



ANNUAL REPORT 2014

รายงานประจำปี 2557

Solutions for all Generations

EDUCATION



VISION



INSPIRATION



MISSION





General Information

Company

Type of business

S P V I Public Company Limited (SPVI)

S P V I Public Company Limited's core business is a reseller of Apple products, including computers, iOS devices (iPod, iPad, iPhone) and various other accessories. It also distributes products compatible with Apple, such as hard drives for video storage, portable hard drives, printed and graphic products. SPVI also distributes products associated with iOS devices, such as speakers, headphones, protective cases and screen protectors.

Address

213/58-59 Soi Ladprao 94, Sriwara Road, Phlapphla, Wangthonglang Bangkok 10310

Company Registered Number

0107556000264

Website

www.spvi.co.th

Telephone no.

0-2559-2901-10

Fax no.

0-2559-2488

Registered capital

200,000,000 Baht

Paid-up capital

200,000,000 Baht

Par value

0.50Baht

Amount and type of

Outstanding Shares

400,000,000 Ordinary shares

Investor Relations

Mr. Trisorn Volyarngosol

Managing Director

Mr. Pheerapol Amphan

Company Secretary / Vice President (Accounting and Finance)

Miss Sunsanee Horanikom

Assistant Company Secretary

Other Relevant Information

1. Share Registrar

Thailand Securities Depository Co., Ltd.

62 Stock Exchange of Thailand Ratchadapisek Road, Klong Toey, Bangkok 10110

Tel : +66 (0) 2229-2800 , +66(0)2229-2888 Fax : +66 (0) 2359-1259

2. Auditor

Mr. Wichart Lokatekrawee

Certified Public Accountant No.4451

EY Office Limited

33rd Floor, Lake Ratchada Office Complex

193/136-137 Ratchadapisek Road, Bangkok 10110

Tel : +66 (0) 2264-0777

Fax : +66 (0) 2264-0789-90



Message from Chairman of the Board and Executive Chairman



Mr. Teera Aphaiwongse
Chairman of the Board

Mr. Min Intanate
Executive Chairman

During 2014, SPVI encountered challenges and obstacles, arising from the domestic economic slow down and the fluctuation in global economy, resulting in the reduction of both private and government investment. Apart from these, consumers became more cautious on their spending which created negative impact to the IT business as a whole, including SPVI. In addition, the new products launched were delayed towards the end of the financial year which unavoidably affected the company's revenue in 2014.

Despite the unfavorable factors to the business climate, SPVI staff put extra effort to control our expenses while maintaining high standard of customers services, resulting in our ability to maintain the profit level closed to the previous year.

Moreover the company has established 6 new outlets to expand market coverage and to provide services in the high potential areas to be ready for the anticipated economy recovery.

Looking forward, as the rapid change in technology trend continues, new products will be launched in 2015, coupled with the Asean regional (A.E.C.) market expansion and the government's policy in focusing on digital economy, these positive factors are expected to enhance our business in 2015.

On behalf of the board of directors and Executive Committee, we would like to express our sincere appreciation to all customers, shareholders, business partners, management team and all company employee who continuously support SPVI. We can assure you that SPVI will operate cautiously, transparently, ethically and continue our social contribution for the best interest of our customers and shareholders.



SUMMARY OF FINANCIAL INFORMATION

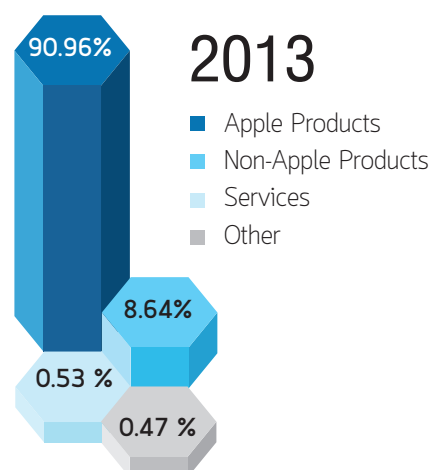
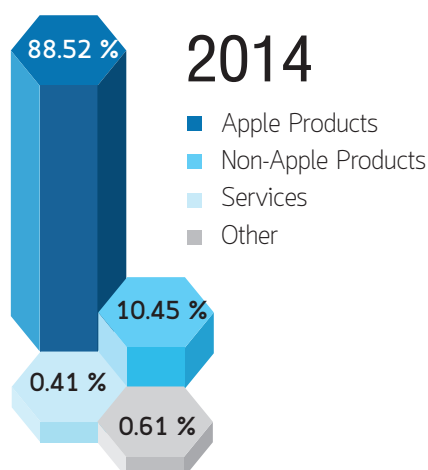
For the year ending of December 31	2014	2013	2012
Total Assets	426.29	419.12	524.71
Total Liabilities	147.23	149.25	302.91
Shareholders' Equity	279.06	269.87	221.80
Total Revenue	1,958.38	2,303.00	2,520.08
Total Expenses	1,942.66	2,286.74	2,455.04
Net Profit	15.72	16.26	45.88
Financial Ratio			
Net Profit Margin (%)	0.80	0.71	1.82
Debt to Equity Ratio (times)	0.53	0.55	1.37
Return on Assets (%)	3.69	3.88	8.74
Return on Equity (%)	5.63	6.02	20.69
Information per share			
⁽¹⁾ Basic Earnings per share (Baht)	0.04	0.06	3.82
Number of shares-Issued and paid up (share: Million)	400	400	12
⁽²⁾ Par value per share (Baht)	0.50	0.50	10.00

(1) Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year

(2) On 10 April 2013, The par value of Company's ordinary share has been change from 10 Baht per share to 0.50 Baht each

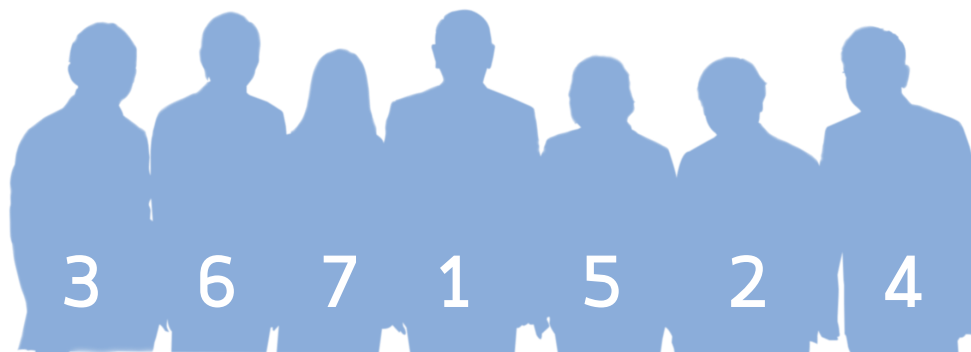
REVENUE COMPARISONS 2014

Total Revenues for the year 2014





Board of Directors



01



Mr. Teera Aphaiwongse

Chairman of the Board and Chairman of Audit Committee

Age 67 Years

Shareholding Percentage 0.10% as of 30 Dec 2014

Appointment Date 29 October 2012

Educations

- Master of Engineering (Computer Science), University of New South Wales, Australia
- Certificate Director Certification Program (DCP), 5/2001
- Certificate National Defence College, 337

Work Experience for the Past 5 Years

2012-Present	Chairman of the Board and Chairman of Audit Committee S P V I Public Company Limited
2014 - Present	Member of Financial Institutions Policy Committee Bank of Thailand
2011-2014	Advisor to the Board of National Credit Bureau Company Limited
2011-Present	Director Electronic Transactions Development Agency Ministry of Information and Communication Technology
2010-2013	Chairman of the Board Thai Digital ID Company Limited
1988-2013	Chairman of the Board Processing Center Company Limited
2010 - 2012	Member of the Electronic Transaction Committee Ministry of Information and Communication Technology
2005-2012	Chairman of the Board National ITMX Company Limited
1998-2010	Executive Director Bangkok Bank Public Company Limited
1971-2010	Last Position – Senior Executive Vice-president Bangkok Bank Public Company Limited

02



Mr. Min Intanate

Director and Executive Chairman

Age 60 Years

Shareholding Percentage 0.08% as of 30 Dec 2014

Appointment Date 6 January 2011

Educations

- Honorary Doctoral Degree of Laws, Dominican University of California, USA
- Honorary Doctoral Degree in Science, Information Technology for Management, Mahasarakham University
- Honorary Bachelor Degree of Science, Computer Science, Faculty of Engineering and Agricultural Technology for Management, Rajamangala University of Technology Thanyaburi
- Bachelor of Architecture, Fu Hsing Institute of Technology, Taiwan
- Thailand Insurance Leadership Program, Class 1, Office of Insurance Commission
- Certificate Director Accreditation Program (DAP), 36/2005
- Certificate Role of the Chairman Program (RCP), 12/2005

Work Experience for the Past 5 Years

2011-Present	Director & Executive Chairman S P V I Public Company Limited
2013-Present	Director & Chief Executive Officer SVOA Public Company Limited
2008-Present	Director ABIKS Development Company Limited
2006-Present	Chairman of the Board D&B (Thailand) Company Limited
2000-Present	Director National Credit Bureau Company Limited
1996-Present	Director & Executive Chairman IT City Public Company Limited
1995-Present	Director & Executive Chairman Core & Peak Company Limited
1989-Present	Director & Executive Chairman ARIP Public Company Limited
1987-Present	Director & Executive Chairman Advanced Research Group Company Limited

03



Mr. Narathorn Wongvises

Director and Chairman of Risk Management Committee

Age 61 Years

Shareholding Percentage 1.26% as of 30 Dec 2014

Appointment Date 6 January 2011

Educations

- Master of Science Industrial and Systems Engineering, San Jose State University, USA
- Certificate, Director Accreditation Program (DAP), 7/2004

Work Experience for the Past 5 Years

2011-Present	Director S P V I Public Company Limited
2012-Present	Advisor Silverlake (Thailand) Limited
2012-Present	Advisor AR Elastomer Company Limited
2012-Present	Chairman of the Board PCC International Company Limited
2011-Present	Advisor Advanced Research Group Company Limited
2007-2012	Director Krung Thai Card Public Company Limited
2006-2012	Managing Director KTB Computer Services Company Limited

04



Mr. Trisorn Volyarngosol

Director, Executive Director, Member of Risk Management Committee and Managing Director

Age 53 Years

Shareholding Percentage 6.33% as of 30 Dec 2014

Appointment Date 6 January 2011

Educations

- Master of Business Administration, University of New Haven, U.S.A.
- Certificate Director Accreditation Program (DAP), SET 2012

Work Experience for the Past 5 Years

2011-Present	Director S P V I Public Company Limited
1996-Present	Director S P V Digital Service Company Limited
1994-Present	Director S P V Advance Corporation Limited



05

Mrs. Petcharat Volyarngosol

Director, Executive Director , Member of Risk Management Committee and Vice President (Operations)

Age 54 Years

Shareholding Percentage 8.32% as of 30 Dec 2014

Appointment Date 6 January 2011

Educations

- Master of Business Administration, Major in Finance, University of New Haven, U.S.A.
- Master of Computer Information System, University of New Haven, U.S.A.
- Certificate Director Accreditation Program (DAP), SET 2012

Work Experience for the Past 5 Years

2011-Present	Director S P V I Public Company Limited
1996-Present	Director S P V Digital Service Company Limited
1994-Present	Director S P V Advance Corporation Limited



06

Mr. Sujin Suwannagate

Independent Director and Member of Audit Committee

Age 64 Years

Shareholding Percentage 0.08% as of 30 Dec 2014

Appointment Date 29 October 2012

Educations

- Master of Business Administration, Long Island University, U.S.A.
- Certificate Director Accreditation Program (DAP), SET 2012

Work Experience for the Past 5 Years

2012-Present	Independent Director and Member of Audit Committee S P V I Public Company Limited
2008-2014	Director Siam City Leasing - Factoring Public Company Limited
1999-2011	Director and Member of Audit Committee National Credit Bureau Company Limited
2008-2010	Director and Chairman of Audit Committee Siam City Securities Company Limited
1984-2010	Last Position - Executive Vice President Siam City Bank Public Company Limited

07



Mrs. Susama Rativanich

Independent Director and Member of Audit Committee

Age 37 Years

Shareholding Percentage 0.08% as of 30 Dec 2014

Appointment Date 29 October 2012

Educations

- Master of Science in Information Systems, American University, USA
- Certificate Director Accreditation Program (DAP), SET 2012

Work Experience for the Past 5 Years

2012-Present	Independent Director and Member of Audit Committee S P V I Public Company Limited
2012-Present	Assistant Vice President, General Administration Division MCOT Public Company Limited
2011-2012	Acting Assistant Vice President, General Administration Division MCOT Public Company Limited
2009-2012	Senior Secretary to Chairman MCOT Public Company Limited

Executive Committee



Mr. Min Intanate

Director and Executive Chairman

Age 60 Years

Shareholding Percentage 0.08% as of 30 Dec 2014

Appointment Date 6 January 2011

Educations

- Honorary Doctoral Degree of Laws, Dominican University of California, USA
- Honorary Doctoral Degree in Science, Information Technology for Management, Mahasarakham University
- Honorary Bachelor Degree of Science, Computer Science, Faculty of Engineering and Agricultural Technology for Management, Rajamangala University of Technology Thanyaburi
- Bachelor of Architecture, Fu Hsing Institute of Technology, Taiwan
- Thailand Insurance Leadership Program, Class 1, Office of Insurance Commission
- Certificate Director Accreditation Program (DAP), 36/2005
- Certificate Role of the Chairman Program (RCP), 12/2005

Work Experience for the Past 5 Years

2011-Present	Director & Executive Chairman S P V I Public Company Limited
2013-Present	Director & Chief Executive Officer SVOA Public Company Limited
2008-Present	Director ABIKS Development Company Limited
2006-Present	Chairman of the Board D&B (Thailand) Company Limited
2000-Present	Director National Credit Bureau Company Limited
1996-Present	Director & Executive Chairman IT City Public Company Limited
1995-Present	Director & Executive Chairman Core & Peak Company Limited
1989-Present	Director & Executive Chairman ARIP Public Company Limited
1987-Present	Director & Executive Chairman Advanced Research Group Company Limited



Mr. Trisorn Volyarngosol

Director, Executive Director, Member of Risk Management Committee and Managing Director

Age 53 Years

Shareholding Percentage 6.33% as of 30 Dec 2014

Appointment Date 6 January 2011

Educations

- Master of Business Administration, University of New Haven, U.S.A.
- Certificate Director Accreditation Program (DAP), SET 2012

Work Experience for the Past 5 Years

2011-Present	Director S P V I Public Company Limited
1996-Present	Director S P V Digital Service Company Limited
1994-Present	Director S P V Advance Corporation Limited



Mrs. Petcharat Volyarngosol

Director, Executive Director , Member of Risk Management Committee and Vice President (Operations)

Age 54 Years

Shareholding Percentage 8.32% as of 30 Dec 2014

Appointment Date 6 January 2011

Educations

- Master of Business Administration, Major in Finance, University of New Haven, U.S.A.
- Master of Computer Information System, University of New Haven, U.S.A.
- Certificate Director Accreditation Program (DAP), SET 2012

Work Experience for the Past 5 Years

2011-Present	Director S P V I Public Company Limited
1996-Present	Director S P V Digital Service Company Limited
1994-Present	Director S P V Advance Corporation Limited



Mr. Pheerapol Amphan

Director, Executive Director , Member of Risk Management Committee and Vice President (Accounting and Finance)

Age 50

Shareholding Percentage 0.02% as of 30 Dec 2014

Appointment Date 6 January 2011

Educations

- Master of Business Administration Lindenwood College, U.S.A.
- Certificate Company Secretary Program (CSP), 50/2013

Work Experience for the Past 5 Years

2011-Present	Executive Director and Vice President (Accounting and Finance) S P V I Public Company Limited
1994-2010	Director, Accounting and Financial Management, CMGRP (Thailand) Ltd.

