



FORM 56-1 One Report

2021



www.svi.co.th

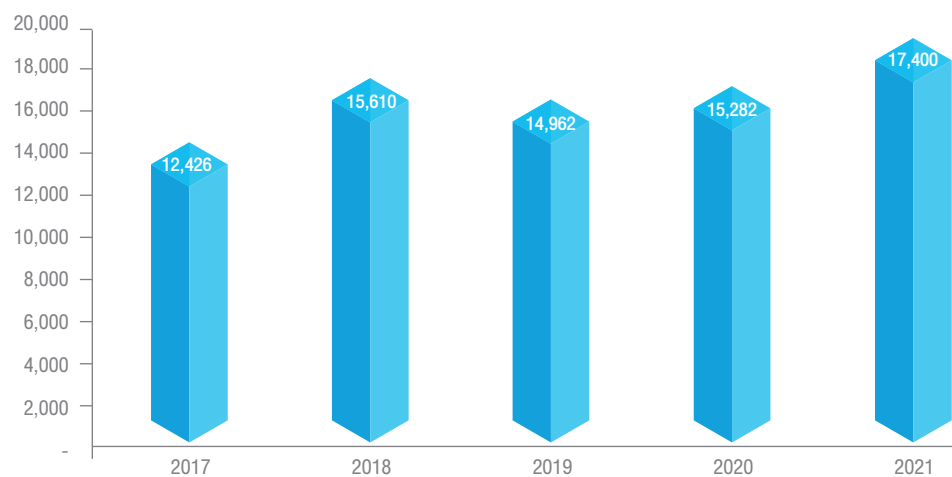


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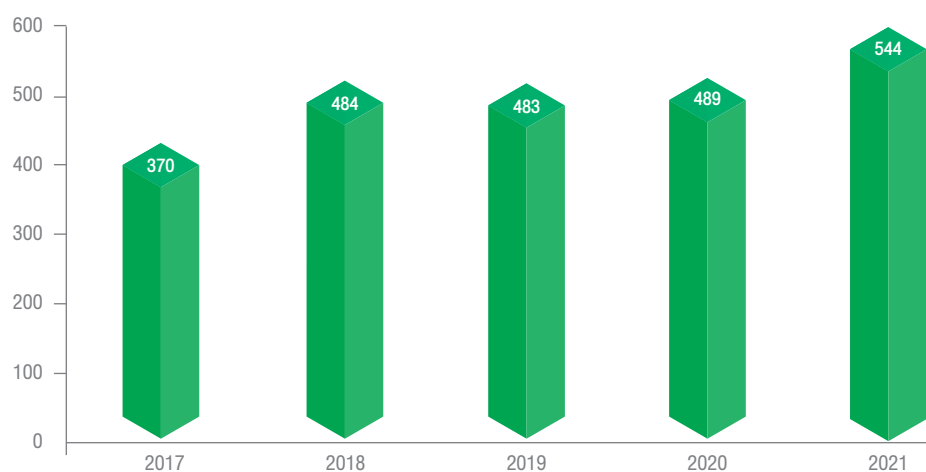
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Financial Highlight

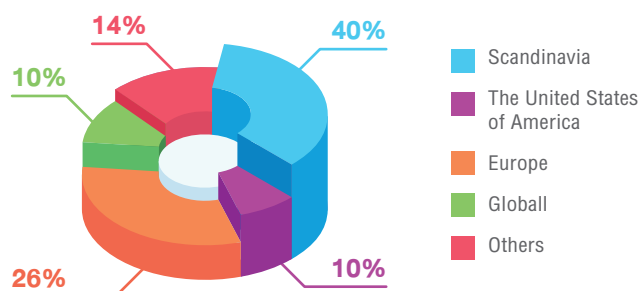
Revenue (MTHB)



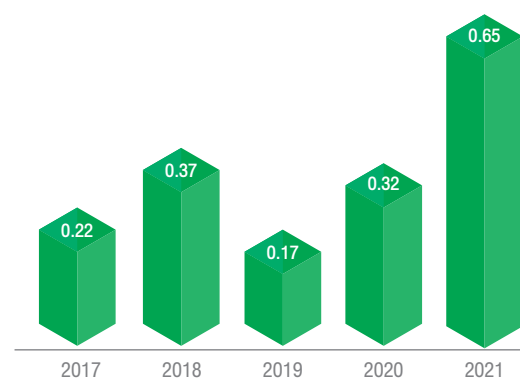
Revenue (MUSD)



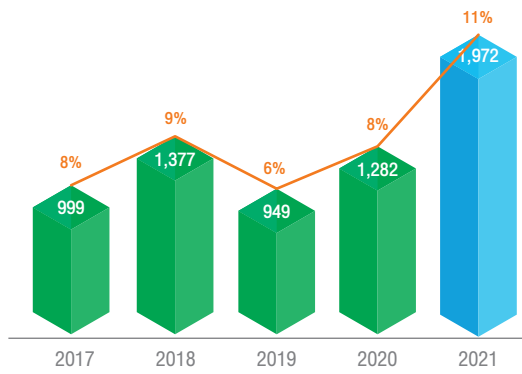
Revenue by location for 2021



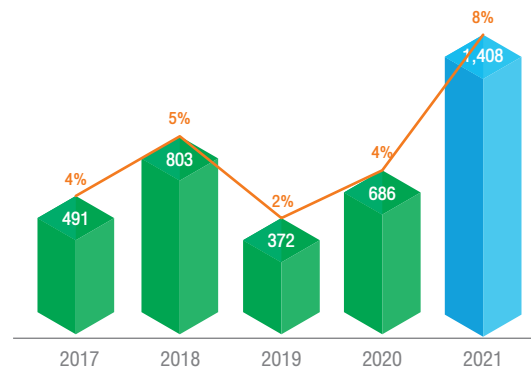
Earnings per Share



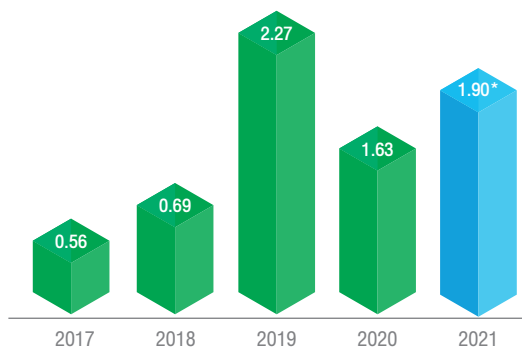
Gross Profit (MTHB & %)



Net Profit (MTHB & %)

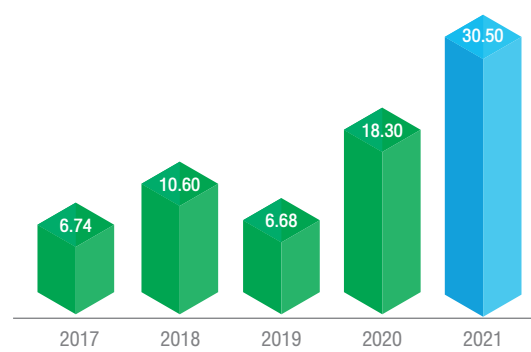


Debt to Equity

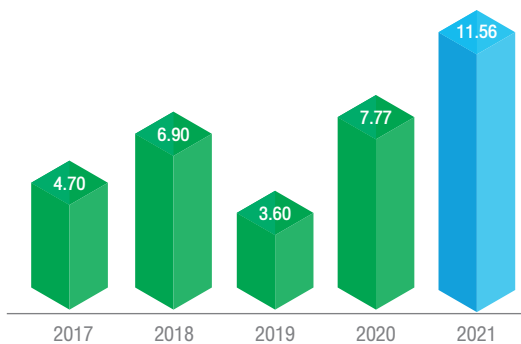


*The increase in Debt to equity due to material shortage situation

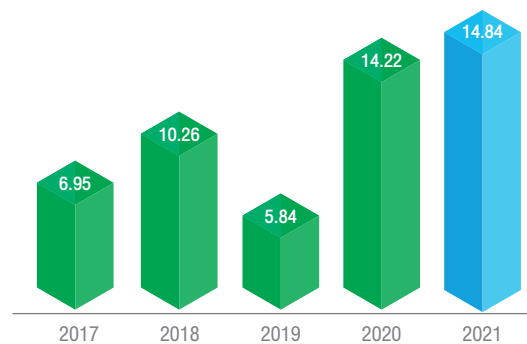
Return on Equity (%)



Return on Assets (%)



Return on Invested Capital (%)

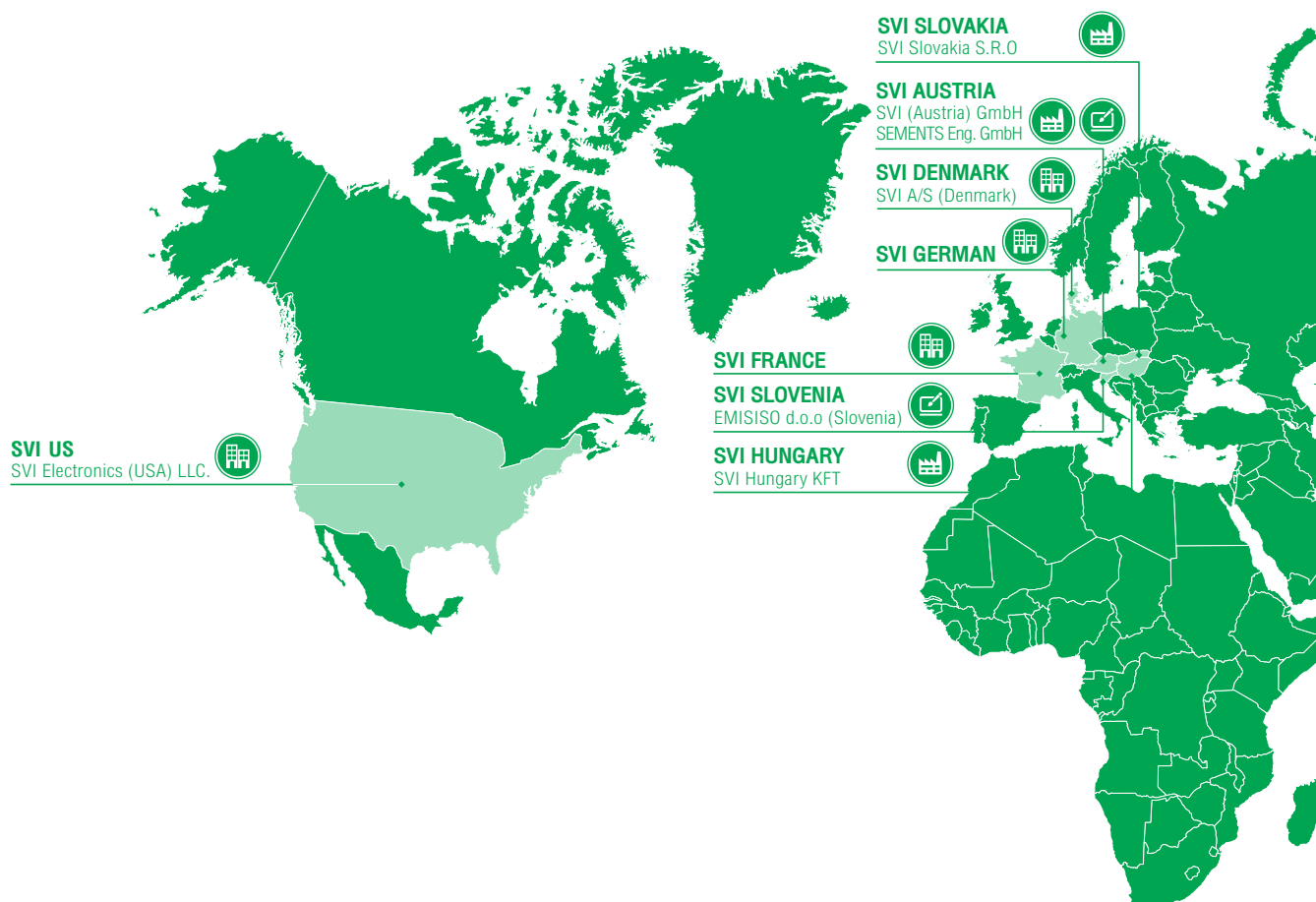


About SVI

SVI is a leading Electronic Manufacturing Service (“EMS”) provider based in Thailand and has been providing total electronics and manufacturing solutions to customers worldwide since 1985 with a focus on high complexity and medium volume customers. SVI supplies complete electronics box builds and components to its customers in a variety of industrial-focused segments such as automotive, clean energy, communication and network, power electronics, medical equipment, and micro-electronics.

SVI’s operations span across Asia and Europe with manufacturing facilities in Thailand, Cambodia, Slovakia, Austria and Hungary with a total manufacturing area of 111,373 sqm. and land area of 333,214 sqm. SVI has sales teams based in Denmark, France, Japan, China as well as its headquarter, Thailand. In 2021, we recorded our highest annual revenue of USD 544 mn with over 75% of it being exported to European customers while the remaining are exported to the US, Japan, and China.

SVI is listed on the Stock Exchange of Thailand.

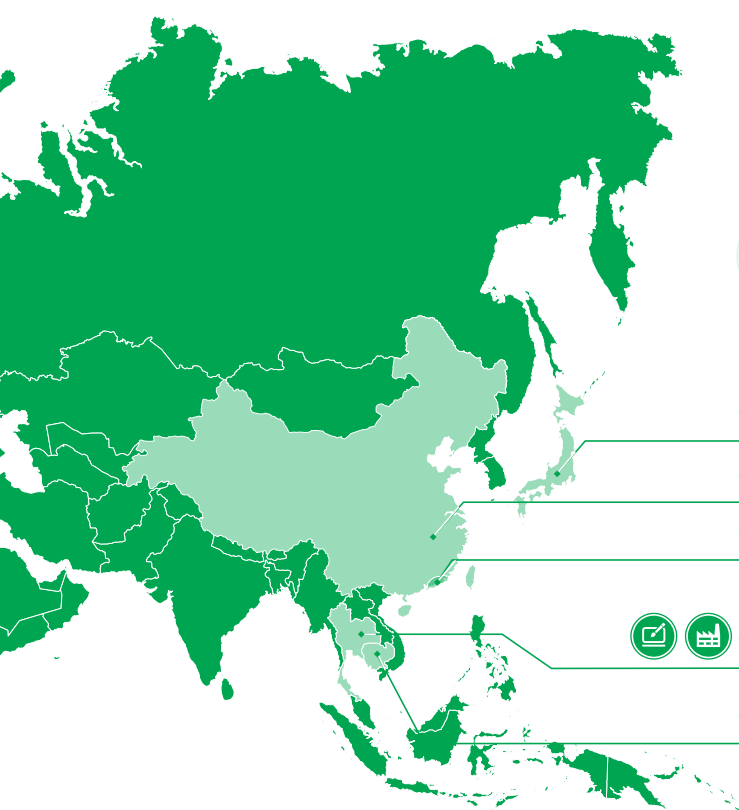


Our Locations

SVI's European locations focus on high complexity products with close proximity to our European customers and are supported by two Eastern European manufacturing facilities in Slovakia and Hungary allowing SVI to be cost competitive.

SVI's Thailand location is the headquarter of the group with a strong focus on automation and high-volume production.

SVI (AEC) – a subsidiary in Cambodia, provides an alternative solution for lower cost manufacturing compared to Thailand and also offers trade advantages such as compliance with the US TAA.



**Production
Facility**



**Sales &
Support Offices**



**Design
Center**



SVI JAPAN

SVI Japan Company Limited



SVI CHINA

SVI Shenzhen



SVI HONGKONG

SVI Public (HK) Limited



SVI THAILAND

SVI Public Company Limited
Tohoku Solutions Co., Ltd.
BEI Company Limited



SVI CAMBODIA

SVI (AEC) Company Limited

Dear Shareholders,

SVI achieved another record performance in 2021. This was accomplished amid a very challenging year as the industry continue to experience semiconductor shortages as well as risks relating Covid-19. I would like to thank our team for their uncompromising continued commitment to our customers and stakeholders and to congratulate them on achieving yet another milestone.

SVI recorded its highest revenue of USD 544 million or THB 17,400 million, representing a year-on-year growth of 13.9%. In the 4th quarter alone, we achieved record quarterly revenues of USD 172 million or THB 5,695 million with a year-on-year growth of 42%. While our revenues grew, our profitability also expanded to one of the best performing periods in recent history. Our gross margin expanded from 8.4% to 12.5% from 2020 to 2021. Similarly, our net margin expanded from 4.5% to 8.4% allowing SVI to achieve a net income of THB 1,408 million in 2021. This translates to earnings per share of THB 0.65, a remarkable increase from THB 0.35 from the previous year.

Our strong financial performance was achieved through our unparalleled commitment to our customers and stakeholders. In coping with Covid-19 in keeping our workers safe, we've successfully set up a bubble and seal dormitory on our campus in Thailand to help isolate those employees who have come into close contact with infected Covid-19 individuals from their families and co-workers so that they can return to work safely. Additionally, we've been able to efficiently procure multiple Covid-19 vaccination shots for all our workers. These efforts allowed our workers to continue their work in the safest environment. As part of our attempt to provide our customers with a solution to the challenge of the semiconductor shortage environment, we've successfully procured materials significantly in advance of normal operating conditions. This has led to an increase in our inventory of over THB 2.5 billion from 2020, which is higher than what we would have liked but due to the resiliency of our balance sheet, our company remains strong. Without these ongoing efforts and commitment to our stakeholders, SVI would not have been able to achieve an outstanding financial performance.

Another key milestone in 2021 was the acquisition of Tohoku Pioneer (Thailand) Co., Ltd., now renamed to Tohoku Solutions Co., Ltd. Tohoku Solutions is an expert in precision plastics injection and metals stamping and will be able to supply these parts to the SVI Group. The acquisition greatly enhances SVI's manufacturing capabilities and will be able to provide our customers with an even more cost-effective solution than before.

Looking forward to 2022, we have set ambitious internal targets for our company. As we have successful entered into the optical electronics (5G) segment in 2021, we expect this segment to grow up to USD 100 million in 2022 and be a key contributor to our revenue growth.

In meeting with increasing demands from our existing and new customers, we plan to expand our production space in multiple locations. Currently, SVI has a total manufacturing area of 111,300 sqm. with land area of 333,200 sqm. Our Cambodia operations has a manufacturing area of 9,200 sqm. with a land area of 67,000 sqm. while our European operations have a total manufacturing area of 18,800 sqm. with land area of 58,900 sqm. We have recently completed our expansion in Slovakia by nearly doubling the production area from 7,800 sqm. to 12,000 sqm. We also plan to aggressively expand our Cambodia facilities by 25,000 sqm., increasing the total production area to 35,000 sqm. This is expected to be complete by end of 2022. These expansions will increase our manufacturing footprint from 111,300 sqm. to over 140,500 sqm.

Environment concerns and corporate social responsibility continue to be an integral part of our business. We have continued to invest in solar energy so that our manufacturing facilities operate in a more sustainable manner. As part of our social efforts, we've donated 1,250 medical gloves, 250 PPE suits and 5,000 Covid-19 antigen test kits to local hospitals as well as thousands of drinking water bottles to a nearby field hospital for Covid-19 patients. We've also continued our activities in blood donations as well as provided meaningful hands-on work experience to college students.

Finally, on behalf of all management, we are grateful to all our customers, suppliers, shareholders for their support to the SVI group. My thanks to all SVI colleagues for their dedication and unparalleled commitment, enabling SVI to achieve outstanding operational and financial performances.

Mr. Prasert Bunsumpun
Chairman of the Board





1 Mr. Prasert Bunsumpun
Independent Director, Chairman of the Board, and Chairman of the Nomination and Compensation Committee

2 Mr. Threekwan Bunnag
Independent Director, Chairman of the Audit Committee and Chairman of the Risk Management Committee

3 Mr. Chatchaval Jiaravanon
Independent Director and Member of the Nomination and Compensation Committee

4 Mr. Sapon Punyaratabandhu
Independent Director, Member of the Audit Committee and Chairman of the Corporate Governance Committee

5 Mr. Chatchawal Eimsiri
Director and Member of the Nomination and Compensation Committee



Mr. Prasert Bunsumpun

Independent Director, Chairman of the Board, and Chairman of the Nomination and Compensation Committee

Age: 69

Appointed Date:

1 May 2017

Common shareholding as of December 31, 2021:

-None-

Warrant holding as of December 31, 2021:

-None-

Education:

- ❖ Honorary Doctoral in Engineering, Chulalongkorn University, Thailand
- ❖ Honorary Doctoral in Management, National Institute of Development Administration (NIDA), Thailand,
- ❖ Honorary Doctoral in Management Science, Petchaburi Rajabhat University, Thailand
- ❖ Honorary Doctoral in Management, Mahasarakarm University, Thailand
- ❖ Honorary Doctoral in Social Innovation Management, Suan Sunandha Rajabhat University, Thailand
- ❖ MBA, Utah State University, USA
- ❖ Bachelor in Engineering (Civil Engineering), Chulalongkorn University, Thailand

Experience:

- ❖ President and CEO; PTT Public Company Limited
- ❖ Director, PTT Public Company Limited
- ❖ Director and Chairman, PTT Exploration and Production Public Company Limited
- ❖ Independent Director, Krungthai Bank Public Company Limited
- ❖ Chairman/ Chairman of Executive Board of Director, IRPC Public Company Limited
- ❖ Member of the National Legislative Assembly (NLA)
- ❖ Chairman, Yuanta Securities (Thailand) Company Limited
- ❖ Chairman, PTT Global Chemical Public Company Limited
- ❖ Chairman, Nok Air Airline Public Company Limited
- ❖ Distinguished Member of Chulalongkorn Council
- ❖ Distinguished Member of Suranaree University of Technology Council
- ❖ Independent Director/ Chairman of the Board, Thaicom Public Company Limited
- ❖ Independent Director, Intouch Holdings Public Company Limited

Present Positions

Listed Company:

- ❖ Independent Director, Chairman of the Board, and Chairman of the Nomination and Compensation Committee, SVI Public Co., Ltd.
- ❖ Chairman/ Chairman of the Executive Board of Director, Thoresen Thai Agencies Public Company Limited
- ❖ Chairman, Aira Capital Public Company Limited
- ❖ Independent Director, TKS Technology Co., Ltd
- ❖ Independent Director, Major Cineplex Group Public Company Limited

Non-Listed Company:

- ❖ Chairman, Mermaid Maritime Public Company Limited
- ❖ Chairman, Thailand Business Council for Sustainable Development (TBCSD)
- ❖ Distinguished Member of King Prajidadpok's Institute
- ❖ Chairman, Aira Property Public Company Limited
- ❖ President of the University Council / Distinguished Member of Dhurakij Pundit University



Mr. Threekwan Bunnag

Independent Director, Chairman
of the Audit Committee and Chairman
of the Risk Management Committee

Age: 64

Appointed Date:

In year 1998

Common shareholding as of December 31, 2021:

-None-

Warrant holding as of December 31, 2021:

-None-

Education

- ❖ Master of Business Administration, University of North Texas, U.S.A.
- ❖ Directors Certification Program Class 12/2001, Thai Institute of Directors
- ❖ Director Accreditation Program 2006, Thai Institute of Directors
- ❖ Advanced Audit Committee Program (AACP) Class 27/2017, Thai Institute of Directors

Present Positions

Listed Company

- ❖ Independent Director, Chairman of the Audit Committee and Chairman of the Risk Management Committee, SVI Public Company Limited
- ❖ Independent Director, Vice Chairman of the Board of Director and Chairman of Audit Committee, Beryl 8 Plus Public Company Limited

Non-Listed Company

- ❖ Director and Chairman of the Audit Committee, Siam Agro-food Industry Public Company Limited
- ❖ Director, Gold Master Public Company Limited
- ❖ Director, Emerald Bay Resort Company Limited
- ❖ Director, Emerald Bay Villa Company Limited
- ❖ Chairman Frasers Property Industrial REIT Management (Thailand) Company Limited



Mr. Chatchaval Jiaravanon

Independent Director and Member of the
Nomination and Compensation Committee

Age: 60

Appointed Date:	24 April 2013
Common shareholding as of December 31, 2021	-None-
Warrant holding as of December 31, 2021	-None-

Experience

- ❖ Bachelor Degree in Business Administration, University of Southern California
- ❖ Director Accreditation Program, Thai Institute of Director.
- ❖ Executive Program, Capital Market Academy in 2009

Experience

- ❖ Independent Director, Cal-Comp Electronics (Thailand) Public Company Limited
- ❖ Director, Hi Pro Electronic Public company Limited
- ❖ Independent Director, Seamico Securities Public Company Limited
- ❖ Chairman of the board, Metrostar Property Public Company Limited
- ❖ Director, Chia Tai Enterprises International Company Limited
- ❖ Advisor to the Deputy Minister of Commerce
- ❖ Director, The Federation of Thai Industries
- ❖ Director, Thailand Management Association

Present Position

Non-Listed Company

- ❖ Director and Chairman of the Board of Directors, Charoen Energy and Water Asia Company Limited.
- ❖ Chairman, Thai Kodama Company Limited.

Listed Company

- ❖ Independent Director and Member of the Nomination and Compensation Committee, SVI Public Company Limited
- ❖ Director and Managing Director, TRUE Corporation Public Company Limited
- ❖ Chairman, Finansia Syrus Securities Public Company Limited
- ❖ Director, AEON Thana Sinsap (Thailand) Public Company Limited
- ❖ Independent Director, Member of Audit Committee and Member of Compensation and Nomination Committee, Frasers Property (Thailand) Public Company Limited.
- ❖ Chairman of the Board of Directors, Beryl 8 Plus Public Company Limited.
- ❖ Director, Member of Executive Committee, Chairman of Risk Management Committee, WP Energy Public Company Limited.



Mr. Sopon Punyaratabandhu

Independent Director, Member of the Audit Committee and Chairman of the Corporate Governance Committee

Age: 59

Appointed Date:	1 July 2019
Common shareholding as of December 31, 2021	-None-
Warrant holding as of December 31, 2021	-None-

Education

- ❖ B.BA. in Accounting (Hons) and M.S. in Accounting, Thammasat University
- ❖ Certified Public Accountant (Thailand)
- ❖ Fellow Member, Thailand Institute of Directors

Experience

- ❖ Partner, Coopers & Lybrand
- ❖ Executive Director, VST ECS (Thailand) Co., Ltd.
- ❖ Director, Sanko Diecasting (Thailand) Public Company Limited.
- ❖ President, Thai Venture Capital Association

Present Position

Director of 4 Listed Companies

- ❖ Independent Director, Audit Committee Member, Chairman of Risk Management Committee, Asia Plus Group Holdings Public Company Limited
- ❖ Independent Director, Audit Committee Member, Chairman of the Corporate Governance Committee, SVI Public Company Limited.
- ❖ Executive Director, Vintcom Technology Public Company Limited.
- ❖ Executive Director, Copperwired Public Company Limited.

Director of 15 Non-Listed Companies, in brief as follows:

- ❖ President, Vnet Capital Co., Ltd.
- ❖ Independent Director, Frasers Property Industrial REIT Management (Thailand) Co., Ltd.
- ❖ Independent Director, Chairman of Audit Committee, Asset Plus Fund Management Co., Ltd.
- ❖ Director, Chairman of Audit Committee, Electrical and Electronics Institute
- ❖ Audit Committee Member, Electronic Transactions Development Agency



Mr. Chatchawal Eimsiri

Director and Member of the Nomination and Compensation Committee

Age: 62

Appointed Date:	27 November 2019
Common shareholding as of December 31, 2021	100,000 Shares
Warrant holding as of December 31, 2021	-None-

Education

- ❖ Master of Science in Operation Research, London School of Economics and Political Science University of London
- ❖ Bachelor of Science in Mathematics, Imperial College of Science and Technology University of London
- ❖ O/A Levels, Geldeston Hall, UK

Experience

- ❖ Acting President, PTT International Company Limited
- ❖ Executive Vice President, PTT Exploration and Production Public Company Limited
- ❖ President PTT Natural Gas Distribution Company Limited

Present Position

Listed Company

- ❖ Director and Member of the Nomination and Compensation Committee, SVI Public Company Limited

Non-Listed Company

- ❖ None



1 | **Mr. Somchai Siripanyanon***
President

2 | **Mr. Carsten Bremerskov Kaysen**
Vice President of Sales, Europe

3 | **Mr. Claus Broberg**
Vice President of Business Development

4 | **Mr. Apirak Saengsie**
Director of Finance and Accounting



Mr. Somchai Siripanyanon*

President

Education

- ❖ Master of Business Administration, Thammasat University
- ❖ Bachelor of Engineering, Major in Electrical and Electronics, King Mongkut's Institute of Technology, Thonburi

Working Experience

- ❖ Engineering Manager, AT&T Microelectronics (Thai) Company Limited.
- ❖ General Manager, Alphatec Semiconductor Company Limited
- ❖ Managing Director, Vigilant Technology Company Limited

Present Position

- ❖ President, SVI Public Company Limited

*Remark: Mr. Somchai Siripanyanon had retired from his position. The retirement was effective since January 1, 2022. The Board of Directors Meeting No.1/2022 of the Company, held on January 5, 2022 resolved to appoint Mr.Verne R. Mundell as Acting President effective on January 5, 2022.



Mr. Carsten Bremerskov Kaysen

Vice President of Sales, Europe

Education

- ❖ Bachelor in Organization, Niels Brock-Copenhagen Business College
- ❖ Bachelor of Electronics Engineer, Frederiksberg Technical School

Working Experience

- ❖ Sales Manager, Anker
- ❖ Program Manager, Phase One A/S

Present Position

- ❖ Vice President of Sales, Europe, SVI Public Company Limited



Mr. Claus Broberg

Vice President of Business Development

Education:

- ❖ Master of Public Administration, Roskilde University, Denmark
- ❖ Bachelor of Social Sciences, Roskilde University, Denmark

All Work Experience:

- ❖ Program Director, ClassA Industrial (M) Sdn Bhd
- ❖ Program Director, Flex US China

Current Position:

- ❖ Vice President of Business Development, SVI Public Company Limited.



Mr. Apirak Saengsie

Director of Finance and Accounting

Education

- ❖ Master of Business Administration (Major: Accounting), Dhurakij Pundit University.
- ❖ Strategic CFO Class 8, The Stock Exchange of Thailand
- ❖ “Insight Financial Management”, The Stock Exchange of Thailand
- ❖ IT Governance and Cyber Resilience Program (ITG), The Institute of Directors

Working Experience

- ❖ Accounting Section Manager, GMM Grammy Public Company Limited.
- ❖ Accounting Manager, SVI Electronic (Tianjin) Co., Ltd.
- ❖ Factory Manager, SVI Electronics (Tianjin) Co., Ltd.
- ❖ Corporate Controller, SVI Public Company Limited.
- ❖ Senior Manager International Accounting, Mono Technology (Thailand) Public Company Limited.\

Present Position

- ❖ Director of Finance and Accounting, SVI Public Company Limited
- ❖ Corporate Governance Committee, SVI Public Company Limited

Our Core Strategy

The SVI Group will continue its strategy of growth and diversification across markets and segments in the coming years. The Group has traditionally had a very strong presence in the European and Scandinavian markets, and built very solid relationships with our customers, becoming their extended arm when it comes to electronics manufacturing. These relationships have been built on the foundations and ethos of SVI, namely to provide a superior service to our customers, and ensuring the highest quality of the products delivered to them – and the strength of the relationships is evidenced by the fact that the customers continue to trust SVI to be their manufacturing partner year after year.

This strong foundation is an ideal platform for SVI to continue its expansion into new markets in Asia and North America. With a footprint in Southeast Asia and Europe that is ideally suited to cater to customers seeking a competitive and more secure global supply chain, SVI has been building up its activities in these markets and has already secured a number of important customer relationships there.

The Group has also made several strides into new segments, by building internal competences in Optical/5G and Automotive segments – which have all seen significant growth in demand, and with growth projected to continue throughout the 2020's.

SVI has always invested in cutting edge technology and will continue to do so in the future – through strategic partnerships with leading equipment manufacturers worldwide, access is secured to the latest technological advancements, which coupled with investments in data integration and infrastructure, allow the Group to offer state of the art solutions to our customers.

A key pillar for the strategy in the coming years will be the focus on optimizing velocity internally and working with customers and suppliers – ensuring that the decision-making process is as fast as possible, and that the opportunities arising in the market are quickly acted upon. Another internal pillar of the strategy for the coming years for SVI is the development of an integrated data structure, as well as heavy investments in the analytics capabilities and tools, developing the machine learning and AI capabilities internally.

Environmental concerns and corporate social responsibility remain at the core of the way the SVI Group operates. SVI has been a registered member of the UN Global Compact since 2005, and has taken numerous actions to support environmental and social projects – for example investment in solar energy, as well as strong social engagement in the society to alleviate negative impacts from COVID-19. The Group is always pushing for a strong corporate governance control, as monitored and evidenced through several indicators and awards from the SET and the Thai Institute of Directors. In the future, the SVI Group will continue to ensure that ESG remains at the core of every decision made, and the consideration and protection of all stakeholders interests will be a key driving force when executing the company's strategy.



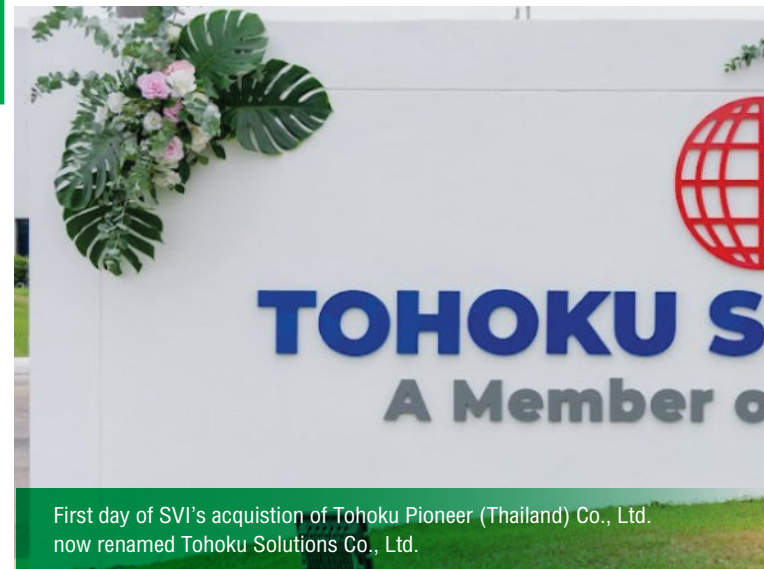
Footprint

The footprint of the group is expanding, most recently with the acquisition of the Tohoku Solutions operations, which was completed at the end of 2021. Tohoku Solutions is a great addition to the capabilities of the Group, offering vertical integration opportunities for the customer's supply chains, in particular with the opportunities to source metal and plastic parts, where the team in Tohoku Solutions are offering world class opportunities. The capabilities and offerings of Tohoku Solutions will be expanded in the future, after a period of integration with the rest of the SVI Group.

In Europe, the footprint of the Group is also expanding, with the investments to expand the capacity in SVI Slovakia well underway. SVI Slovakia is ideally located at the heart of Eastern Europe, catering to customers looking to have a production base closer to the home markets in Europe and diversify the risk currently observed in global supply chains. With the new capacity coming online at the end of 2nd Quarter 2022, SVI Slovakia is poised to grow and support existing and new customers in Europe.



SVI's production facility in Austria current has a production space of 8,150 sqm.



First day of SVI's acquisition of Tohoku Pioneer (Thailand) Co., Ltd. now renamed Tohoku Solutions Co., Ltd.





In SVI Austria, the strategy focuses on becoming a key supplier to the automotive segment, taking advantage of the strategic location near the automotive cluster in Southern Austria, as well as the proximity to the automotive clusters in Southern Germany and elsewhere in Europe.

In Asia, the main production hub in Thailand is complemented by the facility in Cambodia, giving SVI a significant and strong foothold in competitive markets, and offering a perfect alternative to customers looking for an alternative production, coming out of China. The continued investments in the facility in Cambodia is mirroring the strong growth seen there, and new buildings will be coming online during 2022.

The resilience of the SVI Group, even during significant disruptions such as the worldwide semiconductor component shortage, or the effects of the COVID pandemic on operations and supply chains, is testament to the solidity of the foundation of the company. With the strategy and footprint described above, the SVI Group is well poised to continue growing in the future.



Part 1 Structure and Business Operations

1.1 Vision and Business Goals

Vision

To be a premium manufacturing company that strives for growth, profitability, integrity and social responsibility. We are a passionate team that work hard to build the highest quality products and to provide unsurpassed service, that, together, create superior value to our customers, globally.

Our objectives are to support our customers to be the leader in their respective industries and to provide fulfillment to our employees.

Mission

SVI as a leading Electronics Manufacturing Service provider has set company's mission according to United Nations Sustainable Development goals (SDGs). SDGs have 3 pillars which are 1) economic growth 2) social inclusion and 3) environmental protection.

Business Goals and Objective

The Company's objective is to be the leader in full turnkey electronics manufacturing services, according to the following goals:

1 The company is focusing on high value-added products, such as, niche products and industrial control systems particularly, the product features that require highly specialized labor as well as advanced production technology processes. The products also have a long life cycle. The Company does not focus on electronics consumer products such as mobile phones that have less value added and are characterized by a short life cycle. The characteristics of our products manufacturing are diversified product lines with small volume builds. Hence there is less competition from larger companies in terms of production costs. Also, there is less competition from similar sized or smaller sized companies as it requires highly specialized skills in terms of experience, technology and materials management. We take advantage of these factors to stay ahead of the competition.

2 As for targeted customers, the Company's strategy is to have revenue generated by selling 50% to the customers in Scandinavia, Europe and the other 50% is derived from customers in the United States, Germany, France, Switzerland and Japan.

3 To drive and to establish in-house business vertical integration, which helps gain more market shares into major key electronic components such as metal parts, plastic parts and wire harnesses.

4 Established and providing the product design development to our strategic customers. Added services and engineering values to our existing manufacturing services and supply chain, gain more in Total Cost of Ownership and add values to our services.

In addition to our product strategy, the Company has improved its production capacity and improved its quality and manufacturing capability to support the needs of our customers and their complex technology requirements, (high-end system-build). The Company also continues to review and increase its production capability.

The business goal is to grow income steadily and consistently despite the volatile global economic environment. Moreover, it will be gaining efficient in competitiveness and stepping to large target markets.

Background and Major Progress

SVI Public Company Limited, formerly known as Semiconductor Venture International Limited was established on August 2, 1985 to operate as an Electronics Manufacturing Service (EMS). The Company's background and major milestones are as follows:

Year	Activities
1985	• SVI founded as a COB assembly house
1989	• Initial Public offering in Thailand (SET), named Semiconductor Venture International Public Company Limited
2000	• Began high technology production process of "Micro-BGA and Flip Chip.
2002	• Mr. Pongsak Lothongkam appointed as a CEO. New Vision, New Strategies
2003	• Changed company's name to SVI Public Company Limited
2004	• Acquired the 2nd factory "SVI-2" at Bangkadi Industrial Park, Pathumthani, Thailand
2005	• Setup factory at Tianjin, China
2008	• Acquired the 3rd facility "SVI-3" at Bangkadi Industrial Park, Pathumthani, Thailand
2009	• Nominated by SET as one of The Best Performance Awards and The Best CEO Awards.
2010	• Acquired additional facilities "SVI-5" at Bangkadi Industrial Park, Pathumthani, Thailand
2013	• Moved HQ to "SVI-3" at Bangkadi Industrial Park, Pathumthani..
2016	• Acquired Seidel Electronics Group in Europe, 3 productions facilities in Austria, Hungary and Slovakia, 2 Research Design companies located in Austria and Slovenia.
2017	• SVI (AEC), in Phnom Penh, Cambodia on construction of factory on land area of 64,000 sq.m.
2018	• Setup factory at SVI (AEC), in Phnom Penh, Cambodia • SVI acquired land and building area of 13,000 sq.m.
2019	• New sales team setup in France, China, and Japan in order to gain new customer base
2020	• Entry into Optical Electronics markets with first product delivered • Set up US subsidiary to focus on key customers
2021	• Achieved highest recorded revenue for the year of USD 544 million • Acquired Tohoku Pioneer (Thailand) Co., Ltd. (recently change its name to Tohoku Solutions Co., Ltd.) to expand the vertical capabilities of the company.

Business operations and performance

1.2 Characteristics of Business

The Company provides turnkey Electronics Manufacturing Services (EMS) to customers who are Original Equipment Manufacturers (OEM) and Design Houses. At the beginning, the Company only provided PCBA services and later developed its business strategy to focus on Turnkey Box-Build and System-Build product manufacturing. SVI's flexible manufacturing process is to be able to produce and meet the finished goods requirements for its customers, to produce according to the specific production process, step 1 or step 2, or both step 1 and 2 or all 3 steps, based on the following processes:

1 Printed Circuit Board Assembly (PCBA)

The PCBA service was the original business of SVI. The Company has been evolving its skills, knowledge and developing its capability in line with the market requirements and customer demands to generate more income and added value. Hence, the Company changed its strategy by concentrating on the production of finished products (Turnkey Box Build). Our revenue generated from PCBA was approximately 27% of the total revenue in 2021.

2 Turnkey Box-Build

As a full range EMS provider, SVI also produces completed box-build products as well as provides services and advice to customers by using high technology and flexible product lines with short lead-times for product delivery at competitive prices which these mentioned factors are our competitive advantages. The products in this category are high technology products, such as high frequency radio communication, satellite communication, Digital Signal Processing Audio used in radio and television stations, Professional IP video, and medical products such as hearing aids. The products in this category generated revenue approximately 72% of the total revenue in 2021.

3 System-Build

System builds are more advanced products that involve more complex manufacturing processes than box-build manufacturing. The Company has increased its manufacturing capabilities to produce systems used in large industrial control systems and instruments. This contributes to higher revenue and adds value for the Company. Examples of products in this category are large boards or systems such as temperature control equipment for cold storage, Blood Analysis Systems and other laboratory equipment used in hospitals, representing approximately 1% of the total revenue in 2021.

The structure of revenue

The Company's revenue is mainly generated from manufacturing electronic products. The Company's revenue from 2019 to 2021 was classified by product category as per the details listed below:

Table 1: Revenue classified by product category

Revenue Structure	2019 (Consolidated)		2020 (Consolidated)		2021 (Consolidated)	
	ล้านบาท	ร้อยละ	ล้านบาท	ร้อยละ	ล้านบาท	ร้อยละ
Sales Revenue						
1. Industrial Control	3,715	24.83	3,716	24.32	5,170	29.71
2. Automotive and Transportation	1,554	10.39	1,335	8.73	1,607	9.24
3. Medical Laboratory Equipment	1,272	8.50	1,224	8.01	1,227	7.05
4. Communication and Network System	5,206	34.79	5,090	33.31	5,917	34.01
5. Professional Audio and Video	1,005	6.72	558	3.65	666	3.83
6. Photonics and Lighting	531	3.55	240	1.57	267	1.53
7. Clean-Energy	399	2.67	508	33.3	365	2.09
8. Micro-Electronics	478	3.19	1,763	11.54	1,388	7.98
9. Vertical Integration	802	5.36	848	5.55	793	4.56
Total Sales Revenue	14,962	100.00	15,282	100.00	17,400	100.00
Gain on exchange rate	-		168		81	
Other income*	280		88		76	
Total Revenue	15,242		15,538		17,557	

Note: * Other income was the sales of scrapped and salvaged materials from the production line, profit from investment, interest income, equity and dividend.

