

SVI Public Company Limited and its subsidiaries
Report and consolidated financial statements
31 December 2021

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)

	Note	Consolidated financial statements		Separate financial statements	
		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	4,735,133,965

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)

	Note	Consolidated financial statements		Separate financial statements	
		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	<u>1,407,622,421</u>	<u>686,488,440</u>	<u>1,318,733,645</u>	<u>698,675,043</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
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
	<u>(3,332,969)</u>	<u>(364,446)</u>	<u>(3,332,969)</u>	<u>(364,446)</u>
Gain (loss) on cash flow hedges	2,826,226	(4,577,799)	-	-
Less: Income tax effect	(706,556)	1,144,450	-	-
	<u>2,119,670</u>	<u>(3,433,349)</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	<u>(25,494,387)</u>	<u>24,627,376</u>	<u>(3,332,969)</u>	<u>(364,446)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
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
	<u>62,127,187</u>	<u>(57,243,035)</u>	<u>62,127,187</u>	<u>(57,243,035)</u>
Actuarial gains (losses)	12,326,477	(5,202,559)	9,628,436	-
Less: Income tax effect	(405,083)	1,300,640	269,427	-
	<u>11,921,394</u>	<u>(3,901,919)</u>	<u>9,897,863</u>	<u>-</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	<u>74,048,581</u>	<u>(61,144,954)</u>	<u>72,025,050</u>	<u>(57,243,035)</u>
Other comprehensive income for the year	<u>48,554,194</u>	<u>(36,517,578)</u>	<u>68,692,081</u>	<u>(57,607,481)</u>
Total comprehensive income for the year	<u><u>1,456,176,615</u></u>	<u><u>649,970,862</u></u>	<u><u>1,387,425,726</u></u>	<u><u>641,067,562</u></u>

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

SVI Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements											
								Other components of equity				
								Other comprehensive income				
	Issued and paid-up share capital	Premium on ordinary shares	Capital reserve for share-based payment transactions	Treasury stocks	Retained earnings			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
Statutory reserve					Reserve for treasury stocks	Unappropriated						
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	<u>2,266,749,426</u>	<u>90,203,946</u>	<u>29,802,760</u>	<u>(499,448,896)</u>	<u>231,204,338</u>	<u>499,448,896</u>	<u>1,491,597,291</u>	<u>(6,414,227)</u>	<u>(61,305,164)</u>	<u>(3,433,349)</u>	<u>(71,152,740)</u>	<u>4,038,405,021</u>
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	<u>2,170,616,326</u>	<u>90,203,946</u>	<u>29,802,760</u>	<u>(75,065,252)</u>	<u>231,204,338</u>	<u>75,065,252</u>	<u>2,717,475,471</u>	<u>(30,695,315)</u>	<u>(2,510,946)</u>	<u>(1,313,679)</u>	<u>(34,519,940)</u>	<u>5,204,782,901</u>

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			
	Issued and paid-up share capital	Premium on ordinary shares	Capital reserve for share-based payment transactions	Treasury stocks	Retained earnings			Other comprehensive income		Total shareholders' equity	
					Appropriated		Unappropriated	Gain (loss) on Investments designated at fair value through other comprehensive income	Total other components of equity		Total shareholders' equity
					Statutory reserve	Reserve for treasury stocks					
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)	(3,697,683)	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)	(57,607,481)	
Total comprehensive income for the year	-	-	-	-	-	-	698,675,043	(57,607,481)	(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)	(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)	(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	58,794,218	68,692,081	
Total comprehensive income for the year	-	-	-	-	-	-	1,328,631,508	58,794,218	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)	(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 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	
			2021 (Percent)	2020 (Percent)
<u>Subsidiaries held by the Company</u>				
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	-
<u>Subsidiaries held by SVI Public (HK) Limited</u>				
SVI (Austria) GmbH	Manufacturing electronic equipment	Austria	100	100
<u>Subsidiaries held by SVI (Austria) GmbH</u>				
SVI Hungary Kft.	Manufacturing electronic equipment	Hungary	100	100
SVI Slovakia s.r.o.	Manufacturing electronic equipment	Slovak	100	100
<u>Subsidiaries held by SVI (HKG) Limited</u>				
SVI-GDL, S.A.P.I. DE C.V.	Manufacturing electronic equipment	Mexico	100	100
<u>Associates held by SVI (Austria) GmbH</u>				
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:

	(Unit: Thousand Baht)
Assets	
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	<u>662,079</u>

(Unit: Thousand Baht)

Liabilities

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	<u>241,991</u>
Net assets value	<u>420,088</u>
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	<u>3,309</u>
Purchase price	423,397
Less: Cash and cash equivalents of the subsidiary	<u>(211,751)</u>
Net cash paid for acquisition of the subsidiary	<u>211,646</u>

Details of acquisition of the subsidiary are presented as follows.

(Unit: Thousand Baht)

Purchase price

Cash paid	423,397
Net book value of net assets received	<u>(420,088)</u>
Excess of acquisition cost over estimate value of interest acquired in net assets from acquisition of the subsidiary	<u>3,309</u>

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.

4.7 Leases

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.

	<u>Useful lives</u>
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.

4.22 Fair value measurement

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		Separate	
	financial statements	financial statements	financial statements	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		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2021	2020	2021	2020	
<u>Transactions with subsidiaries</u>					
(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)
<u>Transactions with associates</u>					
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

List of related companies	Relationship
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		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
<u>Trade receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	365,840	203,663
Associates	23	9	-	-
Total trade receivables - related parties	23	9	365,840	203,663
<u>Other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	61,031	19,982
Total other receivables - related parties	-	-	61,031	19,982
<u>Other long-term receivable - related parties</u>				
Subsidiaries	-	-	20,683	28,289
Total other long-term receivable	-	-	20,683	28,289
<u>Trade accounts payable - related parties (Note 20)</u>				
Subsidiaries	-	-	376,915	188,885
Associates	-	17	-	-
Total trade accounts payable - related parties	-	17	376,915	188,885
<u>Other payables - related parties (Note 20)</u>				
Subsidiaries	-	-	13,794	16,082
Total other payables - related parties	-	-	13,794	16,082
<u>Accrued expenses - related parties (Note 20)</u>				
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	Separate financial statements				Balance as at 31 December 2021
		Balance as at 1 January 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 intent 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		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<u>Trade receivable - related parties</u>				
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
<u>Trade receivable - third parties</u>				
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
<u>Other receivables - related parties</u>	-	-	61,031	19,982
<u>Other receivables - third parties</u>	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	Separate
	financial statements	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					
	Cost		Reduce cost to net 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					
	Cost		Reduce cost to net 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
			(Percent)	(Percent)						
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
			(Percent)	(Percent)		
<u>Subsidiaries held by the Company</u>						
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	-
<u>TOHOKU SOLUTIONS</u>						
Company Limited	THB 350.00 million	-	100	-	423,397	-
<u>Subsidiaries held by SVI Public (HK) Limited</u>						
SVI (Austria) GmbH	EUR 4.40 million	EUR 4.40 million	100	100	-	-
<u>Subsidiaries held by SVI (Austria) GmbH</u>						
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	-	-
<u>Subsidiaries held by SVI (HKG) Limited</u>						
SVI - GD.L, 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	<u>182,965</u>	<u>185,601</u>

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)

	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	
Cost							
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)

Separate financial statements							
	Land	Buildings, and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Work under construction and machinery under installation	Total
Cost							
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		Separate	
	financial statements		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		Separate	
	financial statements		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.

b) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	For the year ended 31 December 2021	
	Consolidated	Separate
	financial statements	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)		
	<u>SVI Hungary Kft.</u>	<u>SVI Slovakia s.r.o.</u>	<u>Total</u>
Goodwill	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:

	<u>SVI Slovakia s.r.o.</u>
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)

	Consolidated financial statements	
	2021	2020
Cost		
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)

	Consolidated financial statements		
	Customer relationship	Computer software	Total
Cost			
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

(Unit: Thousand Baht)

	Consolidated financial statements		
	Customer relationship	Computer software	Total
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