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VISION MISSION



Vision

Striving to be a leader in 'Solutions for All Generations' by providing creative technology, as well as caring for and ensuring that all our stakeholders gain the utmost benefits and returns. We will also continue to contribute to our society, particularly in the field of education.

Missions

1. Committed to offering the best service and providing innovative technology that caters for a modern, creative and digital lifestyle
2. Committed to developing our team and cultivating a positive working attitude in order to professionally serve our customers. We also place an emphasis on building our knowledge to keep pace with today's rapid technological advancements so as to achieve the best possible results.

Values

SPVI: Solutions for all generations

S - Service Excellence : Providing the best service to accommodate our customers' digital lifestyles

P - People : Continuing to develop and care for our team in order to move forward together

V - Value : Ensuring our customers, staff and stakeholders receive the value they deserve

I - Integration : Providing integrated product and service propositions, which are beneficial for all

Business Overview

S P V I Public Company Limited's core business is a reseller of Apple products, including computers, iOS devices (iPod, iPad, iPhone) and various other accessories. Also distributed are other brands compatible with Apple products, such as hard drives for video storage, portable hard drives, print products, and graphic products. SPVI also distributes products associated with iOS devices, such as speakers, headphones, protective cases, and screen protectors. We provide products and services that cater for all the needs of our target groups including individuals, organizations, as well as educational institutions and state enterprises.

Furthermore, SPVI has expanded its customer service by initiating "Smart Bar", or service centres for Apple products as well as operating the only Authorised Apple training centre in Thailand.

Policy and Business Direction

SPVI's business strategy is focused on maintaining sustainable growth by providing integrated products and services that add value to both our customers and society. We also support a learning culture and develop our staff to uphold the following corporate values, vision and missions:

Values

SPVI: Solution for all generations

S - Service Excellence : Providing the best service to accommodate our customers' digital lifestyles

P - People : Continuing to develop and care for our team in order to move forward together

V – Value : Ensuring our customers, staff and stakeholders receive the value they deserve

I - Integration : Providing integrated product and service propositions, which are beneficial for all

Vision

Striving to be a leader in 'Solutions for All Generations' by providing creative technology, as well as caring for and ensuring that all our stakeholders

gain the utmost benefits and returns. We will also continue to contribute to our society, particularly in the field of education.

Missions

1. Committed to offering the best service and providing innovative technology that caters for a modern, creative and digital lifestyle

2. Committed to developing our team and cultivating a positive working attitude in order to professionally serve our customers. We also place an emphasis on building our knowledge to keep pace with today's rapid technological advancements so as to achieve the best possible results.

Business Objectives

Our company aims to lead and improve comprehensive aspects of IT education with the Apple Education Solution in order to promote Creative Learning; emphasis will be placed on Edutivity, where students take part in educational activities. Our experienced management team, sales team and Solution Engineer team are able to approach our target groups, which range from students, university professors, private enterprises to the general public. SPVI will also focus on the importance of leadership in all our target groups of all professions, as such market channels have growing potential in the context of today's global economy. Furthermore, we aim for this focus to be supportive for the spread of 3G network across Thailand as well as for Thailand's growth in joining the AEC, which has been sustained through social media, via computers, tablets and smartphones. All our target groups on both individual and business levels are constantly looking to develop their potential; most notably those with professions that rely on technology and individuals that use technology creatively throughout their lives (Creative Life Long Learning). As a result, SPVI also intends to expand its customer base to include more business groups, with the use of more diversified products and solutions such as a Color Management

System and a large hard drive system that is able to connect a business' file servers.

Additionally SPVI aims to strengthen its sales by increasing its sales venues, including new outlets of iStudio, iBeat, U•Store and mobi, which are smaller stores designed to be more approachable, as well as by expanding its after-sales services by opening more service centers.

In 2014, SPVI has a total 25 branches, which can be classified accordingly: 5 iStudio branches, 1 iShop branch, 4 iBeat branches, 9 U•Store branches and 4 mobi branches. SPVI also has two are Smart Bar centers as well as another 23 Apple outlets in IT City.

Company Background & Significant changes in the past year

S P V I Public Company Limited (SPVI) was first formed in 1989 by two experienced dealers of Apple products, Mr. Trisorn Volyarngosol and Mrs. Petcharat Volyarngosol. Together, they established their first company under the name SPV Business Center Co., Ltd., with a registered capital of 3,000,000 baht. Their main business objective was to distribute Apple computers. Later, in 1994, in order to improve their shareholder structure and adapt to the growth of their business, Mr. Trisorn and Mrs. Petcharat Volyarngosol established

a new company in the name of SPV Advance Co., Ltd., with a registered capital of 6,000,000 baht.

After experiencing business success and the continuous growth of the 'Apple' market in Thailand, on the 6th of January 2011, Mr. Trisorn and Mrs. Petcharat Volyarngosol joined hands with IT CITY Public Company Limited to set up SPVI Co., Ltd. with a registered capital of 120,000,000 baht. SPV Advance Co., Ltd. then transferred its assets and employees associated with the distribution of Apple products to this new company. As a result of this joint venture, SPVI has been able to expand its distribution of Apple products to IT City Department Stores nationwide.

SPVI has also established a new standard for customer service by initiating "Smart Bar", or service centres for Apple products as well as operating the only Authorised Apple training centre in Thailand. Additionally, it is also an authorized dealer for other brands that are associated with Apple products in order to support its customers' needs.



SPVI's Significant Events

Month / Year	Significant Events
January 2011	The Company was established with a registered capital of 120,000,000 baht
March 2011	Acquired all assets and employees related to Apple from SPV Advance Co. Ltd. Acquired 15 branches including 4 iSudios, 1 iShop, 1 iBeat, 7 U•Stores and 2 Smart Bars Opened Apple corners in IT City
July 2011	Opened U•Stores at Mahidol University and Dhurakij Pundit University.
October 2011	Opened the first Apple corner in Big C
December 2011	Opened iStudio at Central Plaza Grand Rama 9 department store.
January 2011	Opened U•Store at Burapha University.
February 2012	Opened Smart Bar at Cental Chaengwattana department store.
June 2012	Opened iStudio at Gateway Ekamai department store.
April 2013	Converted to SPVI Public Company Limited Changed par value from 10.00 baht to 0.50 baht, thus increasing the number of common shares from 120.00 million to 240.00 million Increased registered capital by another 80 million baht from 120 million baht to 200 million baht by issuing an additional 160 million shares, with the allocated par value at 0.50 baht ; <ul style="list-style-type: none"> • 50 million shares offered to existing shareholders have already been allocated, resulting in the Company paid-up capital to be 290 million shares. • 104.50 million shares offered to the public for the first time • 5.50 million shares offered to the Company's directors and employees
December 2013	Increased paid-up capital to 400 million shares., at par value of 0.50 baht, by issuing 160 million newly-issued, ordinary shares
July 2014	Cancelled Smart Bar at Head Office
September 2014	Opened iBeat branches at <ul style="list-style-type: none"> • Cental Chiangrai • Tesco Lotus Mahachai
October 2014	Opened mobi branches at <ul style="list-style-type: none"> • Seacon Square • The Mall Ramkhamhang • The Mall Bangkapi
November 2014	Closed all 27 conner stores in Big C
December 2014	Opened a mobi branch at Asawann Shopping Complex 2 Nongkhai

Nature of Business

Revenues Structure

Revenue Classification	2012		2013		2014	
	Million baht	%	Million baht	%	Million baht	%
Revenues from Apple Products						
• MAC OS (MAC Operating System)	846.65	33.60	640.11	27.79	587.90	30.02
• iOS Devices	1,380.08	54.76	1,315.11	57.10	1,004.88	51.31
• Apple Accessories	91.78	3.64	125.79	5.46	140.77	7.19
Total Revenues from Apple Products	2,318.50	92.00	2,081.01	90.36	1,733.55	88.52
Revenues from Non-Apple Products						
• Accessories	133.90	5.31	137.52	5.97	151.07	7.71
• Professional Graphics	29.47	1.17	44.51	1.93	40.05	2.05
• Software	20.35	0.81	15.25	0.66	11.14	0.57
• Computer	1.96	0.08	1.76	0.08	2.45	0.13
Total Revenues from Non-Apple Products	185.68	7.37	199.04	8.64	204.71	10.45
Total Revenues from Sales	2,504.19	99.37	2,280.05	99.00	1,938.26	98.97
Service Income	13.55	0.54	12.22	0.53	8.11	0.41
Other Income	2.34	0.09	10.73	0.47	12.01	0.61
Total Revenues	2,520.08	100.00	2,303.00	100.00	1,958.38	100.00

Product Characteristics & Services

SPVI is one of the authorized resellers of Apple products, of which include Apple computers, iOS devices and Apple accessories. It is also a reseller of other Non-Apple brands that can be associated with Apple products in order to accommodate customers' needs. SPVI provides service centers called "Smart Bar" as well, which offer after-sales services for all Apple products and also operates a training center for Apple products that follows Apple's standard.

Product Characteristics

The Company's products and services can be divided into the following three categories:

(1) Apple Products

SPVI was granted authorization from Apple South Asia (Thailand) Limited to be a reseller of Apple products, categorized below:

- Apple Computers; MAC OS (MAC Operating System), which consist of the iMac, the Mac Pro, the Mac Mini, the MacBook Pro and the MacBook Air.
- iOS Devices, which consist of the iPod, the iPad and the iPhone. Since Apple appointed mobile operators to be the Distributor of the iPhone, SPVI will purchase iPhones from those Distributor.
- Apple Accessories such as battery chargers, headphones, mouse devices, extension cords, Internet routers and AppleCare Protection plan.



(2) Non-Apple Products

In order to accommodate customers' needs, SPVI was also granted authorization to be a reseller of Non-Apple products, as categorized below;

- Accessories such as hard drives for video storage, external hard disks, headphones, Bluetooth devices, iPhone/iPad cases and wireless loudspeakers
- Graphic products including Inkjet Printer (Pro Series) from the brand "Epson", imported paper for printing from the Japanese brand "iPaper", Digital Imaging and Graphics Art from the brand "X-rite"
- Software products such as Adobe and EFI (Colorproof XF Program)

(3) Services

SPVI was granted authorization to be an Authorized Apple Service Provider from Apple South Asia (Thailand) Limited. Thus, SPVI is eligible to service all Apple products for all customers and is qualified to purchase all

spare parts directly from Apple. Currently, SPVI has two service centers called "Smart Bar", which are located in IT Mall Fortune Town and Central Chaengwattana department store. Moreover, the company has been appointed the sole Authorized Apple Training Center in Thailand that can provide trainings according to Apple standard for both retail and corporate customers.



Risk Factors

1. Risk from depending on major distributors

SPVI was appointed by Apple South Asia (Thailand) Limited to be a reseller of Apple products and to open service centers in order to provide after sales services for Apple customers. In 2012, 2013 and 2014, the company purchased products from Apple in the proportion of 73.65%, 75.37% and 67.03% of the total products purchased by the company respectively. The contract with Apple is a year-to-year contract, which could be terminated at any time. If it happens, it will have a significant adverse impact on the company's business. However, Mr. Trisorn Volyarngosol, Mrs. Petcharat Volyarngosol and the management team have experience as an Apple reseller for more than 20 years as well as have obtained many awards from Apple. In addition, the company has generated a sizeable sale figure and has strictly complied with the terms and conditions of the contract. The management is confident that the company will continue to gain credibility and support from Apple.

2. Risk associate with the product obsolescence

Apple products are those with fast-paced technological changes. Driven by rapid ICT changes, new Apple products are developed and launched into the market with an increasing speed to meet customers' demands, just like other IT products. Therefore, the company may encounter problems with inventory management for the outdated or obsolete models, which can not be sold in the market.

However, since the management team has a long-time experience in the business, it has a good understanding of customers' needs. The company has dedicated personnel to implement product management. They will closely monitor product inventory, product selection and submit appropriate amount of order to prevent the risk of outdated products. For the order of products, product managers will regularly conduct surveys on customers' requirements through salespersons and branch managers. Furthermore, the

company follows new product information, technology and other trend updates from Apple and other resellers, which help the company to select products that best fit its customers' demands. Moreover, SPVI has an efficient inventory management by implementing an online inventory system to link inventory data from all branches. At the end of each day, the company will perform a random check on the inventory of each branch and compare to the report generated by the company's inventory system. For branches with low inventory turnover, the products will be transferred to the other branches as well as organize sales promotional activities to help boost the sales. On the other hand, branches with inventory shortage will be able to check inventory of other branches real-time. As a result, products are normally sold before their popularity decline. Besides, when Apple launches new products to replace the old models, the company will be compensated for price difference according to agreed models, conditions and timing. This will enable the company to reduce old products' prices in order to be able to compete in the market.

