Apsilon Ventures Pte Ltd)	62,461,740	6.59
4	Mr. Wijit Pokkakul	24,000,000	2.53
5	Mr. Nopadon Anurakchaiwit	17,918,800	1.89
6	Mr. Kumtorn Poonsak-Au-domsin	12,173,100	1.28
7	Mr. Khet Wanglee	9,100,000	0.96
8	T.K.S. Technologies Public Co.,Ltd.	9,000,000	0.95
9	Mrs. Kanya Sitsuksai	8,000,000	0.84
10	Mr. Jatupon Kringchaikitkun	7,822,300	0.82

Shareholders Meeting

At the Annual Shareholders Meeting in 2013, 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.

- **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. However, the stock options had been expired since Year 2011.

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

No agreement established.

- **Shareholders' Rights and Equality**

In 2013, the company had shareholders' meeting 2 times the 2013 Annual General Meeting and Extraordinary General Meeting of Shareholders No. 1/2013 the Company. 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.

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, 2007, 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 2013, the Company earned net profit of 19,608,424 Baht. At the Board of Directors' Meeting No.2/2014 on February 27, 2014, it was agreed upon to propose the resolution for dividend payment of 60 Percent of net profit after legal reserve amounting to 18,628,002.80 Baht. A dividend payment amounting to 11,364,000 Baht or 0.012 Baht per share was approved at the Shareholders' Meeting.

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

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.

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.

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. Min Intanate* | Director and Chief Executive Officer |
| 3. Mr. Wilson Teo Yong Peng | Director and Chief Financial Officer |
| 4. Mr. Adisorn Kaewbucha** | Director |

Remark (*) Mr. Min Intanate has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director & Chief Executive Officer in place of Mr. Vira Intanate, who resigned from the position, effectively on 27th February, 2013.

(**) Mr. Adisorn Kaewbucha has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director in place of Mr. Sompon Aketerajit, who resigned from his position, effectively on 27th February, 2013.

• 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 Leopaiprote
2. Mr. Prapon Phasukyud
3. Mr. Anant Tangtatswas

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 Leopaiprote | Audit Committee Chairman |
| 2. Mr. Prapon Phasukyud | Audit Committee Member |
| 3. Mr. Anant Tangtatswas | Audit Committee Member |

The Audit Committee regularly held 4 meetings in 2013 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.

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 2013, the Board of Directors' held regular meetings 4 times and extraordinary meetings 1 times. The Board of Directors Attendees are summarized as follows:

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

(**) Mr. Min Intanate has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director & Chief Executive Officer in place of Mr. Vira Intanate, who resigned from the position, effectively on 27th February, 2013.

(***) Mr. Adisorn Kaewbucha has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director in place of Mr. Sompon Aketerajit, who resigned from his position, effectively on 27th February, 2013.

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. Min Intanate or Mr. Adisorn Kaewbucha or Mr. Henry Goh or Mr. Pang Hee Hon or Mr. Wilson Teo Yong Peng together with the Company's seal affixed, or Mr. Min Intanate or Mr. Adisorn Kaewbucha jointly signs with Mr. Henry Goh or Mr. Pang Hee Hon, or Mr. Wilson Teo Yong Peng, together with the Company's seal affixed".

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. 2/2014, 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 30/5/2013	Working Experience for the last 5 Years		
				Year	Position	Company Name
1. Mr. Thienchai Srivichit Chairman of the Board Dat of Appointment 27/10/2012 Number of Years on the Board 22 Years	82	• FCA, Fellow of The Institute of Chartered Accountants in England & Wales (U.K.) • National Defence College • Honorary Doctorate of Accounting, Ramkamhang 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	- IT City Public Co., Ltd. - Lease IT Co., Ltd. - DataOne Asia (Thailand) Co., Ltd. - ABIKS Development Co., Ltd. - Asys Computer Co., Ltd.
2. *Mr. Min Intanate Founder and CEO Dat of Appointment 27/02/2013 Number of Years on the Board 1 Years	59	• Ph.D. in Law (Honorary), Dominican University of California, USA (2010) • PhD in Science (Honorary), Information Technology for Management, Maharakarm University • Bachelor (Honorary) of Science, Computer Science, Faculty of Engineering and Agricultural Technology, Rajamangala University of Technology Thanyaburi • Bachelor of Architecture, Fu Hsing Institute of Technology (Taiwan) • Thailand Insurance Leadership Program, Class 1, Office of Insurance Commission • DAP, Director Accreditation Program, Thai Institute of Directors • RCP, Role of The Chairman Program, Thai Institute of Directors	172,496,450 shares (18.21%)	Present Present Present Present Present Present Present Present 1982-2003	Director and Executive Chairman Director and Executive Chairman Director and Executive Chairman Director Director Director Director Director Director and Chief Executive Officer	- Business Online Public Co., Ltd. - IT City Public Co., Ltd. - ARIP Public Co., Ltd. - Advanced Research Group Co., Ltd. - National Credit Bureau Co., Ltd. - Core & Peak Co., Ltd. - ABIKS Development Co., Ltd. - D&B (Thailand) Co., Ltd. - SVOA Public Co., Ltd.

Board of Directors

Name and Position	Age	Qualifications	Shareholdings as at 30/5/2013	Working Experience for the last 5 Years		
				Year	Position	Company Name
3. Mr. Pang Hee Hon Director Dat of Appointment 27/01/2013 Number of Years on the Board 4 Years	54	- 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	- ST Electronics (InfoSoft Systems) - Ministry of Defence - Advanced Research Group Co., Ltd. - Anew Corporation Co., Ltd.
4. Mr. Wilson Teo Yong Peng Director Dat of Appointment 15/02/2006 Number of Years on the Board 8 Years	48	- 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.) - FCA, Fellow of Institute of Singapore Chartered Accountants - 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 2012-2013	Director Director Director Director Director Director	- Business Online Public Co., Ltd. - DataOne Asia (Thailand) Co., Ltd. - Advanced Research Group Co., Ltd. - ABIKS Development Co., Ltd. - ARIP Public Co., Ltd. - Asys Computer Co., Ltd. - Lease IT Co., Ltd.
5. Mr. Henry Goh Director Dat of Appointment 25/02/2009 Number of Years on the Board 5 Years	57	- FCA, Fellow of Institute of Singapore Chartered Accountants - FCMA, Fellow of The Chartered Institute of Management Accountants (U.K.)		Present	Director	- Advanced Research Group Co., Ltd.
6. **Mr. Adisom Kaewbucha Chief Executive Officer DataOne Asia (Thailand) Co., Ltd. Dat of Appointment 27/02/2013 Number of Years on the Board 1 Years	58	Bachelor of Electrical Engineering, Chulalongkorn University	1,825,000 shares (0.19%)	1992-2005 Present Present	Chief Operating Officer CEO Director and Secretary	- SVOA Public Co., Ltd. - DataOne Asia (Thailand) Co., Ltd. - The Federation of Thai ICT for Savings and Credit Cooperatives Limited
7. Mr. Manu Leopaite Independent Director and Audit Committee Chairman Dat of Appointment 27/01/2010 Number of Years on the Board 4 Years	71	- 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 - Certificate in Role of Chairman Program (RCP 3/2001) - Certificate in Directors Certification Program (DCP 30/2003)		1994-1999 1999-2004 Present Present Present Present	Director General Permanent Secretary Counsellor of State Chairman Chairman Chairman of the Audit Committee Chairman Audit Committee Member	- Department of Industrial Promotion, Ministry of Industry - Ministry of Industry - The Council of State (Trade and Industry) - T.M.C. Industrial Public Company Limited - Khonkaen Sugar Public Company Limited - Siam Steel International Public Company Limited - Polyplex (Thailand) Public Company Limited - Thai Beverage Public Company Limited
8. Mr. Prapon Phasukyud Independent Director and Audit Committee Member Dat of Appointment 27/02/2003 Number of Years on the Board 11 Years	57	- 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		1999-2004 2004-2008 Present	Dean Director President	- College of Innovation Thammasat University - Communication & Learning Networks - KMI - The Knowledge Management Institute (KMI)

Board of Directors

Name and Position	Age	Qualifications	Shareholdings as at 30/5/2013	Working Experience for the last 5 Years		
				Year	Position	Company Name
9. Mr. Anant Tangtatswas Independent Director and Audit Committee Member Dat of Appointment 02/04/2012 Number of Years on the Board 2 Years	63	• BA (Economics), Thammasat University • MBA (Finance), Columbia University, NYC, USA • National Defence College, The Joint State – Private Sector Course Class 377 • Certificate DAP, Director Accreditation Program		1993-1996 1996-1999 2003-2005 2009-2010 Present Present Present	President Executive Vice Chairman President Director Director Independent Director and Audit Committee Chairman Independent Director and Audit Committee Member	- Bank of Ayudhya Pcl. - Bank of Ayudhya Pcl. - Islamic Bank of Thailand - Crown Seal Public Company Limited - Green Spot Co., Ltd. - Business Online Public Company Limited - SVOA Public Company Limited

Management

Name and Position	Age	Qualifications	Shareholdings as at 30/5/2013	Working Experience for the last 5 Years		
				Year	Position	Company Name
1. *Mr. Min Intanate Founder and CEO	59	• Ph.D. in Law (Honorary), Dominican University of California, USA (2010) • PhD in Science (Honorary), Information Technology for Management, Mahasarakarm University • Bachelor (Honorary) of Science, Computer Science, Faculty of Engineering and Agricultural Technology, Rajamangala University of Technology Thanyaburi • Bachelor of Architecture, Fu Hsing Institute of Tecnology (Taiwan) • Thailand Insurance Leadership Program, Class 1, Office of Insurance Commission • DAP, Director Accreditation Program , Thai Institute of Directors • RCP, Role of The Chairman Program, Thai Institute of Directors	172,496,450 shares (18.21%)	Present Present Present Present Present Present Present Present 1982-2003	Director and Executive Chairman Director and Executive Chairman Director and Executive Chairman Director Director Director Director Director Director and Chief Executive Officer	- Business Online Public Co., Ltd. - IT City Public Co., Ltd. - ARIP Public Co., Ltd. - Advanced Research Group Co., Ltd. - National Credit Bureau Co., Ltd. - Core & Peak Co., Ltd. - ABIKS Development Co., Ltd. - D&B (Thailand) Co., Ltd. - SVOA Public Co., Ltd.

Management

Name and Position	Age	Qualifications	Shareholdings as at 30/5/2013	Working Experience for the last 5 Years		
				Year	Position	Company Name
2. Mr. Wilson Teo Yong Peng Director	48	• 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.) • FCA, Fellow of Institute of Singapore Chartered Accountants • 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 2012-2013	Director Director Director Director Director Director Director	- Business Online Public Co., Ltd. - DataOne Asia (Thailand) Co., Ltd. - Advanced Research Group Co., Ltd. - ABIKS Development Co., Ltd. - ARIP Public Co., Ltd. - Asys Computer Co., Ltd. - Lease IT Co., Ltd.
3. Mr. Krit Kulsuppaisarn Chief Operating Officer SVOA Public Co., Ltd.	61	• 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.
4. **Mr. Adisorn Kaewbucha Chief Executive Officer DataOne Asia (Thailand) Co., Ltd.	58	• Bachelor of Electrical Engineering, Chulalongkorn University	1,825,000 shares (0.19%)	1992-2005 Present Present	Chief Operating Officer CEO Director and Secretary	- SVOA Public Co., Ltd. - DataOne Asia (Thailand) Co., Ltd. - The Federation of Thai ICT for Savings and Credit Cooperatives Limited
5. Mr. Ekachai Sirijirapatana Chief Executive Officer IT City Public Co., Ltd.	60	• Master of MBIS, Georgia State University (U.S.A.) • DAP, Director Accreditation Program, Thai Institute of Directors				
6. Mr. Sompon Aketerajit Chief Executive Officer Lease IT Co., Ltd.	53	• 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 2004-2013 Present	Financial Controller Chief Executive Officer Director Director	- SVOA Public Co., Ltd. - SVOA Public Co., Ltd. - SVOA Public Co., Ltd. - Asys Computer Co., Ltd.
7. Mr. Hu Tai San Chief Operating Officer SVOA Public Co., Ltd.	52	• Master in Engineering, Asian Institute of Technology		2005-2011 Present	Managing Director Director	- Asys Computer Co., Ltd. - Asys Computer Co., Ltd.

Remark

* Mr. Min Intanate has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director & Chief Executive Officer in place of Mr. Vira Intanate, who resigned from the position.

** Mr. Adisorn Kaewbucha has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director in place of Mr. Sompon Aketerajit, who resigned from his position.

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. Min Intanate*
 - 2.3 Mr. Adisorn Kaewbucha**

Remark * Mr. Min Intanate has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director & Chief Executive Officer in place of Mr. Vira Intanate, who resigned from the position, effectively on 27th February, 2013.

** Mr. Adisorn Kaewbucha has been appointed by resolution of the Board of Directors of the Company No. 1/2013, held on 27th February, 2013 to serve as a Director in place of Mr. Sompon Aketerajit, who resigned from his position, effectively on 27th February, 2013.

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 2013 is as follows:

Monetary Remuneration

Board of Directors

	Name	Position	Remuneration 2013	Remuneration 2012
1.	Mr. Thienchai Srivichit	Chairman of The Board	-	-
2.	Mr. Pang Hee Hon	Director	-	-
3.	Mr. Min Intanate	Director	-	-
4.	Mr. Wilson Teo Yong Peng	Director	-	-
5.	Mr. Henry Goh	Director	-	-
6.	Mr. Adisorn Kaewbucha	Director	-	-
7.	Mr. Manu Leoparote	Independent Director & Audit Committee Chairman	810,000.00	620,000.00
8.	Mr. Prapon Phasukyud	Independent Director & Audit Committee Member	510,000.00	500,000.00
9.	Mr. Anant Tangtatswas	Independent Director & Audit Committee Member	510,000.00	415,000.00

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

	2013		2012	
	(SVOA Consolidated)		(SVOA Consolidated)	
	Total Persons	Total Amount (Baht)	Total Persons	Total Amount (Baht)
Salaries	7	24,513,200.00	7	25,746,492.00
Bonus	4	2,165,694.00	4	1,405,662.00
Others	7	837,776.00	7	839,085.00
Contributions to provident fund	7	1,096,241.00	7	1,112,400.00
Contributions to social security fund	7	50,400.00	7	44,100.00
Total		28,663,311.00		29,147,739.00

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, 2013, the Group including associated had 1,485 employees, a decreased of 35 employees from the previous year, amounting to 2.30%. 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	680
2. IT CITY Public Company Limited	538
3. Lease IT Company Limited	25
4. DataOne Asia (Thailand) Company Limited	242
TOTAL	1,485

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	2013 (Baht) (SVOA Consolidated)	2012 (Baht) (SVOA Consolidated)
Salaries	270,144,181.00	272,728,017.00
Bonus	11,396,263.00	6,837,561.00
Contributions to provident fund	8,947,034.00	9,390,993.00
Contributions to social security fund	6,053,800.00	5,392,733.00
Others	93,939,736.00	109,013,329.00
Total	390,481,014.00	403,362,633.00

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.

