

## Business Operation

### 1. Policy and Business Overview

SISB Public Company Limited (the “**Company**” or “**SISB**”) was incorporated on June 26, 2001, with the initial registered capital of THB eight million. The key objective of the Company is not to maximise profit but to promote education development and to raise standards of education in Thailand to meet international standards. The school was established based on the vision of Thai and Singaporean parents of international students who recognise the importance of education that is based on outstanding Mathematics and Science curricula in the English and Chinese learning environment. The Company established Singapore International School of Bangkok to meet the growing demand of both Thai and international families for an international curriculum based on socio-cultural diversity. Licensed as formal education by the Office of the Private Education Commission (the “**OPEC**”) on August 24, 2001, the school is the first in Thailand to adopt the Singapore curriculum. Pre-primary and primary education was first introduced at 154 Ekkamai 14, North Klongton Sub-District, Wattana District. Singapore International School of Bangkok was then licensed to also provide secondary education based on the Singapore curriculum.

To accommodate the growing number of students, the Company constructed additional school buildings in 2012 and was moved to Soi Ramkhamhaeng 39 (Thep Leela 1), Wang Thong Lang Sub-District, Wang Thong Lang District, Bangkok which is the current location of the school with a land coverage of approximately 20.2 – 71.3 rais. The school provides comprehensive and modern facilities including a library, science laboratory, computer rooms, multipurpose conference rooms, swimming pool, basketball court, and playground. In the same year, the school was also licensed to provide higher secondary education using the UK curriculum.

With a vision to operate the business of providing leading international education and meeting the growing demand for education based on international curricula, the Company expanded its business to locations of its target customers to cover areas in both Bangkok and its vicinity including other provinces. In 2013, the Company accepted the transfer of a school licence of formal education in the form of an international school of ‘Nantawan International School’ from a private company in the Bangphli District of Samutprakarn Province. The school name was changed to ‘Singapore International School Suvarnabhumi’. The Company also invested in the improvement of the school facilities and the development of curricula to have the same standards with those of Singapore International School of Bangkok.

In 2016, the Company entered into a joint venture with a group of businessmen from Chiang Mai which has an interest in the education business. The joint venture led to the incorporation of SISB Siri Company Limited with the objective to carry out the business of being the licensee to operate ‘Singapore International School Chiangmai. The school was licensed by the OPEC on December 28, 2016.

In addition, in 2016, the Company also invested in the acquisition of a land plot of 7 rais in the Phasi Charoen District of Bangkok and commenced the construction of Singapore International School Thonburi which was licensed by the OPEC on October 10, 2017. On July 11, 2018, the Company also obtained a licence to establish Singapore International School Ekkamai from the OPEC.

The Company recognises the importance of improving the quality of education to meet international standards. The Company’s commitment to strive for excellence has increasingly earned the trust of parents. To

accommodate this growth, the Company has carried out a successive capital increase. At present, the Company has a paid-up registered capital of THB 340 million. The Company was converted to a public company on June 4, 2018, and the Company's name was changed to 'SISB Public Company Limited.'

## 1.1 Vision, objectives and goals

### Vision

'To be the leading education provider, making equality education accessible to all.'

### Mission

'To educate, enhance and empower diverse learning communities to be contributing global citizens.'

### Goals of Business Operations

1. To manage international schools within the Group to become a leading international school in Thailand and in the region.
2. To increase the total number of students of the Group to more than 4,000 students in the next three to five years.
3. To enhance investment opportunities or to grant the right to use the trademark and service marks of SISB both domestically and internationally among CLMV countries and China.

### Education Vision

"Every student will aspire to be a Scholar, a Leader and a Global Citizen."

### Education Mission

"To be a World Class School that provides the students with holistic education to make the world a better place."

### Core Values

IRR<sup>3</sup> values are used in ensuring students develop desirable attributes.

I = Independence

R = Respect

R = Resilience

R = Responsibility

### Motto

"Spirit of Excellence"

## 1.2 Key Changes and Developments

Key changes and developments of the Company can be summarised as follows:

2001
<ul style="list-style-type: none"> <li>■ Incorporated as 'SISB Company Limited' with registered capital of THB eight million on 26 June 2001;</li> <li>■ Licensed by the Office of the Private Education Commission (the "OPEC") on August 24, 2001 to establish a formal education school in the the form of an international school under the name 'Singapore International School of Bangkok' to provide pre-primary education and primary education.</li> </ul>

<b>2002</b>
<ul style="list-style-type: none"> <li>▪ Increase in the registered capital by THB two million from THB eight million to THB ten million by issuing new 20,000 preferential shares each at a par value of THB 100 for use as working capital.</li> </ul>
<b>2006</b>
<ul style="list-style-type: none"> <li>▪ Singapore International School of Bangkok was approved by the Singapore Examination and Assessment Board (the “SEAB”) as a centre for International Primary School Leaving Examination (iPSLE).</li> </ul>
<b>2009</b>
<ul style="list-style-type: none"> <li>▪ Singapore International School of Bangkok licensed by the OPEC to also provide lower secondary education.</li> </ul>
<b>2010</b>
<ul style="list-style-type: none"> <li>▪ Par value of shares changed from THB 100 to THB 10</li> <li>▪ Increase in the registered capital by THB 90 million from THB ten million to THB 100 million by issuing 9,000,000 new ordinary shares each at a par value of THB 10 for use as working capital;</li> <li>▪ Singapore International School of Bangkok had its education quality certified by the Office for National Education Standards and Quality Assessment (Public Organisation) (the “ONESQA”)</li> </ul>
<b>2011</b>
<ul style="list-style-type: none"> <li>▪ Singapore International School of Bangkok had its education quality certified by the Council of International Schools: CIS;</li> <li>▪ Singapore International School of Bangkok was approved and certified by the University of Cambridge International Examinations (the “CIE”) to be a centre to administer the IGCSE and AS/A Level examinations;</li> <li>▪ Singapore International School of Bangkok was appointed by the Oriental Culture Academy (the “OCA”) to administer HSK examinations of the Confucius Institute Headquarters (Hanban).</li> </ul>
<b>2012</b>
<ul style="list-style-type: none"> <li>▪ Office and school were relocated from Ekkamai Soi 14 on Sukhumvit Road 63, North Klongton Sub-District, Wattana District, Bangkok to Ramkhamhaeng Soi 39 (Thep Lee La 1) Wang Thong Lang Sub-District, Wang Thong Lang District, Bangkok;</li> <li>▪ Singapore International School of Bangkok was licensed by the OPEC to also provide higher secondary education.</li> </ul>
<b>2013</b>
<ul style="list-style-type: none"> <li>▪ Transfer of an international private school licence under the name 'Nantawan International School' was accepted from a private company in the Bangphli District of Samutprakarn Province on 26 July 2013 and an application was submitted to change the name of the school to 'Singapore International School Suvarnabhumi' on 19 August 2013.</li> </ul>
<b>2014</b>
<ul style="list-style-type: none"> <li>▪ Decrease in the registered capital by THB two million from THB 100 million to THB 98 million by decreasing the number of preferential shares by 200,000 shares each at the par</li> </ul>

<p>value of THB ten;</p> <ul style="list-style-type: none"> <li>▪ Increase in the registered capital by THB two million from formerly THB 98 million to THB 100 million by issuing new 200,000 ordinary sharers each at the par value of THB ten.</li> </ul>
<b>2015</b>
<ul style="list-style-type: none"> <li>▪ Constructed additional school buildings and dormitory to accommodate the Phase 2 expansion of business of Singapore International School of Bangkok;</li> <li>▪ Singapore International School of Bangkok had its education quality certified by the New England Association of Schools and Colleges (the “NEASC”);</li> <li>▪ Singapore International School of Bangkok was appointed by the College Board to administer the SAT examinations;</li> <li>▪ Singapore International School of Bangkok had its education quality certified by the ONESQA for the 2001 – 2015 period.</li> </ul>
<b>2016</b>
<ul style="list-style-type: none"> <li>▪ SISB-SIRI Company Limited was incorporated as a joint venture between the Company and a group of businessmen from Chiang Mai with the initial registered capital of THB 100 million on 11 January 2016 with an objective to carry out the business of holding international school licences in Chiang Mai. The Company had 50.00 percent interest in the joint venture. The registered capital of the joint venture was then increased by THB 30 million to THB 130 million on 23 November 2016 by issuing and offering 3,000,000 new ordinary shares each at the par value of THB ten proportionately to existing shareholders. The increased capital was used as a working capital in the joint venture. This right offering of new ordinary shares proportionately to existing shareholders means that the shareholding percentage of the Company in SISB-SIRI remained unchanged.</li> <li>▪ Increase in the registered capital by THB 100 million from THB 100 million to THB 200 million by issuing 10,000,000 new ordinary shares each at the par value of THB ten for use as a working capital.</li> <li>▪ Acquired a land plot of 7 rais, 22.9 square wa at Buddhamonthon 1, Soi 9, Ratchamontree Road, Klong Kwang Sub-District, Phasi Charoen District of Bangkok to accommodate the expansion of international school business.</li> <li>▪ Incorporated SISB Thonburi Company Limited with the registered capital of THB one million on 13 December 2016 in which the Company has a 100.00 percent interest.</li> <li>▪ SISB-SIRI was licensed by the OPEC to establish a formal education school in the form of an international school under the name ‘Singapore International School Chiangmai’ on 28 December 2016 to provide pre-kindergarten and primary education.</li> <li>▪ Singapore International School of Bangkok was appointed to administer a training centre for the Duke of Edinburgh’s Award which is an award for students who have participated in activities for social benefit.</li> </ul>
<b>2017</b>
<ul style="list-style-type: none"> <li>▪ Increase in the registered capital by THB 50 million from THB 200 million to THB 250 million by issuing 5,000,000 new ordinary shares each at the par value of THB 10 (THB ten or THB 10?) for a right offering to existing shareholders for use as working capital;</li> <li>▪ Licensed by the OPEC to establish a formal education school in the form of international</li> </ul>

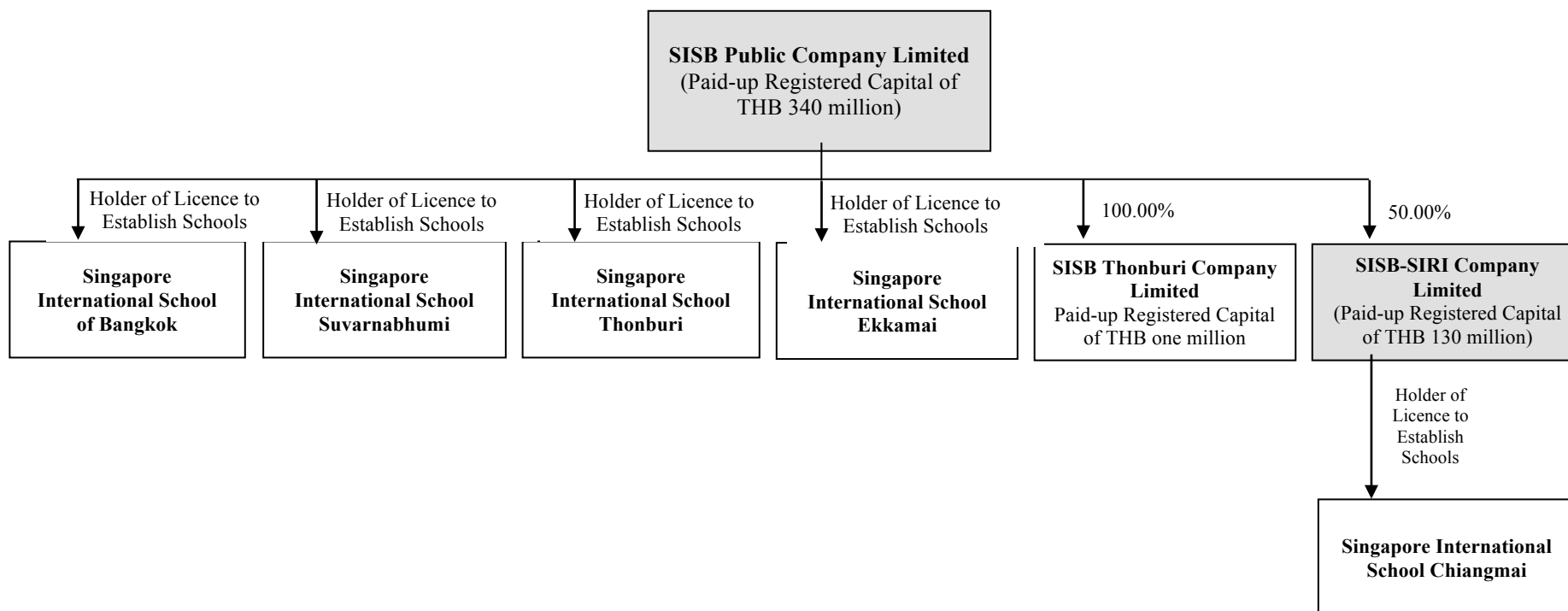
school under the name 'Singapore International School Thonburi' on 10 October 2017 to provide pre-kindergarten and primary education.

## 2018

- Singapore International School of Bangkok was licensed by the Office of the Bangkok Metropolitan Administration to carry out the business of providing school dormitory;
- The Extraordinary General Meeting of shareholders No.1/2018 on 25 May 2018 resolved to approve that the Company carry out the followings:
  - To convert to a public company limited
  - To change the Company's par value from THB ten to THB 0.50
  - To increase the registered capital by THB 220 million from THB 250 million to THB 470 million by issuing 440 million new ordinary shares each at the par value of THB 0.50. The newly issued ordinary shares must be allocated as follows:
    - (1) 180 million new ordinary shares are allocated to existing shareholders.  
The completed allocation of this portion of shares resulted in the paid-up registered capital of THB 340 million;
    - (2) 26 million new ordinary shares are offered to directors, executives and employees of the Company and of its subsidiaries including personnel of schools the licences of which are held by the Company;
    - (3) 234 million new ordinary shares are offered to the public.  
Any remaining shares after the allocation to the directors, executives and employees under (2) must be allocated to the public under (3).
- Licensed by the OPEC to establish a formal education school in the form of international school under the name 'Singapore International School Ekkamai' on 11 July 2018 to provide pre-kindergarten – primary education (Prathom 3).

## 1.3 Shareholding Structure of the Group

As of 11 July 2018 [Note: this is to be updated], the shareholding structure of the Group is as follows:



## **Operations of the Group**

### **1. SISB Public Company Limited (the “Company”) or (“SISB”)**

The Company operates the business of providing advisory and management services, and other services relating to education. The Company also holds licences to establish formal education schools in the form of international schools under the Private Schools Act. Currently, it is the holder of a licence granted by the OPEC to establish Singapore International School of Bangkok, Singapore International School Suvarnabhumi, Singapore International School Thonburi and Singapore International School Ekkamai. Details of each school are as follows:

#### **1.1 Singapore International School of Bangkok**

Established on 24 August 2001 under the Private Schools Act, B.E. 2525 (1982), Singapore International School of Bangkok is the first school in Thailand to adopt the Singapore curriculum. The school is currently located at 498/11, Soi Ramkamhaeng 39 (Thep Lee La 1), Wang Thong Lang Sub-District, Wang Thong Lang District, Bangkok. Spanning approximately 20 rai (20-2-71 rai), the school facilities can accommodate up to 2,170 students. The school provides education from pre-primary (pre-kindergarten) to higher secondary education.

#### **1.2 Singapore International School Suvarnabhumi**

The school was transferred to the Company from a private company on 26 July 2013. Previously named ‘Nantawan International School,’ the school had obtained a licence under the Private Schools Act, B.E. 2550 (2007) on 1 April 2010 and on 19 August 2013 had changed its name to ‘Singapore International School Suvarnabhumi.’ The school is located at No.4/5 Moo 5, Namdang – Bangphli Road, Bangkaew District, Samutprakan Province. Spanning approximately seven rai (7-3-88 rai), the school facilities can accommodate up to 640 students. The school provides pre-primary (kindergarten) and primary education.

#### **1.3 Singapore International School Thonburi**

The school was established on 10 October 2017 under the Private Schools Act, B.E. 2550 (2007), as amended in 2011 (No. 2). Located at No. 138 Ratchamontree Road, Klongkwang Sub-District, Phasi Charoen District, Bangkok on land of approximately seven rai (7-0-22 rai), the school can accommodate up to 900 students and provides pre-primary (kindergarten) and primary education.

#### **1.4 Singapore International School Ekkamai**

The school was established on 11 July 2018 under the Private Schools Act, B.E. 2550 (2007), as amended in 2011 (No. 2). Located at No. 154, Soi Ekkamai 14, Sukhumvit 63, North Klongton Sub-District, Wattana District, Bangkok on land of approximately three rai (3-1-51 rai). The school can accommodate up to 155 students and provides pre-primary (kindergarten) and primary education (Prathom 3).