3. Risk associated with the competition

The rapid growth of Information and Communication Technology (ICT) industry, particularly smartphone and tablet PC, has made the competition among vendors such as Apple, Samsung, Nokia and HTC more intense. The vendors have to develop and launch new products frequently to increase their market shares. However, Apple has unique product propositions such as Mac OSX for Apple Computer, iOS for smartphones and tablets, Cloud System and Retina Display for laptop, which gives higher resolution display performance. In addition, it has a wide variety of applications as well as safety system with modern design and user-friendliness. All these qualities have made Apple continue to gain popularity among consumers. Nevertheless, the company may face risk associated with competitors who may become Apple's reseller in Thailand and are authorized to open iStudio, iBeat, U•Store or Apple outlets in their retail stores or department stores. However, there is a restriction that

each department store or office building or community mall can have only one type of Apple store in the same location (except for outlets that sell Apple products i.e. in Power Buy or Power Mall). Consequently, to be successful, each reseller has to efficiently manage their own distribution channels in order to access a wide range of customers as well as providing better quality services.

SPVI's distribution channels cover mostly prime areas of Bangkok including among others, 23 outlets in IT City branches. It has set up service centers, which can offer full-circle after-sales services for all Apple products providing one-stop solutions for customers. While most resellers focus more on retail market and keep opening more branch network, the company engages in corporate and educational markets. The company's management has entered the corporate and educational markets for a long time, thus rendering a competitive advantage to the company over its competitors, which are not as experienced. Furthermore, the company consistently searches for other products and applications to create innovative solutions that better support learning and education in the digital era. With experienced staff to provide technological support for educational market, the company has succeeded in implementing educational solutions for many schools and universities. SPVI will continue to grow its business and maintain its leading edge in the corporate and educational markets.

4. Risk associated with lease agreements

The company currently provides Apple and Apple related products and services to retail customers through its 25 branches (5 iStudios, 1 iShop, 4 iBeat, 9 U• Stores and 4 mobi) and 2 service centers. Since they are located either in shopping malls, office buildings and universities, the company has to rent and enter into either short-term or long-term lease agreements with landlords. There are risks that the company might not be able to renew the contracts or encounter changes in terms of agreements that could result in increasing costs to the company. As of December 31, 2014, SPVI has a branch with a long-term lease agreement, which has the remaining contractual term of 16 years. Others are short-term contracts, which are usually no longer than

3 years. However, the management of the company has been a good tenant for an average of more than 10 years. Therefore, the non-renewal risk remains low.

5. Risk associated with fraud (Operational risk)

The company needs to distribute various products to branches. Those products are usually valuable, mobile and in demand. There are risks that the company may face fraudulent actions in the level of operational staff. Therefore, the company has set a tight internal control and auditing system. It also deploys information technology system to support the inventory management. Moreover, the company makes it a responsibility of branch managers to conduct a daily random check on products, especially those high-value products. Moreover, accounting officers will check the inventory of each branch once a month. Staff in each branch will be obliged to be jointly responsible for lost items. The company believes that the introduced policy measures would limit possible damages within the scope that has insignificant impact on the company's performance.

6. Risk from relying on the management team who are major shareholders of the company

The company relies on the management team who has experiences as Apple reseller and has a good relationship with Apple for more than 20 years. There is a risk associating with such reliance. However, the fact that the management team is also a major shareholder should alleviate the risk, as it would be in the management's interest to grow the business. Moreover, the company has a policy to encourage a teamwork culture and will promote the hiring of more external professional individuals to join the team mainly to enhance the company's efficiency and potential. Furthermore, the company clearly defines the division of duties and responsibilities to prevent a situation where any single party can assert a total influence.



Shareholder Structure

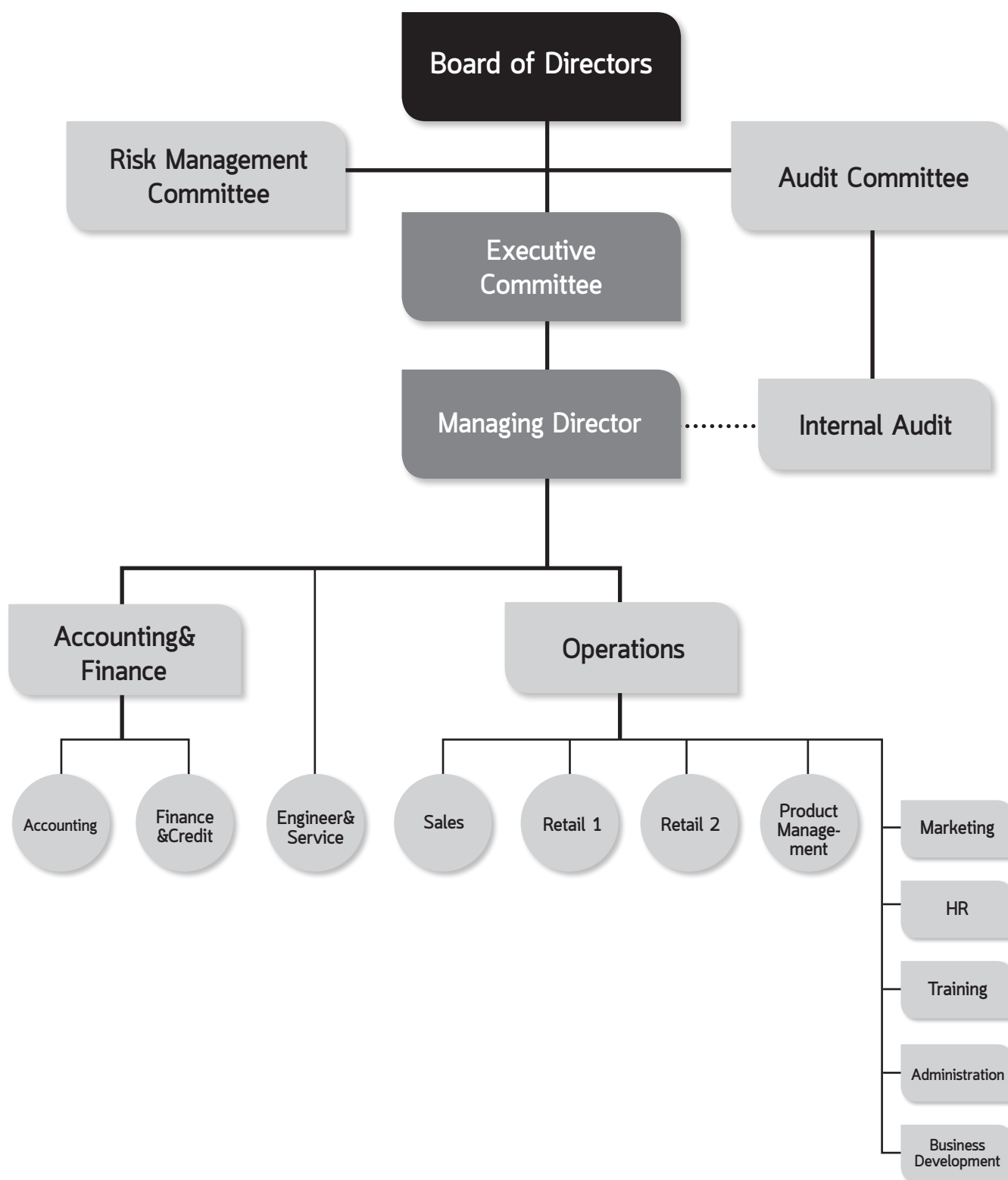
Top Ten Major shareholders as of 30 December 2014 include:

Name of Shareholders	No. of Shares	% of shareholding
1. IT City Public Company Limited	116,000,000	29.00
2. Mrs. Petcharat Volyarngosol	33,294,000	8.32
3. Mr. Trisorn Volyarngosol	25,311,050	6.33
4. Mrs. Pattra Pongpianskul	8,389,900	2.10
5. Mr. Peerapat Volyarngosol	6,359,668	1.59
6. Ms. Patrinda Volyarngosol	5,979,612	1.50
7. Ms. Patchara kiatnuntavimon	5,850,400	1.46
8. Mr. Somchai Volyarngosol	5,379,460	1.35
9. Mr. Veerasak Volyarngosol	5,353,834	1.34
10. Mr. Narathorn Wongvises	5,050,000	1.26
11. Other Shareholders	183,032,076	45.76
Total	400,000,000	100.00

Dividend Policy

The company's dividend policy is to pay shareholders at least 40 percent of its net profit after tax. However, the payout ratio may be lower if the company plans to expand its operations. The dividend payment shall not exceed the retained earnings in the company's financial statements.

Management Structure



Board of Directors

Name – Last Name	Position
1. Mr. Teera Aphaiwongse	Chairman of the Board and Chairman of Audit Committee
2. Mr. Min Intanate	Director
3. Mr. Narathorn Wongvises	Director
4. Mr. Trisorn Volyarngosol	Director
5. Mrs. Petcharat Volyarngosol	Director
6. Mr. Sujin Suwannagate	Independent Director and Member of Audit Committee
7. Mrs. Susama Rativanich	Independent Director and Member of Audit Committee

company's Secretary

Mr. Pheerapol Amphan

Authorized Directors

Mr. Narathorn Wongvises or Mr. Min Intanate co-signs with either Mr. Trisorn Volyarngosol or Mrs. Petcharat Volyarngosol and the company's official seal is appended.

Director Meeting Attendance for the year 2014

Director	Board Meeting Attendance / Total Meeting	Audit Committee Meeting Attendance / Total Meeting
1. Mr. Teera Aphaiwongse	4/4	4/4
2. Mr. Min Intanate	4/4	-
3. Mr. Narathorn Wongvises	3/4	-
4. Mr. Trisorn Volyarngosol	4/4	-
5. Mrs. Petcharat Volyarngosol	4/4	-
6. Mr. Sujin Suwannagate	4/4	4/4
7. Mrs. Susama Rativanich	3/4	3/4

Authorities and Duties of the Board of Directors

1. To carry out its duties in compliance with all relevant laws, regulations, the company's objectives and Articles of Association as well as the resolutions of shareholder meetings. It shall carefully act in the company's best interest with integrity and discretion.

2. To elect an Executive Committee to perform a task, or multiple tasks as assigned by the Board. The Board also has the authority to appoint a Chief Executive Officer and other members of various committees such as the Audit Committee, the Nomination and Remuneration Committee.

3. To determine the company's direction, policies, business plan and budget as well as supervise the Executive Committee or any assigned person to ensure that they act in compliance with the policies set by the Board.

4. To review and approve the company's policies, directions, strategies, business plans, annual budget for the business, annual expenditure budget and large investment projects that have been proposed by the Executive Committee.

5. To monitor the company's performance according to the business plan and budget

6. To review and approve other important matters related to the company as deemed appropriate, for the greater benefit of the company. However, the following transactions can proceed only after receiving approvals from a shareholder meeting. It is further stipulated that if there is a transaction, in which a director or a party has a conflict of interest, such director or party must refrain from casting a vote on the said transaction.

(a) Transactions that are legally require a resolution from a shareholders' meeting

(b) Transactions in which directors may have a conflict of interest and are required by the law or the Stock Exchange of Thailand's regulations to be approved by a shareholders' meeting

Each of the following transactions can proceed only after receiving consent from a Board of Directors' meeting and at least an affirmative vote from three-fourth of shareholders who attend the shareholder meeting:

(a) The sales or transfer of all or a substantial part of the company

(b) The purchase or acquisition of another business or a private company

(c) The entering, amendment or termination of any agreement relating to the lease of all or a substantial part of the company's business

(d) The assignment for a third party to manage the company's business or merging with a third party with an aim to share revenues

(e) The amendment in the company's Memorandum of Association or Articles of Association

(f) The increase, or decrease in capital, bond issuance, mergers or dissolutions of the company

Executive Committee

Name-Surname	Position
Mr. Min Intanate	Executive Chairman
Mr. Trisorn Volyarngosol	Managing Director
Mrs. Petcharat Volyarngosol	Vice President – Operations
Mr. Pheerapol Amphan	Vice President – Accounting & Finance

Authorities and Duties of the Executive Committee

1. To propose the company's targets, policies, business plans and strategies, annual budget, to the Board of Directors for consideration

2. To monitor business operations of the company to be in accordance with policies, plans and budgets as approved by the Board of Directors

3. To consider and approve the company's normal business transactions under budget or investment approved by the Board of Directors. Each transaction must be approved within the given authority approved by the Board of Directors

4. To present the company's organizational structure, number of required human resources and management authority for the Board of Directors' approval

5. To consider and adjust remuneration and bonuses for employees that are ranking below Managing Directors, including manpower not accounted for in the annual budget

6. To appoint or hire a consultant regarding the administration of the company, in order to achieve highest efficiency

7. To consider profit and loss of the company and propose both interim and annual dividends for the Board of Directors' approval

8. To assign any person(s) to perform a task under the Executive Committee's supervision or to delegate authority to the person(s) and within a period as deemed appropriate by the Executive Committee. The Executive Committee may dismiss, withdraw, change or reassign the authorized person(s) or the delegation of authority as it sees fit.

9. To perform other duties as assigned by the Board of Directors

The Executive Committee must not assign its power to a person or a party to perform activities that may have a conflict of interest with the company, subsidiaries or related companies (as defined by announcements from the Securities and Exchange Commission and/or the Stock Exchange of Thailand and/or other related agencies). The Executive Committee would not have authority to approve such transaction and must propose to a Board of Directors' Meeting and/or a shareholders' meeting (as the case may be) for their consideration and approval. Exceptions can be made for transactions that conform to normal courses of business as defined by the SEC and/or the Stock Exchange of Thailand and/or related agencies.