Corporate Governance Policy

The Company sees the importance of good governance and has put appropriate monitoring process in place while instilling the value of business ethics in dealing with our customers, partners, competitors, members of the public and our staff.

We believe that good corporate governance policy, which consists of competent management, qualified and accountable directors, mechanism of checks and balances for transparent and auditable operations, respect for the rights of all shareholders, and equitable treatment for all stakeholders are the key factors in maximizing the economic value of the Company and increasing the sustainable long-term return on investment to our shareholders.

The Board of Directors aims to manage the Company by using the corporate governance policies in order to operate the Company with efficiency while achieving the Company's objectives. The corporate governance policies can be divided into 5 categories as follow;

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. The Roles of Company Regarding Stakeholders
4. Disclosure of Information and Transparency
5. Responsibilities of Board of Directors

1. Rights of Shareholders

1. Shareholders are the owners of the Company. They control the Company through the appointment of the Board of Directors to serve their interests in making significant decisions for the Company. Therefore the Company should encourage shareholders to exercise their rights.

2. Fundamental rights of Shareholders:

- 2.1 Trade or transfer shares, receive share certificates, and have the rights to access, obtain relevant and adequate information, operational, results, and management policies in the timely manner and on a regular basis.
 - 2.2 Have the rights to receive dividends.
 - 2.3 Participate and vote in the shareholder meetings to elect or remove members of the Board, appoint the external Auditors, and make decisions on any transactions that affect the Company such as dividends payment, making amendments to the memorandum of association, capital increases or decreases, and the approval of extraordinary transactions, etc.
 - 2.4 Shareholders should be fully informed of the criteria and procedures governing shareholders meetings that include sufficient information regarding the issues to be decided in each agenda. This should be provided in advance of the meeting. Shareholders should be able to query Directors both in the meeting and by sending their questions in beforehand. They should also be allowed to propose an agenda and vote by proxy.
 - 2.5 The Board of Directors must recognize shareholders right and avoid any actions that violate those rights.
3. Shareholders shall receive meeting invitation letter and information on venue, date, time, all agenda items with complete supplementary information 14 days prior to the meeting date. All information regarding shareholders meeting shall be posted on the Company's website before the meeting. The Company has to provide suitable place and time that most attendees can attend the meeting. Furthermore, all shareholders should be treated equally according to relevant law and regulation.
 4. Chairman of the Board shall attend the meeting to answer shareholders' queries or appoint other Directors or managers to elaborate on the answers in greater detail.
 5. After the meeting, shareholders have clear understanding and able to access minute of meeting and voting results.

2. Equitable Treatment of Shareholders

1. Shareholders have voting rights in accordance with the number of shares that they hold, and have equal rights equality with regard to accessing Company information.
2. Shareholders shall receive necessary information from the Company that is sufficient, fair and timely, and the Company shall not display bias towards any one group of shareholders by providing them with information that have not been made public.
3. In the shareholders' meetings, the shareholders shall be treated with fairness.
4. The Company encourages the use of proxy forms on which shareholders can specify their voting preferences. The Company provides an option for shareholders to appoint the Chairman of the Audit Committee, who is an Independent Directors, as their proxy.
5. For the sake of transparency and historical record, the Company encourages the use of voting cards.
6. The Company has mechanisms to prevent insider trading in order to protect fraud and the leak of information.

The Company conducts its business according to regulations of Stock Exchange of Thailand(SET) and Securities and Exchange Commission (SEC) We put significant considerations on transparency and fairness, especially on conflict of interest issues. In addition, the disclosure of information in timely manner is always emphasized.

For The Company interests, the internal control on the use of information is clearly stated in the Company handbook. The penalty will be imposed on management and staff who disclose internal information to public or use them for personal benefits.

Moreover, the shareholders structure and details of share held by executives are fully disclosed in annual report.

3. The Roles of Company Regarding Stakeholders

1. The Board of Directors must be aware of the rights of stakeholders as stipulated by law, and should support cooperation between the Company and stakeholders in the creation of prosperity, employment and activities with a sustainable financial status. The Board of Directors shall be sure that the rights of stakeholders are being protected and practiced.
2. The Board of Directors must take into account the benefits received and given by stakeholders in generating competitiveness and profits for the Company.
3. The Company recognized the rights of all parties, and issue policies to reassure the shareholders, employees, customers, business partners, creditors, competitors, including public and society they are suitably benefited from the Company's operations and must encourage the collaboration of these parties to ensure a stable future of the Company this is fair for all the parties concerned.

3.1 Shareholders

The Company determines to be a good representative of shareholders in carrying out the business in order to maximize shareholder satisfaction with regards to sustainable long term growth disclosing transparent and reliable information.

3.2 Employees

All members of staff are valuable assets and a critical factor for success, so the Company must place emphasis on developing and promoting a good culture and working atmosphere, teamwork, courtesy, and promoting a good culture and working atmosphere, teamwork, courtesy, and respect for individuality. The employment, promotion and transfer of all staff members shall be conducted in a fair manner base on ethical standards whilst maximizing human resource utilization. The Company is responsible for implementing and maintaining a safe working environment to protect the lives and property of all of our employees. The Company must also strictly adhere to employment law.

3.3 Customers

Customer satisfaction and consumer confidence are very important to the Company. The Company aims to provide high quality goods and services at reasonable prices, and maintain good relationships with our customers. The Company has thus determined the following guidelines:

3.3.1 Products and Services

The Company shall provide high quality products and services, while continuously improving their standards. Meanwhile, we aim to disclose all of the information that is related to the products with integrity.

3.3.2 Confidentiality of Customers' Information

Director, management, and staff members at all levels shall not disclose any information on customer without prior permission from those customers or authorized personnel of any Company in the Group. The only exception to this is information requested by law enforcement officers in accordance with the law.

3.4 Business Partners and Creditors

The Company's dealings with any business partner shall be conducted in a manner that upholds the reputation of the Company and all relevant laws. All Company personnel must be aware of the common interests of the Company's business partners and treat them equitably. The selection of business partners shall be fair. The Company shall also consider its business partners to be the key factor in jointly creating a value chain for customers.

3.5 Competitors

The Company has a policy of free and fair competition and will not try to monopolize the industry. The Company will not force its business partners to distribute only the Company's products. The Company shall not acquire information on its competitors by any illegal or unethical methods.

3.6 Responsibility to Society and the Environment

The Company is aware that it is a Thai Company and has a responsibility to Thailand and Thai society. The Company is committed to making a contribution to society by supporting activities of public interest and cooperating with the communities in which those activities are located.

4. Disclosure of Information and Transparency

1. The Company encourages disclosure of information with correctness, completeness, transparency and financial information / reports, operational results, and other related information in a timely manner, in order for investors and all relevant parties to use these information when making decisions to trade via distribution channels and media of Stock Exchange of Thailand and Security and Exchange Commission which may include websites of Companies that provide security trading services while providing information in Thai and English.
2. The Company provides a summary of the Corporate Governance policy approved by its Board of Directors through various channels such as the annual report and website.
3. The Company provides a statement of the Board's responsibilities concerning the Company's financial report. This statement is presented alongside the Auditor's report in the Company's the financial statements(56-1) and annual report (56-2)
4. The Company discloses the roles and responsibilities of the Board of Directors and Internal Audit Committee, the total number of meetings and the number of meetings each member attends, as well as the results of tasks performed during the year in the annual report and in Shareholder meeting notices, according to SET and the SEC regulation.
5. The Company sets up a unit to directly take charge of providing information and communicating with Shareholders, investors and financial analyst.

5. Responsibilities of the Board of Directors

1. Structure of the Board

- 1.1 The Company's Board of Directors comprises of 9 Directors who specialize in various aspects of business. The Board of Directors' structure is as follows:

- 1.1.1 Tree Executive Directors who represent 33.33% of the Board

- 1.1.2 Six non-Executive Directors who represent 66.67% or more than three-fourth of the entire Board. This composition represents a good balance in monitoring management's decisions. There are 3 Independent Directors which represent 33.33% of the Board (or one-third) who meet the qualifications under the Stock Exchange of Thailand and Securities and Exchange Commission's regulations.

Moreover, the Company had a policy to appoint different persons in the positions of the Chairman of the Board and the Executive Chairman.

- 1.2 The appointment of Directors must be made in accordance with the Stipulated schedule, and the nomination of Directors for election shall be made with transparency and clarity. Background information on the candidates must be sufficiently detailed to assist in the selection process.
- 1.3 The background of all the Directors must be disclosed in detail to the public, and shall be disclosed for any changes in the composition of the Board.

2. Scope of authority, duty, and responsibility of the Board of Directors

Board of Directors retains authority, duty, and responsibility in managing Company's operation to be consistent with law, objectives, and articles of association. In addition, resolution passed by shareholders' meeting should be conducted honestly and carefully to maintain Company's benefits. The authority, duty, and responsibility could be concluded as follows:-

1. To organize annual shareholders' meeting within 4 months after the last day of accounting period of Company
2. To organize Board of Directors' Meeting at least once in three months
3. To review the audited Balance Sheet and Profit & Loss Statements as at the last day of accounting period and propose to shareholders' meeting for approval
4. To grant the power of attorney to one or more directors or other person to represent Board of Directors in doing business operation under the scope of determined authority as appropriate under the supervision of the Board of Directors, or to grant the power of attorney to such person as agreed by the Board of Directors for certain period which the Board of Directors would be able to cancel or change or amend the authorized person or granted authority as appropriate

As such, Board of Directors may authorize the Management Team to perform business as per detail and scope of power of attorney. Power of attorney granted to the Management Team should not have conflict of interest to the Company and subsidiaries, except the approved transactions must comply with policy and criteria passed by the Board of Directors

5. To determine target, direction, policy, business plan, and budget of the Company as per authorization assigned to Management Team, except some issues must be proposed by Board of Directors to the shareholders' meeting for approval, such as increasing of capital, reduction of capital, issuance of debenture, sale/transfer of entire/partial business of Company to other party, or purchase/acquire other Company's business, amendment to the Memorandum of Association, and etc.

Besides, the Board of Directors should supervise the Company to conduct any transactions in compliance with the law of Securities and Exchange, the Stock Exchange's regulations, such as, connected transactions and sale & purchase of significant assets in accordance with the criteria of the Stock Exchange of Thailand or related business law.

6. To consider management structure and appoint Management Team, Chief Executive Officer, and other committee as appropriate
7. To regularly follow-up business operation to be consistent with business plan and budget
8. Not to operate the similar business and compete with Company's business or being a partner of general partnership or general partner of limited partnership or director of private company or other companies with similar business and compete with Company whether for individual or other benefit, except shareholders' meeting has been informed before the appointment
9. To notify Company at once when there is direct/indirect conflict of interest incurred in any Company's agreements or change of shareholding in Company or subsidiaries

3. Duration of Office

In each Annual General Shareholders' Meeting, one-third of the Directors shall vacate their positions. In the first and second years following the registration of the Company, the Directors shall conduct a random draw to decide which members are to vacate their positions, unless they have determined any other method among themselves. In subsequent years, the Director who have been in their positions longest should vacate their posts. Directors whose term in office has thus ended may be re-selected.

4. Meeting of the Board of Directors

The Annual General Meeting of Shareholders will be organized and take place within 4 months after the end of Company's fiscal or accounting year. There are also Board meeting every 3 months whose yearly schedule is announced in advance and special meeting can be organized as necessary. To schedule a meeting of the Board of Directors, Chairman of the Boards and Executive Chairman will consider and approve agenda. The Company secretary of the Board will then deliver letter of meeting invitation, agenda and related documents to the Directors at least 7 days in advance, to allow Directors time to study the information before meeting.

The Chairman of the Board of Directors will chair the meeting with appropriate time allocation on each agenda for Directors to discuss and express their opinion freely, especially on critical issues to achieve a fairly balanced benefit for Shareholders and stakeholders. The Chairman will ensure that the management presents relevant information to support the discussions. The Company Secretary will take note and prepare Minute of Meeting within 14 days. He or she will keep record of the Minute of Meeting on file together with other reference documents as well as supporting the Board of Directors to perform their duties in compliance with laws, regulations and resolutions of Shareholders' Meetings. The Company Secretary will also coordinate with other parties concerned.

5. Remuneration of Directors

Remuneration of Directors: the Board of Director determines the remuneration of Directors in clear and transparent manners that are sufficient to attract, and retain Directors with desirable qualification Directors. Additional remuneration shall be granted to Directors appointed to the Audit Committee as appropriate. Consideration for granting all such remuneration shall be based on relevant experience, skill and expertise of respective Directors.

Remuneration of Executive: Remuneration of Executives will be according to the Company's operating results as well as achievements of each individual executive.

6. Sub-Committee

The Company arranged to set up a subcommittee, which is the Audit Committee to assist the Board in monitoring the work of each Director.

Audit Committee

The Audit Committee is a part of the Board of Directors. Besides, the Audit Committee who has been appointed by Board of Director and Shareholders consists of 3 person, one of whom must possess qualifications in accounting and finance. Their qualifications comply with the regulations of the Stock Exchange of Thailand with regards to Independence. There must be a chief of Internal Audit Department who will also act as a secretary to the Audit Committee. The Audit Committee has the following duties and authorities.

Scope of authority, duty and responsibility of Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate and cooperate with auditors and management to prepare the financial reports, including quarterly and yearly. 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 Report which must be signed by the Audit Committee Chairman and must contained at least 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 of conduct in compliance with the law of Securities and Exchange, the Stock Exchange's regulations, or the related business laws
 - 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 Meeting, and the attendance of each member of the committee to the meeting.
 - 6.7 An opinion or viewpoint occurred when Audit Committee conducts the works in accordance with the Charter.
 - 6.8 Other transactions, which should be informed to shareholders and general investors, in scope of duties and responsibilities assigned by the Board of Directors.
7. To perform any other act as assigned by the Board of Directors, with the approval of the Audit Committee.
 8. To present the Audit Committee Report to the Board of Directors at least once a quarter.

Qualifications of Audit Committee Members

1. The Independent Director must not hold more than 1 per cent 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 advise 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 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 before 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)

Duration of Office

Members of the Audit Committee shall remain in office for One years, including additional appointments and withdrawals from the Audit Committee. Members of the Audit Committee whose term in office has expired may be re-appointed. Resignation from the Audit Committee, Member (s) of the Board of Directors at least 30 days in advance. The Board of Directors shall approve resignations and send copies of resignation letters to the Stock Exchange of Thailand.

Should a vacancy arise on the Audit Committee for reasons other than the expiry of the duration of office, the Board of Directors shall appoint a person with all the necessary qualifications to replace the resigned person. The appointed person shall remain in office only for the remaining term of office of the person whom they are replacing, and the Stock Exchange of Thailand shall be notified accordingly.