**Joint Venture****SISB-SIRI Company Limited**

SISB-SIRI Company Limited was incorporated on 11 January 2016 as a Joint Venture between the Company and a group of businessmen from Chiangmai each holding 50.00 percent of total issued shares. The objective of the Joint Venture is to carry out the business of holding the licence to establish an international school in Chiangmai. Currently, the Joint Venture has paid-up registered capital of THB 130 million, divided into 13 million shares each at a par value of THB ten.

SISB-SIRI is currently the holder of a licence granted by the OPEC to establish a formal education school in the form of an international school which is Singapore International School Chiangmai.

**1.5 Singapore International School Chiangmai**

The school was established on 28 December 2016 under the Private Schools Act, B.E. 2550 (2007), as amended in 2011 (No. 2). It is the first international school in Chiangmai that adopts the Singapore curriculum. It is located at No. 10, Hatsadi Sewi, Sri Phum Sub-District, Muang District, Chiangmai on a land of approximately five rai (5-1-35 rai) and can accommodate up to 310 students. The school provides pre-primary kindergarten and primary education.

**2. Subsidiary****SISB Thonburi Company Limited**

SISB Thonburi Company Limited was incorporated on 13 December 2016 with the paid-up registered capital of THB one million. The objective of the company is to carry out other education businesses. The Company holds 100.00 percent of shares in this subsidiary. Currently, this company is inactive.



## 2. Business Operation

### 2.1 Revenue Structure

The revenue structure of the Company from 2015 until 2017 and the nine-month period of 2018 is as follows:

Types of Revenue <sup>1)</sup>	2016		2017		2018	
	THB in Million	%	THB in Million	%	THB in Million	%
Revenue from tuition fees and service fees	597.61	98.20	730.84	97.92	923.98	97.53
Revenue from sale of education materials	5.77	0.95	7.20	0.97	8.48	0.89
<b>Total revenue from sales and services<sup>2)</sup></b>	<b>603.38</b>	<b>99.15</b>	<b>738.04</b>	<b>98.89</b>	<b>932.46</b>	<b>98.42</b>
Other income <sup>3)</sup>	5.21	0.85	8.31	1.11	14.90	1.57
<b>Total revenue</b>	<b>608.58</b>	<b>100.00</b>	<b>746.35</b>	<b>100.00</b>	<b>947.35</b>	<b>100.00</b>

Note:

- 1) Excluding income of Singapore International School Chiangmai the school licence of which is held by the joint venture;
- 2) The revenue structure and Gross Profit Margin (GPM) by schools (related party transactions not yet excluded)
- 3) Other income comprises income from the sale of food and beverage, capital gain from short-term investments, fees from credit cards and interest received, etc.

Income of International Schools licences of which are held by the Company	2016		2017		2018	
	THB in Million	GPM	THB in Million	GPM	THB in Million	GPM
Singapore International School of Bangkok	525.89	44.30	651.54	43.61	657.17	46.44
Singapore International School Suvarnabhumi	77.64	32.26	86.67	25.50	88.47	32.02
Singapore International School Thonburi					173.71	48.04
Singapore International School Ekkamai					12.73	7.55

### 2.2 Services of the Company

The Company operates the business of holding licences to establish formal education schools under the Private Schools Act in the type of international schools. It also provides other education-related services. The Company was the first to introduce the Singapore curriculum in providing education. The curriculum is internationally accepted especially for Mathematics and Sciences. The school features trilingual curricula: English, Chinese and Thai.

Currently, there are five international schools that operate within the Group, providing pre-primary (kindergarten) education through to higher secondary education (Matthayom 6). The schools can accommodate up to 4,175 students. The Company holds the licences for the Bangkok schools and the Joint Venture holds the licence for the Chiangmai school. Details are as follows:

**(1) International schools licences held by the Company**

Currently, there are four international schools whose licences are directly held by the Company:

1. Singapore International School of Bangkok;
2. Singapore International School Suvarnabhumi;
3. Singapore International School Thonburi; and
4. Singapore International School Ekkamai

**(2) The International school licence held by the Joint Venture**

SISB-SIRI Company Limited is a Joint Venture that holds the licence to establish Singapore International School Chiangmai, which is the first international school in Chiangmai that adopts the Singapore curriculum in providing pre-primary (kindergarten) and primary education level.

For the purpose of managing Singapore International School Chiangmai, SISB-SIRI Company Limited entered into an agreement with the Company in order to use trademarks, trade names, copyrights, marks and logos including curricula, teaching methods and school uniforms. The agreement was also to engage the Company to provide management and advisory services relating to operations of school business. Therefore, the provision of education, curricula and recruitment of education personnel for Singapore International School Chiangmai are the same as those of the other international schools whose licences are held directly by the Company.

The Company has the policy to ensure alignment in details and standards of providing education of all schools, including schools for which the Company provides management and licenses the use of trademarks. Schools are open from Monday to Friday between 7.15am and 3.10pm. School hours are different in each level of education. The semesters are divided into three terms as follows:

- Term 1 from August until December;
- Term 2 from January until April; and
- Term 3 from April until June

Details of education services of each international school within the Group are as follows:

Details	Currently Available Levels	Maximum Capacity	Current Number of Students (As of 31 December 2018)
Singapore International School of Bangkok	Pre-kindergarten – Grade 12	2,170	1,382
Singapore International School Suvarnabhumi	Pre-kindergarten – Grade 6	640	275
Singapore International School	Pre-kindergarten – Grade 6	900	478

Thonburi			
Singapore International School Chiangmai	Pre-kindergarten – Grade 6	310	147
Singapore International School Ekkamai	Pre-kindergarten – Grade 3	155	87

## 1. Curricula

Education is provided based on the school's established curricula that were approved by the OPEC. Current curricula are a combination of the Singapore and the UK curriculum to ensure suitability for each level of students. Details of current curricula are as follows:

Stage	Age	Curriculum	Examination
Nursery – Kindergarten	2 – 6 years	UK Early Stage Years Foundation (Child-Centred)	<ul style="list-style-type: none"> <li>Child-centred assessment</li> <li>School-based examinations</li> </ul>
Primary 1 – 6	6 – 12 years	Curriculum of Curriculum Planning and Development Division, Ministry of Education of Singapore	<ul style="list-style-type: none"> <li>Singapore iPSLE</li> <li>School-based examinations</li> </ul>
Grade 7 – 10*	12 – 16 years	Secondary Curriculum of Singapore and Cambridge IGCSE	<ul style="list-style-type: none"> <li>IGCSE (UK)</li> <li>School-based examination</li> </ul>
Grade 11 – 12*	16 – 18 years	UK Secondary Curriculum and Diploma Curriculum of the School	<ul style="list-style-type: none"> <li>Cambridge AS / A Levels</li> <li>School-based examination</li> </ul>

**Note:** Only Singapore International School of Bangkok

### 1.1 **Nursery – Kindergarten**

Nursery – Kindergarten curricula are for children between the age of two and six. The curricula are based on the UK Early Stage Years and the British National Curriculum which focus on a child-centred approach. The curricula are taught in English. The education at this stage is provided to ensure alignment with psychological development using activities that will stimulate development in physical, emotional, mental, social and intellectual aspects of the children. Teachings will focus on learning by using the five senses, movement, exploration and play which will enable children to have analytical and problem-solving skills. Children will also be encouraged to have initiative and to develop linguistically through interaction with other children and adults in an environment that is conducive to learning. Active learning/ hands-on learning including creating and a critical thinking approach is adopted. The curriculum focuses on six groups of subjects:

1. Social skills and personal development;

2. Mathematics;
3. Sciences and technology;
4. Music and art;
5. Health and physical education;
6. Linguistic skills with focus on the ability to speak, listen and read/write

The assessment will be conducted on the development of physical, emotional, mental, social and intellectual aspects of the children. This is an ongoing process of assessment both daily and at the end of the term to ensure that children achieve developments that meet the objectives of the curriculum.

## 1.2 Primary Stage

The curriculum at this stage is aimed at children between 6 – 12 years and is based on the curriculum developed by the Curriculum Planning and Development Division, Ministry of Education of Singapore which is recognised for its strength in Mathematics, Sciences and foreign languages (English and Chinese), and is a foundation for students to select their fields of study in the future. The curriculum is based on a child-centred approach to promote the development of students according to their potential using various learning procedures. Students will learn from the active learning/ hands-on learning methods and will achieve creativity and problem-solving skills by learning from situations. The curriculum focuses on nine groups of subjects:

1. Mathematics;
2. Sciences;
3. English;
4. Chinese;
5. Thai;
6. Social studies;
7. Physical/ health education;
8. Computing; and
9. Art

Each student at this stage will be assessed in examinations according to their developments using methods such as projects, class presentations, small tests and activities in classrooms including school-based mid-term and final examinations. In addition, students will complete their Grade 6 upon passing the International Primary School Leaving Examination (iPSLE) according to the Singapore standard.

## 1.3 Grade 7 - 10

The curriculum for Grade 7 – 10 is aimed at children between 12 and 16 years and is based on the Singapore curriculum and the IGCSE of The University of Cambridge in the United Kingdom. It focuses on participation in the promotion of ethical, cultural, intellectual, aesthetical and physical developments for students with the aim to prepare students for a higher level of education. Curricula in this lower stage of secondary education still focus on SISB's signature of creating a trilingual learning environment for students (English, Chinese and Thai). Main subjects taught to

Grade 7 and 8 are English, Thai, Mathematics, Sciences (Biology, Chemistry and Physics), History, Geography, Information and Communication Technology, Music, Art, Physical and Health Education. For students in Grade 9 and 10, curriculum will focus on preparing students for the Cambridge International General Certificate of Secondary Education (IGCSE) according to the standards of the University of Cambridge. Students will be required to study English, Mathematics, Physics, Biology, Chemistry, Thai, Physical and Health Education. In addition, students have the option of two to four subjects based on diverse interest of the students such as extra Mathematics, Art and Design, Sciences, Computing, Geography, History, Information and Communication Technology, Music, Chinese and Physical Education.

#### 1.4 Grade 11 - 12

The curriculum for Grade 11 – 12 is aimed at children between 16 and 18 years and is based on the UK National Curriculum of England. The curriculum focuses on preparing students for the Cambridge International Advanced Subsidiary Level & Advanced Level (AS/A Level). The curriculum is internationally recognised to provide an in-depth foundation for students for their higher education at a university level. Students are offered options to specialise in subjects that are of their specific interest. The curriculum is designed to equip students with an in-depth knowledge in their preferred field of study for higher education or future career path. Subjects that are taught in this curriculum are the mandatory subjects including Thai, Physical and Health Education and selective subjects based on the students' interest such as Art and Design, Business, Chemistry, Chinese, Economics, English, Geography, History, Information and Communication Technology, Mathematics, Music and Physics.

Students will complete Grade 12 upon passing the Cambridge AS/A Level examination and the school-based examination. In addition, Singapore International School of Bangkok is now preparing to add the International Baccalaureate Diploma Programme (IBDP) to provide an additional option for students at Grade 11 – 12. This IBDP curriculum is developed by the International Baccalaureate Organisation (IBO) to prepare students for an entrance examination to universities in all countries. In this curriculum, students are required to study all mandatory subjects and participate in extra-curricular activities. Students who have obtained IB Diploma are recognised by leading universities around the world thanks to the holistic development offered by the curriculum. Schools will need to be approved by the IBO to use the IB curriculum in providing education and to call themselves part of the IB World Schools. Teachers will also need to undergo professional training organised by the IBO. Singapore International School of Bangkok applied to be a member of the IBO World Schools on 31 August 2017. The application was approved tentatively, and the school has obtained the status of an IBO Candidate starting from 1 March 2018. The school is pending inspection by the IBO and expects to start providing education using the curriculum for the academic year 2020 – 2021.

**Number of Students by Levels of Education**

Levels of Education	As of 31 December 2016		As of 31 December 2017		As of 31 December 2018	
	Number	%	Number	%	Number	%
Nursery-Kindergarten	742	43.52	922	44.74	999	42.17
Primary	748	43.87	889	43.13	1,075	45.38
Grade 7 - 10	198	11.61	223	10.82	255	10.76
Grade 11 - 12	17	1.00	27	1.31	40	1.69
<b>Total</b>	<b>1,705</b>	<b>100.00</b>	<b>2,061</b>	<b>100.00</b>	<b>2,369</b>	<b>100.00</b>

## 2. Extra-Curricular Activities

Extra-curricular activities are intended to meet the different developmental needs of students and to encourage them to make constructive use of their free time after school. The extra-curricular activities are organised each day based on the diverse interests of the students. They are, for example:

- **Academic activities:** Extra Academic Support (EAS), English Language Support (ELS), Chinese Language Support (CLS) and summer activities;
- **Non-academic activities:** these are aimed at enhancing skills and learning development of the students through activities, membership of clubs and sports. Students are offered a wide variety of extra-curricular activities such as swimming, gymnastics, football, badminton, table tennis and taekwondo, art and craft, ballet, computer club, music club, mechanism and robots.

## 3. Other services to support the school operations

In addition to providing education to students, there are other services offered to support the school operations.

- **Student dormitory:** Singapore International School of Bangkok offers a complete range of facilities to provide a weekly boarding school service to students aged from 8 to 18 years (Only from Monday to Friday) and a full-time boarding school service. This will allow students to have the opportunity to cultivate independence while participating in activities on weekends that are created for boarders such as kayaking, deep water diving, trekking and surfing.
- **Training and examinations:** Singapore International School of Bangkok is appointed as the centre for examinations for several leading institutions such as:
  - International Primary School Leaving Examination: iPSLE;
  - IGCSE and AS/A Level examinations;
  - HSK examinations;
  - SAT examinations; and
  - Training centre for the Duke of Edinburgh's Award for students who participate in activities for social benefit

These examination centres administer examinations for both students from the Group's schools and students from other institutions.

- **Food and beverage:** The Group's schools also provide lunch services for all levels of students. Fees would be collected from students along with tuition fees for each semester. The Group's schools also sell food and beverages at school for the convenience of students and parents.

- **Textbooks and education materials:** The Group's schools source textbooks and education materials for all levels of students. Fees would be collected from students along with tuition fees for each semester. The Group's schools also operate shops that sell textbooks and school uniform at school for the convenience of students and parents.

## 2.3 Market and Competition

### 2.3.1 Customers and target customers

The Company operates the business of holding licences to establish formal education to provide education in the form of international schools. Tuition fees of the schools operated by the Company are relatively high compared to those of other private schools. Most customers are students aged between two and 18 years from wealthy families that are both Thai and foreign. Details are as follows:

#### 1. Thai students

Thai students represent the majority of the Company's customers. Thai parents need to have their children educated using curricula that meet international standards while students can develop their language skills in English and Chinese. The international schools of the Group have an established reputation of more than 17 years. Its quality of education has been well recognised among parents through word of mouth. The Group's expansion of its school business to residential areas of these wealthy families also contributes to the increasing number of students. Currently, the Company has increased its public relation efforts to reach out to its target customers using various channels such as the Company's website, brochures, magazines, online social media and participation in education fairs.

#### 2. Foreign students

Foreign students comprise children of expatriate workers in Thailand including foreign students sent to study in Thailand. In addition to traditional public relations, the Company reaches out to this group of students by becoming partners with international companies and agencies that have their branches in Thailand to provide education to staff of these organisations as part of their welfare benefits. In addition, the Company has appointed education agents abroad to provide advice and liaison to facilitate foreign students in making the decision to study in any of the international schools operated by the Group. Singapore International School of Bangkok provides additional dormitory services for students from abroad.

The Company has organised school tours at each of its international schools for parents and prospective students to experience teaching and studying environments. On the school tour, admission staff will be ready to provide information on the school, its curricula and teaching methods. In addition, each school will provide trial courses for prospective students to study and participate in activities with the school personnel with the aim to familiarise these prospective students with the learning process before they can make an enrolment decision. The Group's schools also provide foundation courses to assist students to prepare themselves and to take placement tests before they can be admitted to normal courses.

The Admission process is as follows:

#### 1. **Acceptance and review of application documents and supporting documents**

Admission staff will accept and review application and supporting documents including personal identification documents of both the prospective students and their parents such as national identification card, certificate of birth or passport including a school report if the prospective students are transferred from another school.

The admission staff will review the completeness of the documents including the basic qualifications of the prospective students who need to meet the minimum age requirements for each of the levels that is applied for prior to the commencement of each academic year.

## 2. Interview and placement

After the preliminary qualification review is complete, the Admissions Department will schedule an appointment with the parents and the prospective students for an interview. Prospective applicants for Primary 1 and above shall undergo an assessment which will assess English language skills and academic knowledge of the prospective students that are required for each level of education.

## 3. Assessment test results and students record

Prospective students who successfully pass the interview and the assessment tests will be notified of the results and will be required to provide additional information and documents for use in preparing the student records. The information and documents must be submitted and the enrolment fees, tuition fees and deposit payments must be paid within the period required by the Admissions Department.

As of 31 December 2018, there are in total 2,369 students in the Group's international schools, approximately 85 percent of which are students of Thai nationality. The remaining 15 percent of students are international students from more than 20 countries around the world including Asia, Europe, the United States of America and the Middle East.