Audit Committee

Name-Surname	Position
Mr. Teera Aphaiwongse*	Chairman of the Audit Committee
Mr. Sujin Suwannagate *	Member of the Audit Committee
Mrs. Susama Rativanich	Member of the Audit Committee

Remarks: * Mr. Teera Aphaiwongse and Mr. Sujin Suwannagate are directors with sufficient knowledge and experience to review financial statements

Secretary of the Audit Committee

Ms. Yupa Benchawikai

Authorities and Duties of the Audit Committee

1. To review the company's financial report and ensure its reliability and adequacy

2. To review that the company has appropriate and effective internal control and internal audit systems and to determine an internal audit unit's independence as well as to consider the appointment, transfer or dismissal of the chief of an internal audit unit or any other positions responsible for the internal audit

3. To review the company's compliance with the Securities and Exchange Act, the regulations of the Stock Exchange and the laws relating to the company's business

4. To consider, select, nominate and recommend an independent individual to be the company's auditor and to propose the remuneration for the said individual, as well as attend a non-executive meeting with the company's auditor at least once a year

5. To review connected transactions and transactions that may lead to a conflict of interest to ensure they conform with all relevant laws and regulations of the Stock Exchange, reasonable and are for the best interest of the company

6. To prepare an Audit Committee report and disclose it in the company's annual report. Such report must be signed by the Chairman of the Audit Committee and must include at least the following information:

- (a) An opinion on the accuracy, completeness and creditability of the company's financial report
- (b) An opinion on the adequacy of the company's internal control system
- (c) An opinion on the compliance with the Securities and Exchange laws and the regulations of the Stock Exchange and any laws pertinent to the company's businesses
- (d) An opinion on the suitability of an auditor
- (e) An opinion on transactions that may lead to conflict of interest
- (f) The number of Audit Committee meetings, and the attendance of such meetings by each committee member
- (g) Opinions or remarks received by the Audit Committee through the performance of its duties as defined in the Committee's charter
- (h) Other transactions, which the Audit Committee views appropriate to disclose to the shareholders and general investors, within the scope of duties assigned by the Board of Directors

7. To perform any other tasks assigned by the Board of Directors, with the consent of the Audit Committee

Risk Management Committee

Name-Surname	Position
1. Mr. Narathorn Wongvises	Chairman of the Risk Management Committee
2. Mr. Trisorn Volyarngosol	Member of the Risk Management Committee
3. Mrs. Petcharat Volyarngosol	Member of the Risk Management Committee
4. Mr. Pheerapol Amphan	Member of the Risk Management Committee

Authorities and Duties of the Risk Management Committee

1. To propose risk management policies in various areas to the Board of Directors for consideration and approval

2. To control, oversee and review risk management process in various aspects of the company to ensure that there is a proper and acceptable level of risk management and in line with the risk management policy

3. To report the progress of operational development and improvement to reduce the company risk exposure, to the Board of Directors for acknowledgement on a quaterly basis

4. Consider and review the suitability of the risk management policy at least once a year or when the company's risk factors are significantly changed. In the event that there is a change to the risk management policy, the Committee must propose the Board of Directors for approval

5. To perform other risk management related tasks assigned by the Board of Directors

Management Team

Name-Surname	ตำแหน่ง
1. Mr. Trisorn Volyarngosol	Managing Director
2. Mrs. Petcharat Volyarngosol	Vice President – Operations
3. Mr. Pheerapol Amphan	Vice President – Accounting & Finance
4. Mrs. Duangnapa Volyarngosol	Assistant Vice President – Product Management
5. Mr. Pongsakorn Boonsrimuang	Senior Manager – Engineering and Service
6. Mr. Pairoj Ullisnant	Senior Manager – Retail 1

Authorities and Duties of the Managing Director

1. To supervise, administer and manage normal business operations in the company's best interest in compliance with the company objectives and Articles of Association as well as regulations, resolutions, policies, plans and budgets approved by the Board of Directors Meeting and / or the Shareholders' Meeting and are under the relevant laws and authorities prescribed by the Board of Directors

2. To supervise and/or manage daily business operations of the company

3. To prepare and present business policies, business plans, objectives, operation plans, business strategies, annual budgets for business operations, and annual expenditure budget and determine management authorities, to the Executive Committee and the Board of Directors

4. To adopt policies from the Board of Directors in order to determine the direction, strategies and business goals and set missions for the company's management and operation teams.

5. To supervise, monitor and follow up on the performance of the company's management and operation team as well as provide solutions to problems so that the executives and management team can move forward in accordance with the set strategic and business plans, in accordance with the company's policies

6. To monitor and evaluate the performance of the management and operation teams; to report progress their progress to the Executive Committee, the Audit Committee and the Board of Directors on a regular basis

7. To issue orders, regulations, notifications and memorandum of understandings in order to ensure that the operations conform with the company's policies and are for the company's best interest as well as to maintain discipline within the organization

8. To determine management plans including details of the selection, training, hiring and dismissal of employees as well as the rates of wages, salaries, commissions, bonuses and welfares for employees, all within a framework approved by the Board of Directors;

9. The Managing Director has the power to appoint and dismiss employees of the company in positions below an executive director

10. The Managing Director has the authority to approve expenses for normal business operations such as purchasing assets, making important investments and authorizing other transactions in the company's best interest. The Managing Director is only authorized to approve transactions under normal courses of business and according to the budget prescribed in the Authority Table, which has been approved by the Board of Directors.

Selection of Directors

The company has not set up a nominating committee to nominate appropriate individuals to be elected as director(s) of the company. Thus, the Board of Directors shall select directors according to the experience, knowledge, skills and attributes required by the law and propose the selected candidates individually to a

shareholders' meeting for their approval. Attendees of the meeting will then elect the company's directors as prescribed in the Articles of Association.

Composition and Appointment of the Directors

The compositions, selection, appointment, dismissal and withdrawal of the company's Directors are prescribed in the company's Articles of Association and can be summarized as follows:

1. The Board of Directors of the company will include at least 5 members. No fewer than half of the directors must reside in Thailand and all members must possess qualifications prescribed by the law

2. Shareholders' meetings shall elect Directors according to the following rules and procedures:

(1) Each shareholder shall be entitled to one vote per one share

(2) Each shareholder may cast his/her vote for one or more candidates for the Board membership but may not differentiate his/her voting rights amongst the candidates

(3) Nominees with the largest number of votes shall be elected to fill the available positions Board in respective order. In the event that a number of nominees receive an equal votes, resulting in the number of Directors being more than is required at such time, the Chairman of the meeting shall cast the deciding vote

3. In each annual general shareholders' meeting, one-third of the directors shall vacate their positions. If the number of directors cannot be divided equally into thirds, the number closest thereto will be applicable. 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. In subsequent years, the directors who have been in their positions longest shall vacate their posts. Directors, whose term in office has thus ended, may be re-elected as a director by shareholders.

4. Any director, who wishes to resign from office, shall submit a letter of resignation to the company. The resignation shall be effective on the date of which the company receives the letter.

Directors, who wish to resign as above, may notify the Registrar of his resignation.

5. In the event that director's position becomes vacant for any reason other than the end of the office term, the Board of Directors shall, during the next board

meeting, appoint a person to be a new director, with all the necessary qualifications according to the Public Limited Companies Act and / or Securities and Stock Exchange Laws. This is not applicable if the remaining office term is less than 2 months. The appointed person shall remain a director only for the remaining term of the person whom they are replacing. This resolution must be approved by at least three-fourth of the number of remaining directors.

6. A shareholders' meeting may also remove a director from office before the end of term, but only if such resolution is made with at least three-fourth of eligible votes from shareholders who attend the meeting. Such voters must hold at least one-half of the total number of all shares owned by all eligible shareholders that attend that particular meeting.

Compositions and Appointment of Independent Director

The Board of Directors shall collectively consider the qualifications of a candidate to be filled in a position of Independent Director basing on the qualifications and prohibited attributes prescribed in the Public Limited Companies Act, Securities and Stock Exchange Laws, Notifications of the SEC and/or other related rules and regulations. In addition, the Board of Directors shall determine candidates with qualified work experience and suitable skills for the position of Independent Director and then propose these candidates to a shareholders' meeting for their consideration and appointment. The company has a policy that at least a third of the Board of Directors (consisting of at least three people) must be an Independent Director.

Compositions and Appointment of Audit Committee

The Board of Directors will appoint at least 3 members to the Audit Committee and each member must be an Independent Director. The Audit Committee members must possess the qualifications stipulated by the Securities and Exchange laws, notifications, rules and/or regulations of the Stock Exchange of Thailand. The Board of Directors also establishes the qualifications and the scope of responsibilities of the Audit Committee from the previously mentioned rules. Other than being an Independent Director, members of the Audit Committee shall also possess the following additional qualifications:

1. A member of the Audit Committee shall not be a Director appointed by the Board to make decision on any business operations of the company, the company's subsidiaries, any joint ventures, its subsidiaries, affiliates or entities that may lead to a conflict of interest

2. A member of the Audit Committee shall not be a Director of a mother company, a subsidiary or an affiliate of the same level that is a listed company

3. A member of the Audit Committee should possess sufficient knowledge and experience to carry out the responsibilities that are required by the Audit

Committee. There must be at least member in the Audit Committee with enough knowledgeable and experience to review the reliability of financial statements.

The positions of the Chairman and the members of the Audit Committee shall remain valid until end of their responsibility as Directors of the company.

Upon completing their term, the Chairman and the members of the Audit Committee can be re-elected into the Audit Committee by shareholders.

Remuneration of Directors and Management Team

Monetary Remuneration

Remuneration of Directors

Name-Surname	Year 2013			Year 2014	
	Remuneration	Meeting Allowance	Bonus	Remuneration	Meeting Allowance
1. Mr. Teera Aphaiwongse	1,800,000	20,000	100,000	1,800,000	20,000
2. Mr. Min Intanate	480,000	20,000	50,000	480,000	20,000
3. Mr. Narathorn Wongvises	480,000	20,000	50,000	480,000	15,000
4. Mr. Trisorn Volyarngosol	-	20,000		-	20,000
5. Mrs. Petcharat Volyarngosol	-	15,000		-	20,000
6. Mr. Sujin Suwannagate	600,000	20,000	50,000	600,000	20,000
7. Mrs. Susama Rativanich	600,000	20,000	50,000	600,000	15,000
Total	3,960,000	135,000	300,000	3,960,000	130,000

Remuneration of Management Team

The company paid remuneration of 17.35 million baht and 14.84 million baht to the management team in in 2013 and 2014 respectively. The remuneration includes salary, bonus and other welfares.

	Year 2013		Year 2014	
	No. of the Executives (Person)	Remuneration (Baht)	No. of the Executives (Person)	Remuneration (Baht)
Salary	6	10,342,360.00	6	10,836,531.00
Bonus	6	2,176,270.00	6	376,100.00
Other Welfares	6	4,516,736.09	6	3,628,873.96
Total		17,035,366.09		14,841,504.96

Employees

As at 31 December 2014, the company employs a total of 320 employees (exclusive of 6 executives), which can be divided into 309 full time employees and 11 part time employees with the details as follows:

Department	Full Time Employee (Person)	Part Time Employee (Person)	รวม (คน)
1. Accounting	12	-	12
2. Finance	10	-	10
3. Marketing	5	-	5
4. Sales	29	-	29
5. Retail 1 , 2	182	11	193
6. Engineering & Service	26	-	26
7. Product Management	24	-	24
8. Business Development	6	-	6
9. Human Resource	4	-	4
10. Training	2	-	2
11. Administration	6	-	6
12. Internal Audit	3	-	3
Total	309	11	320

Human Resource Development Policy

The company places great emphasis on the training and development of employees and has established a training division created specifically to instruct employees. This training division has the objectives of developing the specialized and technical knowledge, skills and experience of employees. Stimulating these qualities is vital to the development of our employees as it helps them to accomplish their assignments effectively as well as support and prepare them towards fulfilling their own career goals. These process will, in turn, strengthen the operations of the company as well.

The company is providing the following trainings to employees:

Training Course for New Employees: to prepare employees for their new job

- Leading an orientation to inform new employees about the company;
- Providing sales skills training that covers customer service techniques and techniques for creating better customer experiences

- Presenting knowledge and demonstrations regarding the company's products and their innovation;
 - Providing work-experience in real-life situations
- Advanced Training Course: to review knowledge the of employees in every position
- Providing training for the staff operating the training division
 - Providing training for cashiers
 - Providing training for staff making demonstrations

Furthermore, the company also encourages employees to take training courses outside the company and also take certification exams held by brand owners such as Apple. This would allow employees to develop their own professional, specific skills and also improve the company's competitiveness.

Corporate Governance

The company realizes the importance of good corporate governance with corporate transparency and equitable treatment to all concerned parties. Consequently, the company has established a “Good Corporate Governance Policy” in writing. The company had followed and conformed to the policy since 2013. The content of the policy covers 5 chapters as follows: 1) the Rights of Shareholders, 2) the Equitable Treatment of Shareholders, 3) the Company’s Conduct Towards Relevant Stakeholders, 4) Disclosure and Transparency and 5) Responsibilities of the Board of Directors. The company has already disclosed the content of “Good Corporate Governance Policy” in its website: www.spvi.co.th.

In 2014, the company conformed to the Good Corporate Governance Policy, which can be summarized as follows:

Chapter 1: The Rights of Shareholders

The company realizes and gives importance to various basic rights of the shareholders, such as the rights to buy, sell or transfer shares; to obtain relevant and adequate information on the company; to participate and vote in the shareholders’ meetings to elect or remove Directors of the company, to appoint the external auditor, to make decisions on important issues, such as dividend payment, amend the company’s Memorandum of Association and Articles of Association and increase or decrease capital etc.

Apart from various basic rights of the shareholders mentioned above, the company takes various actions to promote and facilitate the exercise of the shareholders’ rights, as follows

Before the Meeting

The annual general meeting of shareholders of the company took place on 4th April 2014 at the ASIC Meeting Room, 34th Floor, SVOA Tower, Rama III Road, Bangpongpan, Yannawa, Bangkok. The company sent an invitation notice to the shareholders at least 14 days prior to the meeting date and also posted the invitation on the website www.spvi.co.th so that shareholders would have enough time to study the information beforehand.

An invitation notice provided correct, clear and adequate information as follows:

1. Attached 3 proxy forms so that shareholders who were unable to attend the meeting might appoint any person as their proxies by using one of the three proxy forms enclosed with the notice of the meeting.

2. A copy of previous minutes of meeting.

3. Information of those who had been nominated for election as directors. The details included the name, age, education, work experiences, training organized by the Thailand Institute of Directors (IOD), number of companies that each director maintained directorship, type of the proposed directorship, directorship commencement date.