Audit Committee Meetings

1. The Audit Committee shall hold meetings once every each quarter to deliberate the quarterly budget and other issues in accordance with Audit framework. The Chairman of the Audit Committee may call for meetings in special instances to deliberate issues that are necessary or urgent as deemed appropriate.
2. In calling a meeting of the Audit Committee, the Chairman of the Audit Committee, or the secretary of the Audit Committee through the order of the Chairman of the Audit Committee no less than seven days prior to the date of the meeting. An exception may be made in urgent circumstances, the meeting may be announced by other means or scheduled for an earlier suitable period.
3. The Chairman of the Audit Committee shall report the minutes of the meeting to the Board of Directors on the following day.
4. The secretary of the Audit Committee shall not have the right to vote.

7. Selection of Directors.

The Company has not set up a nominating committee to select appropriate persons to be a Director of the Company. The Board of Directors shall select a Director according to qualifications as stated in the Public Limited Companies Act B.E. 2535, Section 68. The Board of Directors shall be elected by meetings of Shareholders by a majority vote.

Shareholder Voting Rights for the Selection of Directors

The Board of Directors shall be appointed by Shareholders in Annual General Meeting according to the following procedures:

1. Each Shareholder shall have one vote per one share.

2. Each Shareholder shall cast his/her vote for one or more candidates for Board Membership but shall not divide his/her voting rights amongst more than one candidate.
3. In a case where there is a tie amongst Board candidates, the Chairman of the Meeting shall cast the deciding vote.

8. Management

Scope of authority, duty, and responsibility of the Management

Management Team retains authority, duty, and responsibility in managing Company's general business operation and management tasks, and determining policy, business plan, budget, management structure and several management authorities and criteria for business operation, to be consistent with current economic situation including following up the operating results, to be proposed to the Board of Directors' Meeting for consideration and approval. The authority, duty, and responsibility could be concluded as follows:-

1. To consider the proposed allotment of annual budget of management before proposing to the Board of Directors for approval. This includes consideration and approval of the change and addition to annual expenses budget when there is no meeting of the Board of Directors, which should be proposed in the next meeting
2. To approve the line of payment not over 50 Million Baht
3. To approve the significant investment as stated in annual expenses budget as appointed or approved by the Board of Directors
4. To act as advisor team for management in financial, marketing, personnel management and others operations policies
5. To allot reward approved by the Board of Directors to Company's officers or employees or other persons, who work for Company

However, authorities of the Management would not include approval of any transactions relating to conflict of interest or connected transactions to Company and subsidiaries as regulated by the Stock Exchange of Thailand in which such approved transactions should be proposed to the Board of Directors' Meeting and/or shareholders' meeting for approval as per articles of association or relevant law.

9. Training and Knowledge Development of the Board of Directors

Every newly appointed Director shall be duly informed of the regulations and information of the Company and its subsidiaries as needed before performing their duties. Each Director would receive proper training to continuously develop their knowledge in order to help them efficiently perform their duties and effectively control the business operation of the Company.



As a leading company in IT industry, our aim is not only to develop our organization and the Thai IT industry, but also to develop our society in the same time. We pay particular attention to support education programs, which are essential foundations for the sustainable development of the country. The company has supported various projects of The Better Thailand Foundation, a charitable organization, which puts emphasis on enhancement of knowledge for the youth especially the less privileged children. Projects that SVOA provides support includes:

Center of Learning with Fun - A project to construct a permanent building, comprising computer room, library and multi-purpose space to serve as knowledge research resource center for schools and communities. For the past 6 years, the Foundation has constructed a total of 9 learning centers.



“Card for You” Project - A project arranged for the less privileged and disabled children so that they can have an opportunity to demonstrate their artistic capabilities. This event has been held annually for over 10 years having more than 2,000 less fortunate children participated.

Computers & Educational Equipment Donation - A project to donate computers, educational tools and materials to schools in rural area. As of now, we have donated to more than 60 schools with over 20,000 children and members of communities benefited from this project.

SVOA is determined to be a part in improving the society. We believe that the business and the society must go hand in hand. SVOA, therefore is devoted to contribute and engage in activities for the better Thai society.

Internal Control and Audit

The Company is aware of the importance of internal control system and has established an internal audit unit directly reporting to the Audit Committee with the Internal Audit Manager serving as Secretary of the Audit Committee.

The Audit Committee has evaluated the Company's internal control and audit system through explanations of the auditor. In the opinion of the Audit Committee, the Company and its subsidiaries have adequate and appropriate internal control system as summarized below:

1. Organizational and Control Environment

The Company has an organization structure that enables the management to operate efficiently. The Company has business goals that can be clearly monitored, audited and evaluated and is aware of the importance of fair treatment of customers, shareholders, trade partners, employees and the society.

2. Risk Management

During a meeting, the Board of Directors has given the directors an opportunity to have a discussion on risk factors faced by the Company to allow management to be aware of and recognize the business risks of the Company. This is beneficial for risk management and promotes deliberate and effective administration.

3. Control of Management's Performance

There are measures to monitor operations of the Company and its subsidiary companies to ensure compliance with laws. The Company has clearly determined the scope of powers and duties of the management as well as maximum amounts of money that each level of management can approve in writing. There is a clear segregation of duties and responsibilities in granting approval, recording accounting items and information, and separating assets to enhance balance of powers and reciprocal audits appropriately. The Company also monitors the performance of its subsidiary or associated companies on a regular basis by having its directors or executives serve as directors in such subsidiary or associated companies for a close supervision.

4. Information and Communication

The Company adopts a communication system that links its information and enables the employees at all level to communicate with each other. This allows operational staff to receive information from the management quickly and clearly. Important information is prepared for the meetings of the Board of Directors and shareholders sufficiently and timely. Minutes of meetings and supporting documents are completely and systematically stored and made available for inspection if needed.

5. Monitoring System

The Company has managed to monitor operating results in comparison with the established goals on a regular basis. There is the Internal Audit Section that can operate independently and present straightforward audit reports and guidelines for correction of errors to the Audit Committee and management for further actions. In the case where material defects are found, corrective actions will be carried out immediately and must be completed within a reasonable time.

Opinions on Sufficiency and Appropriateness of the Internal Control System

At the 4/2013 Audit Committee Meeting held on November 12, 2013. There was an agenda to perform an annual evaluation of sufficiency of the internal control system. The meeting was attended by members of the Audit Committee and independent directors. The meeting considered and reviewed the clear and complete internal control evaluation forms and agreed that the Company's internal control system was sufficient and appropriate in accordance with the good corporate governance principles.

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. 7: 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.

To the Shareholders of SVOA Public Company Limited

I have audited the accompanying consolidated financial statements of SVOA Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at 31 December 2013, and the related consolidated comprehensive income and changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of SVOA Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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 2013, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of matter

I draw attention to Note 4 to the financial statements regarding the change in accounting policy made due to adoption of Thai Accounting Standard 12 Income Taxes. The Company and its subsidiaries have restated the consolidated and separate financial statements for the year ended 31 December 2012, presented herein as comparative information, to reflect the adjustment resulting from such change in accounting policy. The Company and its subsidiaries have also presented the consolidated and separate statements of financial position as at 1 January 2012 as comparative information, using the same accounting policy for income taxes. My opinion is not qualified in respect of this matter.



Siriwan Suratepin

Certified Public Accountant (Thailand) No. 4604

EY Office Limited

(Formerly known as Ernst & Young Office Limited)

Bangkok: 26 February 2014

SVOA Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2013

(Unit: Baht)

		Consolidated financial statements			Separate financial statements		
		As at	As at	As at	As at	As at	As at
		31 December	31 December	1 January	31 December	31 December	1 January
Note		2013	2012	2012	2013	2012	2012
			(Restated)			(Restated)	
Assets							
Current assets							
Cash and cash equivalents	8	200,296,926	273,477,246	191,748,291	135,993,827	184,145,058	113,966,606
Trade and other receivables	9	1,916,002,034	2,334,790,310	2,361,589,146	1,108,989,797	1,557,674,789	1,648,305,651
Loan receivables	10	126,739,123	94,744,739	-	-	-	-
Current portion of factoring receivables	11	138,291,231	145,561,942	166,721,362	-	-	-
Current portion of							
financial lease receivables	12	318,506,517	251,422,109	242,468,613	102,241,364	60,901,010	72,560,473
Inventories	13	1,051,899,754	1,709,723,819	1,679,894,744	762,143,923	1,396,666,578	1,336,593,902
Other current assets	14	100,373,718	116,904,324	121,299,772	12,061,302	45,185,152	43,373,466
Total current assets		3,852,109,303	4,926,624,489	4,763,721,928	2,121,430,213	3,244,572,587	3,214,800,098
Non-current assets							
Restricted bank deposits	15	37,324,545	29,871,925	10,174,532	17,950,760	17,434,000	-
Factoring receivables - net of							
current portion	11	6,393,344	5,407,080	-	-	-	-
Investments in subsidiary companies	16	-	-	-	168,170,813	167,821,805	170,947,065
Investments in associated companies	17	381,818,329	384,015,774	386,682,613	174,393,886	174,393,886	174,393,886
Other long-term investments	18	6,698,314	5,745,311	5,633,464	6,698,314	5,745,311	5,633,464
Property, plant and equipment	19	176,505,845	182,485,653	192,367,237	156,739,162	165,486,623	168,658,252
Financial lease receivables - net							
of current portion	12	213,885,913	164,369,192	155,028,216	72,639,081	33,931,217	49,030,662
Deferred tax assets	36	52,852,608	48,770,396	46,347,681	41,347,118	37,292,340	33,672,860
Other non-current assets							
Withholding tax deducted at source	20	121,548,215	73,458,895	53,337,424	51,938,957	30,870,713	7,614,372
Others		40,973,751	14,642,691	9,915,767	19,020,242	4,526,002	4,496,059
Total other non-current assets		162,521,966	88,101,586	63,253,191	70,959,199	35,396,715	12,110,431
Total non-current assets		1,038,000,864	908,766,917	859,486,934	708,898,333	637,501,897	614,446,620
Total assets		4,890,110,167	5,835,391,406	5,623,208,862	2,830,328,546	3,882,074,484	3,829,246,718

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

SVOA Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		As at	As at	As at	As at	As at	As at
		31 December	31 December	1 January	31 December	31 December	1 January
		2013	2012	2012	2013	2012	2012
			(Restated)			(Restated)	
Liabilities and shareholders' equity							
Current liabilities							
Bank overdrafts and short-term loans							
from banks	21	1,674,899,047	2,502,051,515	2,353,151,779	932,224,166	1,531,342,616	1,591,782,530
Trade and other payables	22	640,957,433	855,366,866	1,024,858,017	416,090,452	730,138,309	798,195,796
Current portion of long-term loans							
from banks	23	42,834,000	4,769,000	10,209,000	14,760,000	-	-
Current portion of liabilities under							
financial lease agreements	24	6,051,140	7,506,859	6,396,289	1,402,207	1,962,312	853,439
Income tax payable		4,192,290	4,405,920	3,280,975	-	-	-
Other current liabilities	25	637,532,926	684,253,064	479,321,785	229,037,429	404,213,230	212,562,371
Total current liabilities		3,006,466,836	4,058,353,224	3,877,217,845	1,593,514,254	2,667,656,467	2,603,394,136
Non-current liabilities							
Long-term loans from banks - net							
of current portion	23	38,403,000	-	4,769,000	20,760,000	-	-
Liabilities under financial lease							
agreements							
- net of current portion	24	2,780,804	8,713,709	10,303,813	2,477,521	3,761,504	1,086,696
Guarantee received from factoring		10,274,733	10,350,623	10,175,999	-	-	-
receivable							
Provision for long-term employee	26	58,832,542	54,716,199	50,024,832	29,780,185	30,083,012	28,470,257
benefits							
Other non-current liabilities		8,374,163	7,427,620	6,675,309	-	-	-
Total non-current liabilities		118,665,242	81,208,151	81,948,953	53,017,706	33,844,516	29,556,953
Total liabilities		3,125,132,078	4,139,561,375	3,959,166,798	1,646,531,960	2,701,500,983	2,632,951,089

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

SVOA Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2013

(Unit: Baht)

		Consolidated financial statements			Separate financial statements		
		As at	As at	As at	As at	As at	As at
		31 December	31 December	1 January	31 December	31 December	1 January
Note		2013	2012	2012	2013	2012	2012
			(Restated)			(Restated)	
Liabilities and shareholders' equity (continued)							
Shareholders' equity							
Share capital							
Registered							
240,000,000 convertible preferred shares							
		240,000,000	240,000,000	240,000,000	240,000,000	240,000,000	240,000,000
of Baht 1 each							
707,000,000 ordinary shares							
of Baht 1 each							
(1 January 2012: 750,000,000 ordinary							
shares of Baht 1 each)							
		707,000,000	707,000,000	750,000,000	707,000,000	707,000,000	750,000,000
28		947,000,000	947,000,000	990,000,000	947,000,000	947,000,000	990,000,000
Issued and fully paid up							
240,000,000 convertible preferred							
		240,000,000	240,000,000	240,000,000	240,000,000	240,000,000	240,000,000
shares of Baht 1 each							
707,000,000 ordinary shares							
of Baht 1 each							
		707,000,000	707,000,000	707,000,000	707,000,000	707,000,000	707,000,000
		947,000,000	947,000,000	947,000,000	947,000,000	947,000,000	947,000,000
Premium on ordinary shares		471,474	471,474	471,474	471,474	471,474	471,474
Retained earnings							
Appropriated - statutory reserve	27	37,697,914	36,717,493	35,175,023	37,697,914	36,717,493	35,175,023
Unappropriated		656,714,891	615,094,022	584,848,525	198,627,198	196,384,534	213,649,132
		694,412,805	651,811,515	620,023,548	236,325,112	233,102,027	248,824,155
Other components of shareholders' equity		96,829,739	96,547,042	96,547,042	-	-	-
Equity attributable to owners of the Company		1,738,714,018	1,695,830,031	1,664,042,064	1,183,796,586	1,180,573,501	1,196,295,629
Non-controlling interests of a subsidiary		26,264,071	0	0	-	-	-
Total shareholders' equity		1,764,978,089	1,695,830,031	1,664,042,064	1,183,796,586	1,180,573,501	1,196,295,629
Total liabilities and shareholders' equity		4,890,110,167	5,835,391,406	5,623,208,862	2,830,328,546	3,882,074,484	3,829,246,718

