



## SVI PUBLIC COMPANY LIMITED

**Head Office / Chaeng Wattana Factory**  
33/10 Moo 4, Chaeng Wattana Road,  
Pakkred, Northaburi 11120, Thailand  
E-mail: office@svi.co.th http://www.svi.co.th  
Phone: (662) 5745671 Fax: (662) 5745672-3

**Bangkradi Factory**  
141 Moo 5 Bangkadi Industrial Park,  
Tiwannon Road, Bangkadi, Muang  
Pathumthani 12000, Thailand  
Phone: (662) 9636401 - 10 Fax: (662) 9636409



**Minutes of the Annual General Meeting of Shareholders No. 1/2009**  
**Of**  
**SVI Public Company Limited**  
**Held on Tuesday April 28, 2009**  
**At Miracle Grand Convention Hotel, Gemini Room**  
**99 Vibhavadi-Rungsit Road, Laksi, Don Muang, Bangkok**

The Meeting commenced at 09:00.

**Directors Present:**

- |                            |  |
|----------------------------|--|
| 1. Dr. Suvarn Valaisathien | Director and Chairman of the Meeting     |
| 2. Mr. Virapan Pulges      | Director                                 |
| 3. Mr. Pongsak Lothongkam  | Director / Chief Executive Officer (CEO) |
| 4. Mr. Threekwan Bunnag    | Director / Independent Director          |
| 5. Dr. Pruchya Piumsomboon | Director / Independent Director          |

Attending: Secretary to the Board of Directors and Auditor

- |                           |   |
|---------------------------|---|
| 1. Mrs. Pissamai Saibua   | Chief Financial Officer/Secretary to the Board of Directors |
| 2. Ms. Jomkwan Anintachoy | Auditor from Ernst and Young Office Limited                 |

After introducing Directors of the Board, CFO, and Auditor to the meeting, Dr. Suvarn Valaisathien, the Chairman of the Meeting informed that there were a total of 48 shareholders attending the meeting, both in persons and by proxies representing a total of 969,082,170 shares equivalent to 64.60 percent of the Company's paid-up capital of 1,500,177,850 shares, thereby a quorum was formed. The Chairman then declared the Meeting opened with the following agenda:

Before proceeding to the individual agenda of the Meeting, the Chairman explained the guidelines how to vote for each agenda, the right of shareholders attending the meeting to vote based on one share one vote for each agenda using ballot card. The vote of proxies shall be counted for each agenda as identified in the proxy form. It is considered null or void if the proxies voted more than the number of shares which they represent.

Normally vote shall be by hand. If there's any shareholder who opposes, disagrees or abstains, the ballot card should be used for that agenda. Voter was required to mark only one box with number of shares on the ballot card whether Agrees, Disagrees, or Abstains. If there was more than one marking for any agenda, such vote shall be considered null and void.

The voting results should be counted by the numbers of favorable votes and deducted by number of votes that disagree and abstain. In addition, favorable disagreed or abstained votes of any shareholders by proxy shall be recorded on computer system for each agenda.

After explaining the voting methods, the Chairman informed shareholders to acknowledge those documents sent to all shareholders with the notice for the meeting as follows:

1. Copy of Minutes of Annual General Meeting of Shareholders No. 1/2008
2. Annual Report for the year 2008 (CD-ROM).
3. Bio-data of the Directors retired by rotation in 2009 and who are recommended for re-appointment for another term including proposed additional Directors.
4. Company's Articles of Association relating to Shareholders Meeting and Voting.
5. Definition of Independent Directors
6. Documents or evidences identifying the right of shareholders to attend the Meeting and the details of Independent Directors who the Company recommended for being proxies of shareholders who are not able to attend the Meeting.
7. Proxy forms of B and C.
8. Map of the Meeting Place.

Further, the Company provided information via its website how to add agenda and proposed individuals to be Directors on the Board of Directors. The shareholder may propose individuals to be elected Directors of the Board by February 20, 2009. However, there was no such proposals. Therefore, the Chairman conducted the Meeting according to the agenda:

**1. To certify the Minutes of the Annual General Meeting of Shareholders No. 1/2008.**

The Chairman proposed to the Meeting to consider and certify the Minutes of the Annual General Meeting of Shareholders No. 1/2008, convened on April 30, 2008, copy of which was sent together with the notice of the Meeting to the Shareholders.

