



ความสุขทุกสิ่ง เป็นจริงที่ ซิงเกอร์



ผ่อนหนักให้เป็นเบา
ด้วย “บัตรประชาชนใบเดียว”



SINGER®

Singer Thailand Public Company Limited

56-1 ONE REPORT 2021



Thai Private Sector Collective Action Against Corruption

Certificate of Membership

This Certificate is Granted to



SINCE 2021

SINGER THAILAND PUBLIC COMPANY LIMITED

has met the commitments to the CAC
Declaration on anti-corruption by
putting in place good business principles
and controls against bribery
and is now a full member of CAC

Bangkok, December 2021

(Mr. Kulvech Janvatanavit)
Councilor and Secretary

(Mr. Chaiwat Utaiwan)
Chairman

Do Good • Do Right • **Fight Corruption**



สภาธุรกิจ
ตลาดทุนไทย
Federation of Thai Capital Market Organizations

Financial Highlights



Singer Thailand Public Company Limited & Its Subsidiaries
Highlights of the Consolidated Financial Statements (Million Baht)

	2021	2020	2019
Total sales & Interest from installment sales	4,265.38	3,427.16	2,282.78
Total Revenues	4,397.05	3,658.43	2,610.37
Gross Margin	2,843.96	2,115.05	1,476.22
Cost of Sales	1,493.27	1,383.22	884.25
Selling and Administrative Expenses	1,429.54	1,472.23	1,407.50
Net Profit (Loss)	700.59	443.30	165.89
Total Assets	24,200.99	9,247.40	5,906.57
Total Liabilities	9,362.39	6,437.28	3,563.03
Total Shareholder's Equity	14,838.60	2,810.12	2,343.54

Financial Ratio

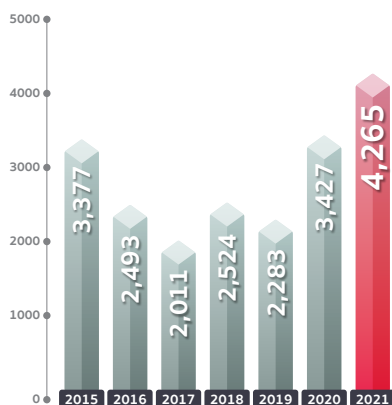
Net Profit (Loss) Ratio (%)	15.93%	12.12%	6.36%
Return on Equity (%)	7.94%	17.20%	8.58%
Return on Assets (%)	4.19%	5.85%	3.02%
Dividend Pay Out Ratio (%)	75.00%	24.60%	24.20%
Liabilities Per Equities Ratio	63.09%	229.07%	152.04%
Earnings Per Share (Baht)	1.4	1.09	0.46
Dividend Per Share (Baht)	0.69 - 0.71	0.25	0.10
Book value Per Share (Baht)	18.55	6.80	5.83
Total Staff (Persons)	9,495.00	9,495.00	5,224

Portfolio Mix (%)

	2021	2020	2019
SINGER HP	40	43	47
C4C	58	52	42
Captive	2	5	11

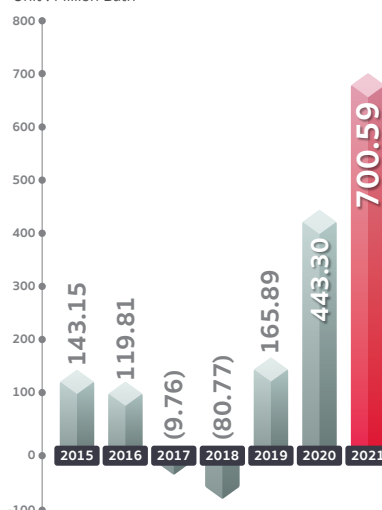
Sales & Interest from installment sales by Year 2015 - 2021

Unit : Million Bath

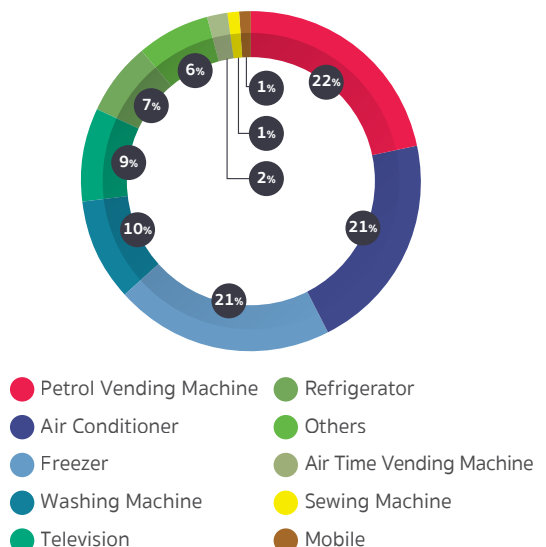


Net Profit / (Loss) by Year 2014 -2019

Unit : Million Bath



Sales by Product Line January - December 2021





Vision

To be the market leader of hire purchase products and consumer finance in the country.



Mission

To improve the quality of life of people by offering high quality products and service at affordable prices.



Values

In order to realize our goal of making Singer Thailand not only a highly profitable company but also one of the best managed Companies in Thailand, there are common values we must share and cherish:



People

We believe in our employees, who are key success factor in our business. Thus, all employees of Singer Thailand must be both happy to work for and feel proud of the Company with good opportunities for career advancement.



Customers

It is our goal and also not unusual for Singer Thailand to have life time customers purchase products from the Company over the years. The Company has built this loyal customer base by providing good quality products, ensuring timely collections and close follow-up of accounts. It is important that this continues in the future and that we maintain constant focus on our customers.



Shareholders

We provide a reasonable return to our shareholders while safeguarding their investment.



Partners

We develop our suppliers to be partners in progress and share our growth with them.