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

SVOA Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2013

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Profit or loss:				
Revenues				
Sales and service income	6,858,316,403	9,473,762,582	5,037,886,164	7,567,402,469
Other income	34 242,308,527	311,579,200	140,946,232	211,463,874
Total revenues	7,100,624,930	9,785,341,782	5,178,832,396	7,778,866,343
Expenses				
Cost of sales and services	5,999,812,980	8,623,267,821	4,541,737,247	7,010,387,654
Selling expenses	614,296,600	699,616,304	346,288,438	466,220,048
Administrative expenses	241,662,224	200,152,123	174,576,625	146,419,396
Total expenses	6,855,771,804	9,523,036,248	5,062,602,310	7,623,027,098
Profit before share of profit from investments in associated companies, finance cost and income tax expenses				
Share of profit (loss) from investments in associated companies	17.2 (2,197,445)	28,599,810	-	-
Profit before finance cost and income tax expenses	242,655,681	290,905,344	116,230,086	155,839,245
Finance cost	(150,417,456)	(184,067,754)	(86,405,393)	(117,268,338)
Profit before income tax expenses	92,238,225	106,837,590	29,824,693	38,570,907
Income tax expenses	36 (29,113,080)	(24,858,623)	(10,216,269)	(4,102,035)
Net profit for the year	63,125,145	81,978,967	19,608,424	34,468,872
Other comprehensive income:				
Actuarial gain	19,891	-	2,009,576	-
Income tax effect	(3,978)	-	(401,915)	-
Other comprehensive income for the year	15,913	0	1,607,661	0
Total comprehensive income for the year	63,141,058	81,978,967	21,216,085	34,468,872
Profit attributable to:				
Equity holders of the Company	60,475,271	81,978,967	19,608,424	34,468,872
Non-controlling interests of a subsidiary	2,649,874	-	-	-
	63,125,145	81,978,967		
Total comprehensive income attributable to:				
Equity holders of the Company	60,594,290	81,978,967	21,216,085	34,468,872
Non-controlling interests of a subsidiary	2,546,768	-	-	-
	63,141,058	81,978,967		
Earnings per share				
29 Basic earnings per share				
Profit attributable to equity holders of the Company	0.064	0.086	0.021	0.036
Weighted average number of shares (shares)	947,000,000	947,000,000	947,000,000	947,000,000

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

SVOA Public Company Limited and its subsidiaries
Cash flow statement
For the year ended 31 December 2013

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
Cash flows from operating activities				
Profit before tax	92,238,225	106,837,590	29,824,693	38,570,907
Adjustment to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Share of loss (profit) from investments in associated companies	2,197,445	(28,599,810)	-	-
Depreciation and amortisation	29,116,739	32,914,834	20,615,044	22,117,923
Allowance for doubtful trade receivable	5,755,738	5,893,091	6,607,784	4,768,553
Allowance for doubtful financial lease receivables (reversal)	1,164,356	(494,306)	(225,400)	(494,306)
Allowance for doubtful factoring receivables	2,296,444	2,069,463	-	-
Allowance for doubtful loan receivables	56,965	-	-	-
Allowance for diminution in inventory value (reversal)	6,463,095	2,092,783	3,021,561	(3,299,815)
Allowance for impairment on investment in a subsidiary company (reversal)	-	-	(349,008)	3,125,260
Reversal of allowance for impairment loss on investments in other companies	(953,003)	(111,847)	(953,003)	(111,847)
Write-off withholding tax deducted at source	360,000	-	-	-
Allowance for impairment on other current assets (reversal)	(168,649)	162,699	(168,649)	-
Gain on disposal of fixed assets	(3,071,738)	(3,952,952)	(2,987,346)	(2,870,222)
Amortisation of deferred interest income under the financial lease agreements	(50,362,767)	(43,263,592)	(12,344,492)	(7,769,395)
Unrealised loss (gain) on exchange	3,746,422	(2,225,552)	262,752	(965,282)
Reversal of liabilities and provisions	(22,101,697)	(92,368,489)	(13,209,624)	(50,607,990)
Reversal of provision for warranty	(2,941,974)	(3,794,605)	(2,941,974)	(3,794,605)
Interest expenses	149,561,108	182,722,985	86,168,860	116,961,759
Amortisation of deferred interest expenses under the financial lease agreements	856,348	1,344,769	236,533	306,579
Dividend received from an associated company and a subsidiary company	-	-	(18,200,000)	(42,176,177)
Provision for long-term employee benefits	6,486,506	6,317,553	3,273,021	3,238,941
Profit from operating activities before change in operating assets and liabilities	220,699,563	165,544,614	98,630,752	77,000,283

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

SVOA Public Company Limited and its subsidiaries
Cash flow statement (continued)
For the year ended 31 December 2013

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Cash flows from operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	413,201,187	20,905,745	442,245,857	85,862,309
Factoring receivables	3,988,003	13,682,877	-	-
Inventories	651,360,970	(31,921,858)	631,501,094	(56,772,861)
Loans receivables	(32,051,349)	(94,744,739)	-	-
Financial lease receivables	(67,402,718)	25,463,426	(67,478,326)	35,022,609
Other current assets	14,683,791	4,232,749	31,277,035	(1,811,686)
Other non-current assets	(26,922,915)	(4,683,857)	(15,086,713)	(23,367)
Operating liabilities increase (decrease)				
Trade and other payables	(218,155,855)	(167,265,599)	(314,310,609)	(67,092,205)
Other current liabilities	(21,677,292)	305,076,097	(159,169,899)	249,083,170
Other non-current liabilities	870,653	926,935	-	-
Cash flows used in operating activities	938,594,038	237,216,390	647,609,191	321,268,252
Cash paid for interest expense	(149,560,283)	(186,746,499)	(86,023,164)	(119,991,475)
Cash paid for corporate income tax	(81,382,872)	(78,220,684)	(35,261,240)	(38,366,173)
Cash received from withholding tax refund	1,959,322	31,941,544	1,959,322	7,381,741
Cash paid for long-term employee benefits	(2,350,272)	(1,626,186)	(1,566,272)	(1,626,186)
Net cash flows from operating activities	707,259,933	2,564,565	526,717,837	168,666,159
Cash flows from investing activities				
Increase in restricted bank deposits	(7,452,620)	(19,697,393)	(516,760)	(17,434,000)
Dividend received from a subsidiary company	-	-	18,200,000	10,909,528
Dividend received from an associated company	-	31,266,649	-	31,266,649
Increase in non-controlling interests from share capital increase in a subsidiary	24,000,000	-	-	-
Purchase of property, plant and equipment	(26,419,497)	(19,185,754)	(15,143,546)	(16,067,353)
Proceeds from sales of property, plant and equipment	6,354,304	7,137,201	6,263,309	5,552,027
Net cash flows from (used in) investing activities	(3,517,813)	(479,297)	8,803,003	14,226,851

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

SVOA Public Company Limited and its subsidiaries
Cash flow statement (continued)
For the year ended 31 December 2013

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from banks	(827,152,468)	148,899,736	(599,118,450)	(60,439,914)
Cash received from long-term loan from banks	105,500,000	-	42,900,000	-
Repayment of long-term loan from banks	(29,032,000)	(10,209,000)	(7,380,000)	-
Repayment of liabilities under financial lease agreement	(8,244,972)	(8,856,049)	(2,080,621)	(2,083,644)
Dividend paid	(17,993,000)	(50,191,000)	(17,993,000)	(50,191,000)
Net cash flows from (used in) financing activities	(776,922,440)	79,643,687	(583,672,071)	(112,714,558)
Net increase (decrease) in cash and cash equivalents	(73,180,320)	81,728,955	(48,151,231)	70,178,452
Cash and cash equivalents at beginning of the year	273,477,246	191,748,291	184,145,058	113,966,606
Cash and cash equivalents at end of the year	200,296,926	273,477,246	135,993,827	184,145,058

Supplemental disclosures of cash flows information

Non-cash related item:

Assets acquired under financial lease agreements	-	7,031,746	-	5,560,746
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The accompanying notes are an integral part of the financial statements.

SVOA Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2013

(Unit: Baht)

Consolidated financial statements											
	Convertible preferred shares	Ordinary shares issued and fully paid up	Share premium	Retained earnings		Other components of shareholders' equity			Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of a subsidiary	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	Surplus on change in the percentage of shareholding in a subsidiary	Premium on ordinary shares of an associated company	Total other components of shareholders' equity			
Balance as at 31 December 2011											
- as previously reported	240,000,000	707,000,000	471,474	35,175,023	536,824,735	-	96,547,042	96,547,042	1,616,018,274	-	1,616,018,274
Cumulative effect of change in accounting policy for deferred tax (Note 4)	-	-	-	-	48,023,790	-	-	0	48,023,790	-	48,023,790
Balance as at 31 December 2011											
- as restated	240,000,000	707,000,000	471,474	35,175,023	584,848,525	0	96,547,042	96,547,042	1,664,042,064	0	1,664,042,064
Dividend paid (Note 30)	-	-	-	-	(50,191,000)	-	-	-	(50,191,000)	-	(50,191,000)
Total comprehensive income for the year (restated)	-	-	-	-	81,978,967	-	-	-	81,978,967	0	81,978,967
Unappropriated retained earnings transferred to statutory reserve (Note 27)	-	-	-	1,542,470	(1,542,470)	-	-	-	-	-	0
Balance as at 31 December 2012											
- as restated	240,000,000	707,000,000	471,474	36,717,493	615,094,022	0	96,547,042	96,547,042	1,695,830,031	0	1,695,830,031
Balance as at 31 December 2012											
- as previously reported	240,000,000	707,000,000	471,474	36,717,493	564,180,513	-	96,547,042	96,547,042	1,644,916,522	-	1,644,916,522
Cumulative effect of change in accounting policy for deferred tax (Note 4)	-	-	-	-	50,913,509	-	-	0	50,913,509	-	50,913,509
Balance as at 31 December 2012											
- as restated	240,000,000	707,000,000	471,474	36,717,493	615,094,022	0	96,547,042	96,547,042	1,695,830,031	0	1,695,830,031
Dividend paid (Note 30)	-	-	-	-	(17,993,000)	-	-	0	(17,993,000)	-	(17,993,000)
Total comprehensive income for the year	-	-	-	-	60,594,290	-	-	0	60,594,290	2,546,768	63,141,058
Surplus on change in the percentage of shareholding in a subsidiary	-	-	-	-	-	282,697	-	282,697	282,697	-	282,697
Increase in non-controlling interests of a subsidiary from share capital increase in a subsidiary	-	-	-	-	-	-	-	0	0	23,717,303	23,717,303
Unappropriated retained earnings transferred to statutory reserve (Note 27)	-	-	-	980,421	(980,421)	-	-	-	-	-	-
Balance as at 31 December 2013											
	240,000,000	707,000,000	471,474	37,697,914	656,714,891	282,697	96,547,042	96,829,739	1,738,714,018	26,264,071	1,764,978,089

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

SVOA Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2013

(Unit: Baht)

	Separate financial statements					
	Convertible preferred shares	Ordinary shares issued and fully paid up	Share premium	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2011 - as previously reported	240,000,000	707,000,000	471,474	35,175,023	179,976,272	1,162,622,769
Cumulative effect of change in accounting policy for deferred tax (Note 4)	-	-	-	-	33,672,860	33,672,860
Balance as at 31 December 2011 - as restated	240,000,000	707,000,000	471,474	35,175,023	213,649,132	1,196,295,629
Dividend paid (Note 30)	-	-	-	-	(50,191,000)	(50,191,000)
Total comprehensive income for the year (restated)	-	-	-	-	34,468,872	34,468,872
Unappropriated retained earnings transferred to statutory reserve (Note 27)	-	-	-	1,542,470	(1,542,470)	0
Balance as at 31 December 2012 - as restated	240,000,000	707,000,000	471,474	36,717,493	196,384,534	1,180,573,501
Balance as at 31 December 2012 - as previously reported	240,000,000	707,000,000	471,474	36,717,493	159,092,194	1,143,281,161
Cumulative effect of change in accounting policy for deferred tax (Note 4)	-	-	-	-	37,292,340	37,292,340
Balance as at 31 December 2012 - as restated	240,000,000	707,000,000	471,474	36,717,493	196,384,534	1,180,573,501
Dividend paid (Note 30)	-	-	-	-	(17,993,000)	(17,993,000)
Total comprehensive income for the year	-	-	-	-	21,216,085	21,216,085
Unappropriated retained earnings transferred to statutory reserve (Note 27)	-	-	-	980,421	(980,421)	0
Balance as at 31 December 2013	240,000,000	707,000,000	471,474	37,697,914	198,627,198	1,183,796,586

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 year ended 31 December 2013

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 Thai Financial Reporting 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	
		2013	2012
		Percent	Percent
Asys Computer Co., Ltd.	After Sales Service	100	100
DataOne Asia (Thailand) Co., Ltd.	Internet data center, sales of computer, installment and maintenance of computer system	100	100
Lease IT Public Co., Ltd.	Provide finance service in forms of factoring, leasing and hire-purchase and loans to other companies	86.21	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. New accounting standards

Below is a summary of accounting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Accounting standards that became effective in the current accounting year

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
Financial Reporting Standard:	
TFRS 8	Operating Segments
Accounting Standard Interpretations:	
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
Accounting Treatment Guidance for Transfers of Financial Assets	

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company and its subsidiaries have changed this accounting policy in this current period and restated the prior year's financial statements, presented as comparative information, as though the Company and its subsidiaries had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 4 to the financial statements.

(b) Accounting standards that will become effective in the future

		Effective date
Accounting Standards:		
TAS 1 (revised 2012)	Presentation of Financial Statements	1 January 2014
TAS 7 (revised 2012)	Statement of Cash Flows	1 January 2014
TAS 12 (revised 2012)	Income Taxes	1 January 2014
TAS 17 (revised 2012)	Leases	1 January 2014
TAS 18 (revised 2012)	Revenue	1 January 2014
TAS 19 (revised 2012)	Employee Benefits	1 January 2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	1 January 2014
TAS 24 (revised 2012)	Related Party Disclosures	1 January 2014
TAS 28 (revised 2012)	Investments in Associates	1 January 2014
TAS 31 (revised 2012)	Interests in Joint Ventures	1 January 2014
TAS 34 (revised 2012)	Interim Financial Reporting	1 January 2014
TAS 36 (revised 2012)	Impairment of Assets	1 January 2014
TAS 38 (revised 2012)	Intangible Assets	1 January 2014
Financial Reporting Standards:		
TFRS 2 (revised 2012)	Share-based Payment	1 January 2014
TFRS 3 (revised 2012)	Business Combinations	1 January 2014
TFRS 4	Insurance Contracts	1 January 2016
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations	1 January 2014
TFRS 8 (revised 2012)	Operating Segments	1 January 2014

		Effective date
Accounting Standard Interpretations:		
TSIC 15	Operating Leases - Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets - Web Site Costs	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

The Company and its subsidiaries' managements believe that these accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standards interpretations will not have any significant impact on the financial statements for the year when they are initially applied.

4. Cumulative effect of changes in accounting policies due to the adoption of new accounting standard

During the current year, the Company and its subsidiaries made the changes described in Note 3 to the financial statements to its significant accounting policies, as a result of the adoption of Thai Accounting Standard 12 Income Taxes. 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 statements of financial position and the statements of comprehensive income are summarised below.

	(Unit: Thousand Baht)					
	As at 31 December 2013		As at 31 December 2012		As at 1 January 2012	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Statements of financial position						
Increase in deferred tax assets	52,853	41,347	48,770	37,292	46,348	33,673
Increase in unappropriated retained earnings	54,652	41,347	50,914	37,292	48,024	33,673

(Unit: Thousand Baht)

	For the year ended 31 December 2013		For the year ended 31 December 2012	
	Consolidat ed financial statements	Separate financial statements	Consolidat ed financial statements	Separate financial statements
Statements of comprehensive income				
Decrease in income tax expenses	(4,083)	(4,055)	(2,422)	(3,619)
Increase in profit attributable to non-controlling interest of the subsidiaries	161	-	-	-
Increase in profit attributable to equity holders of the Company	1,003	-	-	-
Increase in basic earnings per share (Baht)	0.004	0.004	0.002	0.004

5. Significant accounting policies

5.1 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.