4. Details of 3 directors who can act as shareholders’ proxies. All of the proposed directors are independent directors. A shareholder may appoint one of them as a proxy to attend and vote on the shareholder’s behalf.

5. Articles of Association in connection with shareholder meeting.

6. Map of the location of the meeting for travelling by car or public transportation.

7. Each agenda clearly stated that it was for acknowledgement or consideration including facts, reasoning and the comments from the Board of Directors.

On the day of the Meeting

The company organized the Annual General Meeting of Shareholders at SVOA Tower, Rama III Road, using a meeting room with appropriate size that could adequately accommodate attendees. The registration process began 2 hours in advance of the meeting so that staff would get enough time to check documents of shareholders presented at the meeting in person and a large number of proxies appointed by shareholders. For the accuracy and to speed up the registration process, the company had prepared sufficient officers and registration desks. Once registration was completed, shareholders would receive a ballot to vote on each agenda of the meeting.

Before the meeting started, the Secretary of the meeting would inform shareholders on how to vote according to the Articles of Association. Holders of the company’s common shares were entitled to cast one vote per one share. The casting of votes would be conducted openly. The company used a barcode system to count the votes for accuracy and speed. After the vote counting on each agenda was completed, the

company would display the outcome on a screen to inform shareholders by dividing the vote scores into approve, disapprove and abstain.

Chairman of the Audit Committee, Audit Committee, Independent Directors, Board of Directors, Executive Chairman and Managing Director of the company all gave priority and attended the general meeting to provide clarifications or answers inquiries from shareholders in the meeting.

For those shareholders who attended the meeting after it started, they could still attend the meeting and vote on agendas, which were being considered, or those had not been voted.

The shareholder meeting proceeded according to the specified agendas. The meeting would not consider additional agenda(s) not specified in the invitation notice.

After the Meeting

The company disclosed resolutions from the shareholder meeting with the outcome of votes count within the same day through media channels of SET. It prepared minutes of the meeting and submitted to SET within 14 days as specified by the laws.

Chapter 2: The Equitable Treatment of Shareholders

The company recognized the importance and values the right of every individual shareholder, whether executive or non-executive, major or minor shareholders. Thus, the company would not engage in any discriminatory act or cause any unfair treatment to shareholders under the provisions of the relevant laws. In 2014, the company practiced the following procedures:

1. The Shareholder Meeting

- The company delivered all three proxy forms to holders of all shares so that shareholders could choose the form that best fitted their needs.
- In the case where a shareholder was unable to attend the meeting, the company had nominated 3 independent directors. A shareholder might appoint one of them as a proxy to attend and vote on the shareholder's behalf.

2. The Directors and Executives.

The company had written measures to strictly prevent wrongful use of inside information (Insider Trading) according to the following procedures:

- Defined a policy to prevent wrongful use of inside information (Insider Trading) and notified directors and executives to refrain from perform any transaction on the shares, 1 month prior to the publish of the company's financial statements. As for the previous year, the Board of Directors and Management of the company had strictly conformed to the policy.

- Connected transactions that occurred in the year 2014 were all transparent and were carried out in a fair manner in accordance with ordinary courses of business.

Chapter 3: The Role of stakeholders

The company respected the rights of relevant stakeholders and treated them fairly as follows:

- Employees: The company aimed to provide both skill development and on-the-job training to employees of all levels. It did that on a continuous basis either by organizing in-house and outside trainings by respective suppliers.

For welfare & benefits, the company focused on quality of working life for employees and treat employees equally. The company provided life and health insurance, provident fund and annual physical check up for all employees. The last physical checkup was organized on December 18, 2014

- Partners and Creditors: The company adhered to good business practice and strictly complied with commercial terms and/or agreements with business partners and creditors. It maintained the relationship with its partners based on the principle of equality and mutual benefits in order to develop a long-term relationship with partners.

- Customers: The company strived to achieve customers' satisfaction and confidence by keeping on improving products and services as well as maintaining good relationships, integrity and fairness.

- Competitors: The company treated competitors in accordance with international standard under legal frameworks on fair trade competition. It observed the rules of fairness when competing and would not acquire information from competitors illegally or against its ethics.

- Communities and Society: The company realizes its responsibilities towards the communities and society. It participated in charitable activities and public services, for example, activities to promote education.

Chapter 4: Disclosure and Transparency

The Board of Directors recognized the importance of accurate and transparent disclosure of information, both financial and non-financial, as stipulated by the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. It also disclosed other significant information that might affect the price of the company's securities, and might have an impact on investors and stakeholders' decision. This was carried out to ensure that related parties obtain equal information. The company disseminated information of the company to shareholders, investors and general public through various channels provided by the Stock Exchange of Thailand and the company's website: www.spvi.co.th.

The Board of Directors was responsible to review and ensure the reliability, completeness and rationality of the company's financial statements. The company's financial statements must be prepared in accordance with generally accepted accounting principles and use appropriate accounting policy with consistency and careful judgment. The responsibility of the Board of Directors to the financial statements together with the report of the auditor must be included in the Annual Report Form (56-1) and Annual Report (56-2). The roles of the Board of Directors and the Audit Committee, number of board meetings, and the number of meetings each director attended during the past year, must be clearly reported.

The company set up an Investor Relations Department to handle information and communication with shareholders. Investors and securities analysts could reach the company via the following contact details:

Telephone: 0 2559 2901-9

Email: ir@spvi.co.th

Correspondence: Investor Relations

In addition, investors could also study the company's information on the website: www.spvi.co.th.

Chapter 5: Responsibilities of the Board of Directors

Although the company had not yet appointed Nomination and Remuneration Committee to nominate the company's directors, it was confident that the current Board of Directors comprised highly qualified individuals with knowledge, capabilities, skill sets and experience. They were well recognized and had a good

understanding of the roles and responsibilities of the Board of Directors.

1. Structure of the Board of Directors

Currently, the company's Board of Directors consisted of 7 members comprising:

a) 2 Executive Directors

b) 5 Non-Executive Directors, including among others, the Chairman. Of all the Non-Executive directors, there were 3 Independent Directors (The number of Independent Directors was more than one-third of the total number of directors.)

In addition, the Board of Directors also appointed the following committees to assist in overseeing the overall operations of the company.

1.1 The Executive Committee: responsible for determining business operation directions and strategies to be in accordance with the objectives set by the Board of Directors and to facilitate the management and operation of the company.

1.2 The Audit Committee: responsible for specific duties and proposing issues to the Board of Directors for consideration and acknowledgement. The Audit Committee had the rights and duties as set out in the Scope of Responsibilities of the Audit Committee. At least one of the members of the Audit Committee must be knowledgeable and experienced enough to review the reliability of the company's financial statements

The Board of Directors had established a policy that a person might not hold the position as the Chairman and the Managing Director at the same time. This was to clearly segregate duties and responsibilities between policy setting & supervision duties and daily operation management duties. The Board of Directors would be responsible for setting policies and supervising the performance of the management. Meanwhile, the management would be responsible for managing the company's day-to-day business operations to be in line with approved policies.

2. Roles, Duties and Responsibilities of the Board of Directors

The company stipulated that the Board of Directors complied with "the Code of Best Practices" for directors of listed companies under the guidelines of SET. The Board must understand and be aware of their roles and responsibilities as well as carry out their assignments in accordance with relevant laws, the company's

objectives and Articles of Association. They should direct the company in accordance with resolutions of the shareholders' meeting with honesty, integrity, while seriously taking into consideration the interests of the company and shareholders. The Board of Directors would act as the policymaker who determined business targets, operating plans and budgets of the company as well as supervise the management team to operate the business according to specified policies, plans and budgets. It should also ensure that the plan be effectively and efficiently executed for the best benefits of the company and shareholders.

3. Board of Directors' Meetings

The company had set a policy that the Board of Directors would hold a meeting at least once every 3 months. In addition, a special meeting could be called if it was deemed necessary. Agendas would be clearly defined, and the meeting documents would be sent 7 days in advance to allow sufficient time for the directors to review prior to the meeting. Each meeting would be recorded, and minutes of meeting would be prepared in writing. All approved documents must be properly stored for future reference and inspection.

4. Remuneration of Directors and Management Team

The company had a policy to provide reasonable remuneration for the company's directors and management team, which should be sufficient to attract and retain the directors and the management team. The remuneration would be justified with their responsibilities and competitive with other companies' remuneration within the same industry. Factors to be considered include experience, duties, roles and responsibilities of the directors. Moreover, the remuneration of the directors must be approved by the general meeting of shareholders. Meanwhile, remuneration of the management team must comply with the principles and policies set by the Board of Directors, which was also based on obligations, responsibilities and performance of each executive as well as the operating results of the company.

5. Development of Directors and Management Team

The Board of Directors had set a policy to promote and support training and education for corporate

governance to related parties, including directors, Audit Committee, management team and corporate secretary. This was to encourage and continuously enhance their efficiency and effectiveness. The company gave priority to training courses provided by Thai Institute of Directors Association (IOD).

Controls on the Use of Inside Information

Directors, management and employees were not allowed to disclose or take advantage of confidential and/or internal information of the company for the benefits of themselves or any other person, whether directly or indirectly.

Directors, management and employees of the company as well as their spouses and minor children were prohibited from using internal information of the company. Internal information was defined as information that had or might have an impact on the price of the company's securities and which had not been disclosed to the public. Directors, management and employees of the company were restricted to use the internal information to buy, sell, offer for sale, or persuade others to buy, sell or offer for sale the company's securities, whether directly or indirectly before the information was revealed to the public. They were also prohibited to do so for their own or others' benefits, or to knowingly allow others to do so for their benefits. Those who violate such rules would be punished according to disciplinary guidelines specified by the company.

The company had taken measures to ensure that its executives understand and acknowledge their obligations to report the holding of the company's securities by themselves, their spouses and dependent children. This includes the report of any change in the holding of such securities to the SEC according to Section 59 of Securities and Exchange Act B.E. 2535.

The company notified its directors, management and employees as well as their spouses and dependent children to refrain from making any transaction on the company's securities, 1 month prior to the public disclosure of the company's financial statements.

The company had duly notified its directors, management team and employees of the above-mentioned requirements.

Risk Management and Internal Control

Risk Management

The company realized that risk management is an integral part of the company's operations and appointed a Risk Management Committee in the Board of Directors meeting No. 2/2014, on the 6th of May 2014. This Committee would have the responsibility to prepare policies, control, supervise and review the risk management process. The Risk Management Committee would ensure that the company performed risk management at an acceptable level. The Committee shall then report their findings to the Board of Directors on a regular basis, for their consideration and acknowledgement.

Internal Control

The company places great importance on internal control, as it is a vital tool in preventing possible damages happened because of wrongful, misconduct or fraudulent actions by executives and employees. During the Board of Directors meeting no. 1/2015 on 17th February 2015, the Board of Directors together the Audit Committee, reviewed and evaluated the internal control systems according to evaluation guidelines recommended by the Capital Market Supervisory Board. There were five following areas: Control Environment, Risk Evaluation, Control Activities, Information Technology and Communication and Monitoring and Assessment. It is in the opinion of the Board that the company has an adequate and effective internal control system. It did not find any significant flaws regarding the company's internal control system.

Moreover, EY Office Limited, the external auditors of the company's financial statements for the fiscal year of 2014, found no significant deficiencies on the company's internal control systems with regards to the company's financial and accounting systems.



Internal Audit

The company has designated an internal audit department as an independent entity of the company reporting to the Audit Committee. This department is responsible for providing administrative recommendations to the managing director. It advises, audits and assesses the internal control system, the risk management system and oversees operations to ensure that the company has an efficient internal control system.

Anti-Corruption Policy

The company is committed to conducting its business with honesty, integrity, transparency, equitable and responsibility for society and all the company's stakeholders according to the principle of good governance. The company realizes that bribery or corruption is threatening to destroy free and fair trade practice and is causing damage to economic and social development. The company has established policies and guidelines to prevent corruption. Details have been disclosed on our website: www.spvi.co.th



Corporate Social Responsibility



The company places a great emphasis on operating under an ethical corporate governance and being fully aware of its social responsibility towards people both inside and outside the company, which would lead to the development of a sustainable business. We would take into consideration the interest of all stakeholders both inside and outside the company, stockholders, employees, customers and those in general society, among others.

In 2014, the company has provided its continual support for multiple educational projects, including projects for university instructors, educational staff, students and youths such as:

- Summer training camp for youths in Eastern Thailand, where, in cooperation with Burapha University, youths are given the opportunity to experience new technology by using the iPad as a learning tool
- The creation of learning and teaching material for the 21st century; for example the Digital Text Book Creation by Using “iBook Author” is an activity organized in conjunction with Mahidol University, aiming to inform educational staff on how to create learning and teaching materials and digital books
- The operation of Online Courses: Online Course by Using “iTunes U Course Manager”; this is an activity organized in conjunction with Mahidol University, with the purpose of informing educational staff on how to create online courses
- Providing training sessions on the Mac OS X operating and how to create digital media using iLife Applications. This activity is organized in conjunction with the Thai-Nichi Institute of Technology.

Related Transactions

A list of related parties with nature of relationship and related transactions together with pricing policy was disclosed in the Notes to the Annual Financial Statements ended 31st December 2014. It was listed under Item 6 of the Notes: "List of Related Parties and Transactions". The company set up the following policy measures with regards to related transactions:

○ The Need and Reasonableness of the Related Transactions

The Audit Committee of the company reviewed information about related transactions and acknowledged that the transactions were necessary and reasonable. They were transacted for the best interest of the company and in line with normal courses of business.

○ The Related-Transaction Approving Process

The company set up policy measures to govern any transaction with an entity that might have conflict of interest. It had assigned the Audit Committee to review and give opinions regarding the necessity, justification and pricing appropriateness of the transactions. The Audit Committee would judge if conditions associated with the transactions were in line with normal courses of business and competitive with market prices and offers from other independent suppliers. In the event that the Audit Committee did not have specific expertise to consider a related transaction, the company would engage an advisor with relevant knowledge to comment on such transactions. The advisor must be independent from the company or those who might have conflict of interests with the company. Independent advisors might include, for instance, auditors, appraisers or legal officers. The Audit Committee might rely on advice given by independent advisors when considering the appropriateness of a related transaction before proposing to the Board of Directors or the Shareholders' Meeting, as the case may be.

