

**SINGER®****H.T. SET/004/2022**SINGER THAILAND PUBLIC COMPANY LIMITED  
บริษัท ซิงเกอร์ประเทศไทย จำกัด (มหาชน)

23 February 2022

**To: Managing Director  
The Stock Exchange of Thailand****Re: Management Discussion & Analysis for 4<sup>th</sup> quarter and the 12-month period of 2021 of Singer Thailand Public Company Limited (the Company) and its subsidiaries (the Group)**The Group would like to explain performances of the 4<sup>th</sup> quarter and the 12-month period of 2021, comparing to the same period of previous year as follow:

Statement of comprehensive income (Million Baht)	Quarter 4		Increase (decrease)		12 months		Increase (decrease)	
	2021	2020	Amount	%	2021	2020	Amount	%
<b>Revenues</b>								
Revenue from sales of goods	860	746	114	15.3	2,766	2,455	311	12.7
Interest income from hire-purchase contract and loans	424	300	124	41.3	1,499	1,005	494	49.2
Revenue from rendering of services	26	22	4	18.2	72	71	1	1.4
Other income	18	11	7	63.6	60	60	-	-
<b>Total revenues</b>	<b>1,328</b>	<b>1,079</b>	<b>249</b>	<b>23.1</b>	<b>4,397</b>	<b>3,591</b>	<b>806</b>	<b>22.4</b>
<b>Expenses</b>								
Cost of sales of goods	491	368	123	33.4	1,473	1,347	126	9.4
Cost of rendering of services	4	7	(3)	(42.9)	20	37	(17)	(45.9)
Distribution costs and Administrative expenses	376	409	(33)	(8.1)	1,429	1,351	78	5.8
<b>Total expenses</b>	<b>871</b>	<b>784</b>	<b>87</b>	<b>11.1</b>	<b>2,922</b>	<b>2,735</b>	<b>187</b>	<b>6.8</b>
<b>Profit from operating activities</b>	<b>457</b>	<b>295</b>	<b>162</b>	<b>54.9</b>	<b>1,475</b>	<b>856</b>	<b>619</b>	<b>72.3</b>
Finance costs	127	72	55	76.4	425	224	201	89.7
Expected credit loss	45	127	(82)	(64.6)	152	194	(42)	(21.6)
Gains on measurement of current investments	(1)	-	1	100.0	(4)	(1)	3	300.0
<b>Profit before income tax expense</b>	<b>286</b>	<b>96</b>	<b>188</b>	<b>195.8</b>	<b>902</b>	<b>439</b>	<b>457</b>	<b>104.1</b>
Tax expense	74	(28)	102	(364.3)	201	(4)	205	5,125.0
<b>Profit for the period</b>	<b>212</b>	<b>124</b>	<b>88</b>	<b>71.0</b>	<b>701</b>	<b>443</b>	<b>258</b>	<b>58.2</b>

For the 4<sup>th</sup> quarter of 2021, the Group had net profit of Baht 212 million which increased of Baht 88 million or 71.0% from net profit of Baht 124 million of the 4<sup>th</sup> quarter of previous year.

For the 12-month period of 2021, the Group had net profit of Baht 701 million which increased of Baht 258 million or 58.2% from net profit of Baht 443 million of the same period of previous year.

## **Total revenue**

For the 4<sup>th</sup> quarter and the 12-month period of 2021, total revenue increased of Baht 249 million and Baht 806 million, respectively, this resulted from the major increase in revenue from sales of goods and interest income from hire-purchase contract and loans.

## **Revenue from sales of goods**

For the 4<sup>th</sup> quarter of 2021, revenue from sales of goods increased of Baht 114 million or 15.3% and cost of sales of goods increased of Baht 123 million, resulted in Gross margin 43%.

For the 12-month period of 2021, revenue from sales of goods increased of Baht 311 million or 12.7% and cost of sales of goods increased of Baht 126 million, resulted in Gross margin 47%. Major sales were from top 5 products which were Fuel vending machines, Freezers Air conditioners, Washing machines and TV.

The growth in sales in 2021, resulted from the fact that we consistently adapted to market condition, including increasing in number of salespersons and arranging sales teams to be more efficient.

## **Interest income from hire-purchase contract and loans**

For the 4<sup>th</sup> quarter and the 12-month period of 2021, interest income from hire-purchase contract and loans of the Group increased by Baht 124 million and Baht 494 million, respectively since an expansion of the loans portfolio.

## **Other income**

For the 4<sup>th</sup> quarter of 2021, other income of the Group increased of Baht 7 million or 63.6% mainly from commission income when compared with same quarter of the previous year.

## **Expected credit loss**

For the 4<sup>th</sup> quarter of 2021, expected credit loss of the Group decreased of Baht 82 million when compared with same quarter of the previous year. As a result, The Group recognised loss on repossession of Baht 38 million, expected credit loss of Baht 13 million and a bad debt recovery of Baht 6 million, while the same period of the previous year, loss on repossession of Baht 99 million, expected credit loss of Baht 32 million with a bad debt recovery of Baht 4 million.