Interest income on factoring

Revenues from factoring are recognised on an accrual basis, using the effective interest rate, except for overdue receivables more than ninety days, 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 recognised as interest accrues based on the effective rate method.

Dividends

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

5.2 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.

5.3 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.

5.4 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.

5.5 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).

5.6 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.

5.7 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.

5.8 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. 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.

5.9 Long-term lease agreements

Leases of 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.

Leases of equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

5.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items included in the consolidated financial statements of each entity are measured using that functional currency.

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, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in determining income.

5.11 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 they 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 other comprehensive income.

The defined benefits liability comprises the present value of the defined benefit obligation less unrecognised past service cost and unrecognised actuarial gains or losses.

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Company 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 2011.

5.12 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.

5.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.14 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.

6. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards 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:

6.1 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.

6.2 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.

6.3 Reduction cost of inventory value

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

6.4 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.

6.5 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.

6.6 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6.7 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 reporting period end.

6.8 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.

7. 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. Sale transactions between the Company and its subsidiaries and between the Company and its associate is determined from cost plus margin not over than 15%. 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. Dividend income is recognised when declared.

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

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Transactions with subsidiary companies				
(Eliminated from consolidated financial statements)				
Sales and services	-	-	38	48
Cost of sales and services	-	-	37	48
Purchases of goods and services	-	-	40	45
Interest Income	-	-	-	1
Other service income	-	-	2	1
Management fee expense	-	-	9	9
Other service charge	-	-	3	2
Rental expense	-	-	6	6
Purchase of fixed assets	-	-	-	1
Dividend income	-	-	18	11

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Transactions with an associated company				
Sales and services	72	204	72	203
Cost of sales and services	57	182	57	182
Purchases of goods	6	32	5	31
Dividend income	-	31	-	31
Rental expense	1	1	1	1
Transactions with related companies				
Sales and services	17	20	16	16
Cost of sales and services	6	17	5	14
Purchases of goods and services	46	17	8	8
Service expense	1	1	1	1

The balance of the account as at 31 December 2013 and 2012 between the Company and those related parties are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Trade and other receivables - related parties (note 9)				
Subsidiaries	-	-	12,203	25,407
Associated companies	5,319	3,075	5,319	2,991
Related companies (related by common shareholder and/or common directors)	2,035	2,912	1,631	425
Total trade and other receivables - related parties	7,354	5,987	19,153	28,823

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Trade and other payables - related parties (note 22)				
Subsidiaries	-	-	36,092	35,582
Associated companies	342	967	342	929
Related companies (related by common shareholder and/or common directors)	24,117	11,083	4,062	1,877
Total trade and other payables - related parties	24,459	12,050	40,496	38,388

Loans to a subsidiary company

As at 31 December 2013 and 2012, the balance of loans between the Company and a subsidiary company and the movement are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
Loans to related parties	Related by	Balance as at 31 December 2012	Increase during the year	Decrease during the year	Balance as at 31 December 2013
Dataone Asia (Thailand) Company Limited	Subsidiary	-	65,500	(65,500)	-
Total		-	65,500	(65,500)	-

During the year 2013, the Company granted loan to a subsidiary company amounting to Baht 65.5 million. The loan bears interest at 9.5 percent. During the year 2013, the Company received repayment in full amount.

Directors and management's benefits

During the years ended 31 December 2013 and 2012, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Short-term employee benefits	28,328	30,683	19,191	20,694
Post-employment benefits	776	868	256	379
Total	29,104	31,551	19,447	21,073

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 37.3 to the financial statements.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Cash	10	10	-	-
Bank deposits	200,287	273,467	135,994	184,145
Total	200,297	273,477	135,994	184,145

As at 31 December 2013, bank deposits in saving accounts, and fixed deposits carried interests between 0.125 and 2.35 percent per annum (2012: between 0.125 and 1.75 percent per annum).

9. Trade and other receivables

		(Unit: Thousand Baht)	
		Consolidated	Separate
		financial statements	financial statements
		2013	2012
		2013	2012
Trade accounts receivable - related parties			
Aged on the basis of due dates			
Not yet due		4,202	2,126
Past due			
Up to 3 months		2,233	2,396
Over 12 months		-	84
Total trade accounts receivable - related parties		6,435	4,606
Trade accounts receivable - unrelated parties			
Aged on the basis of due dates			
Not yet due		856,953	678,166
Past due			
Up to 3 months		437,933	574,261
3 - 6 months		87,598	151,611
6 - 12 months		17,436	70,620
Over 12 months		60,076	34,602
Total		1,459,996	1,509,260
Less: Allowance for doubtful debts		(48,235)	(42,869)
Total trade accounts receivable - unrelated parties, net		1,411,761	1,466,391
Total trade accounts receivable - net		1,418,196	1,470,997
Other receivables			
Other receivables and accrued income - related party		919	1,381
Accrued income		496,887	862,412
Total other receivables		497,806	863,793
Trade and other receivables - net		1,916,002	2,334,790

As at 31 December 2013, 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 27 million and Baht 17 million, respectively (2012: Baht 7 million and Baht 87 million, respectively) and separate financial statements totaling Baht 18 million and Baht 16 million, respectively (2012: Baht 6 million and Baht 68 million, respectively). This is 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 2013, the balance of the above accounts receivable included the receivables that were placed as collateral for such credit facilities totaling approximately Baht 264 million (2012: Baht 316 million) and separate financial statements: Baht 195 million (2012: Baht 295 million).

10. Loan receivables

A subsidiary has loan receivables with carries interest rate as agreed in the agreements and with original maturity of three months.

As at 31 December 2013 and 2012, the loans classified by the age, based on due date, as follows:

(Unit: Thousand Baht)		
Consolidated		
financial statements		
	2013	2012
Aged on the basis of due dates		
Not yet due	121,100	86,555
Past due		
Up to 3 months	5,696	8,189
Total loans to other companies	126,796	94,744
Less: Allowance for doubtful debts	(57)	-
Total loans to other companies - net	<u>126,739</u>	<u>94,744</u>

As at 31 December 2013, the subsidiary company has been received the transfers collection rights of other companies' trade accounts receivable as collateral for these loans in full amount.

11. Factoring receivables

Factoring receivables as at 31 December 2013 and 2012 are as follow:

(Unit: Thousand Baht)						
	Current portion of		Long-term portion of		Total	
	2013	2012	2013	2012	2013	2012
Factoring receivables	145,804	150,779	6,393	5,408	152,197	156,187
Less: Allowance for doubtful debts	(7,513)	(5,217)	-	-	(7,513)	(5,217)
Factoring receivables - net	<u>138,291</u>	<u>145,562</u>	<u>6,393</u>	<u>5,408</u>	<u>144,684</u>	<u>150,970</u>

A subsidiary company has the factoring receivables, giving the credit with a rate of approximately 70 to 95 percent of invoice amount. As at 31 December 2013 and 2012, the factoring receivables classified by the age, based on due date, as follows:

(Unit: Thousand Baht)		
Consolidated		
financial statements		
	2013	2012
Aged on the basis of due dates		
Not yet due	139,019	129,772
Past due		
Up to 3 months	10,722	21,014
Over 12 months	2,456	5,401
Total	152,197	156,187
Less: Allowance for doubtful debts	(7,513)	(5,217)
Factoring receivables - net	<u>144,684</u>	<u>150,970</u>

12. Financial lease receivables

Financial lease receivables as at 31 December 2013 and 2012 consisted of the following:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Financial lease receivables (contractual value)	1,048,943	1,495,779	325,243	222,110
Less: Receipts	(459,407)	(1,035,761)	(135,791)	(120,285)
Financial lease receivables	589,536	460,018	189,452	101,825
Less: Unearned interest income	(55,634)	(43,881)	(14,451)	(6,647)
Financial lease receivables, net of unearned interest income	533,902	416,137	175,001	95,178
Less: Allowance for doubtful accounts	(1,511)	(346)	(121)	(346)
Financial lease receivables - net	532,391	415,791	174,880	94,832
Less: Portion due within one year	(318,506)	(251,422)	(102,241)	(60,901)
Financial lease receivables - net of current portion	<u>213,885</u>	<u>164,369</u>	<u>72,639</u>	<u>33,931</u>

Current portion of financial lease receivables consists of the following:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Current portion of financial lease receivables (contractual value)	356,411	280,234	111,726	65,561
Less: Unearned interest income	(36,515)	(28,812)	(9,485)	(4,660)
Total	319,896	251,422	102,241	60,901
Less: Allowance for doubtful accounts	(1,390)	-	-	-
Current portion of financial lease receivables	<u>318,506</u>	<u>251,422</u>	<u>102,241</u>	<u>60,901</u>

As at 31 December 2013, a subsidiary has transferred its collection rights under the finance lease agreements to a bank as collateral for short-term loans as discussed in Note 21. The balance of the above financial lease receivables that were placed as collateral for such loans totaling approximately Baht 32 million (2012: Baht 28 million).

In addition, the Company and the subsidiary have transferred the right of restricted deposits under finance lease agreements as collateral for long-term loans as discussed in Note 23. As at 31 December 2013, the financial lease receivables under such agreements were Baht 122 million and Baht 35 million in consolidated financial statements and separate financial statements, respectively.

The outstanding balances of financial lease receivables as at 31 December 2013 and 2012 are aged, based on due date, as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Aged on the basis of due dates				
Not yet due	508,327	410,166	153,685	82,684
Past due				
Up to 3 months	46,481	32,953	18,490	12,227
3 - 6 months	14,736	10,375	9,509	4,326
6 - 12 months	15,049	3,270	7,647	1,261
Over 12 months	4,943	3,254	121	1,327
Total financial lease receivables	<u>589,536</u>	<u>460,018</u>	<u>189,452</u>	<u>101,825</u>

As at 31 December 2013 and 2012, future minimum lease receivables expected to be received under the finance lease agreements were as follows:

(Unit: Thousand Baht)

Consolidated financial statements			
As at 31 December 2013			
	Less than		
	1 year	1-5 years	Total
Future minimum lease receivables	356,411	233,125	589,536
Less: Deferred interest income	(36,248)	(19,000)	(55,248)
Unearned fee income	(267)	(119)	(386)
Allowance for doubtful accounts	(1,390)	(121)	(1,511)
Present value of future minimum lease receivables	<u>318,506</u>	<u>213,885</u>	<u>532,391</u>

(Unit: Thousand Baht)

Consolidated financial statements			
As at 31 December 2012			
	Less than		
	1 year	1-5 years	Total
Future minimum lease receivables	280,234	179,784	460,018
Less: Deferred interest income	(28,812)	(15,069)	(43,881)
Allowance for doubtful accounts	-	(346)	(346)
Present value of future minimum lease receivables	<u>251,422</u>	<u>164,369</u>	<u>415,791</u>

(Unit: Thousand Baht)

Separate financial statements			
As at 31 December 2013			
	Less than		
	1 year	1-5 years	Total
Future minimum lease receivables	111,726	77,726	189,452
Less: Deferred interest income	(9,485)	(4,966)	(14,451)
Allowance for doubtful accounts	-	(121)	(121)
Present value of future minimum lease receivables	<u>102,241</u>	<u>72,639</u>	<u>174,880</u>

(Unit: Thousand Baht)

Separate financial statements			
As at 31 December 2012			
	Less than		
	1 year	1-5 years	Total
Future minimum lease receivables	65,561	36,264	101,825
Less: Deferred interest income	(4,660)	(1,987)	(6,647)
Allowance for doubtful accounts	-	(346)	(346)
Present value of future minimum lease receivables	<u>60,901</u>	<u>33,931</u>	<u>94,832</u>

13. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2013	2012	2013	2012	2013	2012
Finished goods	369,647	1,167,913	(50,343)	(43,880)	319,304	1,124,033
Work in process	704,790	570,708	-	-	704,790	570,708
Goods in transit	27,806	14,983	-	-	27,806	14,983
Total	1,102,243	1,753,604	(50,343)	(43,880)	1,051,900	1,709,724

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2013	2012	2013	2012	2013	2012
Finished goods	292,740	1,062,331	(38,529)	(35,507)	254,211	1,026,824
Work in process	506,822	366,002	-	-	506,822	366,002
Goods in transit	1,111	3,841	-	-	1,111	3,841
Total	800,673	1,432,174	(38,529)	(35,507)	762,144	1,396,667

14. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Input tax refundable	34,279	59,579	-	20,292
Prepaid expenses	38,510	25,463	3,145	5,202
Input vat suspense	4,487	6,183	1,040	3,511
Advance for purchase of inventories	9,273	10,846	710	3,370
Others	13,825	14,833	7,166	12,810
Total other current assets	100,374	116,904	12,061	45,185

15. Restricted bank deposits

As at 31 December 2013, the Company has the deposits at banks subject to withdrawal of restrictions totaling Baht 18 million (2012: Baht 18 million) for secure credit facilities provided by bank to the Company.

As at 31 December 2013, a subsidiary company had bank deposits subject to withdrawal restrictions of Baht 19 million (2012: Baht 12 million). Restricted bank deposits comprised bank deposits of Baht 8 million (2012: Baht 10 million) that a factoring customer had placed to guarantee a credit facilities provided by the subsidiary company and guarantee bid envelope, for which the terms of withdrawal are subject to the agreement between the subsidiary company and the customer, bank deposits of Baht 2 million (2012: Baht 2 million) of which rights had been transferred to the subsidiary company by debtors and withdrawal restrictions were imposed by the Bank granting credit facilities to the subsidiary company, and bank deposits of Baht 9 million (2012: Nil) that were used for bank guarantees issued by banks on behalf of the subsidiary company's customer to guarantee bid envelope.

16. Investments in subsidiary companies

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

Subsidiary companies	(Unit: Thousand Baht)							
	Paid up capital		Shareholding percentage		Investment value under cost method		Dividend received during the year	
	2013	2012	2013	2012	2013	2012	2013	2012
	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 Public Co., Ltd.	116	100	86.21	100	100,000	100,000	18,200	10,909
Total					224,519	224,519	18,200	10,909
Less: Allowance for impairment of investment - Asys Computer Co., Ltd.					(56,348)	(56,697)		
Investments in subsidiary companies - net					168,171	167,822		

16.1 On 1 March 2013, the Extraordinary General Meeting of shareholders of Lease IT Co., Ltd. ("Lease IT"), a subsidiary, approved to decrease unpaid share capital by Baht 100 million (10 million ordinary shares of Baht 10 each) from the registered capital of Baht 200 million (20 million ordinary shares of Baht 10 each) to Baht 100 million (20 million ordinary shares of Baht 5 each). Lease IT registered the share capital decrease with the Ministry of Commerce on 9 April 2013.