The revenue generated by the company and subsidiaries are listed below:

Table 2: Classified by the company and subsidiaries

Revenue Structure	2019 (Consolidated)		2020 (Consolidated)		2021 (Consolidated)	
	Million Baht	%	Million Baht	%	Million Baht	%
The Company	11,511.26	76.94	11,580.30	75.78	13,063.71	75.08
Subsidiaries						
SVI Public (HK) Limited	30.80	0.21	30.06	0.20	61.27	0.35
SVI A/S (Denmark)	1,466.40	9.80	1,026.15	6.71	1,279.80	7.36
SVI (AEC) Company Limited*	334.31	2.23	624.52	4.09	1,388.10	7.98
SVI (Austria) GmbH	2,711.27	18.12	2,473.10	16.18	2,754.75	15.83
SVI Hungary KFT	99.69	0.67	90.40	0.59	73.94	0.42
SVI Slovakia S.R.O.	898.13	6.00	921.29	6.03	936.14	5.38
SVI Japan Company Limited	-	-	-	-	-	-
BEI Company Limited	-	-	-	-	-	-
Tohoku Solutions Co., Ltd	-	-	-	-	105.38	0.61
SOJ	17,051.86	113.97	16,745.82	109.58	19,663.09	113.01
Related transaction (Deducted)	(2,090.31)	(13.97)	(1,463.38)	(9.58)	(2,263.49)	(13.01)
Total Revenue	14,961.55	100.00	15,282.44	100.00	17,399.60	100.00

Type of Products and Services

The products built under the aforementioned three processes are classified into 9 major categories based on the type of business as follows:

- 1 Industrial Control System:**

The company's revenue generated by this product category was 30% of total revenue in 2021. The main products are Temperature Control Equipment for cold storage, Circuit Breaker Equipment, Alternative Energy Control Systems and Communication Component Products-CCP which are used as transmitting and receiving devices through high-technologies optical fiber. It is a new business of the company that has a very large market in the United States and Japan.
- 2 Automotive and Transportation segment:**

The products are tire pressure monitoring system (TPMS), telematics control unit, door closing systems of electric tram etc. The revenue in Y2021 was reported at 9% of total sales.
- 3 Medical Laboratory Equipment segment:**

This is a new market with high potential growth. The company is certified for ISO13485 to enter this market. The product needs to be produced under clean room environment manufacturing control. The current customers are considered as the forefront of global market with major market share. The products are hearing aids and hospital equipment. The revenue in Y2021 was reported at 7% of total sales.
- 4 Communication and Network System segment:**

The products are IP network camera, wireless network communication devices, satellite communication equipment etc. The revenue in Y2021 was reported at 34% of total sales.
- 5 Professional Audio and Video segment:**

The products are studio recording system, audio system for international conference room and concert, professional audio equipment for musician etc. The revenue in Y2021 was reported at 4% of total sales.
- 6 Photonics and Lighting segment:**

The products are airfield lightings, aircraft parking assistance, professional light shaping etc. The revenue in Y2021 was reported at 1% of total sales.
- 7 Clean-Energy segment:**

The product is a controller of wind turbine. The revenue in Y2021 was reported at 2% of total sales.
- 8 Micro-Electronics segment:**

The product is a digital price tag for displaying in department stores with centralized system control to update pricing or promotion programs of products. The revenue in Y2021 was reported at 8% of total sales.

Vertical Integration segment:

Whilst the Company has diversified its production capabilities, the demand has grown significantly. The company has developed two plants located in Europe and Asia for cable assembly manufacturing facility. The global market of this product is expected to grow continuously for the next three years. The company is able to accommodate demand from many markets i.e. train, automotive, medical devices etc. The products are cable sets, cable trees, electrical and hybrid cable. The revenue in Y2021 was reported at 5% of total sales.

BOI Privilege

The Company has been granted promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions. Significant privileges of the Company are as follows.

The details of BOI privileges are presented in Note 31 of the Financial Statement.

Details				
1. Certificate No.	5152(2)/2556	1587(2)/2558	1595(2)/2558	65-0101-1-00-1-0
2. Promotional privileges for	Manufacturing of PCBA, electronic products	Manufacturing of PCBA, electronic products	Manufacturing of SUBMOUNT	Manufacturing of Laser Module, PCBA, electronic products
3. The significant privileges are				
3.1 Exemption of corporate income tax for net profit from promotional privileges and exemption of income tax on dividends paid from the profit of the operations throughout the period in which the corporate income tax is exempted.	8 years	5 years	5 years	Laser Module 8 Years PCBA 6 Years
3.2 Allowance for 5% of the increment in export income over the preceding year for ten years, providing that the export income of that particular year should not be lower than the average export income over the three preceding years except for the first two years.	Non-granted	Non-granted	Non-granted	Non-granted
3.3 Exemption of import duty on machinery as approved by the Board.	Granted	Granted	Granted	Granted
3.4 Exemption of import duty on raw materials and significant supplies used in export production for a period of one year from the first import date.	Granted	Granted	Granted	Granted
4. Date of first earning promotional privileges under the promotion certificates				
- Raw materials	17 Jun 2013	1 Oct 2017	-	-
- Machinery	17 Jun 2013	2 Mar 2015	23 Mar 2015	2 Nov 2021
- Income tax	17 Jun 2013	10 Oct 2017	26 Mar 2017	-

Research & Development Process (R&D process)

The Company provides full turnkey business solutions of outsourced services for print circuit board assembly, and electronic finished products (Electronics Manufacturing Service - EMS) to customers who own the product prototype (Original Equipment Manufacturer: OEM) and to those who are contract designers (Design House); therefore, the Company doesn't have their own products R&D.

However, the Company has been engaging with clients for products R&D by having our company's Design & New Product Introduction team by participating with the customers' R&D at the early phase of products designing. Moreover, SVI has been participating and utilizing the R&D service from NSTDA (National Science and Technology Development Agency) and Academic Institute for improvement on efficiency and R&D as required.

Marketing and Competition Strategy

Marketing

The Company has developed long-term relationships with its customers, who are mainly the top tier and mid-sized Original Equipment Manufacturers (OEMs) which are well-accepted in the global market. In our business, the company always signs long-term contracts with customers who are providing us a 12-month demand forecast for supporting our materials and capacity planning. Our customers will issue purchase order to confirm their orders which are mostly liable to their demand forecast. Our customers are mainly located in the Scandinavian countries, and some of them have subsidiaries in other countries. Additionally, during the past year the company is successfully enhancing our market's footprint more and more in Scandinavian countries, US and Europe with both current and new customer. As we're aware of concentration risk, SVI has been trying to expand its sales to USA, Germany, Switzerland and Japan to diversify such concentration. The risk caused by economic fluctuations can then be minimized since our customers with their subsidiaries in other countries and market region will issue their orders separately. If the economy slows down in a country, we can still get orders from their subsidiaries located in other countries and from our new market footprint. SVI's sales can be reported by region as listed below

Table 3: Revenue classified by region are listed below:

Sales Revenue by Region	2019 (Consolidated)		2020 (Consolidated)		2021 (Consolidated)	
	Million Baht	%	Million Baht	%	Million Baht	%
Scandinavia	7,857.44	52.52	6,638.87	43.44	6,938.78	39.88
USA	1,389.79	9.29	1,632.12	10.68	1,809.51	10.40
Europe	3,864.48	25.83	4,975.72	32.56	4,529.88	26.03
Global (customers who have subsidiaries in many countries)	1,470.37	9.82	1,339.71	8.77	1,733.82	9.97
Total Overseas Market	14,582.08	97.46	14,586.43	95.45	15,011.99	86.28
Domestic & Others	379.47	2.54	696.01	4.55	2,387.61	13.72
Total Sales Revenue*	14,961.55	100.00	15,282.44	100.00	17,399.60	100.00

*Excluding others incomes

The Company's Potential Competition

The Company has expanded the market into countries in Europe, America and China, and has extended into new markets such as Optical Electronics (5G), Cloud Computing and Microelectronics. The Company has also won new major orders from existing business units within the communication and network and automotive segments. The Company continues to face competition globally; however, SVI is in a unique position in that the Company is able to deliver products and services that are most cost-effective given our global locations and suppliers network.

SVI has no substantial competitor in Thailand. There are competitors from Europe who has set up manufacturing facilities in Thailand. However, the Company has produced unique products in high growth industries which has allowed it to differentiate itself from competitors. There will continue to be increased competition; however, with our strategic locations, our ability to manufacture highly complexed product in the most cost-efficient manner while targeting high potential growth industries will allow us to withstand our competition.

Industry and Competition Trend

Electronics Manufacturing Services (EMS) is an industry designed to support the global economy electronics products industry and other high-end equipment such as optical electronics (5G) industry, airline industry, automotive, telecommunication and medical services. These products are now necessary for supporting multiple functions in our daily lives.

The business primarily depends on the global economic situation and overall demand of electronics products which is increasing more and more each year. SVI has also benefited greatly from the trade disruption between the US and China as manufacturers diversify their supply chain. This trend will likely continue for the foreseeable future. It is inevitable that competition will continue to increase but the markets in which we serve will also continue to grow exponentially. This combined with our cost advantages and strategic locations will allow SVI to be the manufacturer of choice for high complexity electronics products.

In 2021, we have successfully entered into high growth markets, which will allow us to grow in a sustainable manner. We've won major new orders in key areas such as the communication and network and the optical electronics segments. Within the communication and network segment, SVI manufactures industrial security cameras allowing for maximum surveillance in the most secured locations. Last year, SVI successfully scaled up the production for optical electronics customers. These are products relating to the 5G technology space. Our components will also assist the roll out of the 5G platform globally. The 5G technology will enable endless technological advances such as autonomous driving, medical treatment without having a physician physically present, or automated manufacturing process. The 5G market is currently valued at USD 5.5 billion and is expected to reach USD 668 billion in 2026. Other segments that we have significant growth are within the industrial and micro electronics segments. In the industrial segment, SVI manufactures a wide range of products including temperature and electricity voltage controls for usage within logistics industries. The recent upsurge in demand for logistics as well as ecommerce will help this segment expand exponentially. In the micro-electronics segment, SVI manufactures electronic shelf label (ESL), which are essentially automated price labels. These labels allow retailers to better manage their inventory as price can be changed instantaneously according to supply and demand as well as to reduce operational cost with the reduction of manual labor. ESL continues to be rolled out within the US and, more recently, within the Asia Pacific region. The current market size in 2020 in USD 45.5 billion and is expected to grow to USD 74.6 billion by 2025.

As can be observed, SVI is in a unique position to offer the most cost-effective solution to our customers while targeting high growth industries with market size in each growing exponentially. 2022 promises to be an exciting year for SVI as we scale up multiple new customers.

Strategic plan to compete the markets.

SVI has used the competitive strategy which includes operation management, manufacturing management, quality control, supply chain management and also the cooperation with clients to develop new products as follows:

Operations Management

We offer a complete, dynamic, turn-key service to customers by providing materials procurement to customers who require us to be their material supplier. To increase flexibility and cost competitiveness, we have established and driven the in-house business vertical integration to gain more market shares into major keys electronics components such as plastic part, wire harness and metal part. We have professional technical product development teams to work with our customers closely for System build, box build and PCBA, prior to starting actual production to boost efficiency and save costs. We also provide design services to all our customers to win more in their markets as well as continuously supporting equipment development to test finished products to ensure quality before delivery thereby providing customer satisfaction.

Our design development and NPI (New Product Innovation) team have been established to provide new product designs, quicker prototype and quick turn-around time to customers, enabling SVI to be more competitive in terms of time to market and design involvement from the beginning of product life cycle.

Manufacturing

SVI expanded its capacity along with the improvement of product quality and production capability. This supports the growing demand of customers, product technology, including high complexity of production process for high-end and system build products. SVI continued to expand production floor space by investing in additional production facility in Cambodia. The European plant continued to expand especially in Slovakia to support European customer with focus on High-End System Products to gain freight cost.

Additional Surface Mount Technology (SMT), Flip Chips, X-Ray and Coating machines, Chip On Board machine, robotic, and automation lines have been installed and implemented. Those machines and our automation lines are hi-technology and improve efficiency and quality in the production process.

Product

The Company has focused to produce high value-added products in the Industrial Control and Office Automation categories. These products have higher labour incentive, require high technology and also have a long life cycle. The Company has purposely avoided production of consumer products and mobile phones because they are low value-added products which have rapid changes in design and technology.

With regards to the high value-added products, since the production volumes are typically low or medium quantity and products have a high mix; therefore, the larger players do not focus on this business category. The small to medium sized EMS also avoid this category due to the lack of efficient materials management and production skills.

Quality Standard

In recognition of our commitment to excellence in the manufacturing business, SVI received recognition for international quality and environmental management standards as follows:

1995	Received systems certification ISO9002:1994 from TRADA, a leading multi-sector certification body accredited by UKAS (United Kingdom Accreditation Service).
1999	Received systems certification ISO9002:1994 from QSU (Quality Science Universal), Singapore.
2002	Received ISO14001:1996, the Environmental Management System certificate, from the AJA Registrars. Received ISO/TS16949:2002, quality certification which is the highest quality standard specified by the automotive industry, from TUV Rheinland Thailand Ltd. Some parts of ISO/TS16949:2002 standard derive from ISO9001:2000 which is an upgraded certificate of ISO9002:1994 the company received in 1995.
2003	Passed basic assessment of quality standard ISO13485:2002, a standard in manufacturing medical equipment.
2005	Expanded quality management system of ISO 9001:2000 and ISO/ TS 16949:2002 to SVI-2 and all system was certified by TUV Rheinland Thailand Ltd. Received new version of ISO 14001:2004, the Environmental Management System certificate, which is an upgraded standard from ISO 14001:1996 received earlier from the AJA Registrars.
2006	Passed surveillance audit of ISO9001:2000, ISO/TS16949:2002 and ISO14001:2004. SVI-3, located in Tianjin, China started operation and later received ISO9001:2000 Quality Management System certificate from TUV Rheinland Thailand Ltd.
2007	Passed surveillance audit of ISO9001:2000, ISO/TS16949:2002, ISO14001:2004. SVI-3, located in Tianjin, China received ISO 9001:2000 with the expansion of product quality certification from only PCBA to both PCBA and Box-Build. SVI-3 passed the basic test of ISO 14001:2004, Environmental Management System, certified by the Chinese organization.
2008	In accordance with the Surveillance Audit, the new document control system (DocMASTER System), which is an on online document controlling system, has been implemented for SVI's factory in Thailand and China as well. This system has been recognized, both internal and external customers have been satisfied, and accepted by ISO9001:2000, ISO/TS16949:2002 and ISO14001:2004.
2009	Successfully passed ISO audit certification with new version ISO9001:2008, TS16949: 2009 Awarded ISO Certification for Medical Devices and Hearing Aid Accessories – ISO13485 by British Standard Institute (BSI) Thailand.
2010	Successfully passed the audit certification for ISO9001:2008, TS16949:2009, ISO13485:2003 and Environmental Management System ISO14001:2004. We have to be certified every year.
2011	Bangkadi plants successfully passed OSHE Certification (ISO14001:2004 and OHSAS18001:2007) from the AJA Registrars. Chaeng Wattana plant has been under contingency plan per Business Continual Improvement Procedure and Quality System Management from TUV Rhienland ISO9001:2008 and ISO/TS16949:2009 since April 3, 2010 to February 11, 2012.

2012	Successfully passed ISO9001:2008 Certification for general products, TS16949:2009 for Automotive Products and ISO13485:2003 for Medical Products from Certified Body TUV Rheinland from Germany and BSI from England respectively.
2013	Completed systems training for Aerospace AS9100 Requirements. Achieved IPC 610E CIT certifications to enable SVI provide in-house IPC-A-610E “Acceptability of Electronic Assemblies” to organize Certified Inspection Specialist (CIS) for engineers and operators.
2014	Successfully passed monitoring audit for ISO9001 standard quality management system quality management system, ISO/TS16949 – Automotive, ISO13485 quality management system, Medical ISO14001 environmental management system, OHSAS18001 occupational health and safety management system, environmental occupational health and safety, ISO14001: 2004 + OHSAS 18001: 2007 from AJA Registrars for SVI’s factory at Bangkadi.
2015	Passed re-certified audit for ISO9001:2008 quality management system and ISO/TS16949:2009 quality management system for Automotive from certified body TUV Rhineland from Germany for SVI’s factory at Bangkadi and Chaeng Wattana. ISO13485:2003 quality management system-Medical device from certified body BSI from England for SVI’s factory. Passed 1st surveillance audit ISO14001:2004 Environmental management system and OHSAS18001:2007 occupational health and safety management system from certified body AJA Registrars for SVI’s factory at Chaeng Wattana and Bangkadi extend scope to SVI.
2016	Passed 1st Surveillance audit for ISO9001:2008 Quality Management System and ISO/TS16949:2009 Quality Management System-Automotive from certified body TUV Rhineland from Germany, ISO13485:2003 Quality Management System-Medical device from certified body BSI from England. Passed 2nd Surveillance audit ISO14001:2004 Environmental Management System and OHSAS18001:2007 Occupational Health and Safety Management System from certified body AJA Registrars for SVI’s factory at Bangkadi. Achieved IPC/WHMA-A-620 “Requirements and Acceptance for Cable and Wire Harness Assemblies” CIT & CIS Certification.
2017	Passed the 2nd Surveillance audit for ISO9001:2008 Quality Management System and ISO/TS16949:2009 Quality Management System-Automotive from TUV Rhineland Germany, ISO13485:2003 Quality Management System-Medical device from BSI, England. Successfully passed ISO audit certification with new version ISO14001:2015 Environmental Management System and passed re-certification audit OHSAS18001:2007 Occupational Health and Safety Management System from AJA Registrars for SVI’s Thailand. SVI has also developed further Quality system in accordance with Japanese requirement to support new Automotive Products / customer for new coming year.
2018	Successfully to upgrade and re-certification of ISO9001:2015 new version together with the IATF16949:2016 updates quality management system for Automotive Products requirement from TUV Rhineland Germany. And also succeed to upgrade and re-certification of the ISO13485:2016 from BSI England. Pass the 1st. ISO14001:2015 + OHSAS18001:2007 surveillance audit from AJA Registrars for SVI Bangkadi Plants

2019	Passed the 1st Surveillance audit for ISO9001:2015 Quality Management System and IATF16949 : 2016 Quality Management System-Automotive from TUV Rhineland Germany, ISO13485:2016 Quality Management System-Medical device from BSI, England. Successfully passed ISO14001 : 2015 Environmental Management System and ISO45001 : 2018 Occupational Health and Safety Management System from AJA Registrars for SVI's Thailand Passed the 1st Surveillance audit for ISO9001:2015 Quality Management System and ISO14001 : 2015 Environmental Management System from AJA Registrars for SVI's Cambodia.
2020	Passed the 2nd Surveillance audit for ISO9001:2015 Quality Management System and IATF16949 : 2016 Quality Management System-Automotive from TUV Rhineland Germany, ISO13485:2016 Quality Management System-Medical device from BSI, England. Passed the 1st Surveillance audit for ISO14001 : 2015 Environmental Management System and ISO45001 : 2018 Occupational Health and Safety Management System from AJA Registrars for SVI's Thailand. Awarded ISO Certification for medical product – ISO13485 : 2016 from BSI, England for SVI's Cambodia. Awarded ISO Certification for AERO Space product – AS9100 : 2016 by Bureau Veritas (BV) Thailand for SVI's Thailand. Passed the 2nd Surveillance audit for ISO9001:2015 Quality Management System from TUV Rhineland Germany and ISO14001 : 2015 Environmental Management System from AJA Registrars for SVI's Cambodia.
2021	Passed re-certified audit for ISO 9001:2015 Quality Management System and IATF 16949:2016 Quality Management System - Automotive from TUV Rhineland Germany, ISO 13485:2016 Quality Management System - Medical device from BSI England for SVI's Thailand. Passed the 1st Surveillance audit for EN 9100:2018 (AS9100D) Quality Management System - Aviation, Space, and Defense from Bureau Veritas (BV) Thailand for SVI's Thailand. Passed the 2nd Surveillance audit for ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management System from SOCOTEC for SVI's Thailand Passed the 1st Surveillance audit for ISO 13485:2016 Quality Management System - Medical device from BSI England for SVI's Cambodia. Passed the 2nd Surveillance audit for ISO14001:2015 Environmental Management System from SOCOTEC for SVI's Cambodia. Awarded ISO Certification for Automotive product – IATF 16949:2016 combine ISO 9001:2015 from TUV Rhineland Germany for SVI's Cambodia.

Production

The Company manufactures products based on customer's orders. Our engineers have a high expertise in ensuring the improvement of electronic circuit boards prior to launching into production. We focus and provide the best manufacturing options for cost competitiveness as well as increasing the efficiency of production and quality. The Company also has high capabilities to design and develop test systems to test assembled products and their reliability before delivery to our customers.

Currently, our company has five main technologies to manufacture the products for our customers.

- 1 SMT Technology (Surface Mounted Technology)** is our main technology which is primarily used for most of our products. This technology is to connect electrical circuits and other semiconductor devices onto the surface of printed circuit boards (PCB). The SMT is useful for both design and manufacturing since it can save space in the assembly of electronic components onto printed circuit boards. Our SMT lines also cover the technology of BGA (Ball Grid Array), flip chip as well as other higher technologies of SMD (surface mount devices) with fully integrated AOI machines (automatic Optical Inspection).
- 2 IMT Technology (Insertion Mounted Technology)** is a technology for assembling electronic components by inserting these into the cavity of the printed circuit board (PCB). The production of any components of IMT technology products has a lower cost compared to the manufacture of SMT products.
- 3 COB Technology (Chip on Board)** this technology is connected to the integrated circuit devices without the chassis (Bare IC) directly to the printed circuit board. This type of technology is popular for the product which is limited in the area of electronic product assembly. The COB technology enables lower production costs compared to the cost of producing integrated circuit devices with chassis (Package IC) which is a significant part of the higher prices. Moreover, the company also provides the gold wire bonding as an additional technology of aluminium wire bond.
- 4 Box build and system build** Our company has provided full services of back end operation to support a completed box build and/or system build. The dedicated lines are fully equipped with custom tools, functional testers as well as fully trained operators to match our products requirement and output.
- 5 Microelectronics Technology** are based on precision and accurate process i.e optical micro-packaging. The technology and know-how that obtained through process, production and equipment are transfer from our OEM customer. The special equipment is Photolithography machine, Wafer dicing, Thin film metallization Titanium(Ti), Platinum (Pt) and Gold(Au) and Gold wire bonding

The Company currently had a total capacity as follows:

Capacity* (Unit: dots per year)	2019	2020	2021
Bangkadi Plant			
• Capacity	9,515,576,780	9,515,576,780	9,393,582,206
• Utilization	7,158,114,873	7,576,302,232	7,678,314,095
Factory in Cambodia			
• Capacity	765,732,140	765,732,140	861,448,658
• Utilization	199,837,301	312,018,378	458,462,976
Factory in Europe			
• Capacity	442,625,118	443,411,628	442,998,636
• Utilization	298,500,118	314,969,579	309,558,336
Total			
• Capacity	10,723,934,038	10,724,720,548	10,698,029,500
• Utilization	7,656,452,292	8,203,290,189	8,446,335,407
The rate of capacity utilization	71%	76%	79%

Remark: * Capacity has been calculated from the working schedule of operators which are 6 days per week, 7 hours per shift and 3 shifts per day. Generally, production also needs operators to assemble products. Therefore, measuring the rate of capacity utilization above is only a measure of the capacity of the machines.

Product Testing

Prior to starting mass production, SVI performs test runs to ensure the quality of the products produced meet customers' requirements and approvals. Product testing helps minimize risks from technology transfers or test requirements.

Material Sourcing

Most of our major materials are imported from Europe, Singapore, Hong Kong, Japan and USA. SVI gives the highest attention to costs and delivery time when sourcing for raw materials. Since the Company has efficient materials management, we maintain a smooth production process to continually serve customers' orders.

SVI also has a strong strategy for the materials sourcing which applies to our international purchasing offices located in Denmark, Austria, China and Thailand. However, the materials purchasing functions are centralized in the Thailand office, where the lists of required materials are distributed to those selected suppliers and the final decision is made by the Headquarters with consideration to the cost, performance, and other conditions. We also have an e-bidding system in place. The company continually improves the material sourcing and procurement system both from overseas and local sources that are able to deliver at reasonable costs and ensure the quality of products.

Proportion of imported raw materials from abroad and purchases from domestic are as follows.

วัตถุดิบ	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
• Oversea Sources	7,985.52	94.61	8,278.27	91.83	10,788.52	92.82
• Local Sources	750.04	8.59	736.15	8.17	834.59	7.18
Total	8,735.56	100.00	9,014.42	100.00	11,623.11	100.00

There was no any distributor supplied more than 10% of total raw materials.

In addition, types of raw material used in 2021 can be classified as follows:

Materials	%
Integrated Circuit :IC	29.28
Module	8.81
LCD	6.49
Metal	6.10
Printed Circuit Board: PCB	5.93
Others	43.39

Assets for Operation

Property, plant and equipment of the company and subsidiaries.

As of December 31, 2021 and 2020, the Company and its subsidiaries had the following assets to operate the business as follows:

Type of property, plant and equipment	Details	Ownership Characteristics	Net Book Value (Million Baht)		Obligation
			2020	2021	
1. Land					
Chaengwattana Plant	21,400 sq.m., production and office space 9,700 sq.m.	own	171.70	171.70	None
Bangkadi Plant SVI 2A	20,400 sq.m., production and office space 12,500 sq.m.	own	39.55	39.55	None
Bangkadi Plant Head office	71,400 sq.m office space 17,000 sq.m.	own	218.62	218.62	None
Bangkadi Plant SVI 5, 2B and 2M	62,500 sq.m., production and office space 25,500 sq.m.	own	118.12	118.12	None
Austria Plant	16,397 sq.m., production and office space 8,150 sq.m.	own	36.09	37.09	Yes
Slovakia Plant	17,544 sq.m., production and office space 7,640 sq.m.	own	8.68	8.92	None
SVI (AEC) Cambodia	67,000 sq.m., production and office space 9,200 sq.m.	50 years Rent	89.63	97.49	None
Tohoku Solutions Plant	31,573 sq.m., production and office space 18,683 sq.m.	own	-	51.28	None
Total			683.39	741.77	
2. Buildings and building improvements and land			956.20	975.90	None
3. Machinery and equipment			493.47	528.25	None
4. Furniture, fixtures and office equipment			32.86	37.28	None
5. Vehicles			2.99	2.98	None
6. Construction and machinery under installation			77.39	244.02	None
Total property, plant and equipment			2,246.30	2,530.20	



The rental of land of SVI Public Company Limited

Tenant:	SVI Public Company Limited (Thailand).
Landlord:	Mr.Surinee Chanpaetruk.
Objective:	Renewal of the contract to rent the land, title deed No. 118489, land No. 3240, Tambol Bangtalad, Amphur Pakkred, Nonthaburi. The total land area is 575 sq. wah from the total area of land declared on title deed 2 rai 1 ngan 27 sq. wah, which is the space left from the rental of the land by Muang Thong Parking that rents the same piece of land under with the same title deed. This is to develop and improve the parking for the company's employees and visitors.
Rental Term:	1 year from June 1, 2021 to May 31, 2022.
Rental Rates:	Monthly Rental is Baht 33,157.89
Rental renewal:	1 year renewal can be processed by 30 days written notice by the tenant before expiry of the contract.
Termination:	Either party giving to the other 30 days writing notice intention of termination. In which, tenant will move out all tenant's assets and deliver the land back to the landlord without requesting a moving fee or any compensation costs from the landlord.

The rental of land of SVI Hungary KFT

Tenant:	SVI Hungary KFT
Landlord:	Seidel Hungária Ingatlankezel Kft
Objective:	The production and storage of electronic components.
Rental Term:	5 year from February 2016 to December 31, 2021.
Rental Rates:	Monthly Rental is Euro 11,900 per month, start March 2016. In February, rental fee is Euro 14,000 per month

Plant, Machinery and equipment



A Subsidiary has pledged all land and structures as collateral long-term loan bank.



As of December 31, 2021, the Company had intangible assets classified as customer base, in the amount of Baht 11.01 million, which is amortized for a period of 5-8 years. As of December 31, 2021 and 2020, the Company had intangible assets under software license, in the amount of Baht 43.23 Million and Baht 39.55 Million respectively, the computer software is amortized on a straight line method for a period of 5-10 years.

The details of Intangible Assets are presented in Note 18 of the Financial Statement

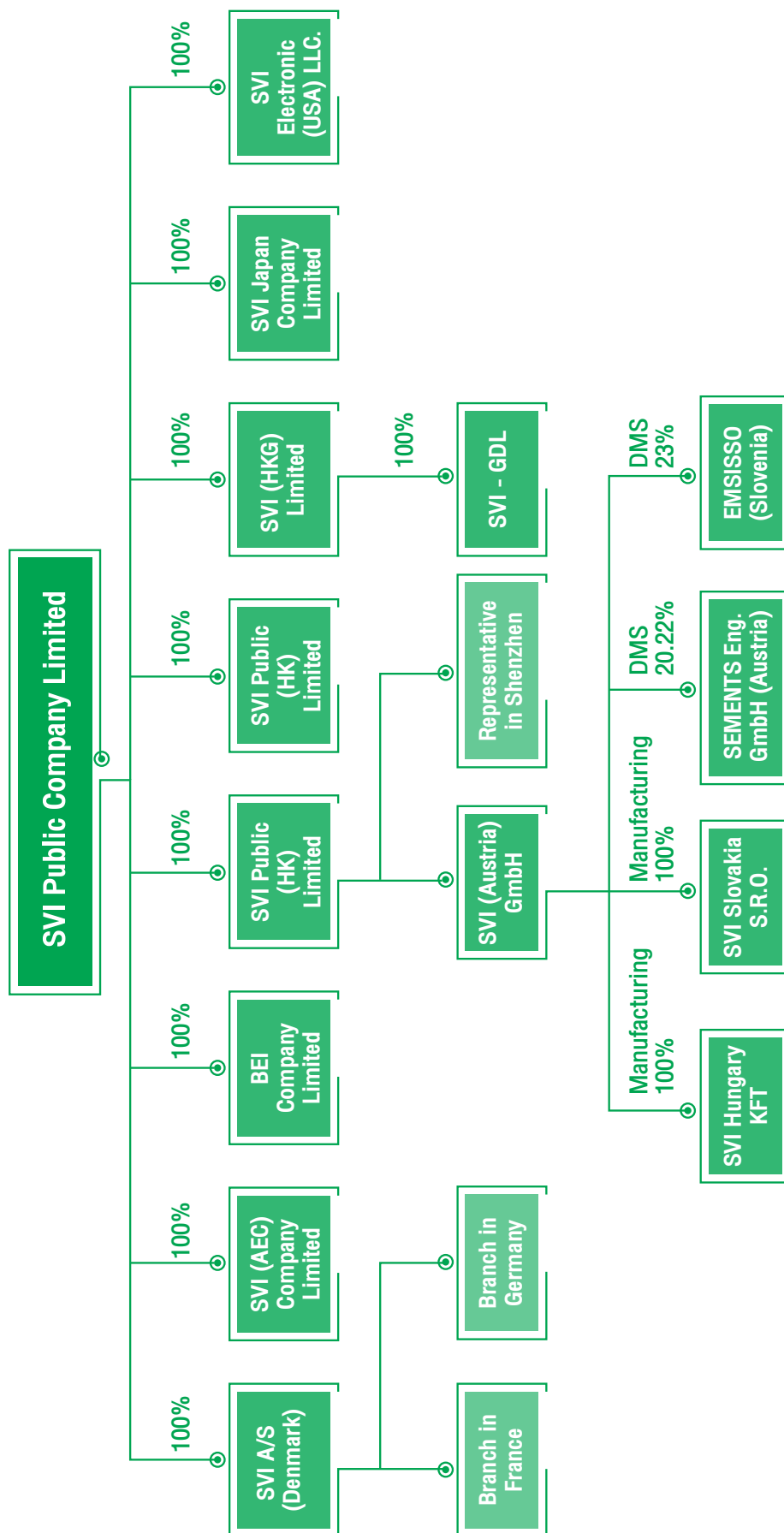
Investment Policy in associated companies.



The Company Financial Statement as of December 31, 2021 and 2020 reported an investment in subsidiaries, not included impairment, in the amount of Baht 638.03 Million and Baht 212.13 Million respectively, the details are as follows:

Company's name	Country of incorporation	Paid-up Share Capital	% of Shareholding	Cost Method (Million Baht)	
				2020	2021
SVI A/S	Denmark	DKK 500,000	100.00	3.27	3.27
SVI Public (HK) Limited	Hong Kong	HKD 36,945,910	100.00	174.14	174.14
SVI (AEC) Limited, Cambodia	Cambodia	USD 1,000,000	100.00	34.45	34.45
SVI Japan Company Limited	Japan	JPY 750,000	100.00	0.22	0.22
SVI (HKG) Limited	Hong Kong	HKD 10,000	100.00	0.04	0.04
SVI Electronics (USA) LLC.	Austria	USD 1,000	100.00	-	-
BEI Co., Ltd	Thai	THB 2,500,000	100.00	-	2.50
Tohoku Solutions Co. Ltd.	Thai	THB 350,000,000	100.00	-	423.40

The Company and its subsidiaries' have an investment policy to invest in businesses that are related to the company business. This is to support and expand the core business of the company and its subsidiaries. Regarding the management of subsidiaries, the company monitors and follows up on their performance regularly and provides the direction for operations, including the appointment of company's representatives as directors or the management teams of all subsidiaries.



Remark: (1) BEI Company Limited and Tohoku Solutions Co., Ltd. are held by SVI Public (HK) Limited 1 share and SVI (HKG) Limited 1 share.

Subsidiaries and Overseas Offices, which hold more than 10% shares

SVI Public (HK) Limited

Company Name	SVI Public (HK) Limited
Headquarters address	Room H,17/F, Reason Group Tower, 403-413 Castle Peak Road, Kwai Chung, Hong Kong
Type of business	Materials Sourcing
Registration number	1107198
Telephone number	(852) 2 374 1213
Fax Number	(852) 2 374 1212
Website	http://www.svi-hq.com
Registered Capital	36,942,910.00 Hong Kong Dollar
Paid – Up Capital	36,942,910.00 Hong Kong Dollar
Common Stock	36,942,910 shares, Par Value 1 Hong Kong Dollar

SVI A/S (Denmark)

Company Name	SVI A/S (Denmark)
Headquarters address	Stamholmen 173 2650 Hvidovre Denmark
Type of Business	Sales office and Materials Sourcing
Registration number	30722914
Telephone number	(45) 3 634 4600
Website	http://www.svi-hq.com
Registered Capital	500,000.00 Krone Denmark
Paid – Up Capital	500,000.00 Krone Denmark
Common Stock	500 shares, par Value 1,000.00 Krone Denmark

SVI (AEC) Company Limited,

Company Name	SVI (AEC) Company Limited
Headquarters address	Phnom Penh Special Economic Zone Kantok, Phleung Chheh Roteh, Beong Thum Commune, Khan Por Senchey Phnom Penh, Cambodia
Type of Business	Full turnkey Electronics Manufacturing Services (EMS) Company, providing comprehensive services primarily to Original Equipment Manufacturers (OEMs) with the main customers in Europe, USA and other regions
Registration number	Inv. 3068 E/2015
Telephone number	+85523934777
Website	http://www.svi-hq.com
Registered Capital	1,000,000.00 US\$
Paid – Up Capital	1,000,000.00 US\$
Common Stock	2,000 shares par Value 500.00 US\$

SVI (Austria) GmbH

Company Name	SVI (Austria) GmbH
Headquarters address	Frauentaler Strasse 100, A-8530 Deutschlandsberg, Austria
Type of Business	Holding Company and/or assembly of electronics product, computer and printing circuit board, including relevant spare parts and tooling. Sourcing and Procurement of electronics parts. Designing of electronics product. Trading and exporting electronics product.
Registration number	441556 y
Telephone number	+45 3634 4600
Website	http://www.svi-hq.com
Registered Capital	4,401,000 EUR
Paid – Up Capital	4,401,000 EUR

SVI Hungary KFT

Company Name	SVI Hungary KFT
Headquarters address	Ipari park hrsz 5749/2, H/8400 Ajka, Hungary
Type of Business	The assembly of electronics product, computer and printing circuit board, including relevant spare parts and tooling. Sourcing and Procurement of electronics parts. Designing of electronics product. Trading and exporting electronics product.
Registration number	19-09-507646
Telephone number	+45 3634 4600
Website	http://www.svi-hq.com
Registered Capital	37,500.00 EUR
Paid – Up Capital	37,500.00 EUR

SVI Slovakia S.R.O.

Company Name	SVI Slovakia S.R.O.
Headquarters address	Vysne Febriky 739, SK-033 01 Liptovsky Hradok, Slovakia
Type of Business	The assembly of electronics product, computer and printing circuit board, including relevant spare parts and tooling. Sourcing and Procurement of electronics parts. Designing of electronics product. Trading and exporting electronics product.
Registration number	36 402 141
Telephone number	+45 3634 4600
Website	http://www.svi-hq.com
Registered Capital	132,776.00 EUR
Paid – Up Capital	132,776.00 EUR

SVI Electronics (USA) LLC

Company Name	SVI Electronics (USA) LLC
Headquarters address	PO Box 770, Webster, NY 14580, United States
Type of Business	Sale Support and Procurement
Website	http://www.svi-hq.com
Registered Capital	1,000 เหรียญสหรัฐ
Paid – Up Capital	1,000 เหรียญสหรัฐ

Sementis Engineering GmbH (Austria)

Company Name	Sementis Engineering GmbH (Austria)
Headquarters address	Industriestrasse 1, 2100 Korneuburg, Austria
Type of Business	Product Design and Development
Registration number	308 673 g
Telephone number	+43(0) 2262 62511
Website	www.sementis.at

EMSISO d.o.o (Slovenia)

Company Name	EMSISO d.o.o (Slovenia)
Headquarters address	Pesnica PRI Maribora 20a, 2211 Pesnica PRI Maribora, Slovenia
Type of Business	Product Design and Development
Registration number	2160587
Telephone number	+386 2 46 12 907
Website	www.emsiso.com

SVI Japan Company Limited

Company Name	SVI Japan Company Limited
Headquarters address	5F, Ochanomizu Oyaide Bldg., 1-9-5 Yushima, Bunkyo-ku, Tokyo
Type of Business	Sale Support and Procurement
Registration number	0100 – 01 - 192238
Telephone number	+81-3-4540-6404
Website	www.svi-hq.com

SVI (HKG) limited

Company Name	SVI (HKG) limited
Headquarters address	Room 337, 3/F South China CS BLDG., 13-17 Wah Sing Street, Kai Chung New Territories, Hong Kong
Type of Business	Purchasing raw material
Registration number	2825838
Telephone number	(852) 2 374 1213
Website	www.svi-hq.com

SVI – GDL

Company name	SVI GDL
Address	Guadalajara, Jalisco, Mexico
Type of Business	Producing materials relating to the electronic and computer manufacturing industry
Website	www.svi-hq.com

Tohoku Solutions Co., Ltd

Company Name	Tohoku Solutions Co., Ltd.
Headquarters address	1/50 Moo 5, Rojana Industrial Park, Khanham, Uthai, Ayutthaya 13210 Thailand
Branch address	1/93 Moo 5, Rojana Industrial Park Village, Khanham, Uthai, Ayutthaya 13210 Thailand
Type of Business	Producing materials relating to the electronic and computer manufacturing industry
Registration number	0105538047554
Telephone number	(66) 3 5330 990
Website	www.svi-hq.com
Registered Capital	350,000,000.00 Baht
Paid – Up Capital	350,000,000.00 Baht

BEI Co., Ltd

Company Name	BEI Co., Ltd.
Headquarters address	141-142 Moo 5, Tiwanon Rd., Bangkadi, Muang, Pathumthani 12000 Thailand
Type of Business	Purchasing raw material
Registration number	0135564019325
Telephone number	(66) 2 105 0456
Website	Website: www.svi-hq.com
Registered Capital	10,000,000.00 Baht
Paid – Up Capital	2,500,000.00 Baht

Financial Structure

Capital as of December 31, 2021

Registered capital:	2,170,616,326 Baht
Common Stock	2,170,616,326 shares (1 Baht per share)
Paid – Up capital:	2,170,616,326 Baht
Common Stock	2,170,616,326 shares (1 Baht per share)

Shareholders

List of top 10 major shareholders of the Company on the closing of registration book as of December 31, 2021 were as follows:

	List of Shareholders	Number of Shares	% of total number of Share
1	Mr. Pongsak Lothongkam Group*	1,745,697,132	80.42%
2	Thai NVDR Company Limited	88,090,365	4.058%
3	Mr. Prasit Rakthaisaentawee	23,011,100	1.060%
4	Mr. Anucha Kijdhanamongkolchai	22,200,000	1.023%
5	SVI Public Co., Ltd.**	17,406,300	0.802%
6	UBS AG SINGAPORE BRANCH	13,228,571	0.609%
7	Mr. Theerachai Keeratitechakorn	12,144,100	0.559%
8	Mr. Viroj Kosolthanawong	11,000,000	0.507%
9	Miss Anjna Phinichkusolchit	9,300,000	0.428%
10	Mr. Anan Sirihorachai	8,300,000	0.382%

Remark: * Mr. Pongsak Lothongkam Group consisted of (1) Mr. Pongsak Lothongkam held 1,578,944,732 shares in his own name and 166,752,400 shares through a custodian called UBS AG SINGAPORE BRANCH.

** All shares were treasury stock.

Person with a potential conflict of interest



- None -

Dividend Payment Policy



To pay dividend at least 30% of consolidated net profit after deduction of all reserves required by law and the company. However, it's dependent on the operating performance, cash flow, investment plans, financial status, restriction of laws and other considerations as deemed appropriate for the company and subsidiaries. The payment of dividend is subject to final approval from the shareholders.

Below table shows the Company's dividend payment in the past five years.

Year	Net profit (Baht per Share) ¹	Dividend Payment (Baht per Share)	Dividend per Net Profit (per share) (%) ¹
2017	0.23	0.0830	35.42%
2018	0.34	0.1100	24.24%
2019	0.15	1.9282	1,362.66%
2020	0.32	0.1100	33.90%
2021	0.61	0.2300	37.55%

Remark: 1 Calculated on the Company's net profit.

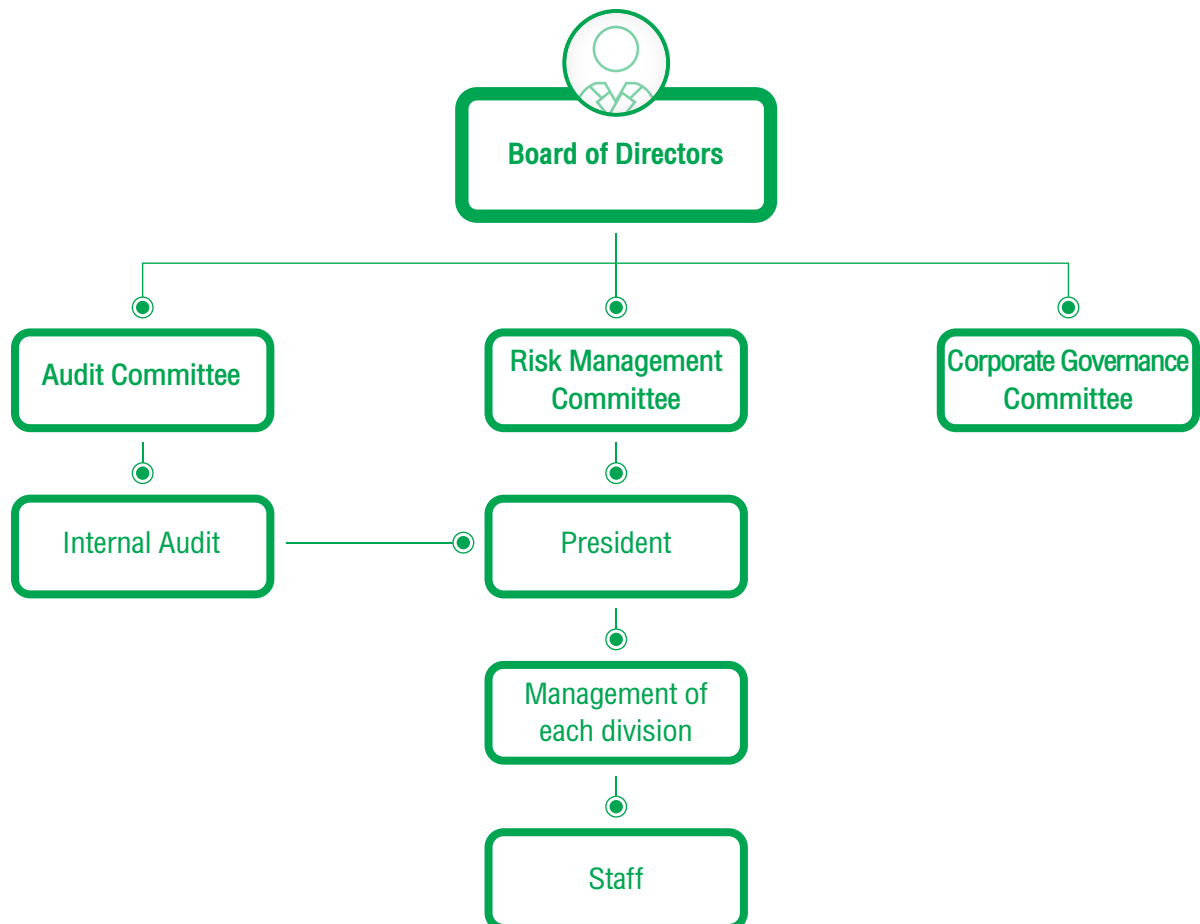
Risk Management

2.1 Policy and Risk Management Plan

SVI recognizes the importance of risk management that may arise from both internal and external factors. Our risk management policies have been applied according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO ERM) as a framework for assessing, monitoring, and auditing risk from internal and external factors. In addition, the company has been focusing on creating an organizational culture that is aware of risks for all employees to have a sense of ownership in how to observe, control and limit risks. The audit committee, Corporate Governance Committee and Risk Management Committee are responsible for controlling and managing risks. Moreover, SVI has hired Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. to perform an internal audit and follow up on the internal audit results of the company regularly.