For the 12-month period of 2021, expected credit loss of the Group decreased of Baht 42 million or 21.6% when compared with same period of the previous year. This result from an improvement in debt management. As a result, The Group recognised loss on repossession of Baht 121 million, expected credit loss of Baht 51 million and a bad debt recovery and sale of NPL of Baht 20 million, while the same period of the previous year, loss on repossession of Baht 137 million expected credit loss of Baht 141 million with a bad debt recovery and sale of NPL of Baht 84 million.

**Statements of financial position****Assets**

Assets (Million Baht)	31 Dec 2021	31 Dec 2020	Inc (Dec)	
			Amount	%
<b>Current assets</b>				
Cash and cash equivalents	1,227	715	512	71.6
Current investment	10,351	401	9,950	2,481.3
Trade accounts receivable	69	14	55	392.9
Current portion of hire-purchase contract receivables	3,106	1,788	1,318	73.7
Current portion of loan receivables	1,226	651	575	88.3
Other receivables	437	231	206	89.2
Inventories	643	675	(32)	(4.7)
Accrued income	14	4	10	250.0
Assets foreclosed	-	1	(1)	(100.0)
Other current assets	3	-	3	100.0
<b>Total non-current assets</b>	<b>17,076</b>	<b>4,480</b>	<b>12,596</b>	<b>281.2</b>
<b>Non-current assets</b>				
Hire-purchase contract receivables	2,079	1,558	521	33.4
Loan receivables	4,279	2,410	1,869	77.6
Other long-term investment	2	2	-	-
Property, plant and equipment	475	433	42	9.7
Right-of-use assets	102	74	28	37.8
Intangible assets	53	48	5	10.4
Deferred tax assets	118	229	(111)	(48.5)
Other non-current assets	17	21	(4)	(19.0)
<b>Total non-current assets</b>	<b>7,125</b>	<b>4,775</b>	<b>2,350</b>	<b>49.2</b>
<b>Total assets</b>	<b>24,201</b>	<b>9,255</b>	<b>14,946</b>	<b>161.5</b>

Total assets of the Group increased of Baht 14,946 million or 161.5% when compared with the year ended 2020, significant changes as follow:

- **Current investment**

Current investment increased of Baht 9,950 million when compared with the year ended 2020 since the Group invested cash from increase of authorised share capital and exercises of warrants. The Group had gains on measurement of current investments which presented in Statement of comprehensive income of Baht 4.1 million.

- **Hire purchase contract receivables and loan receivables**

Hire purchase contract receivables and loan receivables increased of Baht 4,283 million or 46.5% when compared with the year ended 2020. An increase consist of hire-purchase of electronic and others and vehicles of Baht 1,839 million and loan receivables with vehicle collateral of Baht 2,444 million.

## Liabilities and equity

Liabilities and equity (Million Baht)	31 Dec 2021	31 Dec 2020	Inc (Dec)	
			Amount	%
<b>Liabilities and equity</b>				
Short-term borrowings from financial institutions	-	151	(151)	(100.0)
Trade accounts payable	578	351	227	64.7
Other payables	466	361	105	29.1
Current portion of long-term borrowings from financial institutions	10	-	10	100.0
Current portion of debentures	1,500	950	550	57.9
Current portion of lease liabilities	44	31	13	41.9
Current income tax payable	52	38	14	36.8
<b>Total current liabilities</b>	<b>2,650</b>	<b>1,882</b>	<b>768</b>	<b>40.8</b>
<b>Non-current liabilities</b>				
Long-term borrowings from financial institutions	15	-	15	100.0
Debentures	6,444	4,262	2,182	51.2
Lease liabilities	61	48	13	27.1
Provision for employee benefit	142	201	(59)	(29.4)
Employee security deposits	10	9	1	11.1
Provident funds	41	43	(2)	(4.7)
<b>Total non-current liabilities</b>	<b>6,713</b>	<b>4,563</b>	<b>2,150</b>	<b>47.1</b>
<b>Total liabilities</b>	<b>9,363</b>	<b>6,445</b>	<b>2,918</b>	<b>45.3</b>
<b>Equity</b>				
Issued and paid share capital	800	412	388	94.2
Premium on ordinary shares	11,997	801	11,196	1,397.8
Advance received from share subscription	139	299	(160)	(53.5)
Retained earnings:	1,681	1,073	608	56.7
Other components of equity	221	225	(4)	(1.8)
<b>Total equity</b>	<b>14,838</b>	<b>2,810</b>	<b>12,028</b>	<b>428.0</b>
<b>Total liabilities and equity</b>	<b>24,201</b>	<b>9,255</b>	<b>14,946</b>	<b>161.5</b>

- Total liabilities increased of Baht 2,918 million or 45.3% when compared with the year ended 2020; those significant transactions were from issuance of debenture of Baht 2,000 million and repayment of debentures of Baht 950 million in March 2021, and issuance of debenture of Baht 1,700 million in August 2021.
- Total equity of the Group increased of Baht 12,028 million or 428.0% when compared with the year ended 2020. Those significant changes were adjustment to increase since net profit for the 12-month period of Baht 701 million, increase of authorised share capital, exercises of warrants net of advance received from share subscription of Baht 11,424 million and gains on remeasurment of defined benefit plans of Baht 53 million and decrease from dividend paid of Baht 74 million and Baht 75 million on 21 May 2021 and 9 September 2021, respectively.

Kindly be informed,

Yours truly,

Kittipong Kanokvilairat  
(Chief Executive Officer)