Before certifying the Minutes, there were some comments and suggestions from shareholders as follow:

Mr. Hungshai Ukkawaskul

1. The shareholders registration process should be improved in term of equipment, number of staff, and time to be one hour before the Meeting.
2. The Meeting place should be somewhere at inner Bangkok.
3. Shareholder's names asking any questions should be identified in the minutes of the Meeting.
4. The Company should show pictures of proposed Directors and those who will retire by rotation and reappointment along with the Meeting notice.

Dr. Suvarn Valaisathien, Chairman of the Meeting responded to the comments as follows:

1. The Company will consider and improve what the shareholder commented for the next Meeting.



2. Since Miracle Grand Hotel is located near the Company's office, thus it is convenient for the Meeting. However, it is possible to organize the next Meeting at other place where it is convenient to everyone.

3. The Company will record the shareholder's names in the minutes of meeting from this year.

4. For the pictures of Directors, the Company will consider and implement as suggested.

During the Meeting, there were 15 more shareholders attended both in persons and by proxies representing a total of 1,033,274,860 shares or 68.88 percent of the Company's paid-up capital.

After due consideration, the Meeting unanimously resolved to certify the Minutes of the Annual General Meeting of Shareholders No. 1/2008, convened on April 30, 2008 as proposed by the Chairman in all respects

**2. To acknowledge the Company's operating result for the year 2008 reported by CEO.**

The Chairman of the Meeting requested Mr. Pongsak Lothongkam, CEO to report on the Company business performance and the Board of Directors' report for the fiscal year 2008. After finishing the reports, the Chairman asked shareholders to acknowledge the reports, as per the Company Annual Report sent to all shareholders a long with the notice of the Meeting. Before acknowledgement, there was a comment from shareholders as follow:

Mr. Sakol Ngarmkertchai

Growth of Company business performance should be presented in graphic.

After due consideration, the Meeting unanimously acknowledged the reports of business performance and the Board of Directors' report for the fiscal year 2008 as reported by CEO.

**3. To consider and approve the Company audited financial statements for the year ended December 31, 2008.**

The Chairman proposed to the Meeting to consider and approve the audited financial statements for the fiscal year 2008 starting from January 1, and ending on December 31, 2008, which has already been approved by The Audit Committee, details as specified in the Company Annual Report previously sent to all shareholders a long with the notice to the Meeting.

Before the voting, some questions and comments raised from shareholders as follows:

Mr. Sakol Ngarmkertchai

1. Risks of short term investment at amount of Baht 260 millions.

Dr. Suvarn Valaisathien, The Chairman of the Meeting explained that risk was small as it has been invested in the debt instruments.

2. As stated in the Annual Report that as of December 31, 2008, the number of Management staff were 12 which is different from what reported in the Management remuneration that the number is 13.

Mrs. Pissamai Saibua, Chief Financial Officer responded to the question that there was one Management staff who resigned during the year. Therefore, there was 12 staff at the end of the year while the report summarized the Management's salary and benefits for total 2008. That it included the resigned staff as well.

3. Details about losses from impairment of machineries and equipments, increased from Baht 9 millions to Baht 18 millions as specified in the 2008 Annual Report, page 44.

Mr. Pongsak Lothongkam, Chief Executive Officer responded to the question that the Company bought used machines with over 10 years old for production. Currently, they had low efficiency affecting to product quality. Therefore, the Company had to replace some old machines with new ones periodically depending upon the Company financial status and business conditions.

Mr. Wiwat Kusakul

1. How does the Company managing its inventory, especially for electronics parts as there is reported higher reserve for obsolescence.

2. The doubtful bad debt for accounts receivable aging more than 12 month increased from 2008, thus he would like to know how the Company managed accounts receivable.

3. What was the objective of investment in the subsidiary named Globe Vision Corp.

Mr. Pongsak Lothongkam, Director and Chief Executive Officer explained that:

1. The Company did purchase more raw materials in the year 2008 to support higher sale orders, which were consumed in quarters 3 and 4. Inventory was reduced in Q1'09 as the result of negotiation to return some portions not needed for short term to suppliers.

Additionally, acquisition of electronics parts required long lead time, so it was necessary to build up stock. Possibly, the Company could charge for interest to customers on some of them.