16.2 On 29 April 2013, the Annual General Meeting of shareholders of Lease IT Co., Ltd. approved the dividend payment of 60 percent of the company's 2012 income. The Company received such dividend of Baht 18.2 million in July 2013.

16.3 On 29 April 2013, the Annual General Meeting of shareholders of Lease IT Co., Ltd. approved the following.

- To decrease the par value of Lease IT's ordinary shares from Baht 5 per share to Baht 1 per share (from 20 million ordinary shares of Baht 5 each to 100 million ordinary shares of Baht 1 each). Lease IT registered the par value decrease with the Ministry of Commerce on 16 May 2013.
- To convert into a public limited company conversion and to list the company on the MAI. The Company registered the conversion into a public limited company with the Ministry of Commerce on 16 May 2013.
- To additionally issue 16 million ordinary shares of Baht 16 million that were divided into 16 million ordinary shares of Baht 1 each to offer to the public in the amount of Baht 1.5 each, totaling Baht 24 million. Lease IT has already received the full payment. Lease IT registered the ordinary share increase with the Ministry of Commerce on 14 June 2013.

The shareholding percentage of the Company in this subsidiary decreased from 100 percent to 86.21 percent due to Lease IT's sale of ordinary shares to the public. The Company recorded surplus on change in the percentage of shareholding of Baht 0.3 million in statement of changes in shareholders' equity.

Subsequently, on 24 June 2013, the Extraordinary General Meeting of shareholders of Lease IT Public Co., Ltd. approved to increase Lease IT's registered capital by Baht 84 million (84 million ordinary shares of Baht 1 each) from the registered capital of Baht 116 million (116 million ordinary shares of Baht 1 each) to Baht 200 million (200 million ordinary shares of Baht 1 each). The new shares were divided into 46.2 million ordinary shares for the first initial public offering (IPO), 4.2 million ordinary shares to offer to directors and/or other employees of Lease IT Public Co., Ltd. and 33.6 million ordinary shares to offer to its parent company, SVOA Public Company Limited. Lease IT registered the share capital increase with the Ministry of Commerce on 4 July 2013.

17. Investments in associated companies

17.1 Details of associates

		(Unit: Thousand Baht)					
Associated companies	Nature of business	Consolidated		Separate			
		financial statements		financial statements			
		Carrying amounts		Investment value			
		based on equity		under cost method			
		method					
		2013	2012	2013	2012	2013	2012
		%	%				
IT City Public Co., Ltd.	The distribution of computer and related accessories	31.96	31.96	351,003	353,410	144,394	144,394
ABIKS Development Co., Ltd.	Rental of office building	20.00	20.00	30,815	30,606	30,000	30,000
Total investments in associated companies				381,818	384,016	174,394	174,394

17.2 Share of profit and dividend received

During the years, the Company recognised its share of profit 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		Separate	
		financial statements		financial statements	
		Share of profit (loss) from investments in associates during the year		Dividend received during the year	
		2013	2012	2013	2012
IT City Public Co., Ltd.		(2,406)	28,390	-	31,267
ABIKS Development Co., Ltd.		209	210	-	-
Total		(2,197)	28,600	-	31,267

17.3 Fair value of investment in listed associate

As at 31 December 2013, 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 304 million (2012: Baht 556 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 as at		Total assets as at		Total liabilities as at	
	31 December		31 December		31 December	
	2013	2012	2013	2012	2013	2012
IT City Public Co., Ltd.	349	349	1,521	1,644	486	601
ABIKS Development Co., Ltd.	150	150	154	153	0.1	0.2

(Unit: Million Baht)

Company's name	Total revenues for the years ended		Net income for the years ended	
	31 December		31 December	
	2013	2012	2013	2012
IT City Public Co., Ltd.	5,406	5,913	(9)	89
ABIKS Development Co., Ltd.	2.0	2.1	1.0	1.0

18. Other long-term investments

As at 31 December 2013 and 2012, the Company has long-term investments in equity securities of the following companies:

(Unit: Thousand Baht)

	Paid up share capital	Interest		Investments at cost	
	Million Baht	2013	2012	2013	2012
		%	%		
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				(7,152)	(8,105)
Other long-term investments - net				6,698	5,745

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. In addition, the Company has set up allowance for impairment on investment in Thai Smart Card Co., Ltd. of Baht 5 million based on its 2012 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								
As at 31 December 2012	89,025	134,468	442,985	84,227	4,450	35,754	103,331	894,240
Additions	-	4,811	14,216	1,129	-	3,641	2,623	26,420
Disposals and written off	-	-	(45,367)	-	-	(50)	-	(45,417)
As at 31 December 2013	89,025	139,279	411,834	85,356	4,450	39,345	105,954	875,243
Accumulated depreciation:								
As at 31 December 2012	-	91,966	262,982	77,079	2,987	23,534	98,211	556,759
Depreciation for the year	-	7,016	11,583	1,670	423	3,829	4,596	29,117
Disposals and written off	-	-	(8,003)	-	-	(50)	-	(8,053)
As at 31 December 2013	-	98,982	266,562	78,749	3,410	27,313	102,807	577,823
Allowance for impairment loss:								
As at 31 December 2012	-	607	154,388	-	-	-	-	154,995
Allowance for diminution in value on disposals	-	-	(34,081)	-	-	-	-	(34,081)
As at 31 December 2013	-	607	120,307	-	-	-	-	120,914
Net book value:								
As at 31 December 2012	89,025	41,895	25,615	7,148	1,463	12,220	5,120	182,486
As at 31 December 2013	89,025	39,690	24,965	6,607	1,040	12,032	3,147	176,506
Depreciation for the year								
2012 (Baht 6 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								32,895
2013 (Baht 5 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								29,117

	(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								
As at 31 December 2011	89,025	132,321	444,746	82,533	4,165	26,931	100,191	879,912
Additions	-	2,147	7,270	1,810	419	10,969	3,602	26,217
Disposals and written off	-	-	(9,063)	(116)	(134)	(2,114)	(462)	(11,889)
Transfer in (Transfer out)	-	-	32	-	-	(32)	-	-
As at 31 December 2012	89,025	134,468	442,985	84,227	4,450	35,754	103,331	894,240
Accumulated depreciation:								
As at 31 December 2011	-	85,333	255,268	75,573	2,705	21,211	92,460	532,550
Depreciation for the year	-	6,633	14,055	1,622	416	3,956	6,213	32,895
Disposals and written off	-	-	(6,341)	(116)	(134)	(1,633)	(462)	(8,686)
As at 31 December 2012	-	91,966	262,982	77,079	2,987	23,534	98,211	556,759
Allowance for impairment loss:								
As at 31 December 2011	-	607	154,388	-	-	-	-	154,995
As at 31 December 2012	-	607	154,388	-	-	-	-	154,995
Net book value:								
As at 31 December 2011	89,025	46,381	35,090	6,960	1,460	5,720	7,731	192,367
As at 31 December 2012	89,025	41,895	25,615	7,148	1,463	12,220	5,120	182,486
Depreciation for the year								
2011 (Baht 2 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								36,929
2012 (Baht 6 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								32,895

	(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								
As at 31 December 2012	89,025	131,007	200,685	80,544	4,450	25,272	42,262	573,245
Additions	-	4,759	8,089	956	-	127	1,213	15,144
Disposals and written off	-	-	(9,528)	-	-	(50)	-	(9,578)
As at 31 December 2013	89,025	135,766	199,246	81,500	4,450	25,349	43,475	578,811
Accumulated depreciation:								
As at 31 December 2012	-	92,129	182,772	75,610	2,988	15,818	38,442	407,759
Depreciation for the year	-	6,787	7,039	1,529	423	2,500	2,337	20,615
Disposals and written off	-	-	(6,252)	-	-	(50)	-	(6,302)
As at 31 December 2013	-	98,916	183,559	77,139	3,411	18,268	40,779	422,072
Net book value:								
As at 31 December 2012	89,025	38,878	17,913	4,934	1,462	9,454	3,820	165,486
As at 31 December 2013	89,025	36,850	15,687	4,361	1,039	7,081	2,696	156,739
Depreciation for the year								
2012 (Baht 2 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								22,118
2013 (Baht 2 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								20,615

	(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								
As at 31 December 2011	89,025	129,980	202,402	78,991	4,165	16,173	39,112	559,848
Additions	-	1,027	5,799	1,651	419	9,130	3,602	21,628
Disposals and written off	-	-	(7,547)	(98)	(134)	-	(452)	(8,231)
Transfer in (Transfer out)	-	-	31	-	-	(31)	-	-
As at 31 December 2012	89,025	131,007	200,685	80,544	4,450	25,272	42,262	573,245
Accumulated depreciation:								
As at 31 December 2011	-	85,527	178,709	74,204	2,706	13,487	36,557	391,190
Depreciation for the year	-	6,602	8,928	1,504	416	2,331	2,337	22,118
Disposals and written off	-	-	(4,865)	(98)	(134)	-	(452)	(5,549)
As at 31 December 2012	-	92,129	182,772	75,610	2,988	15,818	38,442	407,759
Net book value:								
As at 31 December 2011	89,025	44,453	23,693	4,787	1,459	2,686	2,555	168,658
As at 31 December 2012	89,025	38,878	17,913	4,934	1,462	9,454	3,820	165,486
Depreciation for the year								
2011 (Baht 2 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								19,168
2012 (Baht 2 million included in cost of sale and services, and the remaining balance included in selling expenses and administrative expenses)								22,118

As at 31 December 2013, 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 360 million. (2012: Baht 391 million) and separate financial statements: Baht 195 million (2012: Baht 193 million).

As at 31 December 2013, the Company and its subsidiaries have net book value of motor vehicles derived from liabilities under financial lease agreement approximately Baht 9 million (2012: Baht 13 million) and separate financial statements: Baht 6 million (2012: Baht 9 million)

20. Withholding tax deducted at sources

The balance of withholding tax deducted at sources as at 31 December 2013 and 2012, aged on years, are summarised below.

(Unit: Thousand Baht)

Year	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
2000	20,169	20,169	20,169	20,169
2008	27	27	-	-
2010	93	93	90	90
2011	20,767	21,240	54	167
2012	52,099	52,099	30,614	30,614
2013	48,562	-	21,181	-
Total	141,717	93,628	72,108	51,040
Less: Allowance for diminution in value	(20,169)	(20,169)	(20,169)	(20,169)
Withholding tax deducted at sources - net	121,548	73,459	51,939	30,871

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. 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 financial statements		Separate financial statements	
		2013	2012	2013	2012
Bank overdrafts	MOR	62,111	53,783	5,856	11,370
Short-term loans from banks	MMR, MLR-0.25-MLR-1, MOR-0.25, MOR-1	1,565,706	2,388,287	921,093	1,495,877
Trust receipt	4.63 - 7.375	47,082	59,981	5,275	24,096
Total		1,674,899	2,502,051	932,224	1,531,343

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 264 million as at 31 December 2013 (2012: Baht 342 million) and separate financial statements: Baht 195 million (2012: Baht 295 million).

Credit facilities of subsidiaries 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	
	2013	2012	2013	2012
Trade payables - related parties	14,169	4,401	36,767	24,043
Trade payables - unrelated parties	609,747	832,482	369,710	685,169
Other payables - related parties	10,290	7,649	3,729	14,345
Other payables - unrelated parties	6,751	10,835	5,884	6,581
Total trade and other payables	640,957	855,367	416,090	730,138

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

As at 31 December 2013 and 2012, 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
		(Million: Baht)	2013	2012	2013	2012	2013	2012				
Long-term loans of the Company												
1.	31 May 2013	44.0	14,760	-	20,760	-	35,520	-	36 months	Monthly	Monthly	At the rate of MLR-0.75 per annum
Long-term loans of subsidiaries												
2.	29 September 2010	11.6	-	2,100	-	-	-	2,100	2 years 9 months	Monthly	Monthly	At the rate of MLR per annum
3.	18 January 2011	9.5	-	2,669	-	-	-	2,669	2 years 10 months	Monthly	Monthly	At the rate of MLR per annum
4.	16 January 2013	14.9	6,876	-	1,148	-	8,024	-	26 months	Monthly	Monthly	At the rate of MLR per annum
5.	20 February 2013	2.8	1,050	-	875	-	1,925	-	32 months	Monthly	Monthly	At the rate of MLR per annum
6.	20 February 2013	12.2	4,584	-	3,796	-	8,380	-	32 months	Monthly	Monthly	At the rate of MLR per annum
7.	29 April 2013	6.0	3,300	-	-	-	3,300	-	32 months	Monthly	Monthly	At the rate of MLR per annum
8.	17 July 2013	9.0	5,400	-	1,350	-	6,750	-	32 months	Monthly	Monthly	At the rate of MLR per annum
9.	3 December 2013	11.2	4,344	-	6,494	-	10,838	-	2 years 7 months	Monthly	Monthly	At the rate of MLR per annum
10.	3 December 2013	6.5	2,520	-	3,980	-	6,500	-	2 years 7 months	Monthly	Monthly	At the rate of MLR per annum
Total long-term loans of subsidiaries			28,074	4,769	17,643	-	45,717	4,769				
Total long-term loans of the Company and its subsidiaries			42,834	4,769	38,403	-	81,237	4,769				

As at 31 December 2013, the Company and its subsidiary have transferred its rights of restricted deposits under financial lease agreements as collateral to the banks as discussed in Note 12.