(More information can be found in the section of Internal Control and Related Transactions)

Risk Management Framework



Audit Committee

The Audit Committee is responsible for performing an investigation of financial and accounting reports, internal control and audit systems, as well as risk management systems, to ensure that they comply with the latest local and international standards. The Internal Audit is responsible for verifying and investigating operating practices to ensure they are ethically on track and according to the law, practices, and internal policies regulated by Compliance Unit.

Risk Management Committee

The Risk Management Committee is responsible for controlling and managing existing risks and new potential risks to an acceptable level. In addition, the Risk Management Committee is responsible for monitoring and regularly reviewing the organization's risks.

The Committee consists of senior management from each division who have been directly engaging the risk issues in their departments. Therefore, all in-house risks are presented, assessed, so that a proper risk management plan can be set up and followed by this committee.

Corporate Governance Committee

The Corporate Governance Committee is responsible for supervising the operations of the company to be by the principles of good corporate governance including following up on new regulations, requirements or laws related to corporate governance such as the Corporate Governance Report of Thai Listed Companies (CGR) to communicate with relevant departments to improve and develop the policy.



The Chairman of each Committee is an Independent Director, whose qualifications, knowledge, ability and independence by the principles of good corporate governance ensures that the Company's risk management structure is effective and transparent. Moreover, all Independent Directors are a part of the Board of Directors therefore, the key risk issues including risk management are reported to the Board of Directors

2.2 Risk factors on business operation

Risk Assessment

Some potential risks could affect SVI's business. The actions listed below are to minimize exposure to those risks.

1

Operational Risks

1.1 Risk on Materials supplied

SVI realizes that Supply Chain Management is critical to a successful business. The Company is aware of and focuses on material issues to ensure competitive pricing, quality, delivery and service from our supply base. Although there may be some instances that affect the electronics industry in or outside of Thailand, the Company regularly reviews our prevention plan and strategy to avoid any negative effects to the material requirements of the Company. SVI implements several methods to minimize these risks. We closely monitor the market of materials supply and related issues to see where a potential problem may occur. Also, SVI works proactively with key suppliers to implement new techniques and advanced systems in managing material supply productively such as the VMI (Vendor Managed Inventory) program and providing forecasts to ensure suppliers prepare products ahead of required dates. In addition, the Company is still developing an IT system to increase the efficiency of the delivery of orders and product demand information. The supplier can use this information to help in planning and delivering material to the company effectively. VPA (Volume Price Agreement) technique has been applied for a better pricing model which can help the Company in cost reductions. In addition, we establish effective communication systems with suppliers to obtain all materials-related information accurately and in a timely order. This helps us determine the potential risk and prepare contingency plans. Furthermore, the Company and its overseas sourcing offices in Denmark, Austria and China connect directly with approved manufacturers to develop key components or parts together. This advantage provides better service to support our production lines.

1.2 Risk from dependency on a major product segment or customer

SVI product category contains a wide range of market segments per table.

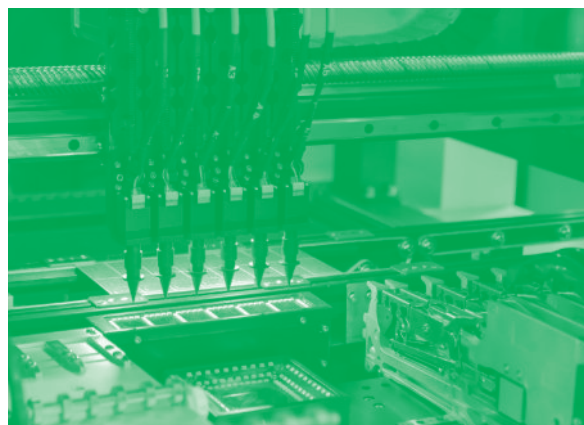
Type of Industrial	Contribution		
	Year 2019	Year 2020	Year 2021
INDUSTRIAL CONTROL	24.85%	24.32%	29.71%
AUTOMOTIVE AND TRANSPORTATION	9.97%	8.73%	9.24%
MEDICAL LABORATORY EQUIPMENT	8.49%	8.01%	7.05%
COMMUNICATION & NETWORK SYSTEM	34.80%	33.31%	34.01%
PROFESSIONAL AUDIO AND VIDEO SYSTEM	6.71%	3.65%	3.83%
PHOTONICS & LIGHTING	3.96%	1.57%	1.53%
CLEAN ENERGY	2.67%	3.33%	2.09%
MICROELECTRONICS	3.19%	11.54%	7.98%
VERTICAL INTEGRATION	5.35%	5.55%	4.56%
Grand Total	100%	100%	100%

Due to the high proportion of revenue generated from Communication and Network System and Industrial Control product category, including most of our customers are located in Scandinavian, therefore there are risks associated with declining demand or changing features of products, change of trade policies, or an economic recession in the Scandinavian market. However, the demand in these categories has less fluctuation. The Company also closely monitors the market situation and regulatory requirements and constantly adjusts its production to comply with the laws issued by the EU Committee i.e. the ROHS (Restriction of Hazardous Substances) standard, an EU-Directive in hazardous materials used in electrical and electronic products. Moreover, SVI expanded its production capacity by investing in its plants at Bangkadi, Cambodia and Europe to support the customers' orders from the Scandinavian market and other regions as well as to diversify our source of revenue.

2 Technology Risks

To sustain our customer base in the high-tech market sector, SVI must demonstrate its ability to produce products to the customer's required level of technology. SVI prides itself in its technological expertise and remains a leader by:

- Participating in the world-class organization for standards: IPC, The Association Connecting Electronics Industries.
- Regularly reviewing and participating in conferences and technical training from world-class manufacturers /suppliers for the technology of automation machinery, materials, and processes.
- Developing our company's R&D team and participating with the customers' R&D at the early phase of design with NPI and our R&D organization. Participating and utilizing the R&D service from NSTDA (National Science and Technology Development Agency) and Academic Institute for improvement on efficiency and R&D as required.



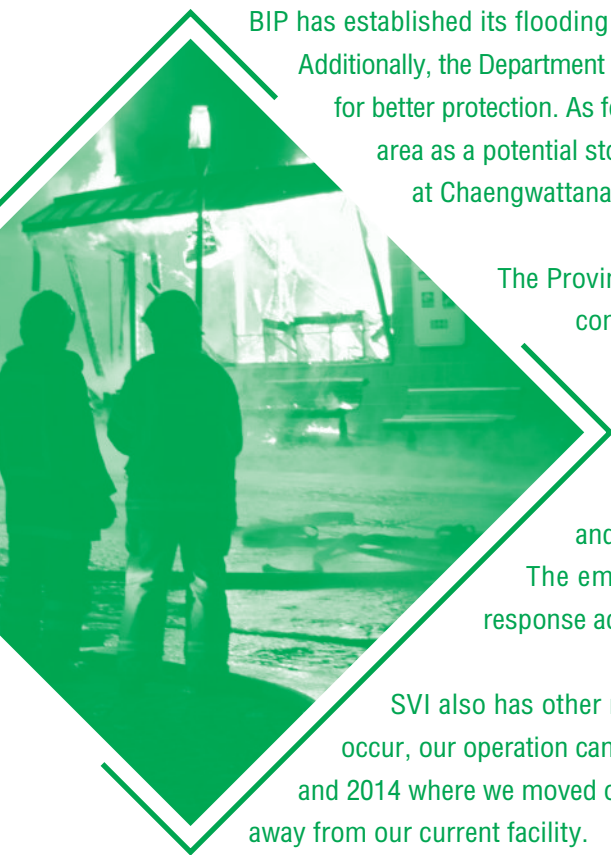
3 Financial Risks

Since the Company's major revenues and costs are in foreign currencies, the US Dollar is the main currency for both revenues and expenditures. The fluctuation of the exchange rate can affect our revenues and the cost of sales which contributes to the gains or losses from the exchange rates based on accounting transactions. The revenue of the Thailand group derived from USD and Euro accounted for 97 % and 3% of total revenue in 2021 respectively, whereas the material costs purchased in the USD were approximately 79% of the total cost of sales. The revenue of the Europe group derived from Euro and USD accounted for 97 % and 3% of total revenue in 2021 respectively, whereas the material costs purchased in the EUR were approximately 70% of the total cost of sales. Thus, SVI's exchange rate risk was minimized by a natural hedge. Additionally, SVI reduced the exchange rate risk of excess exposure with the purchase of Forward Exchange Contracts that are sufficient for "Thai Baht" requirements, which is an effective tool in minimizing risks of exchange rate fluctuation.



4 Disaster Risks

A Disaster is a factor that may interrupt the Company's business operations. It could be from flood, storm, fire, earthquake, tsunami, landslide, etc., which can impact the Company's business by losing customers to competitors due to capacity disrupted during the recovery period. To reduce the risk of flooding at BIP where SVI's headquarters is located, BIP has established its flooding protection project by building 5-meters-tall dikes around the BIP premises. Additionally, the Department of Highway has been raising the road in front of BIP at additional 60 centimeters for better protection. As for the Company itself, we have constructed the second floor in the Productions area as a potential storage place for machines, tools and pieces of equipment. Meanwhile, the plant at Chaengwattana, Nonthaburi has been renovated to be a backup plant.



The Provincial Electricity Authority (PEA), which currently distributes electricity to the companies at BIP, has built a new building on the high filling land and changed its system to Gas Insulated Switchgear (GIS) that is installed inside the building which results in better electricity distribution.

We have reviewed and installed fire prevention systems both in the building and production process where the systems are based on world-class standards. The emergency management system has been improved for quick and on-time response accordingly.

SVI also has other manufacturing facilities within proximity whereby if a natural disaster does occur, our operation can be moved swiftly. This has happened during a flood and fire incident in 2011 and 2014 where we moved our operation to our facility in Chaengwattana Plant, located about 30 minutes away from our current facility.

5 COVID-19 Pandemic Risk

COVID-19 pandemic has significantly impacted many areas from the overview as macroeconomic to household consumption and debt level. For SVI, the company is deeply concerned about the health of all employees as they are all very important people for business continuity. Therefore, the Company has the following measures:

- Implemented social distancing policy at work.
- Set up temperature checkpoints.
- Implemented strict cleaning & disinfecting procedures.
- Implemented work from home policy to reduce congestion in the workplace.
- Provided vaccination for all employees.
- Having Antigen Test Kit (ATK) test for new employees and randomly checking current employees every week.



6 Climate Change Risk

Nowadays, rapid climate change has resulted in frequent natural disasters that damage households and businesses which directly obstruct economic development. The effect of the change is exacerbated by the dramatic increase in greenhouse gas emissions from economic activities, especially in production and consumption, which are activities that everyone in society must be responsible for.

The Company is aware of balancing sustainability between creating economic growth along with reducing the impact on the environment. The company focuses on the cost-effective use of resources to generate economic returns while taking in regard the environmental impacts.

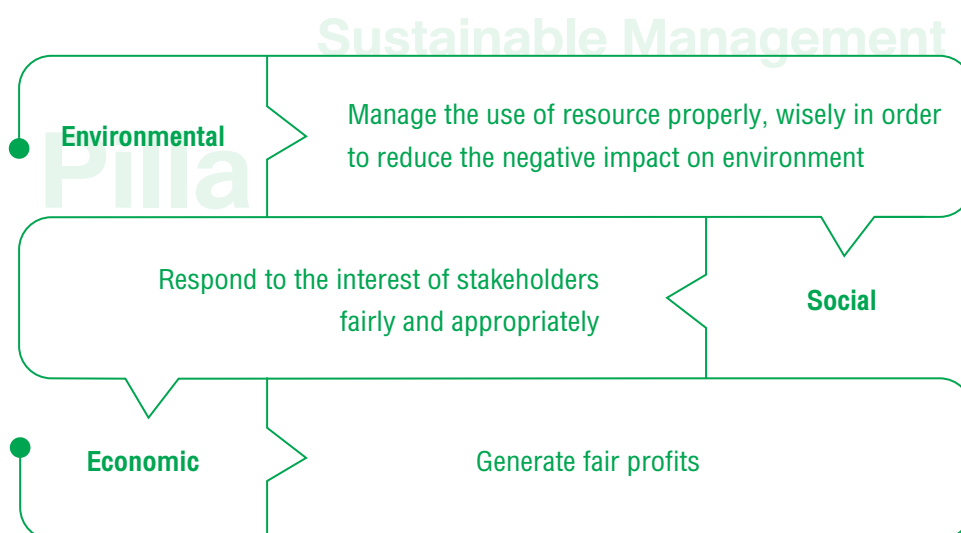
Please find the Company's operating result regarding the environment in the Business Suitability section (topic: Environment Operating Result).

Business Sustainability Development

3.1 Policy and objectives of sustainable management

Nowadays we're facing various, complex, and severe sustainability challenges which has a wide impact in many ways. Ignoring sustainability issues in one dimension will always have a negative impact on sustainability in other dimensions, and will eventually impact to society as a whole. Therefore, the company realized that traditional business goal which is profit-based goal were not sufficient to cope with this challenge.

SVI Company and its affiliate as a leading Electronic Manufacturing Service are committed to doing our part to make the world a better place. Therefore, sustainability management policies and goals have been formulated, divided into 3 areas according to the Three Pillars of Corporate Sustainability as follows:



In addition, the company has been focusing on good corporate governance to ensure that the three pillars of the sustainability dimension remain stable.

The Company adhered to the Sustainable Development Goals (SDGs) of the United Nations for the implementation of policies and goals in the management of sustainability in all 3 areas as follows:



3.2 Management of impacts on stakeholders in the business value chain

Business value chain

Sourcing	● Purchasing the raw materials mainly from abroad by having a material procurement office located in Denmark, the Republic of Austria and the People's Republic of China while the central purchasing office is located in Thailand. Thailand Office will be responsible for preparing the list of parts and raw materials needed for various projects. ● The decision to choose raw materials depends on the conditions, prices and qualifications and performance of the seller. ● Moreover, the Company has arranged material price bidding through the online system. ● Environmental concerns and the standard of the supplier are some of the key considerations to the Company.
Operation	● Continuing the development of quality and production capability to keep up with the transformation of the technology enables SVI to fulfill customers' requirements. ● Before starting mass production, SVI performs test runs to ensure the quality of the products produced to meet customers' requirements and approvals. ● Supporting in test-equipment development to test finished products and ensure the quality of the products before delivering.
Products and Service development	● Deliver products with good quality standards promptly and according to the agreement.
Marketing and Selling	● The company is focusing on high-value-added products, such as niche products and industrial control systems. Particularly, the product features require highly specialized labor as well as advanced production technology processes. The products also have a long lifecycle. The Company does not focus on electronics consumer products such as mobile phones that are less value-added and are characterized by a short lifecycle. ● A customer satisfaction survey is conducted on 6 main topics which are quality, delivery, management, innovation, and price. The results will be used to improve various processes to meet the needs of customers.
After-sales service	● Having direct channels to receive feedback from the customers. ● Building good relationships between the customer and the company.

Analysis of stakeholders in the business value chain

Stakeholder Group	Expectation	Our actions	Channel and frequency
Internal Stakeholders			
Shareholder	❖ Good operating results with sustainable business growth. ❖ Appropriate share price and dividend payment ❖ Good corporate governance ❖ Equal access to information that SVI discloses in an accurate and timely manner	❖ Implement strategic plans and business goals that are in line with business growth trends ❖ Business expansion with new business development aiming for creating sustainable revenue and business. ❖ Dividend policy is set at not less than 30% of the net profits. ❖ 2021 CGR score at 91% (excellent) ❖ The Company discloses all information in a fair, transparent and timely manner according to relevant regulations.	❖ Shareholders' meeting and Analyst Meeting ❖ Annual Report ❖ Investor Relations page on the Company's website (https://investor.svi-hq.com/) ❖ Investor relations email (ir@svi.co.th)
Employee	❖ Fair and adequate compensation and benefit ❖ Career advancement ❖ Knowledge Development ❖ Good working environment	❖ Regularly review compensation and benefit ❖ Regularly communicate the internal news and activities to the employee ❖ Having whistleblowing channels ❖ Annual performance evaluation ❖ Training sessions for career development ❖ Support the improvement of Occupational Health, Safety and the Environment to create a better working environment.	❖ Staff meeting and department meeting including welfare committee ❖ Internal communication ❖ Whistleblowing ❖ Company's website

Stakeholder Group	Expectation	Our actions	Channel and frequency
External Stakeholders			
Customers/ Consumers	❖ Deliver products with quality standards according to the agreement ❖ Having a manufacturing process that complies with safety and environmental standards. ❖ Innovation capability ❖ Customers' confidentiality	❖ Customer satisfaction results in 2021 are 79%. ❖ Having safety and environmental procedures according to the relevant regulations. ❖ Research and development on the manufacturing processes and products to catch up with the technological changes.	❖ Customer satisfaction survey ❖ Customer Service Center ❖ Other communication channels.
Partners	❖ Good faith partnership ❖ Conduct business with honesty, transparency, fairness and professionalism ❖ Strong financial status with punctual payment ❖ Occupational Health, Safety and the Environment care ❖ Reputation and credibility of the Company	❖ Negotiating with partners for both satisfied and mutual benefit. ❖ Supplier assessment. ❖ Having safety and environmental training for partners to understand the procedure.	❖ Annual partners meeting ❖ Regular follow-up meeting
Communities/ Society	❖ Conduct business in a way that does not harm the environment or endangers the community or society. ❖ Conduct business according to the relevant law and the principles of good corporate governance	❖ Avoiding any business activity that may hurt communities and society ❖ Comply with the relevant law and the principles of good corporate governance	❖ Conduct communication via the Company's website, email, telephone and others. ❖ Company visits ❖ CSR Activities ❖ Contact at the Company
Government	❖ Conduct business according to the relevant law and the principles of good corporate governance	❖ Comply with the relevant law and the principles of good corporate governance ❖ Regularly follow up on news and information disseminated from government and regulatory agencies.	❖ Government and regulators' website. ❖ Other communication channels.

You can find out more information from the Good Corporate Governance Handbook which is published in the Investor Relations section on the Company's website (<https://investor.svi-hq.com/cg.html>)

3.3 Management of Environmental Sustainability

Environmental Policy and guidelines

SVI has disclosed its Occupational Safety, Health & Environmental policy on the Company's website in the section of Investor Relations of which the policy can be summarized as follow:

"SVI Group is intensely committed to complying with all relevant local & National Occupational Safety, Health & Environmental law, regulations and applicable legal requirements. Besides, the Group will utilize natural resources for the maximum benefit and will avoid any creation of negative externalities to the environment."

In addition, SVI Group also supports and encourages all employees to be responsible for Occupational Safety, Health & Environmental and be ready to preserve the environment both now and in the future.



Environmental Operating Results

In 2021, SVI has the following environmental operating results:

1

SVI has installed solar panels on the rooftop at Building 2A, Parking Lot 2A and SVI5 building since 2019 in which the solar panels have been working efficiently and helping the Company to save electricity. In 2021, the solar panels could produce 1,161 MWh of electricity or around 5% of total electricity usage in the Bangkadi Plant.

Moreover, in 2021 the Company has installed Variable Speed Drives (VSD) to conserve electrical energy at water chillers and equipment by installing at Chiller Pump at SVI5 and Air Handling Unit at SVI2M as well as 2B resulting in electricity saving of around 20,000 kWh per month.

SVI has assessed the efficiency of electricity usage ratio by the below calculation

$$\text{Efficiency of electricity usage ratio} = \frac{\text{Yearly electricity bill}}{\text{Net income after direct material cost}}$$

2021 ratio was at 2.62% which has significantly decreased from 2020 and 2021 at 3.21% and 3.68% respectively. The decrease in such a ratio represents the more efficient SVI usage of electricity to generate higher revenue.

2

The Company has operational guidelines to save water and preserve the environment. The wastewater is treated at 80% of the total wastewater volume. In 2021, the Company's total water consumption was 183,121 cubic meters, a decrease of 21,925 cubic meters or 11% compared to the previous year.

3

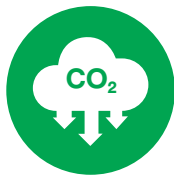
The Company operated the business according to the environmental laws. The expert will analyze the quality of wastewater inside the Company. After conducting an analysis comparing to the standard announced by the Ministry of Science Technology and Environment No. 3 (1996), and the standard announced by the Ministry of Industry No. 2 (1996), it showed that all the parameters are in accordance with the standard.

4

The Company controls materials waste from production processes by assigning companies, licensed by The Department of Industrial Works, Ministry of Industry, to be responsible for all solid waste. Moreover, SVI constructed vapor ducts at soldering stations to separate gas and contamination particles by using Wet Scrubbers to ensure only clean air is released back into the atmosphere. All in all, SVI has not seen any substantial expense or conflicts on any environmental issues.

5

The installation of solar panels not only saves electricity usage but also reduces carbon dioxide emissions. In 2021, the company has been able to reduce more than 1,200 tons of carbon dioxide emissions. The company is very proud to take part in reducing global warming and will continue to do so in the years to come.



Environmental Benefits ?	
	CO2 Emission Saved 435,106.5 kg
	Equivalent Trees Planted 12,986.6

Environmental Benefits ?	
	CO2 Emission Saved 813,985.75 kg
	Equivalent Trees Planted 24,294.98

6

SVI has been certified by the International Standard for Environmental Management Systems or ISO 14001 since 2002 which provides practical tools for the Company to manage not only its environmental responsibilities but also the business development by focusing on pollution prevention and environmental protection to overall help reduce the environmental impact as well as to reduce operating costs of the business.

7

The Company has implemented the wastewater management project by using the uncontaminated wastewater that was used to support the production activities such as wastewater from Cooling Tower and Air Handling Unit to fill in the pond reserved for watering the trees around the factory. As a result of having such a project, it can save about 6,400 cubic meters of water per year.



8

The company has participated and passed “Circular Economy training” on how to apply the circular economy system in the industrial factory. This project focuses on the development of product manufacturing processes and management to operate the business socially and environmentally friendly as well as to have more efficiency in resource usage management.



9

Green Industry: The Company has been developing to be a green industry according to the project of the Ministry of Industry. This project will continuously develop to show, directly or indirectly, the responsibility of the Company to the social and environmental and supply chain. The company is committed to maintain and develop its environmental systems in order to pass the green industry certification at a higher level



Currently the company is in the process of collecting relevant data for calculation of greenhouse gas emissions which is to be disclosed in the Company's annual report on the following year.

3.4 Social sustainability management

Social policy and guidelines

The Company believes that the stable and sustainable success of our business depends upon the overall organization management capability. Ethical business practices as a part of good corporate governance are important in doing business. Social responsibility is the other area that we focus on and value when working with stakeholders such as shareholders, employees, customers, vendors, society, government agencies to protect the rights of all parties. Additionally, we encourage our people to participate or get involved in social responsibility activities including environmental protection. We apply all of the 8 CRS principles of the Stock Exchange of Thailand in our practices as follows:

- 1** *Fair business operations*
- 2** *Anti-Corruption*
- 3** *Respect for human rights*
- 4** *Employee fair treatment*
- 5** *Responsibility to consumers*
- 6** *Environmental care*
- 7** *Development of community and society*
- 8** *Innovation and its sharing of society, environmental and stakeholder responsibility*

The full Social policy and guidelines are disclosed on the Company's website (www.svi-hq.com) under Investor Relations section.

Compliance with the Corporate Social Responsible Principles:

In 2021, The Board of Directors fully applied the 8 principles as the Company's direction for our business operations. This contributes to creating trust and accountability for maintaining the rights and protecting the interests of stakeholders and society. Giving all stakeholders a chance to participate in business operations is considered a part of corporate governance practices.

Social operating results

The Company has been continually operating the business to respond to the expectation of each stakeholder appropriately and has these following actions:

2021 Customer's Satisfaction Survey



The Company will conduct a customer satisfaction survey annually to evaluate the performance of the company in 6 main topics including quality, delivery, management, innovation, and price. The survey results will be used to improve various processes to meet the needs of customers.

Customer Satisfaction	2019	2020	2021
Product Quality	81%	78%	78%
On-time delivery and Quantity	74%	71%	64%
Problem Solving	86%	82%	85%
Responsiveness	92%	86%	85%
Communication	89%	84%	85%
General; price, technology, manufacturing capacity etc.	90%	80%	75%
Total Customer Satisfaction (%)	85%	80%	79%

2021 Customer Satisfaction Survey found that the overall average percentage of satisfaction was slightly lower than in 2020, with the delivery segment having the greatest decrease in satisfaction. The shortage of raw materials, which is a problem that occurs throughout the industry lead to this. However, in 2021, the Company received an increased satisfaction rating in problem solving and communication due to the adjustment of work processes to cope with the challenges of the communicable disease situation with COVID.

The Company is committed to continuously improving customer satisfaction and has taken several steps in that direction, for example the re-organization of the roles and responsibilities in the business units, with the ultimate goal of increasing transparency and velocity of decision making to improve the service levels of the Company.

Responsibility to Consumers



The company realizes that its products, service, quality standards, consumer safety, reasonable price, compliance to the regulations of law, will affect the company's competitiveness in doing business, in a free trade environment on the world stage and ensure its sustainability.

To ensure that our products will perform according to products' specifications, the Company is highly determined to abide by the international quality standards as per below:

1

Quality standards and patents for quality management

- ISO 9001:2015 Quality Management System
- IATF 16949:2016 Quality Management System for Automotive
- ISO 13485:2016 Quality management system for Medical Devices
- EN 9100:2018 (AS9100D) Quality management system for Aviation, Space, and Defense
- ISO 14001:2015 Environmental Management System
- ISO 45001:2018 Occupational Health and Safety Management System

2

Quality standards and patents for quality management for certified products.

- Underwriters Laboratories Inc. (UL)
- Canadian Standards Association (CSA)
- ETL
- China Compulsory Certification (CCC)
- ATEX Directive 2014/34EU

In addition, the company has arranged a "Quarterly Management Review" on a semiannual basis with the aim to report the management and staff of the company's business plan and objectives, and review for the operating plan.

2

Employees

Employment

The Company adheres to the Human Rights principle including gender equality. As of December 2021, the Company has employed a total of 3,237 employees, consisting of 2,180 female employees and 1,057 male employees, details are as follows:

Detail	Number of Employees	
	Male	Female
Full-time Employee	489	436
Daily Employee	563	1,739
Employee with disability	5	5
Total	1,057	2,180

The Company upholds and complies with human rights principles as well as principles in other areas. All employees are treated equally through a policy of non-discrimination for employment, compensation, career advancement, training and development without distinction of gender, age, educational institution, race and religion. The Company also supports the employment of disadvantaged groups, including the disabled. As of December 31, 2021, the Company has employed a total of 10 disabled employees, out of which 7 are daily employees and 3 are full-time employees.

In addition, our compensation policy is fair and reasonable according to employees' capability by considering the packages with the same industry and in accordance with their position, experience and their performance in the Company as well as the economic situation. Our compensation policy is set in accordance with the Labor Protection Law and Labor Standard Regulations and other related.



The Company concentrates on complying with Occupational Health & Safety and Environmental Policy. The Company has been continuously certified TIS/OHSAS 18001 from 2011 to 2018. The Company has also been certified by ISO 45001 in 2019 which is standard in environmental management and business development. This standard is focused on the protection of accidents which is essential to reduce impact to employees, counterparties, contractors, society and public areas as well as to reduce production costs. The Company has also complied with the above security management standards and regulations by having continued control and development.

The Company realizes how to provide good security and occupational management for the employee. To do this, the Company encourages staff participation and builds a sense of ownership to the employee to reduce work hour waste, and to reduce sickness and injury of the employee.

The Company sets guidelines to support the security of the employee and contractor performance as follows:

- ❖ Set up Occupational Health & Safety and Environmental Policy
- ❖ Set up Occupational Health & Safety and Environmental committee
- ❖ Contractor Safety Management
- ❖ Health Risk Assessment
- ❖ Industrial Hygiene management
- ❖ Set up short and long-term strategy targets in Occupational Health & Safety and Environmental management
- ❖ Provide Near-miss Report Program

Operational Result: The Company has successfully achieved to be continuously Non- Accident and Injury from working. Total Recordable Injury Rate: TRIR is zero in 2021. The Company is still strong in determining guidelines to protect and to build up a security culture in the organization. The following are the results of the security program and near-miss report:

Key Performance Indicator	2020 Target	2020 result	2021 target	2021 result
Sick from working	0	0	0	0
Accident from working of employee and contractor	0	0	0	0

The Company is concerned about the health of the employees; therefore, the Company have set the following activities: -

- ❖ Set up Health Care or Fitness Center. The Company has provided exercising space within the Company
- ❖ Annual physical Check-Up: In 2021, the Company arranged an annual physical check-up to protect against any disease that may affect the employee whether such disease is caused by working or personnel



❖ Passed certification on COVID-19 prevention as follows:

- 1 | GOOD FACTORY PRACTICE
- 2 | COVID FREE SETTING THAI STOP COVID 2 PLUS



Both projects have required the company to comply with various measures to prevent the spread of the aforementioned disease.

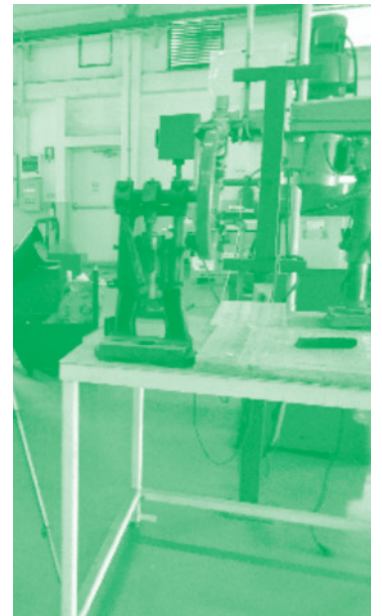
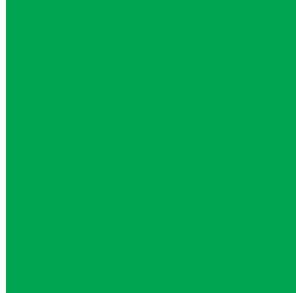
- ❖ The Company has procured Covid-19 vaccination of 5,000 shots for 2,500 employees. These efforts allowed our workers to work in the safest environment. Presently, all employees got at least 2 shots of vaccine already.
- ❖ Provide COVID-19 Antigen Test Kit (ATK) testing for all new employees and randomly current employees every week.

The Company also creates greater awareness for all employees on Occupational Health & Safety and Environmental responsibility and the protection of our current and future environment. The details of occupational health, safety and the environment of 2021 are as follows:

- 1 To provide training and educate employees about safety since the review of the awareness of safety management for supervisors and Safety Committees as well as to educate contractors and employees at all levels. Moreover, the Company provides training about the role of participating in safety such as a Safety Course for driving a forklift, safety in the workplace relating to chemicals and electricity, and First Aid Training, etc. Details of training courses on Occupational Health & Safety and Environmental are as follow:
 - ❖ Safety training: 1 time/week for Safety training for employees at all levels for 1,859 employees, and the number of hours of training is 6 hours/person (legally). The total amount hours of training would be 11,154 hours.
- 2 Firefighting and fire evacuation training: the Company provides this training twice a year. There are 2,325 employees (100%) participating in this training.
- 3 Annual Physical check-up: 2,396 employees participated in the annual health check of employees out of 3,066 employees representing 78 percent of all employees.



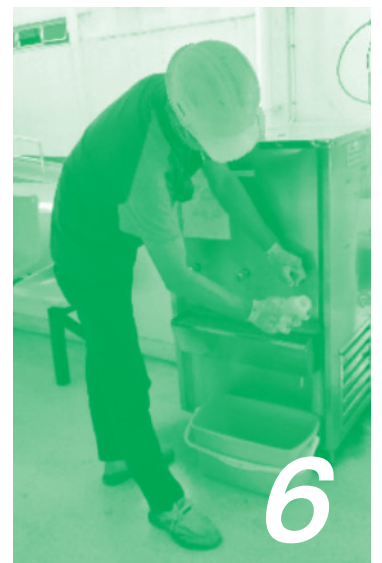
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3



4



6



4

Environmental Monitoring in workplace 2021 about chemical heat noise light intensity total dust and emissions air (Stack)

5

Water Drinking Analysis 2021

6

Promote greater awareness of Occupational Health & Safety and Environmental responsibility: The Company supports and encourages all employees to have a greater awareness of Occupational Health & Safety and Environmental responsibility, and the protection of our current and future environment by training to educate employees. Moreover, the Company reveals the rate of accidents, leave or illness from work in its annual report for the year 2021.

- 2 cases None-Serious Accidents as follow;

7 November 2021 (no day-off)

15 December 2021 (no day-off)

3

Society

To contribute to a sustainable Thai society and to strengthen our relationship with our community, the company has ongoing social activities, such as the “Prescription Eyeglasses Project”, blood donation activities and a student education support project. (supporting high school vocational students). An internship is offered by the company for 1 semester to support students to learn about working processes to enable them to work after graduation. Bilateral projects are joint projects between the company and technical colleges, where the students will carry out on-the-job training in the company to gain more knowledge and experience for 1 year. Later the students will be able to solve many problems which may arise in their job processes.

The operation which impacts CSR

-None-

CSR after process

Donated COVID-19 Rapid Antigen Test

SVI Public Company Limited has participated to support the community to fight against the COVID-19 pandemic. SVI has donated 5,000 COVID-19 Rapid Antigen Test Kit to the representative of Thammasat University Hospital. The objective of this COVID-19 ATK donation is to decrease the risk of COVID-19 transmission by accelerating the number of tests to screen and distinguish the infected and uninfected numbers.



Donated Drinking Water

SVI Public Company Limited has donated 1,200 drinking water bottles to Bang Kadi Sub – District Health Promoting Hospital, Pathum Thani for infected patients in Bang Kadi Sub-District both in the field hospital and home isolation. SVI has also supported communities in this pandemic situation by donating Rapid Antigen Kits (ATK) to accelerate the number of COVID -19 tests.



Blood donation

The company has cooperated with the Thai Red Cross organizing blood donations. This is to provide an opportunity for employees to participate in supporting our society continuously. In 2021, the company organized blood donations 2 times. There were 93 donors with 37,200 ml blood donated in January, 67 donors with 26,800 ml blood donated in April.





The Company realizes the importance of the fight against corruption. The written anti-corruption and related policies have been established with the monitoring process to ensure that employees and concerned parties comply with the policies and anti-corruption programs. The Company also provides whistleblowing channels, set up an anti-corruption committee with the senior management as a chairman, does corruption risk assessment, employees' training, participating with partners to fight against corruption as well as being a member of Thai Private Sector Collective Action Against Corruption.

Anti-Corruption Policy

The Company realizes that corruption is illegal and also destroys trust from outside parties. Therefore, the Board of Directors has approved a policy to combat corruption in all its forms and against all kinds of corruption and, as a result, avoid the negative reputation that accompanies it. SVI's has a policy that our management and employees have to comply with:

- ❖ Management and Employees must not request or accept bribes that may mislead or avoid doing something that may result in negative consequences for the Company.
- ❖ SVI's Management and Employees must not offer or give any benefits to external parties in order to motivate those people to perform or avoid performing certain actions as it could create negative results to the Company.
- ❖ If there is any corruption discovered within the Company, SVI will respond immediately with serious disciplinary action and take legal action promptly.

Compliance with Anti-Corruption policy in 2021

The company and its subsidiaries have operated in compliance with the anti-corruption policy as follows:

1

Audit and evaluate the business risk. To identify the operations of the company or subsidiary risk that may have been involved in corruption.

The company has a low risk to be impacted by corruption. The risk of corruption and supervision systems of corruption are defined to Executives and employees so that they must follow the moral and ethics guidelines strictly. The company and its subsidiaries provide the proper risk management system as to prevent fraud and corruption within the company. There are measures against fraud and corruption with proper risk assessment, as well as the monitoring and evaluation based on the risk management plan. The company and its subsidiaries have been supervised, controlled and monitored in order to prevent exposure to fraud and corruption as follows:

- ❖ The company has an audit process to evaluate internal control system, comprehensive risk management system and important works, such as the procurement contract system arrangement, system setting and control of the budget. The approval system of payment and recording are clarified clearly.
- ❖ Have best practice and ethics guideline for directors, executives and employees engaged in anti-corruption practices, in order to prevent the risk of fraud and corruption including the suggestions of how to improve it.
- ❖ Have more channels to receive information tip offs or complaints about violation in relation to illegal or ethical business of the company. The company establishes the guideline for the protection or involvement in leaking of financial report or internal control system including the policy to protect a person who reports the case of fraud to the company. The company has a system to inspect and punish anyone engaging in corruption. The head of each department is responsible for tracking performance, taking action and informing the authority for acknowledgement.

2

Communication and training to the staff as to provide knowledge about the policies and practices of anti-corruption policy and practice. The company provides communication for the basic practice on how to prevent involvement with corruption. The ethics of operating the business for management and employees are defined and employees have to know and participate in related anti-corruption measures, already posted on the Company's website.

3

Guidelines for follow-up and evaluation of the anti-corruption policy.

The company defines a concept and practice including the follow-up and evaluation of anti-corruption policy and practice as follows:

- ❖ The Company has presented the anti-corruption policy, responsibility and practice to new employees on the orientation day, in which, new employees have to sign for acknowledgement of this policy, where by the communication made to the existing employees of this policy twice a year through Smart Meeting which is conducted on weekly basis, publishing in SVI Newsletter, and posting it on the company's bulletin board.
- ❖ A letter of Anti-Corruption policy, concept and practice were sent to all suppliers, contractors and all Financial Institutions.
- ❖ The executives and employees must do self-evaluation assessment for Best Practice, good corporate governance and business ethics. All management and employees have to participate in the protection against corruption and not acting in conflict of the company's code of ethics.
- ❖ To provide internal audit system for auditing internal control systems, risk management, and good corporate governance. The report for improvement has to be ongoing. The annual audit plan has to be approved by the Audit Committee. Any materialized information has to be reported to the Audit Committee.
- ❖ To identify Risk Management Committee's and Internal Audit's responsibility in evaluation of the risk of fraud and corruption constantly. In order to take action against fraud and corruption effectively, as well as to follow up and review for improvement, the report of evaluation has to be submitted to the Risk Management Committee and the Board of Directors regularly on a timely basis.

Management Discussion and Analysis (MD&A)

Operating Result and Financial Analysis

SVI achieved another record performance in 2021. This was accomplished in the midst of a very challenging year as the industry continue to experience semiconductor shortages as well as risks relating Covid-19. Our record financial performance was achieved through our unparallel commitment to our customers and stakeholders. In coping with Covid-19 in keeping our workers safe, we've successfully set up a bubble and seal dormitory on our campus in Thailand to help isolate those employees who have come into close contact with infected Covid-19 individuals from their families and co-workers so that they can return to work safely. Additionally, we've been able to efficiently procure multiple Covid-19 vaccination shots for all of our workers. These efforts allowed our workers to work in the safest environment. As part of our attempt to provide our customers with a solution to the challenge of the semiconductor shortage environment, we've successfully procured materials significantly in advance of normal operating conditions. This has led to an increase in our inventory of over THB 2.5 billion from 2020, which is higher than what we would have liked but due to the resiliency of our balance sheet, our company remains strong. Without these ongoing efforts and commitment to our stakeholders, SVI would have been able to achieve an outstanding financial performance.

Looking forward to 2022, we have set ambitious internal targets for our company. As we have successfully entered into the optical electronics (5G) segment in 2021, we expect this segment to grow up to USD 100 million in 2022 and be a key contributor to our revenue growth.

In terms of the Company's expansion efforts, SVI has expanded its plant in Slovakia by 4,500 sqm. increasing the total production space to 11,800 sqm. We also aim to finish Cambodia expansion of another 25,000 sqm. from the current space of 9,200 sqm. We have also recently acquired Tohoku Pioneer (Thailand) Co., Ltd., now renamed to Tohoku Solutions Co., Ltd. In total, SVI has a total manufacturing area of 111,373 sqm. and land area of 333,214 sqm.

The Company's posted Consolidated Sales for 2021 of THB 17,400 million (USD 544.0 million) an increase of 13.9% from 2020 of THB 15,282 million (USD 489.3 million). Revenue contributed by subsidiaries in Europe was THB 3,154 million (USD 110.5 million) and from Cambodia was THB 1,057 million (USD 32.7 million). The segments that contributed the most to the Company's revenue were Communication & Network, Industrial Control, Microelectronics and Automotive & Public Transportation.

Consolidated revenues in 2020 compared to 2019 Consolidated Sales of THB 14,962 million (USD 483.6 million) represents an increase of THB 321 million or 2.1%. In US Dollar terms, 2020 Consolidated Sales grew by USD 5.7 million or 1.2% from 2019. Growth continues to be driven by the successful integration of new customers in key growth markets.

The Company's Standalone (Separated) Sales for the year 2021 was THB 13,064 million (USD 406.9 million), an increase from 2020 of THB 1,483 million or 12.8% and an increase from 2019 of THB 1,552 million or 13.5% respectively.

Total Annual Consolidated Gross Profit for the year 2021 was THB 1,972 million or 11.3% of revenue. Consolidated Gross Profit reported in the year 2020 and 2019 were THB 1,282 million and THB 948 million representing Gross Profit margins of 8.3 % and 6.3% respectively. Consolidated Gross Profit for 2021 saw an increase of THB 690 million or 53.8% from 2020 and an increase of THB 1,023 million or 107.9% from 2019. Gross Profit margins increased by 2.9% compared to 2020 and by 5.0% compared to 2019. The Baht strengthened quite significantly throughout 2019 resulting in lower Gross Profit margins than 2020 and 2021. 2021 was an exceptional year for the Company as the Company was able to post record sales with strong profitability.

The Company's Standalone (Separated) Gross Profit in 2021 was THB 1,547 million or 11.8% of revenue. In 2020 and 2019, the Company's Gross Profit was THB 956 million with margins of 8.3% and THB 494 million with margins of 4.3% respectively. 2021 represented an increase in Gross Profit Margins of 3.6% from 2020 and 7.5% from 2019.

Consolidated Selling and Administrative expenses (SG&A) in 2021 was THB 642 million or 3.7% of revenue. Compared to 2020 and 2019, Consolidated SG&A amounts to THB 671 million or 4.4% of revenue and THB 706 million or 4.7% of revenue respectively. SG&A decreased by THB 29 million from 2020 and by THB 64 million from 2019. The high SG&A in 2019 was the result of consultant fees relating to IT systems implementation.

The Company's Standalone (Separated) SG&A for 2021 was THB 376 million, or 2.9% of revenue. In 2020 and 2019, the Company's SG&A was THB 372 million or 3.1% of sales and THB 361 or 3.1% of sales respectively. 2021 represents an increase of THB 4 million from 2020 and THB 15 million from 2019.

The Consolidated Net Profit for 2021 was THB 1,408 million, an increase of THB 721 million from 2020 and THB 1,036 million from 2019.