In addition, the company had stipulated that an executive or any person be refrained from participating in the approval process of any transaction he or she might have conflicts of interest, either directly or indirectly. The Board of Directors would ensure that the company comply with securities and exchanges laws and regulations as well as announcements and notifications issued by the SEC and SET. It had to also ascertain that the company complied

with requirements on the disclosure of related transactions, acquisition or disposal of important assets of the company or its subsidiaries. Furthermore, the Board would oversee that the company applied generally accepted accounting principles as stipulated by the Federation of Accounting Professions and Certified Public Accountant of Thailand. Related transactions would be disclosed in the notes to financial statements, audited or reviewed by the auditors of the company.

○ Related Transactions in the Future

The company might continue to have related transactions in the future, that were in line with normal courses of business. It would set a clear policy on related transactions particularly on pricing and conditions, which have to be in line with normal courses of business and competitive with offers from other independent suppliers. Related transactions might cover, for example, selling and buying of products, rendering or providing services etc. Related transactions would be carried out if they were required to support the business operation and for the best interest of the company. The Audit Committee would monitor whether related transactions complied with the set policy measures and give opinions on the reasonableness of the transactions on a quarterly basis.

For any possible related transactions that were not in accordance with ordinary courses of business, the company would arrange for the Audit Committee to review and give comments on the appropriateness of the transactions before the company entered into the transactions. The consideration would be made in accordance with the measures and procedures as specified above. For any possible related transactions that might have conflicts of interest, the Board of Directors would ensure that the company comply with securities and exchanges laws and regulations as well as announcements and notifications issued by the SEC and SET. It had to also ascertain that the company complied with requirements on the disclosure of related transactions, acquisition or disposal of important assets of the company or its subsidiaries. Furthermore, the Board would oversee that the company applied generally accepted accounting principles as stipulated by the Federation of Accounting Professions and Certified Public Accountant of Thailand.

List of Directors and Controlling Persons in the Company

Name		Related Company																										
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Mr. Teera Aphaiwongse	X,AC																											
Mr. Min Intanate	/,C			/	/,C	/	x		/,C	/	/	/		/	/	/	/	/	/	/	/	/	/,///	/	/	/	/,C	
Mr. Narathorn Wongvises	/												x									/						
Mr. Trisorn Volyarngosol	/,///,///	/	/																									
Mrs. Petcharat Volyarngosol	/,///,*	/	/																									
Mr. Sujin Suwannagate	/,AC							/																				
Mrs. Susama Rativanich	/,AC																											
Mr. Pheerapol Amphan	//,*																											
Mrs. Duangnapa Volyarngosol	**		/																									
Mr. Pongsakorn Boonsrimuang	***																											
Mr. Pairoj Ullisnant	***																											

Note

X = Chairman of the Board

/ = Director

* = Vice President

C = Executive Chairman

// = Executive Committee

** = Assistant Vice President

AC = Audit Committee

/// = Managing Director

*** = Senior Manager

Related Company :

1. S P V Digital Service Co., Ltd.
2. S P V Advance Corporation Limited
3. Advanced Research Group Co., Ltd.
4. Core and Peak Co., Ltd.
5. D2 Systems Co., Ltd.
6. D&B (Thailand) Co., Ltd.
7. Siam City Leasing And Factoring Public Company Limited
8. Business Online Public Company Limited
9. Probusiness Development Co., Ltd.
10. Pro Multi Service Co., Ltd.
11. Pro Management Solution Co., Ltd.
12. PCC International Co., Co., Ltd.
13. Pan Pacific Consultant Co., Ltd.
14. Master Link Co., Ltd.
15. Master Vision Co., Ltd.
16. Venture Profile Co., Ltd.
17. ACONSULTANT Co., Ltd.
18. ANEW Corporation Ltd.
19. ANET Co., Ltd.
20. ABIKS Development Co., Ltd.
21. S.P.N. Enterprises Co., Ltd.
22. SVOA Public Company Limited
23. AR Elastomer Co., Ltd.
24. A.R. Accounting Consultant Co., Ltd.
25. ARIT Co., Ltd.
26. ARIP Public Company Limited
27. IT City Public Company Limited

Management Discussion and Analysis of Financial Results of Operations

Results of operations

Total revenues were Baht 1,958.38 million in 2014, a 14.96 percent decrease from Baht 2,303.00 million in 2013. Revenues from sales of goods and the rendering of services included other income were 98.97 percent, 0.41 percent and 0.61 percent respectively.

Revenues from sales of goods were categorized into revenue from sales of Apple products and revenue from sales of goods under other brands. Revenue from sales of Apple products was Baht 2,081.01 million in 2013 and Baht 1,733.55 million in 2014, which is a 16.70 percent or Baht 347.46 million decrease. This decrease was mainly due to decreasing in revenue from the sales of IOS Products and revenue from corporate customer. In addition the launch of Apple's new model was delayed in 2014, the sales volume was affected.

Revenues from the rendering of services was Baht 8.11 million in 2014, a 33.63 percent or Baht 4.11 million decrease from Baht 12.22 million in 2013.

In 2014, company was increase the proportion of the sales of goods under other brands such as computer and accessories. Revenue from sales of goods under other brands was Baht 204.71 million in 2014, a 2.85 percent or Baht 5.67 million increases from Baht 199.04 million in 2013.

Our net profit after income tax in 2014 was Baht 15.72 million, Baht 0.54 million decrease from Baht 16.26 million in 2013. Company has managed to maintain the profitability in the year 2014. Net profit ratio was 0.81 percent in 2014 which was approximate to 0.71 percent in 2013. This was mainly due to the cost control with no effect to the sales and customer services.



Financial status

Assets: at December 31, 2014, company reported the total asset of Baht 429.29 million, an increase of Baht 7.17 million or a 1.71 percent from Baht 419.12 million at the end of 2013. Baht 77.91 million net cash increase in cash and cash equivalents was primarily the result of from the increase in cash flows from operating activities Baht 94.61 million, Baht 89.45 million from the decrease of accounts receivable and other receivable because the proportion of trades in 2014 were in cash more than credit in compare to 2013. Cash flow paid for investing activities was Baht 10.17 million, due primarily to cash invested in the new branch and renovated some branches and from purchasing of computer systems and decorations, totaling Baht 10.17 million. Dividend payment was Baht 6.53 million.

Liabilities: at December 31, 2014, company reported the total liabilities of Baht 147.23 million, a decrease of Baht 2.02 million or a 1.35 percent from Baht 149.25 million at the end of 2013. Liabilities in 2014, mainly contributed by current liabilities from business process which was Baht 140.84 million or a 95.66 percent of total liabilities, consisted of Baht 138.73 million from account payable and other payable, and Baht 2.11 million from other current liabilities and accrued expenses.

Shareholders' equity: Company has Baht 200 million registered capital via issuance of ordinary shares totaling 400 million shares at par value of Baht 0.50 per share, fully paid-up. At December 31, 2014, company reported the total shareholders' equity of Baht 279.07, an increase of Baht 9.20 or a 3.41 percent from Baht 269.87 million in 2013. Book value was Baht 0.70 per share. Company has no capital increase in 2014.

Debt to Equity ratio: Debt to Equity ratio decreased from 0.55 time in 2013 to 0.53 time in 2014, mainly contributed by a decrease of total liabilities.

Board of Directors' responsibility for financial reporting

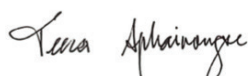
The Board of Directors is responsible for S P V I Public Company Limited's financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimations. Important information is adequately and transparently disclosed in the notes to financial statements for the Company's shareholders and investors.

The Board of Directors has provided and maintained a risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to protect its assets and uncover any weaknesses that may be presented in order to prevent fraud or materially irregular operations.

The Board of Directors has appointed an Audit Committee to be responsible for reviewing the accounting policy, financial reports, internal controls, internal audit and risk management system. The Audit Committee has also reviewed a disclosure of related party transactions. All their comments on these issues have been included in the Audit Committee Report which is presented in this annual report.

The financial statements of the Company have been examined by an external auditor, EY Office Limited. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, the auditor was provided with all of the Company's records and related data as requested. The auditor's opinion is presented in the auditor's report as part of this annual report.

The Board of Directors believes that the Company's overall internal control system has functioned up to a satisfactory level and rendered credibility and reliability to S P V I Public Company Limited's financial statements for the year ended 31 December 2014. The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.



Mr. Teera Aphaiwongse
Chairman of the Board



Mr. Min Intanate
Executive Chairman

Report of the Audit Committee

To the Shareholders ;

The Audit Committee of S P V I Public Company Limited is appointed by the Board of Directors, consists of three independent board members, whose knowledge and qualifications are complied with the directive issued by The Office of The Securities and Exchange Commission. The current members of committee are:

- Mr. Teera Aphaiwongse; Chairman of the Audit Committee
- Mr. Sujin Suwannagate; Member of the Audit Committee
- Mrs. Susama Rativanich; Member of the Audit Committee

Ms. Yupa Benchawikai; Manager of the Internal Audit Department, serves as secretary of the Audit Committee

The Audit Committee performed the duty as assigned by the Board of Directors, in compliance with the charter of auditing.

In 2014, the Audit Committee held 4 meetings with the management, internal auditors, and external auditors. The Committee reported its activities to the Board of Directors on a quarterly basis as summarized below.

To Review Financial Statements: The Committee reviewed quarterly and annual financial report, together with information disclosure and accounting policies, with the management and the external auditors, including the notes and suggestion by the auditors stated in the report submitted to the Board of Directors and Shareholders, The Committee assessed the adequacy and reliability of information disclosure and external auditor's discretion and determined that the company financial statements and reports had complied with accounting standard requirements under generally accepted accounting principles.

To Review Internal Control System: The Committee reviewed the Company's internal audit plan and reports to assess the sufficiency and efficiency of internal control system and found that the internal control system was sufficient, appropriate and effective for the Company's

business. The Committee provided recommendations for continuous improvement in the efficiency of internal control system and adherence to the rules and regulations set forth by the Company.

To Review Related Transaction: The Committee reviewed the related transactions that might cause a conflict of interest to ensure that they conform with the normal business practices and there were no items that will have a significant impact on the Company, based on the accepted principles of transparency, including the sufficient disclosure of those transactions in compliance with the requirement of the Stock Exchange of Thailand and Company's guideline.

To Review Corporate Governance: The Committee reviewed the Company's adherence to Good Corporate Governance principle, to ensure that the internal control system is effective, adequate, and appropriate to the changing business environment.

Appointment of External Auditor: The Committee proposed the appointment and remuneration of the Auditors, based on their knowledge's, experiences and integrity, to the Board of Directors, for shareholders' approval at the Annual General Meeting.

In summary, the Audit Committee performed its duties as specified in the Board-approved charter with prudence and independence, and confirmed that the Board of Director and Executives of company are committed to achieve company goals with the highest quality of work, emphasizing the important of operating under the effective internal control system, with good corporate governance and transparency in accordance to the guideline of the Stock Exchange of Thailand.



Mr. Teera Aphaiwongse
Chairman of Audit Committee

Independent Auditor's Report

To the Shareholders of S P V I Public Company Limited

I have audited the accompanying financial statements of S P V I Public Company Limited, which comprise the statements of financial position as at 31 December 2014, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 judgement, 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 S P V I Public Company Limited as at 31 December 2014, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Wichart Lokatekrawee

Certified Public Accountant (Thailand) No. 4451

EY Office Limited

Bangkok: 17 February 2015

S P V I Public Company Limited

Statement of financial position

As at 31 December 2014

(Unit: Baht)

	Note	2014	2013
Assets			
Current assets			
Cash and cash equivalents	7	127,986,630	50,084,434
Current investments		2,039,600	2,000,000
Trade and other receivables	8	33,087,445	122,577,787
Inventories	9	186,509,116	156,844,986
Other current assets	10	12,666,452	18,678,850
Total current assets		362,289,243	350,186,057
Non-current assets			
Restricted bank deposits	11	160,000	160,000
Equipments	12	33,336,511	39,638,191
Intangible asset - computer software	13	6,980,291	8,097,945
Leasehold right	14	7,595,086	8,052,675
Other non-current assets	15	12,539,944	9,302,324
Deferred tax assets	22	3,392,904	3,685,426
Total non-current assets		64,004,736	68,936,561
Total assets		426,293,979	419,122,618

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

S P V I Public Company Limited

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

	Note	2014	2013
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	16	138,729,769	141,477,877
Income tax payable		1,545,406	-
Other current liabilities		565,213	2,080,516
Total current liabilities		140,840,388	143,558,393
Non-current liabilities			
Provision for long-term employee benefits	17	6,388,248	5,695,444
Total non-current liabilities		6,388,248	5,695,444
Total liabilities		147,228,636	149,253,837
Shareholders' equity			
Share capital	18		
Registered			
400,000,000 ordinary shares of Baht 0.50 each		200,000,000	200,000,000
Issued and fully paid up			
400,000,000 ordinary shares of Baht 0.50 each		200,000,000	200,000,000
Share premium		39,809,592	39,809,592
Retained earnings			
Appropriated - statutory reserve	19	10,074,503	9,288,685
Unappropriated		29,181,248	20,770,504
Total shareholders' equity		279,065,343	269,868,781
Total liabilities and shareholders' equity		426,293,979	419,122,618

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

S P V I Public Company Limited

Statement of comprehensive income

For the year ended 31 December 2014

(Unit: Baht)

	Note	2014	2013
Profit or loss			
Revenues			
Sales		1,938,264,880	2,280,049,642
Service income		8,107,966	12,216,930
Other income	20	12,008,435	10,731,031
Total revenues		1,958,381,281	2,302,997,603
Expenses			
Cost of sales		1,739,563,012	2,075,062,052
Cost of services		5,143,467	6,554,777
Selling expenses		111,213,169	116,401,192
Administrative expenses		79,029,815	79,476,612
Total expenses		1,934,949,463	2,277,494,633
Profit before finance cost and income tax expenses		23,431,818	25,502,970
Finance cost		(3,433,885)	(4,866,302)
Profit before income tax expenses		19,997,933	20,636,668
Income tax expenses	22	(4,281,588)	(4,379,813)
Profit for the year		15,716,345	16,256,855
Other comprehensive income for the year		-	-
Total comprehensive income for the year		15,716,345	16,256,855
Basic earnings per share	23		
Profit		0.04	0.06
Weighted average number of ordinary shares (shares)		400,000,000	278,520,548