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

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

Movements in the long-term loans account during the years ended 31 December 2013 and 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Balance as at the beginning of the year	4,769	14,978	-	-
Add: Addition borrowing	105,500	-	42,900	-
Less: Repayment	(29,032)	(10,209)	(7,380)	-
Balance as at the end of the year	81,237	4,769	35,520	-

24. Liabilities under financial lease agreements

Liabilities under finance lease agreements as at 31 December 2013 and 2012 consist of:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Liabilities under finance lease agreements (contractual value)	24,602	29,669	8,862	8,862
Less: paid	(15,283)	(12,105)	(4,705)	(2,624)
Liabilities under financial leases	9,319	17,564	4,157	6,238
Less: Deferred interest expenses	(487)	(1,343)	(277)	(514)
	8,832	16,221	3,880	5,724
Less: Portion due within one year	(6,051)	(7,507)	(1,402)	(1,962)
Liabilities under finance lease agreements - net of current portion	<u>2,781</u>	<u>8,714</u>	<u>2,478</u>	<u>3,762</u>

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Current portion of liabilities under finance lease agreements (contract value)	6,403	8,363	1,550	2,199
Less: Deferred interest expenses	(352)	(856)	(148)	(237)
Current portion of liabilities under finance lease agreements	<u>6,051</u>	<u>7,507</u>	<u>1,402</u>	<u>1,962</u>

The Company and its subsidiaries have 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 2013, 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	6,403	2,916	9,319
Deferred interest expenses	(352)	(135)	(487)
Present value of future minimum lease payments	<u>6,051</u>	<u>2,781</u>	<u>8,832</u>

(Unit: Thousand Baht)

	Separate financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	1,550	2,607	4,157
Deferred interest expenses	(148)	(129)	(277)
Present value of future minimum lease payments	<u>1,402</u>	<u>2,478</u>	<u>3,880</u>

As at 31 December 2012, 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	8,363	9,201	17,564
Deferred interest expenses	(856)	(487)	(1,343)
Present value of future minimum lease payments	7,507	8,714	16,221

(Unit: Thousand Baht)

	Separate financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	2,199	4,039	6,238
Deferred interest expenses	(237)	(277)	(514)
Present value of future minimum lease payments	1,962	3,762	5,724

25. Other current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Accrued project costs	427,343	443,234	140,046	245,470
Accrued expense	47,947	67,332	36,582	58,625
Unearned revenue	71,488	108,827	28,409	83,043
Short-term provision - provision for warranty	1,801	4,743	1,801	4,743
Others	88,954	60,117	22,199	12,332
Total other current liabilities	637,533	684,253	229,037	404,213

26. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Defined benefit obligation at beginning of year	54,716	50,025	30,083	28,470
Current service cost	7,272	4,292	2,070	2,119
Interest cost	2,221	2,025	1,202	1,120
Actuarial gain - net	(20)	-	(2,009)	-
Benefits paid during the year	(5,357)	(1,626)	(1,566)	(1,626)
Provisions for long-term employee benefits at end of year	58,832	54,716	29,780	30,083

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Current service cost	7,272	4,292	2,070	2,119
Interest cost	2,221	2,025	1,202	1,120
Total expense recognised in profit or loss	9,493	6,317	3,272	3,239
Line items under which such expenses are included in profit or loss				
Administrative expenses	9,493	6,317	3,272	3,239

Total net actuarial gain recognised in the other comprehensive income and taken as part of retained earnings of the Company and its subsidiaries as at 31 December 2013 amounted to 0.02 million (the Company only: actuarial gain of Baht 2 million).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated and separate financial statements	
	2013	2012
	(% per annum)	(% per annum)
Discount rate	4.4%	4.2%
Future salary increase rate	5.5%	5.5%

Amounts of defined benefit obligation and experience adjustments on the obligation for the current and previous three years are as follows:

(Unit: Thousand Baht)

	Defined benefit obligation		Experience adjustments on the obligation	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2013	58,832	29,780	(809)	(2,406)
Year 2012	54,716	30,083	-	-
Year 2011	50,025	28,470	-	-
Year 2010	47,312	26,155	-	-

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. Share capital

On 2 April 2012, the Annual General Meeting of the shareholders of the Company passed the resolution to decrease the Company's registered share capital of Baht 43 million as unexercised ordinary share warrants and expired warrants therefore the registered capital decreasing from Baht 990 million (750 million ordinary shares, at Baht 1 per share and 240 million convertible preferred shares, at Baht 1 per share) to Baht 947 million (707 million ordinary shares, at Baht 1 per share and 240 million convertible preferred shares, at Baht 1 per share).

29. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the 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 profit and dividend as the ordinary shares.

30. Dividend

	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)	Payment date
Year 2013				
Dividends on 2012 income	Annual General Meeting of the shareholders No. 18 on 9 April 2013			
For preference shareholders		4,560	0.019	19 April 2013
For ordinary shareholders		13,433	0.019	19 April 2013
Total		<u>17,993</u>		
Year 2012				
Dividends on 2011 income	Annual General Meeting of the shareholders No. 17 on 2 April 2012			
For preference shareholders		12,720	0.053	12 April 2012
For ordinary shareholders		37,471	0.053	12 April 2012
Total		<u>50,191</u>		

32. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have four reportable segments as follows:

- IT Distribution, carries out the distribution of IT products, particularly computer equipment, peripherals, and software, and also proceeds the assembling and distributing of house-branded “SVOA Computer” through its nationwide network. Distribution of IT equipments, software for designing applications and computer operation systems. Full maintenance and repair service solutions.
- Systems Integration, provide IT consulting services and End-To-End IT solutions for banking, insurance, telecommunication, and government sectors.
- IT Project, provide a “Turnkey Project” program by offering computer products and information technology equipment by focus on government sectors and private companies. Provide full range of installation and after-sales service.
- Financial service informs of factoring, leasing and hire purchase

The Company and its subsidiaries have aggregated the operating segments of IT Services and Systems Integration and presented them as the reportable segment of System Integration. The aggregated operating segments have similar economic characteristics and are similar in the other respects required by the standard.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries’ operating segments for the years ended 31 December 2013 and 2012, respectively.

(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		Financial service in forms of factoring, leasing and hire purchase		Others		Total		Elimination of inter-segment revenues		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Sales and services																
Domestic																
- outside customers	2,793	5,095	2,028	2,085	1,930	1,795	-	264	-	-	6,751	9,239	-	-	6,751	9,239
- related parties	119	233	43	49	3	31	-	-	-	-	165	313	(77)	(93)	88	220
Export	19	15	-	-	-	-	-	-	-	-	19	15	-	-	19	15
Total	2,931	5,343	2,071	2,134	1,933	1,826	-	264	-	-	6,935	9,567	(77)	(93)	6,858	9,474
Cost of sales and services	(2,592)	(4,934)	(1,711)	(1,840)	(1,774)	(1,686)	-	(256)	-	-	(6,077)	(8,716)	77	93	(6,000)	(8,623)
Gross profit	339	409	360	294	159	140	-	8	-	-	858	851	-	-	858	851
Other income	64	108	27	56	36	32	105	89	-	-	232	285	(20)	(20)	212	265
Selling expenses	(261)	(402)	(267)	(228)	(77)	(59)	(9)	(11)	-	-	(614)	(700)	-	-	(614)	(700)
Segment operating profit	142	115	120	122	118	113	96	86	-	-	476	436	(20)	(20)	456	416
Share of profit (loss) from investments in associated companies											59	87	(61)	(59)	(2)	28
Finance cost											(151)	(186)	1	2	(150)	(184)
Income tax expenses											(29)	(25)	-	-	(29)	(25)
Segment total assets	676	1,111	1,468	1,584	1,099	1,560	652	607	1,561	1,445	5,456	6,307	(566)	(523)	4,890	5,784
Investment in associates accounted for by the equity method											382	384	-	-	382	384
Additions to non-current assets other than financial instruments and deferred tax assets											52	12	-	-	52	12

Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2013 and 2012, the Company has no major customer with revenue of 10 percent of an entity's revenues.

33. 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 2013, the Company and its subsidiaries contributed Baht 8 million (2012: Baht 9 million) and separate financial statements: 2013: Baht 4 million (2012: Baht 5 million) to the fund.

34. Other income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Selling support	60,831	102,963	55,232	96,108
Reversal of liabilities and provisions	22,031	92,369	13,138	50,608
Interest income	89,907	75,638	13,311	9,522
Dividend income	-	-	18,200	42,176
Others	69,539	40,609	41,065	13,050
Total other income	242,308	311,579	140,946	211,464

35. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Salaries and wages and other employee benefits	427,741	433,920	209,240	234,539
Depreciation	29,117	32,915	20,615	22,118
Rental expenses from operating lease agreements and services expenses	30,980	32,186	18,832	20,335
Changes in inventories of finished goods and work in progress	651,361	(31,739)	631,501	(56,774)
Marketing expenses	118,227	173,652	101,685	173,652
Cost of services	1,197,293	1,104,116	197,412	204,405

36. Income tax

Income tax expenses for the years ended 31 December 2013 and 2012 are made up as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
Current income tax:				
Current income tax charge	33,157	27,281	14,673	7,721
Adjustment in respect of current income tax of previous year	43	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,087)	(2,768)	(4,457)	(3,965)
Effects of changes in the applicable tax rates	-	346	-	346
Income tax expense reported in the statement of comprehensive income	29,113	24,859	10,216	4,102

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2013 and 2012 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
Deferred tax relating to net actuarial gain	4	-	402	-
	4	-	402	-

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2013 and 2012 are as follows:

				(Unit: Thousand Baht)	
	Consolidated		Separate		
	financial statements		financial statements		
	2013	2012	2013	2012	
		(Restated)		(Restated)	
Accounting profit before tax	92,238	106,837	29,825	38,571	
Applicable tax rate	20%	23%	20%	23%	
Accounting profit before tax multiplied by applicable tax rate	18,448	24,573	5,965	8,871	
Adjustment in respect of current income tax of previous year	43	-	-	-	
Effects of changes in the applicable tax rates	-	346	-	346	
Effects of:					
Share of loss (profit) from investments in associated companies	440	(6,578)	-	-	
Non-deductible expenses	10,633	6,623	8,069	4,782	
Additional expense deductions allowed	(219)	(302)	(178)	(196)	
Income not subject to tax	-	-	(3,640)	(9,701)	
Others	(232)	197	-	-	
Total	10,622	(60)	4,251	(5,115)	
Income tax expenses reported in the statement of comprehensive income	29,113	24,859	10,216	4,102	

The components of deferred tax assets and deferred tax liabilities are as follows:

							(Unit: Thousand Baht)	
Statements of financial position								
	Consolidated financial			Separate financial statements				
	statements							
	As at	As at	As at	As at	As at	As at		
	31	31	1	31	31	1		
	December	December	January	December	December	January		
	2013	2012	2012	2013	2012	2012		
		(Restated)			(Restated)			
Deferred tax assets								
Allowance for doubtful accounts	8,969	7,026	6,427	6,458	5,145	5,092		
Allowance for diminution in value of inventories	10,069	8,776	8,447	7,706	7,101	7,761		
Allowance for asset impairment	1,027	1,199	1,625	1,027	1,199	1,625		
Accrued warranty	360	949	1,708	360	949	1,708		
Financial leases	-	-	178	-	-	-		
Accrued project costs	28,894	26,472	25,651	24,902	21,402	16,960		
Provision for long-term employee benefits	11,574	10,943	10,046	5,554	6,017	5,694		
Others	91	11	402	-	-	9		
Total	60,984	55,376	54,484	46,007	41,813	38,849		
Deferred tax liabilities								
Financial leases	(8,131)	(6,606)	(8,136)	(4,660)	(4,521)	(5,177)		
Total	(8,131)	(6,606)	(8,136)	(4,660)	(4,521)	(5,177)		
Deferred tax assets - net	52,853	48,770	46,348	41,347	37,292	33,672		

In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent from 2013. In addition, in order to comply with the resolution of the cabinet, in December 2011, the decreases in tax rates for 2012 - 2014 were enacted through a royal decree. The Company has reflected the changes in the income tax rates in its deferred tax calculation, as presented above.

37. Commitments and contingent liabilities

As at 31 December 2013 and 2012, the Company and its subsidiaries have commitments other than those disclosed in other notes as follows:

37.1 As at 31 December 2013 and 2012, the Company and its subsidiaries had office building and motor vehicle lease and related service commitments payable as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Payable within:				
Less than 1 year	30	30	17	16
1 to 5 years	28	48	22	30

37.2 As at 31 December 2013 and 2012, 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.

(Unit: Million Baht)

	2013	2012
Payable within:		
Less than 1 year	246	227
1 to 5 years	414	557
More than 5 years	286	430

37.3 Bank guarantees

The Company and its subsidiaries

As at 31 December 2013, the Company and its subsidiaries had outstanding bank guarantees amounting to approximately Baht 1,005 million and USD 0.26 million (2012: Baht 835 million and USD 0.25 million), and the separate financial statements: Baht 726 million and USD 0.26 million (2012: Baht 669 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 2013, IT City Public Company Limited, an associated company, has the outstanding bank guarantees of approximately Baht 22 million and USD 0.2 million (2012: Baht 23 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.

37.4 As at 31 December 2013 and 2012, the Company has outstanding loan guarantees provided on behalf of its subsidiaries for loans from banks. The balances of these guarantees are as follows:

Guarantee facilities	2013	2012
Short term loan	Baht 2,906 million	Baht 2,819 million
Credit line of forward contract	USD 4 million	USD 2 million
Credit line of forward contract	Baht 174 million	Baht 174 million

In addition, the Company issued guarantees to one supplier for purchase order of its subsidiary company, with amounting to USD 0.6 million (2012: USD 0.6 million).

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

In addition, for the year 2012, 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 (2013: None).

37.5 On 1 January 2013, the 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 are obliged to pay premiums at an agreed rate.

37.6 As at 31 December 2013, the Company has outstanding commitment in respect of uncalled portion of investment in a subsidiary of approximately Baht 91 million (2012: Baht 191 million).

38. Financial instruments

38.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, factoring receivables, loan receivables, other receivables and financial lease receivables, 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 subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and 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 receivables, loan receivables, other receivables and financial lease receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' 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 2013 and 2012 classified by type of interest rates are summarised 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)

As at 31 December 2013

	Consolidated financial statements					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate
	Within	Over				
	1 year	1-5 years				
						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	108	92	200	0.125 - 2.35
Trade and other receivables - net	-	-	-	1,916	1,916	-
Loans to other companies	127	-	-	-	127	15.0
Factoring receivables - net	138	6	-	-	144	13.5 - 15.0
Financial lease receivables - net	318	214	-	-	532	6.25 - 9.00
Restricted bank deposits	18	18	1	-	37	0.625 - 2.5
Financial liabilities						
Bank overdrafts and short-term						
loans from banks	-	-	1,675	-	1,675	4.15 - 8.00
Long term loans	43	38	-	-	81	6.75
Trade and other payables	-	-	-	641	641	-
Financial lease payables	6	3	-	-	9	4.74 - 8.81

(Unit: Million Baht)

As at 31 December 2012

	Consolidated financial statements					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate
	Within	Over				
	1 year	1-5 years				
						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	106	167	273	0.125 - 1.75
Trade and other receivables - net	-	-	-	2,335	2,335	-
Loans to other companies	95	-	-	-	95	13.7 - 14.35
Factoring receivables - net	146	5	-	-	151	12.68 - 15.75
Financial lease receivables - net	251	165	-	-	416	5.64 - 19.1
Restricted bank deposits	30	-	-	-	30	0.5 - 3.0
Financial liabilities						
Bank overdrafts and short-term						
loans from banks	-	-	2,502	-	2,502	4.55 - 8.50
Long term loans	-	-	5	-	5	7
Trade and other payables	-	-	-	855	855	-
Financial lease payables	7	9	-	-	16	4.74 - 5.96

(Unit: Million Baht)

As at 31 December 2013**Separate financial statements**

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate
	Within 1 year	Over 1-5 years				
						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	84	52	136	0.125 - 2.35
Trade and other receivables - net	-	-	-	1,109	1,109	-
Financial lease receivables - net	102	73	-	-	175	7.85 - 9.00
Restricted bank deposits	18	-	-	-	18	2.35 - 2.5
Financial liabilities						
Bank overdrafts and short-term loans from banks	-	-	932	-	932	4.15 - 8.00
Trade and other payables	-	-	-	416	416	-
Financial lease payables	1	3	-	-	4	4.74 - 5.96

(Unit: Million Baht)

As at 31 December 2012**Consolidated financial statements**

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate
	Within 1 year	Over 1-5 years				
						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	79	105	184	0.125 - 1.75
Trade and other receivables - net	-	-	-	1,558	1,558	-
Financial lease receivables - net	61	34	-	-	95	5.64 - 9.75
Restricted bank deposits	17	-	-	-	17	3.00
Financial liabilities						
Bank overdrafts and short-term loans from banks	-	-	1,531	-	1,531	4.55 - 8.50
Trade and other payables	-	-	-	730	730	-
Financial lease payables	2	4	-	-	6	4.74 - 5.96

Foreign currency risk

The Company and its subsidiaries' 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 they consider appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies were summarised below.