The Company's Standalone (Separated) Net Income in 2021 was THB 1,319 million, an increase of THB 672 million from 2020 Net Income of THB 646 million and an increase of THB 997 million from 2019 Net Income of THB 322 million.

Financial Status



Assets

2021 Consolidated Assets was THB 15,067 million, an increase of THB 4,421 million or 41.5% from previous year, mainly driven by the increased in account receivables of THB 2,303 million and inventories of THB 2,508 million. The increases were partially offset by the reduction of Cash and Short-Term Investments of THB 738 million. The cash was used to finance working capital requirement and to repay long-term debt. Compared to the 2019 Consolidated Assets of THB 11,333 million, 2021 saw an increase of THB 3,734 million or 32.9%. The increase was mainly driven by the increased in account receivables of THB 2,213 million and inventories of THB 2,473 million. The increases were offset by the reduction of Cash and Short-Term Investments of THB 1,426 use to finance working capital requirement and repay long term loan. The increase in account receivables was the result of the increased in sales; however, the increased in inventory was the direct result of the semiconductor shortages environment that the whole industry is currently experiencing.

At the Company level, 2021 Total Assets was THB 12,208 million versus THB 8,715 million in 2020, an increase of THB 3,493 million or 40.1%. The increase was mainly driven by the increased in account receivables of THB 2,246 million, inventories of THB 1,592 million, and investment in subsidiaries of THB 426 million from the acquisition of Tohoku Pioneer (Thailand) Co., Ltd. The increase was offset by the reduction in Cash and Short-Term Investments of THB 959 million used for working capital requirement and long-term loan repayment. Compared to the 2019 Total Assets of THB 10,043 million, 2021 saw an increase of THB 2,165 million or 21.6%, mainly driven by the increased in Trade Receivables of THB 1,971 million, Inventory of THB 1,532 million and Investment in Subsidiary of THB 426 million. The increase was offset by the reduction Cash and Short-Term Investments of THB 1,697 million used for working capital requirement and long-term loan repayment.

Financial Liquidity

The Company reported consolidated net cash generated from operations in 2021 of THB -1,144 million, a decrease from 2020 of THB 2,247 million, mainly resulting from the increased in trade and other receivables of THB 1,091 million and inventories of THB 2,424 million. Comparing 2021 operating cash flows to 2019 of THB 1,688 million shows a reduction of THB 2,832.9 million. The lower operating cash flows in 2021 was the direct result of the increased working capital requirement resulting from the sales increased and the semiconductor shortage environment that is experienced throughout the industry.

The Company reported company only net cash generated from operation in 2021 of THB -1,016 million compared to 2020 of THB 1,013 million, a reduction of THB 2,029 million. This was the result of the increased in working capital. For similar reasons, in 2019, the Company reported net cash generated from operation of THB 1,636 million

Cash flow from investing on a consolidated basis for 2021 was THB -378 million, lower than 2020 by THB 971 million. The reduced amount stems from the cash paid for the acquisition of Tohoku Pioneer (Thailand) Co., Ltd. and the net proceeds from the Company's investment in marketable securities of THB 94 million compared to 2020 of THB 914 million. Cash flow from investing activities in 2021 compared to 2019 of THB 297 million was lower by THB 81 million. While the differences in amount between the 2019 and 2021 was quite minor. In 2019, the Company also had a consolidated cash outflow for the purchases of plant and equipment in the amount of THB 329 million, which was THB 50 million lower in 2021.

Company reported the net cash from investing activities on a standalone basis of THB -529 million compared to 2020 of THB 1,082 million. The key difference came from the increased in cash used for the acquisition and lower net proceeds from the company's marketable securities. In 2019, the company reported net cash from investing activities of THB -400 million. While the differences in amount between the 2019 and 2021 was quite minor, cash paid for share subscription in subsidiaries was THB 426 million in 2021.

The Company reported consolidated cash flow from financing activities in 2021 of THB 865 million from the increased in short term loans of THB 1,603 million and long-term loans of THB 824 million. The Company also repaid long term loans of THB 1,282 million. Compared to 2020, the Company had net flows in financing activities of THB -1,333 million, mainly coming from the repayment of long-term loans of THB 1,738 million. In 2019, the Company had THB 812 million for cash flows used in financing activities mainly resulting from the dividend payment THB 4,391 million but is also off set by the increased in long term loans of THB 2,800 million.

Company reported cash flow from financing activities on a standalone basis of THB 659 million from the increased in short term loans of THB 1,642 million and long-term loans of THB 440 million. The Company also repaid long term loans of THB 1,163 million. Compared to 2020, the Company had net flows in financing activities of THB -1,757 million, mainly

coming from the repayment of long-term loans of THB 1,670 million. In 2019, the Company had THB 748 million for cash flows used in financing activities mainly resulting from the dividend payment THB 4,391 million but is also off set by the increased in long term loans of THB 2,800 million.

Overall, the Company reported Consolidated changes in cash and cash equivalents of THB -663 million in 2021 compared to THB 373 million in 2020 and THB 522 million in 2019. Consolidated ending cash for 2021 was THB 575 million

The Company separated financial statements reported changes in cash and cash equivalents of THB -885 million in 2021 compared to THB 342 million in 2020 and THB 480 million in 2019. Consolidated ending cash for 2021 was THB 575 million

Liability

The Company's 2021 Consolidated Liabilities was THB 9,863 million, an increase of THB 3,256 million or 49.3% from 2020. This was mainly related to an increase in short term loans of THB 1,659 million and accounts payable of THB 2,094 million. The increase was offset by the decrease in long-term loans of THB 411 million. In 2021, Consolidated Liabilities increased by THB 1,996 million from 2019 resulting from an increase in short term loans of THB 1,920 million and accounts payable of THB 2,324 million. The increase was also offset by the decrease in long-term loans of THB 1,882 million.

The Company's 2021 standalone Liabilities was THB 7,130 million, an increase of THB 2,396 million or 50.6% from 2020. This was mainly related to an increase in short term loans of THB 1,657 million and accounts payable of THB 1,414 million. The increase was offset by the decrease in long-term loans of THB 690 million. In 2021, Consolidated Liabilities increased by THB 505 million from 2019 resulting from an increase in short term loans of THB 1,641 million and accounts payable of THB 1,567 million. The increase was also offset by the decrease in long-term loans of THB 2,321 million.

Shareholders' Equity

The 2021 Consolidated Shareholders' Equity was THB 5,204 million, an increase of THB 1,165 million from 2020 Consolidated Shareholders' Equity of THB 4,039 million. Compared to 2019 Consolidated Shareholders' Equity of THB 3,467 million, 2021 saw an increase of THB 1,737 million. The increase was due to the increased in retained earnings of THB 1,225 million and THB 1,828 million from 2020 and 2019 respectively

The 2021 Company only Shareholders' Equity was THB 5,078 million, an increase of THB 1,097 million from 2020 Consolidated Shareholders' Equity of THB 3,981 million. Compared to 2019 Consolidated Shareholders' Equity of THB 3,418 million, 2021 saw an increase of THB 1,660 million. The increase was due to the increased in retained earnings of THB 1,135 million and THB 1,758 million from 2020 and 2019 respectively

General Information and Other Important Information

General Information



General Information for the Company

Company Name	SVI Public Company Limited
SVI-Headquarters address	141-142 Moo 5, Tiwanon Rd., Bangkadi, Muang, Pathumthani 12000 Thailand
Type of Business	Full turnkey Electronics Manufacturing Services (EMS) Company, providing comprehensive services primarily to Original Equipment Manufacturers (OEMs) with the main customers in Europe, USA and other regions.
Registration number	0107537001790 (Previous No. Bor Mor Jor 426)
Telephone number	(66) 2 105 0456
Fax number	(66) 2 105 0464-6
Website	http://www.svi-hq.com
Investor Relations	https://investor.svi-hq.com/
Registered Capital	2,170,616,326.00 Baht
Paid – Up Capital	2,170,616,326.00 Baht
Common Stock	2,170,616,326 shares, Par Value 1 Baht
Address	SVI Public Company Limited Chaengwattana Road 33/10 Moo 4 Soi Chaengwattana-Pakkred 40, Chaengwattana Road, Bangtalad, Pakkred, Nonthaburi 11120 Thailand

References:

Shares Registrar	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindeang, Bangkok 10110, Thailand Telephone number: (66) 2 009 9000 ext. 9384 Fax number: (66) 2 009 9991
Share representative	None
Auditors	<u>SVI Public Company Limited</u> Miss Orawan Techawatanasirikul, Auditor's Registration Number: 4807 EY Company Limited 33rd Fl., Lake Rachada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Telephone number: (66) 2 264 9090 Fax number: (66) 2 264 0789-90 <u>SVI Public (HK) Limited</u> Yau Wai Ching, Certified Public Accountant # P05128 Room H, 17/F, Reason Group Tower, 403 Castle Peak Road, Kwai Chung, Hong Kong Telephone number: (852) 237 4121 Fax number: (852) 237 4121-3 <u>SVI A/S (Denmark)</u> Lars Hansen Larsø Nejstgaard & Vetlov Statsautoriseret Revisionsaktiese Gydevang 39 – 41, 3450 Allerød Telephone number: (45) 4817 5777 Fax number: (45) 4817 2208 <u>SVI (AEC) Company Limited</u> Ronald C. Almera, Grant Thornton (Cambodia) Limited 20th Floor Canadia Tower 315 Preah Ang Duong Street Corner Monivong Boulevard Sangkat Wat Phnom Khan Daun Penh Phnom Penh Telephone number: (855) 23 966 520

References:

Shares Registrar

SVI (Austria) GmbH

Maq. Walter krainz

Ernst & Young Wirtschaftsprüfungsges. m.b.H.

Wagramer Straße 19, IZD Tower, 1220 Vienna, Austria

Telephone number: +43 1 21170 1062 Fax number: +43 1 216 2077

SVI HUNGARY KFT

Bamabas Bodecs

FAL-CON AUDIT, konywizsaglo es Tanacsado kft. 1114 Budapest,

Ulaszlou. 27,

Telephone number: +36 70 3180872

SVI SLOVAKIA S.R.O

Ing. Dagmar Gombarčíkova, CA

PKF Slovensko s.r.o.

Nábr. Sv. Cyrila 47, Prievidza

Audit Oversight Authority License No: 40

Telephone number: +421 46/ 518 38 11 Fax number: +421/ 518 38 38

TOHOKU SOLUTIONS Company Limited

Mrs. Wilasinee Krishnamra Certified Public Accountant : 7098

Deloitte Touche Tohmatsu Jaiyos Co. Ltd

AIA Sathorn Tower, 23rd - 27th Fl., 11/1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

Telephone number: (66) 2 034 0000 Fax number: (66) 2 034 0100

BEI Company Limited

Mr. Veerasan Khemmanee Certified Public Accountant : 12099

Brook Company Limited

8/107, Moo 3, Bangrak Yai, Bang Bua Thong, Nontaburi, 11110

Telephone number: (66) 83 808 0855

Others Important Information



-NONE-

5.1 Legal Dispute

The Company and its subsidiaries have no legal disputes that could have negative impact on the company's assets that exceed 5% of the shareholders' equity as of December 31, 2021, and no legal disputes affecting the business of the Company and its subsidiaries.

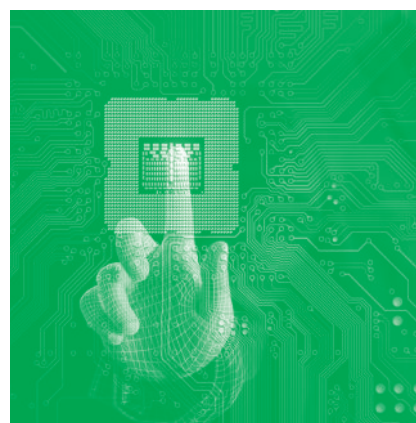
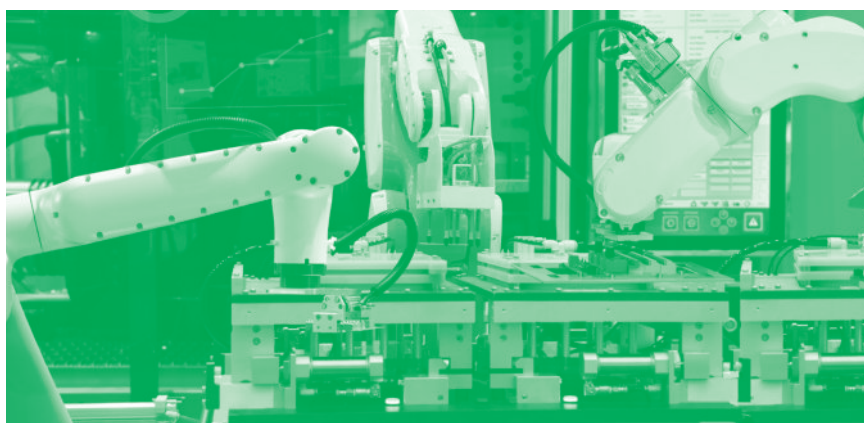
Part 2 Corporate Governance

The Company's Board of Directors fully recognizes the importance of good Corporate Governance (CG) and is determined that good governance be widely embedded in the entire organization, from the Directors and Management to the Company's employees. This is a key factor in adding value and ensuring the highest return to the Company shareholders in the long term. The Board of Directors appointed a Corporate Governance Committee holding duties and responsibilities for the establishment of good governance practice and follow-up measures to enforce the implementation of the policy. Also, to update the policy to conform with both local and overseas good governance practices and to international standards.

In 2021, the Board of directors has completely complied with the Corporate Governance according to the good practice of the Stock Exchange of Thailand (SET) in line with to ASEAN CG Scorecard as follows;

- 1 To adjust the practice of the Corporate Governance Policy by ASEAN CG Scorecard.
- 2 To be evaluated as one of 268 listed companies to receive "Excellent" CG Scoring from the Corporate Governance Report of Thai Listed Companies 2021 from the Thai Institute of Directors for 6 consecutive years. The company earned each category of the Company's score is higher than the average score of 716 companies, including a very good performance score with a 4-star rating in organizing the Annual General Shareholders Meetings for eleventh consecutive years from 2010 to 2020.

The Company has determined to have a good CG to minimize conflicts of interest of stakeholders by introducing a proper process and procedure for working: including the establishment of policy, rules and practices as appropriate control tools. However, the key factor for successful CG is its ownership by our team.



6.1 Overview of the Policy and Guidelines:

The Board of Directors' objective is to enable SVI to conduct its business efficiently, have good corporate governance and excellent management with the aim of benefiting shareholders' interests, taking into account the interest of other stakeholders, maintaining business ethics and transparency. Therefore, the Company has established a good corporate governance policy as a guideline to which directors, management and employees must adhere which will result in the company's business is sustainable.

The Company has fully complied with the principles of good corporate as prescribed by the Stock Exchange of Thailand in five sections such as Shareholders' Rights, Equitable Treatment of Shareholders, Stakeholder's interest, Disclosure of Information and Transparency, including Responsibility of the Board of Directors which can be summarized as followings:

Section 1 Rights of Shareholders

SVI gives great importance to the protection of shareholders' rights and the promotion of exercising such rights. Shareholders should have sufficient information and time to make the proper decision. The basic legal rights consist of the right to buy, sell or transfer securities held, the right to receive the dividend, the right to take part in decision-making in SVI's important issues. The company also facilitates the shareholders to enable them to attend the meetings, exercise their rights and fully vote.

Section 2 Equitable Treatment of Shareholders

The Company provides equitable and fair treatment to all shareholders and investors whether they are retail, institutions, domestic or foreign without any prejudice. Our Company aims to build the investors' trust and to establish our credibility through the Company's organized Shareholders Meeting.

Section 3 Role of Stakeholders

The Company recognizes the rights and roles of all groups of stakeholders by including their rights as part of a code of conduct and disseminating this through various channels, i.e., the Company website and internal communications, so that the concerned person can acknowledge and strictly comply with the code. Proper treatment of stakeholders will enable the trust and collaboration between the company and each stakeholder such as shareholders, employees, customers, trading partners and society. Moreover, SVI also recognizes the principle of Human rights, Intellectual property, Anti-corruption and Environmental protection as a foundation of Sustainable Development.

Section 4 Disclosure and Transparency

The Company discloses information such as financial information, and performance-related information as prescribed in the requirements of the Securities and Exchange Commission of Thailand and those of the Stock Exchange of Thailand (SET).

The Company has an Investor Relations Unit as a focal point in conducting proactive investor relation activities according to the best practices of leading international organizations. Several channels are available to communicate effectively. Shareholders and investors can visit our operations and access required information via the Company's Investor Relations website at (<http://investor.svi-hq.com>), or through the direct phone line and email (ir@svi.co.th) which enables investors to receive quick responses to clarify and answer their questions.

Section 5 Responsibilities of the Board of Directors

The Board of Directors is responsible for setting policies, corporate vision, strategies, goals, mission, business plans and budgets as well as ensuring the Company's Management operates by the policies, laws, objectives, regulations and shareholder resolutions. Directors discharge their responsibilities accountably, honestly and discretely according to the principles of best practice. In addition, the Board is responsible for monitoring and auditing the Management's administration in regards to transparency and compliance within the Code of Conduct, and overseeing communication and disclosure of appropriate information.

For more information, please find our "Corporate Governance Handbook" which has been disclosed on our website in the section of Investor Relation.

6.2 Business code of conduct:

Besides adopting the SET guidelines on Corporate Governance principles, the Company has consistently implemented the six Company Core Values of:

1	Mutual Support	Support each other focus on the organization's goals
2	Respect	Respect, listen to others and understand their differences
3	Accountability	Responsible for actions related to personal and organizational goals
4	Commitment	Self-determination and work at full capabilities
5	Trust	Trust in each other
6	Transparency	Manage work with transparency that can be audited.

The Company has communicated the Core Values to employees at all levels in the organization through various internal channels to ensure that everyone acknowledges, understands and practices them at all times which leads to greater work efficiency, good management and success.

6.3 Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year

In 2021, the Company has the following actions which are by good corporate governance principal:

Shareholders' right protection

- 1 The Company allows shareholders to propose the issue to be considered as the meeting agenda and nominate a qualified person to be elected as Directors from September 16, 2020 to December 30, 2020 through the SET information system and disclosed the criteria and procedure on the Company website (www.svi-hq.com)
- 2 The Company posted the meeting notice and supporting documents for the meeting agenda on the Company website (www.svi-hq.com) on March 19, 2021 (35 days before the meeting date). Shareholders who had any questions could send their queries to the director before the meeting date via the Company website.
- 3 The Company held the General Meeting of Shareholders on April 23, 2021. All six members of the Board of Directors attended the meeting, together with the President, Finance and Accounting Director, M&A Executive and the company's external auditor which conforms to good Corporate Governance requirements and strictly adheres to the law and regulations. During the meeting, the Chairman offered all shareholders an equal opportunity to ask questions, to give suggestions or comment on the business operation.
- 4 The Company posted the Meeting Minutes, together with a list of all suggestions, questions and answers raised in the meeting, posted on the Company website on May 7, 2021.
- 5 To inform the scoring method and score counting method before Shareholders' meeting and use the voting card.
- 6 To present all types of the directors' remunerations which are salary, meeting allowance, bonus/reward and other
- 7 To present the explicit policy and principle on remuneration payment regarding the remuneration specification for each position to the shareholders.
- 8 The company allows the shareholders to vote for individual directors by nominating the name list of directors to the shareholders to vote one by one.
- 9 In every shareholders' meeting, the Company has established an Independent auditor who has no conflict of interest with the company to check the shareholders' document, count the quorum and votes, verify the result of resolution and ballot to make the meeting be transparently, legally and correctly to the Company's articles of association.
- 10 The company did not add any of the meeting agenda or change the significant information without informing the shareholders in the 2021 Annual General Meeting of Shareholders. The company also provided the opportunity for shareholders to question and give an opinion at the meeting. The details were recorded in the shareholders' meeting report.
- 11 Given the recent COVID-19 outbreak situation, the Annual General Meeting was arranged via the Electronic Annual General Meeting (E-AGM) channel to provide an opportunity to all shareholders to attend the meeting while complying with the social distancing policy to prevent the COVID-19 transmission.

Equitable Treatment of Shareholders

- 1 To allow shareholders to nominate a qualified person to be elected as Directors from September 16 to December 30, 2020, by notifying the information to shareholders via the news system of the SET as well as announcing the rules and processes in the company's website at (www.svi-hq.com)
- 2 The company specified the rules for shareholders' meetings in the invitation Letter to facilitate shareholders who attended the meeting by themselves or by being a proxy holder to prepare documents or evidence of the meeting correctly and not to be a problem on the meeting's attendance.
- 3 To give the equitable right to vote due to the amount of share.
- 4 The Company attached the Proxy form B of which shareholders could vote independently for each period with an appointment letter for shareholders, who are unable to attend the meeting, to give the power of attorney to the independent director or others to join and vote.
- 5 In 2021, the Company arranged one shareholders' meeting which was the Annual General Meeting of Shareholders on April 23, 2021. Six directors in total attended the meeting. SVI assigned the Thailand Securities Depositories Co., Ltd (TSD) which is the Company's registrar to deliver the Invitation Letter to shareholders as well as post both Thai and English versions on the Company's website 35 days before the meeting for the shareholders.
- 6 The Company adjusts the Rules of Shareholders Meeting for documents required to be shown before entering into the meeting under the security Commission and Stock Exchange no. Kor Lor Tor. Por Sor (Wor) 4/2559 re: To review practice before the Annual General Meeting of Shareholders. The Company shall not specify to require the original identification card of the proxy giver or the original passport of the proxy giver in case of the foreigner to be shown for the meeting (under the Rules of Shareholders Meeting enclosed with the Invitation Letter of the Annual General Meeting of Shareholders)
- 7 The Board of Directors provided the Policy for the directors and the executives to inform the Company at least 1 day before conducting the securities' trading. (Details specified in the handbook of business ethics and best practice under the ethics of directors section).

Dissemination of information

The Company realizes the value of its Investor Relations, focusing on transparency, fairness, equality and consistency provided to minority investors, institutional investors, general investors, analysts, the media, local and overseas fund managers and other related parties. The company participates and organizes an Opportunity Day and Analyst Meeting to provide information related to the Company's quarterly and yearly operating results for investors, analysts, media, local and offshore fund managers, and others.

In 2021, the Company organized many Investor Relations activities for analysts and investors, as follows:

Type of Activities	Number of Events
Provide information to Analysts, Fund and shareholders	71
Press conference	-
Conference call with international fund	13
Meeting Investor, Fund Manager and Analyst	-
Factory visit for Shareholder and Analyst	-
The roadshow, Domestic and International	-

Certified as a member of Thai Private Sector Collective Action Against Corruption (CAC)

After the declaration of the intention to join the CAC on January 24, 2020, SVI has done the anti-corruption assessment and submitted it to CAC for consideration.

Later, CAC committee meeting no. 1/2021 has announced its resolution to certify SVI PCL. as a member of CAC. Membership of CAC will be 3 years and to be expired on June 30, 2024.

Anti-Corruption policy is disclosed in the Company's Corporate Governance Handwork which is announced in the investor relation section of the Company's website.

Excellent (5-star) Corporate Governance Score in 2021

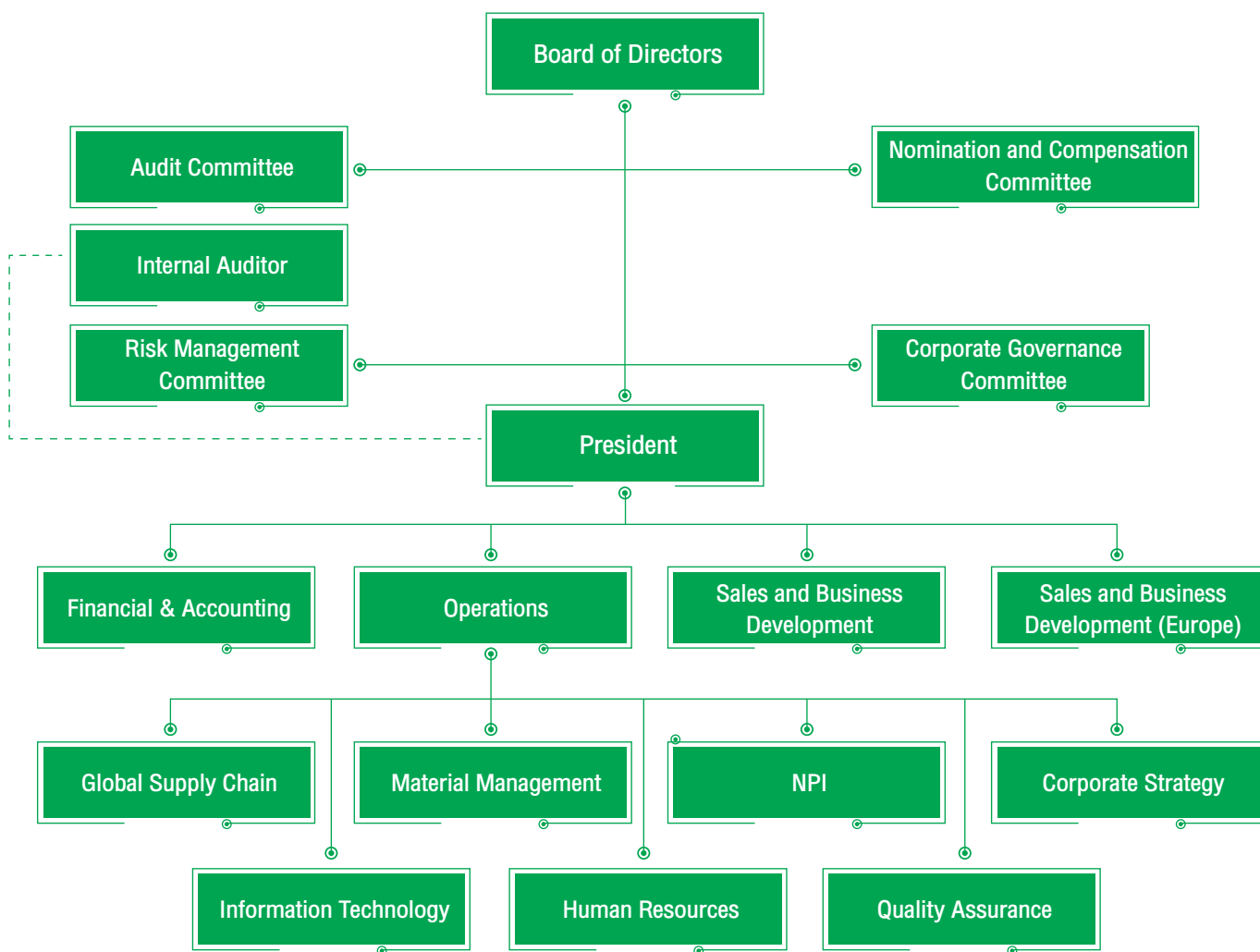
The Company received the Corporate Governance Score at Excellent level (5-star) having the score higher than average of all listed companies. By comparing the result with the companies in SET50 and SET 100, SVI's score is at the same level as theirs.

Having an excellent CG score reflected our good CG policy and practice. However, SVI will follow the changes of the relevant laws and regulations to ensure that our CG policy has been set in line with the updated laws and regulations leading to good CG practice of the company.

Governance Structure and Key Data on the Board of Directors, Sub-committees, Management, Employees and Others

7.1 Corporate Governance Structure

Corporate structure as of December 31, 2021, consisted of Board of Directors, Subcommittees and other units as exhibited below:

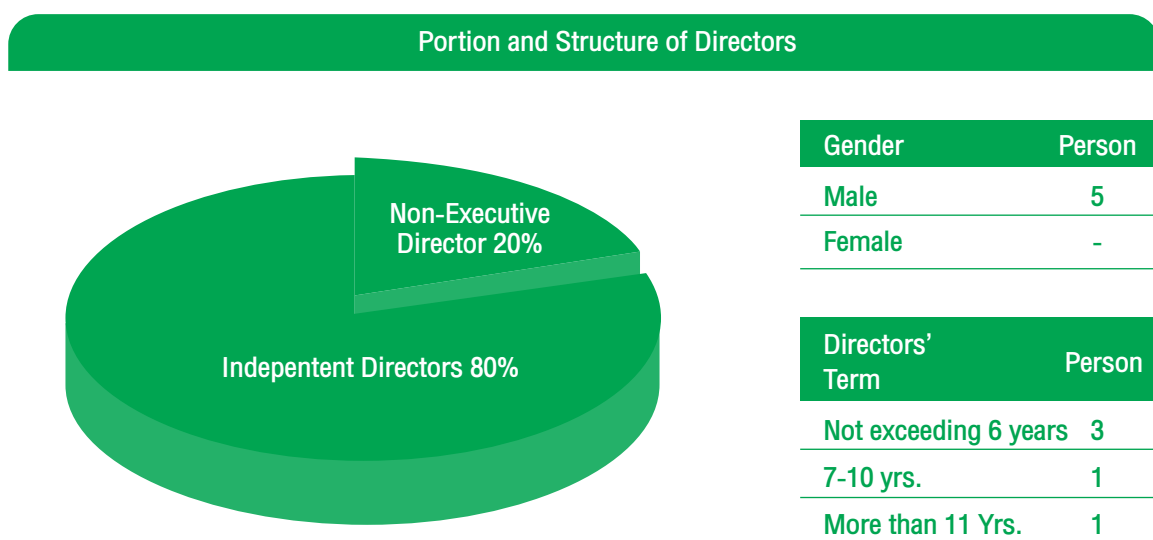


7.2 Structure of the Board of Directors

The Board of Directors shall be no less than 5 directors. At least one-third (1/3) of all directors must be Independent Directors, and the number of Independent Directors shall not be less than three. All directors are highly qualified and possess none of the characteristics prohibited under the Public Company Limited Act. Directors must not be over 70 years of age, are entitled to no more than 5 public companies. The directors must be able to perform their duties and possess no conflict of interest. Independent directors and members of the specific committee shall serve no more than 9 consecutive years, must be knowledgeable, capable and have diversified experience in business management. Furthermore, all directors are devoted and work with full responsibility.

In addition, an appointment of director will follow the agenda as well as transparent and clear information. The name and profile of the nomination of the director are adequate for decision-making in voting. All information is disclosed on the company's website.

In the case where it is necessary to appoint a director with the age of more than 70 years or where there is no appropriate independent director who has knowledge and capability to replace the existing one who has remained in office for more than nine consecutive years, the Nomination and Compensation Committee may consider renewing the term of the existing independent director for another term.



The company appointed the Company's secretary, Mr. Thaphop Kleesuwan to assist the Directors in providing appropriate recommendations concerning legal matters, rules and regulations SEC, SET, and ensuring the Company has appropriate, efficient, and transparent operations.

In addition, the company has established a compliance unit to monitor and follow up with the concerned party to ensure effective and efficient compliance with approved policies and in line with good corporate governance, the compliance unit will report directly to the company's secretary.

As of December 31, 2021, SVI's Board of Directors consisted of 5 directors as follows:

1	Mr. Prasert Bunsumpun	Position : Chairman of the Board of Directors and Independent Director
2	Mr. Threekwan Bunnag	Position : Independent Director
3	Mr. Chatchaval Jiaravanon	Position : Independent Director
4	Mr. Sopon Punyaratabandhu	Position : Independent Director
5	Mr. Chatchawal Eimsiri	Position : Director

Mr. Thaphop is the Board of Directors Secretary and has a legal degree.

Note: 1. Mr. Chatchawal Eimsiri is a non-executive director having work experience relates to the Company' business

2. Mr. Pongsak Lohthongkam resigned from the position of Director and Chief Executive Officer effective on February 4, 2021.

3. Mrs. Pratamaporn Svasti-xuto resigned from the position of Independent Director and a member of the Audit Committee effective on November 9, 2021.

The Authorized Directors

The Authorized Director consisting of Mr.Chatchawal Eimsiri is empowered to sign on behalf of the Company with the Company seal affixed.

Roles, Duties and Responsibilities of the Board of Directors

- 1 Undertake the Company management in compliance with the law, the Company objectives, Articles of Association and the resolutions of the Shareholders' Meeting with integrity and good faith and protect the Company interest.
- 2 To approve and review key business matters of the Company, such as the vision and mission of the Company, strategy, financial targets, risks, work plans and budget at least once a year.
- 3 To monitor and follow-up with the management to ensure effective and efficient compliance with approved policies strategies and budget plans.
- 4 To be responsible for internal control and risk management, including the process of receiving and handling complaints.
- 5 To oversee to ensure long-term business continuity, including supervising employee development plans and succession plans.
- 6 To establish a written corporate governance policy for the Company and approve, review and assess the compliance with such policy at least annually;
- 7 To arrange to have a written code of business conduct in place so that all directors, executives and employees understand the business ethical standards of the Company. The Board shall closely monitor compliance to the code, and review and revise the business ethics to be appropriate with the changing environment. The Board shall also establish clear guidelines for the practice, monitoring and assessment, which are an integral part of the Corporate Governance Policy, to be adhered to by all directors, executives and employees to ensure integrity, honesty and ethics in business;

8

A policy to prevent directors, executives and employees from using inside information for personal benefit has been put in place to prevent any conflicts of interest. It is required that the Board be informed of transactions that may pose a conflict of interest and the Board shall review the suitability of each transaction. The Company complies with the SET's regulations and discloses the related transactions in the annual report. In addition, the Board shall oversee the use of inside information, by requiring directors and executives to report their change in shareholding information to the SEC and establishing business ethics of the Company to prevent the directors and executives who receive inside information from disclosing it to any third party;

9

To arrange to have control systems for financial reports and compliance with rules, regulations and policies, and to set up an internal audit unit to independently perform the duty and to be responsible for auditing such control systems and reviewing material systems at least annually as well as disclosing the same in the annual report;

10

To carefully and efficiently establish a policy to manage all risks that affect the Company. The risk can be derived from an internal or external factor and may be changed by the economic situation as well as social and political matters. The risk management policy covers the preventive measure as well as management of the risk. The Risk Management Committee is responsible for overseeing and monitoring the operation as planned and reporting the result to the Board regularly. The Board should review the risk management system or assess the effectiveness of risk management at least annually with the disclosure of risks in the annual report. In addition, the Company has established a strategy to respond to risk at each level: avoidance, reduction, transfer or acceptance of the risk. To ensure that the Company has considered and selected the most worthwhile and efficient approach to manage the risk, the risk factor that has the highest effect on the shareholders' value is chosen as the priority;

11

To provide opinions on the adequacy of the internal control and risk management systems in the annual report;

12

To provide a channel for employees, outsiders wishing to report complaints or stakeholders to send their comments or useful suggestions, or to report or submit information concerning wrongdoing, violation of the law or Good Corporate Governance principles;

13

To consider the suitability of persons to be assigned as directors of its subsidiaries to control management under the Company's policies, including transactions to ensure compliance with the laws, securities and exchange regulations, and the SET's Notifications.

14

To arrange regular meetings of the Board of Directors, at least 6 meetings a year, to consider the general business of the Company with the presence of as many directors as possible;

15

To consider and resolve important matters or transactions in addition to appointing independent directors who are not involved in the daily management of the Company. The independent directors are free to make decisions and are not influenced by any major shareholders in exercising their decision to boost the confidence of shareholders, minority shareholders and other related parties;

16

To report to the Company any conflicts of interest of their own and/or related persons about the Company or subsidiaries' management according to the regulations, conditions and procedures prescribed in the Notifications of the Capital Market Supervisory Board;

17

To consider and approve the budget for annual spending and capital expenditures for machinery and other equipment, and to ensure that the Company controls the spending under the approved budget. Additional approval is required if the Company has any expenses that are not included in the approved budget, more than Baht 10 Million. Any additional investment in subsidiaries or purchases of immovable property requires the Board's approval.

The Board of Directors may appoint any person to operate the Company’s business under its supervision or delegate such person to have the authority as it deems appropriate within an appropriate period. The Board of Directors can amend, change or cancel such appointment or delegation of authority. The delegation of authority must not be carried out in a nature that will enable the delegates, or the persons authorized by the delegates, to approve the transactions in which they or any persons who may have a conflict of interest may have an interest or conflict of interest (as defined by the Notification of the Office of the SEC) with the Company or its subsidiaries.

The Company has a clear separation of roles and responsibilities between the Board of Directors and the Chief Executive Officer, in which the Board’s role is to monitor Management’s performance in achieving targets and ensuring that there are systems in place to enhance the legal and ethical integrity of business operations. The directors have delegated different responsibilities between each director to ensure the balance of duty and transparency. All directors understand the responsibility of the Board of Directors and the nature of the business operation of the Company. They perform their duties with honesty and in good faith, using due care and diligence about the highest benefits of the Company and the fair treatment of all stakeholders. They have expressed their opinion independently and are completely dedicated to their duties.

Roles, Duties and Responsibilities of the Chairperson

The Chairperson of the Board of Directors shall have duties in addition to other directors as follows:

- 1 To call for a meeting with the attendance of the Managing Director, and to determine agenda items for the Board’s meetings and shareholders’ meetings;
- 2 To preside over the Board’s meetings and shareholders’ meetings, and to consider and sign the resolutions of the meetings;
- 3 To cast the deciding vote in cases when having a vote in the Board’s or shareholders’ meeting receives equal “yes” or “no” votes

Meetings of the Board of Directors

The meetings of the Board of Directors are scheduled in advance and notified to each director so that they can arrange their schedules to attend. The Chairperson of the Board and the Chief Executive Officer should work together to consider and select matters to be included in the agenda to ensure that any major subject is incorporated into the agenda. Each director is provided with the opportunity to freely propose matters that are beneficial to the Company to be included in the agenda, and the Chairperson and the Chief Executive Officer shall consider such proposals and determine to include major subjects in the agenda for the next meeting. Directors will receive supporting documents for the meeting at least five working days before the meeting to provide sufficient time for them to study and consider the case to ensure proper decision-making.

Board meetings are held regularly at least 6 meetings a year, a quorum shall consist of not less than two-thirds (2/3) of the total number of members of the Board of Directors. All directors are encouraged to attend the meeting at least 75 percent of the total number of meetings held in a year. The secretary of the Board of Directors will set tentative schedules and agenda items of the regular meetings for one year in advance. This is to provide sufficient time for the directors to attend all the meetings. For each meeting, Management prepares information and supporting documents for the Board’s consideration. During any meeting, the Chairperson of the meeting also gives sufficient time for all directors to consider each item on the agenda thoroughly and provide comments thereon. The minutes of the meeting are taken in written form and a certified copy is kept for auditing by the concerned parties. The Company’s Board of Directors also supports to invite senior Management to attend the Board’s meetings to provide additional information or details as they directly relate to the matters and can access and obtain additional and necessary information, advice and services from the Chairperson of the Executive Committee, the Company Secretary or other relevant Management or seek opinions from independent advisors.

It is the Company's policy to allow non-executive directors to hold a meeting to discuss management issues in focus without the attendance of the Management at least twice a year, and report to the Chief Executive Officer for the result of such meeting. In 2021, The Board of Directors meeting without a director who is appointed from the company's management was arranged 6 times as follows;

1 st	on January 20, 2021
2 nd	on February 3, 2021
3 rd	on February 19, 2021
4 th	on May 12, 2021
5 th	on August 10, 2021
6 th	On November 10, 2021

The Audit Committee has a regular meeting at least once a quarter with the Internal Audit Manager to monitor and plan the internal audit items. The Audit Committee conducts a meeting at least once a quarter for consideration, selection and nomination of external auditors and their remuneration, including providing the opinions for the interim and annual financial statements duly reviewed or audited by the auditor, considering compliance with the accounting standards, and reviewing disclosure of information in the financial statements before submitting for the Board's consideration and disclosure of connected and related party transactions as well as the suitability of internal supervision and audit plan.

Board Self-Assessment



The Board has established self-assessment evaluation and cross performance evaluation for the overall performance of the Board of Directors, Sub-Committee and individual member and cross performance evaluation of the board of directors and committee members on an individual basis. It serves as a tool to reflect the operational efficiency of the Board and Sub-Committee by Good Corporate Governance principles and to facilitate a regular review of the performance of the Board and Sub-Committee. The process aims to set a standard of practice for the Board of Directors and Sub-Committee performance assessment, which is conducted on an annual basis and led by the Chairman of the Board.

1

Self-Assessment for the board of directors as a whole, A self-assessment is based on a preliminary format set by the SET, covering the following topics:

- 1 *Structure and qualifications of the Board;*
- 2 *Roles, duties, and responsibilities of the Board;*
- 3 *Board meetings;*
- 4 *Discharge of duties of the Board;*
- 5 *Relationship with the Company's Management;*
- 6 *Self-development of directors and executive development*

The Board of Directors 2021 performance evaluated by the team of the director was reported at **97.96%** which is an excellent score.

2

Self- Assessment of committee as a whole, A self-assessment is based on a preliminary format set by the SET, covering the following topics:

- ❖ *Structure and qualifications of the sub-committee;*
- ❖ *Sub-Committee meetings;*
- ❖ *Roles, Duties and Responsibilities of a member of Sub-Committee.*

Performance evaluation of Self- Assessment of committee as a whole was reported at **98.38%**, an excellent score.

3

Self- Assessment of the board of directors and committee members on an individual basis, A self-assessment is based on a preliminary format set by the SET, covering the following topics:

- ❖ *Structure and qualifications of the Board and Sub Committee;*
- ❖ *Board and Sub-Committee meetings;*
- ❖ *Roles, Duties and Responsibilities of Directors and member of Sub-Committee*

Performance evaluation of Self- Assessment of the board of directors and committee members on an individual basis was reported at **100.00%** which is an excellent score.

4

Cross performance evaluation of the board of directors and committee members on an individual basis, A Cross performance evaluation form is based on a preliminary format set by the SET, covering the following topics:

- ❖ *Structure and qualifications of the Board and Sub Committee;*
- ❖ *Board and Sub-Committee meetings;*
- ❖ *Roles, Duties and Responsibilities of Directors and members of Sub-Committee.*

Performance evaluation of Cross performance evaluation of the board of directors and committee members on an individual basis was reported at **99.73%** which is an excellent score.

The performance evaluation form has been modified since 2016 to include four measurements: the first criteria is to conduct a Self- Assessment of the board of directors as a whole, the second criteria is to Self- Assess the committee as a whole, the third criteria is to conduct a Self- Assessment of the board of directors and committee members on an individual basis and fourth is a cross-evaluation of the board of directors and committee members on an individual basis.



Evaluation of the performance of the Chief Executive Officer through the use of the assessment form covers the following topics:

Section 1	Section 2
Progress of Planning	Performance Evaluation a) Leadership b) Strategic Planning c) Strategy Execution d) Financial Planning/Performance e) Relationship with the Board of Directors f) External Relations g) Human Resources Management/Relations h) Succession planning i) Product/Services Knowledge j) Personality

7.3 Information on subcommittees

The Sub-Committees

To ensure effective and efficient operation, the Board of Directors has established sub-committees to assist in the study and screening of the operations as necessary. Currently, the Company has four specific sub-committees, i.e. the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Corporate Governance Committee. The scope of duties of each sub-committee is as follows:

The Audit Committee

The Company selects members of the Audit Committee from directors. The Company's Audit Committee consists of three members. All members are independent Directors who are capable have knowledge, understanding and experience about the law, accounting and/or finance. At least one member of the Audit Committee is required to possess the financial capability. The Chairperson of the Audit Committee and its members shall remain in position for a two-year term. Details and qualifications of the members of the Audit Committee are contained within the Charter of the Audit Committee item 3.

As of December 31, 2021 the Audit Committee consisted of 2 independent directors as follows:

1	Mr. Threekwan Bunnag	Position : Chairman of the Audit Committee
2	Mr. Sopon Punyaratabandhu	Position : Audit Committee

Miss. Laksanee Yensuang is the Audit Committee's secretary.

Note: 1. All of them are knowledgeable and have experience in accounting and finance.

2. Mrs. Pratamaporn Svasti-xuto resigned from the position of a member of the Audit Committee during the year effective on November 9, 2021.

3. Board of Directors meeting no. 2/2022 held on January 20, 2022 resolved to appoint Mr. Ralph R. Tye as an Independent Director and member of the Audit Committee effective on that day.