**Number of Students by Nationalities**

Nationalities	As of 31 December 2016		As of 31 December 2017		As of 31 December 2018	
	Number of Students	%	Number of Students	%	Number of Students	%
Thai	1,477	86.63	1,776	86.17	2,019	85.23
Foreign	228	13.37	285	13.83	350	14.77
<b>Total</b>	<b>1,705</b>	<b>100.00</b>	<b>2,061</b>	<b>100.00</b>	<b>2,369</b>	<b>100.00</b>

### 2.3.2 Pricing Policy

The Company has the policy to determine appropriate tuition fees and other fees of each school according to the relevant expenses of providing education in order to be able to provide quality education to meet standards and to be competitive with other international school that are its close competitors. Pricing will be determined by taking into consideration the competition among international schools in each area including the economic conditions in



order to ensure that the tuition fees are reasonable for parents and are not considered as profiteering. Details of material fees are as follows:

#### Curricular education fees

Each school will be required to declare its tuition fees and other relevant fees for the provision of curricular education such as lunch fees, textbooks and education materials, enrolment fees and application fees to the Private Education Commission for the relevant academic year and to make a public announcement of such fees in each school in accordance with Section 32 of the Private Schools Act, B.E. 2550 (2007), as amended (No.2) in 2011. Fee rates vary according to each level of education and the location of the schools.

#### Extra-curricular education fees

Extra-curricular education fees are for support courses, tuition and extra-curricular activities including application placement fees which are voluntarily selected by students. Fee rates will depend on each subject or activity applied for taking into consideration the actual cost of providing the education.

### **2.3.3 Competition Strategies**

#### **1. Outstanding and internationally recognised curricula**

The Company was the first in Thailand to introduce the Singapore Curriculum at Singapore International School of Bangkok. The curricula are used as a prototype for the provision of education in other international schools of the Group. Teaching methods, textbooks and school-based examinations are based on the internationally recognised Curriculum of Singapore which has particular academic strength in Mathematics and Sciences and serves as the learning foundation for fields of studies in the future. The schools also promote a trilingual learning environment where students can learn and communicate fluently in English, Thai and Chinese in their education or future career. This can meet the demand of the current society where more importance is given to the English and Chinese language.

Secondary education is based on the combination of the Singapore and UK curricula which allows students to select specialist subjects and focuses on the development of in-depth knowledge for the selected specialist subject to prepare students for higher education at university level and future careers.

#### **2. Maintenance of Education Standards**

The Company's vision is to be a world-class education provider. Therefore, quality of education lies at the heart of the Company's business operations. It focuses on and recognises the importance of ongoing development of education quality to elevate its standards of education to meet international standards. International schools of the Group have been certified with quality assurances by leading institutions both domestically and internationally such as quality assurance by the ONESQA, the Council of International Schools and the New England Association of Schools and Colleges (NEASC) all of which are internationally renowned accreditation entities.

In addition, Singapore International School of Bangkok is the first international school in Thailand to be appointed by the Singapore Examination and Assessment Board (the "SEAB") and has been the centre for the International Primary School Leaving Examination in all four subjects including Mathematics, Sciences, English and Chinese since 2006. The school was also the appointed examination centre for various leading institutions such as:

- The University of Cambridge International Examinations (the “CIE”) to administer the Cambridge IGCSE examinations and the AS/A Level examination;
- The Oriental Culture Academy to administer the HSK examinations of Hanban;
- The College Board to administer the SAT examinations;
- The training centre for the Duke of Edinburgh’s Award for students who participate in activities for social benefits



### 3. Reasonable Tuition Fee Rates

Rates of tuition fees are one key factor that parents use in selecting schools for their children. In addition to providing quality education that meets international standards, the Company recognises the importance of having reasonable tuition fees which are determined to be in line with similar institutions, the economic conditions of the parents and the cost of operations and are not considered as profiteering.

### 4. Complete and Modern Teaching Materials and Facilities

Teaching materials and facilities are other factors that parents consider when selecting schools for their children. Therefore, the Company focuses on providing a wide range of teaching materials and facilities that are modern and complete in order to create a learning environment that will effectively promote child development. These include libraries, science and computer laboratories, music and art centres, multi-purpose halls including sport stadia, swimming pools and playgrounds.

Singapore International School of Bangkok also recognises the specific need of students in secondary level who would need space to participate in activities in order to fully show their potential. Singapore International School of Bangkok is fully equipped with complete facilities such as:

- Multi-purpose classrooms that are specifically designed for each of the subjects;
- Science laboratories that are specifically designed to suit both the theoretical and practical aspect of the class;
- Information systems on the latest 4G network to ensure fast connectivity for virtual classrooms;
- A new sport complex complete with a 25-metre standard swimming pool, two futsal courts and a multi-purpose building of two floors consisting of a basketball court, a volleyball court, a badminton court and a table tennis hall.
- ‘Silpapirom Creative Arts & Media Centre’ is a creative arts and media centre whose name was granted by Her Royal Highness Princess Maha Chakri Sirindhorn. The centre is used to showcase creative and art work, musical and theatrical talents of

students. It consists of an auditorium of approximately 407 seats, an orchestra pit and a black box which are fully equipped with a studio picture recording system.

- Dormitory houses which are equipped with facilities to provide students with the comfort of a family environment which cultivates independence and well-socialized citizens.

## 5. Holistic Education

In addition to the Singapore Curriculum which is recognised for its academic strength, the Group focuses on ensuring that its international schools provide education using a child-centred approach in which students are encouraged to reach their full potential in all aspects based on a diversity of learning methods, thinking process, including the active learning / hands-on-learning method. Students will achieve creativity and skills from situation-based experience and problem-solving and from participating in extra-curricular activities such as club membership, sports including swimming, gymnastics, football, badminton, table tennis and taekwondo, art and crafts and music all of which are aimed at enhancing the skills and learning of students. Focus is also on fostering awareness of social responsibility for students through social activities such as the 'CSR-EL Project' which allows volunteers to teach English to other schools in neighbouring areas and 'We Give We Share Project' which aims to provide support to communities in rural and impoverished areas.

## 6. Experienced personnel with expertise in school business

The Company has a team of executives, staff and education personnel with vast experience and expertise in private school business both domestically and internationally. This in-depth knowledge and understanding about the international school business, the market, competition and its understanding about the needs of parents and students, results in an effective determination for business development and management strategies and the enhanced competitiveness of the Company. In addition, the Company has the policy of maintaining quality education and expanding its business through human resources and work system development.

## 2.4 Procurement of products and services

### 2.4.1 Curricula

Curricula of formal education for international schools must be reviewed and approved by the OPEC before being used. The current curricula of the Group's schools are the combination of the Singapore and the UK curricula, both of which are generally and internationally accepted. The Singapore Curriculum is used for the provision of primary education with the recognised strengths in Mathematics and Science. These are the foundation for students to select other fields of study in higher education. The UK IGCSE and AS/A Level are used in providing secondary education in which students are offered options to specialise in subjects that are of their specific interest. The curriculum is designed to equip students with an in-depth knowledge in their preferred field of study for higher education at a university level. In addition, the Group's schools provide additional curriculum of Thai language, culture and history to meet the requirements of the OPEC.

In order to ensure that the quality of its education meets international standards, Singapore International School of Bangkok has its education quality assured by leading institutions both domestically and internationally such as the Office for National Education Standards and Quality Assessment (the "ONESQA") (a public organisation), the Council of International Schools (the "CIS") and the New England Association of Schools and Colleges

(the “NEASC”) all of which are internationally renowned education quality assurance institutions. The school also partners with leading institutions in providing an examination venue for the following assessments:

- The Singapore International Primary School Leaving Examination (the “iPSLE”); appointed by the Singapore Examination and Assessment Board (the “SEAB”)
- The Cambridge IGCSE examinations and the AS/A Level examination; appointed by the University of Cambridge International Examinations (the “CIE”)
- The HSK examinations of Hanban; appointed by the Oriental Culture Academy
- The SAT examinations; appointed by the College Board

In addition, the teaching approach of Singapore International School of Bangkok is adopted as a prototype in all SISB schools in order to ensure standardization of education standards across all SISB schools. Each year a working group consisting teams of teachers and academic department staff from every school of the Group will work together on improving the appropriateness of curricula, teaching methods, textbooks and school-based examinations in order to be suitable for students and to keep up with the changing world.

#### 2.4.2 Education Personnel

Education personnel is a key factor to the quality provision of education and academic achievements. Therefore, the Company focuses on the recruitment of teachers and their assistants with required experience and qualifications. Recruitments are made through various channels including websites that are dedicated specifically for education personnel or the Company’s website and participation in job fairs and recruitments through the Board of Executives of the Company which can attract personnel with the required expertise, knowledge and experience in different fields to work with the Company. All teachers and their assistants are required to undergo ongoing training to keep themselves up-to-date with the changing world.

As of the year ended 2018, education personnel of the Group’s schools are as follows:

**Number of Education Personnel**

<b>Education Personnel</b>	<b>31 December 2016</b>	<b>31 December 2017</b>	<b>31 December 2018</b>
Teachers	195	249	280
Teacher Assistants	102	133	149
<b>Total</b>	<b>297</b>	<b>382</b>	<b>429</b>

#### 2.4.3 Locations and School Buildings

Locations for international schools will be selected based on the appropriateness both in terms of demography including the economic growth of the surrounding communities and the competitors with other international schools in the neighbourhood. In addition, locations for international schools must meet the minimum requirements of size under the relevant ministerial regulations which require at least one rai for an international school that provides pre-primary level of education or at least two rai for the provision of primary and secondary education. Legal ownership of the lands could be either the freehold or the leasehold of at least 10 years.

The design and construction of school buildings must take into consideration all relevant legal requirements of both the Department of Public Works and Town Planning and the Ministry of Education in respect of the proportion of the building size to the land size, number of classrooms and the size and the maximum capacity of each classroom. Current locations and school buildings of each school are as follows:

## Singapore International School of Bangkok



<b>Levels of education</b>	: Nursery – Grade 12
<b>School buildings and size of land</b>	: Four school buildings, four activity buildings and two dormitory houses on 20 rai, 2 ngarn and 71.3 square wa.
<b>Maximum capacity</b>	: 2,170 students
<b>Facilities</b>	: Library, science and computer laboratories, music and art room, playground and a sport complex consisting of a standard 25-m pool, a futsal court, a basketball court, a volleyball court, a badminton court and an area for gymnastics including an art exhibition centre consisting of an auditorium with 407 seats, an orchestra pit and a black box and dormitory houses.

## Singapore International School Suvarnabhumi



<b>Levels of education</b>	: Nursery – Primary 6
<b>School buildings and size of land</b>	: Two school buildings on 7 rai, 3 ngarn and 88 square wa.
<b>Maximum capacity</b>	: 640 students
<b>Facilities</b>	: Library, science and computer laboratories, music and art room, a multi-purpose hall, a swimming pool and a playground

## Singapore International School Chiangmai



<b>Levels of education</b>	: Nursery – Primary 6
<b>School buildings and size of land</b>	: One school building on 5 rai, 1 ngarn and 35 square wa.
<b>Maximum capacity</b>	: 310 students
<b>Facilities</b>	: A 20-m swimming pool, a multi-purpose hall, a library, a music room, a science laboratory, a playground and a large green area

## Singapore International School Thonburi



<b>Levels of education</b>	: Nursery – Primary 6
<b>School buildings and size of land</b>	: Two school buildings on 7 rai, and 22 square wa.
<b>Maximum capacity</b>	: 900 students
<b>Facilities</b>	: A 25-m swimming pool, a multi-purpose hall, a library, a music room, a science laboratory, an art and craft room, a playground and a large green area



## Singapore International School Ekkamai



<b>Levels of education</b>	: Nursery – Primary 3
<b>School buildings and size of land</b>	: Two school buildings on 3 rai, 1 ngarn and 51 square wa.
<b>Maximum capacity</b>	: 155 students
<b>Facilities</b>	: A library, a playground and a large lush garden

## Seat Utilisation

	As of year ended 2016	As of year ended 2017	As of year ended 2018
<b>Capacity Seats</b>			
- Singapore International School of Bangkok	1,510	2,170	2,170
- Singapore International School Suvarnabhumi	640	640	640
- Singapore International School Chiangmai	-	310	310
- Singapore International School Thonburi	-	-	900
- Singapore International School Ekkamai	-	-	155
<b>Total</b>	<b>2,150</b>	<b>3,120</b>	<b>4,175</b>
<b>Number of Students</b>			
- Singapore International School of Bangkok	1,419	1,715	1,382
- Singapore International School Suvarnabhumi	286	262	275
- Singapore International School Chiangmai	-	84	147
- Singapore International School Thonburi	-	-	478
- Singapore International School Ekkamai	-	-	87
<b>Total</b>	<b>1,705</b>	<b>2,061</b>	<b>2,369</b>
<b>% of Seat Utilisation</b>	<b>79.30%</b>	<b>66.06%</b>	<b>56.74%</b>

There is a continuous growth in the seat capacity of the Group's schools. In 2017, Singapore International School of Bangkok opened second phase building for secondary level and Singapore International School Chiangmai was opened resulting in the increase of the seat capacity from the original 1,510 students to 2,170 students. In 2018, Singapore International School Thonburi was opened while the Company obtained an additional licence to establish Singapore International School Ekkamai on 11 July 2018 with the maximum capacity of 155 students. These contributed to the increase in the capacity seats to 4,175 students which could meet the expected growth of the Company Group.

## 2.5 Industry

The Company operates an education business. The current overview of the education business is as follows:

### **The Education System in Thailand**

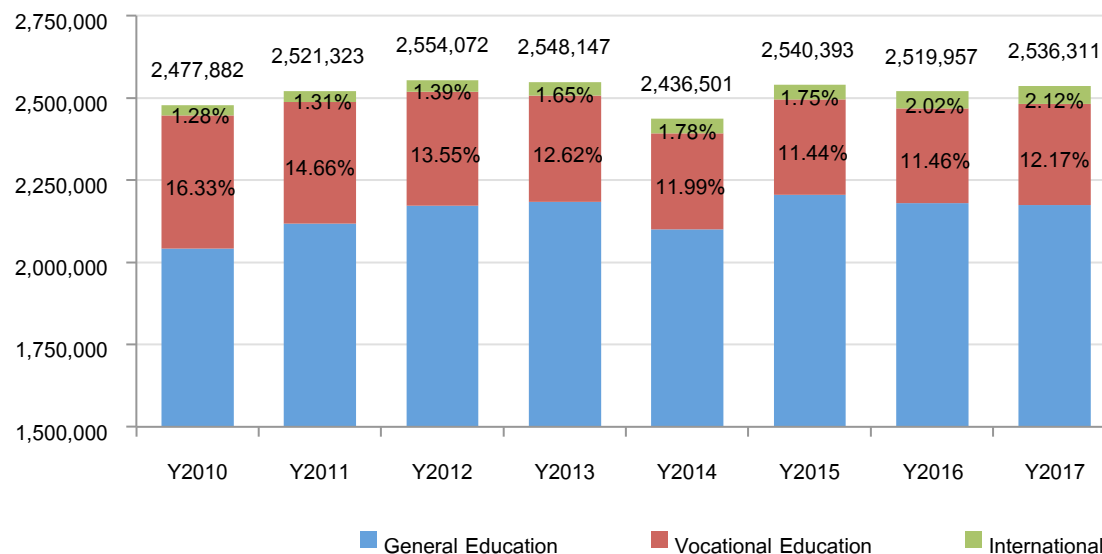
Education in Thailand is governed by the Ministry of Education in accordance with the National Education Act, B.E. 2542 (1999) which requires the state to provide equal opportunity and right to receive quality basic education, provided by the State nationwide, free of charge for a duration of at least 12 years. There are nine years of compulsory education which requires children aged seven to enroll in basic education institutions until the age of 16. To alleviate the burden of education provision for the youth and to provide parents and students with an alternative of education and to create the environment of competition to drive quality and standard developments for the Thai education system, the State has allowed private sectors to participate in the provision of basic education in the form of formal private schools which are managed by the private sector. Education is provided based on clear objectives, teaching methods, curricula, periods of study and assessment for the completion of the education. Currently, there are three types of formal private schools:

- 1.1 General education means schools which provide education based on the curriculum of the Ministry of Education at different levels such as pre-primary (Nursery – Kindergarten), primary and secondary education (lower-secondary and upper-secondary) including general education schools which are bilingual.
- 1.2 Vocational education means schools which provide education based on the curriculum of the Ministry of Education or curriculum approved by the Ministry of Education at different levels such as the Certificate in Vocational Education (Por Wor Chor) and the Technical Diploma (Por Wor Sor) including vocational schools which are bilingual.
- 1.3 International education means: schools which provide education based on either international curricula, or international curricula whose subjects are rearranged or a curriculum that is not prepared by the Ministry of Education but by the school, or the use of foreign languages in providing education without limitations on the nationality or religions of the students.



