

**H.T. SET/013/2023**

12 MAY 2023

**To: Managing Director
The Stock Exchange of Thailand****Re: Management Discussion & Analysis for the year ended 31 March 2023 of Singer
Thailand Public Company Limited (the Company) and its subsidiaries (the Group
Company)**

The Group Company would like to explain performance for the three-month period ended 31 March 2023, comparing to the same of previous year as follow:

Statement of comprehensive income (Million Baht)	For the three-month period ended 31 March		Increase (decrease)	
	2023	2022	Amount	%
Revenues				
Revenue from sales of goods	203	695	(492)	(70.8)
Interest income from hire-purchase contract and loans	641	462	179	38.7
Revenue from rendering of services	15	20	(5)	(25.0)
Other income	26	34	(8)	(23.5)
Total revenues	885	1,211	(326)	(26.9)
Expenses				
Cost of sales of goods	602	366	236	64.5
Cost of rendering of services	5	9	(4)	(44.4)
Distribution costs and Administrative expenses	354	402	(48)	(11.9)
Total expenses	961	777	184	23.7
Profit (Loss) from operating activities	(76)	434	(510)	(117.5)
Finance costs	101	123	(22)	(17.9)
Expected credit loss	952	54	898	1,663.0
Gains on measurement of current investments	(2)	(9)	7	(77.8)
Profit (Loss) before income tax expense	(1,127)	266	(1,393)	(523.7)
Tax expense	(192)	51	(243)	(476.5)
Profit (Loss) for the period	(935)	215	(1,150)	(534.9)
Profit (Loss) attributable to non-controlling interests	(92)	-	(92)	100.0
Profit (Loss) attributable to equity holders of the Company	(843)	215	(1,058)	(492.1)

For the three-month period ended 31 March 2023, the Group Company had net loss Baht 935 million before non-controlling interest. The net loss as a part of the equity holders of Group Company was Baht 843 million which decreased by Baht 1,058 million or 492.1% compared with the same period of previous year.

Total revenue

For the three-month period ended 31 March 2023, total revenue decreased by Baht 326 million or 26.9% mainly due to a decrease in revenue from sales of goods of Baht 492 million or 70.8%. However, interest income from hire-purchase and loans contract increased by Baht 179 million or 38.7%.

Revenue from sales of goods

For the three-month period ended 31 March 2023, revenue from sales of goods decreased of Baht 492 million or 70.8% from sales reduction in some electrical appliances' products due to the subsidiary has changed its credit lending policy to be more stringent to control debt quality and the number of franchise sales employees has decreased.

Cost of sales of goods increased by Baht 236 million due to the Group and the Company wrote down its inventories of Baht 436 million and Baht 424 million, respectively, mainly due to revising the estimated selling price and related selling expenses and allowance for stock obsolescence and damage.

Interest income from hire-purchase contract and loans

For the three-month period ended 31 March 2023, interest income from hire-purchase contract and loans of the Group Company increased by Baht 179 million or 38.7%, since an expansion of the loan's portfolio.

Distribution costs and Administrative expenses

For the three-month period ended 31 March 2023, distribution costs and administrative expenses of the Group Company decreased by Baht 48 million or 11.9%. Distribution costs increased which in line with growth of commission expenses advertising expenses sales promotion.

Finance costs

For the three-month period ended 31 March 2023, finance costs decreased by Baht 22 million or 17.9% because the company had due to have repayment debentures in during in the last year.

Expected credit loss

For the three-month period ended 31 March 2023, expected credit loss of the Group Company increased of Baht 898 million or 1,663.0%, due to debtors entering the assistance program for debtors affected by Covid-19 began to gradually end their assistance.

Statements of financial position

Statement of financial position (Million Baht)	31 Mar 2023	31 Dec 2022	Inc (Dec)	
			Amount	%
Assets				
Current assets	13,552	15,489	(1,937)	(12.5)
Non-current assets	10,825	10,405	420	4.0
Total assets	24,377	25,894	(1,517)	(5.9)
Liabilities and equity				
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Liabilities and equity	3,402	2,631	771	29.3
Non-current liabilities	3,907	4,955	(1,048)	(21.2)
Total liabilities	7,309	7,586	(277)	(3.7)
Equity attributable to owners of the parent	16,494	17,641	(1,147)	(6.5)
Non-controlling interests	574	667	(93)	(14)
Total equity	17,068	18,308	(1,240)	(6.8)
Total liabilities and equity	24,377	25,894	(1,517)	(5.9)

Assets

Total assets of the Group changes decreased of Baht 1,517 million or 5.9% when compared with the year ended 2022, significant changes as follows:

- **Cash and cash equivalents**

Cash and cash equivalents decreased by Baht 707 million or 15.2% from a subsidiary utilization of cash from the capital increase at the end of 2022 to expansion portfolio of loans and the company repurchase stock.

- **Current investment in short-term financial assets**

Current investment in short-term financial assets decreased by Baht 408 million or 14.6% when compared with the year ended 2022, due to support the expansion of loans portfolio and repayment debenture during the year and used as working capital.

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

Hire purchase contract receivables and loan receivables decreased by Baht 2 million compared with the year ended 2022. Hire-purchases of electronic and others decreased of Baht 653 million or 12.2% and loan receivables increased by Baht 651 million or 7.2%.

- **Inventories**

Inventories decreased by Baht 568 million or 32.4%, compared with the year ended 2022, mainly due to the company has ordered products in during the period decreased. together with during the period the Group and the Company wrote down its inventories of Baht 436 million and Baht 424 million, respectively, mainly due to revising the estimated selling price and related selling expenses and allowance for stock obsolescence and damage.

Liabilities and equity

- Total liabilities decreased by Baht 277 million or 3.7%, compared with the year ended 2022. Those significant transactions decreased from trade payable of Baht 97 million because we delayed new purchase orders of goods from suppliers as the Company has more inventories in the warehouse. Other payables decreased by Baht 97 million due to repayment in during the period.
- Total equity of the Group Company decreased of Baht 1,240 million or 6.8%, compared with the year ended 2022. Those significant changes increased mainly due to the company's share repurchase program as reported to the Stock Exchange of Thailand earlier, the Company had repurchased shares in the amounting to Baht 279 million, The Group Company had a net loss in during the period.

Kindly be informed,

Yours truly,

Mr. Narathip Wirunechatapant
(Chief Executive Officer)