Scope of Powers and Duties of the Audit Committee

The Audit Committee is responsible to the Board of Directors based on the scope of duties and responsibilities assigned by the Board of Directors with the following details:

- 1 To review the Company's financial reporting process to ensure that it is accurate and adequate.
- 2 To review the Company's internal control system and internal audit system to ensure that they are appropriate and efficient, to determine an internal audit department's independence, as well as to approve the appointment, transfer and dismissal of the Manager of an Internal Audit Department.
- 3 To ensure that the Company has duly complied with the laws on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
- 4 To consider, select, nominate, remuneration and dismissal of the external auditor who is independent and qualified to be accepted to act as auditor of the company. The auditor has been approved by the SEC, as well as to attend a non-management meeting with an auditor at least once a year.
- 5 To review the connected transaction, or the transactions that may lead to conflicts of interests, to ensure that they comply with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
- 6 To prepare an audit committee's report and disclose in an annual report, which must be signed by the Chairman of the Audit Committee and consist of 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 law on securities and exchange, the Exchange's regulations or the laws relating to the Company's business
 - d. An opinion on the suitability of an auditor,
 - e. An opinion on the transactions that may lead to conflicts of interests,
 - f. The number of the audit committee meeting, and the attendance of such meetings by each committee member,
 - g. An opinion or overview comment received by the audit committee from its performance of duties by the charter, and
 - h. Other transactions which according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
- 7 To audit cases informed by the Company's auditor when he/she discovers any suspicious circumstance that the director, manager or any person responsible for the Company's operational commits an offense, which is specified under the Securities and Exchange Act B.E. 2535 as amended by the Securities and Exchange Act (No.4) B.E. 2551 and report the result of the preliminary inspection to the Securities and Exchange Commission and the auditor within thirty days.
- 8 To express opinions regarding the operation plan and operational results, budgeting and manpower of the Internal Audit Department.

9
10
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14

To revise the Audit Committee Charter at least once a year.

To invite executive officers or supervisors to attend its meeting for clarification purposes or to submit relevant documents based on the scopes of its authority.

To obtain appropriate consultations from the independent specialist relating to its scope of duties and responsibilities with the Company's expenses.

Review and approve the Internal Audit Charter.

The Chairman of the Audit Committee shall attend the Annual General Meeting.

To perform any other tasks as assigned by the Board of Directors upon the Audit Committee's consent.

The Audit Committee is responsible to the Board of Directors and the Board of Directors continues to have responsibility directly to shareholders, stakeholders and other outsiders.

The Nomination and Compensation Committee

The Company's Nomination and Compensation Committee consists of 4 members. The Company selects from directors who are capable, knowledgeable, experienced and have a good connection with many capable, knowledgeable and qualified candidates in various organizations. The Chairperson of The Company's Nomination and Compensation Committee and its members shall remain in that position for a two-year term. The Nomination and Compensation Committee shall conduct the meeting at least two times annually.

As of December 31, 2021 the Nomination and Compensation Committee consisted of 2 independent Directors and a Director as follow :

1	Mr. Prasert Bunsumpun	Position : Chairman of the Nomination and Compensation Committee
2	Mr. Chatchaval Jiaravanon	Position : Nomination and Compensation Committee
3	Mr. Chatchawal Eimsiri	Position : Nomination and Compensation Committee

Mr.Thaphop Kleesuwan is the Nomination and Compensation Committee's secretary.

The Chairman of the Nomination and Compensation Committee is Independent Director.

There are 2 of 3 Independent Directors of 67%.

Note: 1. Mr. Pongsak Lothongkam resigned from the position effective on February 4, 2021. On the same day, the Board of Directors resolved to appoint Mr. Chatchawal Eimsiri to replace the vacant position.

Scope of Powers and Duties of the Nomination and Compensation Committee

1
2
3

To seek and approve the persons to be appointed as directors and Chief Executive Officer of the Company;

To consider the appropriate criteria of the remuneration policy for the directors and the Chief Executive Officer;

To consider and approve the issuance and offering for sale of securities to the directors and employees (Employee Stock Option Program (ESOP)) and propose this program to the Board for further consideration.

The Risk Management Committee

The Company's Risk Management Committee consists of 5 members consisting of a board member of the Company who serves as the Committee's chair with the selection of 5 additional members from the company's executives who are capable and knowledgeable in this subject and propose to the company's board of directors for approval. There is a director nominated by the board of directors to be an adviser of the Committee. The Chairperson of the Company's Risk Management Committee and its members shall remain in their position for a two-year term.

As of December 31, 2021 the Risk Management Committee consisted of 10 management staffs appointed by the Board of Directors as follows:

1	- In the process of appointment -	Position : Chairman of Risk Management Committee
2	Mr. Nonthaphan Akrasuwanasri	Position : Committee Member
3	Mr. Topong Sukhumsawad	Position : Committee Member
4	Mr. Kris Leetavorn	Position : Committee Member
5	Mr. Chatchai Tongpramool	Position : Committee Member
6	Ms. Saichol Pengsangthong	Position : Committee Member
7	Mr. Kritsada Umnouyvitayakul	Position : Committee Member
8	Mrs. Hataiwan Rakpakvan	Position : Committee Member
9	Mr. Songpon Prasawang	Position : Committee Member
10	Ms. Wanvipha Chumsawat	Position : Committee Member
11	Mr. Thaphop Kleesuwan	Position : Committee Member

Mr. Thaphop Kleesuwan is a secretary of the Committee.

Note: 1. During the year, Mrs. Pratamaporn Svasti-xuto resigned from the position of Chairperson of the Risk Committee effective on November 9, 2021. Later on, January 20, 2022 Board of Directors resolved to appoint Mr. Threekwan Bunnag as a Chairman of the Risk Committee.

Scope of Powers and Duties of the Risk Management Committee

To fulfill its responsibilities to the Board, the Committee will:

1. Oversee and approve the risk management, internal compliance and control policies and procedures of the Company.
2. Oversee the design and implementation of the risk management and internal control systems (including reporting and internal audit systems), in conjunction with existing business processes and systems.
3. Set reporting guidelines for management to report to the RMC on the effectiveness of the Company's management of its business risks and disclose to the Board the content of management reports.
4. Establish policies for the monitoring and evaluation of risk management systems to assess the effectiveness of those systems in minimizing risks that may impact adversely on the business objectives of the Company.
5. Oversight of internal systems to evaluate compliance with corporate policies and to assess whether such policies are effective.
6. Approve policies to inform all employees, visiting suppliers, customers and contractors of their rights and responsibilities consistent with the risk management framework generally and specific business.
7. Approve and update as necessary a summary of the Company's policies on risk oversight and management of business risks, to be made publicly available.
8. Contribute to the corporate governance statement in the Company's annual report, as appropriate given RMC policies, reports and results in the reporting period.
9. Other tasks as assigned

The Corporate Governance Committee

The Company's Corporate Governance Committee consists of a board member of the Company who serves as the Committee's chair and also a selection of the company's executives who are capable and knowledgeable in this subject and propose to the company's board of directors for approval. The Chairperson of The Company's Corporate Governance Committee and its members shall remain in position for a two-year term.

As of December 31, 2021, the Corporate Governance Committee consisted of an Independent Director and 4 management staffs appointed by the Board of Directors as follows:

1	Mr. Sapon Punyaratabandhu	Position : Chairman of the Corporate Governance Committee
2	Mr. Apirak Saengsie	Position : Committee Member
3	Mr. Topong Sukhumsawad	Position : Committee Member
4	Ms. Angkana Sornsakrin	Position : Committee Member
5	Ms. Wanvipha Chumsawat	Position : Committee Member

Mr. Phichet Kanogsirima is the Committee's advisor.
Mr. Apirak Saengsie is a secretary of the committee.

Scope of Powers and Duties of the Corporate Governance Committee

- 1 To propose the practiced guidance on Good Corporate Governance to the Company's Board of Directors;
- 2 To oversee and supervise the Company's operations to ensure compliance with Good Corporate Governance principles, the Company's policies and related laws;
- 3 To define and review good working practice policies, regulations and guidelines regularly;
- 4 To report to the Company's Board of Directors the result of Good Corporate Governance including comments, practice guidelines and suggestions for further improvement;

The Corporate Governance Committee shall conduct the meeting at least two times annually, depending on necessity and appropriateness. The result of the meeting shall be reported to the Company's Board of Directors. The term of a member of the Corporate Governance Committee is two years; however, the retiring members are eligible for re-election for another term by obtaining approval from the Company's Board of Directors.

Authority and Responsibility of the Chief Executive Officer (CEO)

- 1 To take actions on behalf of the Board of Directors in managing the business of the Company and ensure that such actions are taken under rules, regulations, policies and resolutions set by the Board and the shareholders meeting.
- 2 To be responsible for operating the Company, managing the business in line with the objectives, business plan, policies, budget rules and regulations approved by the Board.
- 3 To manage and control the company's day-to-day routine business.
- 4 To set objectives, policies and strategies of the Company as well as direct and monitor overall operations for maximizing benefits of the Company and to report the company's performance to the Board of Directors.
- 5 To regularly follow up and evaluate the performance of the Company to avoid any risk both internally and externally. To report and update the information on financial results, operational management to the management team, the audit committee and the Board.
- 6 To be responsible for the organizational changes of the Company under the supervision of the Board as well as to make decisions on the appointment, transfer and deposition of employees. To set the salary rate, remuneration, bonus and other fringe benefits for employees.
- 7 To authorize, instruct, announce, and record, as to ensure that the company can comply with the policies and internal discipline.
- 8 To approve all actions under the rules and resolutions from the Board of Directors Meeting.
- 9 To delegate authority to other persons to operate any specific functions on their behalf. This delegation has been made under the limitation stated in the Power of Attorney and/or to comply with the rules, regulations and instructions of the Board.
- 10 To perform any other actions as assigned by the Board occasionally.

The Chief Executive Officer may not hold the Director position in more than five listed companies.

The Chief Executive Officer may not delegate his authority to another person that does not have a mandate or authority and that may cause a conflict of interest with the company or any subsidiary (defined in SET's and SEC's regulations) unless it is clearly approved under the normal company's business policy.

7.4 The Management

As of December 31, 2021, SVI's Management consisted of 4 members:

1	Mr. Somchai Siripanyanon	Position : President
2	Mr. Carsten Bremerskov Kaysen	Position : Vice President of Scandinavia Market
3	Mr. Claus Broberg	Position : Vice President of Business Development
4	Mr. Apirak Saengsie	Position : Director of Finance and Accounting

Remuneration of Management

In 2021, a total of Baht 24,565,346 was paid to the Company's management executives as per the following details:

Remuneration	Year 2021	
	Number of Management*	Remuneration (Baht)
Management Salary including bonus and fringes benefits	4	24,072,387
Management Provident Fund	4	492,959
Total	4	24,565,346

*The Management in this table are all directly reported to the CEO. During the period there were 1 resigned management executive, 1 retired management executive and 1 newly appointed management executive.

Other Remuneration

Provident Fund

The provident fund has been registered as "Sin Permpoon Provident Fund" of which Bualuang Securities Public Company Ltd., is the fund manager. All employees are entitled to apply as members of the fund. The members contribute 3% to 15% of their monthly salary to the fund. The employer's contribution rate in percentage of salary is set as follows:

Number of Member Year	Employer's Contribution Rate (%)
Less than 2 years	3
Completed 2 years but less than 5 years	4
5 years and above	5

Employee Joint Investment Program (EJIP)



Board of Directors of SVI Public Company Limited meeting no. 6/2021, approved EJIP to retain and attract the employee to remain with the company in long-term. The Company will deduct from the payroll of an eligible employee who voluntarily joins EJIP at the rate of 5-10 percent of the salary each month till the end of the EJIP period (December 2025). The Company will contribute 100-150% of employee's contribution Both employees' and the Company's contribution will be invested in buying SVI shares in the Stock Exchange of Thailand (SET). Phillip Securities Public Company Limited has been assigned by the Company to execute EJIP.

7.5 Information on employees

As of December 31, 2021 the Company's total number of employees was **3,237*** reported by the department as follows:

Department	Number of Employees
	As of 31 December 2021
1. CEO Office	3
2. Material Management	103
3. Business Development	124
4. Sourcing	22
5. Manufacturing	1,845
6. NPI	78
7. Engineering	551
8. Quality Assurance	133
9. Human Resources	35
10. Finance & Accounting	41
11. MIS	22
12. Operation support, IE, Facility	280
Total	3,237*

* Employees of subsidiary companies are not included (the total number is 2,431 persons: as of 31 December, 2021)

Employee turnover during 2017-2021			
Year	Number of Employees	Increase / (Decrease)	% of Increase / (Decrease)
31 December 2017	2,973	120	4.21
31 December 2018	3,308	335	11.27
31 December 2019	3,062	(246)	7.44
31 December 2020	3,019	(43)	1.40
31 December 2021	3,237	218	6.73

Remuneration	Employees' Remuneration for 2021		
	Monthly Employee	Daily Employee	Total
Number of employees (person)	928	2,309	3,237
Salary (Baht)	445,390,358.95	207,678,277.97	653,068,636.92
Bonus and others fringes benefits (Baht)	117,199,021.23	180,393,585.50	297,592,606.73
Company's Contribution to the Provident Fund (Baht)	11,949,877.00	2,369,731.00	14,319,608.00
Total (Baht)	574,539,257.18	390,441,594.47	964,980,851.65

Human Resources Development Policy

The Company realizes the importance of personal development for all employees at all levels, they must be knowledgeable, have a good potential, a good attitude and good relationships. The Company realizes that good employees can contribute to the growth and sustainability of the business in the long term. The Company supports continuous training and the development of employees both for skills and management development. Therefore, the Training and Development Section arranges a training plan annually to continually improve employees' knowledge and ensure the development of the necessary skills. This includes the orientation of new employees to create an understanding of the company's vision, mission, value, key performance indexes for them to be effective in performing their duties. The employees' performance is appraised and evaluated regularly. Internal training and external training programs are conducted to enhance the capability, knowledge and working skills of all employees. The ultimate aim is to provide good quality, good service and prompt response to satisfy our customers' needs, and be ready to manage a changing environment.

The Company initiated various training courses. They were designed based on the result of the Training Needs Survey through interviews with the Directors of every Department, assessment of their employee's needs. They are also designed based on the defined competencies for each position to allow them to contribute to the superior work result for the company. Our training programs consist of

1

Orientation

The objective is to make employees understand the essential information about the company, such as the "Vision", "Mission", rules, regulations and benefits provided by the company. This is to help new employees to familiarize themselves with the company's environment and culture in order to integrate quickly and productively in the company's operations. 1,707 employees attended orientation training during 2021, the total training hours was 6,808 hours.

2

Basic training

This helps employees to meet the basic entry-level requirements for their jobs, resulting in working more effectively and productively. The company also monitors, follows up and evaluates their performance continuously so that their result meets the company's standards and expectations. Retraining opportunities are also provided to employees who cannot deliver results as required by the company's standard. 2,058 employees attended this course in 2021, the total training hours was 37,044 hours.

3

Functional training

This training is to make employees being more productive, meeting the basic performance standards and expectations of their job. 1,296 employees attended this course in 2021, the total training hours was 22,456 hours.

4

Cross-training

Cross-training is to help employees to have more knowledge beyond their direct knowledge for the job. This is to make them more flexible and support rotation programs or to replace absent employees to allow the company to operate continuously. 767 employees attended this course in 2021, the total training hour was 9,737 hours.

5

Recertification Training

This is to provide training to employees who aren't performing in line with current work standards or upgrading their current skills on new technology or other required knowledge. 3,202 employees attended this course in 2021, the total training hours were 13,530 hours.

6

Management training

This is to provide training to supervisory level and management staff, mainly related to management techniques to improve their management skill and achieve the company's goals and objectives.

In 2021, the company provided training to employees in various groups to enhance employee productivity as well as the competitiveness of the Company as outlined below:

- ❖ In-house Training, arranged for 28 courses, provided to 820 employees, a total of 7,066 hours.
- ❖ External Training, arranged for 3 courses, provided to 3 employees, total 42 hours.

The company training course and hours for staff and operators projection:

- ❖ Staff, consolidated training hours 7,108 hours - schedule for 1000 persons, average 7 hours per person
- ❖ Operator, consolidated training hours 98,459 hours - schedule for 2,240 persons, avg 44 hours per person

7.6 Other significant information

The person supervising accounting

Mr. Apirak Saengsie, the Director of Finance and Accounting has been assigned to supervise Finance & Accounting and the accounting management. His profile details appear in the Attachment 1 in this report.

Company's secretary

Board of Directors meeting no. 2/2018 held on May 11, 2018 resolved to appoint Mr. Thaphop Kleesuwan as the Company's secretary effective since June 1, 2018 onwards. The Company's Secretary perform his duty with responsibility, discretion, honesty and according to the section 89/15 and 89/16 of Securities and Exchange Act (No. 4) B.E. 2551 (2008) which has been effective since August 31, 2008. It is also the company's secretary to perform his work in accordance with the law, objective, article of association, Board of Directors' resolution as well as the shareholders' resolution.

Authority and Responsibility of the Corporate Secretary

The Company's secretary's responsibilities are as follows:

- 1 Preparation and proper stowage of the following documents
 - a.Directors' registration
 - b.Invitation Letter to the Meeting and Minutes of Directors' Meeting and the Company's Annual Report
 - c.Invitation Letter to shareholders and Minutes of the Shareholders Meeting
- 2 Maintaining the reports of the company's connected transactions disclosure, reported by Directors or management.
- 3 Perform other duties as assigned by the Board of Directors.
- 4 Organize the Shareholders Meetings and Board of Directors Meetings in accordance with the laws , Company's Articles of Association and other relevant requirements.
- 5 Draft management policies.
- 6 Record the Minutes of Shareholders Meeting and the Minutes of the Board of Directors Meeting and follow up on the compliance of the resolutions.
- 7 Ensure that disclosure of data and information is under the responsibility of the authorized parties in the Company under the regulations and requirements of such authorities.
- 8 Ensure the Company's and the Board of Directors' compliance with the laws and requirements of SEC/ SET.
- 9 Promote and standardize good corporate governance in the company.
- 10 Communicate with the shareholders to ensure that shareholders obtain their entitlements and the information of the Company.
- 11 Manage the activities of the Board of Directors.

Internal Audit

SVI appointed Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. as an outsourced internal auditor to conduct quarterly internal audits. The qualification and experience of working team are disclosed in the Attachment no.3 of this report.

Investor relations

SVI's Investor Relations is responsible for communication of any significant qualitative and quantitative information for investors, such as general information, financial information related to the characteristic of business, operating performance (already published), management discussions and other crucial information. SVI has an objective to transparently reflect the company's value to the capital market which will be beneficial to its shareholders, investment institutions, analysts, related public parties, media and others. SVI recognizes this activity as an important tool to reinforce good corporate governance of the company.

SVI Investor Relations Contact

Miss. Angkana Sornsakarin
(66) 2-105-0456 ต่อ 1818

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-  Phone: 66 2-105-0456 Ext 1818
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-  IR Website: <http://investor.svi-hq.com>

Remuneration of Auditor

The Annual General Meeting of Shareholders No. 1/2021 approved the total Annual Remuneration of Audit Fee for the fiscal year 2021 at Baht 2,600,000 (Baht: Two million Six hundred thousand only) and the special audit fee for the privileges of corporate income tax exemption report was approved at Baht 250,000 (Baht: Two hundred and fifty thousand only), excluding the out-of-pocket expenses.

The Company and its subsidiaries paid the audit fee in the fiscal year ended December 31, 2021 as follow:

Audit's fee for the Year 2021	SVI Public Co., Ltd.	SVI Public (HK) Limited ⁽¹⁾	SVI A/S (Denmark)	SVI (AEC) Company Limited	SVI Europe	BEI Co., Ltd	Tohoku Solutions Co., Ltd
Audit Fee	2,600,000	283,132	1,079,671	774,829	6,682,370	5,000	450,000
Audit Fee for BOI Promoted Project	250,000	None	None	None	None	None	None

Remark: (1) Changed name from "Shi Wei Electronics (Hong Kong)"

Report on key operating results on corporate governance

3.1 Summary of duty performance of the Board of Directors in the past year

In 2021, the Board of Directors has reviewed and approved corporate governance policy according to the Securities and Exchange Act, and respective rules as well as to comply with the ASEAN CG Scorecard as follows;

1

- ❖ Reviewed and approved the policy to facilitate the shareholders to attend the meetings, exercise their rights and fully vote by providing transportation to support shareholders and institutional investors, provide adequate staff and technology and provide a duty stamp for shareholders.
- ❖ reviewed and approved the policy for sending notices of the shareholder's meeting together with the agenda at least 21 days before the meeting date. SVI shall provide multiple communication channels via the SVI's website in advance.
- ❖ reviewed and approved the policy to post all information on the SVI's website (www.svi-hq.com) at least 30 days before the shareholder's meeting.
- ❖ reviewed and approved the policy to establish clear compensation and employee benefits policy that is consistent with the company's performance and provides such benefits as provident fund, saving fund for staff and transportation etc. Emphasized on people development programs to develop the potential of all employees and disclose the average number of hours of training per year in the annual report.
- ❖ reviewed and approved the policy to arrange class training for employees as well as disclose an accident report and rates of illness from work in the annual report.
- ❖ Reviewed and approved the established compliance unit to monitor and follow-up with the concerned party to ensure effective and efficient compliance with approved policies and in line with good corporate governance, The Compliance unit reports directly to the company's secretary.
- ❖ Reviewed and approved for review key business matters of the Company, such as the vision and mission of the Company, strategy, financial targets, risks, work plans and budget (once a year).
- ❖ Reviewed and approved the BOARD quorum that consists of not less than two-thirds (2/3) of the total number of members of the Board of Directors.
- ❖ Reviewed and approved added self-assessment evaluation covered for the 4 areas of Board of Directors, the Sub-Committee performance:
 1. Self-assessment evaluation covered for the Board of Directors as a whole
 2. Self-Assessment of the Sub-Committee as a whole
 3. Self- Assessment of the Board of Directors and the Sub-Committee members on an individual basis
 4. Assessment of the Board of Directors and the Sub-Committees in an individual cross performance.

To assess properly the duties of the Board of Directors and the Sub-Committee members individually.

- ❖ Reviewed and approved the new Scope of Powers and Duties of the Audit Committee to comply with the Asian CG Scorecard.
- ❖ Reviewed and approved the Nomination and Compensation Committee to conduct the meeting at least two times annually.
- ❖ Reviewed and approved the Board of Director manual.
- ❖ Reviewed and approved the Anti-Corruption Policy.

2

Reviewed and approved the vision of the Company so that the executives and employees aim in the same direction and also established a guideline for participation. In 2021, the Company determined the business operation's goals as follows.

SVI continues to embark on a long-term objective to build up a solid "Best in Class" Global company that has redundancy in operations and resources.

- ❖ To deliver and maintain in "Superior Service and Highest Quality" driven by hardworking and dedicated teams.
- ❖ Offer a business strategy to innovate and produce products in a wide range of market segments to support fluctuation of demand.
- ❖ To automate production line and upgrade IT system to meet global footprint requirement
- ❖ To provide opportunities and career paths to our dedicated and capable employees in terms of financial rewards and challenging career growth.

3

The company has been certified as a member of the Thai Private Sector Collective Action Against Corruption since June 30, 2021.

4

By operation under sustainable development in 2021, the Company has improved its report on social responsibility, details of which can be found on the Company's website. (www.svi-hq.com)

5

Structure of the Board of Directors

- ❖ Directors and key management must not have been employed or was a shareholder of the Company's external auditors for the past 2 years.
- ❖ The Company's does not have any directors who are employed by a listed company not in the same business as the Company for more than 2 companies.
- ❖ The Company currently has a director, Mr. Chatchaval Jiaravanon, who is not a management of the Company but has experience in a similar industry.
- ❖ The Board of Directors has appointed an internal audit company that reports directly to the Audit Committee with details of the business unit and head of the business unit which is disclosed in the annual report under the section Internal Control, Risk Management and Internal Audit.

Remuneration of Directors and Executives

The Company has the policy to compensate Directors, the Chief Executive Officer and Management at appropriate levels when compared to other companies in the same business. This is to motivate and retain capable personnel. Remuneration is related to the Company's performance. The Nomination and Compensation Committee sets the remuneration policy and payment procedure and proposes the remuneration package to the Board of Directors for consideration which proposes to the shareholders meeting for approval.

The details of remuneration payments to Directors and executives are reported under the section " 8.1.2 Meeting attendance and remuneration payment to each Board member".

Management Succession Plan

The Company has developed a succession plan for key positions within each group, i.e. Chairperson of the Executive Committee, Executive Director and Director of each department to ensure that the Company has the Management that is knowledgeable in the business operations and capable to carry out the tasks smoothly and efficiently. Furthermore, the Company identifies the high potential employee and sets training needs to develop them to become young talented executives and possess a foundation for business expansion in the future. This ensures that there will be no personnel shortage and maintains the confidence of the shareholders and stakeholders, including employees.

The Board of Directors has authorized the Nomination and Compensation Committee to consider and establish a succession plan for Chief Executive Officer and arranged the Company to review the succession plan for senior executives on an annual basis.

Shareholders, Analyst and Press Meetings

SVI has arranged Shareholders Meetings and treated all Shareholders equitably by sending invitation letters at a reasonable time as required by law. The letter informs Shareholders of the meeting schedule and location that is convenient for them to commute to the meeting. The Annual General Shareholders Meeting is normally held in April each year. The Company also invites both analysts from inside and outside Thailand, Financial Journalists, media and the press to discuss and interview SVI top management regarding the company's strategy and business plan as appropriate.

2021 Annual report (56-1 One report) and Financial Statement

The investors can access information of 2021 Annual report (56-1 One report) and Financial Statement in both Thai and English at <http://investor.svi-hq.com>

3.1.1 Selection, development and evaluation of duty performance of the Board of Directors.

Definition and Qualifications of Independent Directors

Definition of Independent Directors: An independent director means a person whose qualification and independence complies with the requirements set forth by the Company's Board of Directors in the Company's Corporate Governance Policy and the regulations of the Capital Market Supervisory Board. To elaborate, an independent director shall not have any business or interest nor participate in any management related to the Company which may have an impact on his or her independent decision-making

The Company selects independent directors by taking into account the qualifications under the Public Limited Company Act B.E. 2535 (A.D. 1992), the law on securities and exchange, the Notifications of the Securities and Exchange Commission, the Notifications of the Capital Market Supervisory Board and other related regulations and/or rules. Each independent director may not hold the position in more than five listed companies.

The Company has determined the structure of the board of directors must be independent directors, at least one-third of the total membership. But shall not be fewer than three independent directors who qualify under the rules of the Securities and Exchange Commission. An independent director shall meet the following criteria:

- 1** Hold shares not exceeding one percent of the total number of shares with voting rights of the Company, its parent company, subsidiary company, affiliate company, major shareholder or controlling person, including shares held by related persons of such independent director;
- 2** Neither being nor used to be an executive director, employee, staff, advisor who receives a salary, or controlling person of the Company, its parent company, subsidiary company, affiliate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended more than two years before the filing of a registration statement to the Office. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the Company;
- 3** Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including the spouse of other directors' child, executive, major shareholder, controlling person, or person to be nominated as director, executive or controlling person of the Company or its subsidiary company;
- 4** Neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, affiliate company, major shareholder or controlling person, in the manner which may interfere with his/her independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, affiliate company, major shareholder or controlling person unless the foregoing relationship has ended more than two years before the filing of a registration statement to the Office;

The term 'business relationship' under the above mentioned shall include any normal business transaction, rental or lease of immovable property, the transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or Baht 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation

of the value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during one year before the date on which the business relationship with the person commences;

- 5** Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, affiliate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, affiliate company, major shareholder or controlling person, unless the foregoing relationship has ended more than two years before the filing of a registration statement to the Office;
- 6** Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding Baht two million per year from the Company, its parent company, subsidiary company, affiliate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended more than two years before the filing of a registration statement to the Office;
- 7** Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder of the Company;
- 8** Not undertaking any business in the same nature and significantly in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives a salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and significantly in competition to the business of the Company or its subsidiary company;
- 9** Not have any other characteristics which cause the inability to express independent opinions about the Company's business operations.

The independent director may be assigned by the Board of Directors to take part in the business decision of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, provided that such decision shall be in the form of collective decision.

In the case where the person appointed as the independent director has or used to have a business relationship or provide professional services exceeding the value specified under 4 or 6, the Company's Board of Directors may grant an exemption from such prohibition if it views that the appointment of such person does not affect performing of duty and expressing of independent opinions, and the Company discloses the following information in the notice calling the shareholders' meeting under the agenda for the appointment of independent directors:

- a.** The business relationship or professional service which makes such person's qualifications not in compliance with the prescribed rules;
- b.** The reason and necessity for maintaining or appointing such person as an independent director;
- c.** The opinion of the Company's Board of Directors for proposing the appointment of such person as an independent director.

According to Articles 5 and 6 of the word "business relationship" means a person appointed by the audit firm. Or provide professional services. Or is a signatory on the audit report. Or report to a professional service provider.

Remark: SVI Company Limited has been recognized as meeting the qualifications and criteria of the Independent Director as required by the SEC and The Stock Exchange of Thailand.

Nomination of Directors and Executives

The Company has criteria for the selection and appointment of directors by the qualifications stipulated in the Company's Articles of Association, in which the Company's director, possesses no characteristics which conflict with any regulations of the Stock Exchange of Thailand. In addition, the Company also stresses the importance of having a diverse board of directors and that the expertise of each director should complement each other as well as address the company's requirements in different areas of the business. The persons to be appointed as directors of the Company should have knowledge and capability to manage/operate the business, accounting or law and shall be honest and prepared to perform their duties. Nomination of directors of the Company shall be considered based on their skills and shall be approved by the resolutions of the Board and shareholders' meetings.

Appointment of the Board of Directors

The Board of Directors shall consist of at least five persons and not less than one-half of the total directors must reside in the Kingdom of Thailand. The Company's directors shall have full qualifications as required by the governing laws and each of them may hold a position in no more than five listed companies.

By the Company's Articles and Association, the directors shall be elected at the shareholders' meeting based on the following criteria and procedures:

- 1 Each shareholder shall have one vote per one share.
- 2 Each shareholder must exercise all of his or her votes under 1 to elect one person or multiple persons as director, but cannot allow their votes to any of these persons in any number.
- 3 Persons who receive the highest votes, arranged in order from highest to lowest in a number equal to that of directors to be required or to be elected in an election shall be elected as directors. In the event of a tie at a lower place, which would result in the number of directors to be greater than that to be required or to be elected in an election, then the Chairperson of the meeting shall cast the deciding vote.

At each annual general meeting, one-third (1/3) of the directors must retire from office. If their number is not a multiple of three, then the number nearest to one-third (1/3) must retire from office.

The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been longest in office shall retire. The retiring directors may be reappointed for any number of terms.

The Company has a guideline to provide an orientation to the new director so that he or she is informed of the responsibilities, duties, as well as the Company's vision, business strategy operations and the laws and regulations governing the business. Other materials given during orientation include a director's handbook and within it contains the shareholding structure, financial status, form 56-1 and other relevant information so that the director can best perform the duties required.

As of December 31, 2021, the Company doesn't have any director who represents a specific group of shareholders.

Nomination of the Audit Committee

The Company's Audit Committee consists of three members. All members are independent and are not a member of the management team. They have knowledge, understanding and experience about the law, accounting and/or finance. At least one member of the Audit Committee is required to possess the financial capability.

The Audit Committee must assist the Board in fulfilling the Company's Good Corporate Governance, particularly in providing the vision of the business, commenting on financial reports and internal control systems, and monitoring the accuracy and sufficiency of the disclosure of financial reports in compliance with related standards and requirements. All these actions enhance the quality and reliability of the financial reports and add value to the organization. The Chairperson of the Audit Committee and its members shall remain in that position for a two-year term.

Nomination of the Nomination and Compensation Committee

The Company selects members of the Nomination and Compensation Committee from directors who are capable, knowledgeable, experienced, and have a good connection with many capable, knowledgeable and qualified candidates in various organizations.

Nomination of the Risk Management Committee

The Company selects Chairman of the Risk Management Committee from a member of the Company's Board of Directors whereby the Chairman of the Risk Management Committee selects members of the Risk Management Committee from the Company's executives who are capable and knowledgeable in this subject and proposes to the Company's Board of Directors for approval.

Nomination of the Corporate Governance Committee

The Company selects Chairman of the Corporate Governance Committee from members of the Company's Board of Directors whereby the Chairman of the Corporate Governance Committee selects members of the Corporate Governance Committee from the Company's executives who are capable and knowledgeable in this subject and proposes to the Company's Board of Directors for approval.

Nomination of the Executives

As for the selection of the Company's executives, the Company's Board of Directors authorizes the Chief Executive Officer to select knowledgeable, capable, experienced and qualified persons to manage the Company's business.

Professional Development for Directors and Management

The Board of Directors has supported and facilitated attendance on various training programs and seminars as necessary to ensure the continuing education of those associated with the Corporate Governance system, such as Directors, Audit Committee members, Executives and the Company Secretary. This enables the Directors to operate and govern the Company operations more effectively. In addition, in the case of a new Director, the Company organizes an orientation program and provides training, information and documents beneficial to performing the new duties. The program for a new Director includes sessions to introduce the nature of the business, the business structure, operating policy, the Company's rules and regulations, and Corporate Governance guidelines and practice, as well as a plant tour.

2021 Seminar record for directors are as follow:

1

Mr. Prasert Bunsumpan

Attended Seminar in 2021:

- ❖ Health Ambassador class 3/2021 by Chulabhorn Royal Academy

2

Mr. Threekwan Bunnag

Attended Seminar in 2021:

- ❖ “Sustainability, ESG and a company’s reporting” by EY Thailand
- ❖ “Preparation for post-COVID-19: once in a hundred-year crisis, opportunity and prospect offered the post (COVID-19)” by EY Thailand

3

Mr. Chatchaval Jiaravanon

Attended Seminar in 2021:

- ❖ None

4

Mr. Sopon Punyaratabandhu

Attended Seminar in 2021:

- ❖ Board Governance and Culture Seminar, by The Securities of Exchange Commission, Thailand
- ❖ Listed companies Audit Committees Seminar, by The Securities of Exchange Commission, Thailand

5

Mr. Chatchwal Eimsiri

Attended Seminar in 2021:

- ❖ None

3.1.2 Meeting attendance and remuneration payment to each Board member

The Board of Directors and member of the Sub-Committees meeting attendance in 2021 as outlined below:

Director's name	Meeting Attendance in 2021			
	Board	Audit Committee	Nomination and Compensation Committee	AGM
1. Mr. Prasert Bunsumpun	6/6	-	2/2	1/1
2. Mr. Threekwan Bunnag	6/6	4/4	-	1/1
3. Mr. Chatchaval Jiaravanon	6/6	-	1/2	1/1
4. Mr. Pongsak Lothongkam ¹	2/2	-	0/0	0/0
5. Mr. Sopon Punyaratabandhu	6/6	4/4	-	1/1
6. Mrs. Pratamaporn Svasti-xuto ²	5/5	4/4	-	1/1
7. Mr. Chatchawal Eimsiri	6/6	-	2/2	1/1

Remark: 1) Mr. Pongsak Lohthongkam resigned from the position of Director and Chief Executive Officer effective on February 4, 2021.

2) Mrs. Pratamaporn Svasti-xuto resigned from the position of Independent Director and a member of Audit Committee effective on November 9, 2021.

Remuneration of Directors and Managements

Remuneration of the Board of Directors and Member of the Sub-Committees

The 2021 Annual General Meeting of Shareholders approved the Directors fee and their remuneration for fiscal year 2021, which was already approved by the Nomination and Compensation Committee. The remuneration has been reviewed and considered, based on various factors including market comparison with electronic industry of the same size of revenue, operation results, duties and responsibilities of the Board of Directors and economic situation. Thus, appropriate directors' fee and remuneration was recommended for the Board of Directors and other sub committees for the fiscal year 2021 of not exceeding Baht 9,000,000 (Baht: Nine million). This is the same amount approved by the 2020 Annual General meeting of Shareholders held on dated March 20, 2020.

The remuneration of the Board of Directors and Board Committee members for the year 2021 are listed below:

	Meeting Allowance (Per Attendance)	Remuneration (Quarterly)	Director Bonus (Yearly)
• Chairman	30,000 THB/Person	150,000 THB/Person	Based on the company's Operating result
• Director	20,000 THB/Person	100,000 THB/Person	Based on the company's Operating result

Directors are responsible for paying the withholding tax.

Remuneration for Sub Committee members

Who are appointed by the Board of Directors shall receive a meeting allowance as follows:

Year 2021			
Remuneration (Position)	Remuneration (Quarterly)	Director Bonus (Yearly)	Allowance (Per Attendance)
Audit Committee			
• Chairman	50,000 THB/Person	None	30,000 THB/Person
• Committee Member	50,000 THB/Person	None	20,000 THB/Person
The nomination and Compensation Committee			
• Chairman	None	None	30,000 THB/Person
• Committee Member	None	None	20,000 THB/Person
The Corporate Governance Committee			
• Chairman	None	None	20,000 THB/Person
• Committee Member	None	None	None
The Risk Committee			
• Chairman	None	None	20,000 THB/Person
• Committee Member	None	None	None

Directors are responsible for paying the withholding tax.

The company has a policy for remuneration for the CEO, by, short term, paying salaries at a fixed rate and pay compensation, long term, at variable rates depending on the turnover of each year. This must be passed performance evaluation by the Nomination and Remuneration Committee.

In 2021, a total of Baht 7,220,000 was paid to the Company's Board of Directors, concurred by the Nomination and Compensation, as per the following details.

Meeting Allowance paid in 2020								
Directors Name	Director Bonus for 2020 paid in 2021	Director Fee paid quarterly	Board of Directors (6 Meetings)	Audit Committee (4 meetings)	Nomination and Compensation Committee (2 meetings)	Corporate Governance Committee (3 meetings)	Annual General Meeting	Total
1. Mr. Prasert Bunsumpun	800,000	600,000	180,000	-	60,000	-	-	1,640,000
2. Mr. Threekwan Bunnag	450,000	600,000	120,000	120,000	-	-	-	1,290,000
3. Mr. Pongsak Lothongkam ¹	-	-	40,000	-	-	-	-	40,000
4. Mr. Chatchaval Jiaravanon	400,000	400,000	120,000	-	20,000	-	-	940,000
5. Mr. Sopon Punyaratabandhu	400,000	600,000	120,000	80,000	-	20,000	-	1,220,000
6. Mrs. Pratamaporn Svasti-xuto ²	400,000	550,000	100,000	80,000	-	-	-	1,130,000
7. Mr. Chatchawal Eimsiri ³	400,000	400,000	120,000	-	40,000	-	-	960,000
Total	2,850,000	3,150,000	800,000	280,000	120,000	20,000	-	7,220,000

Remark: 1) Mr. Pongsak Lohthongkam resigned from the position of Director and Chief Executive Officer effective on February 4, 2021.

2) Mrs. Pratamaporn Svasti-xuto resigned from the position of Independent Director and a member of Audit Committee effective on November 9, 2021.

3) Mr. Chatchaval Jiaravanon has been appointed as a member of Nomination and Compensation Committee to replace the position of Mr. Pongsak Lothongkam

3.1.3 Supervision of the Operation of Subsidiaries

The Company's Board of Directors has established a mechanism for the Company's supervision that enables it to oversee the management and take responsibility for its subsidiaries' operation to maintain the Company's investment benefit. Such mechanism includes the followings:

- 1 The Company has appointed or nominated persons as directors or executives of its subsidiaries at least in proportion to its shareholding in each respective subsidiary. Those directors and executives nominated or appointed by the Company shall have discretion in casting their votes in the board of directors' meetings of the subsidiaries about the general management and normal business operation of the subsidiaries as the directors and executives deem appropriate for the utmost benefit of the Company and its subsidiaries;
- 2 The Company's Board of Directors shall oversee and supervise the subsidiaries as if they were the Company's internal units about their procurement and disbursement approval, by adhering to the same practices as are used by the Company in all respects;
- 3 The Company's Board of Directors shall closely follow-up the performance of the subsidiaries to ensure compliance with the work plans and budget and the disclosure of their transactions with connected persons and acquisition or disposition of assets to ensure compliance with related notifications, by adhering to the same practices as are used by the Company in all respects.

3.1.4 Monitoring of compliance with the corporate governance policy and guidelines

Prevention of Conflicts of Interest

To eliminate conflicts of interest, the Company has the policy to prevent Directors, Management or employees from using internal information for personal benefit. The Board is kept informed of transactions that may pose a conflict of interest and review the suitability of each instance with caution. The Company further complies with the guidelines of the SET and discloses the related transactions in the Company's Annual Report. The Board also oversees the use of internal information, by having Directors and Management report their shareholding information to the SEC, and is determined that business ethics protect the Directors and Management against the use of insider information for personal gain.

Supervision of the Use of Inside Information

The Company has a measure to supervise the use of inside information. If any director or executive has been aware of any significant inside information which may affect the change in securities price, such director or executive shall refrain from trading the Company's securities for an appropriate period before such inside information is disclosed to the public and shall not disclose such information to any other person.

The Company has informed directors and executives of their duty to report their securities holdings in the Company and the change in their securities holding in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 (A.D. 1992) including penalty provisions under such Act.

The Company requires directors and executives to report their trading of the Company's securities to the Company in a standard form. Such report must be submitted to the Company on the business day following the day of trading. In the case where the directors or executives submit the report to the SET directly, the Company requires them to report that transaction to the Company as well. The Company will immediately clarify the facts to the shareholders and investors via the SET news system once there is any rumor or information leak to the public. This is to avoid causing any unfairness to the shareholders and general investors.

Common Shares and Warrant held by the Board of Directors and the Management

The common shares and warrants held by the Board of Directors and Management including the shares or warrants held by their spouses and children under 20 years old are reported in the table stated below. The percentage of shares held in 2020 was based on a total of 2,266,749,426 common shares minus treasury stock 113,539,400. The percentage of shares held in 2021 was based on a total of 2,170,616,326 common shares minus treasury stock 17,406,300 shares and no Warrants.

Name of Shareholders	Number of Common Shares			
	As of 31-Dec-20	% Of total share ¹	As of 31-Dec-21	% Of total share ¹
1. Mr. Prasert Bunsumpun	-	-	-	-
2. Mr. Threekwan Bunnag	-	-	-	-
Mrs. Atiwan Bunnag (Spouse)	-	-	-	-
3. Mr. Chatchaval Jiaravanon	-	-	-	-
4. Mr. Sopon Punyaratabandhu	-	-	-	-
5. Mrs. Pratamaporn Svasti-xuto ²	-	-	-	-
6. Mr. Chatchawal Eimsiri	100,000	0.005	100,000	0.005
The management³				
1. Mr. Somchai Siripanyanon	-	-	-	-
2. Mr. Apirak Saengsie	-	-	-	-
3. Mr. Carsten Bremerskov Kaysen	142,800	0.006	142,800	0.006
4. Mr. Claus Broberg	-	-	-	-
Total	242,800	0.011	242,800	0.011

Remark: 1) Ratio shareholding is excluded treasury stock

2) Mrs. Pratamaporn Svasti-xuto has resigned from the position of Independent Director and a member of the Audit Committee effective on November 9, 2021

3) Management are executive staff who are direct report to the CEO

During the year, there was no director and executive buy and sell SVI share

Supervision of the Use of Inside Information

The Company has a measure to supervise the use of inside information. If any director or executive has been aware of any significant inside information which may affect the change in securities price, such director or executive shall refrain from trading the Company's securities for an appropriate period of time before such inside information is disclosed to the public and shall not disclose such information to any other person.

The Company has informed directors and executives of their duty to report their securities holdings in the Company and the change in their securities holding in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 (A.D. 1992) including penalty provisions under such Act.

The Company requires directors and executives to report their trading of the Company's securities to the Company in a standard form. Such report must be submitted to the Company on the business day following the day of trading. In the case where the directors or executives submit the report to the SET directly, the Company requires them to report that transaction to the Company as well. The Company will immediately clarify the facts to the shareholders and investors via the SET news system once there is any rumour or information leak to the public. This is to avoid causing any unfairness to the shareholders and general investors.