## Number of Students in Formal Private Schools and Proportion of Each Type of Students

Number of Students (Persons)



Source: Ministry of Education

Education is a key factor that contributes to the development of skills and knowledge required in future careers. It also serves as an important tool for the improvement of one's quality of life. Therefore, most parents recognise the importance of selecting schools for their children. In the fast-changing age of globalisation where all countries, including Thailand, have a more extensive network of communication, English has an important role. This results in a growing number of families that choose international schools for their children in recognition of the importance of languages, particularly English which needs to be taught at an early age. These parents also have confidence in the international curricula which are globally recognised. Consequently, Thailand has seen a dramatic growth in the number of formal private schools in the type of international schools from 126 schools in 2010 to 182 schools in 2017.

### International Schools

International schools are schools which provide education based on international curricula or international curriculum that is adjusted in details of subject or curriculum that is not prepared by the Ministry of Education, but by the school mainly using English and other non-Thai languages in providing the education. There are four categories of international curriculum.

#### **(1) The US Curriculum**

In the American Curriculum, education starts when the children are five years old. In some schools, younger children are admitted to a Pre-School level. This early childhood education focuses on social development skills for the children so they can learn to adapt themselves to the surrounding environment of the school. Children will also be taught and prepared for reading, writing and calculation which is suitable for their age. The Elementary level of education

involves children between six to 18 years old and education at this level will be divided into elementary grade 1 to 5, middle school grades 6 to 8 and high school grades 9 to 12. Students at these levels will be taught using a holistic approach to cover a wide range of academic and extra-curricular activities including sports, branches of Art, academic activities, guidance and personal or small group tuition and school projects. Most schools administer examinations internally to ensure that students have obtained enough credits to complete their basic education according to the American system. In addition, foreign students who wish to apply for a higher education at a university level both in the United States of America and in certain other countries will be required to pass the SAT and/or ACT examination and the TOEFL examination. Alternatively, they may be required to take other forms of examination or presentation of their work to the examining body depending on the specific admission requirements of each university. International schools that use the American curriculum are, for example, Ruamrudee International School and The International School of Bangkok.

## **(2) The UK Curriculum**

The UK curriculum divides learning into key stages each having a clear standard of learning, testing and assessment. Stage One involves students of five to six years old (Years 1 – 2). Stage Two involves students of seven to ten years old (Years 3 – 6). Stage Three involves students of 11 to 13 years old (Years 7 – 9) and Stage Four involves students of 14 – 15 years old (Years 10 – 11), which is considered the final stage before the completion of the mandatory education of the UK. Most students in international schools which use the UK curriculum will spend their two years in taking the International General Certificate of Secondary Education (the “**IGCSE**”) which requires the students to study approximately eight to nine subjects, a minimum of three of which are mandatory including English, Mathematics and Sciences. The remaining subjects are selective. The IGCSE examination is used internationally. After the IGCSE, students who wish to continue their education at a university level abroad will be required to study Stage Five which is called Sixth Form in which students will only study subjects that are required for an application to study at a university level after completion of the last two years. International schools which use the UK curriculum are, for example, Harrow International School and Shrewsbury International School.

## **(3) International Baccalaureate (IB)**

This is the curriculum of the International Baccalaureate Organisation (the “**IBO**”) that was developed by experienced educators for use as an international curriculum with no economic, social or political influence from any nation in particular. Schools are required to obtain approval from the IBO before they can provide education using the IB curriculum and call themselves a member of the IB World School. Teachers in this curriculum are required to undergo professional training and training organised by the IBO. Schools will also be inspected every five years by the IBO committee for the purpose of standard assessment in implementing the curriculum in creating learning experiences, assessing and evaluating the development of students. The IB curriculum is divided into three levels: (i) Early Childhood Level and Primary Years Programme (PYP) which takes eight years and is for children of three to 11 years old; (ii) Middle Years Programme (MYP) which takes five years and is for children of 11 to 16 years; and (iii) Diploma Programme (IBDP) which takes two years and is for children of 16 to 18 or 19 years old. During the last year of the IBDP, students are required to sit the IBO central examination which takes place at the same time around the world. International schools that use the IB curriculum are, for example, The New International School of Thailand and KIS International School.

#### (4) Other international curricula

In addition to the IB curriculum, the US and the UK curricula, there are certain number of international schools which provide education using curricula of other countries. These schools have the objective of facilitating the students and their families which reside in Thailand for a short period or Thai families who prefer that their children study using curriculum of the countries where they wish to continue their university education. These schools provide education in their native language and are supported by the government of their countries. Each of these schools have different strengths such as:

- **Curricula of Switzerland, Germany or Australia**

Provision of education using these curricula focuses on teaching students at kindergarten and primary level to learn to read and calculation through playing. Academic teaching and learning will begin at a higher level. Students will be taught to have respect for themselves and for others and to have tolerance for religious and cultural differences through learning different basic subjects. There are usually choices of language between English and German. French may also be an option. International schools that use these curricula are, for example, The Swiss School of Bangkok and The Christian German Chiangmai School.

- **Singapore curriculum**

Most international schools in Thailand that use the Singapore curriculum provide education in three languages: English, Thai and Chinese and have more focus on the academic aspect of education than international schools in the western system. Particular focus is on Mathematics, Sciences, English and Chinese. Based on the examination results of the Programme for International Student Assessment (PISA) in 2015 (held every three years) on three subjects: Mathematics, Sciences and Reading among students of 15 years from participating countries, Singapore ranks number one in the world for all three subjects. International schools that use the Singapore curriculum are, for example, Singapore International School of Bangkok and Anglo Singapore International School.

The steady growth in popularity of international curricula is due to the parents' increased recognition of the importance of English because they believe that a good English skill would enable to students improve their quality of life and to have a good future. This results in a trend of teaching English to children in their early childhood. Parents also have confidence in international schools and international curricula that meet standards. Key factors that are considered in selecting schools are:

- Curricula that can best promote the learning of the children;
- Extra-curricular activities to enhance learning out of classrooms;
- Teachers;
- Tuition fee rates;
- Academic accreditation;
- Location and size of schools including facilities

According to the OPEC, international schools in Thailand have enjoyed continued growth at a CAGR of 5.39 percent from 126 schools in 2010 to 182 schools in 2017. The number of students in international schools has increased at a CAGR of 7.77 percent from 31,839 students in 2010 to 53,754 students in 2017.

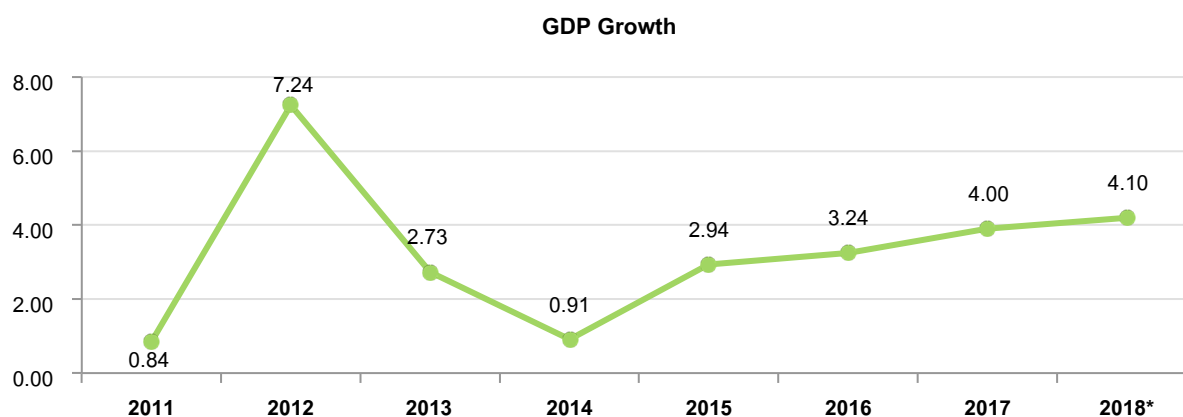
	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>Students in international curricula</u></b>								
- Number (student)	31,839	33,048	35,436	40,439	42,332	44,497	50,958	53,754
- CAGR		3.80%	7.23%	14.12%	4.68%	5.11%	14.52%	5.49%
<b><u>Schools using international curricula</u></b>								
- Number (school)	126	133	138	143	154	161	175	182
- CAGR		5.56%	3.76%	3.62%	7.69%	4.55%	8.70%	4.00%

Source: the OPEC

International school business is expected to continue to grow because of the following factors:

1) Economic Growth

According to a report of the Office of the National Economic and Social Development Council the GDP for the year 2018 grow at 4.1 percent from 4.0 percent in 2017. The value of export grow at 7.7 percent while private consumption grow at 4.6 percent and government spending at 1.8 percent. Total investment grow at 3.8 percent, which can be divided into growth in government investment at 3.3 percent and growth in private investment at 3.9 percent. The general average inflation rate is 1.1 percent. Disposable income per capital has increased at 5.32 percent from THB 228,398 per capita in 2017 to THB 240,545 per capita in 2018. This demonstrates an increase in overall purchasing power of the country and a positive economic trend because of both GDP growth and increased per capita income.

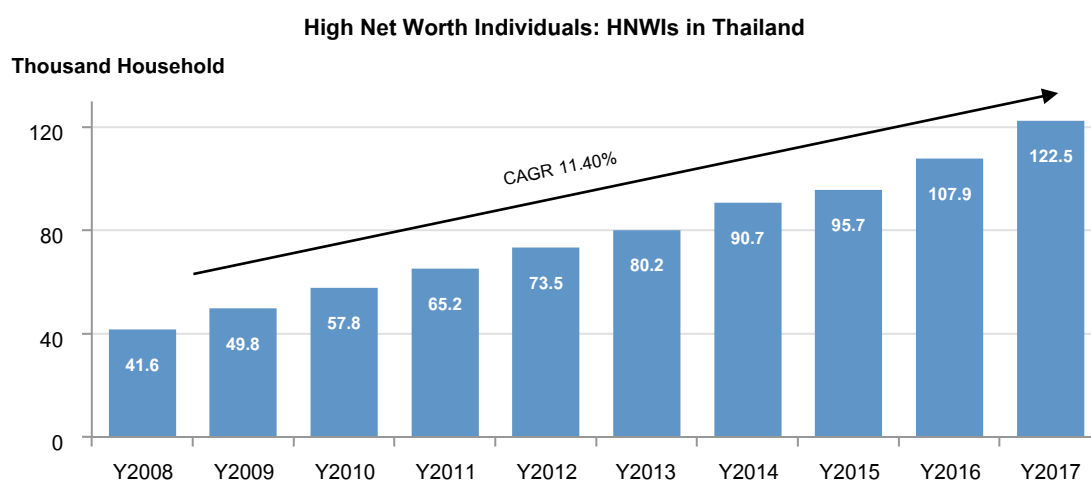


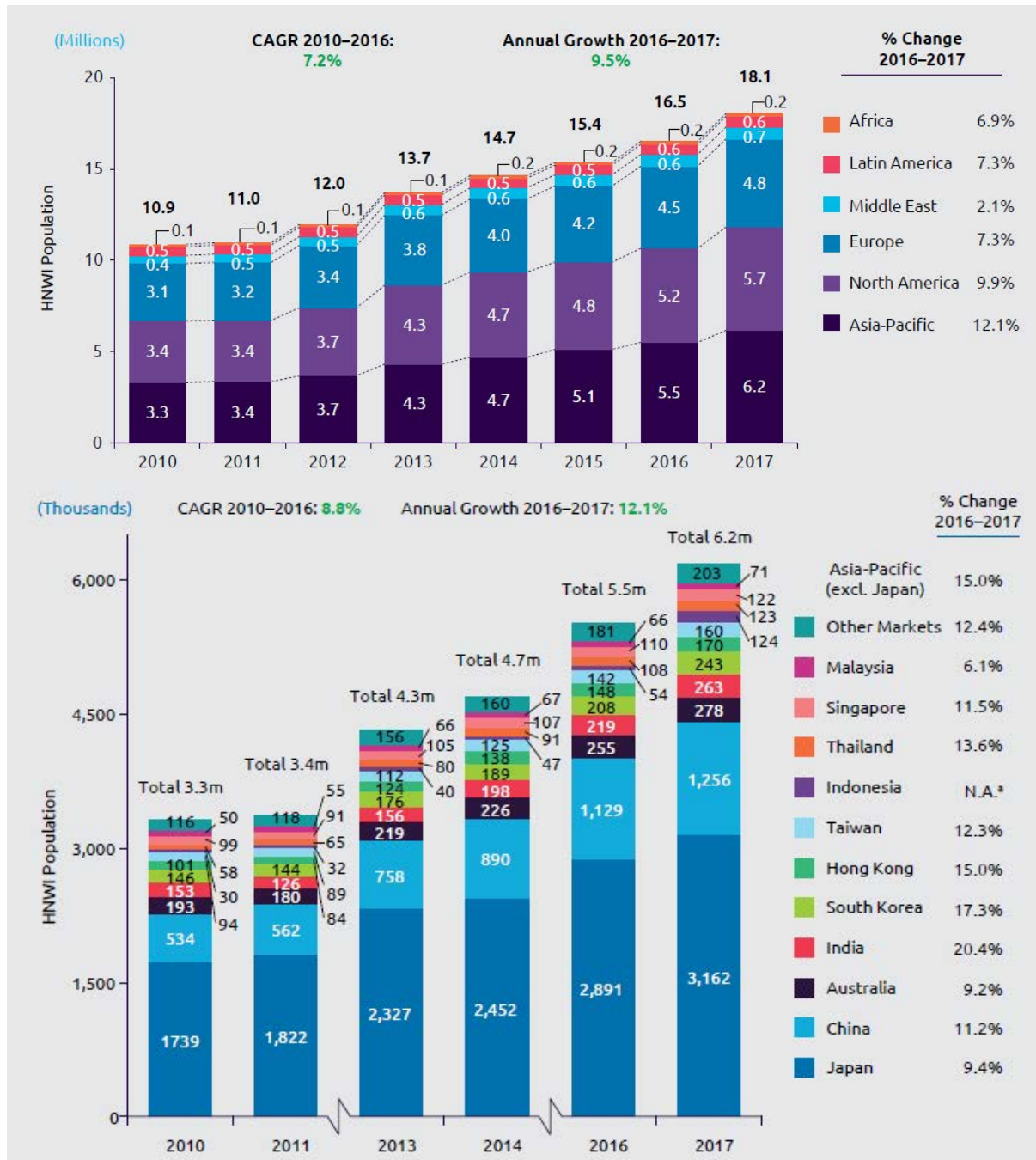
	2011	2012	2013	2014	2015	2016	2017	2018
Per capita income (THB/capita/annum)	155,926	167,501	174,337	195,995	203,356	212,455	228,398	240,545

CAGR	3.87%	7.42%	4.08%	12.42%	3.76%	4.47%	7.50%	5.32%
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Source: The Office of the National Economic and Social Development Council

In addition, according to the World Wealth Report, there is a continuous growth in the number of High Net Worth Individuals (HNWIs) (i.e. wealthy families with more than USD 1,000,000 or at least THB 35 million excluding residences, belongings and collections) from 2008 – 2017 at a CAGR of 11.40. In 2017, the number of HNWIs in Thailand has increased by 13.6 percent from 2016, which was higher than the average of the world (9.5 percent) and higher than the average of Asia Pacific countries (12.1 percent). This demonstrates growth in the high purchasing-power population which are target customers of international schools. This also demonstrates a good trend of business growth for international schools in Thailand.





Source: Capgemini World Wealth Report, 2018

## 2) Demographic trends

According to the Department of Provincial Administration, Ministry of Interior, the Thai population has increased at a CAGR of 0.40 percent from 63.34 million in 2012 to 64.63 million in 2017. The Office of the National Economic and Social Development Council estimates that the Thai population will increase to 66.21 million in 2022 and will decrease to 64.84 million in 2037 due to low fertility.

Based on the forecast of the Office of the National Economic and Social Development Council, Thailand will become an aged society with more than 20 percent of total population being elderly persons while the population aged between 0 – 19 years decreases from 24.28 percent in 2017 to 22.49 percent in 2022.