	(Unit: Thousand Baht)
	Separate
	financial statements
	Computer software
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	Consolidated		Separate	
	(percent per	financial statements		financial statements	
	annum)	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		Separate	
	financial statements		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		Separate	
	financial statements		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
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

Loan	Interest rate (percent per annum)	Repayment schedule	(Unit: Thousand Baht)			
			Consolidated		Separate	
			financial statements		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	-	-	-

(Unit: Thousand Baht)						
Loan	Interest rate (percent per annum)	Repayment schedule	Consolidated		Separate	
			financial statements		financial statements	
			2021	2020	2021	2020
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		Separate	
	financial statements		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		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Provision for long-term employee benefits at				
beginning of year	250,729	238,663	141,972	138,593
Included in profit or loss:				
Current service cost	17,008	16,261	10,757	11,352
Interest cost	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	<u>268,151</u>	<u>250,729</u>	<u>130,077</u>	<u>141,972</u>

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: percent per annum)

	Consolidated		Separate	
	financial statements		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	Decrease	Increase	Decrease	Increase	Decrease
	1.0%	1.0%	1.0%	1.0%	10.0%	10.0%
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	Decrease	Increase	Decrease	Increase	Decrease
	1.0%	1.0%	1.0%	1.0%	10.0%	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	Decrease	Increase	Decrease	Increase	Decrease
	1.0%	1.0%	1.0%	1.0%	10.0%	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	Decrease	Increase	Decrease	Increase	Decrease
	1.0%	1.0%	1.0%	1.0%	10.0%	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		Exercise price (Baht)	Date of	Date that the Stock
				issued for exercise warrants (Shares)	registration with the Ministry of Commerce		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	<u>2,170,616,326</u>	<u>2,170,616,326</u>	<u>2,170,616,326</u>	<u>2,170,616,326</u>

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		Separate	
	financial statements		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		Separate	
	financial statements		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		Separate	
	financial statements		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		Separate	
	financial statements		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		Separate	
	financial statements		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	<u>15,811</u>	<u>(16,847)</u>	<u>14,430</u>	<u>(14,402)</u>

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		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit before tax	<u>1,396,278</u>	<u>711,553</u>	<u>1,318,311</u>	<u>698,947</u>
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	<u>(301,427)</u>	<u>(135,295)</u>	<u>(264,085)</u>	<u>(139,517)</u>
Tax expense (income) reported in the income statement	<u>(11,344)</u>	<u>25,065</u>	<u>(423)</u>	<u>272</u>

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	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 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)

Details							
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	<u>12,528,426</u>	<u>11,384,037</u>	<u>749,455</u>	<u>448,649</u>	<u>13,277,881</u>	<u>11,832,686</u>

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	<u>74.50</u>	<u>(15.13)</u>
Total profit before income tax	<u>1,318.31</u>	<u>698.95</u>

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	<u>0.65</u>	<u>0.32</u>	
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	<u>0.61</u>	<u>0.32</u>	

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
Inter segment revenues	1,311	744	702	557	(2,013)	(1,301)	-	-
Total revenues	<u>14,619</u>	<u>12,234</u>	<u>4,794</u>	<u>4,349</u>	<u>(2,013)</u>	<u>(1,301)</u>	<u>17,400</u>	<u>15,282</u>

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
Unallocated assets							12,817	8,675
Total assets							<u>15,068</u>	<u>10,645</u>

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	<u>17,399,601</u>	<u>15,282,440</u>

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		Separate	
	financial statements		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 oversea 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. Financial instruments

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	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
USD	-	2	-	33.53	31 May 2022

31 December 2020					
Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
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 (percent)	Changes in the fair value of monetary assets and liabilities in foreign currencies (Million Baht)	Depreciation / Appreciation in Baht (percent)	Changes in the fair value of monetary assets and liabilities in foreign currencies (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			Total	Effective interest rate (Percent per annum)
		Within 1 year	1 - 5 years	Non-interest bearing		
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			Total	Effective interest rate (Percent per annum)
		Within 1 year	1 - 5 years	Non-interest bearing		
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 loans						
from 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

38.2 Derivatives and hedge accounting

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Derivative assets			
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.