Anti-Corruption

The Company has disclosed the information in the section of "Social sustainability management" and "Corporate Governance"

Whistle-Blowing reporting and Whistle-Blower Protection Mechanisms

The Company believes that Good Corporate Governance is vital for the achievement of sustainable long-term growth. Therefore, the Company provides a channel for employees, stakeholders and concerned personnel to send their comments or useful suggestions or to report or submit information concerning wrongdoing, violation of the law, regulations, or any conflict of Good Corporate Governance principles via email to auditcommittee@svi.co.th. Furthermore, to ensure that people making such a report receive proper protection, the Company has the policy to receive complaints directly through the Audit Committee. All details are kept confidential, and there is a mechanism in place when investigating the party accused to ensure that there is fair treatment before disciplinary or legal action is taken.

Regarding the Whistle-Blower Protection Mechanisms, the details are described in the Anti-Corruption Policy on the company website: www.svi-hq.com

Compliance with Stock Exchange of Thailand's Code of Conduct for Listed Company's Directors.

The Board of Directors is responsible for establishing policies, vision, mission, goals, business strategy, business plan and budget of the company. The management and supervision are administered according to the defined policy effectively and efficiently under the framework of laws, regulations, objectives of the company, and resolutions of the shareholders' meeting with responsibility and honesty. The director of a listed company has to comply with the Stock Exchange of Thailand's code of conduct. Additionally, there must be control and monitoring of the management to ensure transparency, maintain communication and disclose the company information as appropriate. The Board of Directors, under the leadership of the Chairman of the Board of director, has to control and manage the company's management to deliver the operating result effectively, adding high economic value to the business, and maximizing security for its shareholders.

The Chairman of the Board of Directors and Chief Executive officer are not the same person. The Chairman of the Board of Directors is independent of major shareholders and management. There is no benefit or interest, whether direct or indirect in the finance and administration of the Company. The Chairman of the Board of Directors is elected from Independent directors.

The Board adheres to the Securities and Exchange Act, and respective rules and regulations of The Securities and Exchange Commission comply with the Stock Exchange of Thailand's code of conduct for the directors of listed companies, The Capital Market Supervisory Board and other relevant laws.

8.2 Report on the results of duty performance of the Audit Committee in the past year

The Audit Committee Report

Dear Shareholders

The Audit Committee of SVI Public Company Limited consists of three independent directors, who are Mr. Threekwan Bunnag, who serves as the Chairman, Mr. Sopon Punyaratabandhu, who serves as a member and Mrs. Pratamaporn Svasti-Xuto, who also serves as a member. Mrs. Pratamaporn Svasti-Xuto resigned from the position of a member of the Audit Committee during the year effective on November 9, 2021 and Mr. Ralph Robert Tye has been appointed as a member of Audit Committee effective on January 20, 2022 onwards. The Chairman and the members of the Audit Committee possesses the qualifications in accordance with the requirements of the Stock Exchange of Thailand. Mr. Sopon Punyaratabandhu, the Committee's member, has extensive experience and knowledge in the areas of accounting and finance. The Committee performed its duties independently as assigned by the Board of Directors in accordance with the SVI's Audit Committee Charter. The charter's policy, in line with international standards, focuses on the principles of good corporate governance and best practices guidelines for members of the Audit Committee as published by the Securities and Exchange Commission and the Stock Exchange of Thailand. The Committee reports the minutes of the meetings to the Board of Directors as part of a regular agenda.

In 2021, the Committee held 4 meetings with attendance by all members. During the meetings, the Committee discusses the relevant agendas with the Company's management, internal and external auditors and provided their independent opinions. The Audit Committee reports the resolutions of various agendas to the Board of Directors during the quarterly meetings. Ms. Laksanee Yensuang serves as the secretary to the Committee. Below is a summary of the year-to-date performance of the Audit Committee in the fiscal period 2021.

Reviewing of Financial Reports



The Audit Committee has reviewed quarterly and annual financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries for the year 2021. The financial statements were prepared according to the Thai Financial Reporting Standards (TFRS) and have been reviewed by the Company's management as well as the internal and the external auditors. The Committee had discussed with the external auditors about the accuracy, the completeness, and the reliability of the financial statements. Furthermore, the Committee has reviewed with the external auditors whether the account recording methods were adequate, whether the external auditors had the independence required and whether there were any significant changes in accounting policies. Additionally, the Committee also reviewed if there were material issues, special items, and adjustment entries that have materially affected the financial statements.

The Audit Committee has opined that both the Company's and its consolidated financial statements are accurate, complete and reliable. Moreover, the Committee had meetings with the external auditors in absent of the management to discuss various topics as the Committee deemed appropriate and to understand whether the external auditors had any issues in carrying out their duties.

Reviewing the Sufficiency of the Internal Control Processes



The Audit Committee has reviewed the internal control processes together with management and internal auditor every quarter. In the past year, the Audit Committee focused on various matters with emphasis in internal control for production, internal control for maintenance, internal control for accounting and finance and internal control for material control, program and after sales management, in accordance with the concept of Risk Based Audit Approach. The Audit Committee provided recommendations that are necessary for further development of the Company and recommended to follow up with the relevant parties on the suggested course of action. The Audit Committee had opined that the internal audit was independent and appropriate.

Conducting Oversight of Internal Auditing



The Audit Committee approved the annual internal audit plans, which aligns with the key risks and direction of the Company. The Committee also reviewed audit performance and internal audit reports. The committee has taken into consideration major audit issues as well as actively monitored the suggested key corrective actions so that good governance and adequate internal controls are achieved.

Reviewing of Corporate Good Governance



The Audit Committee has reviewed whether the Company and its employee have conducted its business in line with the Company's Corporate Governance Manual with a focus on the Company operating with high degree of integrity, morality, ethics, transparency, as well as responsibility and accountability in order to ensure a safe and sensible business conduct. The Committee also pushed to establish and publish an anti-corruption policy so that all management and employees acknowledge and follow the same guidelines. The policy was also disclosed to all relevant stakeholders for their acknowledgment and practice. Furthermore, the Audit Committee conducted self-evaluation in accordance with the Thai Private Sector Collective Action Against Corruption (CAC) and evaluated the operational risk of implement the Anti-Corruption Policy. The Company has joined Thai Private Sector Collective Action Against Corruption (CAC) on June 30, 2021. The certification is valid for 3 years and expires on June 30, 2024.

Examining Compliance of Laws and Related Regulations



The Audit Committee has reviewed the performance of the Company in regards to the compliance with the laws and regulations given by the Securities and Exchange Commission, the Stock Exchange of Thailand regulations, and other relevant laws relating to the Company's business. The Committee is also informed on a quarterly basis by the Internal auditor in regards to the rules and regulations which may have changed and the Committee has provided resourceful suggestions so that the Company operates in the most efficient manner while complying with the rules and regulations.

Reviewing of Connected Transactions or Transactions with Potential Conflicts of Interest



The Audit Committee has reviewed and opined in regards to the connected transactions or transactions that may lead to conflicts of interest and the requirements in their disclosure. Based on the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, the external auditors had opined that those transactions that are deemed "significant", if any, with connected persons were disclosed within the financial statements and notes to the financial statements. The Committee had opined similarly to the External Auditor and that the transactions were reasonable and in the best interest of the Company.



The Committee proposed to the Board of Directors to consider and approve in the Shareholders' meeting to appoint EY Office Limited as the external auditor for the Company for the year ending 2021. Their evaluations were based on the standards of their work, their expertise in performing their duty, their independence and their fees. The Audit Committee proposed to appoint Mr. Chayapol Suppaserttanon, C.P.A. Registration No. 3972 and/or Mrs. Gingkarn Atsawarangsali, C.P.A. Registration No. 4496, and/or Miss. Pimjai Manitkajohnkit, C.P.A. Registration No. 4521, Miss Rosaporn Decharkom C.P.A. Registration No. 5659, and/or Miss Sumana Punpongsanon C.P.A. Registration No. 5872, and/or Miss Kirdsiri Kanjanaprakasi C.P.A. Registration No. 6014 as the Company's auditors for the year 2022. Any individual of the abovementioned auditors can audit the financial statements of the Company and render an opinion thereof. In addition, the total Annual Remuneration Fee for year 2022 is proposed not to exceed THB 2.7 million with a special audit fee for BOI's privileges of corporate income tax exemption report is proposed to be THB 0.25 million.

In summary, the Audit Committee had opined that SVI Public Company Limited had an adequate and appropriate internal control process and that the Audit Committee had performed its duties and responsibilities as stated in its charter as approved by the Board of Directors. The Audit Committee had used their knowledge, expertise, cautiousness, mindfulness, and independence in providing a transparent opinion and in the best interest of the Company, its shareholders, and stakeholders. In providing their opinion, the Audit Committee did not encounter any difficulty in obtaining various information or any resources and cooperation being withheld by the Company. The Audit Committee also completed self-assessments of their performance to ensure that their duties performed in 2021 achieved the desired level performance and effectiveness and that the objectives set out by the Board of Directors were attained.

On behalf of the Audit Committee

Mr. Threekwan Bunnag

Chairman of the Audit Committee
SVI Public Company Limited

The Nomination and Compensation Committee Report

Dear Shareholders

The Board of Directors of SVI Public Company Limited has appointed the Nomination and Compensation Committee to be responsible for selecting the suitable person to become directors and senior management of the company. The committee duties also included the arrangement of proper compensation and benefit to all employees. The Nomination and Compensation Committee consists of 3 Independent Directors as follows:

1	Mr. Prasert Bunsumpan	Position : Chairman of the Committee
2	Mr. Chatchaval Jiaravanon	Position : Member of the Committee
3	Mr. Chatchawal Eimsiri	Position : Member of the Committee

In 2021, the Committee had organized 2 meetings and had been fully responsible for the tasks as assigned by the Board of the Directors and in accordance with the charter of the Nomination and Compensation Committee. The important actions of the Committee in 2021 could be summarized as follows:

- 1 Considered the appropriateness of the remuneration of high-level executives and directors. The remuneration has been reviewed and considered, based on various factors including market comparison with the electronic industry of the same size of revenue, operation results, duties and responsibilities of the Board of Directors and economic situation. Thus, directors' fee and remuneration were recommended for the Board of Directors and other sub-committees for the fiscal year 2021 and was approved by the 2021 Annual General Meeting of Shareholders held on dated April 23, 2021.
- 2 Reviewed the criteria and process for nominating qualified persons to be the Company's director by using the Board Skill Matrix together with the Board Diversity principle to extensively consider the qualifications and experiences of the candidates to replace the directors who retired.
- 3 Considered the Company's succession plan to prepare recruiting the candidates having knowledge, capability, and experience which is suitable for holding a senior management position if current senior management is unable to perform duties or retire to ensure that business operations smoothly and continuously.

On behalf of the Nomination and Compensation Committee

(Mr. Prasert Bunsumpan)

Chairman of the Nomination and Compensation Committee
SVI Public Company Limited

The Risk Management Committee Report

Dear Shareholders

The Board of Directors of SVI Public Company Limited has appointed the Risk Management Committee to be responsible for setting risk policy and monitoring the risk management process of the Company to reduce any relevant risk having exposure to business to be manageable and acceptable. During the year Mrs. Pratamaporn Svasti-xuto who was the chairman of the Risk Committee has resigned from the position since November 9, 2021, whereby the Board of Directors has resolved to appoint Mr. Threekwan Bunnag who is the Independent Director as a new chairman of this committee. Members of the Risk Management Committee are selected from management staff of each division who are aware of the risk issues in their divisions; therefore, all the risk issues are to be captured then presented to this committee for considering the proper solutions.

In 2021, the Committee had organized 2 meetings with all quorum presented in 100 percent meeting attendance and had been fully responsible for the tasks as assigned by the Board of the Directors and in accordance charter of the Risk Committee which could be summarized as follows:

- 1 Acknowledged all the significant risk issues and considered proper solutions to mitigate the risk exposure. In addition, the Committee has reviewed all the potential risks and prepared the management solutions to reduce the risk to a manageable and acceptable level.
- 2 Reviewed the risk management policy to ensure that the policy has been set in place and up-to-date. Moreover, the Committee has captured the Sustainability Development as a key concern that the Company has to set the action plan to cope with the environmental, economic and social issues to uplift the Company's sustainability level.

On behalf of the Risk Management Committee

Mr. Threekwan Bunnag

Chairman of the Risk Management Committee
SVI Public Company Limited

The Corporate Governance Committee Report

Dear Shareholders

The Board of Directors of SVI Public Company Limited has appointed the Corporate Governance Committee to develop corporate governance policies and to give advice to the Board in respect those policies and implementation guidelines in order to establish investors' and stakeholders' confidence in, and credibility of, the Company, as well as to maintain its business sustainability. The Corporate Governance Committee consists of 5 members as follows:

1	Mr. Sopon Punyaratabandhu	Position : Chairman
2	Mr. Apirak Saengsie	Position : Member
3	Mr. Topong Sukhumsawad	Position : Member
4	Ms. Angkana Sornsakrin	Position : Member
5	Ms. Wanvipha Chumsawat	Position : Member

In 2021, the Committee had organized 3 meetings, all of which the Chairman and every member attending. The Committee has performed its duties in accordance with its charter and as assigned by the Board. In 2021, the Committee has monitored the Company's operations in respect of its good corporate governance compliance, social responsibility, environment, and anti-corruption, which could be summarized as follows:

Right of Shareholders

- ❖ The Annual General Meeting (AGM) of Shareholders (the "AGM") was held on April 23, 2021 with all members of the Board attending. The AGM was conducted in conformity with good corporate governance and strictly adhered to the laws and regulations. During the AGM, the Chairman offered all shareholders an equal opportunity to ask questions, to give suggestions or comments and to vote on any agenda. The voting instructions and vote counting method were informed to shareholders prior to the meeting.

Equitable Treatment of Shareholders

- ❖ The Company had in advance provided its shareholders with an opportunity to propose agenda to be considered at the AGM and to nominate a Board of Directors candidate. Moreover, the Company published the meeting notice and supporting documents agenda on its website 35 days prior to the meeting. Questions may be submitted by the shareholders to the Board prior to the meeting date via the website.

Role of Stakeholders

- ❖ The Company treated all stakeholders fairly in accordance with contractual obligations as well as relevant laws and regulations.
- ❖ The Company provided customers with products and services with good quality and standards.
- ❖ The company provided employees with necessary welfare and training as well as safe and suitable work places.
- ❖ In addition, the company has continually implemented projects that have been beneficial to society and preserved the environment.

Disclosure and Transparency

- ❖ The Company has completely disclosed necessary information such as the Annual Report, financial statements, Management Discussion and Analysis and other information in a transparent and concise manner in compliance with regulations of The Securities and Exchange Commission and The Stock Exchange of Thailand.
- ❖ The Company's Investor Relation Department (the "IR") has been responsible for dissemination of important information through various channels. Investors may request the IR for additional information via telephone and e-mail.

Responsibilities of the Board of Directors

- ❖ The Board of Directors has performed its duties according to the Company's Director Manual, in which roles, duties and responsibilities of the Board are prescribed. During 2021, four types of directors performance evaluation were conducted - a self-assessment of the Board of Directors, a self-assessment of the sub-committees, a self-assessment of members of the Board and sub-committees, and a cross-evaluation among members of the Board.
- ❖ The Company has a policy to prevent insider trading. The Board members and management must abstain from trading of the company's securities during certain periods prior to publication of insider information, and they must not share such information with other parties.

Responsibilities to Society and Environment

- ❖ The Company donated 5,000 COVID-19 Rapid Antigen Test Kit (ATK) to Thammasat University Hospital and Bangkadi Health Promoting Hospital to support the nearby communities to fight against the COVID-19 pandemic.
- ❖ The Company has installed Variable Speed Drives (VDS) at Chiller Pumps and Air Handling Units to conserve electricity. This could reduce electricity usage by 20,000 kWh a month.
- ❖ In 2021, the Company's use of solar panels to generate electricity could reduce carbon dioxide emissions by over 1,200 tons, equivalent to planting of 37,000 trees.

Anti-Corruption

- ❖ The Company has been approved to become a member of the Thai Private Sector Collective Action Against Corruption (the "CAC") at the CAC Committee meeting no. 1/2021.

Evaluation of Corporate Governance and Shareholders' meeting

- ❖ The Company has been awarded an "Excellent" CG Score under the Corporate Governance Report of Thai Listed Companies project of the Thai Institute of Directors for 6 consecutive years including the most recent 2021 award. The Company has also achieved a 4-star quality rating for organizing the Annual General Shareholders Meetings for 12 consecutive years from 2010 to 2021

In 2022, the Company will, in addition to adherence to good corporate governance principles, continually operates within the framework of the Sustainable Development Goals.

On behalf of the Corporate Governance Committee

Mr. Sopon Punyaratabandhu
Chairman of the Committee

Internal Controls, Risk Management and Internal Audit

9.1 Internal Controls and Risk Management

Board of Directors' Evaluation on SVI's Internal Controls

SVI has operation in several countries so that SVI must have efficient and effective corporate governance, risk management and internal control systems in order to support changing from various incoming trend. In 2020, SVI adhered to the international standards by ensuring corporate governance is consistent with the corporate governance principles of Organization for Economic Co-operation and Development (OECD), the requirements of the Stock Exchange of Thailand (SET) and also the Institute of Directors Association of Thailand (IOD). In addition, SVI also worked towards ensuring that Internal Controls are consistent with the guidelines of COSO Internal Control Framework and risk management is consistent with the framework of COSO Enterprise Risk Management (COSO-ERM). This is to achieve key strategic and optimization of goals effectively and efficiently.

The internal control system can be summarized by into the following key components and they are as follows:

1 | Control Environment

SVI has good efficiency and effectiveness in internal control environment, integrity and ethics in business. The Board of Directors are independent from the management. SVI has joined an Anti-Corruption Policy and declared of intention to CAC (the Private Sector Collective Action against Corruption) on 30 June 2021. The period of program will be valid for 3 years and it will be expired on 30 June 2024. SVI has Anti-Corruption policy which has worked together with customers, suppliers, partners and related parties. Moreover SVI concurrently, defined its Code of Conduct, which has applied with directors, management teams and employees. SVI has implemented a Whistleblower Policy in order to gather and address complaints and notifications that may indicate potential fraud or corruption to ensure that management and staff perform their functions with transparency, integrity, and ethics.

2 | Risk Assessment

SVI has the guidelines of the COSO Enterprise Risk Management (COSO-ERM). The Board of Directors has assigned the Risk Management Committee to be responsible for determining risk management policy and framework of the Company. This includes governing and supervising risk management to ensure successful achievement of activities both at the entity, business unit, department level and all related processes. SVI assesses the risk from both external and internal factors as well as evaluates the impact and likelihood of risk identifications, this includes nature disaster risk, political risk, operation risk, foreign currency risk, monopoly customers and monopoly suppliers risk, country risk together with law and regulation risk. SVI identifies risk factors that may affect company performance every year and determines the risk responses by considering high and highest risk in order to avoid, reduce, share or accept the risk as appropriate to the Company. The Risk Management Committee provides updates of the significant changes and effects on the company from its meetings to the Board of Directors regularly.

SVI insists and focuses on the measurements for preventing risk from floods. The Bangkadee Industrial Park has constructed a concrete line above five meters surrounding the Industrial Park. SVI has renovated the production area to the second floor. If there are floods, the Company will be able to move machines, equipment and tools in a timely manner.

SVI has taken precautions to prevent damage from fire by providing and improving the fire protection systems for all industrial factories. SVI has sprinkler system in every area, Smoke detectors, Heat detectors and Beam detectors above ceiling to be consistent with fire safety standards of the National Fire Protection Association (NFPA) Insurance company standard and the Factory Mutual Global Standard.

3

Control Activities

SVI consistently recognizes the importance of control activities by establishing a control mechanism to prevent and reduce operational errors such as designating the authority for approval and the approval limit for each management level, which was approved by the Board of Directors. Establishing the systems of checks and balances through segregation of duties in all operations processes is already deployed; for example segregation of duties between the approval, accounting records, payment and stewardship of properties. SVI has operational procedures, manuals, and instructions, which are reviewed and updated on a regular basis. This includes implementing general control activities for information technology systems, maintenance and security management to ensure that the operational processes are adequate and appropriate internal control activities for its business functions in all areas.

In addition, the Audit Committee has reviewed and approved the internal audit plan to cover all operational processes and sort the high risk process to ensure that operational processes are adequate and appropriate internal control systems are in place. In 2021, the following processes were audited and they are as follows;

- ❖ Production, Quality Assurance & Engineering Processes;
- ❖ Maintenance and Spare Part Management Processes;
- ❖ Accounting and Finance Processes (Financial Close and Cash Management); and
- ❖ Material Control (Inventory Management), Program & After Sales Management Processes

The Audit Committee considers material deficiencies from the audit performed, provides recommendations to the management and assigns the outsourced internal auditor to follow up on the audit findings with the management to report corrective actions and the measures to prevent repeated deficiencies.

In case SVI has transactions with major shareholders, directors, management or related persons, SVI has adequate measurement to monitor their transactions and every transaction has to be verified by the authorized person based on the written authorization process. SVI does not allow stakeholders who have transactions with SVI to approve their transactions and closely monitor the results.

4

Information & Communication

SVI has implemented effective and efficient information systems as well as internal and external communication channels. As part of internal communication, SVI utilizes the intranet to disseminate policies, regulations, procedures, manuals and other essential information to management and staff in order to practice the policies in a proper and timely manner.

SVI provides investor relations communication channels through the website <https://investor.svi-hq.com/> and e-mail ir@svi.co.th as a communication channel and for clarifying information to investors. In addition, SVI has a whistle-blower's communication channel through email auditcommittee@svi.co.th that serves as a safe mechanism.

SVI consistently emphasizes the security of information technology such as changing Firewall system with higher standard which has related with technology regulation. SVI has system to monitor user to change password which has expired before entering to the system. SVI has disaster recovery site (DR Site) to back up data and computer systems, annual recovery backup test for accuracy and completeness of a backup system. In case of an emergency, annual review of the adequacy of information technology general controls is performed by the external auditor. SVI has improved the modern Fire alarm and Fire extinguisher system at Data center.

5

Monitoring & Evaluation

The Board of Directors continuously monitors and evaluates the performance of management by hierarchy, Board of Directors, Executive Directors and management. SVI has performance evaluation of new staff and yearly evaluation for all staffs to adjust salary, bonus and position.

Internal Audit

The outsourced internal auditors performs its duties independently and reports functionally and directly to the Audit Committee. They evaluate the efficiency and the effectiveness of the internal control, risk management, corporate governance, and also a consulting role to support the Company's business direction and goals, with regard to good corporate governance, risk management and the internal control.

The Audit Committee approved 3 years internal audit plan which was proposed by internal auditor to examine all of process by quarterly. The Committee reviewed audit performance, internal audit report, considered major audit issues, and monitored corrective actions for significant aspects for good governance and adequate internal control. The Committee also consider to appoint Internal Auditor.

Internal audit performed is consistent with the International Professional Practices Framework and the Internal Audit Charter. SVI appointed Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. As an outsourced internal auditor to conduct quarterly internal audits to ensure the sufficiency and effectiveness of internal controls and follow up internal audit findings. The objectives of internal audit projects are;

- ❖ Reliability and integrity of financial and operational information
- ❖ Effectiveness and efficiency of operations
- ❖ Safeguarding of assets
- ❖ Compliance with laws, regulations and contracts

Miss Laksanee Yensuang acts as the secretary to the Audit Committee to support the effective achievement of its responsibilities and ensure accountability assigned by the Board of Directors to the Audit Committee.

Details of the Heads of the Internal Audit is disclosed in Attachment 3 of the report.

9.2 Related Party Transactions

The Company had related transactions with subsidiaries in which the Company was holding 100% of the shares each. Those transactions were conducted under normal business. The company has disclosed all related transactions as of year ended 31 December 2021 in Note 7 of the Financial Statements. The Board of Directors and the Audit Committee had reviewed such related transactions and found that they were reasonable and justified.

Policy or Procedures for the Approval of Inter-Company Transactions

In case the company has any related transactions with any person who has a conflict of interest with the Company, that transaction has to be approved by the Board of Directors and consented by the Audit Committee. These transactions must comply with the Stock Exchange of Thailand's rule and regulations related to connected transactions and the acquisition or disposal of assets. Any member of the Board of Directors who has an interest in any related transaction shall declare to the Audit Committee and the Board, and refrain from rendering any opinion or vote. In this regard, to approve the connected transactions, the Company must comply with the procedure and process, considering the Company's optimal benefits, and treat that connected transactions on the same basis as an outsider's transaction.

Policies or Directions for Future Connected Transactions

In case, if the company has to perform any related or connected transactions, the company must strictly comply with the approval process as mentioned above. If there are any connected transactions that need to be considered and approved by the Audit Committee, as required by Stock Exchange of Thailand's regulations, the Company will propose it to the Audit Committee to independently examine and consider if it is needed and appropriate. Where the Audit Committee has no expertise in the mentioned connected transactions, the Company will appoint an independent expert or its external auditor to assist the Audit Committee in that process to obtain the most effective comments or information so that the Board of Directors, the Audit Committee, or the Shareholders can use it to support their decisions in each case. In addition, the Company will disclose of the transaction as a note in the Company's financial statements.

Part 3 Financial Report

The Board of Directors' Responsibility Report to Financial Statements

The Board of Directors takes accountability for the disclosure of consolidated financial statements of SVI Public Company Limited, and its subsidiaries, including all financial information disclosed in this annual report. The aforementioned financial statements have been prepared in accordance with generally accepted accounting standards, appropriate accounting policies and is consistently practiced. All materialized information has been sufficiently disclosed in the notes of financial statements as well as unconditionally audited by independent auditors. Thus, the information accurately reflects the actual financial performance of the Company as well as being transparent, reasonable and useful for shareholders and investors.

The Board of Directors reinforces the practice of good corporate governance of the Company having efficient management and appropriate internal control systems, including the confidence that accurate and adequate accounting data is being correctly recorded to secure the company's assets and prevent any fraud or material irregularity.

In this regard, the Board of Directors appointed an Audit Committee to be responsible for the validity and reliability of financial reports and internal control systems, in which within this report, the opinion of the Audit Committee is represented in the report of the Audit Committee.

In the view of The Board of Directors, the 2021 consolidated financial statements of SVI and its subsidiaries as reviewed by the Audit Committee, in collaboration with the Management and external auditor are presented in a complete, accurate and fair manner. Since the Company's overall internal control system has been found to be satisfactory, thus the Board of Directors feel confident that the Company and its subsidiaries' financial systems are well managed and controlled.

The Board of Directors

Independent Auditor's Report

To the Shareholders of SVI Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of SVI Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of SVI Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SVI Public Company Limited and its subsidiaries and of SVI Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

I draw attention to Note 2.2 to the consolidated financial statements regarding business combination and Note 12 to the consolidated financial statements regarding investments in subsidiaries. on 30 November 2021, SVI Public Company Limited paid the consideration to seller to acquire of all shares of TOHOKU SOLUTIONS Company Limited (formerly named is Tohoku Pioneer (Thailand) Company Limited), engage in the manufacture for the assembly of electronic parts. The Company is currently in the process of assessing the fair value of the identified assets acquired, liabilities assumed at the acquisition date. The Company expects to complete within evaluation period of 12 months from acquisition date according to Thai Financial Reporting Standard No. 3, (revised 2020) "Business Combination". The Company will complete the accounting recording of the business acquisition within the year 2022, and the amount recorded as at 31 December 2021 may be changed.

My opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

Since the Group sells their goods to customers under a variety of commercial terms. In addition, the economic environment has resulted in more intense competition in the electronics manufacturing services industry. Revenues are the key performance indicator to which users of financial statements focus. I therefore determined as a key audit matter by focusing on the occurrence and timing of revenue recognition.

I examined the revenue recognition of the Group by

- ❖ Assessing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed significant controls.
- ❖ Applying a sampling method to select sales documents to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- ❖ On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- ❖ Reviewing credit notes issued after the period-end.
- ❖ Performing analytical procedures on disaggregated data of sales transactions throughout the period.

Allowance for diminution in value of inventories

Estimating the net realisable value of inventories, as disclosed in Note 5 and Note 10 to the consolidated financial statements, is an area of significant management judgment, particularly with regard to the estimation of allowance for diminution in the value of slow-moving and obsolete inventories. This requires detailed analysis of the product life cycle. Therefore, there is a risk that the amount of provision set aside for diminution in the value of inventories will be inadequate, causing the overstatement of the value of inventories of the Group.

I assessed the determination of the allowance for diminution in the value of inventories.

The procedures that I performed are as follows:

- ❖ Gaining an understanding of the methods and assumptions applied by the management in determining the allowance for diminution in value of inventories, and reviewing the consistency of the application of that basis.
- ❖ Comparing the inventory holding periods and inventory movements to identify product lines with indicators of lower than normal inventory turnover.
- ❖ Comparing proceeds from sales transactions occurring after the date of the financial statements with the cost of inventories for each product line.

Business combination

As discussed in Note 2.2 to the consolidated financial statements, on 30 November 2021, SVI Public Company Limited paid the consideration to seller to acquire of all shares of TOHOKU SOLUTIONS Company Limited (formerly named is Tohoku Pioneer (Thailand) Company Limited) for 3.5 million ordinary shares with a par value of Baht 100 each. The Company is currently in the process of assessing the fair value of the identified assets acquired, liabilities assumed at the acquisition date. The management needs to exercise substantial judgement when appraising the fair value of the assets acquired, and liabilities assumed. I therefore determined as a key audit matter by focusing on this business acquisition.

I examined the business combination by reviewing the terms and conditions of the share purchase agreement and inquired with management as to the nature and objective of the acquisition to assess whether such transaction is in accordance with business combination definition under Thai Financial Reporting Standards No. 3 (revised 2020) "Business Combination". In addition, I checked the value of the acquisition with supporting documents and related payments to assess whether it reflected the fair value of the consideration transferred. I also reviewed the disclosures related to the business combination in the note to consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- ❖ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❖ Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ❖ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ❖ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ❖ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Orawan Techawatanasirikul
Certified Public Accountant (Thailand) No. 4807
EY Office Limited
Bangkok: 17 February 2022

SVI Public Company Limited and its subsidiaries
Statement of financial position
As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	6	575,441,759	1,238,830,813	192,512,135	1,077,494,623
Trade and other receivables	7.9	5,310,359,253	3,007,439,254	4,559,559,153	2,313,958,444
Inventories	10	5,631,658,387	3,124,319,745	3,870,516,431	2,278,054,403
Advance payment for purchasing of materials and equipment		24,242,216	3,750,906	17,767,044	2,317,029
Other current financial assets	8	628,970,916	702,559,799	628,970,916	702,559,799
Derivative assets	38.2	149,451	10,438,435	149,451	10,438,435
Other current assets		140,902,631	79,917,462	28,780,501	22,653,172
Total current assets		12,311,724,613	8,167,256,414	9,298,255,631	6,407,475,905
Non-current assets					
Investments in associates	11	-	-	-	-
Investments in subsidiaries	12	-	-	638,031,372	212,133,955
Other long-term receivable	7	-	-	20,682,882	28,289,441
Long-term loans and interest receivables to subsidiary	7	-	-	713,383,885	462,987,173
Investment properties	13	182,965,162	185,601,070	182,965,162	185,601,070
Property, plant and equipment	14	2,250,739,239	1,970,075,645	1,293,687,555	1,345,120,373
Leasehold right to land	15	97,490,303	89,637,353	-	-
Right-of-use assets	16	57,796,070	60,562,357	21,611,029	22,429,586
Excess of acquisition cost over estimate value of interest acquired in the net assets from acquisition of the subsidiary	2.2	3,309,416	-	-	-
Goodwill	17	43,905,135	59,699,256	-	-
Intangible assets	18	54,242,282	59,633,110	34,073,935	36,551,541
Deferred tax assets	30	63,648,078	51,355,243	3,967,318	14,038,198
Other non-current assets		2,161,372	1,647,200	808,181	917,046
Total non-current assets		2,756,257,057	2,478,211,234	2,909,211,319	2,308,068,383
Total assets		15,067,981,670	10,645,467,648	12,207,466,950	8,715,544,288

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

SVI Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	19	3,139,875,631	1,480,974,055	2,587,802,160	930,827,200
Trade and other payables	7.20	4,987,740,650	3,064,473,254	3,892,129,920	2,493,414,792
Current portion of lease liabilities	16	26,883,121	21,080,624	8,055,312	6,772,956
Current portion of long-term loans from banks	22	468,130,713	694,525,215	145,267,155	675,349,635
Income tax payable		6,208,179	13,830,089	3,935,526	-
Advance receipt for purchasing materials and equipment for production		116,220,814	29,071,545	39,898,237	9,035,640
Other current liabilities	21	61,785,244	70,037,981	41,629,733	35,444,257
Total current liabilities		8,806,844,352	5,373,992,763	6,718,718,043	4,150,844,480
Non-current liabilities					
Lease liabilities - net of current portion	16	34,080,370	42,861,833	16,342,872	17,839,693
Long-term loans from banks - net of current portion	22	750,904,367	934,600,986	264,291,701	424,477,207
Deferred tax liabilities	30	-	300,327	-	-
Provision for long-term employee benefits	23	268,151,160	250,728,919	130,077,020	141,972,585
Other non-current financial liabilities	38.2	3,218,520	4,577,799	-	-
Total non-current liabilities		1,056,354,417	1,233,069,864	410,711,593	584,289,485
Total liabilities		9,863,198,769	6,607,062,627	7,129,429,636	4,735,135,965

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

SVI Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Shareholders' equity					
Share capital	24				
◆ Registered					
2,170,616,326 ordinary shares of Baht 1 each (2020: 2,312,043,381 ordinary shares of Baht 1 each)		2,170,616,326	2,312,043,381	2,170,616,326	2,312,043,381
◆ Issued and paid-up					
2,170,616,326 ordinary shares of Baht 1 each (2020: 2,266,749,426 ordinary shares of Baht 1 each)		2,170,616,326	2,266,749,426	2,170,616,326	2,266,749,426
Premium on ordinary shares		90,203,946	90,203,946	90,203,946	90,203,946
Capital reserve for share-based payment transactions		29,802,760	29,802,760	29,802,760	29,802,760
Treasury stocks	25	(75,065,252)	(499,448,896)	(75,065,252)	(499,448,896)
Retained earnings					
◆ Appropriated					
Statutory reserve	26	231,204,338	231,204,338	231,204,338	231,204,338
Reserve for treasury stocks	25	75,065,252	499,448,896	75,065,252	499,448,896
◆ Unappropriated		2,717,475,471	1,491,597,291	2,558,720,890	1,423,755,017
Other components of shareholders' equity		(34,519,940)	(71,152,740)	(2,510,946)	(61,305,164)
Total shareholders' equity		5,204,782,901	4,038,405,021	5,078,037,314	3,980,410,323
Total liabilities and shareholders' equity		15,067,981,670	10,645,467,648	12,207,466,950	8,715,544,288

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

Directors

SVI Public Company Limited and its subsidiaries
Income statement
For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Revenues					
Sales	33	17,399,601,029	15,282,440,285	13,063,707,085	11,580,300,425
Other income					
Gain on exchange		81,852,029	168,274,750	99,391,775	171,281,386
Others		75,874,027	77,840,462	90,642,928	53,427,310
Total revenues		17,557,327,085	15,528,555,497	13,253,741,788	11,805,009,121
Expenses					
Cost of sales		15,428,029,078	14,000,555,846	11,517,148,909	10,624,134,909
Selling and distribution expenses		242,317,774	196,697,669	171,297,224	128,833,016
Administrative expenses		400,291,996	476,076,517	201,033,786	248,872,419
Total expenses		16,070,638,848	14,673,330,032	11,889,479,919	11,001,840,344
Profit from operating activities		1,486,688,237	855,225,465	1,364,261,869	803,168,777
Finance income	27	7,104,806	9,817,575	24,138,924	27,676,717
Finance cost	28	(97,514,813)	(153,489,854)	(70,089,869)	(131,898,067)
Profit before income tax expense		1,396,278,230	711,553,186	1,318,310,924	698,947,427
Tax income (expense)	30	11,344,191	(25,064,746)	422,721	(272,384)
Profit for the year		1,407,622,421	686,488,440	1,318,733,645	698,675,043
Earnings per share	32				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.65	0.32	0.61	0.32

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

SVI Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the year	1,407,622,421	686,488,440	1,318,733,645	698,675,043
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of financial statements in foreign currencies	(24,281,088)	28,425,171	-	-
Loss on changes in value of debt instruments at fair value through other comprehensive income	(4,166,211)	(455,558)	(4,166,211)	(455,558)
Less: Income tax effect	833,242	91,112	833,242	91,112
	(3,332,969)	(364,446)	(3,332,969)	(364,446)
Gain (loss) on cash flow hedges	2,826,226	(4,577,799)	-	-
Less: Income tax effect	(706,556)	1,144,450	-	-
	2,119,670	(3,433,349)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(25,494,387)	24,627,376	(3,332,969)	(364,446)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income	77,658,983	(71,553,794)	77,658,983	(71,553,794)
Less: Income tax effect	(15,531,796)	14,310,759	(15,531,796)	14,310,759
	62,127,187	(57,243,035)	62,127,187	(57,243,035)
Actuarial gains (losses)	12,326,477	(5,202,559)	9,628,436	-
Less: Income tax effect	(405,083)	1,300,640	269,427	-
	11,921,394	(3,901,919)	9,897,863	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	74,048,581	(61,144,954)	72,025,050	(57,243,035)
Other comprehensive income for the year	48,554,194	(36,517,578)	68,692,081	(57,607,481)
Total comprehensive income for the year	1,456,176,615	649,970,862	1,387,425,726	641,067,562

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

(Unit: Baht)

Consolidated financial statements												
Consolidated financial statements												
Other comprehensive income												
Retained earnings												
Appropriated												
	Issued and paid-up share capital	Premium on ordinary shares	Capital reserve for share-based transactions	Treasury stocks	Statutory reserve	Reserve for treasury stocks	Unappropriated	Exchange differences on translation of financial statements in foreign currencies	Gain (loss) on investments designated at fair value through other comprehensive income	Loss on cash flow hedges	Total other components of shareholders' equity	Total shareholders' equity
Balance as at 1 January 2020	2,266,749,381	90,203,859	29,802,760	(499,448,896)	229,674,938	499,448,896	886,072,045	(34,839,398)	(3,697,683)	-	(38,537,081)	3,463,965,902
Profit for the year	-	-	-	-	-	-	686,488,440	-	-	-	-	686,488,440
Other comprehensive income for the year	-	-	-	-	-	-	(3,901,919)	28,425,171	(57,607,481)	(3,433,349)	(32,615,659)	(36,517,578)
Total comprehensive income for the year	-	-	-	-	-	-	682,586,521	28,425,171	(57,607,481)	(3,433,349)	(32,615,659)	649,970,862
Increase in capital from exercise of warrants	45	87	-	-	-	-	-	-	-	-	-	132
Legal reserve (Note 26)	-	-	-	-	1,529,400	-	(1,529,400)	-	-	-	-	-
Loss on derecognition of financial assets measured at fair value through other comprehensive income (Note 8)	-	-	-	-	-	-	(75,531,875)	-	-	-	-	(75,531,875)
Balance as at 31 December 2020	2,266,749,426	90,203,946	29,802,760	(499,448,896)	231,204,338	499,448,896	1,491,597,291	(6,414,227)	(61,305,164)	(3,433,349)	(71,152,740)	4,038,405,021
Balance as at 1 January 2021	2,266,749,426	90,203,946	29,802,760	(499,448,896)	231,204,338	499,448,896	1,491,597,291	(6,414,227)	(61,305,164)	(3,433,349)	(71,152,740)	4,038,405,021
Profit for the year	-	-	-	-	-	-	1,407,622,421	-	-	-	-	1,407,622,421
Other comprehensive income for the year	-	-	-	-	-	-	11,921,394	(24,281,088)	58,794,218	2,119,670	36,632,800	48,554,194
Total comprehensive income for the year	-	-	-	-	-	-	1,419,543,815	(24,281,088)	58,794,218	2,119,670	36,632,800	1,456,176,615
Decrease in share capital from written-off unsold treasury stocks (Note 24)	(96,133,100)	-	-	-	-	-	96,133,100	-	-	-	-	-
Decrease in reserve for treasury stocks from written-off unsold treasury stocks (Note 25)	-	-	-	424,383,644	-	(424,383,644)	-	-	-	-	-	-
Dividend paid (Note 35)	-	-	-	-	-	-	(236,853,103)	-	-	-	-	(236,853,103)
Loss on derecognition of financial assets measured at fair value through other comprehensive income (Note 8)	-	-	-	-	-	-	(52,945,632)	-	-	-	-	(52,945,632)
Balance as at 31 December 2021	2,170,616,326	90,203,946	29,802,760	(75,065,252)	231,204,338	75,065,252	2,717,475,471	(30,695,315)	(2,510,946)	(1,313,679)	(34,519,940)	5,204,782,901

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

SVI Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued) For the year ended 31 December 2021

(Unit: Baht)

Separate financial statements

Other components of equity									
Other comprehensive income									
Retained earnings									
Appropriated									
	Issued and paid-up share capital	Premium on ordinary shares	Capital reserve for share-based payment transactions	Treasury stocks	Statutory reserve	Reserve for treasury stocks	Unappropriated	Gain (loss) on investments designated at fair value through other comprehensive income	Total other components of shareholders' equity
Balance as at 1 January 2020	2,266,749,381	90,203,859	29,802,760	(499,448,896)	229,674,938	499,448,896	802,141,249	(3,697,683)	3,414,874,504
Profit for the year	-	-	-	-	-	-	698,675,043	-	698,675,043
Other comprehensive income for the year	-	-	-	-	-	-	-	(57,607,481)	(57,607,481)
Total comprehensive income for the year	-	-	-	-	-	-	698,675,043	(57,607,481)	641,067,562
Increase in capital from exercise of warrants	45	87	-	-	-	-	-	-	132
Legal reserve (Note 26)	-	-	-	-	1,529,400	-	(1,529,400)	-	-
Loss on derecognition of financial assets measured at fair value through other comprehensive income (Note 8)	-	-	-	-	-	-	(75,531,875)	-	(75,531,875)
Balance as at 31 December 2020	2,266,749,426	90,203,946	29,802,760	(499,448,896)	231,204,338	499,448,896	1,423,755,017	(61,305,164)	3,980,410,323
Balance as at 1 January 2021	2,266,749,426	90,203,946	29,802,760	(499,448,896)	231,204,338	499,448,896	1,423,755,017	(61,305,164)	3,980,410,323
Profit for the year	-	-	-	-	-	-	1,318,733,645	-	1,318,733,645
Other comprehensive income for the year	-	-	-	-	-	-	9,897,863	58,794,218	68,692,081
Total comprehensive income for the year	-	-	-	-	-	-	1,328,631,508	58,794,218	1,387,425,726
Decrease in share capital from written-off unsold treasury stocks (Note 24)	(96,133,100)	-	-	-	-	-	96,133,100	-	-
Decrease in reserve for treasury stocks from written-off unsold treasury stocks (Note 25)	-	-	-	424,383,644	-	(424,383,644)	-	-	-
Dividend paid (Note 35)	-	-	-	-	-	-	(236,853,103)	-	(236,853,103)
Loss on derecognition of financial assets measured at fair value through other comprehensive income (Note 8)	-	-	-	-	-	-	(52,945,632)	-	(52,945,632)
Balance as at 31 December 2021	2,170,616,326	90,203,946	29,802,760	(75,065,252)	231,204,338	75,065,252	2,558,720,890	(2,510,946)	5,078,037,314