	2012	2013	2014	2015	2016	2017	2022F	2027F	2037F
Number of population (in million)	63.34	63.65	63.95	64.22	64.42	64.63	66.21	66.36	64.84
Population by age groups (%)									
0-19 years	26.27%	25.87%	25.46%	25.06%	24.67%	24.28%	22.49%	21.07%	18.63%
20-59 years	59.56%	59.41%	59.23%	59.04%	58.82%	58.59%	56.96%	54.60%	50.65%
60 years or more	14.17%	14.73%	15.30%	15.90%	16.51%	17.13%	20.55%	24.33%	30.72%

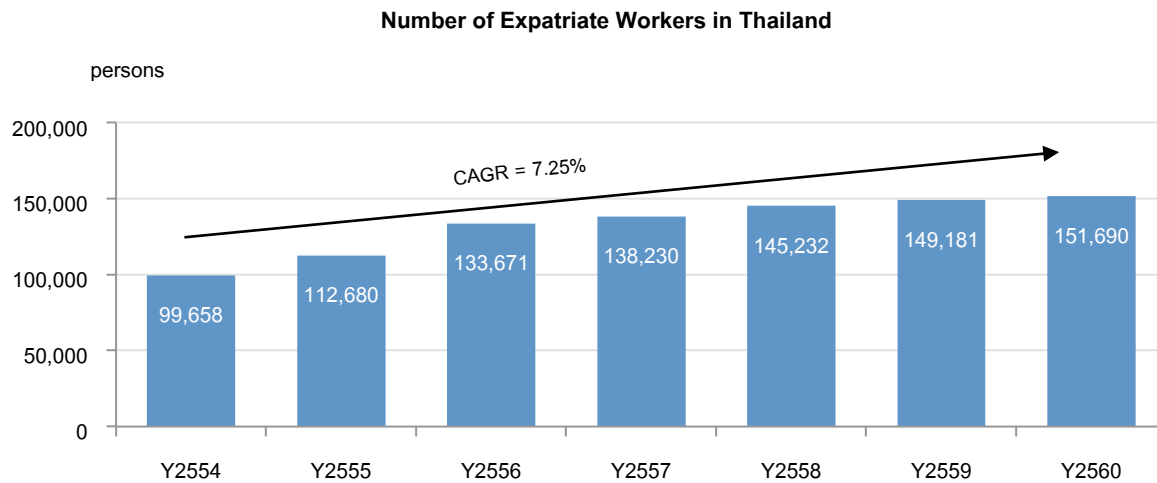
Source: Department of Provincial Administration, Ministry of Interior and the Office of the National Economic and Social Development Council

This demographic change has caused the government to adapt itself and prepare for a society of an ageing population. The National Economic and Social Development Plan No. 12 (2017 – 2021) focuses on the readiness of human resources and the enhancement of potential for population of all ages. It shows special focus on all dimensions of human resource development across all ages to be a high-quality human capital, particularly with respect to the development of education and preparedness of young children. They will be the quality human resources in the future to meet the needs of the workforce. This can be achieved through developing foundations of skills that are necessary for life in the 21<sup>st</sup> century for persons of each age group.

The demographic change of low fertility and decreased younger population resulted in Thai families becoming smaller and parents focusing more on the quality of education for children. The ability to use foreign languages has increased in importance in Thai society. Therefore, Thai parents have a growing demand for international schools because they need their children to develop expertise in the English language.

### 3) Number of expatriate workers in Thailand

In 2017, there are approximately 150,000 expatriate workers in Thailand (only expatriate workers who have obtained a work permit to do general work and who are skilled workers in higher position and who have come to work in Thailand under the law on promotion of investment and other laws). From 2011 until 2017, the number of expatriate workers in Thailand has increased at a CAGR of 7.25 percent. The Eastern Economic Corridor (the “EEC”) initiative of the government is expected to attract an increased number of foreign investors thus resulting in growing number of expatriate workers at managerial and expert level to come to work in Thailand and consequently drive an increased demand for international schools.



Source: Ministry of Labour

## 2.6 Competition

Currently, there are 182 international schools in Thailand that are providing education based on different international curricula such as the UK and the US curricula, the IB curriculum and other international curricula such as the Singapore curriculum, curricula of Switzerland, Germany or Australia. There are 139 international schools that are members of the International School Association of Thailand ([www.isat.or.th](http://www.isat.or.th) as of 4 February 2019). There are 44 international schools which operate with quality assurance from international quality assurance institutions (including schools within the group) and are in Bangkok and the vicinity and which have similar business operations to those of the international schools of the Group. Details are as follows:



**Details of international schools that have international quality assurance (including schools within the same group) and are in Bangkok and the vicinity**

	International Schools	District/ Province <sup>1/</sup>	Available Levels <sup>1/</sup>				Curricula <sup>1/</sup>	International Quality Assurance <sup>1/</sup>	Rates of Tuition Fees per Year for 2018 – 2019 Academic Year (THB) <sup>2/</sup>
			Nursery - Kindergarten	Primary	Lower Secondary	Higher Secondary			
1	Shrewsbury International School	Bang Ko Laem/Bangkok	/	/	/	/	British	CIS	552,900 to 993,300
2	International School Bangkok	Pakkret/Nonthaburi	/	/	/	/	American, IB	WASC	536,000 to 974,900
3	NIST International School	Wattana/Bangkok	/	/	/	/	IB	CIS, NEASC	515,600 to 937,900
4	Harrow International School	Don Muang/Bangkok	/	/	/	/	British	CIS	448,900 to 934,900
5	Bangkok Patana School	Bang Na/Bangkok	/	/	/	/	British, IB	CIS, NEASC	421,500 to 820,500
6	Concordian International School	Bang Phlee/Samutprakarn	/	/	/	/	IB	CIS, NEASC	492,200 to 757,600
7	KIS International School	Huay Kwang/Bangkok	/	/	/	/	IB	CIS	347,400 to 731,300
8	Ruamrudee International School	Meenburi/Bangkok	/	/	/	/	American	WASC	378,400 to 709,500
9	Berkeley International School	Bang Na/Bangkok	/	/	/	/	American	WASC	443,675 to 717,158
10	Anglo Singapore International School	Phra Kanong/Bangkok	/	/	/	/	British, Singapore	CIS, WASC	297,300 to 683,000 <sup>3</sup>
11	St. Andrews International School Bangkok	Phra Kanong/Bangkok	/	/	/	/	British	CfBT	312,000 to 656,000
12	The Regent's School, Bangkok	Wang Thong Lang/Bangkok	/	/	/	/	British, IB	CIS	349,410 to 655,200
13	The American School of Bangkok	Wattana/Bangkok	/	/	/	/	American	WASC	321,000 to 641,000

	International Schools	District/ Province <sup>1/</sup>	Available Levels <sup>1/</sup>				Curricula <sup>1/</sup>	International Quality Assurance <sup>1/</sup>	Rates of Tuition Fees per Year for 2018 – 2019 Academic Year (THB) <sup>2/</sup>
			Nursery - Kindergarten	Primary	Lower Secondary	Higher Secondary			
1 4	Bromsgrove International School Thailand	Meenburi/Bangkok	/	/	/	/	British	CIS	303,150 to 607,680
1 5	Bangkok International Preparatory & Secondary School	Wattana/Bangkok	/	/	/	/	British	CIS, NEASC	460,000 to 602,000
1 6	Singapore International School of Bangkok	Wang Thong Lang/Bangkok	/	/	/	/	British, Singapore	CIS, NEASC	304,500 to 598,500
1 7	St. Stephen's International School (Bangkok)	Chatuchak/Bangkok	/	/	/	/	British	CIS, NEASC	326,350 to 598,150
1 8	St. Andrews International School, Bangna	Bang Na/Bangkok	/	/	/	/	British	CfBT	510,615 to 586,400
1 9	St. Andrews International School Samakee	Muang/Nonthaburi	/	/	/		British	CfBT	581,200 to 581,200
2 0	St. Andrews International School Sathorn	Bangrak/Bangkok	/	/			British	CfBT	510,615 to 553,050
2 1	Ascot International School	Saphan Soong/Bangkok	/	/	/	/	British	CIS, WASC	280,050 to 495,900
2 2	Charter International School	Prawes/Bangkok	/	/	/	/	British	CIS, WASC	270,000 to 495,000
2 3	International Community School	Bang Na/Bangkok	/	/	/	/	American	WASC	285,300 to 482,600

	International Schools	District/ Province <sup>1/</sup>	Available Levels <sup>1/</sup>				Curricula <sup>1</sup>	International Quality Assurance <sup>1/</sup>	Rates of Tuition Fees per Year for 2018 – 2019 Academic Year (THB) <sup>2/</sup>
			Nursery - Kindergarten	Primary	Lower Secondary	Higher Secondary			
2 4	St. Andrews International School Dusit	Dusit/Bangkok	/	/			British	CfBT	345,600 to 477,675
2 5	RBIS-Rasami British International School	Phyathai/Bangkok	/	/	/	/	British	CfBT	210,000 to 459,000
2 6	Traill International School	Hua Mak/Bangkok	/	/	/	/	British	CfBT	288,300 to 448,350
2 7	Wells International School	Phrakanong/Bangkok	/	/	/	/	American, IB	WASC	200,000 to 440,000
2 8	Garden International School, Bangkok	Yannawa/Bangkok	/	/			British	CfBT	195,600 to 414,000
2 9	Keera-Pat International School	Bangkhen/Bangkok	/	/	/	/	American	WASC	250,000 to 400,000
3 0	Thai-Chinese International School	Bang Phlee/Samutprakarn	/	/	/	/	American	WASC	309,979 to 398,462
3 1	Heathfield International School	Saphan Soong/Bangkok	/	/	/	/	British	CIS, CfBT	235,200 to 335,600
3 2	Thai-Singapore International School	Muang/Samutprakarn	/	/	/		Singapore	CfBT	171,000 to 330,000
3 3	Niva International School	Bangkapi/Bangkok	/	/	/	/	American	WASC	169,000 to 275,000
3 4	Kevallee International School	Klong Sam Wa/Bangkok	/	/	/	/	American	WASC	150,000 to 240,000

	International Schools	District/ Province <sup>1/</sup>	Available Levels <sup>1/</sup>				Curricula <sup>1/</sup>	International Quality Assurance <sup>1/</sup>	Rates of Tuition Fees per Year for 2018 – 2019 Academic Year (THB) <sup>2/</sup>
			Nursery - Kindergarten	Primary	Lower Secondary	Higher Secondary			
35	Thai-Sikh International School	Muang/Samutprakarn	/	/	/	/	British	CIS	169,000 to 225,000
36	Bangkok Grace International School	Wang Thong Lang/Bangkok	/	/	/	/	American	WASC	128,000 to 213,400
37	International Pioneers School	Klongsan/Bangkok	/	/	/	/	British	WASC	129,000 to 208,000
38	Modern International School, Bangkok	Wattana/Bangkok	/	/	/	/	British	CfBT	157,000 to 207,000
39	Ramkhamhaeng Advent International School	Bangkapi/Bangkok	/	/	/	/	American	WASC	157,500 to 177,500
40	Ekamai International School	Wattana/Bangkok	/	/	/	/	American	WASC	140,000 to 163,500
41	Crescent International School	Sathorn/Bangkok	/	/	/		British	CfBT	n/a
42	Pan-Asia International School	Prawes/Bangkok	/	/	/	/	American	WASC	n/a
43	The Early Learning Centre International School	Wattana/Bangkok	/	/			Canadian	CIS, WASC	n/a
44	Topsy Turvy International School	Klongtoei/Bangkok	/	/			British	CIS	n/a

Source: <sup>1/</sup>ISAT

<sup>2/</sup>website and/or documents of each school

<sup>3/</sup>Rates of the 2017 – 2018 academic year

Among the considerable number of international schools in Bangkok and the vicinity that have international quality assurances which provide education using a wide variety of international curricula, SISB Public Company Limited prides itself on the academic strength of the Singapore curriculum which focuses on Mathematics and Science, and the trilingual environments of education in English, Chinese and Thai. Singapore International School of Bangkok is the first international school in Thailand to use the Singapore curriculum in providing education. Currently, apart from the international schools of the Group, there are two other international schools: Anglo Singapore International School and Thai-Singapore International School that provide education using the Singapore curriculum with international quality assurance. Therefore, competition in providing education using this curriculum is limited.

In addition to providing quality education using international recognised curricula, the Group focuses on determining appropriate rates of tuition fees to correspond with the competition and economic conditions to ensure that the rates are reasonable. The Group has also expanded its international school business to areas of residence of target customers both in Bangkok, the vicinity and other provinces such as Singapore International School Suvarnabhumi, Singapore International School Chiangmai, Singapore International School Thonburi and Singapore International School Ekkamai. The Company provides complete and diverse teaching materials and facilities to ensure that each of its schools has appropriate learning environments to effectively promote development of the children. Particularly at Singapore International School of Bangkok, students can benefit from full and complete facilities including a modern sports complex with a standard swimming pool, a futsal court, a multi-purpose hall and a performing arts centre. There is also an auditorium of 407 seats equipped with an orchestra pit and a black box. The school also provides dormitory houses and facilities for both Thai and foreign students. These key features of the Group's international schools contributed to the increase in the number of students from 35 in 2011 when Singapore International School of Bangkok first opened to 2,369.

There is a growing tendency for Chinese parents to send their children to international schools in Thailand because of the considerably high cost of education of international schools in China. Tuition fees of international schools in Shanghai are considered the world's highest with a cost of approximately USD 2,744 per child per month, followed by international schools in Beijing at USD 2,519 per child per month while cost of education in international schools in Bangkok is USD 1,032 per child per month (source: South China Morning Post on 14 August 2018). This presents a good opportunity for international schools of the Group to provide education in both English and Chinese at a reasonable rate of tuition fees. Singapore International School of Bangkok also provides dormitory facilities to accommodate this tendency.

## 2.7 Environmental Impact

N/A

## 2.8 Undelivered Work

N/A

## 3. Risk Factors

Before investing in the ordinary shares of the Company, prospective investors should pay particular attention to the risk factors of the Company. In addition to risk factors disclosed in this document, there may be other possible risks in the future that the Company may not be aware of now, or which are now considered to have negligible impact on business operations of the Company. Investors are advised to use their own judgement in making an investment decision. Key risk factors of the Company including relevant mitigations can be summarised as follows:

### 3.1 Competition Risks in the International School Business

Thai families have less children and are now becoming smaller. As a result, parents focus more on the quality of education for their children. The ability to use foreign languages has increased in importance in Thai society. This leads to a growing demand of Thai parents for international schools because they need their children to develop expertise in the English language in preparation for higher education abroad or in educational institutions in Thailand that teach international curricula. According to the OPEC, the number of students in international schools in Thailand has increased at a CAGR of 7.77 percent from 31,839 students in 2010 to 53,754 students in 2017. The steady growth in the market for international markets resulted in an increase in the number of new international schools in Thailand at a CAGR of 5.39 percent from the academic year 2010 to 2017 to 182 schools in 2017. The growth has caused an increased competition in international school business where international schools need to improve their quality of education provision and services including public relations and marketing efforts to attract students and parents.

There are diverse curricula in providing education at international schools (i.e. provision of education using the UK and the US curricula and the IB curriculum). The Group uses the Singapore curriculum in providing education at its international schools. Singapore International School of Bangkok was the first in Thailand to use the Singapore curriculum in providing education with its strength of more focus on academic aspect of education than the western curricula. The curriculum focuses on Mathematics and Sciences with a trilingual learning environment where students are taught in English, Chinese and Thai. Currently, there are only a few other international schools that provide education using the Singapore curriculum.

The international schools of the Group have an established reputation for more than 17 years. Its quality of education has been well recognised among parents through word of mouth. Currently, the Company has increased its public relation efforts to reach its target customers using various channels such as the Company's website, brochures, magazines, online social media and participation in education fairs. The schools also have their Admissions Staff ready to provide information on the school, its curriculum and teaching methods. There are also school tours and short trial courses provided to allow children and parents to experience the actual teaching and learning environment of the school. The Company has also partnered with international companies and organisations which have their branches in Thailand to provide education to staff of these organisations as part of their welfare benefits. In addition, the Company has appointed education agents abroad to provide advice and liaison to facilitate foreign students in making the decision to study in any of the international schools operated by the Group. Singapore International School of Bangkok provides additional dormitory services for students from abroad. The Company also constructed dormitory houses with complete facilities to accommodate students from abroad. In addition, the Company focuses on the importance of ongoing development of its provision of education to meet international standards. International schools of the Group have quality assurance from leading institutions both domestically and internationally. This has led to a continued growth in the number of students of international schools of the Group. School withdrawal rates are at approximately 3.85 percent per term (Academic year 2015, 2016 and 2017). The management believes that based on the long-established reputation of the schools, a unique and efficient curriculum and reasonable rates of tuition fees international schools of the Group will continue to gain increased interest of parents.

### 3.2 Risks of shortage of education personnel

Education personnel including the management team, teachers and their assistants are key to the operations of school business. The Company relies on education personnel that have knowledge and experience in providing education. There is a growing demand for education personnel due to the planned expansion of international school business. Therefore, if the Company cannot retain education personnel on a long-term basis or could not have a

timely and sufficient recruitment of education personnel, the business operation and competitiveness of the Company may be affected, and the business expansion plan may not meet the projections.

The Company has never experienced shortage of education personnel. However, the Company recognises the importance of education personnel and focuses on the selection and recruitment of education personnel with the appropriate qualifications by working with the Human Resources Department. It also has the policy of retaining education personnel on a long-term basis by providing reasonable rates of remuneration and welfare incentives to create a sense of loyalty and to promote growth in their career path. In addition, the Company has the policy of carrying out ongoing human resource development initiatives with the aim to enhance knowledge and skills of its staff. Most education personnel have been with the Company for a long time. Therefore, the Company believes that the policy will help retain key personnel with the Company on a long-term basis and that the Company will be able to recruit education personnel that are sufficient for the implementation of the Company's plans.