2. It is the Company's policy to provision for doubtful debts if customer delay payment for more than 30 days after due date. The provision for doubtful debt will be adjusted after receiving payment from customer. However, it is clear that almost all of our customers are quite strong in financial status.

3. It is the investment of SVI Public Company which wholly owned the shares in Globe Vision Corp.; and Globe Vision Corp. is holding 100% shares in SVI China Limited located in Hong Kong, which it is the sole investor of SVI Electronics Tianjin Company in Tianjin, China. The objectives is to focus on the advantage of shareholding structure.

Mr. Sakol Ngarmkertchai

What was the reserve for losses in the subsidiary company, Globe Vision Corp, at amount of Baht 8.8 millions?

Mrs. Pissamai Saibua, Chief Financial Officer, answered that SVI Public Company Limited was required to reserve to cover the operations losses of SVI Electronics Tianjin Company at the amount of Baht 8.8 millions which is equivalent as the investment in the subsidiary, Globe Vision corp.

Mr. Wiwat Kusakul

1. Who was the auditor of Globe Vision Corp? Whether the Financial Statement of Globe Vision Corp. was consolidated with SVI's financial statements?

Mrs. Pissamai Saibua, Chief Financial Officer answered that the Globe Vision Corp's financial statements was audited by Ernst and Young Auditors Limited. It was consolidated into SVI Public Company as well.

2. Details about investment and loan structure of the Company's subsidiaries?

Mrs. Pissamai Saibua, Chief Financial Officer explained that SVI Public Company Limited partially invested and provided loan to Globe Vision Corp., in which Globe Vision Corp used those fund to invest in SVI China Limited in Hong Kong, whereby SVI China Limited invested in SVI Electronics Tianjin Company. The profits of SVI Electronics Tianjin Company shall be paid to the parent company, which finally repay loan to SVI Public Company Limited.

Mr. Hungshai Ukkawaskul

Would like to know why the number of warrants was reduced as at the end of 2008 as compared to the end of 2007. What was the exercised price?

Dr. Suvarn Valaisathien, the Chairman of the Meeting answered that shareholders did exercise for SVI ordinary shares during the year at the prices of Baht 1 per share. The SVI W-2 will expire in 2010.

As there was no other proposed comment or question, the Chairman asked for voting.

After due consideration, the Meeting voted to approve the Company's audited financial statement for the fiscal year ended December 31, 2008 as proposed by the Chairman in all respects as follows:

Approved 1,027,123,160 votes or 99.40 percent, not approved 5,798,700 votes or 0.56 percent and abstention 353,000 votes or 0.03 percent.

**4. To consider and approve the allocation of profit and declaration of dividend from the operating result of fiscal year 2008.**

The Chairman of the Meeting proposed to the shareholders to consider and approve the allocation of profit and declaration of dividend to shareholders for fiscal year 2008 as follows:

- Dividend of Baht 0.06 per share which is approximately 14% of the consolidated net profit of fiscal year 2008. The date of payment is May 27, 2009.
- Shareholder Registration will be closed for the right to earn dividend on May 15, 2009

There were some questions from the shareholders as follows:

Mr. Sakol Ngarmkertchai

The Company announced to pay dividend for 2008 at about 14% of consolidated net profit, it did not comply with Company's policy which stated that dividend payable was

approximately 30% of net profits. Historically, the Company did pay dividend at 0.06 baht per share or 23%, 0.05 baht or 25%, and no dividend for the years 2007, 2006 and 2005, respectively. On the other hands, the Company paid Directors and employees higher remuneration and salary.

Dr. Suvam Valaisathien, the Chairman of Meeting answered that the revenue of the first quarter of 2009 decreased, coupled with global economic crisis, thus it is important to be conservative in managing the Company's business to prevent any impact to financial status as a whole.

Mr. Pongsak Lothongkam, Director and CEO, added that revenue of the year 2009 was expected to be lower as presented in Agenda 2. The current situation was similar to that of 2006 where no dividend was paid for 2005's operating result. The Company had to reserve some liquidity. However, in case the Company can generate higher net profit in 2009, the Company shall consider paying interim dividend to shareholders accordingly.

Mr. Santi Temkulkiat

1. Would like to have more explanation regarding the increase of remuneration for Management and Directors for year 2009.