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

SVI Public Company Limited and its subsidiaries
Cash flows statement
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	1,396,278,230	711,553,186	1,318,310,924	698,947,427
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	240,173,178	268,990,361	152,957,705	178,547,566
Allowance for expected credit losses (reversal)	(5,161,207)	6,809,037	(3,412,893)	5,985,394
Allowance for diminution in value of inventories	66,623,750	21,121,535	51,114,595	13,929,251
Amortisation for financial fees	30,312,484	39,823,997	30,312,484	39,823,997
Reserve for warranty	1,032,302	615,504	-	-
Provision for long-term employee benefits	20,045,462	19,470,991	12,984,617	13,525,164
Gain on sales of equipment	(1,933,376)	-	(22,238,426)	(784,053)
Loss on impairment from non-financial assets	19,558,195	16,006,762	-	-
Loss on written-off fixed assets	26,103	13,717,843	2,473	1,049,974
Loss on written-off intangible assets	-	512,366	-	-
Unrealised loss (gain) on exchange	43,818,355	(23,790,810)	(12,939,712)	(38,047,138)
Gain on derecognition of other current financial assets	(95,804)	(240,142)	(95,804)	(240,142)
Loss (gain) on changes in value of financial assets	42,915	(42,915)	42,915	(42,915)
Dividend income from other current financial assets	(16,714,647)	(17,893,352)	(16,714,647)	(17,893,352)
Loss on changes in value of interest rate swap contract	1,466,947	-	-	-
Finance income	(7,078,298)	(9,817,575)	(24,138,924)	(27,676,717)
Finance costs	55,914,277	99,877,773	34,475,556	86,976,589
Profit from operating activities before change in operating assets and liabilities	1,844,308,866	1,146,714,561	1,520,660,863	954,101,045
Operating assets (increase) decrease				
Trade and other receivables	(2,091,114,926)	56,350,450	(2,144,975,963)	231,674,648
Inventories	(2,424,694,180)	14,274,662	(1,643,576,623)	46,216,134
Other current assets	(53,299,810)	(14,500,608)	(18,787,241)	9,562,398
Other non-current assets	81,128	3,164,279	108,871	(136,435)
Operating liabilities increase (decrease)				
Trade and other payables	1,617,725,378	148,145,817	1,294,450,628	7,993,841
Other current liabilities	51,990,343	(175,725,843)	13,913,757	(207,374,141)
Cash paid for long-term employee benefits	(27,209,994)	(21,746,776)	(15,251,747)	(10,145,942)
Cash flows from operating activities	(1,082,213,195)	1,156,676,542	(993,457,455)	1,031,891,548
Cash paid for interest expense	(38,912,725)	(29,674,367)	(19,642,041)	(17,809,952)
Cash paid for corporate income tax	(23,411,561)	(24,741,059)	(2,585,212)	(654,401)
Net cash flows from (used in) operating activities	(1,144,537,481)	1,102,261,116	(1,015,684,708)	1,013,427,195

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

SVI Public Company Limited and its subsidiaries
Cash flows statement (continued)
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Cash paid for purchasing other current financial assets	(321,923,123)	(947,230,733)	(321,923,123)	(947,230,733)
Proceeds from derecognition on other current financial assets	415,924,416	1,861,296,889	415,924,416	1,861,296,889
Cash received from dividends of other current financial assets	16,714,647	17,893,352	16,714,647	17,893,352
Cash paid for share subscription in subsidiaries	(211,646,692)	-	(425,897,417)	-
Decrease (increase) in long-term loans to subsidiary	-	-	(204,019,997)	180,040,250
Interest income	6,959,806	9,815,537	23,934,822	27,631,756
Proceeds from sales of equipment	2,973,347	-	17,968,104	15,398,217
Proceeds from sales of right-of-use assets	751,357	-	751,357	-
Cash paid for purchases of plant and equipment	(278,898,222)	(329,154,584)	(49,376,109)	(55,468,152)
Cash paid for purchases of computer software	(8,949,259)	(19,619,972)	(3,324,600)	(17,443,449)
Net cash flows from (used in) investing activities	(378,093,723)	593,000,489	(529,247,900)	1,082,118,130
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from banks	1,603,227,200	308,297,324	1,642,026,550	(11,272,400)
Decrease in lease liabilities	(26,094,534)	(25,102,217)	(8,361,428)	(6,596,594)
Dividends paid	(236,853,103)	-	(236,853,103)	-
Cash received from exercise of warrants	-	132	-	132
Increase in long-term loans from banks	823,643,425	191,757,280	439,852,387	-
Repayment of long-term loans from banks	(1,281,591,424)	(1,738,098,320)	(1,163,359,800)	(1,670,000,000)
Interest paid	(16,960,237)	(69,945,763)	(14,792,200)	(68,908,995)
Net cash flows from (used in) financing activities	865,371,327	(1,333,091,564)	658,512,406	(1,756,777,857)
Increase (decrease) in translation adjustment	(7,566,891)	7,953,154	-	-
Effects of exchange rate on cash and cash equivalents	1,437,714	3,036,506	1,437,714	3,036,506
Net increase (decrease) in cash and cash equivalents	(663,389,054)	373,159,701	(884,982,488)	341,803,974
Cash and cash equivalents at beginning of year	1,238,830,813	865,671,112	1,077,494,623	735,690,649
Cash and cash equivalents at end of year (Note 6)	575,441,759	1,238,830,813	192,512,135	1,077,494,623

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

SVI Public Company Limited and its subsidiaries
Cash flows statement (continued)
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Supplemental cash flows information:				
Non-cash items consist of :				
Unrealised loss on change in value of debt instruments at fair value through other comprehensive income - net of income tax	3,332,969	364,446	3,332,969	364,446
Unrealised (gain) loss on change in value of equity investments designated at fair value through other comprehensive income - net of income tax	(62,127,187)	57,243,035	(62,127,187)	57,243,035
Unrealised loss (gain) on change in fair value of derivative assets	10,288,983	(10,438,435)	10,288,983	(10,438,435)
Increase in other receivable - subsidiary from sale of machinery	-	-	(24,409,330)	(5,960,899)
Increase in lease liabilities	17,040,583	23,720,099	8,650,961	4,229,724
Transfer provision for warranty to decrease trade accounts receivable	(7,758,091)	(710,047)	(7,125,589)	(164,944)
Increase in accrued financial fees		-		-
Actuarial gain (loss) - net of income tax	11,921,394	(3,901,919)	9,897,863	-
Unrealised gain (loss) on cash flow hedges - net of income tax	2,119,670	(3,433,349)	-	-
Loss on derecognition of financial assets measured at fair value through other comprehensive income	(52,945,632)	-	(52,945,632)	-
Increase (decrease) in payables for acquisition of fixed assets	50,764,719	(2,236,817)	49,853,102	(2,236,817)
Increase in payables for acquisition of computer software	622,040	-	622,040	-

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

SVI Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2021

1. General information

1.1 Corporate information

SVI Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company’s major shareholder is Khun Pongsak Lothongkam which total shareholding is 73.33 percent (2020: 72.60 percent). The Company is principally engaged in the manufacture and distribution of electronic manufacturing services (EMS). The registered office of the Company is at 141-142 Moo 5, Bangkadi Industrial Park, Tiwanon Road, Bangkadi, Muang, Pathumthani. The Company’s factory is located at 33/10 Moo 4, Chaeng Wattana Road, Bangtalad, Pakkred, Nontaburi.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

2.1 Financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

- ❖ The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.
- ❖ The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation



a) The consolidated financial statements include the financial statements of SVI Public Company Limited and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
Subsidiaries held by the Company			2021 (Percent)	2020 (Percent)
SVI A/S	Raw material sourcing service	Denmark	100	100
SVI Public (HK) Limited	Raw material sourcing service	Hong Kong	100	100
SVI (AEC) Company Limited	Manufacturing electronic equipment	Cambodia	100	100
SVI Japan Company Limited	Raw material sourcing service	Japan	100	100
SVI (HKG) Limited	Raw material sourcing service	Hong Kong	100	100
SVI Electronics (USA) LLC.	Raw material sourcing service	America	100	100
BEI Company Limited	Raw material sourcing service	Thailand	100	-
TOHOKU SOLUTIONS Company Limited (formerly named is “Tohoku Pioneer (Thailand) Company Limited”)	Manufacturing electronic equipment	Thailand	100	-
Subsidiaries held by SVI Public (HK) Limited				
SVI (Austria) GmbH	Manufacturing electronic equipment	Austria	100	100
Subsidiaries held by SVI (Austria) GmbH				
SVI Hungary Kft.	Manufacturing electronic equipment	Hungary	100	100
SVI Slovakia s.r.o.	Manufacturing electronic equipment	Slovak	100	100
Subsidiaries held by SVI (HKG) Limited				
SVI-GDL, S.A.P.I. DE C.V.	Manufacturing electronic equipment	Mexico	100	100
Associates held by SVI (Austria) GmbH				
Emsiso d.o.o.	Design and development of products	Slovenia	23	23
Sementis Engineering GmbH	Design and development of products	Austria	20	20

During the years 2021 and 2020, the Company established new subsidiaries and conducted the business combination as follows.

BEI Company Limited

- ❖ On 11 August 2021, the Board of Director's meeting had approved the established BEI Company Limited ("the subsidiary") to engage in sourcing raw materials with the registered share capital of Baht 10 million (1,000,000 ordinary shares with a par value of Baht 10 each). The Company has 100 percent of shareholding. The subsidiary called for payment of 25% of the registered share capital, or totalling Baht 2.5 million.
- ❖ These consolidated financial statements include the statement of financial position of this subsidiary company as at 31 December 2021 and the statement of comprehensive income for the period as from the date of incorporation (11 August 2021) to 31 December 2021.

SVI Electronics (USA) LLC.

- ❖ On 11 November 2020, the Board of Director's meeting had approved the establish of subsidiary registered in the United States of America. The Company established "SVI Electronics (USA) LLC." with the registered share capital of USD 1,000. The Company has 100 percent of shareholding. Such company was completed for incorporation on 8 December 2020 and became the Company's subsidiary since thereon.

Business Combination

- ❖ On 7 October 2021, the Company entered into the Share Purchase Agreement to acquire a 100% shareholding in Tohoku Pioneer (Thailand) Company Limited, consisting of 3.5 million ordinary shares with a par value of Baht 100 each. This company is to be incorporated in Thailand, and engage in the manufacture and provision of services for the assembly of electronic circuits and electronic products. On 30 November 2021, the consideration was paid to the former shareholder and changed the formerly name is "Tohoku Pioneer (Thailand) Company Limited" to be "TOHOKU SOLUTIONS Company Limited".

Revenues and operating profit before income tax expense of TOHOKU SOLUTIONS Company Limited for the period as from 30 November 2021 to 31 December 2021 which included in consolidated statement of comprehensive income for the year ended 31 December 2021 was Baht 105 million and Baht 10 million, respectively.

These consolidated financial statements are included the statement of financial position of the subsidiary as at 31 December 2021, and the statement of comprehensive income for the period as from the acquisition date (30 November 2021) to 31 December 2021. The excess of cost of business acquisition over the fair value of the net assets acquired shall recognised as goodwill.

However, the value of net assets at acquisition date is stated at book value. The Company's management is currently in the process of assessing the fair value of the identified assets acquired and liabilities assumed of such subsidiary. Because of the fair value of the identified assets and liabilities from business combination is in the process of assessing by an independent valuation specialist. The Company expects to complete within evaluation period of 12 months from acquisition date according to Thai Financial Reporting Standard 3, (revised 2020) "Business combination".

In December 2021, the Company provisionally recorded the acquisition using a best estimate of the value of assets acquired and liabilities assumed under the caption of “Excess of acquisition cost over estimated value of interest acquired in net assets from acquisition of the subsidiary”. The Company will complete the accounting recording of the acquisition within the year 2022, and the amount recorded as at 31 December 2021 may be changed.

Details of the net book value of identified assets and liabilities of TOHOKU SOLUTIONS Company Limited as at acquisition date are as follows:

Assets	(Unit: Thousand Baht)
Cash and cash equivalents	211,751
Trade and other receivables	148,669
Inventories	150,695
Property, plant and equipment, net (Note 14)	116,716
Right of use assets (Note 16)	2,716
Intangible assets (Note 18)	2,215
Deferred tax assets	6,824
Other assets	22,493
Total assets	662,079
Liabilities	(Unit: Thousand Baht)
Trade and other payables	201,650
Lease liabilities (Note 16)	2,850
Advance receipt for materials and equipment for production	2,952
Provision for long-term employee benefits (Note 23)	34,119
Other liabilities	420
Total liabilities	241,991
Net assets value	420,088
Equity of the subsidiary (%)	100
Net assets value attributable to the subsidiary's investment	420,088
Excess of acquisition cost over estimate value of interest acquired in the net assets from acquisition of the subsidiary	3,309
Purchase price	423,397
Less: Cash and cash equivalents of the subsidiary	(211,751)
Net cash paid for acquisition of the subsidiary	211,646

Details of acquisition of the subsidiary are presented as follows.

Purchase price	(Unit: Thousand Baht)
Cash paid	423,397
Net book value of net assets received	(420,088)
Excess of acquisition cost over estimate value of interest acquired in net assets from acquisition of the subsidiary	3,309

The related cost of business combination amounting to Baht 3 million are included in the consolidated statement of comprehensive income for the year ended 31 December 2021.

These consolidated financial statements include the statement of financial position of four subsidiary companies which are SVI Japan Company Limited, SVI (HKG) Limited, SVI Electronics (USA) LLC. And SVI-GDL, S.A.P.I. DE C.V as at 31 December 2021 and the statement of comprehensive income for the year ended 31 December 2021 which the financial statements were prepared by the management and have not been audited by its auditor since such companies have yet operated.

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currencies” in the statement of changes in shareholders’ equity.

f) Material balances and transactions between the Group, have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries under the cost method.



3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year



During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022



The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group evaluated these standards do not have any significant impact on the Group's financial statements in the year when they are adopted.

4. Significant accounting policies

4.1 Revenue and expense recognition



Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

When a contract provided a customer with a right to return the goods within a specified period, the Group recognises the amount ultimately expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

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

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 Inventories



Finished goods and work in process are valued at the lower of cost under the weighted average method and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, supplies and spare parts are valued at the lower of weighted average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiaries and associates



Investments in associates are accounted for in the consolidated financial statements using the equity method. Investments in subsidiaries are accounted for in the separate financial statements using the cost method less loss on impairment of investments (if any).

4.5 Investment properties



Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 20 years. Depreciation of the investment properties is included in determining income.

No depreciation is provided on land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.6 Property, plant and equipment / depreciation



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

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

Buildings	20 years
Land and building improvements	5 - 20 years
Machinery and equipment	5 - 7 years
Furniture, fixtures and office equipment	5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land, work under construction and machinery under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.



At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, accumulated impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings and building improvements	2 - 3	years
Machinery and equipment	4 - 6	years
Furniture, fixtures and office equipment	4 - 6	years
Motor vehicles	5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

4.8 Leasehold right to land and amortisation



Leasehold right to land is stated at cost less accumulated amortisation and allowance for loss on impairment (if any). Amortisation is calculated using the straight-line method over the leasehold period of 50 years.

The amortisation is included in determining income.

4.9 Intangible assets



Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line 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 is as follows.

	Useful lives
Computer software	5 - 10 years
Customer relationship	5 - 8 years

4.10 Goodwill



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

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

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.11 Deferred financial fees



Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

The amortisation of deferred financial fees is included in determining income.

4.12 Related party transactions



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

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

4.13 Foreign currencies



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

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

Gains and losses on exchange are included in determining income.

4.14 Impairment of non-financial assets



At the end of reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.15 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 and other long-term employee 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 and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service award.

The obligation under the defined benefit plan and other long-term employee benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.16 Provisions



Provisions are recognised when the Group 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.

4.17 Equity-settled share-based payment transactions



The Company recognises share-based payment transactions when services from employees are rendered, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in “Capital reserve for share-based payment transactions” in shareholders’ equity.

4.18 Treasury shares



The Group’s own equity instruments that have been reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group’s own equity instruments. Any difference between the carrying amount and the consideration received, if reissued, is recognised in share premium.

4.19 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 Group 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 Group 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 Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.20 Financial instruments



The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component or for which at contract inception the Group expected payment by the customer less than one year and the Group has applied the practical expedient regarding not to adjust the effects of a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVOCI (debt instruments)

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Recognition and derecognition of financial instruments

Financial assets are recognised or derecognised on the trade date, i.e., the date on which the Group becomes a party to contractual provisions of the instrument / the settlement date, i.e., the date on which an asset is delivered to or by the Group. This includes regular way trades.

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.21 Derivatives and hedge accounting



The Group uses derivatives, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes including interest income are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- ❖ Cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- ❖ There is 'an economic relationship' between the hedged item and the hedging instrument.
- ❖ The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- ❖ The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.



Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1	Use of quoted market prices in an observable active market for such assets or liabilities
Level 2	Use of other observable inputs for such assets or liabilities, whether directly or indirectly
Level 3	Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgment 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 - the Group as a lessee

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Allowance for diminution in value of inventories

The determination of allowance for diminution in the value of inventories requires management to exercise judgment in estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business, minus selling expenses and provision for obsolete, slow-moving and deteriorated inventories, and taking into account the approximate useful life of each type of inventories and current changes in technology.

Investment properties and property plant and equipment / Depreciation

In determining depreciation of investment properties (excluded land), plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment properties (excluded land), plant and equipment and to review estimate useful lives and residual values when there are any changes.

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

Goodwill and intangible assets

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

Deferred tax assets

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

Provision for warranty

In determining a provision for warranty, the management needs to make judgements and estimates based on past experience of the level of repairs and returns and related expenses.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment and goodwill recognised by the Group.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plans and other long-term employee benefit plans 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. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash	540	540	75	64
Deposit at banks	574,902	1,238,291	192,437	1,077,431
Total	575,442	1,238,831	192,512	1,077,495

As at 31 December 2021, bank deposits in savings accounts carried interests between 0.01 to 0.13 percent per annum (2020: 0.01 to 0.13 percent per annum) (The Company only: 0.01 to 0.13 percent per annum (2020: 0.01 to 0.13 percent per annum)).

7. Related party transactions

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
Transactions with subsidiaries	2021	2020	2021	2020	
(Eliminated from the consolidated financial statements)					
Sales of goods	-	-	918	627	99.99 percent of customer charge
Sales of fixed assets	-	-	39	9	Net book value plus 2.00 percent
Purchases of raw materials	-	-	1,019	645	At cost
Raw materials sourcing fee	-	-	31	27	Actual charge and actual charge plus margin of 0.40 to 2.00 percent
Selling and distribution expenses	-	-	48	32	At cost
Other income	-	-	5	4	At cost
Interest income	-	-	18	18	3.00 - 3.25 percent per annum (2020: 3.10 - 3.25 percent per annum)
Transactions with associates					
Sales of goods and raw materials	3	3	-	-	At cost

The relationships between the Company and the related parties are summarised below.

List of related companies	Relationship
SVI A/S	Subsidiary
SVI Public (HK) Limited	Subsidiary
SVI (AEC) Company Limited	Subsidiary
SVI Japan Company Limited	Subsidiary
SVI (HKG) Limited	Subsidiary
SVI Electronics (USA) LLC.	Subsidiary
BEI Company Limited	Subsidiary
TOHOKU SOLUTIONS Company Limited (formerly named "Tohoku Pioneer (Thailand) Company Limited")	Subsidiary
SVI (Austria) GmbH	Subsidiary (Held by subsidiary)
SVI Hungary Kft.	Subsidiary (Held by subsidiary)
SVI Slovakia s.r.o.	Subsidiary (Held by subsidiary)
SVI-GDL, S.A.P.I. DE C.V.	Subsidiary (Held by subsidiary)
Emsiso d.o.o.	Associated company (Held by subsidiary)
Sementis Engineering GmbH	Associated company (Held by subsidiary)

The balances of the accounts as at 31 December 2021 and 2020 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables - related parties (Note 9)				
Subsidiaries	-	-	365,840	203,663
Associates	23	9	-	-
Total trade receivables - related parties	23	9	365,840	203,663
Other receivables - related parties (Note 9)				
Subsidiaries	-	-	61,031	19,982
Total other receivable - related parties	-	-	61,031	19,982
Other long-term receivable - related parties				
Subsidiaries	-	-	20,683	28,289
Total other long-term receivable	-	-	20,683	28,289
Trade accounts payable - related parties (Note 20)				
Subsidiaries	-	-	376,915	188,885
Associates	-	17	-	-
Total trade accounts payable - related parties	-	17	376,915	188,885
Other payables - related parties (Note 20)				
Subsidiaries	-	-	13,794	16,082
Total other payables - related parties	-	-	13,794	16,082
Accrued expenses - related parties (Note 20)				
Subsidiaries	-	-	43	39
Total accrued expenses - related parties	-	-	43	39

Loans to subsidiary and interest receivables to subsidiary

As at 31 December 2021 and 2020, the balances of loans between the Group and those related companies and the movement in loans are as follows:

(Unit: Thousand Baht)

Loans to subsidiary	Related by	Balance as at 1 January 2021	Separate financial statements			Balance as at 31 December 2021
			Increase during the year	Decrease during the year	Effect on exchange rate	
SVI (AEC) Company Limited	Subsidiary					
Principal		462,945	266,892	(62,872)	46,281	713,246
Interest receivables		42	17,496	(17,425)	25	138
Total		462,987	284,388	(80,297)	46,306	713,384

Long-term loan to subsidiary amounting to USD 21.4 million (2020: USD 15.5 million) carries interest at rates of 3.00 - 3.25 percent per annum (2020: 3.10 - 3.25 percent per annum). The loan is unsecured and due within 1 year since the agreement date. However, the Company does not intend to call for repayment of this loan in short-term and the Company therefore classifies it as non-current assets.

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	134,207	119,078	76,226	67,669
Post-employment benefits	5,599	6,259	5,588	6,250
Total	139,806	125,337	81,814	73,919

Commitment to related companies

The parent company has guarantee commitment to two subsidiaries' long-term loans from banks as stipulated in Note 36.4 to financial statements.

8. Other current financial assets

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2021	2020
<u>Debt instruments at amortised cost</u>		
Foreign currency deposits	119,559	172,100
Total debt instruments at amortised cost - net	119,559	172,100
<u>Debt instruments at FVTPL</u>		
Investment in unit trusts	-	120,000
Add: Unrealised gains on measurement of unit trusts at fair value	-	43
Investment in unit trusts - net	-	120,043
Total debt instrument at FVTPL	-	120,043
<u>Debt instruments at FVOCI</u>		
Investments in debentures	154,556	159,362
Add: Unrealised gains on measurement of debentures at fair value	809	4,975
Investments in debentures - net	155,365	164,337
Total debt instruments at FVOCI	155,365	164,337
<u>Equity instruments designated at FVOCI</u>		
Investments in listed securities	357,995	327,687
Less: Unrealised losses on measurement of listed securities at fair value	(3,948)	(81,607)
Investments in listed securities - net	354,047	246,080
Total equity instruments designated at FVOCI	354,047	246,080
Total other current financial assets	628,971	702,560

As at 31 December 2021, foreign currency deposits carried interest at a rate 0.17 percent per annum (2020: 0.17 percent per annum).

During the year 2021, the Company disposed investments in equity instrument with its fair value totaling Baht 96 million (2020: Baht 237 million). The Company recognised loss on disposal of these investments by Baht 53 million (2020: Baht 76 million) in “retained earnings - unappropriated” as presented in the Statement of change in shareholders’ equity. In addition, the Company recognised the dividend income amounting to Baht 17 million (2020: Baht 18 million) in profit or loss.

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivable - related parties				
Aged on the basis of due dates				
Not yet due	14	9	166,144	66,933
Past due				
Up to 3 months	9	-	182,747	136,647
3 - 6 months	-	-	16,265	83
6 - 12 months	-	-	684	-
Total trade receivable - related parties	23	9	365,840	203,663
Trade receivable - third parties				
Aged on the basis of due dates				
Not yet due	3,850,648	2,340,884	2,913,953	1,562,538
Past due				
Up to 3 months	1,088,342	559,020	874,620	424,101
3 - 6 months	174,532	34,424	167,445	31,249
6 - 12 months	77,422	16,364	74,817	15,139
Over 12 months	30,686	33,027	30,471	31,410
Total	5,221,630	2,983,719	4,061,306	2,064,437
Less: Allowance for expected credit losses	(8,696)	(13,857)	(7,866)	(11,279)
Total trade receivable - third parties, net	5,212,934	2,969,862	4,053,440	2,053,158
Other receivables - related parties	-	-	61,031	19,982
Other receivables - third parties	97,402	37,568	79,248	37,155
Total trade and other receivables - net	5,310,359	3,007,439	4,559,559	2,313,958

The normal credit terms are 60 - 90 days.

Set out below is the movement in the allowance for expected credit losses of trade and other receivables:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Beginning balance	13,857	11,279
Amount written off	(5,228)	(3,413)
Translation adjustments	67	-
Ending balance	8,696	7,866

10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
Reduce cost to net						
	Cost		Realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	272,690	353,405	(3,265)	(4,205)	269,425	349,200
Work in process	455,816	292,987	-	-	455,816	292,987
Raw materials	4,802,384	2,439,383	(221,366)	(151,155)	4,581,018	2,288,228
Supplies and spare parts	79,837	84,887	(1,072)	(2,028)	78,765	82,859
Raw materials in transit	246,634	111,046	-	-	246,634	111,046
Total	5,857,361	3,281,708	(225,703)	(157,388)	5,631,658	3,124,320

(Unit: Thousand Baht)

Separate financial statements						
Reduce cost to net						
	Cost		Realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	120,482	241,746	(2,921)	(1,611)	117,561	240,135
Work in process	298,714	163,424	-	-	298,714	163,424
Raw materials	3,388,192	1,885,261	(174,401)	(124,596)	3,213,791	1,760,665
Supplies and spare parts	3,251	3,053	-	-	3,251	3,053
Raw materials in transit	237,199	110,778	-	-	237,199	110,778
Total	4,047,838	2,404,262	(177,322)	(126,207)	3,870,516	2,278,055

During the current year, the Group reduced cost of inventories by Baht 70 million (2020: Baht 24 million) (The Company only: Baht 50 million (2020: Baht 20 million)), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 2 million (2020: Baht 4 million) (The Company only: written-down of cost of inventories by Baht 1 million (2020: Baht 6 million)) and reduced the amount of inventories recognised as expenses during the year.

11. Investments in associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements							
			Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts - net	
			2021	2020	2021	2020	2021	2020	2021	2020
Sementis Engineering GmbH	Design and development of products	Austria	20	20	9,935	9,935	(9,935)	(9,935)	-	-
Emsiso d.o.o.	Design and development of products	Slovenia	23	23	9,935	9,935	(9,935)	(9,935)	-	-
Total					19,870	19,870	(19,870)	(19,870)	-	-

12. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up share capital		Shareholding percentage		Cost method	
	2021	2020	2021	2020	2021	2020
Subsidiaries held by the Company						
SVI A/S	DKK 0.05 million	DKK 0.50 million	100	100	3,269	3,269
SVI Public (HK) Limited	HKD 36.94 million	HKD 36.94 million	100	100	174,143	174,143
SVI (AEC) Company Limited	USD 1.00 million	USD 1.00 million	100	100	34,454	34,454
SVI Japan Company Limited	JPY 0.75 million	JPY 0.75 million	100	100	227	227
SVI (HKG) Limited	HKD 0.01 million	HKD 0.01 million	100	100	41	41
SVI Electronics (USA) LLC.	-	-	100	100	-	-
BEI Company Limited	THB 2.50 million	-	100	-	2,500	-
TOHOKU SOLUTIONS Company Limited	THB 350.00 million	-	100	-	423,397	-
Subsidiaries held by SVI Public (HK) Limited						
SVI (Austria) GmbH	EUR 4.40 million	EUR 4.40 million	100	100	-	-
Subsidiaries held by SVI (Austria) GmbH						
SVI Hungary Kft.	EUR 0.04 million	EUR 0.04 million	100	100	-	-
SVI Slovakia s.r.o.	EUR 0.04 million	EUR 0.04 million	100	100	-	-
Subsidiaries held by SVI (HKG) Limited						
SVI - GDL, S.A.P.I. DE C.V.	MXN 0.01 million	MXN 0.01 million	100	100	-	-
Total investments in subsidiaries					638,031	212,134

On 11 November 2020, the Board of Directors' meeting had approved the establishment of subsidiary registered in the United States of America. The Company established "SVI Electronics (USA) LLC." with the registered share capital of USD 1,000. The Company had 100 percent of shareholding. Such company was completed for incorporation on 8 December 2020 and became the Company's subsidiary since thereon. As at 31 December 2021 and 2020, such subsidiary has yet paid-up share capital.

On 11 August 2021, the Company established BEI Company Limited ("the subsidiary") to engage in sourcing raw materials with the registered shared capital of Baht 10 million (1,000,000 ordinary shares with a par value of Baht 10 each). The Company has 100 percent of shareholding. The subsidiary called for payment of 25% of the registered share capital, or totalling Baht 2.5 million.

On 7 October 2021, the Company entered into the Share Purchase Agreement to acquire a 100% shareholding in Tohoku Pioneer (Thailand) Company Limited, consisting of 3.5 million ordinary shares with a par value of Baht 100 each. This company is to be incorporated in Thailand, and engage in the manufacture and provision of services for the assembly of electronic circuits and electronic parts. On 30 November 2021, the consideration was paid to the former shareholder and changed the name to be "TOHOKU SOLUTIONS Company Limited".

During the year 2021, there is no dividend payment from subsidiaries. During the year 2020, SVI (Austria) GmbH recognised dividend income from SVI Hungary Kft. amounting to EUR 0.3 million.

13. Investment properties

The net book value of investment properties as at 31 December 2021 and 2020 are presented below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements		
	Land awaiting sales	Buildings, and land and building improvements	Total
31 December 2021			
Cost	171,697	106,273	277,970
Less: Accumulated depreciation	-	(95,005)	(95,005)
Net book value	171,697	11,268	182,965
31 December 2020			
Cost	171,697	106,273	277,970
Less: Accumulated depreciation	-	(92,369)	(92,369)
Net book value	171,697	13,904	185,601

A reconciliation of the net book value of investment properties for the years 2021 and 2020 are presented below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2021	2020
Net book value at beginning of year	185,601	189,546
Depreciation charged	(2,636)	(3,945)
Net book value at end of year	182,965	185,601

The fair value of investment properties as at 31 December 2021 and 2020 are stated below:

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2021	2020
Land awaiting sales	282,900	282,900
Buildings and land and building improvements	46,340	46,340

The fair value has been determined based on valuation performed by an accredited independent valuer. The fair value of the land awaiting sales which located in Nontaburi, has been determined based on market prices, and the fair value of buildings and land and building improvements has been determined based on replacement cost less accumulated depreciation.

14. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

Cost	Consolidated financial statements						Total
	Land	Buildings, and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Work under construction and machinery under installation	
1 January 2020	384,237	1,108,608	1,596,200	214,422	14,652	83,761	3,401,880
Additions	36,094	167,046	18,344	8,224	-	97,209	326,917
Disposal/written-off	-	(17,660)	(17,788)	(17,345)	(67)	(12,526)	(65,386)
Transfer in (out)	-	35,820	51,965	3,889	-	(91,674)	-
Translation adjustment	741	7,038	26,047	10,182	795	1,677	46,480
31 December 2020	421,072	1,300,852	1,674,768	219,372	15,380	78,447	3,709,891
Acquisition of subsidiary during the year	51,284	347,789	549,522	39,881	16,672	1,303	1,006,451
Additions	-	3,695	13,686	8,886	-	303,396	329,663
Disposal/written-off	-	-	(422)	(712)	(1,914)	(795)	(3,843)
Transfer in (out)	-	19,104	117,076	4,670	1,943	(142,793)	-
Translation adjustment	1,237	27,420	21,796	4,299	255	4,459	59,466
31 December 2021	473,593	1,698,860	2,376,426	276,396	32,336	244,017	5,101,628
Accumulated depreciation							
1 January 2020	-	308,843	1,037,530	182,763	10,255	-	1,539,391
Depreciation for the year	-	58,724	139,906	11,353	1,664	-	211,647
Depreciation on disposal/written-off	-	(13,012)	(21,242)	(16,751)	(59)	-	(51,064)
Translation adjustment	-	3,993	25,107	9,153	526	-	38,779
31 December 2020	-	358,548	1,181,301	186,518	12,386	-	1,738,753
Acquisition of subsidiary during the year	-	309,577	526,379	37,107	16,673	-	889,736
Depreciation for the year	-	61,865	118,352	12,864	1,780	-	194,861
Depreciation on disposal/written-off	-	-	(406)	(688)	(1,668)	-	(2,762)
Translation adjustment	-	4,238	21,464	3,318	190	-	29,210
31 December 2021	-	734,228	1,847,090	239,119	29,361	-	2,849,798
Allowance for impairment of assets							
31 December 2020	-	-	-	-	-	1,062	1,062
Transfer in (out)	-	-	1,062	-	-	(1,062)	-
Translation adjustment	-	-	29	-	-	-	29
31 December 2021	-	-	1,091	-	-	-	1,091
Net book value							
31 December 2020	421,072	942,304	493,467	32,854	2,994	77,385	1,970,076
31 December 2021	473,593	964,632	528,245	37,277	2,975	244,017	2,250,739
Depreciation for the year							
2020 (Baht 210 million included in manufacturing cost, and the balance in selling and administrative expense)							211,647
2021 (Baht 183 million included in manufacturing cost, and the balance in selling and administrative expense)							194,861

(Unit: Thousand Baht)

Cost	Separate financial statements						Total
	Land	Buildings, and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Work under construction and machinery under installation	
1 January 2020	376,294	859,393	1,190,147	94,846	6,130	59,533	2,586,343
Additions	-	-	4,044	1,718	-	47,469	53,231
Disposal/written-off	-	-	(14,776)	(484)	-	-	(15,260)
Transfer in (out)	-	17,234	46,606	3,102	-	(66,942)	-
31 December 2020	376,294	876,627	1,226,021	99,182	6,130	40,060	2,624,314
Additions	-	-	5,535	3,280	-	90,414	99,229
Disposal/written-off	-	-	(70,346)	(192)	(1,532)	-	(72,070)
Transfer in (out)	-	5,181	93,515	3,413	-	(102,109)	-
31 December 2021	376,294	881,808	1,254,725	105,683	4,598	28,365	2,651,473
Accumulated depreciation							
1 January 2020	-	245,901	801,471	76,383	4,971	-	1,128,726
Depreciation for the year	-	43,316	111,194	6,884	613	-	162,007
Depreciation on disposal/written-off	-	-	(11,058)	(481)	-	-	(11,539)
31 December 2020	-	289,217	901,607	82,786	5,584	-	1,279,194
Depreciation for the year	-	43,286	85,262	6,835	300	-	135,683
Depreciation on disposal/written-off	-	-	(55,616)	(190)	(1,286)	-	(57,092)
31 December 2021	-	332,503	931,253	89,431	4,598	-	1,357,785
Net book value							
31 December 2020	376,294	587,410	324,414	16,396	546	40,060	1,345,120
31 December 2021	376,294	549,305	323,472	16,252	-	28,365	1,293,688
Depreciation for the year							
2020 (Baht 157 million included in manufacturing cost, and the balance in selling and administrative expense)							162,007
2021 (Baht 132 million included in manufacturing cost, and the balance in selling and administrative expense)							135,683

As at 31 December 2021, certain plant and equipment items of the Group has been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 2,230 million (2020: Baht 1,327 million) (The Company only: Baht 974 million (2020: Baht 839 million)).

A subsidiary has pledged all land and structures thereon with net book value of EUR 5.4 million as collateral against long-term loan from bank, as described in Note 22 to financial statements.

15. Leasehold right to land

The net book value of leasehold right to land as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2021	2020
Cost	119,229	119,229
Less: Accumulated amortisation	(14,332)	(12,185)
Translation adjustment	(7,407)	(17,407)
Net book value	97,490	89,637

A reconciliation of the net book value of leasehold right to land for the years 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2021	2020
Net book value at beginning of year	89,637	92,009
Amortisation	(2,147)	(2,099)
Translation adjustment	10,000	(273)
Net book value at end of year	97,490	89,637

A subsidiary in Cambodia made a contract with a company which subsequently resulted in acquiring the right to use land for the purpose of constructing the plant which the leasehold right has a period of 50 years.

16. Leases

The Group as a lessee has lease contracts for various assets used in its operations. Leases generally have lease terms between 2 - 4 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Total
1 January 2020	11,034	23,893	19,686	6,340	60,953
Additions	5,787	2,489	3,503	11,208	22,987
Depreciation for the year	(6,533)	(9,574)	(5,439)	(4,440)	(25,986)
Translation adjustment	790	1,902	(25)	(59)	2,608
31 December 2020	11,078	18,710	17,725	13,049	60,562
Additions	3,727	7,165	8,147	140	19,179
Disposal - net book value	-	-	-	(751)	(751)
Depreciation for the year	(6,830)	(6,786)	(6,630)	(4,637)	(24,883)
Acquisition of subsidiary during the year	-	-	2,716	-	2,716
Translation adjustment	246	503	74	150	973
31 December 2021	8,221	19,592	22,032	7,951	57,796

(Unit: Thousand Baht)

	Separate financial statements		
	Furniture, fixtures and office equipment	Motor vehicles	Total
1 January 2020	19,686	6,340	26,026
Additions	-	3,798	3,798
Depreciation for the year	(4,700)	(2,694)	(7,394)
31 December 2020	14,986	7,444	22,430
Additions	8,146	-	8,146
Disposal - net book value	-	(751)	(751)
Depreciation for the year	(5,711)	(2,503)	(8,214)
31 December 2021	17,421	4,190	21,611

b) Lease liabilities*(Unit: Thousand Baht)*

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Lease payments	63,136	67,404	25,516	26,666
Less: Deferred interest expenses	(2,173)	(3,461)	(1,118)	(2,053)
Total	60,963	63,943	24,398	24,613
Less: Portion due within one year	(26,883)	(21,081)	(8,055)	(6,773)
Lease liabilities - net of current portion	34,080	42,862	16,343	17,840

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Balance at beginning of year	63,943	52,237	24,613	26,980
Additions	17,041	22,987	8,650	3,798
Accretion of interest	1,992	2,446	992	582
Rental payments	(25,948)	(14,370)	(9,857)	(6,747)
Acquisition of a subsidiary during the year	2,850	-	-	-
Translation adjustment	1,085	643	-	-
Balance at the end of year	60,963	63,943	24,398	24,613

A maturity analysis of lease payments is disclosed in Note 38.1 to financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss*(Unit: Thousand Baht)*

	For the year ended 31 December 2021	
	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	24,883	8,214
Interest expense on lease liabilities	1,992	992

17. Goodwill

The Company allocated goodwill arising from business combination to each cash-generating unit for the purpose of performing annual impairment testing, as follows:

(Unit: Thousand Baht)

Goodwill	SVI Hungary Kft.	SVI Slovakia s.r.o.	Total
	17,443	117,193	134,636

The Company assessed the recoverable amount of cash-generating unit based on the value in use of the assets, using projections of cash inflows that were prepared with reference to financial projections approved by the management and that covered a 5-year period for SVI Slovakia s.r.o.

The significant assumptions used in determining the value in use were as follows:

	SVI Slovakia s.r.o.
Growth rate	1.5%
Pre-tax discount rate	9.3%

The management determined the growth rates of each subsidiary based on historical operating results, markets, competitors, customer demand and production capacity. SVI Slovakia s.r.o. has attracted more customers and has started receiving orders from some of these, which can be seen from an increase in sales occurred during 2021. As a result, its projected revenues set growth rates of at least 1.5 percent since 2022 to 2026. The pre-tax discount rates reflect the specific risk of company.

During the year 2021, the Group recognised loss on impairment of goodwill amounting to Baht 17 million for SVI Hungary Kft.

During the year 2020, the Group recognised loss on impairment of goodwill amounting to Baht 15 million for SVI Slovakia s.r.o. as administrative expense in consolidated comprehensive income statement. Such asset presents net realisable value of assets.

Movements of goodwill as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

Cost	Consolidated financial statements	
	2021	2020
Beginning balance	131,018	119,843
Translation adjustments	3,618	11,175
Ending balance	134,636	131,018
Allowance for impairment loss		
Beginning balance	71,319	51,069
Increase during the year	17,407	14,980
Translation adjustment	2,005	5,270
Ending balance	90,731	71,319
Net book value		
Beginning balance	59,699	68,774
Ending balance	43,905	59,699

18. Intangible assets

The net book value of intangible assets as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

Cost	Consolidated financial statements		
	Customer relationship	Computer software	Total
1 January 2020	106,394	152,625	259,019
Additions	-	7,117	7,117
Disposal	-	(6,924)	(6,924)
Translation adjustment	9,921	3,798	13,719
31 December 2020	116,315	156,616	272,931
Additions	-	9,571	9,571
Acquisition of a subsidiary during the year	-	19,160	19,160
Translation adjustment	3,212	1,144	4,356
31 December 2021	119,527	186,491	306,018
Accumulated amortisation			
1 January 2020	70,124	113,667	183,791
Amortisation	18,931	6,382	25,313
Amortisation on disposal	-	(6,411)	(6,411)
Translation adjustment	7,181	3,424	10,605
31 December 2020	96,236	117,062	213,298
Amortisation	7,454	8,193	15,647
Acquisition of a subsidiary during the year	-	16,945	16,945
Translation adjustment	2,673	1,062	3,735
31 December 2021	106,363	143,262	249,625
Allowance for impairment loss			
31 December 2020	-	-	-
Increase during the year	2,151	-	2,151
31 December 2021	2,151	-	2,151
Net book value			
31 December 2020	20,079	39,554	59,633
31 December 2021	11,013	43,229	54,242

(Unit: Thousand Baht)

	Separate financial statements
	Computer software
Cost	
1 January 2020	110,393
Additions	4,941
31 December 2020	115,334
Additions	3,946
31 December 2021	119,280
Accumulated amortisation	
1 January 2020	73,580
Amortisation	5,202
31 December 2020	78,782
Amortisation	6,424
31 December 2021	85,206
Net book value	
31 December 2020	36,552
31 December 2021	34,074

19. Bank overdrafts and short-term loans from banks

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Bank overdrafts	1.05 - 1.50	217,875	249,776	-	-
Short-term loans from banks	1.10 - 3.10	2,922,001	1,231,198	2,587,802	930,827
Total		3,139,876	1,480,974	2,587,802	930,827

As at 31 December 2021, the Company has short-term loans from bank in form of promissory notes amounting to Baht 750 million (2020: Baht 810 million) and a trust receipt amounting to USD 54 million, bearing interest rates between 1.10 to 1.55 percent per annum (2020: 1.27 to 2.30 percent per annum) which will be due between January to April 2022. These promissory notes and trust receipt are unsecured.

The subsidiaries have bank overdrafts amounting to EUR 5.7 million or equivalent to Baht 217.9 million (2020: EUR 6.8 million or equivalent to Baht 249.8 million) and a promissory note amounting to USD 10.0 million or equivalent to Baht 334.2 million (2020: USD 10.0 million or equivalent to Baht 300.4 million), which are secured by letter of credit that issued by a local bank on behalf of the Company.

20. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade payables - related parties	-	17	376,915	188,885
Trade payables - third parties	4,609,215	2,515,367	3,260,425	1,845,967
Other payables - related parties	-	-	13,794	16,082
Other payables - third parties	100,020	64,082	68,136	49,210
Payables for acquisition of machine and equipment	57,438	6,051	56,526	6,051
Accrued expenses - related parties	-	-	43	39
Accrued expenses - third parties	221,068	478,956	116,291	387,181
Total trade and other payables	4,987,741	3,064,473	3,892,130	2,493,415

21. Other current liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Withholding tax payables	42,095	39,184	28,778	23,022
Provisions for warranty	5,998	12,706	4,965	12,091
Value added tax payable	5,343	17,633	-	-
Advance for finished goods	6,078	-	6,078	-
Others	2,271	515	1,809	331
Total other current liabilities	61,785	70,038	41,630	35,444

The Group recognised a provision for expected warranty claims on products sold during last year, based on past experience of the level of repairs and returns. The Group expects most of these costs to be incurred in the next financial year and all to have been incurred within one year of the reporting date. In calculating the provision for warranties, the Group applied assumptions based on current sales levels and current information available about returns of products with one-year warranty periods for all types of product sold.