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

S P V I Public Company Limited

Cash flow statement

For the year ended 31 December 2014

(Unit: Baht)

	2014	2013
Cash flows from operating activities		
Profit before tax	19,997,933	20,636,668
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	16,531,865	13,995,814
Increase (decrease) in allowance for doubtful accounts	(28,548)	354,833
Increase (decrease) in reduction of inventory to net realisable value	(2,126,864)	5,139,217
Loss (gain) on disposals of equipment	570,877	(206,353)
Loss on write-off of equipment	906,164	5,445
Provision for long-term employee benefits	692,804	641,309
Unrealised gain on exchange	-	(51,936)
Interest income	(876,211)	(845,778)
Interest expenses	13,685	2,105,198
Profit from operating activities before changes in operating assets and liabilities	35,681,705	41,774,417
Operating assets (increase) decrease:		
Trade and other receivables	89,451,521	(644,903)
Inventories	(27,537,266)	22,083,930
Other current assets	6,012,398	10,619,115
Other non-current assets	(3,237,620)	(292,289)
Operating liabilities increase (decrease):		
Trade and other payables	(2,748,108)	(149,642,038)
Other current liabilities	(1,515,303)	1,455,428
Cash flows from (used in) operating activities	96,107,327	(74,646,340)
Cash received from interest income	943,580	726,578
Cash paid for income tax	(2,443,660)	(11,085,915)
Net cash flows from (used in) operating activities	94,607,247	(85,005,677)

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

S P V I Public Company Limited

Cash flow statement (continued)

For the year ended 31 December 2014

(Unit: Baht)

	2014	2013
Cash flows from investing activities		
Increase in current investments	-39,600	-2,000,000
Proceeds from disposals of equipment	647,545	1,492,285
Acquisitions of equipment	(9,977,490)	(13,452,085)
Increase in intangible assets	(802,038)	(6,665,708)
Net cash flows used in investing activities	(10,171,583)	(20,625,508)
Cash flows from financing activities		
Cash paid for interest expenses	(13,685)	(2,105,198)
Cash received from issuance of ordinary shares	-	118,761,990
Dividend paid	(6,519,783)	(88,000,000)
Net cash flows from (used in) financing activities	(6,533,468)	28,656,792
Net increase (decrease) in cash and cash equivalents	77,902,196	(76,974,393)
Cash and cash equivalents at beginning of year	50,084,434	127,058,827
Cash and cash equivalents at end of year	127,986,630	50,084,434

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

S P V I Public Company Limited

Statement of changes in shareholders' equity

For the year ended 31 December 2014

(Unit: Baht)

	Note	Issued and paid up share capital	Share premium	Retained earnings		Total
				Appropriated	Unappropriated	
Balance as at 31 December 2012		120,000,000	-	3,685,775	98,116,559	221,802,334
Share capital issued	18	80,000,000	39,809,592	-	-	119,809,592
Dividend paid	26	-	-	-	(88,000,000)	(88,000,000)
Unappropriated retained earnings transferred to statutory reserve	19	-	-	5,602,910	(5,602,910)	-
Total comprehensive income for the year		-	-	-	16,256,855	16,256,855
Balance as at 31 December 2013		200,000,000	39,809,592	9,288,685	20,770,504	269,868,781
Balance as at 31 December 2013		200,000,000	39,809,592	9,288,685	20,770,504	269,868,781
Dividend paid	26	-	-	-	(6,519,783)	(6,519,783)
Unappropriated retained earnings transferred to statutory reserve	19	-	-	785,818	(785,818)	-
Total comprehensive income for the year		-	-	-	15,716,345	15,716,345
Balance as at 31 December 2014		200,000,000	39,809,592	10,074,503	29,181,248	279,065,343

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

S P V I Public Company Limited

Notes to financial statements

For the year ended 31 December 2014

1. General information

S P V I Public Company Limited (“the Company”) is a limited company incorporated under Thai laws on 6 January 2011 and registered the change of its status to a public limited company under the Public Limited companies Act on 10 April 2013 and domiciled in Thailand. Its major shareholder is IT City Public Company Limited, a company incorporated in Thailand. The Company is principally engaged in the distribution of computers and related accessories. Its registered address is No. 1213/58-59 Soi Ladprao 94 Sriwara Road, Phlapphla, Wangthonglang, Bangkok.

2. Basis of preparation

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.

3. New financial reporting standards

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

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

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations

TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
Accounting Standard Interpretations:	
TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs
Financial Reporting Standard Interpretations:	
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements.

(b) Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company already recognised actuarial gains and losses immediately in other comprehensive income.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company believes that this standard will not have any significant impact on the Company's financial statements.

4. Significant accounting policies**4.1 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.

Rendering of services

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

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

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 experience and analysis of debt aging.

4.4 Inventories

Finished goods are valued at the lower of cost (under first-in, first-out 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 inventory value will be set up for obsolete, slow moving or deteriorated inventories.

4.5 Equipment/Depreciation

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

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

Leasehold improvement	-	5 years
Computer	-	3 years
Office equipment	-	5 years
Furniture and fixtures	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on construction in progress.

4.6 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives are as follows:

	Useful lives
Computer software	5 years

4.7 Leasehold rights

Leasehold right is amortised on the straight-line basis over the lease period.

4.8 Related party transactions

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

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

4.9 Long-term lease agreements

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.

4.10 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the equipment and intangible assets 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.

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

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined based on actuarial techniques, using the Projected Unit Credit Method by an independent actuarial company.

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.

4.12 Provisions

Provisions are recognised when the Company has 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.

4.13 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 recognises 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 reviews and reduces 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 records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. 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:

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.

Allowance for doubtful accounts

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

Allowance for diminution in value of inventory

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

Equipment/Depreciation

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

In addition, the management is required to review equipment for impairment on a periodical basis and record impairment losses 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.

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 judgment 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.

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.

6. Related party transactions

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

(Unit: Million Baht)

	2014	2013	Pricing policy
Transactions with major shareholder (IT City Public Company Limited)			
Sales of goods	162	305	Approximate wholesale market price
Service fee expenses	2	2	Prices agreed by the parties
Dividends	2	35	At the declared rate
Transactions with related companies			
Sales of goods	2	4	Market price
Purchases of goods	3	4	Market price
Purchases of fixed assets	-	1	Market price
Purchases of intangible assets	-	6	Market price
Management fee	-	4	Prices agreed by the parties
Service expenses	6	7	Prices agreed by the parties
Logistics and distribution fee	6	6	Prices agreed by the parties

As at 31 December 2014 and 2013, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	2014	2013
Trade and other receivables - related parties (Note 8)		
Major shareholder	4,186	26,901
Related companies (related by common shareholders and common directors)	98	117
Total trade and other receivables - related parties	4,284	27,018
Trade and other payables - related parties (Note 16)		
Major shareholder	575	546
Related companies (related by common shareholders and common directors)	1,854	9,221
Total trade and other payables - related parties	2,429	9,767

Directors and management's benefits

During the years ended 31 December 2014 and 2013, the Company had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	2014	2013
Short-term employee benefits	18.9	18.7
Post-employment benefits	0.4	0.4
Total	19.3	19.1

Guarantee obligations with related parties

As at 31 December 2013, a total of Baht 200 million of credit facilities granted to the Company by a commercial bank was guaranteed by major shareholder, a related party and directors.

During the period 2014, the Company changed credit facilities to Baht 205 million and USD 0.2 million or equivalent and changed the guarantee of such credit facilities to be fixed deposit at bank of Baht 30 million. However, on 10 September 2014, the Company cancelled all of the above credit facilities and guarantee of such credit facilities.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	2014	2013
Cash	1,266	896
Bank deposits	126,721	49,188
Total	127,987	50,084

As at 31 December 2014, bank deposits in savings accounts and fixed deposits carried interests between 0.125 and 1.125 percent per annum (2013: between 0.50 and 1.75 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	2014	2013
Trade receivables - related parties		
Aged on the basis of due dates		
Not yet due	4,284	27,018
Total trade receivables - related parties	4,284	27,018
Trade receivables - unrelated parties		
Aged on the basis of due dates		
Not yet due	24,338	74,558
Past due		
Up to 3 months	4,246	21,061
3 - 6 months	21	299
6 - 12 months	-	23
Over 12 months	642	59
Total	29,247	96,000
Less: Allowance for doubtful debts	(665)	(694)
Total trade receivables - unrelated parties, net	28,582	95,306
Total trade receivable - net	32,866	122,324
Other receivables		
Other receivables - unrelated parties	221	254
Total other receivables	221	254
Total trade and other receivables - net	33,087	122,578

9. Inventories

(Unit: Thousand Baht)

	2014	2013
Finished goods	196,420	168,883
Less: Reduce cost to net realisable value	(9,911)	(12,038)
Inventories - net	186,509	156,845

During the current year, the Company reversed the reduce cost of inventories by Baht 2.1 million (2013: reduced cost of inventories by Baht 5.1 million), to reflect the net realisable value. This was presented as cost of sales.

10. Other current assets

The outstanding balance of other current assets as at 31 December 2014 and 2013 are as follows:

(Unit: Thousand Baht)

	2014	2013
Value added tax refundable	9,255	15,130
Others	3,411	3,549
Total other current liabilities	12,666	18,679

11. Restricted bank deposits

The Company pledged fixed deposits at bank totaling approximately Baht 0.2 million (31 December 2013: Baht 0.2 million) with a bank to secure the credit facilities of the Company.

12. Equipment

(Unit: Thousand Baht)

	Leasehold improvement	Computer	Office equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
Cost:							
1 January 2013	-	6,428	5,998	41,527	845	552	55,350
Additions	-	1,965	1,035	5,753	-	4,699	13,452
Disposals and write-off	-	(27)	(10)	(926)	-	(552)	(1,515)
Transfers in (out)	2,000	-	-	2,699	-	(4,699)	-
31 December 2013	2,000	8,366	7,023	49,053	845	-	67,287
Additions	-	1,559	1,336	2,598	-	4,485	9,978
Disposals and write-off	-	-	-	(3,448)	-	-	(3,448)
Transfers in (out)	-	-	-	4,485	-	(4,485)	-
31 December 2014	2,000	9,925	8,359	52,688	845	-	73,817
Accumulated depreciation:							
1 January 2013	-	2,902	1,541	10,270	169	-	14,882
Depreciation for the year	56	2,395	1,350	9,021	169	-	12,991
Depreciation on disposals and write-off	-	(3)	(5)	(216)	-	-	(224)
31 December 2013	56	5,294	2,886	19,075	338	-	27,649
Depreciation for the year	568	1,984	1,499	9,935	169	-	14,155
Depreciation on disposals and write-off	-	-	-	(1,324)	-	-	(1,324)
31 December 2014	624	7,278	4,385	27,686	507	-	40,480
Net book value:							
31 December 2013	1,944	3,072	4,137	29,978	507	-	39,638
31 December 2014	1,376	2,647	3,974	25,002	338	-	33,337
Depreciation for the year:							

2013 (included in administrative expenses)

12,991

2014 (included in administrative expenses)

14,155

13. Intangible assets

The net book value of intangible assets, which are computer software, as at 31 December 2014 and 2013 is presented below.

(Unit: Thousand Baht)		
	2014	2013
Cost	9,931	9,129
Less: Accumulated amortisation	(2,951)	(1,031)
Net book value	6,980	8,098

A reconciliation of the net book value of intangible assets for the years 2014 and 2013 is presented below.

(Unit: Thousand Baht)		
	2014	2013
Net book value at beginning of year	8,098	1,978
Acquisition of computer software	802	6,666
Amortisation for the year	(1,920)	(546)
Net book value at end of year	6,980	8,098

14. Leasehold right

On 9 February 2011, the Company entered into a leasehold agreement for lease of space in Esplanade Cineplex from S P V Comretail Co., Ltd. The agreement is in force as from 11 February 2011 to August 2031, or a total of 20 years, 5 months and 24 days. The Company paid for the leasehold rights for the entire agreement period amounting to Baht 9.4 million and amortised leasehold rights using the straight line basis throughout the agreement period.

(Unit: Thousand Baht)		
	2014	2013
Leasehold right - cost	9,377	9,377
Less: Accumulated amortisation	(1,782)	(1,324)
Net book value	7,595	8,053

A reconciliation of the net book value of leasehold right for the years 2014 and 2013 is presented below.

(Unit: Thousand Baht)		
	2014	2013
Net book value at beginning of year	8,053	8,512
Amortisation for the year	(458)	(459)
Net book value at end of year	7,595	8,053

15. Other non-current assets

The outstanding balance of other non-current assets as at 31 December 2014 and 2013 are disposits.

16. Trade and other payables

(Unit: Thousand Baht)

	2014	2013
Trade payables - related parties	313	-
Trade payables - unrelated parties	128,116	122,484
Other payables - related parties	2,116	9,767
Other payables - unrelated parties	8,185	9,227
Total trade and other payables	138,730	141,478

17. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company, was as follows:

(Unit: Thousand Baht)

	2014	2013
Defined benefit obligation at beginning of year	5,695	5,054
Current service cost	465	439
Interest cost	228	202
Provision for long-term employee benefits at end of year	6,388	5,695

Long-term employee benefit expenses included in the profit or loss consist of the following:

(Unit: Thousand Baht)

	2014	2013
Current service cost	465	439
Interest cost	228	202
Total expense recognised in profit or loss	693	641
Line items in profit or loss under which such expenses are included		
Selling expenses	21	19
Administrative expenses	672	622

Key actuarial assumptions used for the valuation are as follows:

(Unit: Thousand Baht)		
	2014	2013
	(% per annum)	(% per annum)
Discount rate	4.00	4.00
Future salary increase rate	4.00 - 6.50	4.00 - 6.50
Employee turnover rate (depending on age)	10.00 - 40.00	10.00 - 40.00

The amounts of defined benefit obligation for the current year and the past two years are as follows:

(Unit: Thousand Baht)	
	Defined benefit obligation
Year 2014	6,388
Year 2013	5,695
Year 2012	5,054

18. Share capital

On 26 March 2013, the Annual General Meeting of Shareholders of the Company passed resolutions as the follows:

18.1 To transform the Company into a public limited company and list the Company on the MAI. The Company registered its transformation with the Ministry of Commerce on 10 April 2013.