2. Would like to have more explanation regarding payment of less dividend as compared to cash holding of more than Baht 600 millions as stated in financial report at the end of 2008.

Mr. Wuttichi Peerapathanapum

Regarding the dividend payment in 2008, it was very low in which the Company explained that it needed to conserve cash for business expansion. In 2009, the reason for paying low dividend was related to the economic crisis, the Company needed to reserve cash for liquidity. Hence, the Company should consider paying dividend based on earning per share.

Mr. Wisit Gorsetakarn

He was a representative of Thai Investors Association who recommended that the Company should pay higher dividend for the benefits of shareholders.

Mr. Hungshai Ukkawaskul

He disagreed with payment of low dividend. The Company should consider good corporate governance by paying higher dividend to shareholders. In case, there is no sufficient cash, the Company should consider to loan from banks.

Mr. Pongsak Lothongkam, Director and Chief Executive Officer responded to the comments that:

1. Actually, the remuneration of Management for last year increase was very low. If for the shareholders checked expenses reported in the 2008 Annual Report, page 16, the Company paid Management of 13 persons at Baht 41.6 millions for 2008 annual salary and bonus as compared with that of 2007 Annual Report, page 16, the Company paid for the same Management staff of 13 persons at Baht 42.9 millions. Obviously, it was lower Baht 1.3 millions or 3%.

2. It is the Company policy to pay dividend approximately at 30% of net profits. However, in considering for dividend payment each year, it is necessary to review conditions and

factors such as business performance, financial status, investment plan, global economic impact and other issues which may affect Company's business in the future. For the year 2009, if the revenue dropped more than 30%, it will be a serious impact on cash flow. Also, the proposed dividend has already been approved by major shareholders, thus if other shareholders want to pay higher dividend, it could consider interim dividend. This can consider after the second quarter result announced.

Mr. Wiwat Kusakul

The Company should review whether or not to reserve cash for the next dividend payment which will be a long time, resulted in lower stock trading price. Additionally, what is tax exemption for dividend payment?

Dr. Suvarn Valaisathien, the Chairman of the Meeting answered that the dividend payment has no withholding tax since the Company has BOI privileges. The shareholders will get full amount of dividend.

Mr. Sakol Ngarmlertchai

He would like to know Asia Pacific Electronics (BVI) Limited's, a major shareholder, opinion on payment of low dividend.

Mr. Virapan Pulges, Director, responded that the major shareholder was an Investment Fund located in the U.S, which invested in technology companies in many countries. Generally, most of those companies are likely to reserve cash for business expansion, rather than paying dividend. Thus, when SVI announced dividend whether it was low or not, there was no concern, because it was a normal practice with other companies doing business overseas. They could not change the dividend that already announced this year because the major shareholder did approve this agenda already. However the Company's CEO has already confirmed that the Company will consider interim dividend after Q2'09 result.

After due consideration, the Meeting by majority votes resolved to approve the allocation of profit and declaration of dividend of the fiscal year 2008 as proposed by the Chairman in all respects with the following voting: Approved 1,003,312,700 votes or 97.10 percent. Disapproved 29,960,800 votes or 2.90 percent. Abstention 1,360 votes or 0.001 percent.

**5. To consider and approve the appointment of Directors to replace retiring Directors.**

The Chairman of the Meeting stated that this agenda was related to the reappointment of Dr. Suvarn Valaisathien, Chairman of the Board of Directors and Mr. Pongsak Lothongkam, Directors, who were retiring by rotation. In order to be transparent, both of them would leave from the meeting room, in which Mr. Virapan Pulges was requested to chair the Meeting for this agenda. Mr. Virapan Pulges informed the Meeting that in accordance with the Company's Articles of Association, and the Public Company law, one-third of Directors shall retire by rotation at the Annual General Meeting of the Shareholders. Thus, the following Directors were due to retire by rotation this year.

1. Dr. Suvarn Valaisathien, Chairman of the Board of Directors
2. Mr. Pongsak Lothongkam, Director

The Chairman of the Meeting proposed to the Meeting to consider and re-appoint Dr. Suvarn Valaisathien and Mr. Pongsak Lothongkam to be the Board of Directors for another term which

the Nomination and Compensation Committee has already approved for this re-appointment, as these two Directors are knowledgeable, capable, as well as possessing high standard in managing the Company business. They carried out their responsibilities earnestly and honestly for the benefits of the Company. The qualifications of the two Directors were posted in the document sent to shareholders along with the notice of the Meeting. The Chairman requested to the shareholders for questions or comments.