### **3.3 Risks of dependence on key management in business operations**

Mr. Yew Hock Koh and Ms. Wilawan Kaewkanokvijit are two major shareholders of the Company and are key management staff members with long experience in the business management of private schools. They have an in-depth understanding about school business and are the key policymakers to determine directions for business management to achieve continued growth. The Company may have the risks of dependence on these two management members. Any change to these two management positions may have an impact on the Company's operations in the future. However, after the offering of shares, Mr. Yew Hock Koh and Ms. Wilawan Kaewkanokvijit will maintain their shareholding in the Company at 32.84 percent and 29.04 percent respectively of the total paid-up registered capital of the Company, which is considered a very high interest and an incentive for these two management staff to carry on contributing to the growth of the Company. In addition, the Company focuses on developing an expert and knowledgeable management team and hiring third party professionals to help with the management.

### **3.4 Risks from legal requirements and government policies relating to the business of private schools**

The Company is the holder of licences to establish private schools in accordance with the Private Schools Act, B.E. 2550 (2007) (the "**Private Schools Act**") and is subject to the supervision of the OPEC, the Office of the Permanent Secretary, Ministry of Education which is a government agency charged with the duties to supervise operations of private school businesses. The Company has the duty to comply with the Private Schools Act and to maintain qualifications of licence holder pursuant to Section 22 (2) which requires that the Company shall have its share capital of Thai partners at least one half of the total number of share capital or interests. In addition, the Company shall comply with other relevant law, acts, notifications and regulations. If in the future the Company could not maintain the required qualifications under the Private Schools Act or any amendment to regulations or issuance of new regulations that are more stringent for private schools, the business operations of the Company may be materially impacted.

The Company recognises these legal risks and has always strictly complied with regulations that are applicable to it. It has also engaged legal advisers to advise on compliance with laws where it considers it necessary. The Company will closely monitor any changes and/or amendments to laws that are applicable to it to ensure that it can correctly comply with these laws, and to be able to devise any mitigation of possible risks and impacts in a timely manner. For the purpose of complying with the requirements of the qualifications under Section 22 (2) of the Private Schools Act, the Company will close its shareholders' register book to determine the number of its shareholders regularly. The Board of Directors Meeting No. 7/2018 on 17 October 2018 resolved to approve a measure to monitor the Company's qualifications as the holder of the licences to establish schools and to authorise the Company Secretary to have the duty of monitoring and complying with such measures and report the results to the Board of Directors regularly.

### **3.5 Risks of having shareholders that hold 25 percent or more shares**

As of 31 December 2018, the Company's Chief Executive Director, Mr. Yew Hock Koh and the Director of Admissions, Ms. Wilawan Kaewkanokvijit hold respectively 32.84 percent and 29.04 percent of total issued shares of the Company. This shareholding percentage enables them to exercise veto right to any material resolutions at the general meeting of shareholders for matters that are required under the law or the Company's Articles of Association to be resolved by at least three-quarters of the total number of voting rights of shareholders who are present at the meeting and who are entitled to vote such as the acquisition or disposal of material assets, the connected transactions, the capital increase or decrease and the amalgamation.

However, the Company has appointed an Audit Committee to have the duty of auditing, reviewing and scrutinising transactions to ensure that there is no possible conflict of interests in the future and to ensure transparency in the dealings of the Company. In addition, there are four Independent Directors (including the Chairman of the Board of Directors) out of seven members of the Board of Directors. This structure of management will create a check and balance for matters that need voting to ensure that the Company has appropriate and most efficient corporate governance.

#### 4. Assets used in business operations

##### 4.1 Details of assets used in business operations

As of 31 December 2018, the Company has the following assets for use in its business operations:

Types/ Characteristics of Assets	Types of Legal Ownership	Net Book Value (THB in Million)
Land – Singapore International School Thonburi Land title deed number 378 and 4808 Phasi Chaoren District, Bangkok 7 rai, 22.9 square wa (Freehold of Singapore International School Thonburi)	Freehold	83.28
Buildings, adjustments and work systems	Freehold	1,149.77
Education materials	Freehold	48.64
	Hire Purchase	8.66
Decorations	Freehold	44.86
Office appliances	Freehold	1.15
Vehicles	Freehold	2.17
Work in progress	Freehold	49.08
<b>Total</b>		<b>1,387.61</b>

Note: The Company as the holder of licences to establish formal education schools is required to comply with Section 25 of the Private Schools Act, B.E. 2550 (2007), as amended in 2011, after the school has become a juristic entity, to transfer ownership in or right of possession of land and any immovable properties attached thereto or the right to lease specified under the application for the licence to the formal education school within 120 days from the date on which the Company has obtained the licence, and shall transfer money and such other assets that are capital to the school.



## 4.2 Business licences

Licence	: Licence to establish formal education schools No. Kor Nor 001/2545
Date of obtaining the licence	: 24 August 2001
Licensor	: Secretary-General of the Private Education Commission
Licensee	: SISB Public Company Limited
Details:	: Licensed to establish a private school under the name Singapore International School of Bangkok

Licence	: Licence to accept transfer of formal education school No. 001/2556
Date of obtaining the licence	: 26 July 2013
Licensor	: Director of Primary Education Service Area Office 2 Samutprakarn
Licensee	: SISB Public Company Limited
Details:	: SISB Public Company Limited is licensed to accept transfer of a formal education international school named Nanthawan International School (the name was later changed to Singapore International School Suvarnabhumi) under the licence number Sor Por (2) 001/2553

Licence	: Licence to establish formal education schools No. Kor Nor 04/2560
Date of obtaining the licence	: 10 October 2017
Licensor	: Secretary-General of the Private Education Commission
Licensee	: SISB Public Company Limited
Details:	: Licensed to establish a private school under the name Singapore International School Thonburi

Licence	: Licence to establish formal education schools No. Kor Nor 03/2561
Date of obtaining the licence	: 11 July 2018
Licensor	: Secretary-General of the Private Education Commission
Licensee	: SISB Public Company Limited
Details:	: Licensed to establish a private school under the name Singapore International School Ekkamai

Licence	: Licence to establish formal education schools No. Chor Mor. 01-003/2559
Date of obtaining the licence	: 28 December 2016
Licensor	: Director of Primary Education Service Area Office 1 Chiangmai
Licensee	: SISB-SIRI Company Limited
Details:	: Licensed to establish a private school under the name Singapore International School Chiangmai

### 4.3 Summary of Material Agreements

Name of Agreement	:	Joint Venture Agreement
Parties	:	(1) SISB Public Company Limited (the “ <b>Company</b> ”) (2) Group of Five Businessmen and related companies in Chiangmai (the “ <b>Joint Venture Partner</b> ”)
Objectives	:	To incorporate SISB-SIRI Company Limited as a joint venture to operate the business of holding a licence to establish an international school in Chiangmai (Singapore International School Chiangmai)
Execution Date	:	24 December 2015
Details of shareholders and shareholding percentage	:	SISB holds 5,000,000 shares representing 50.00 percent of the registered capital The Joint Venture Partner holds 5,000,000 shares representing 50.00 percent of the registered capital (Currently, SISB-SIRI has increased its registered capital to 13,000,000 shares. Each of the Company and the Joint Venture Partner holds 6,500,000 shares)
Share transfer	:	If any group of shareholders wishes to transfer the shares (all shares held by the group shall be subject to transfer) to any third party, the shares shall be offered to the other group of shareholders who shall have the Right of First Refusal
General meeting of shareholders	:	<ul style="list-style-type: none"> <li>▪ At least shareholders or their proxy holding in aggregate 51 percent of total issued shares shall be required in order to constitute a quorum.</li> <li>▪ One share shall have one vote at a general meeting. The Chairman shall have no casting vote in case of a vote tie.</li> <li>▪ General resolutions require a vote of at least 51 percent of total voting rights of shareholders who attend the meeting and are entitled to vote.</li> </ul>
Directors and their voting rights	:	<ul style="list-style-type: none"> <li>▪ There is a total of four directors on the Board of Directors</li> <li>▪ Each group of shareholders shall have the right to nominate two persons to be appointed to the Board of Directors</li> <li>▪ The Board of Directors shall elect one among themselves to be the Chairman of the Board of Directors</li> <li>▪ At least more than half the number of the total number of directors shall be required at any Board of Directors meeting in order to constitute a quorum</li> <li>▪ Each director shall have one vote. Resolutions of the Board of Directors meeting shall require the majority votes of directors who attend the meeting and shall at least consist of an approval vote from at least one director of each group of shareholders. In the</li> </ul>

case of a vote tie, the Chairman of the Board of Directors shall have no casting vote.

- Authorised signatories shall be one director from each group of shareholders who will jointly sign and affix the Company's seal

Other terms and conditions

If any group of shareholders intends to establish an international school in Chiangmai or invest in any company which is the holder of a licence to establish an international school in Chiangmai, a proposal shall always be made to the other group of shareholders first in order to have a 50:50 ratio of investments.

Name of Agreement	:	Licensing Agreement
Parties	:	(1) SISB Public Company Limited (the " <b>Company</b> ") as the Licensor (2) SISB-SIRI Company Limited (" <b>SISB-SIRI</b> ") as the Licensee
Nature of Agreement	:	The Company grants SISB-SIRI the right to use intellectual property and trade data of the Company for the purpose of managing Singapore International School Chiangmai
Term of Agreement	:	15 years (from 1 January 2017 – 31 December 2031) with an option of renewal each for another term of 15 years upon written notice by either party to the other party at least 180 days before the expiry of the term.
Material terms of the Agreement	:	<ul style="list-style-type: none"> <li>■ SISB-SIRI has the non-exclusive and non-transferable right to (i) use service mark, trademark, trade name, copyright, signs and logo and/or other intellectual properties; and (ii) use proprietary information of the Company such as management, curricula, teaching method, school uniform, regulations and announcements</li> <li>■ The Licensee has the right to develop, manage, market and carry out public relations only for Singapore International School Chiangmai</li> <li>■ The licence fee will be determined from the operating results of the school as may be agreed by both parties</li> </ul>

Name of Agreement	:	Advisory and Management Assistance Service Agreement
Parties	:	(1) SISB Public Company Limited (the " <b>Company</b> ") as the Adviser (2) SISB-SIRI Company Limited (" <b>SISB-SIRI</b> ") as the holder of a licence to establish Singapore International School Chiangmai
Nature of Agreement	:	The Company provides advisory services on all matters relating to the application for the licence to establish the school including the management of the school.
Term of Agreement	:	15 years (from 1 January 2017 – 31 December 2031 with an option of renewal each for another term of 15 years upon a written notice by either party to the other party at least 180 days before the expiry of the term.
Material terms of the Agreement	:	<ul style="list-style-type: none"> <li>■ The Company provides advisory services for matters relating to</li> </ul>

the business of the school such as (1) application for the licence to establish the school (2) procurement of land, buildings and facilities (3) appointment of personnel in each position to comply with the Private Schools Act (4) advice on the holder of the licence and the executive board of the school to carry out the school business (5) closing of all books and accounts (6) services relating to recruitment of education personnel for the school

- Advisory fees will be determined from the operating results of the school as may be agreed by both parties

## 4.3 Summary of Material Lease Agreements

Parties	:	An individual as the "Lessor" SISB Public Company Limited as the "Lessee"
Execution Date	:	1 February 2014
Relationship with the Company	:	N/A
Leased Asset	:	Land of approximately 500 square wa which is part of the land title deed number 4057 in Wang Thong Lang Sub-District, Bangkok
Objective	:	To be used as a location of the Company's office and Singapore International School of Bangkok
Lease Term	:	20 years from 1 February 2014 until 31 January 2034
Termination	:	If the Lessee is in breach of any clause of the agreement, the Lessor shall have the right to terminate the agreement immediately.

Parties	:	An individual as the "Sub-Lessor" SISB Public Company Limited as the "Sub-Lessee"
Execution Date	:	4 August 2010
Relationship with the Company	:	N/A
Leased Asset	:	Land of approximately 10 rai on a land title deed number 5080, Wang Thong Lang Sub-District, Bangkok
Objective	:	To be used as a location of Singapore International School of Bangkok
Lease Term	:	30 years from 1 July 2010 until 30 June 2040
Termination	:	<ul style="list-style-type: none"> <li>▪ The Sub-Lessee does not pay rent for more than 30 days from the date of notice from the Sub-Lessor;</li> <li>▪ If The Sub-Lessee neglects or fails to comply with any terms and conditions of the agreement and does not correct the breach within a reasonable period after the Sub-Lessor has given an advanced notice of at least 30 days.</li> <li>▪ The Sub-Lessee is adjudged bankrupt.</li> </ul>

Parties	:	16 individuals as the “Lessor” SISB Public Company Limited as the “Lessee”
Execution Date	:	1 December 2014
Relationship with the Company	:	N/A
Leased Asset	:	Land of approximately 9 rai, 1 ngarn, 71.3 square wa on the land title deed number 5081 in Wang Thong Lang Sub-District, Bangkok
Objective	:	To be used as a location of Singapore International School of Bangkok
Lease Term	:	30 years from 1 December 2014 until 30 November 2044
Termination	:	<ul style="list-style-type: none"> <li>▪ If either party is in breach of any terms of the agreement, the other party may terminate the agreement upon giving an advance notice of termination to the party that is in default of at least 45 days</li> <li>▪ If the Lessee is adjudged bankrupt or has become bankrupt, the Lessor shall have the right to terminate the agreement.</li> </ul>
Other terms and conditions	:	If the Lessor agrees to sell parts or all of the land, the Lessee shall have the right of first refusal to buy such land by giving a notice to the Lessor 45 days in advance beyond which period and the Lessee refuses to buy the land, the Lessor may sell such land to any third parties.

Parties	:	A juristic person as the “Lessor” Singapore International School Suvarnabhumi as the “Lessee” which has accepted the right that had been transferred from SISB Public Company Limited
Execution Date	:	5 June 2013
Relationship with the Company	:	N/A
Leased Asset	:	Land of approximately 8 rai, 3 ngarn, 88 square wa including buildings on the land title deed number 214177, 214178, 214179, 96151 and 3598, Bangkaew Sub-District, Bang Phlee District, Samutprakarn
Objective	:	To be used as a location of Singapore International School Suvarnabhumi
Lease Term	:	20 years from 1 September 2013 until 31 August 2033
Termination	:	<ul style="list-style-type: none"> <li>▪ The Lessee shall have the right to terminate the agreement before the expiry of the lease term after five years of the lease by giving an advance notice of termination starting from the third year of the lease before the expiry of the five-year term, but not more than 30 days from the expiry of the term in the fifth year</li> <li>▪ If either party is in breach of any terms of the agreement, the</li> </ul>

other party may terminate the agreement and claim for damages.


Parties	:	An individual as the Lessor Singapore International School Ekkamai as the Lessee which has accepted transfer of right from SISB Public Company Limited
Execution Date	:	27 November 2015 and 30 May 2018
Relationship with the Company	:	N/A
Leased Assets	:	A land of 3 rai, 51 ngarn on the land title deed No. 14848, 14879 and 14880 in Klongton Sub-District, Phrakanong District, Bangkok
Objectives	:	To be used as the location of Singapore International School Ekkamai
Lease Term	:	10 years from 1 January 2017 until 31 December 2026 with a renewal for another three years and one month from 1 January 2027 until 31 January 2030, totaling a lease term of 13 years and one month
Termination	:	<ul style="list-style-type: none"> <li>■ If the Lessee is in breach of any terms of the agreement, the Lessor shall notify the matter to the Lessee in writing and the Lessee shall correct the breach within 60 (sixty) days from the date on which it has received the notice. If the Lessee neglects to correct the breach within the time specified in the notice, the Lessor shall have the right to terminate the agreement and claim for relevant damages from the Lessee.</li> <li>■ The agreement may be terminated if the Lessee is in breach of any terms of the agreement or has become bankrupt. Either party may also terminate the agreement before the expiry of its term by giving a notice to the other party at least 180 days in advance</li> </ul>
Other terms	:	If the Lessor wishes to sell the leased asset to any other third party during the term of the lease, the Lessor shall offer the right of first refusal to the Lessee. If the Lessee does not agree to purchase the land within 30 days from the date on which it is notified of the intended sale by the Lessor, the Lessee shall be deemed to have refused to purchase the land. The Lessee agrees not to carry out anything that would prevent the Lessor from exercising its right in relation to the sale of the land to the other third parties.