18.2 To change the par value of the Company's ordinary shares from Baht 10 per share to Baht 0.50 per share, resulting in an increase in the number of ordinary shares from 12,000,000 shares to 240,000,000 shares. The Company registered the change in the par value of the Company's ordinary shares with the Ministry of Commerce on 10 April 2013.

18.3 To increase the Company's registered share capital from Baht 120 million (240 million ordinary shares of Baht 0.50 per share after the par value is changed as discussed in Note 18.2) to Baht 200 million (400 million ordinary shares of Baht 0.50 per share) by issuing 160,000,000 new ordinary shares with a par value of Baht 0.50 each. The Company registered the increase of its registered share capital with the Ministry of Commerce on 10 April 2013.

18.4 To allocate 160,000,000 new ordinary shares as follows:

1) 50,000,000 ordinary shares to be offered to existing shareholders in proportion to their shareholding in the Company (rights offering) with a subscription ratio of 1 new share for every 4.8 existing shares with an offer price of Baht 0.50 per share.

In April 2013, the Company received payment amounting to Baht 25,000,000 for 50,000,000 shares of additional share capital. As a result, issued and paid-up share capital of the Company equaled Baht 145 million (290 million ordinary shares of Baht 0.50 each). The Company registered the increase in its paid-up share capital with the Ministry of Commerce on 30 April 2013.

2) 104,500,000 ordinary shares reserved for initial public offering and assign an executive committee or a person who was authorised by the executive committee to determine conditions and other details relevant to the allocation of shares and to take any actions deemed necessary or incidental to the offering of shares in all respects, as well as to appoint a distributor and underwriter. The executive committee is also responsible for the preparation of requests and supporting documents that are to be submitted to the Securities and Exchange Commission and other related agencies as well as other agreements that are relevant to such operations.

3) 5,500,000 ordinary shares reserved to be offered to directors and/or employees of the Company.

18.5 During 11 - 13 December 2013, the Company offered 110 million ordinary shares, with a par value of Baht 0.50 each, at a price of Baht 0.90 each through the Initial Public Offering and directors and employees of the Company. The Company registered the increase of its issued and paid-up share capital from Baht 145 million (290 million ordinary shares with a par value of Baht 0.50 each) to Baht 200 million (400 million ordinary shares with a par value of Baht 0.50 each) with the Ministry of Commerce on 16 December 2013, and the Stock Exchange of Thailand approved the 400 million ordinary shares with a par value of Baht 0.50 each as listed securities for trading, effective from 19 December 2013. The Company incurred expenses relating to the share offering totaling Baht 4.2 million (net of income tax of Baht 1 million), which were presented as a deduction from the share premium.

19. 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 profit 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.

During the year 2014, the Company set aside an additional statutory reserve of its net profit for 2014 of Baht 0.8 million (2013: the Company set aside statutory reserve of its net profit for 2012 and 2013 totaling Baht 5.6 million).

20. Other income

(Unit: Thousand Baht)

	2014	2013
Income from selling of database	3,800	4,673
Selling support income	3,495	1,634
Commission income	1,370	918
Gain on exchange	941	1,047
Interest income	876	846
Others	1,526	1,613
Total	12,008	10,731

21. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	2014	2013
Salaries and wages and other employee benefits	101,999	106,460
Rental and service center expenses from operating lease agreements	27,672	24,553
Change in inventories of finished goods	(27,537)	22,084
Credit card fee	20,167	17,843
Depreciation and amortization	16,533	13,996
Logistics and distribution fee	5,635	6,390
Utilities expenses	4,729	5,274
Office supply expenses	2,274	2,708
Transportation	40	63

22. Income tax

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows:

(Unit: Thousand Baht)

	2014	2013
Current income tax:		
Current income tax charge	3,989	5,607
Deferred tax:		
Relating to origination and reversal of temporary differences	293	(1,227)
Income tax expense reported in the statement of comprehensive income	<u>4,282</u>	<u>4,380</u>

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	2014	2013
Accounting profit before tax	19,998	20,637
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	4,000	4,127
Effects of:		
Non-deductible expenses	283	279
Additional expense deductions allowed	(1)	(26)
Total	282	253
Income tax expenses reported in the statement of comprehensive income	4,282	4,380

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

Statements of financial position

	As at 31 December 2014	As at 31 December 2013
Deferred tax assets		
Allowance for doubtful accounts	133	139
Allowance for diminution in value of inventories	1,982	2,407
Provision for long-term employee benefits	1,278	1,139
Total	3,393	3,685

23. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the change in par value from Baht 10 each to Baht 0.50 each as discussed in Note 18.2 to the financial statements. The number of ordinary shares is adjusted as if the changes in number of shares and per value had occurred at the beginning of the earliest period reported.

	2014	2013
Profit for the year (Thousand Baht)	15,716	16,257
Number of ordinary shares after reflecting the result of change in par value (Thousand shares)	400,000	400,000
Weighted average number of ordinary shares (Thousand shares)	400,000	278,521
Earnings per share (Baht/share)	0.04	0.06

24. 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. The chief operating decision maker has been identified as Managing Director.

The one main reportable operating segment of the Company is the distribution of computers and related accessories and the single geographical area of its operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

25. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. During the year 2014, the Company contributed Baht 1,457,832 (2013: Baht 816,329) to the fund.

26. Dividend

On 26 March 2013, the Annual General Meeting of Shareholders of the Company passed a resolution to approve a final dividend for 2012 of Baht 7.3334 per share, or a total of Baht 88 million. The Company paid such dividend in April 2013.

On 4 April 2014, the Annual General Meeting of Shareholders of the Company passed a resolution approving the payment of a dividend in respect of income for the year 2013 of Baht 0.0163 per share, or a total of Baht 6.52 million. The Company paid such dividend in April 2014.

27. Commitments and contingent liabilities

27.1 Operating lease commitments

27.1.1 The Company has entered into a logistics and distribution services agreement with a related company whereby the Company was obliged to pay for the service fee on a basis and at a rate as stipulated in the agreement. The term of agreement is 1 year and 3 months and shall be renewal for another year each time, unless cancelled by either party.

27.1.2 The Company has entered into several operating lease contracts and service contracts in respect of the lease of office building, warehouse and branch areas. The terms of the agreements are generally between 1 and 21 years.

Future minimum lease payments required under these non-cancellable operating lease contracts and service contracts were as follows.

(Unit: Million Baht)		
	2014	2013
Payable within:		
Less than 1 year	27.4	21.9
1 to 5 years	31.7	15.1
More than 5 years	6.4	6.9

27.2 Guarantees

As at 31 December 2014, there were outstanding bank guarantees of approximately Baht 277.8 million (2013: Baht 327.2 million) issued by bank on behalf of the Company in respect of the purchase of goods and services as required in the ordinary course of business of the Company.

28. Financial instruments

28.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables and trade and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statement of financial position.

(Unit: Million Baht)

31 December 2014

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate
					(% per annum)
Financial Assets					
Cash and cash equivalent	10	111	7	128	0.125 - 1.125
Current investments	2	-	-	2	1.70
Trade and other receivables	-	-	33	33	-
	12	111	40	163	
Financial liabilities					
Trade and other payables	-	-	139	139	
	-	-	139	139	

(Unit: Million Baht)

31 December 2013

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate
					(% per annum)
Financial Assets					
Cash and cash equivalent	17	23	10	50	0.50 - 1.75
Current investments	2	-	-	2	2.00
Trade and other receivables	-	-	123	123	-
	19	23	133	175	
Financial liabilities					
Trade and other payables	-	-	141	141	-
	-	-	141	141	

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from purchasing transactions that are denominated in foreign currencies.

The balances of financial liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial liabilities as at 31 December 2014		Average selling rate as at 31 December 2014	
	2014	2013	2014	2013
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	(Baht per 1 foreign currency unit)
US dollar	20	24	33.1132	32.9494
Euro	8	-	40.3552	45.3223

28.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature, their fair value is not expected to be materially different from the amounts presented in the 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.

29. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2014, the Company's debt-to-equity ratio was 0.53:1 (2013: 0.55:1).

30. Reclassification

Certain amounts in the statement of comprehensive income for the year ended 31 December 2013 have been reclassified to conform to the current year's classification.

(Unit: Thousand Baht)

	As reclassified	As previously reported
Sales	2,280,050	2,277,050
Service income	12,217	19,624
Other income	10,731	8,179
Cost of services	6,555	8,410

The reclassification had no effect to previously reported profit or shareholders' equity.

31. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 17 February 2015.

SPVi Branches

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ชั้น 3 อาคารฟอร์จูนทาวน์ (โทร. 02-642-0826-7, 095-372-5549)

ชั้น 4 ศูนย์การค้าเซ็นทรัล พลาซ่า แจ้งวัฒนะ (โทร. 02-101-0890-1, 095-372-5569)

ชั้น G อาคารซีคอนสแควร์ (โทร. 02-720-2988-9, 095-372-5579)

ชั้น 4 ศูนย์การค้าเซ็นทรัลพระราม 9 (โทร. 02-108-3241-2, 095-372-5559)

ชั้น 1 ศูนย์การค้าเกตเวย์ เอกมัย (โทร. 02-108-2844-5, 095-372-5589)

3rd Floor IT Mall, Fortune Town

4th Floor Central Plaza Changwattana

G Floor Seacon Square

4th Floor Central Plaza Grand Rama 9

1st Floor Gateway Ekamai

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ชั้น 2 อาคารเอสพลานาด (โทร. 02-660-9259-61, 095-372-5554)

ชั้น 4 อาคารฟอร์จูนทาวน์ (โทร. 02-642-0634-5, 095-372-5551)

ชั้น 1 ศูนย์การค้าเซ็นทรัล พลาซ่า เชียงราย (โทร. 052-020-822-3, 095-372-5550)

อาคารเทโลโก้ โลตัส สาขา มหาชัย2 (โทร. 034-866-358-9, 095-372-5552)

2nd Floor Esplanade Ratchada

4th Floor Fortune Town

1st Floor Central Plaza Chiang Rai

Tesco Lotus Mahachai 2

U•Store by SPVi

ศูนย์หนังสือ มหาวิทยาลัยธรรมศาสตร์รังสิต (โทร. 02-564-3249, 095-372-5532)

ศูนย์หนังสือ มหาวิทยาลัยธรรมศาสตร์ท่าพระจันทร์ (โทร. 02-623-5800, 095-372-5535)

ชั้น G อาคาร ABAC Plaza มหาวิทยาลัยอัสสัมชัญ (โทร. 02-705-5190, 095-372-5534)

ชั้น 1 อาคารเซนต์ฟิลิปส์ มหาวิทยาลัยอัสสัมชัญ วิทยาเขตหัวหมาก

(โทร. 02-720-6800-1, 095-372-5537)

ชั้น 1 อาคาร 10 คณะบริหารธุรกิจ มหาวิทยาลัยเกษตรศาสตร์

(โทร. 02-955-1590-1, 095-372-5538)

อาคารหอสมุดและคลังความรู้ มหาวิทยาลัยมหิดล ศาลายา

(โทร. 02-800-2558-9, 095-372-5540)

อาคารอเนกประสงค์ข้างอาคาร 10 มหาวิทยาลัยกรุงเทพ วิทยาเขตรังสิต

(โทร. 02-902-0606-7, 095-372-5536)

ชั้น 1 อาคาร 7 มหาวิทยาลัยธุรกิจบัณฑิต (โทร. 02-954-9878-9, 095-372-5541)

ด้านหน้าอาคารศูนย์ปฏิบัติการโรงแรมเทาทอง มหาวิทยาลัยบูรพา (โทร. 095-372-5542)

Thammasat University Bookstore (Rangsit)

Thammasat University Bookstore (Thaprachan)

G Floor, ABAC Plaza, Assumption University
(Suvannaphumi Campus)

1st Floor, St. Philip & Bernard Hall Assumption
University (HuaMark Campus)

1st Floor, Building 10, Faculty of Business
Administration, Kasetsart University

Mahidol University Library and Knowledge
Center (Salaya)

Anek Prasong Building (building 10), Bangkok
University (Rangsit)

1st Floor, Building 7, Dhurakij Pundit University

In front of Tao-Tong Hotel Operation Center,
Burapha University

iShop

ชั้น 3 พันทิพย์พลาซ่า (โทร. 02-256-0397-8, 095-372-5553)

3rd Floor, Pantip Plaza

mobi

ชั้น G อาคารซีคอนสแควร์ (โทร. 02-721-8825, 095-372-5520)

ชั้น 1 ศูนย์การค้าเดอะมอลล์ ซอปปิงเซ็นเตอร์ หัวหมาก (โทร. 095-372-5570)

ชั้น 3 ศูนย์การค้าเดอะมอลล์ บางกะปิ คอมเพล็กซ์ (โทร. 02-734-1300, 095-372-5590)

ชั้น 1 โครงการอัสวรรณ 2 หอนกคย (โทร. 095-372-5560)"

G Floor, Seacon Square

1st Floor, The Mall Shopping Center Huamark

3rd Floor, The Mall Shopping Center Bangkok

1st Floor, Asawann Shopping Complex II
(Nongkhai)

Smart Bar

ชั้น 3 อาคารฟอร์จูนทาวน์ (โทร. 02-642-0826-8 ต่อ 11-14, 095-372-5562, 095-372-5563)

ชั้น 4 ศูนย์การค้าเซ็นทรัลพลาซ่า แจ้งวัฒนะ (โทร. 02-835-3993-4,
095-372-5591, 095-372-5592)

ชั้น 4 ศูนย์การค้าเซ็นทรัลพระราม 9 (โทร. 02-117-4903-4, 095-372-5556)

3rd Floor, IT Mall Fortune Town

4th Floor, Central Changwattana

4th Floor, Central Grand Rama 9

บริษัท เอส พี วี ไอ จำกัด (มหาชน)

1213/58-59 ซอยลาดพร้าว 94 ถนน ศรีวิภา แขวงพลับพลา
เขตวังทองหลาง กรุงเทพมหานคร 10310