Some comments and questions from the shareholders were quoted as follows:

Mr.Sakol Ngarmkertchai

Mr. Pongsak Lothongkam has been capable in managing the company's business, however, since he has decided to pay low dividend, thus his corporate governance is questionable, therefore, he should not be re-appointed to the Board of Directors. He also would like to know the method of voting for this agenda whether it was one time vote for both persons or vote separately for each person.

Mr.Virapan Pulges, the Chairman of the Meeting explained that the voting had to be separated into 2 sub-agenda, 5.1 for Dr. Suvarn Valaisathien and 5.2 for Mr. Pongsak Lothongkam to be re-appointed as the Company's Directors for another term.

After due consideration, the Meeting by majority votes approved to reappoint Dr. Suvarn Valaisathien to be the Company's directors for another term as proposed by the Chairman in all respects, with the following voting: Approved 1,022,267,560 votes or 98.53 percent. Disapproved 11,007,300 votes or 1.07 percent.No Abstention, and the Meeting by majority votes approved to reappoint Mr. Pongsak Lothongkam to be the Company's Directors for another term, with the following voting: Approved 1,022,116,200 votes or 98.92 percent. Disapproved 11,008,660 votes or 1.07 percent. Abstention 150,000 votes or 0.01 percent.

**6. To consider and approve additional Directors from 5 to 7.**

The Chairman proposed to the Meeting to consider and approve the additional Directors from 5 to 7 persons to be more flexible for the Company business, to support rapid business growth. The Nomination and Compensation Committee proposed to appoint, Dr.Pornchai Piemsomboon, for his background, could be very beneficial to the Company as he is very knowledgeable and has over 20 years of experiences in working with a large electronics company which did not compete with the Company's business. His biography was shown in attachment number 3. For another Director, the Meeting should authorize the Nomination and Compensation Committee to search and propose the right candidate for shareholders approval in the next Meeting.

There were some comments and questions from shareholders as follows:

Mr.Wisit Gorsetakarn

What is relationship between Dr. Pruchya Piemsomboon and Dr. Pornchai Piemsomboon?

Dr. Pruchya Piemsomboon, Director replied that there is no family relationship at all. They know each other as a friends for more than 20 years, only the surnames happen to be the same.

Dr. Suvarn Valaisathien, Chairman of the Meeting stated that the appointment of Dr. Pornchai Piemsomboon is effective on May 7, 2009 after completion with his current assignment at other organization.



Mr. Hungshai Ukkawasakul

Is the Meeting of Shareholder required to approve the appointment of another Director not being proposed in this Meeting?

Dr.Suvarn Valaisathien answered that it required approval by the Shareholder Meeting.

After due consideration, the Meeting by majority votes approved the additional Directors from 5 to 7 and also appointed Dr. Pornchai Piemsomboon to be the Company's Director as proposed by the Chairman in all respects, with the following votings: Approved 1,023,982,800 votes or 99.10 percent. Disapproved 9,292,060 votes or 0.90 percent. No abstention.

**7. To consider and approve the directors' fee and their remuneration for year 2009.**

The Chairman proposed the Meeting to consider and approve the Directors fee and their remuneration for fiscal year 2009, which was already approved by the Nomination and Compensation Committee. The remuneration has been reviewed and considered, based on various factors including market comparison with same industry and size. Additionally, the Directors' remuneration has never been reviewed and adjusted for 5 years, plus including there are 2 additional Directors. Thus, the appropriate directors' fee and remuneration was recommended for the Board of Directors and other sub committees for the fiscal year 2009, is not exceeding Baht 8,000,000 (Baht : Eight millions), as compared to Baht 5,000,000 (Baht: Five millions) approved by the Annual General Meeting of Shareholders last year, for five directors.

There were some comments and questions from shareholders as follows:

Mr. Santi Temkulkiat

Why the Board of Directors' fee and remuneration increased, whereas the percentage of dividend payment on net profit is lower?