Parties	:	An individual as the Lessor Singapore International School Ekkamai as the Lessee which has accepted transfer of right from SISB Public Company Limited
Execution Date	:	27 November 2015 and 30 May 2018
Relationship with the Company	:	N/A
Leased Assets	:	A building at No. 154 Ekkamai 14, Sukhumvit Road 63, North Klongton Sub-District, Wattana District, Bangkok
Objectives	:	To be used as the location of Singapore International School Ekkamai

Lease Term	:	10 years from 1 January 2017 until 31 December 2026 with a renewal for another three years and one month from 1 January 2027 until 31 January 2030, totaling a lease term of 13 years and one month
Termination	:	<ul style="list-style-type: none"> <li>■ If the Lessee is in breach of any terms of the agreement, the Lessor shall notify the matter to the Lessee in writing and the Lessee shall correct the breach within 60 (sixty) days from the date on which it has received the notice. If the Lessee neglects to correct the breach within the time specified in the notice, the Lessor shall have the right to terminate the agreement and claim for relevant damages from the Lessee.</li> <li>■ The agreement may be terminated if the Lessee is in breach of any terms of the agreement or has become bankrupt. Either party may also terminate the agreement before the expiry of its term by giving a notice to the other party at least 180 days in advance</li> </ul>
Other terms	:	If the Lessor wishes to sell the leased asset to any other third party during the term of the lease, the Lessor shall offer the right of first refusal to the Lessee. If the Lessee does not agree to purchase the land within 30 days from the date on which it is notified of the intended sale by the Lessor, the Lessee shall be deemed to have refused to purchase the land. The Lessee agrees not to carry out anything that would prevent the Lessor from exercising its right in relation to the sale of the land to the other third parties.

#### 4.4 Trademarks used in business operations

The Company applied for the registration of its trademarks and service marks with the Department of Intellectual Properties on 17 January 2017 and obtained approval for the trademarks on 26 September 2018 for a term of 10 years from the date of registration and an option to renew the registration in every 10 years. Details are as follows:

Trademark	Registration Date	List of Goods/ Services	Country
	12 January 2018	<ul style="list-style-type: none"> <li>- School</li> <li>- Education institution</li> <li>- Tuition school</li> <li>- Nursery</li> <li>- Language school</li> </ul>	Thailand

#### 5. Legal Disputes

As of 31 December 2018, the Company is not a party to any of the following litigations:

1. Litigations which could have a material adverse impact on the assets of the Company which would exceed five percent of shareholders' equity as of 31 December 2018
2. Litigation which would have a material impact on the business operations of the Company and the impact cannot be quantified.
3. Litigations that are not because of the normal course of business of the Company.

#### 6. Other Important Information

Laws relating to the business operations of holder of licences to establish formal education schools in the type of international schools are as follows:

##### **Private Schools Act, B.E. 2550 (2007) as amended in 2011 (No. 2) (the "Private Schools Act") promulgated on 9 June 2011<sup>1</sup>**

The Private Schools Act has the objective to supervise operations of private schools that are in both formal and informal education, but it does not apply to the private institutions of higher education under the law on private institutions of higher education.

'Formal education schools' means schools which provide education with a definitive objective, learning methods, curriculum, education period, assessment and evaluation which is the condition for graduation. International schools are formal education schools which are private and subject to the supervision of the OPEC. Material provisions of the Private Schools Act in relation to formal education schools can be summarised as follows:

- (1) Establishment and application for licences

<sup>1</sup> Private Schools Act, B.E. 2550 (2007) was promulgated on 11 January 2008 to replace the Private Schools Act, B.E. 2525 (1982) which were promulgated on 19 August 1982



Under the Private Schools Act, the ‘establishment of a formal education school’ shall be approved by the Secretary-General of the Private Education Commission or any delegates (the “Licensor”). The applicant is required to prepare a deed of establishment and details of the formal education school to be submitted along with the application for the licence. Any amendment to particulars in the deed of establishment or change to details of curriculum, teaching and learning methods, assessment and evaluation shall be subject to prior approval from the Licensor. Other details relating to the business of the formal education school may be changed by giving notice to the Licensor at least 15 days in advance. These details are, for example, tuition fee rates and rate of other fees determined by the school. Although it is not a legal requirement to obtain approval from the Commission for any change to be made to the tuition fee rates, the rates must not be determined in such a manner as to be considered as profiteering or creating unjust burden on the public. The Commission shall have the power to require a reduction in the rates as it may consider appropriate.

(2) Transfer of the licences

The licences may be transferred to other persons or vested in heirs by succession in accordance with the criteria and methods prescribed by the Commission.

(3) Licence Applicant

Applicant for the licence shall have Thai nationality or, in case of a juristic person, have more than half the total number of shares held by Thai shareholders and at least half the number of all shareholders shall have Thai nationality. The applicant shall also have the required qualifications under the Private Schools Act.

Licensor

The Secretary-General of the Private Education Commission or the Director of Education Service Office appointed by the Secretary-General or the Provincial Governor delegated by the Secretary.

(4) Status of Juristic Person

Formal education schools shall have the status of juristic person which is separate from the holder of the licence starting from the date on which the licence is granted to establish formal education school. The school will be required to prepare its financial statements.

(5) Representatives of the School being a Juristic Person

Representatives of the school being a juristic person include the holder of the licences (or representative of the juristic person who is the holder of the licence in accordance with the disclosure made to the OPEC).

(6) School Director

The School Director is appointed by the holder of the licence who may also hold the position of School Director. The Holder of licence shall have the duty to notify the Licensor of the appointment of the School Director. The

School Director shall have the following duties: (1) responsibility for academic work; (2) appointment, removal and supervision of teachers, education personnel and staff of the school and student management; and (3) preparation of records of education assessment and evaluation, etc.

(7) School Manager

The School Manager is appointed by the holder of the licence who may hold the position of School Manager. The School Manager has the following duties: (1) responsibility for budgeting and (2) general administration, etc.

(8) Executive Board of the School

The Executive Board of the School shall comprise: (a) members of the Board (ex officio) including the holder of the licence, School Manager and School Director; and (b) other members such as representatives of teachers, representatives of parents and experts in number and having qualifications that correspond with the size and type of the formal education school.

The Executive Board of the School shall hold at least one meeting in each regular semester.

The Executive Board of the School shall have the following duties: (1) to issue rules and regulations; (2) to give approval for policies, education development plans, loans (in an amount that exceeds 25 percent of asset value of the school), tuition fees (announcement must be made clearly in the school establishment), annual report, annual budget, appointment of auditor; (3) to give advice on the administration and management of the school; (4) to supervise the quality assurance system; and (5) to follow up, audit and evaluate the performance of the School Director, etc.

(9) Distribution of Benefits

The Executive Board of the School shall distribute benefits from the operations of the schools to the holder of licence as it may consider appropriate.

(10) Supervision

The Private Schools Act requires that the OPEC has the duty to supervise operations of formal education schools (i.e. to prohibit the use of the school establishment for illegal acts or acts that are contradictory to the public order or any indecent acts, to prohibit the school break of more than seven days consecutively that are not the normal holidays of the school). The OPEC shall also have the duty to supervise and ensure that the advertisement of the formal education schools shall not be false or an overstatement of fact. In addition, in case of usual events as provided under the law or if the holder of the licence is disqualified or possess characteristics that are prohibited under the law and fails to correct such disqualifications or prohibited characteristics within 90 days from the date of disqualifications or possessing such prohibited characteristics, the OPEC shall have the power to issue an order to require that the formal education school become subject to the control of the OPEC or the relevant education service area.

(11) Winding-up of school business

There are two cases of winding-up of school business: (1) voluntary winding-up and (2) revocation of licence. In both cases, the Executive Board of the School shall appoint a liquidator and apply provisions under the Civil and Commercial Code, *mutatis mutandis*. During the process of liquidation, the formal education school shall be deemed in existence to the extent that it is necessary for the liquidation. Upon completion of the liquidation, any residual assets shall be returned to the holder of the licence.

(12) Key sanctions

The Private Schools Act imposes sanctions that range from fine, imprisonment or both for important offences such as establishment of schools without the licence, forgery of documents such as register of teachers or evidence of education assessment, the holder of licence, School Director, School Manager, teachers or education personnel uses or allows other persons to use the establishment of the school for illegal acts or acts that are contradictory to the public order or public morals. Other non-compliance with the Private Schools Act such as the provision of education in a manner that is different from the requirements of the law or collection of tuition fees in a manner that is different from the requirement of the law, establishment of branches without the licence, failure to appoint a School Director, failure to prepare and provide accounting system, failure by the holder of licence, School Director, School Manager and teachers to comply with the Private Schools Act shall be liable for a fine between THB 10,000 and THB 100,000.

In addition, the holder of the licence, School Director, School Manager, teacher or education personnel that do not comply with the requirements of the law shall also be liable personally.

**Revenue Code that relates to the formal education schools**

■ **Income tax of formal private schools**

Given its status of juristic person under section 24 of the Private Schools Act, B.E. 2550, formal private schools are not considered a company or juristic partnership pursuant to section 39 of the Revenue Code which have the duty to pay corporate income tax.

Note: Section 39 of the Revenue Code defines 'Company or Juristic Partnership' as companies or juristic partnerships that are incorporated under the Thai law or foreign law and shall also include:

- Business carried out for profits by foreign governments, foreign government organisations or other juristic persons incorporated under foreign law;
- Joint ventures including a venture that carries out business jointly for profit between companies, companies and juristic partnerships, juristic partnerships and their counterpart or between companies and/ or juristic partnerships with an individual, a group of persons which does not have the status of juristic person, ordinary partnership or another juristic person

- foundation or association which carries out business and earn income but shall not include foundations or associations under the notification of the Minister
- Juristic persons determined by the Director-General with approval from the Cabinet and announced in the Government Gazette

#### ■ **Income tax for companies and juristic partnerships**

Section 3 of the Royal Decree issued by virtue of the Revenue Code on the exemption of tax (No. 588), B.E. 2558, on 10 July 2015, provides exemption from income tax for the following companies or juristic partnerships:

- (1) Net profit from private school business of schools established in accordance with the law on private schools or private institution of higher education established under the law on private institutions of higher education, but shall not include net profit from the business of non-formal private schools in the type of tuition schools established under the law of private schools;
- (2) Dividends or distribution of profit from net profits of the companies or juristic partnerships that have been exempted pursuant to (1)

#### ■ **Personal income tax**

Section 42 (17) of the Revenue Code and Clause 2 (1) and (37) of the Ministerial Regulation No. 126 (B.E. 2509) on exemption of tax as amended by Clause 2 of the Ministerial Regulation No. 307 (B.E. 2558) on exemption of tax of 10 July 2015, personal income tax is exempted for taxable income in the following cases:

- (1) Income from private school business of schools established in accordance with the law on private schools, but shall not include income from the business of non-formal private schools in the type of tuition schools established under the law of private schools;
- (2) Dividends or distribution of profit of companies or juristic partnerships from private schools established under the law on private schools or private institutions of higher education established under the law on private institutions of higher education, but shall not include income from the business of non-formal private schools in the type of tuition schools established under the law of private schools

### **Management and Corporate Governance**

#### **7. Information on securities and shareholders**

##### **7.1 Paid-up Registered Capital**

As of 31 December 2018, the paid-up registered capital of the Company is THB 470 million divided into 940 million ordinary shares each at the par value of THB 0.50.

## 7.2 Shareholding Structure

The top 15 shareholders of the Company as of 31 December 2018 are as follows:

	Name	Shareholding Percentage
1.	Mr. Yew Hock Koh	32.84%
2.	Ms. Wilawan Kaewkanokvijit	29.04%
3.	Ms. Nongnapha Thongmee	10.56%
4.	Mr. Prayong Vanichsuwan	3.05%
5.	Thai Life Insurance Public Company Limited	0.82%
6.	Ayudhya Allianz C.P. Life Public Company Limited for My Double Plus (Equity)	0.59%
7.	Mr. Santi Kosolvibulphong	0.56%
8.	Mr. Sutee Lakanasutin	0.44%
9.	Thailand Securities Depository Company Limited for Depositor	0.42%
10.	AIA Company Limited – EQ1-P	0.42%
11.	AIA Company Limited – EQ 2 -P	0.41%
12.	Mr. Thanapol Kongwattananon	0.32%
13.	Mr. Pisal Kongwattananon	0.29%
14.	Mr. Boonyong Kongwattananon	0.29%
15.	The Registered Provident Fund of Employees of the Electricity Generating Authority of Thailand	0.25%

## 7.3 Issuance of other securities

N/A

## 7.4 Dividend Policy

The Company has the policy to pay the annual dividend at a rate of at least 40 percent of the net profit from the Company's standalone financial statements after deduction of corporate income tax and legal reserve. However, the Company may determine dividend payment that is different from the dividend policy depending on its operating results, financial positions, financial liquidity and the requirements for working capital for use in its business and for future business expansion and may depend on the economic conditions.

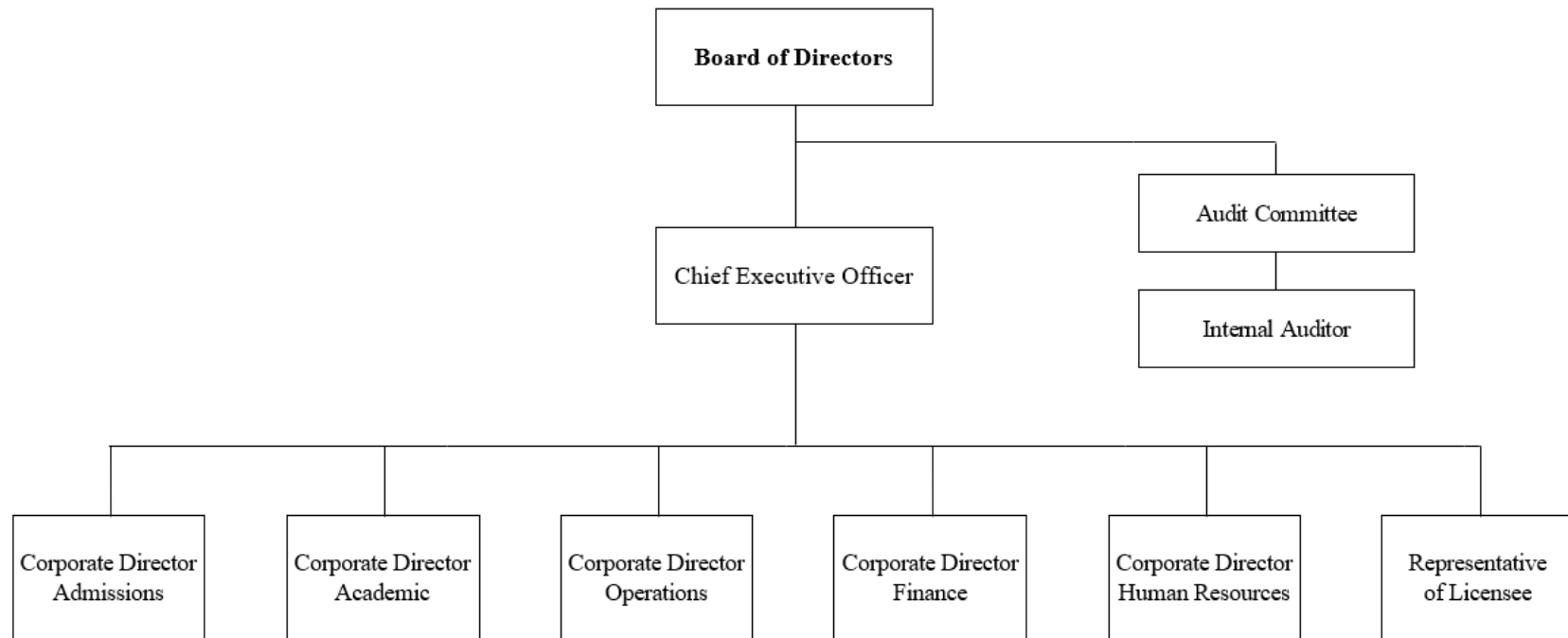
## 7.5 Distribution policy of schools whose licences are held by the Company

The consideration of distribution of benefits of schools whose licences are held by the Company will be subject to the approval of the Board of Executives of the schools which shall take into consideration operating results, financial liquidity, cashflows, financial position and the requirements for working capital for school operations, economic conditions and other factors. However, the approval for the distribution of benefits shall always require the prior approval from the Board of Directors of the Company in its capacity as the holder of licences in accordance with the corporate governance policy of the Company. See details in clause 11.5.

## 8. Management Structure

### 8.1 Management Structure of the Company

#### 8.1.1 Organisation Chart of the Company



### 8.1.2 Board of Directors

The Board of Directors comprises seven members as follows:

Name	Positions
1. Mr. Nontigorn Kanchanachitra	Chairman and Independent Director
2. Mr. Yew Hock Koh	Director
3. Ms. Wilawan Kaewkanokvijit	Director
4. Mr. Meechai Prasertsri	Director
5. Mr. Chatrapee Tantixalerm	Chairman of Audit Committee and Independent Director
6. Mr. Prasitchai Kritsanayunyong	Member of Audit Committee and Independent Director
7. Ms. Trithip Sivakrskul	Member of Audit Committee and Independent Director

Ms. Sumitra Songphatanayothin was appointed the Company Secretary by resolution of the Board of Directors meeting No.1/2016 on 1 February 2016.

#### Authorised Signatories

Mr. Yew Hock Koh to sign with Ms. Wilawan Kaewkanokvijit and affix the Company's seal.