Foreign currency	Consolidated		Separate financial		Exchange rate as at	
	financial statements		statements		31 December	
	2013	2012	2013	2012	2013	2012
	(Million)		(Million)		(Baht per 1 foreign currency unit)	
Financial assets						
US dollar	0.05	0.07	0.05	0.02	32.6778	30.4857
Financial liabilities						
US dollar	5.48	4.69	1.1	1.6	32.9494	30.7775
Singapore dollar	-	0.02	-	0.02	-	25.2835
Yen	8.53	-	8.53	-	0.3159	-

As at 31 December 2013 and 2012, the Company and its subsidiaries had outstanding forward exchange contracts, of which details are presented below.

Currency	Amount bought	Maturity date	Contractual exchange rate
	(Million)		(Baht per 1 foreign currency unit)
2013			
<u>Consolidated financial statements</u>			
US dollar	1.90	January - March 2014	31.81 - 32.46
<u>Separate financial statements</u>			
US dollar	0.51	January - March 2014	31.84 - 32.46
Currency	Amount bought	Maturity date	Contractual exchange rate
	(Million)		(Baht per 1 foreign currency unit)

2012

Consolidated financial statements

US dollar	0.26	February - March 2013	30.83 - 30.93
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Separate financial statements

US dollar	0.26	February - March 2013	30.83 - 30.93
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38.2 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 position.

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.

39. 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 their businesses and maximise shareholder value. As at 31 December 2013, the Group's debt-to-equity ratio was 1.77:1 (2012: 2.44:1) and the Company's was 1.39:1 (2012: 2.29:1).

40. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 26 February 2014.

Management Discussion and Analysis : MD&A

Summary of Business Operation of Company and Subsidiaries

In the Year 2013, consolidated financial statement showed net profit of 60.5 Million Baht which decreased by 21.5 Million Baht or 26.2% from the same period of previous year, and separate financial statement showed its net profit of 19.6 Million Baht which decreased by 14.9 Million Baht or 43.1% from the same period of previous year. The decrease of net profit was due to the downturn of the current IT market situation. Another impact was the government policy for first-home and first-car projects causing the reduction of consumers' purchasing power resulting highly price competition. Moreover, political impact is currently unstable as there is a group of protest which would effect to the operating results in the 1st Quarter, 2014.

(Unit : Mil Baht)	Consolidated						Separate					
	2013		2012		Increase (Decrease)		2013		2012		Increase (Decrease)	
Total revenues	7,100.6	100.0%	9,785.3	100.0%	-2,684.7	-27.4%	5,178.8	100.0%	7,778.9	100.0%	-2,600.1	-33.4%
Total expenses	6,855.8	96.6%	9,523.0	97.0%	-2,667.2	-28.0%	5,062.6	97.8%	7,623.0	98.0%	-2,560.4	-33.6%
Interest expense	150.4	2.1%	184.1	1.9%	-33.7	-18.3%	86.4	1.6%	117.3	1.5%	-30.9	-26.3%
Income Tax	29.1	0.4%	24.9	0.3%	4.2	16.9%	10.2	0.2%	4.1	0.0%	6.1	148.8%
Net Profit (Loss) for the period	63.1	0.9%	82.0	0.8%	-18.9	-23.1%	19.6	0.4%	34.5	0.5%	-14.9	-43.2%
Non-Controlling interests of the subsidiary	2.6	0.0%	-	-	2.6	100.0%	-	-	-	-	-	-
Net Profit (Loss)	60.5	0.9%	82.0	0.8%	-21.5	26.2%	19.6	0.4%	34.5	0.5%	-14.9	-43.2%

Analysis of Revenue Structure

(Unit : Mil Baht)	Consolidated						Separate					
	2013		2012		Increase (Decrease)		2013		2012		Increase (Decrease)	
Sales and service revenues	6,858.3	96.6%	9,473.7	96.8%	-2,615.4	-27.6%	5,037.9	97.3%	7,567.4	97.3%	-2,529.5	-33.4%
Other income	242.3	3.4%	311.6	3.2%	-69.3	22.2%	140.9	2.7%	211.5	2.7%	-70.6	-33.4%
Total Revenues	7,100.6	100.0%	9,785.3	100.0%	-2,684.7	-27.4%	5,178.8	100.0%	7,778.9	100.0%	-2,600.1	-33.4%

The Company and subsidiaries had total income of 7,100.6 Million Baht, which decreased by 2,684.7 Million Baht or 27.4% from the same period of previous year, by which revenue of the separate financial statement was 5,178.8 Million Baht. An decrease of 2,600.1 Million Baht or 33.4% from the same period of previous year due to the significant business transactions as follows:-

- Revenues from sales and service of the consolidated financial statements decreased by 2,615.4 Million Baht or 27.6 % and separate financial statement decreased by 2,529.5 Million Baht or 33.4% due to IT Distribution Strategic Business Unit was directly impacted from mentioned government's policy; Systems Integration Strategic Business Unit has not been impacted as it provides systems integration and IT consultation services including ATM project (for 2-4 years) to several banks by which its income would be gradually recognized after submission; IT Project Strategic Business Unit also has not been impacted, detailing as follows:-

Business Unit		2013		2012		2011	
		Income	%	Income	%	Income	%
IT Distribution Strategic Business Unit	ITDSBU	2,897	41	5,311	54	4,765	53
Systems Integration Strategic Business Unit	SISBU	2,029	29	2,090	21	2,239	25
IT Project Strategic Business Unit	ITPSBU	1,933	27	1,808	19	1,468	16
Lease IT Public Co., Ltd.	Least IT	104	1	264	3	245	3
Other Income		138	2	312	3	242	3
Total Revenues		7,101	100	9,785	100	8,959	100

- Other income of consolidated financial statements decreased by 69.3 Million baht or 22.2% and separate financial statements decreased by 70.6 Million baht or 33.4% from the same period of previous year as Company's sales had not reached the target defined by supplier.

• Analysis of Expenditure Structure

(Unit : Mil Baht)	Consolidated						Separate					
	2013		2012		Increase (Decrease)		2013		2012		Increase (Decrease)	
Cost of Sales and Service	5,999.8	87.5%	8,623.3	90.6%	-2,623.5	-30.4%	4,541.7	89.7%	7,010.4	92.0%	-2,468.7	-35.2%
Selling expenses	614.3	9.0%	699.6	7.4%	-85.3	-12.2%	346.3	6.8%	466.2	6.1%	-119.9	-25.7%
Administrative expenses	241.7	3.5%	200.1	2.0%	41.6	20.8%	174.6	3.5%	146.4	1.9%	28.2	19.2%
Total Expenditure	6,855.8	100.0%	9,523.0	100.0%	-2,667.2	-28.0%	5,062.6	100.0%	7,623.0	100.0%	-2,560.4	-33.6%

The Company and its subsidiaries had total expenditure of 6,855.8 Million Baht, which decreased by 2,667.2 Million Baht or 28.0%, by which expenditure of separate financial statement decreased by 2,560.4 Million Baht or 33.6% from the same period of previous year due to the significant business transactions as follows:-

- 1) Cost of sales and service of consolidated financial statements decreased by 2,623.5 Million Baht or 30.4% and separate financial statement decreased by 2,468.7 Million Baht or 35.2% in accordance with proportion of decreasing sales.
- 2) Selling expenses of consolidated financial statements decreased by 85.3 Million Baht or 12.2% and separate financial statement decreased by 119.9 Million Baht or 25.7%, resulting from selling support from supplier for sales promotion.
- 3) Administrative expenses of consolidated financial statements increased by 41.6 Million Baht or 20.8% from the same period of previous year and separate financial statement increased by 28.2 Million Baht or 19.2% from the same period of previous year.

• Analysis of Profit Structure

In the Year 2013, consolidated financial statement showed its profit before interest expense and corporate income tax of 242.7 Million Baht, which decreased by 48.2 Million Baht or 16.6% from the same period of previous year. The corporate income tax of this period of 29.1 Million Baht, and separate financial statements, showed its profit of 10.2 Million Baht They were calculated at the tax rate of 20% of net profit after adding the reversal of expenses, which the Revenue Department did not allow to calculate as expenses, excluding the share of profit (loss) from investments under the equity method.

Financial Status

• Analysis of Asset Structure

(Unit : Million Baht)	Consolidated						Separate					
	31 Decembe 2013		31 December 2012		Increase (Decrease)		31 Decembe 2013		31 December 2012		Increase (Decrease)	
Total Current Asset	3,852.1	78.8%	4,926.6	84.4%	-1,074.5	-21.8%	2,121.4	75.0%	3,244.6	83.6%	-1,123.2	-34.6%
Deposits at banks with restriction	37.3	0.8%	29.9	0.5%	7.4	24.8%	18.0	0.6%	17.4	0.5%	0.6	3.5%
Factoring receivables – net of current portion	6.4	0.1%	5.4	0.1%	1.0	18.5%	-	-	-	-	-	-
Investments in subsidiary	-	-	-	-	-	-	168.2	6.0%	167.8	4.3%	0.4	0.2%
Investments in associated company	381.8	7.8%	384.0	6.6%	-2.2	-0.6%	174.4	6.2%	174.4	4.5%	-	-
Other long-term investments	6.7	0.1%	5.7	0.1%	1.0	17.6%	6.7	0.2%	5.7	0.1%	1.0	17.6%
Property, plant and equipment	176.5	3.6%	182.5	3.1%	-6.0	-3.3%	156.7	5.5%	165.5	4.3%	-8.8	-5.3%
Financial lease receivables – net current portion	213.9	4.4%	164.4	2.8%	49.5	30.1%	72.6	2.6%	33.9	0.8%	38.7	114.2%
Deferred tax assets	52.9	1.1%	48.8	0.9%	4.1	8.4%	41.3	1.4%	37.3	1.0%	4.0	10.7%
Other non-current assets	162.5	3.3%	88.1	1.5%	74.4	84.5%	71.0	2.5%	35.4	0.9%	35.6	100.6%
Total Assets	4,890.1	100.0%	5,835.4	100.0%	-945.3	-16.2%	2,830.3	100.0%	3,882.0	100.0%	-1,051.7	-27.1%

The Company and its subsidiaries had total assets of 4,890.1 Million Baht, which decreased by 945.3 Million Baht or 16.2% from the same period of previous year, by which assets of separate financial statement was 2,830.3 Million Baht, which decreased by 1,051.7 Million Baht or 27.1% from the same period of previous year due to:-

- 1) Current assets of separate financial statement and consolidated financial statements decreased by 1,123.1 Million Baht and 1,074.5 Million Baht respectively due to:-
 - Trade accounts receivable of consolidated and separate financial statements decreased by 418.8 Million Baht and 448.7 Million Baht respectively, and the collection of separate and consolidated financial statements in the Year 2013 averaged at 96 and 113 days respectively. The Company insured the collection from receivables of IT Distribution Strategic Business Unit for 90% coverage of the contracts by transferring such risk to an insurance company.
 - Inventory of separate and consolidated financial statements decreased by 657.8 Million Baht and 634.5 Million Baht due to some projects pro-longed under installation and submission processes. Inventory turnover of separate and consolidated financial statements averaged at 86 and 84 days respectively.
- 2) Fixed assets for operation of consolidated financial statements decreased by 6.0 Million Baht and separate financial statements decreased by 8.8 Million Baht resulting from calculation of depreciation by straight-line method.

• Analysis of Liabilities Structure

(Unit : Million Baht)	Consolidated						Separate					
	31 Decembe 2013		31 December 2012		Increase (Decrease)		31 Decembe 2013		31 December 2012		Increase (Decrease)	
Current liabilities	3,006.4	96.2%	4,058.4	98.0%	-1,052.0	-25.9%	1,593.5	96.8%	2,667.7	98.8%	-1,074.2	-40.3%
Non-current liabilities	118.7	3.8%	81.2	2.0%	37.5	46.2%	53.0	3.2%	33.8	1.2%	19.2	56.8%
Total liabilities	3,125.1	100.0%	4,139.6	100.0%	-1,014.5	-24.5%	1,646.5	100.0%	2,701.5	100.0%	-1,055.0	-39.1%

Liabilities of consolidated financial statements were 3,125.1 Million Baht, which decreased by 1,014.5 Million Baht or 24.5% and separate financial statements were 1,646.5 Million Baht, which decreased by 1,055.0 Million Baht or 39.1% from the end of previous year due to:-

1. Bank overdraft, short-term loans from banks of the consolidated financial statements decreased by 827.1 Million Baht and separate financial statements decreased by 599.1 Million Baht resulted from the settlement of certain loan contracts of project financing to the banks when they were due.
2. Trade account payables and related parties of consolidated financial statements decreased by 214.4 Million Baht and separate financial statements decreased by 314.0 Million Baht due to the payables being paid on time. Average payment period of separate and consolidated financial statements were at 46 and 46 days respectively.
3. Employee's benefit payables of the consolidated financial statements increased by 4.1 Million Baht and separate financial statements decreased by 0.3 Million Baht respectively, this was in accordance with the Accounting Standard, Issue No. 19, effectively on 1st January 2011.

• **Analysis of Structure of Shareholders' Equity**

(Unit : Million Baht)	Consolidated						Separate					
	31 Decembe 2013		31 December 2012		Increase (Decrease)		31 Decembe 2013		31 December 2012		Increase (Decrease)	
Fully paid up capital	947.0	54.5%	947.0	57.8%	-	-	947.0	80.0%	947.0	80.2%	-	-
Par value surplus	0.5	0.0%	0.5	0.0%	-	-	0.5	0.0%	0.5	0.0%	-	-
Par value surplus- Joint venture company	96.8	5.6%	96.5	5.7%	0.3	0.3%	-	-	-	-	-	-
Statutory reserve	37.7	2.2%	36.7	2.2%	1.0	2.7%	37.7	3.2%	36.7	3.1%	1.0	2.7%
Retained earnings	656.7	37.7%	615.1	36.3%	41.6	6.8%	198.6	16.8%	196.4	16.7%	2.2	1.1%
Total Shareholder's equity	1,738.7	100.0%	1,695.8	100.0%	42.9	2.5%	1,183.8	100.0%	1,180.6	100.0%	3.2	0.3%

Shareholder's equity of consolidated financial statements was 1,738.7 Million Baht which increased by 42.9 Million Baht or 2.5% and separate financial statements increased by 3.2 Million Baht from the end of previous year as net profit was gained from business operation for the Year 2013 of 19.6 Million Baht.