

**SINGER**

SINGER THAILAND PUBLIC COMPANY LIMITED

บริษัท ซิงเกอร์ประเทศไทย จำกัด (มหาชน)

H.T. SET/013/2022

11 May 2022

**To: Managing Director
The Stock Exchange of Thailand****Re: Management Discussion & Analysis for 1st quarter of 2022
Singer Thailand Public Company Limited (the Company) and its subsidiaries
(the Group)**

The Group would like to explain performances of the 1st quarter of 2022, comparing to the same period of previous year as follow:

Statement of comprehensive income (Million Baht)	1st quarter		Increase (decrease)	
	2022	2021	Amount	%
Revenues				
Revenue from sales of goods	695	642	53	8.3
Interest income from hire-purchase contract and loans	462	334	128	38.3
Revenue from rendering of services	20	15	5	33.3
Other income	34	11	23	209.1
Total revenues	1,211	1,002	209	20.9
Expenses				
Cost of sales of goods	366	334	32	9.6
Cost of rendering of services	9	4	5	125.0
Distribution costs and Administrative expenses	402	357	45	12.6
Total expenses	777	695	82	11.8
Profit from operating activities	434	307	127	41.4
Finance costs	123	83	40	48.2
Expected credit loss	54	44	10	22.7
Gains on measurement of current investments	9	-	9	100.0
Profit before income tax expense	266	180	68	37.8
Tax expense	51	40	11	27.5
Profit for the period	215	140	75	53.6

For the 1st quarter of 2022, the Group had net profit of Baht 215 million which increased of Baht 75 million or 53.6% from net profit of Baht 140 million of previous year.

Total revenue

For the 1st quarter of 2022, total revenue increased of Baht 209 million or 20.9%, this resulted from the major increase in revenue from sales of goods and interest income from hire-purchase contract and loans and other income.

Revenue from sales of goods

For the 1st quarter of 2022, revenue from sales of goods increased of Baht 53 million or 8.3% and cost of sales of goods increased of Baht 32 million or 9.6%, 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, 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 1st quarter of 2022, interest income from hire-purchase contract and loans of the Group increased by Baht 128 million or 38.3% since an expansion of the loans portfolio.

Other income

For the 1st quarter of 2022, other income of the Group increased of Baht 23 million or 209.1% mainly increased from sale promotion income.

Expected credit loss

For the 1st quarter of 2022, expected credit loss of the Group increased of Baht 10 million when compared with same quarter of the previous year. As a result, The Group recognised loss on repossession of Baht 18 million, expected credit loss of Baht 38 million and a bad debt recovery of Baht 2 million, while the same period of the previous year, loss on repossession of Baht 44 million, expected credit loss of Baht 5 million with a bad debt recovery of Baht 5 million.

Statements of financial position**Assets**

Assets (Million Baht)	31 Mar 2022	31 Dec 2021	Inc (Dec)	
			Amount	%
Current assets				
Cash and cash equivalents	614	1,227	(613)	(50.0)
Current investment	9,860	10,351	(491)	(4.7)
Trade accounts receivable	72	69	3	4.3
Current portion of hire-purchase contract receivables	3,535	3,106	429	13.8
Current portion of loan receivables	1,389	1,226	163	13.3
Other receivables	496	438	58	13.2
Inventories	756	643	113	17.6
Accrued income	30	13	17	130.8
Assets foreclosed	1	-	1	100.0
Other current assets	7	3	4	133.3
Total non-current assets	16,760	17,076	(316)	(1.9)
Non-current assets				
Hire-purchase contract receivables	2,206	2,079	127	6.1
Loan receivables	4,916	4,279	637	14.9
Other long-term investment	2	2	-	-
Property, plant and equipment	486	475	11	2.3
Right-of-use assets	100	102	(2)	(2.0)
Intangible assets	52	53	(1)	(1.9)
Deferred tax assets	116	118	(2)	(1.7)
Other non-current assets	25	17	8	47.1
Total non-current assets	7,903	7,125	778	10.9
Total assets	24,663	24,201	462	1.9

Total assets of the Group increased of Baht 462 million or 1.9% when compared with the year ended 2021, significant changes as follow:

- **Hire purchase contract receivables and loan receivables**
Hire purchase contract receivables and loan receivables increased of Baht 1,356 million or 12.7% when compared with the year ended 2021. An increase consist of hire-purchase of electronic and others and vehicles of Baht 556 million and loan receivables with vehicle collateral of Baht 800 million.

Liabilities and equity

Liabilities and equity (Million Baht)	31 Mar 2022	31 Dec 2021	Inc (Dec)	
			Amount	%
Liabilities and equity				
Trade accounts payable	723	578	145	25.1
Other payables	445	466	(21)	(4.5)
Current portion of long-term borrowings from financial	10	10	-	-
Current portion of debentures	1,500	1,500	-	-
Current portion of lease liabilities	45	44	1	2.3
Current income tax payable	101	52	49	94.2
Total current liabilities	2,824	2,650	174	6.6
Non-current liabilities				
Long-term borrowings from financial institutions	12	14	(2)	(14.3)
Debentures	6,451	6,444	7	0.1
Lease liabilities	58	61	(3)	(4.9)
Provision for employee benefit	144	142	2	1.4
Employee security deposits	9	10	(1)	(10.0)
Provident funds	38	41	(3)	(7.3)
Total non-current liabilities	6,712	6,712	-	-
Total liabilities	9,536	9,362	174	1.9
Equity				
Issued and paid share capital	811	800	11	1.4
Premium on ordinary shares	12,125	11,997	128	1.1
Advance received from share subscription	73	140	(67)	(47.9)
Retained earnings	1,898	1,681	217	12.9
Other components of equity	220	221	(1)	(0.5)
Total equity	15,127	14,839	288	1.9
Total liabilities and equity	24,663	24,201	462	1.9

- Total liabilities increased of Baht 174 million or 1.9% when compared with the year ended 2021; those significant transactions were from Trade accounts payable of Baht 145 million and Current income tax payable of Baht 49 million. However, other payable decreased of Baht 21 million from annual bonus paid in February 2022.
- Total equity of the Group increased of Baht 288 million or 1.9% when compared with the year ended 2021. Those significant changes were adjustment to increase since net profit for the 3-month period of Baht 215 million, exercises of warrants of net of advance received from share subscription of Baht 72 million.

Kindly be informed,

Yours truly,

Mr. Kittipong Kanokvilairat
(Chief Executive Officer)