Movement of provision for warranty account during the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Balance as at 1 January 2020	12,753		12,238	
Increase during the year	616		-	
Decrease from payment	(710)		(147)	
Translation adjustment	47		-	
Balance as at 31 December 2020	12,706		12,091	
Increase during the year	1,032		-	
Decrease from payment	(7,758)		(7,126)	
Translation adjustment	18		-	
Balance as at 31 December 2021	5,998		4,965	

22. Long-term loans from banks

(Unit: Thousand Baht)

Loan	Interest rate (percent per annum)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2021	2020	2021	2020
1	LIBOR + Fixed rate	Repayment by quarterly of USD 0.58 million starting first installment in June 2022 and last installment in March 2025	48,810	-	48,810	-
2	LIBOR + Fixed rate	Repayment by quarterly of USD 1.0 million starting first installment in December 2021 and last installment in December 2024	362,973	-	362,973	-
3	THBFIX + Fixed rate	Repayment by quarterly starting first installment in March 2020 and last installment in December 2023	-	1,130,000	-	1,130,000
4	3-month EURIBOR + Fixed rate	Repayment by monthly of EUR 0.1 million starting first installment on 1 February 2022 and last installment on 1 February 2027	299,369	-	-	-
5	6-month EURIBOR + Fixed rate	Repayment on maturity date (3 May 2022)	261,474	350,326	-	-
6	3-month EURIBOR + Fixed rate	Repayment principal by monthly of EUR 0.04 million starting first installment on 1 May 2020 and last installment on 1 April 2030	164,211	178,973	-	-
7	3-month EURIBOR + Fixed rate	Repayment principal by quarterly of EUR 0.1 million starting first installment on 31 December 2022 and last installment on 31 December 2025	84,422	-	-	-
Total			1,221,259	1,659,299	411,783	1,130,000
Less: Deferred financial fees			(2,224)	(30,173)	(2,224)	(30,173)
Long-term loans - net			1,219,035	1,629,126	409,559	1,099,827
Less: Current portion due within one year			(468,131)	(694,525)	(145,267)	(675,350)
Long-term loans, net of current portion			750,904	934,601	264,292	424,477

Movement of the long-term loans account for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balance	1,629,126	3,101,045	1,099,827	2,730,003
Additional borrowings	826,006	191,757	442,215	-
Repayments	(1,281,591)	(1,738,098)	(1,163,360)	(1,670,000)
Financial fees	(2,363)	-	(2,363)	-
Amortised of financial fees	30,312	39,824	30,312	39,824
Unrealised loss on exchange	2,928	-	2,928	-
Translation adjustment	14,617	34,598	-	-
Ending balance	1,219,035	1,629,126	409,559	1,099,827

Facility No.1



On 9 December 2021, the Company entered into of USD 7 million loan agreement with a local bank for the purpose of funding expansion of a subsidiary's plant. As at 31 December 2021, the outstanding balances of this loan is USD 1.5 million. The conditions of loan agreement include a covenant not to create security interests over land, and construction thereon, machinery and assets of the Company and a subsidiary (Negative pledges).

Facility No.2



On 13 December 2021, the Company entered into of USD 13 million loan agreement with a local bank in order to fund acquisition a business. As at 31 December 2021, the outstanding balances of this loan is USD 10.8 million. The conditions of loan agreement include a covenant not to create security interests over land, and construction thereon, machinery and assets of the Company, and the ordinary shares of a subsidiary (Negative pledges).

Facility No.3



As at 31 December 2020, the Company had long-term loans from a local bank amounting to Baht 1,130 million for use as working capital as well as payment of a dividend to the Company's shareholders. The loans were secured by letters of guarantee on behalf of all subsidiaries. During the year 2021, the Company made full repayment of these loans.

Facility No. 4, 5 and 6



As at 31 December 2021, a subsidiary has long-term loans from two overseas banks amounting to EUR 19.1 million (2020: EUR 14.4 million). Loans of EUR 6.9 million are secured by letter of credit issued by a local bank on behalf of the Company, and loans of EUR 12.2 million are secured by (a) two blank bills of exchange endorsed by the subsidiary, together with a declaration of the designated purpose of these bills of exchange, (b) guarantee provided by the Company and (c) all land and premises of the subsidiary.

Facility No.7



On 6 May 2021, a subsidiary entered into of EUR 3.3 million loan agreement with an overseas bank. As at 31 December 2021, the outstanding balance of this loan is EUR 2.2 million. This loan is secured by the Company's provision of a corporate guarantee and all land and premises of the subsidiary.

All loan agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

Two subsidiaries entered into interest rate swap agreements with two banks to swap floating interest rate for fixed interest rates on long-term loan facilities No.6 and No.7, as described in Note 38.2 to financial statements.

As at 31 December 2021, the long-term credit facilities of the Group which have not yet been drawn down amounted to EUR 5.0 million and USD 5.5 million (2020: EUR 1.3 million) (The Company only: USD 5.5 million (2020: Nil)).

23. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Provision for long-term employee benefits at beginning of year				
Included in profit or loss:				
Current service cost	250,729	238,663	141,972	138,593
Interest cost	17,008	16,261	10,757	11,352
	3,037	3,210	2,228	2,173
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
- Financial assumptions changes	(7,360)	2,651	(4,993)	-
- Experience adjustments	(4,966)	2,551	(4,635)	-
Benefits paid during the year	(27,210)	(21,747)	(15,252)	(10,146)
Acquisition of a subsidiary	34,119	-	-	-
Translation adjustment	2,794	9,140	-	-
Provision for long-term employee benefits at end of year	268,151	250,729	130,077	141,972

The Group expects to pay Baht 9 million of long-term employee benefits during the next year (2020: Baht 10 million) (The Company only: Baht 5 million (2020: Baht 6 million)).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 3 - 25 years (2020: 3 - 25 years) (The Company only: 10-12 years (2020: 12 - 20 years)).

Significant actuarial assumptions are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate	1.0 - 2.2	0.7 - 2.0	1.9 - 2.2	1.7 - 2.0
Salary increase rate	2.5 - 4.0	2.5 - 4.0	4.0	4.0
Turnover rate	3.8 - 45.8	3.8 - 45.8	3.8 - 45.8	3.8 - 45.8

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2021					
	Discount rate		Salary increase rate		Staff turnover rate	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%	Increase 10.0%	Decrease 01.0%
Impact on the long-term employee benefit obligation	(27)	31	30	(26)	(9)	9

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2020					
	Discount rate		Salary increase rate		Staff turnover rate	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%	Increase 10.0%	Decrease 10.0%
Impact on the long-term employee benefit obligation	(25)	29	29	(25)	(6)	7

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2021					
	Discount rate		Salary increase rate		Staff turnover rate	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%	Increase 10.0%	Decrease 10.0%
Impact on the long-term employee benefit obligation	(10)	12	11	(10)	(5)	6

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2020					
	Discount rate		Salary increase rate		Staff turnover rate	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%	Increase 10.0%	Decrease 10.0%
Impact on the long-term employee benefit obligation	(11)	12	13	(11)	(6)	7

24. Share capital

Registered share capital

On 26 March 2020, the Company registered the increase in share capital from 2,296,749,381 shares to 2,312,043,381 shares for right adjustment of SVI-W3 warrants and amended the Company's memorandum of association with the Ministry of Commerce according to the resolution of the Annual General Meeting of the shareholders on 20 March 2020. As at 31 December 2020, the Company had the registered share capital by Baht 2,312,043,381 comprising of 2,312,043,381 shares with a par value of Baht 1 per share.

On 23 April 2021, the Annual General Meeting of the shareholders of the Company approved the resolutions as following.

- ❖ Decrease in the Company's registered share capital which remained from the unexercised warrants (SVI-W3) from the registered share capital by Baht 2,312,043,381 to Baht 2,266,749,426.
- ❖ Revised the Company's memorandum of association in accordance with decreasing in the registered share capital of the Company.

Issued and paid-up share capital

During the year 2020, there was exercises of warrants as details below.

Year that warrants were excised	Type of warrant	Date of exercise	Quantity of exercised warrants (Units)	Ordinary shares issued for exercise warrants (Shares)	Exercise price (Baht)	Date of registration with the Ministry of Commerce	Date that the Stock Exchange of Thailand approved ordinary shares as listed securities
2020	SVI-W3	26 March 2020	30	45	2.9408	7 April 2020	24 April 2020

- ❖ On 7 April 2020, the Company registered paid-up capital from the exercise of warrants and amended the Company's memorandum of association with the Ministry of Commerce. After the registration of increased shares, the issued and paid-up share capital was Baht 2,266,749,426 comprising of 2,266,749,426 shares with a par value of Baht 1 per share.

During the year 2021, the Company decreased its issued and paid-up share capital by written-off unsold treasury stocks, totaling 96,133,100 shares as described in Note 25 to financial statements. Decreasing in registered and paid-up share capital are summarised below.

	Consolidated / Separate financial statements			
	Registered share capital		Issued and paid-up share capital	
	(Share)	(Baht)	(Share)	(Baht)
As at 1 January 2021	2,312,043,381	2,312,043,381	2,266,749,426	2,266,749,426
Decrease from unexercised warrants (SVI-W3)	(45,293,955)	(45,293,955)	-	-
Decrease from written-off unsold treasury stocks	(96,133,100)	(96,133,100)	(96,133,100)	(96,133,100)
As at 31 December 2021	2,170,616,326	2,170,616,326	2,170,616,326	2,170,616,326

The Company registered to decrease in share capital and amended the memorandum of association with the Ministry of Commerce on 31 May 2021.

25. Treasury stocks

Details of treasury stocks No. 1 and No. 2 are summarised below.

Details	Treasury stocks No. 1	Treasury stocks No. 2
Date of a meeting of the Board of Directors of the Company approved a share repurchase program for the purpose of financial management and to manage the Company's excess liquidity	2 October 2017	22 February 2019
Maximum amount available for repurchasing the shares	Baht 1,400 million	Baht 1,000 million
Numbers of repurchased shares	A maximum of 200 million shares with par value of Baht 1 per share are available for repurchase, equivalent to 8.83 percent of the total paid-up capital as at 2 October 2017.	A maximum of 130 million shares with par value of Baht 1 per share are available for repurchase, equivalent to 5.74 percent of the total paid-up capital as at 22 February 2019.
Repurchase period	From 18 October 2017 to 12 April 2018	From 17 April 2019 to 16 October 2019
Period that shares bought back are to be resold	From 13 October 2018 to 12 April 2021 (after 6 months but no later than 3 years after the completion date of the share repurchase scheme).	From 17 April 2020 to 16 October 2022 (after 6 months but no later than 3 years after the completion date of the share repurchase scheme).
Dividend	The treasury stocks carry no rights to receive dividend.	The treasury stocks carry no rights to receive dividend.

◆ These shares are to be repurchased through the Stock Exchange of Thailand. The repurchase price must not exceed 115 percent of the weighted average closing price over the five trading days before each repurchase is made.

◆ Reselling of shares, cancellations of the repurchased shares and reductions of share capital are to conform to the 2001 ministerial regulations regarding principles and procedures for the repurchase and resale of shares. The resale price is to be set at not lower than 85 percent of the weighted average closing price over the five trading days before each resale is made.

As at 31 December 2021 and 2020, the number of treasury stocks are as follow:

	Treasury stocks No. 1		Treasury stocks No. 2	
	2021	2020	2021	2020
Number of shares (shares)	-	96,133,100	17,406,300	17,406,300
Average price per share of treasury stocks (Baht)	-	4.42	4.31	4.31

As at 31 December 2021, the Company's treasury stocks amounting to Baht 75.07 million (2020: Baht 499.45 million) were presented as a deduction item in shareholders' equity under the cost method. The period of reselling 17,406,300 treasury stock No.2 will expire within 16 October 2022.

The period of reselling 96,133,100 treasury stocks No. 1 ended on 12 April 2021. The Company did not sell such treasury stocks since the Company's market share price in the Stock Exchange of Thailand was very fluctuated. To comply with the Ministerial Regulation that in the event of ending the reselling period and the Company did not resell or had the remaining shares, the Company will decrease its paid-up share capital by written-off unsold treasury stocks. The Company registered the decrease of the issued and paid-up share capital with the Ministry of Commerce on 31 May 2021.

On 10 November 2021, a meeting of the Company's Board of Director No. 6/2021 passed the resolutions to approval of the offering of 17,406,300 treasury shares, representing 0.80 percent of the total paid-up capital of the Company, with an offering period of 25 November 2021 to 16 October 2022, and an offering price not lower than the average closing price of the shares over the 5 latest trading days less 15 percent of such average closing price. As at 31 December 2021, there is no sell treasury stock.

The Company has to set aside an amount from retained earnings equal to the cost of the treasury stocks to a separate reserve account, with such reserve to remain outstanding until either the stocks are sold or paid-up capital is reduced by the cancellation of any remaining unsold stocks. As at 31 December 2021, the Company had reserved Baht 75.07 million (2020: Baht 499.45 million) of its retained earnings; an amount equal to the cost of the treasury stocks. Such reserve has been presented as "Appropriated retained earnings - reserve for treasury stocks" in the statements of financial position.

26. Statutory reserve

Pursuant to Section 116 of the Public Company Limited Act B.E. 2535, the Company is required to set aside 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 its registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

27. Finance income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest income on bank deposits	1,389	3,778	912	3,418
Interest income on loans to subsidiary	-	-	17,510	18,219
Interest income on debt instruments measured at FVOCI	5,716	6,040	5,716	6,040
Total	7,105	9,818	24,138	27,677

28. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest expense on borrowings	83,455	137,256	63,795	125,668
Interest expense on lease liabilities	1,979	2,446	992	1,133
Bank fees	12,081	13,788	5,302	5,097
Total	97,515	153,490	70,089	131,898

29. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Salary and wages and other employee benefits	1,925,071	1,715,772	1,008,094	934,265
Depreciation	222,380	241,578	146,533	173,346
Amortisation	17,794	27,412	6,424	5,202
Raw materials and consumables used	13,760,955	12,131,978	10,268,676	9,444,005
Changes in inventories of finished goods and work in progress	17,125	(66,560)	(14,026)	(21,579)

30. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are summarised as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Corporate income tax charge for the year	8,885	18,547	3,935	-
Adjustment in respect of income tax of previous year	-	33	-	33
Deferred tax:				
Relating to origination and reversal of temporary differences	(20,229)	6,485	(4,358)	239
Tax expense (income) reported in the income statement	(11,344)	25,065	(423)	272

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax relating to				
- Actuarial gain (loss)	405	(1,301)	(269)	-
- Loss on cash flow hedges	707	(1,144)	-	-
- Loss on investments in debt instruments at fair value	(833)	(91)	(833)	(91)
- Loss on investments in equity instruments at fair value	15,532	(14,311)	15,532	(14,311)
Total income tax in other comprehensive income	15,811	(16,847)	14,430	(14,402)

The Board of Investment (BOI) has granted the Company investment promotion privileges under several promotion certificates, including exemption from corporate income tax for periods of 5 - 8 years from the date the promoted operations began generating revenue. In addition, the subsidiary company in Cambodia is also exempted from income tax on earnings from the subsidiary's business activity which is considered a Qualified Investment Project (QIP). Such subsidiary has granted the exemption from corporate income until year 2024.

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Accounting profit before tax	1,396,278	711,553	1,318,311	698,947
Applicable tax rate	9% - 25%	9% - 25%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	290,083	160,360	263,662	139,789
Effects of:				
Promotional privileges (Note 31)	(253,047)	(151,886)	(253,047)	(151,886)
Non-deductible expenses (tax exemption income/additional expense deductions allowed)	(48,380)	16,591	(11,038)	12,369
Total	(301,427)	(135,295)	(264,085)	(139,517)
Tax expense (income) reported in the income statement	(11,344)	25,065	(423)	272

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Unrealised loss on change in other current financial assets	628	15,326	628	15,326
Provision for long-term employee benefits	35,376	28,901	1,387	688
Tooling	53	77	53	77
Unused tax losses from non-promoted operations	11,761	179	-	-
Intangible assets	12,234	5,020	-	-
Liabilities under finance lease agreements	4,488	5,988	175	31
Loss on cash flow hedges	437	1,144	-	-
Allowance for diminution in value of inventories	5,160	2,626	1,810	40
Others	773	643	83	53
Total	70,910	59,904	4,136	16,215
Deferred tax liabilities				
Right-of-use assets	7,262	6,697	169	25
Deferred financial fees	-	2,152	-	2,152
Total	7,262	8,849	169	2,177
Deferred tax assets (liabilities) - net	63,648	51,055	3,967	14,038

As at 31 December 2021, the total amount of temporary differences associated with investments in subsidiaries for which deferred tax liability has not been recognised, is Baht 410 million (2020: Baht 386 million).

31. Promotional privileges

The Company has been granted promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions. Significant privileges of the Company are as follows.

Details						
1. Certificate No.	1065(2)/2550	1296(2)/2554	5152(2)/2556	1587(2)/2558	1595(2)/2558	65-0101-1-00-1-0
2. Promotional privileges for	Manufacturing of PCBA, electronic products	Manufacturing of PCBA, electronic products and hand-microphone	Manufacturing of PCBA, electronic products	Manufacturing of PCBA, electronic products	Manufacturing of Submount, electronic products	Manufacturing of Laser Module, PCBA, electronic products
3. The significant privileges are						
3.1 Exemption of corporate income tax for net profit from promotional privileges and exemption of income tax on dividends paid from the profit of the operations throughout the period in which the corporate income tax is exempted.	5 years (Transfer right to 5152(2)/2556)	5 years (Transfer right to 5152(2)/2556)	8 years	5 years	5 years	8 Years (Laser Module) 6 Years (PCBA)
3.2 Allowance for 5% of the increment in export income over the preceding year for ten years, providing that the export income of that particular year should not be lower than the average export income over the three preceding years except for the first two years.	Non-granted	Non-granted	Non-granted	Non-granted	Non-granted	Non-granted
3.3 Exemption of import duty on machinery as approved by the Board.	Granted	Granted	Granted	Granted	Granted	Granted
3.4 Exemption of import duty on raw materials and significant supplies used in export production for a period of one year from the first import date.	Granted	Granted	Granted	Granted	Granted	Granted
4. Date of first earning promotional privileges under the promotion certificates						
- Raw materials	24 Apr 2008	1 May 2011	17 Jun 2013	1 Oct 2017	-	-
- Machinery	27 Dec 2006	25 Jan 2011	17 Jun 2013	2 Mar 2015	23 Mar 2015	2 Nov 2021
- Income tax	14 May 2008	13 May 2011	17 Jun 2013	10 Oct 2017	26 Jan 2017	-

On 14 January 2021, the Company has been approved to cancel BOI privilege number 2724 (2)/2555 from the Thailand Board of Investment.

The Company also received promotional privileges, pursuant to the promotion certificates No. 1595 (2)/2558. The Company has not exercised the privileges under this certificate on 8 September 2021.

On 2 November 2021, the Company received the promotion certificates No. 65-0101-1-00-1-0 but the Company does not use this privileges.

The Company's operating revenues for the years ended 31 December 2021 and 2020 divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Export sales	12,428,859	11,210,603	634,848	369,697	13,063,707	11,580,300
Other income	98,698	170,125	91,337	54,584	190,035	224,709
Finance income	869	3,309	23,270	24,368	24,139	27,677
Total income	12,528,426	11,384,037	749,455	448,649	13,277,881	11,832,686

The Company's profit before tax for the years ended 31 December 2021 and 2020 divided between exempted income tax according to promotional privileges and non-exempted income tax as summarised below.

(Unit: Million Baht)

	Separate financial statements	
	2021	2020
Profit (loss) before income tax which exempted for income tax categorised by the expiration of each privileges		
June 2021	56.03	560.08
January 2022	0.71	(0.88)
October 2022	1,187.07	154.88
Profit (loss) before income tax which do not exempted for income tax	74.50	(15.13)
Total profit before income tax	1,318.31	698.95

32. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year (net from treasury stocks held by the Company as discussed in Note 25 to the financial statements).

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

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2021	2020	2021	2020	2021	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	1,407,622	686,488	2,153,210	2,153,210	0.65	0.32

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2021	2020	2021	2020	2021	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	1,318,734	698,675	2,153,210	2,153,210	0.61	0.32

33. 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 Chief Executive Officer.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows:

- ❖ Industrial Control System
- ❖ Communication network
- ❖ Automotive & Transportation

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

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

The following tables present revenue, profit and total assets information regarding the Group's operating segments for the years ended 31 December 2021 and 2020, respectively.

(Unit: Million Baht)

	Industrial Control System		Communication network		Automotive & Transportation		Others		Total reportable segments		Eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from external customers	6,922	5,989	5,884	5,090	1,605	1,334	2,989	2,869	17,400	15,282	-	-	17,400	15,282
Inter-segment revenue	581	148	562	470	-	-	870	683	2,013	1,301	(2,013)	(1,301)	-	-
Total revenue	7,503	6,137	6,446	5,560	1,605	1,334	3,859	3,552	19,413	16,583	(2,013)	(1,301)	17,400	15,282
Segment operating profit	957	415	772	618	174	175	210	174	2,113	1,382	(141)	(101)	1,972	1,281
Unallocated income and expenses:														
Gain on exchange													82	168
Other income													76	78
Selling and distribution expense													(242)	(197)
Administrative expense													(400)	(476)
Finance income													7	10
Finance cost													(98)	(153)
Tax income (expense)													11	(25)
Profit for the year													1,408	686

The operations of the Group are carried on in geographic area in Asia and Europe. Below is the consolidated financial information for the years ended 31 December 2021 and 2020 of the Group presented by geographical segment.

(Unit: Million Baht)

	Asia		Europe		Eliminations		Consolidated financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from external customers	13,308	11,490	4,092	3,792	-	-	17,400	15,282
Inter segment revenues	1,311	744	702	557	(2,013)	(1,301)	-	-
Total revenues	14,619	12,234	4,794	4,349	(2,013)	(1,301)	17,400	15,282

The following table presents segments assets of the Group operating segments as at 31 December 2021 and 2020.

(Unit: Million Baht)

	Asia		Europe		Eliminations		Consolidated financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020
Property, plant and equipment	1,837	1,643	451	337	(37)	(10)	2,251	1,970
Unallocated assets							12,817	8,675
Total assets							15,068	10,645

Revenue from external customers is based on locations of the customers are as follow.

(Unit: Thousand Baht)

	2021	2020
Scandinavia	6,938,779	6,638,872
The United States of America	1,809,512	1,632,125
Europe	4,529,880	4,975,719
Global (customers who have related parties in many countries)	1,733,817	1,339,714
Others	2,387,613	696,010
Total	17,399,601	15,282,440

Major customers

During the year 2021, the Company had revenue from two major customers in amount of Baht 3,123 million and Baht 1,380 million, arising from sales by the segment of communication network and industrial control system (2020: Baht 3,023 million and Baht 1,745 million of two major customers, arising from sales by the segment of communication network and industrial control system).

34. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is monthly contributed to by employees, at the rates of 3 to 15 percent of their basic salaries, and by the Company at rates of 3 to 5 percent and will be paid to employees upon termination in accordance with the fund rules. The Funds are managed by BBL Asset Management Co., Ltd. and Kasikorn Asset Management Co., Ltd. The contributions for the year 2021 amounted to Baht 14.1 million (2020: Baht 14.0 million) (the Company only: Baht 14.0 million (2020: Baht 14.0 million)) were recognised as expenses.

35. Dividends paid

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2020	Annual General Meeting of the shareholders on 23 April 2021	236,853	0.11
Total for 2021		236,853	0.11

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 31 December 2021, the Group had capital commitments of Baht 37 million (2020: Baht 8 million), relating to the installation of machinery and equipment (The Company only: Baht 37 million (2020: Baht 8 million)).

36.2 Long-term service commitments

a) As at 31 December 2021 and 2020, the Group has entered into several long-term service agreements. The terms of the agreements are generally between 1 and 3 years.

Future minimum lease payments required under these agreements were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Payable within:				
In up to 1 year	9	17	8	11
In over 1 and up to 3 years	4	11	4	4

36.3 Commitment in respect of uncalled investments

As at 31 December 2021 and 2020, the Company is committed to pay the uncalled portion of the following investment.

Company	2021	2020
SVI Japan Company Limited	JPY 19.25 million	JPY 19.25 million
SVI Electronics (USA) LLC.	USD 1,000	USD 1,000
BEI Company Limited	Baht 7.50 million	-

36.4 Guarantees



a) As at 31 December 2021, there were outstanding bank guarantees of Baht 11 million (2020: Baht 12 million) (the Company only: Baht 11 million (2020: Baht 12 million)) issued by the banks on the behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to government agency, a state enterprise and other companies.

b) The Company has guaranteed long-term loan facilities of two subsidiaries amounting to EUR 9.1 million (2020: USD 5.5 million).

36.5 Letters of credit



As at 31 December 2021, the Company has letters of credit issued by a local bank to secure a subsidiary's short-term loans and long-term loans from overseas bank amounting to EUR 16.9 million (2020: EUR 19.5 million) and to secure another subsidiary's promissory note to USD 10.0 million (2020: USD 10.0 million).

36.6 Other commitment



As at 31 December 2021, there was a total of Baht 582 million (2020: Baht 417 million) consigned stock for products kept at the Company's factory that have yet to be consumed.

36.7 Significant agreements



1

Technical assistance agreements

A subsidiary entered into Technical Assistance Agreements with a third party. All agreements are effective for a year, commencing from the date the agreements were signed and are automatically renewable thereafter for a year each time until either party gives a written notice of termination.

2

Computer system license and system maintenance and operation support agreement

A subsidiary entered into an agreement with a third party, for the license to use a computer system in order to operate business. This agreement is effective starting from 1 January 2005 to 31 March 2006 and is automatically renewable thereafter for a year each time until either party gives a written notice of termination.

37. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at fair value through other comprehensive income				
Investments in equity instruments	354	-	-	354
Investments in debt instruments	-	155	-	155
Derivatives				
Interest swap agreements	-	3	-	3
Assets for which fair value are disclosed				
Investment properties	-	329	-	329

(Unit: Million Baht)

	Consolidated financial statements As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at fair value through profit or loss				
Investment in unit trusts	120	-	-	120
Financial assets measured at fair value through other comprehensive income				
Investments in equity instruments	246	-	-	246
Investments in debt instruments	-	164	-	164
Derivatives				
Forward contracts	-	10	-	10
Interest swap agreement	-	5	-	5
Assets for which fair value are disclosed				
Investment properties	-	329	-	329

(Unit: Million Baht)

	Separate financial statements As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at fair value through other comprehensive income				
Investments in equity instruments	354	-	-	354
Investments in debt instruments	-	155	-	155
Assets for which fair value are disclosed				
Investment properties	-	329	-	329

(Unit: Million Baht)

	Separate financial statements As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at fair value through profit or loss				
Investment in unit trusts	120	-	-	120
Financial assets measured at fair value through other comprehensive income				
Investments in equity instruments	246	-	-	246
Investments in debt instruments	-	164	-	164
Derivatives				
Forward contracts	-	10	-	10
Assets for which fair value are disclosed				
Investment properties	-	329	-	329

38.1 Financial risk management objectives and policies



The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, trade and other account payables, lease liabilities, short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and other financial instruments. Except for derivative financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivative financial instruments is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivative financial instruments is limited because the counterparties are private company and banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising of foreign currency risk and interest rate risk. The Group enters into derivative financial instruments to manage its risk exposure, including:

- ◆ foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods;
- ◆ interest rate swaps to mitigate the risk of rising interest rates.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions and borrowings that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2021 and 2020, forward exchange contracts outstanding are summarised below.

31 December 2021

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate		Contractual maturity date
			Bought amount (Baht per 1 foreign currency unit)	Sold amount	
USD	-	2	-	33.53	31 May 2022

31 December 2020

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate		Contractual maturity date
			Bought amount (Baht per 1 foreign currency unit)	Sold amount	
USD	-	35	-	30.09 - 30.41	13 January 2021 - 1 June 2021

As at 31 December 2021, the Group recognised the impact from change in fair value of derivatives amounting to Baht 0.1 million (2020: Baht 10.4 million) which is presented as derivative assets in the statement of financial position and recognised loss from change in fair value of Baht 10.3 million (2020: gain from change in value of Baht 10.4 million) as presented in the part of other income under the caption of gain on exchange in profit or loss.

As at 31 December 2021 and 2020, the balance of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements

Foreign currencies	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	183	163	211	155	33.42	30.04
EUR	23	18	21	17	37.89	36.88

Separate financial statements

Foreign currencies	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	168	130	167	105	33.42	30.04
EUR	5	6	8	6	37.89	36.88

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2021 and 2020. The Group's exposure to foreign currency changes for all other currencies is not material.

Currencies	2021		2020	
	Depreciation / Appreciation in Baht	Changes in the fair value of monetary assets and liabilities in foreign currencies	Depreciation / Appreciation in Baht	Changes in the fair value of monetary assets and liabilities in foreign currencies
	(percent)	(Million Baht)	(percent)	(Million Baht)
USD	+1	(9.4)	+1	2.4
	- 1	9.4	- 1	(2.4)
EUR	+1	0.76	+1	0.4
	-1	(0.76)	-1	(0.4)

Therefore, information is not expectation and future market prediction and should be used with care.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its long-term borrowings and loans. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between variable interest rate and fixed interest rate, which interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below.

(Unit: Million Baht)

	Consolidated financial statements As at 31 December 2021					
	Floating interest rate	Fixed interest rate		Non-interest bearing	Total	Effective interest rate (Percent per annum)
		Within 1 year	1 - 5 years			
Financial assets						
Cash and cash equivalents	574	-	-	1	575	0.01 - 0.13
Trade and other receivables	-	-	-	5,310	5,310	-
Other current financial assets	-	120	155	354	629	0.17 - 0.50
Derivative assets	-	-	-	-	-	-
Financial liabilities						
Bank overdraft and short-term loans from banks	-	3,140	-	-	3,140	1.05 - 3.10
Trade and other payables	-	-	-	4,988	4,988	-
Lease liabilities	-	27	34	-	61	2.15 - 8.35
Long-term loans from banks	1,219	-	-	-	1,219	0.83 - 2.22
Other non-current financial liabilities	-	-	-	3	3	-

(Unit: Million Baht)

	Consolidated financial statements As at 31 December 2020					
	Floating interest rate	Fixed interest rate		Non-interest bearing	Total	Effective interest rate (Percent per annum)
		Within 1 year	1 - 5 years			
Financial assets						
Cash and cash equivalents	1,238	-	-	1	1,239	0.01 - 0.13
Trade and other receivables	-	-	-	3,007	3,007	-
Other current financial assets	-	172	164	366	702	0.17 - 0.50
Derivative assets	-	-	-	10	10	-
Financial liabilities						
Bank overdraft and short-term loans from banks	-	1,481	-	-	1,481	1.05 - 3.10
Trade and other payables	-	-	-	3,064	3,064	-
Lease liabilities	-	21	43	-	64	1.30 - 5.51
Long-term loans from banks	1,629	-	-	-	1,629	1.05 - 3.29
Other non-current financial liabilities	-	-	-	5	5	-

(Unit: Million Baht)

	Separate financial statements As at 31 December 2021					
	Floating interest rate	Fixed interest rate		Non-interest bearing	Total	Effective interest rate (Percent per annum)
		Within 1 year	1 - 5 years			
Financial assets						
Cash and cash equivalents	193	-	-	-	193	0.01 - 0.13
Trade and other receivables	-	-	-	4,560	4,560	-
Other current financial assets	-	120	155	354	629	0.17 - 0.50
Long-term loans and interest receivables						
to subsidiary	713	-	-	-	713	3.00 - 3.25
Financial liabilities						
Bank overdraft and short-term loans from banks	-	2,588	-	-	2,588	1.10 - 1.55
Trade and other payables	-	-	-	3,892	3,892	-
Lease liabilities	-	8	16	-	24	2.15 - 4.17
Long-term loans from banks	410	-	-	-	410	1.81 - 2.11

(Unit: Million Baht)

	Separate financial statements As at 31 December 2020					
	Floating interest rate	Fixed interest rate		Non-interest bearing	Total	Effective interest rate (Percent per annum)
		Within 1 year	1 - 5 years			
Financial assets						
Cash and cash equivalents	1,077	-	-	-	1,077	0.01 - 0.13
Trade and other receivables	-	-	-	2,314	2,314	-
Other current financial assets	-	172	164	366	702	0.17 - 0.50
Derivative assets	-	-	-	10	10	-
Long-term loans and interest receivables to subsidiary	463	-	-	-	463	3.10 - 3.25
Financial liabilities						
Bank overdraft and short-term loansfrom banks	-	931	-	-	931	1.27 – 2.30
Trade and other payables	-	-	-	2,493	2,493	-
Lease liabilities	-	7	18	-	25	2.15 - 4.27
Long-term loans from banks	1,100	-	-	-	1,100	3.29

Interest rate sensitivity

As at 31 December 2021 and 2020, most of financial assets and financial liabilities of the group has frequently changed and revolving within one year. The Group's management, therefore, considered that there may be no significant impact to the Group's financial position and operating results from normal changes in interest rate in next one year.

Liquidity risk

The Group manages liquidity risk by monitoring that current assets are higher than current liabilities and having enough credit facilities for business operation.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows, and included interest payment in accordance with loan agreements.

(Unit: Thousand Baht)

	Consolidated financial statements As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans from banks	-	3,154,864	6,146	-	3,161,010
Trade and other payables	-	4,987,741	-	-	4,987,741
Lease liabilities	-	28,082	34,890	-	62,972
Long-term loans from banks	-	480,921	734,407	92,407	1,307,735
Total non-derivatives	-	8,651,608	775,443	92,407	9,519,458
Derivatives					
Derivative liabilities	-	-	-	3,219	3,219
Total	-	-	-	3,219	3,219

(Unit: Thousand Baht)

	Consolidated financial statements As at 31 December 2020				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans from banks	-	1,487,113	-	-	1,487,113
Trade and other payables	-	3,064,473	-	-	3,064,473
Lease liabilities	-	22,593	44,811	-	67,404
Long-term loans from banks	-	753,753	870,123	84,163	1,708,039
Total non-derivatives	-	5,327,932	914,934	84,163	6,327,029
Derivatives					
Derivative liabilities	-	-	-	4,578	4,578
Total	-	-	-	4,578	4,578

(Unit: Thousand Baht)

	Separate financial statements As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans from banks	-	2,597,885	-	-	2,597,885
Trade and other payables	-	3,892,130	-	-	3,892,130
Lease liabilities	-	8,672	16,843	-	25,515
Long-term loans from banks	-	146,574	265,208	-	411,782
Total non-derivatives	-	6,645,261	282,051	-	6,927,312

(Unit: Thousand Baht)

	Separate financial statements As at 31 December 2020				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans from banks	-	932,472	-	-	932,472
Trade and other payables	-	2,493,414	-	-	2,493,414
Lease liabilities	-	7,704	18,962	-	26,666
Long-term loans from banks	-	728,580	436,138	-	1,164,718
Total non-derivatives	-	4,162,170	455,100	-	4,617,270



(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
Derivative assets	2021	2020	2021	2020
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	149	10,438	149	10,438
Total derivative assets	149	10,438	149	10,438
Derivative liabilities				
Derivative liabilities not designated as hedging instruments:				
Interest rate swap contract	1,467	-	-	-
Derivative liabilities designated as hedging instruments:				
Interest rate swap contract	1,752	4,578	-	-
Total derivative liabilities	3,219	4,578	-	-

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts and interest rate swap contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure and interest rate exposure of the underlying transactions.

Derivatives designated as hedging instruments

Cash flow hedges

As at 31 December 2021, the subsidiary has an interest rate swap agreement in place with a notional amount of EUR 5 million (2020: EUR 5 million) which the repayment will be due in 2030, whereby the subsidiary receives a variable rate of interest of 3-month EURIBOR plus fixed rate percent per annum and pays interest at a fixed rate on the notional amount. The swap is being used for cash flow.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the variable interest rate loan (i.e., notional amount, maturity, payment and interest reset dates). The subsidiary has established a hedge ratio of 1:1 as the underlying risk of the interest rate swap is identical to the hedged risk component. The subsidiary considered there is no hedge ineffectiveness recognised in profit or loss.

The impact of the hedging instruments on the statement of financial position as at 31 December 2021 is presented in other current financial liabilities amounting to Baht 1.8 million of net book value (2020: Baht 4.6 million).

38.3 Fair values of financial instruments



Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Group estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable, short-term loans to related party, accounts payable and short-term loans from banks, the carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.
- c) The fair value of equity securities is generally derived from quoted market prices or based on generally accepted pricing models when no market price is available.
- d) The fair value of long-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
- e) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- f) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives

During the current year, there were no transfers within the fair value hierarchy.

39. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholders' value and they meet financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2021, the Group's debt-to-equity ratio was 1.90:1 (2020: 1.63:1) and the Company's was 1.40:1 (2020: 1.19:1).

40. Events after the reporting period

40.1



On 17 February 2022, a meeting of the Company's Board of Directors passed a resolution to propose the dividend payment to shareholders of Baht 0.23 per share, or a total of Baht 495.24 million (excluding treasury stocks), from the Company's 2021 operating results. This will be proposed to the 2022 Annual General Meeting of the Company's shareholders for approval on 22 April 2022. The dividend payment is scheduled on 17 May 2022. Such dividend will be paid and recorded after being approved by the Annual General Meeting of the Company's shareholders.

40.2



On 17 February 2022, a meeting of the Company's Board of Directors considered to approve the amendment some conditions of the Employee Joint Investment Program of the Company. This project has a period as from 1 January 2022 until 31 December 2025. The Company assigned Phillip Securities Public Company Limited to manage this program.

41. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 17 February 2022.

Attachment 1

Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary and the representative for contact and coordination in case of a foreign company

(Details as of 31 December 2020)

Details of Directors, Executives, Controlling Persons, are provided in the section "Directors and Management " of this report.

For the person taking the highest responsibility in finance and accounting and the person supervising accounting is Mr. Apirak Saengsie who is also the Management of the Company. His details are provided "Directors and Management" of this report.

Mr. Thaphop Kleesuwan

The Company's secretary

❖ Date of appointment 1 June 2018

❖ Age 61 years

❖ Education/ Training

LL.B., Chulalongkorn University

Barrister-at-Law, Institute of Legal Education Thai Bar Association

LL.M. (Laws in Taxation), DePaul University, Chicago, Illinois, U.S.A.

❖ Work experience

2018 – Present Company's secretary, SVI Public Company Limited

1999 – 2017 Executive Vice President, Office of the President and Compliance, CIMB Thai Bank Public Company Limited

❖ Shareholding Ratio in the Company (%) -None-

Family Relationship with Director and Executive -None-

Details of roles and responsibilities of the Company Secretary are provided in section 2 of this report in "Other significant information"

Attachment 2

Details of the directors of the company and subsidiaries

	SVI Public Company Limited	SVI (Austria) GmbH
1. Mr. Prasert Bunsumpun	A,C	
2. Mr. Threekwan Bunnag	C,D,F	
3. Mr. Chatchaval Jiaravanon	F,H	
4. Mr. Sopon Punyaratabandhu	E,F	
5. Mr. Chatchawal Eimsiri	F,H	
6. Mr. Grill Gerold	-	G

Note : A = Chairman of the Board Director

B = Chairman of the Audit Committee

C = Chairman of the Nomination and Compensation Committee

D = Chairman of Risk Management Committee

E = Chairman of the Corporate Governance Committee

F = Director

G = Audit Committee

H = Nomination and Compensation Committee

G = Director of subsidiary which has the revenue more than 10% of consolidated revenue according to the latest year financial statement

Details of the Heads of the Internal Audit

Details of Outsourced Internal Auditor

SVI appointed Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. As an outsourced internal auditor to conduct quarterly internal audits. The qualification and experience of working team are as follows:

Kaysarin Angkanurakbun

Director of Risk Advisory, Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.

❖ Education

Certified Public Accountant (CPA)

Certified Internal Auditor (CIA)

M.Sc. in Accountancy, University of Illinois at Urbana-Champaign, USA

B.Sc. in Accounting, Thammasat University, Thailand

❖ Working experience in the past 5 years

2019 – Present	Director of Risk Advisory, Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.
2018 – 2019	Group Compliance Manager, APAC Microsoft (Thailand) Limited
2013-2018	Manager, Internal Controls and Compliance Philip Morris (Thailand) Limited

Kaysarin is a Director of Risk Advisory in Thailand. She is an experienced risk management professional from various industries, including technology, fast moving consumer goods, retails and services industries. She also has over 16 years of in-depth experiences with multinational corporations in Thailand, Southeast Asia, Middle East and United States.

Kaysarin has been engaged in internal auditing and performing reviews of corporate governance, risk management, internal controls and compliance. She has been involved in reviews of anti-corruption and privacy controls, as well as business continuity planning of business processes.

❖ Other Position in SVI

None

❖ Family relationship among Director and Executive

None

Poorvi Doshi

Manager, Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.

❖ Education

Bachelors in Accounting, University of Wales, Cardiff

Association of Chartered Certified Accountants (ACCA), United Kingdom

❖ Working experience in the past 5 years

2013 – Present

Manager

Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.

Poorvi is a Manager in the Internal Audit Practice of Risk Advisory department, Deloitte at Bangkok office. Prior to joining Deloitte Thailand, Poorvi started work with KPMG in Singapore with Assurance Services for 4 years, before joining a multi-national company, Singapore Telecommunication in the Internal Audit Department. Thereafter, she joined BDO Chartered Accountants & Advisors in Dubai, United Arab Emirates in Risk Consulting and finally BDO Limited (Thailand) in the Internal Audit Department. For the past 10 years, Poorvi has spent much of her time around gaining skills in financial and operational audit and compliance reviews.

Poorvi has focused in providing value-added internal audit services by assessing and reviewing the adequacy and effectiveness of internal controls and making necessary recommendations for improvement opportunities which could enhance efficiency and effectiveness. In addition, evaluating the design and operating effectiveness of their internal controls.

❖ Other Position in SVI

None

❖ Family relationship among Director and Executive

None

Attachment 4

Assets for business undertaking and details of asset appraisal

Details of assets for business undertaking and details of asset appraisal are provided in section 1 of this report in “Business Asset”

Attachment 5

Policy and guidelines on corporate governance and code of business conduct

The Company provided the information on the company’s website on the investor relation section which can be accessed via. <https://investor.svi-hq.com/>

Attachment 6

Report of the Audit Committee

Report of the Audit Committee is provided in the section 2 of this report in “Summary of the results of duty performance of subcommittees”

	Principles	Annual Report
Section 1 Rights of Shareholders	1. Other rights apart from voting right 2. The Approval of Directors' remuneration 3. To give an opportunity for shareholders to participate in management 4. The Quality of Invitation Letter 5. The Quality of Minutes of Shareholders' Meeting. 6. The attendance of Director/Sub-Committee in Shareholders' Meeting	Page 79 Section 1 Page 81 Page 81 Item 6-7 Page 79 Section 1 Page 81 Page 81 Item 2 Page 81 Item 4 Page 81 Item 3
Section 2 Equitable Treatment of Shareholders	1. Voting Right 2. Procedure/Channel of the Appointment of Director 3. Policy of the Use of Internal Information 4. Policy of Conflict of Interest 5. Policy of Security Trading that the directors and executives shall notify the Company at least 1 day in advance.	Page 82 Item 3 Page 82 Item 1 Page 87 Item 8 Page 114 Page 82 Item 7
Section 3 Role of Stakeholders	1. Policy/Guideline of Stakeholders 2. Policy/Procedure related to Anti-corruption 3. Training of Anti-corruption 4. Channel/ Process of Complaint and Protection of Complainer 5. Policy of Employee Remuneration in short and long terms	Page 79 Section 3 Page 69-70, 83 Page 69-70 Page 116 Page 63
Section 4 Disclosure and transparency	1. The Company shall comply with Corporate Government 2. Long Term of Business Goal 3. Key Risks for Business Operation 4. Dividend Policy 5. Whistle Blowing of Illegal Activities 6. Details of Directors' History, Meeting Attendance, and Remuneration 7. Director Training	Page 78 Page 104 Item 2 Page 124 Page 47 Page 116 Page 8-13, 111-113 Page 110
Section 5 Responsibilities	1. Long Term of Business Goal 2. The Limitation of Other Directorship held in Other Listed Company 3. The Limitation of Term of Independent Director not exceeding 9 years 4. To specify Policy that the President held other directorships in other limited companies 5. To set Compliance Unit 6. Policy of Director knowledge and development 7. Meetings/ Minimum of quorum not less than two third 8. Rule/ Procedure of Self-Assessment of Director and Sub-Committee 9. President Evaluation/Policy of President Remuneration 10. Succession Plan of Executives Staff	Page 104 Item 2 Page 85 Page 85 Page 97 Page 103 Item 1 Page 109 Page 111 Page 89-90 Page 91 Page 105



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