Mr. Wiwat Kusakul

Previously, the Board of Directors' remuneration was paid at Baht 5 millions for 5 persons. However, this year, it was proposed to be Baht 8 millions for 7 persons; which is about 14% increase on the average for each person. The Company should review the proposed remuneration to be the same rate with that of last year, which is at an average of Baht 1 million per person per year.

Mr. Wisit Gorsetakarn

Is this proposed remuneration higher than that of other companies?

Dr. Suvarn Valaisathien, the Chairman of Meeting explained that the proposed remuneration package is comparable with other companies in the same industry and size, thus it is not higher.

After due consideration, the Meeting by majority approved the Board of Directors' fee and remuneration for the fiscal year 2009, as proposed by the Chairman in all respects, with the following voting: Approved 1,022,126,700 votes or 98.92 percent. Disapproved 11,146,800 votes or 1.07 percent. Abstention 1,360 votes or 0.001 percent.

**8. To consider and approve the appointment of the auditor and the auditor' fees for the fiscal year 2009.**

The Chairman proposed to the Meeting to appoint auditors of Ernst and Young Office Limited to be the Auditor of the Company for fiscal year 2009 as approved by the Audit Committee the following names and licence number:

1. Ms. Rungnapa Lertsuwankul      Certified Public Accountant (Thailand) Licence  
No. 3516
2. Mrs. Nonglak Pumnoi              Certified Public Accountant (Thailand) Licence  
No. 4172

Any of the above auditors can conduct the audit and express opinions on the financial statements of the Company. In the event that any of the above auditors is not available, Ernst & Young Office Limited is authorized to identify other auditors of Ernst & Young Office Limited who qualifies as Certified Public Accountant to carry on the audit of the Company's financial statements. The audit fee is not over Baht 1,430,000 (Baht : One million four hundred and thirty thousand only). This excludes expenses to be reimbursed based on actual. In addition, the special audit fee for the BOI privileges for corporate income tax exemption is at Baht 250,000 (Baht : Two hundred and fifty thousand only).

There were some comments and questions from shareholders as follow:

Mr. Hungshai Ukkawasakul

Since the auditor's fee of many companies for 2009 is reduced from that of 2008, it would be great if the Company can keep this rate for the future.

Mr. Sakol Ngarmletchai

Asking about the number of years that Ms. Rungnapa Lertsuwankul has been auditor of the Company's financial statements, which should not be over 5 years at maximum.

Dr. Suvarn Valaisathien, the Chairman of Meeting explained that the former auditor of the Company was Mr. Sophon Permsiriwallop from Ernst and Young Office Limited. Ms. Rungnapa Lertsuwankul has been the auditor of the Company for 2 years, thus it is not over 5 years, which comply with the regulation of SET.

After due consideration, the Meeting unanimously approved the appointment of the Company's auditor and their remuneration for the fiscal year 2009 as proposed by the Chairman in all respects.

**9. To consider other business (if any).**

There was no other business proposed to the meeting for consideration.

However, there were some shareholders' comments and suggestions to the Meeting as follows.

Mr. Hungshai Ukkawaskul

The Board of Directors should take more serious consideration on dividend payment for next year.

Mr. Sakol Ngamlertchai

Obviously, the Company pays more attention and value to the Press and Stock Analysts than Shareholders. The evidence showing that the Analyst meeting were always held at five-star hotels during participation in Opportunity Day organized by SET, to help save cost. Also, meetings of the Board of Directors arranged at Pacific Place as well. Thus, it is recommended that the meeting of Shareholders should be held somewhere next to the BTS or subway station.

Mr. Somsak Sakburanapongsa

1. The Company should improve the registration for the Shareholder Meeting by having more computers and staff.
2. The number of shares should be specified on the ballot card when shareholders registered.
3. The voting results for approval and disapproval on each agenda should be presented on the screen for all shareholders.

Dr. Suvarn Valaisathien, the Chairman of Meeting accepted to consider and to improve for the next Meeting.

As there no other business, the Chairman adjourned the Meeting at 11.40 a.m.



Verified by

(Mr. Pongsak Lothongkam)  
Director and Chief Executive Officer

(Dr. Suvarn Valaisathien)  
Director and Chairman of the Meeting

Minuted by: Mrs. Pissamai Saibua  
Secretary of the Board of Directors