#### Board of Directors Meetings

Name	Position	Attendance/ All Meetings
		2018
1. Mr. Nontigorn Kanchanachitra	Chairman and Independent Director	10/10
2. Mr. Yew Hock Koh	Director	10/10
3. Ms. Wilawan Kaewkanokvijit	Director	10/10
4. Mr. Meechai Prasertsri	Director	10/10
5. Mr. Chatrapee Tantixalerm	Chairman of Audit Committee and Independent Director	9/10
6. Mr. Prasitchai Kritsanayunyong	Member of Audit Committee and Independent Director	9/10
7. Ms. Trithip Sivakrskul	Member of Audit Committee and Independent Director	9/10

### 8.1.3 Audit Committee

Audit Committee comprises three members as follows:

Name	Position
1. Mr. Chatrapee Tantixalerm	Chairman of Audit Committee and Independent Director
2. Mr. Prasitchai Kritsanayunyong	Member of Audit Committee and Independent Director
3. Ms. Trithip Sivakrskul	Member of Audit Committee and Independent Director

All members of the Audit Committee have sufficient knowledge and experience in performing the duties of auditing the reliability of the Company's financial statements. (See details in Attachment 1: Details of Directors, Executives, Persons with Controlling Power and Company Secretary).

Ms. Sunandha Leelasaengsai is the Secretary of the Audit Committee by appointment of the Audit Committee's meeting No.1/2016 on 1 February 2016.

#### Audit Committee Meetings

Name	Position	Attendance/ All Meetings
		2018

1. Mr. Chatrapee Tantixalerm	Chairman of Audit Committee and Independent Director	5/6
2. Mr. Prasitchai Kritsanayunyong	Member of Audit Committee and Independent Director	6/6
3. Ms. Trithip Sivakrskul	Member of Audit Committee and Independent Director	4/6

#### 8.1.4 Executive Committee

The Company's Executive Committee comprises eight members as follows:

Name	Positions
1. Mr. Yew Hock Koh	Chief Executive Officer
2. Ms. Wilawan Kaewkanokvijit	Corporate Director, Admissions
3. Mr. Edmund Wee Kiat Lim	Corporate Director, Academic
4. Mr. Aaron Ngiam Tong Tuan	Corporate Director, Operations
5. Ms. Sunandha Leelasaengsai	Corporate Director, Finance
6. Mr. Jamras Pama	Corporate Director, Human Resources*
7. Mrs. Panthip Kolyanee	Licensee
8. Ms. Euamporn Warawatanathamrong	Senior Account Manager

\*In office until 31 August 2018. The Company is currently recruiting a new Director of Human Resources.

#### 8.1.5 Company Secretary

The Board of Directors Meeting No.1/2016 on 1 February 2016 resolved to approve the appointment of Ms. Sumitra Songphatanayothin to hold the position of Company Secretary. Ms. Sumitra attended a Company Secretary Programme (CSP 65/2015) on 10 – 11 August 2015. The Board of Directors Meeting No.2/2018 on 10 May 2018 resolved to approve the scope of duties for the Company Secretary to comply with Section 89/15 of the Securities and Exchange Act, B.E. 2535 as amended in 2008 (No.4 of the Securities and Exchange Act). Duties of the Company Secretary are as follows:

1. To supervise and provide guidance for directors and executives on compliance with the law, rules, regulations and the Company's Articles of Association and to regularly monitor compliance;
2. To be responsible for the organisation of the Board of Directors' meetings and general meetings of shareholders and to coordinate the compliance with resolutions of such meetings;
3. To ensure compliance with the requirements of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission and relevant law regarding disclosure of information that is within the scope of responsibilities of the Company Secretary;
4. To prepare and keep records of the following documents:
  - 4.1 Register of directors;
  - 4.2 Notices of invitation to and minutes of the Board of Directors meetings;
  - 4.3 Notices of invitation to and minutes of the general meetings of shareholders;
  - 4.4 Annual Reports of the Company; and
  - 4.5 Reports on Interest of Directors and Executives



### 8.1.6 Remunerations of Directors and Executives

#### (1) Monetary Remunerations

##### Remunerations of Board of Directors

In 2018, the Company paid monthly remunerations and meeting allowances to the Board of Directors as follows:

(In THB)

Names	2018
Mr. Nontigorn Kanchanachitra	855,000
Mr. Yew Hock Koh*	-
Ms. Wilawan Kaewkanokvijit*	-
Mr. Meechai Prasertsri	520,000
Mr. Chatrapee Tantixalerm	585,000
Mr. Prasitchai Kritsanayunyong	590,000
Ms. Trithip Sivakriskul	520,000
<b>Total</b>	<b>3,070,000</b>

Note: \*being directors who receive monthly salary in the capacity of the Company's executives and therefore are not entitled to remunerations in the capacity of the Company's directors.

The 2018 Annual General Meeting of Shareholders held on 26 April 2018 and the Extraordinary General Meeting of Shareholders No. 1/2018 held on 28 May 2018 resolved to approve the following directors' remunerations for the year 2018:

Meeting Allowances	THB/Meeting
<b><u>Board of Directors</u></b>	
- Chairman of the Board of Directors	30,000
- Directors	20,000
<b><u>Audit Committee</u></b>	
- Chairman of the Audit Committee	15,000
- Members of the Audit Committee	10,000

Monthly Remunerations	THB/Month
Chairman of the Board of Directors	50,000
Directors	30,000

Directors who receive a monthly salary as an employee of the Company will not be entitled to remunerations in the capacity of the Company's directors. The Company also provides discounts for tuition fees for children of the Company's directors and executives of schools for which the Company holds the licences.

In 2017 and 2018, the Company paid THB 18.47 million and THB 30.31 million of directors' remunerations, respectively. These remunerations include salary, fixed payment for the position held, bonus, contributions to provident fund, etc.

Years	Number of Executives	Remunerations (THB)
2017	6	18,468,171
2018	8*	30,308,614

Note: \*including Mr. Jamras Pama, Corporate Director, Human Resources who held the position until 31 August 2018.

## (2) Other Remunerations

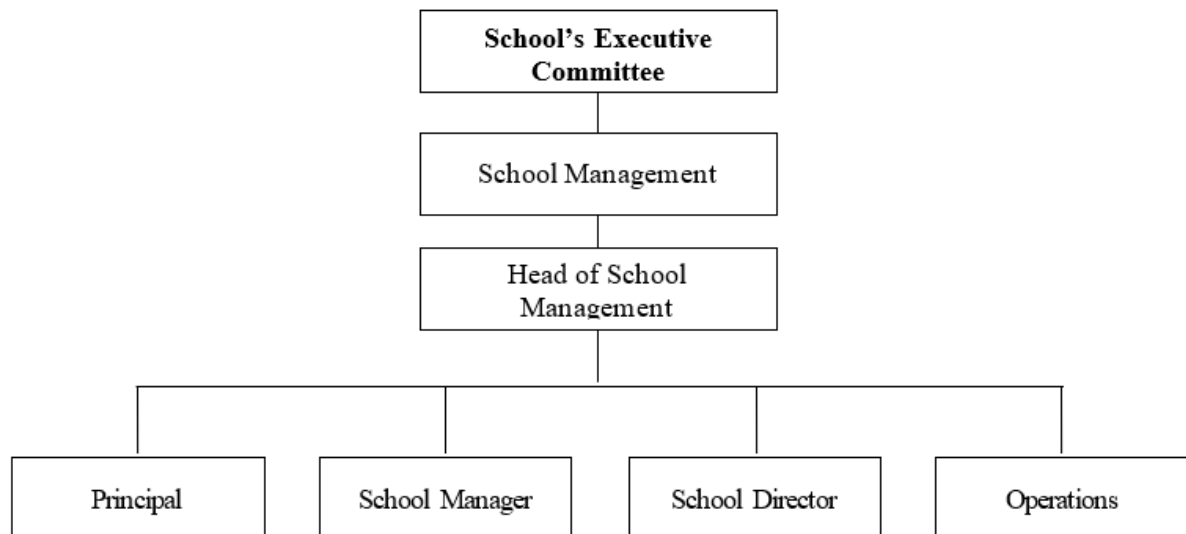
The Extraordinary General Meeting of Shareholders No. 1/2018 resolved to approve the issuance of 26,000,000 new ordinary shares which represented 2.77 percent of the total issued shares of the Company after the initial public offering of the Company's shares. The newly issued ordinary shares were offered to the Company's directors, executives and employees including those of the Company's subsidiaries and personnel in schools, the licences of which are held by the Company. The offering price was THB 5.20 per share which was the same price of the public offering. The offering was made concurrently with the initial public offering.

Details of directors and executives of the Company who had the shares allocated to them and who subscribed for the shares are as follows:

Name	Positions	Number of Shares Allocated	Percentage of Shares Offered to Directors, Executives and Employees
1. Mr. Nontigorn Kanchanachitra	Chairman of the Board of Directors and Independent Director	500,000	1.92
2. Mr. Yew Hock Koh	Director and Chief Executive Officer	-	-
3. Ms. Wilawan Kaewkanokvijit	Director and Corporate Director, Admissions	1,000,000	0.10
4. Mr. Meechai Prasertsri	Director	200,000	0.77
5. Mr. Chatrapee Tantixalerm	Chairman of Audit Committee and Independent Director	300,000	1.15
6. Mr. Prasitchai Kritsanayunyong	Member of Audit Committee and Independent Director	200,000	0.77
7. Ms. Trithip Sivakriskul	Member of Audit Committee and Independent Director	200,000	0.77
8. Mr. Edmund Wee Kiat Lim	Corporate Director, Academic	-	-
9. Mr. Aaron Ngiam Tong Tuan	Corporate Director, Operations	100,000	0.38
10. Ms. Sunandha Leelasaengsai	Corporate Director, Finance	500,000	1.92
11. Mrs. Panthip Kolyanee	Licensee	400,000	1.54
12. Ms. Euamporn Warawatanathamrong	Senior Account Manager	100,000	0.38

**8.2 The management structure of international schools whose licences are held by the Company**

**8.2.1 Organisation Chart of International Schools whose licences are held by the Company**



The management structure of international schools must comply with the first and the second paragraphs of Section 30 of the Private Schools Act, B.E. 2550 (2007) as amended in 2011 (No. 2 of the Private Schools Act) which provide:

*'The Formal School shall have an executive committee which comprises the licensee, a manager, a director, representatives of teachers and parents and experts who shall be the members of the executive committee. If the licensee is the same person as the manager or the director or if one person holds all these three positions, one or two additional expert members shall be appointed. The number and qualifications of directors to be appointed shall be proportionate to the size and type of the Formal School and shall comply with the requirements and conditions prescribed by the Commission.*

*Requirements and methods of recruitment of directors, the selection of the chairman of the committee including the term of office and removal from office shall be as provided under the School Charter.'*

The Company as the licensee shall establish a School's Executive Committee to have members that comply with Section 30. The Board of Directors will appoint the licensee, the manager and the director to assume the executive positions of the school. Representatives of teachers and parents will be appointed by recruitment which shall be handled by a recruitment committee appointed by the Board of Directors. This recruitment committee has the duty of recruiting persons with qualifications and knowledge to represent teachers and students' parents including expert representatives and proposes the candidates to the Board of Directors to select and appoint in the number required under the School Charter of each school.

**8.2.2 School's Executive Committee**

The School's Executive Committee of Singapore International School of Bangkok comprises eight members as follows:

Names	Positions
1. Mrs. Panthip Kolyanee *	Representative of Licensee and School Director
2. Ms. Judith Hong Zhang Sathaporn	School Manager
3. Mr. Hero L Lee	Representative of Teachers
4. Mr. Prasitchai Kritsanayunyong *	Representative of Parents
5. Mr. Yew Hock Koh *	Specialist
6. Ms. Wilawan Kaewkanokvijit *	Specialist
7. Mr. Graham Cooper Cherry	Specialist
8. Mr. Edmund Wee Kiat Lim	Specialist

Note: \*being the director and/or executive of SISB Public Company Limited

The School's Executive Committee of Singapore International School Suvarnabhumi comprises eight members as follows:

Names	Positions
1. Mrs. Panthip Kolyanee *	Representative of Licensee
2. Ms. Apatsanan Charoensukpiyapat	School Director
3. Mrs. Ketsarin Daengsirisi	School Manager
4. Ms. Mee Mee San	Representative of Teachers
5. MD Peera Vitoonpanich	Representative of Parents
6. Mr. Yew Hock Koh *	Specialist
7. Ms. Wilawan Kaewkanokvijit *	Specialist
8. Mr. Edmund Wee Kiat Lim	Specialist

Note: \*being the director and/or executive of SISB Public Company Limited

The School's Executive Committee of Singapore International School Thonburi comprises eight members as follows:

Names	Positions
1. Mrs. Panthip Kolyanee *	Representative of Licensee
2. Mrs. Amornrat Meephat	School Director
3. Mrs Narisa Lertnamwongwan	School Manager
4. Ms. Celeste Bernadette Jacques	Representative of Teachers
5. Ms. Nisachon Chatkaew	Representative of Parents
6. Mr. Yew Hock Koh *	Specialist
7. Ms. Wilawan Kaewkanokvijit *	Specialist
8. Mr. Edmund Wee Kiat Lim	Specialist

Note: \*being the director and/or executive of SISB Public Company Limited

The School's Executive Committee of Singapore International School Ekkamai comprises seven members as follows:

Names	Positions
1. Mrs. Panthip Kolyanee *	Representative of Licensee
2. Mrs. Anong Tanwattananan	School Director and School Manager
3. Mr. Daniel Gordon	Representative of Teachers

Names	Positions
4. Mr. Scott John Chicken	Representative of Parents
5. Mr. Yew Hock Koh*	Specialist
6. Ms. Wilawan Kaewkanokvijit *	Specialist
7. Mr. Edmund Wee Kiat Lim	Specialist

Note: \*being the director and/or executive of SISB Public Company Limited

### 8.2.3 School Management

School Management of Singapore International School of Bangkok, Singapore International School Suvarnabhumi, Singapore International School Thonburi and Singapore International School Ekkamai comprises seven members as follows:

Names	Position
1. Mr. Yew Hock Koh	Chief Executive Officer
2. Ms. Wilawan Kaewkanokvijit	Director of Admissions
3. Mr. Edmund Wee Kiat Lim	Academic Director
4. Mr. Aaron Ngiam Tong Tuan	Director of Operations
5. Ms. Sunandha Leelasaengsai	Director of Accounting and Finance
6. Mr. Chamras Pama	Director of Human Resources
7. Mrs. Panthip Kolyanee	Representative of Licensee

## 8.3 Personnel

### 8.3.1 Number of Personnel

As of 31 December 2017, the Group had 612 employees and education personnel (excluding six executives) and as of 31 December 2018, the Group had 669 employees and education personnel (excluding seven executives). The table below sets forth, for the periods indicated therein, a breakdown of the Group's employees and education personnel:

Departments	Number of Employees	
	31 December 2017	31 December 2018
Management and Administration	29	34
Students' Registration and Admissions	23	21
Marketing	11	9
Teachers and Assistant Teachers	358	396
Procurement	9	9
Account and Finance	19	19
Human Resources	8	12
Information Technology	10	10
Operations	145	159
<b>Total</b>	<b>612</b>	<b>669</b>

### 8.3.2 Material labour disputes in the past three years

N/A

### 8.3.3 Employee Benefits

#### Monetary Benefits

In 2017 and 2018, the Company and its schools paid THB 341.69 million and THB 390.24 million of benefits for employees and personnel of schools, respectively. These benefits included monthly salary, overtime payments, welfare benefits, bonuses, contributions to social security funds, provident funds and private teacher aid funds.

#### Other benefits

The Extraordinary General Meeting of Shareholders No. 1/2018 resolved to approve the issuance of 26,000,000 new ordinary shares which represented 2.77 percent of the total issued shares of the Company after the initial public offering of the Company's shares. The newly issued ordinary shares were offered to the Company's directors, executives and employees including those of the Company's subsidiaries and personnel in schools the licences of which are held by the Company. The offering price was THB 5.20 per share which was the same price of the public offering. The offering was made concurrently with the initial public offering.

### 8.3.4 Human Resources Development Policy

The Company recognises the importance of human resources as the driver of the Company's success and growth in line with business directions. The Company encourages employees and personnel to realise their professional potentials for growth in their career path. There are different schemes of human resource development to cover both practical and self-development and learning opportunities. The Company provides training for all levels of employees using both internal and external presenters.

The employees and personnel will benefit from the professional development which fulfil the requirements of their responsibilities and the enhancement of professional potential and leadership through a variety of trainings, workshops and seminars organised for employees and executives such as:

1. Academic staff will be required to complete an inhouse training for at least 20 hours per year. The topics of the training are, for example, computer skills development to enhance teaching skills, staff collaboration and staff development workshops and accreditation workshops.
2. Executives, teaching personnel, assistant teachers and all staff are required to complete training on basic safety rules for students and for themselves and must be informed of emergency practices such as fire drills and lockdown drills. These involve blocking entrances and exits of the school establishments such as in cases of invasion, terrorist attacks or school hostage situations.
3. Non-teaching staff will have to attend both inhouse and offsite training programmes such as the SISB Leaders' Day Retreat organised by the Human Resources Department, workshop on computer software for human resources related work and training at other external organisations with the aim to enhance personal and professional developments for increased efficiency.