Competitors

We conduct our business by conforming to the ethics of our Country and share the social responsibility of the less fortunate.



Community

We conduct our business by conforming to the ethics of our Country and share the social responsibility of the less fortunate.



Communications

We believe that good and sustained internal communication is critical to all our business activities. However, this communication must be in 'two-way' in order to be effective - from Management to employees but also from employees to the Management.



Leadership

We believe in effective leadership. Being a good manager is not enough, all Executives, Managers and Supervisors should also aim at being great leaders. All great leaders have the following qualities: They listen, they communicate well, and they give credit to others for their successes and take full responsibility for poor results. Great leaders also inspire others and they always learn from their successes as well as their failures.

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Report to the Shareholders



Mr. Adisak Sukumvitaya
Chairman of the Board

Dear: Shareholders

The year 2021 will be another year for the Company to achieve its highest operating performance in 133 years, reflecting the Company's strength from a continual business plan. In addition, having a clear and strong capital base resulting from a new capital increase of over ten billion Baht gives the Company enough funds to expand its customer portfolio, including reducing financial costs that positively affect operating results and the Company's profitability. Even in the face of challenging economic conditions resulting from COVID-19, the Company has been able to continuously market by expanding the car registration loan business. Including hiring purchase loans for electrical appliances that have continued to expand.

Overall performance in 2021, the Company achieved new record profits for SINGER since Singer came to Thailand in 1889 with a net profit of 701 million Baht by an increment of 58.2%. Total income of the company is at 4,397 million Baht, by the increment of 22.4% compared to the previous year. Previously, the main reason was the increase in sales revenue in the hire purchase loan for electrical appliances and commercial products (Hire purchase) such as petro vending machines, freezers, air conditioners, washing machines, automatic vending machines, televisions, etc. In addition, the introduction of new products to fill the portfolio, such as mobile phones and technology, is a trend among today's consumers by collaborating with partners and focusing on managing the product portfolio (Product Mix) to be continuously good.

As for the loan portfolio with car registration as collateral, "Car for Cash" has maintained outstanding growth. The sales team was able to expand the portfolio better than expected, focusing on operator customers. As a result, 2021 announced another best year performance of SINGER with the ability to maintain a gross margin of 46.7%, a net profit margin of 25.3% for the overall bad debt quality (NPL) was consistently low at 3.9%.

As the end of 2021, SINGER has a total of 3,200 branches and franchises, with a total loan portfolio of 10,962 million Baht divided into loan portfolios with car registration as collateral, "Car for Cash" of 6,045 million Baht, and hire purchase loans (Hire purchase) of 4,734 million Baht and a portfolio of welfare loans and gold loans of 183 million Baht.

2022 is a challenging year for the Company's operations. The Board of Directors and Executives recognize that the economic, political, and global economic factors conditions due to the pandemic situation of the Covid-19 virus will affect the Company's performance in the near future. Maintaining the ability to sell, credit portfolio expansion, cost control, and the management of the



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Mr. Kittipong Kanokvilairat
Chief Executive Officer



Company's receivables to a consistently good level is an essential strategy that the Company upholds and accelerates to manage under the current economic conditions. In 2022, the Company has a goal to expand its loan portfolio and set a profit target to grow continuously to execute the "All-Time High" again after receiving capital from investors and having partners to strengthen and synergy with JMART Group, BTS Group, and partners, who come to fill the ecosystem, which will support SINGER this year to have products and expand the base to new customers, as well as to have more sales channels through online platforms.

The Company would like to make a commitment to shareholders and related parties that, under the management of the board and executives, they will lead the business of the group of companies to grow steadily in the future to achieve the business goals set. In addition, the employees of the Company expressed their intentions to devote their strength and energy to work together and push to achieve such goals in the end, along with the awareness of social responsibility by supporting and helping the community to be able to stand on a good and sustainable basis with more details that are provided under the topic, "Moving Business for Sustainability" in this report.

On this occasion, Singer Thailand Public Company Limited would like to thank our shareholders, customers and business partners, management, and all employees who participated in supporting the Company's business continues to grow. Furthermore, the Company would like to confirm to everyone that the Company will professionally conduct business and continually develop the organization's ability and social responsibility policy to be a good role model so that people in society have a better quality of life forever.

(Mr. Adisak Sukumvitaya)
Chairman of the Board

(Mr. Kittipong Kanokvilairat)
Chief Executive Officer

Business Operation and Operating Results

1. **Organizational structure and operation of the group of companies**
2. **Risk Management**
3. **Business driving for sustainability**
4. **Management Discussion and Analysis: MD&A**
5. **General Information and Other Important Information**



1. Organizational structure and operation of the group of companies



1.1 Policies and Overview of the Company's Operations

Singer Thailand Public Company Limited (the 'Company') is the distributor of various products under the "Singer" brand, such as: sewing machines and various types of household electrical appliances. Additionally, the Company also distributes appliances and equipments for commercial use, such as: refrigerators, coolers, agricultural tools and equipment, mobile phone airtime vending machines, petrol vending machines, and slush ice machines; as well as acts a distributor of various brands of mobile phone products and accessories. All these product offerings are aimed at meeting, in a comprehensive manner, the various and different needs of its customers that consist of household consumers and small business operators, and that are sold through Company-owned Branch retail sales Outlets as well as through numerous sales agents/representatives of the Company. More than 80% of the total sales are made on a hire-purchase installment basis; whereby the Company offers consumer/end-user financing through SG Capital Co., Ltd., a Subsidiary Company in which the Company has a 99.99% equity shareholding.

1.1.1 Vision Mission Values and Business Operating Strategies

Vision	To be the market leader of hire purchase products and consumer finance in the country.
Mission	To improve the quality of life of people by offering high quality products and service at affordable prices.
Values	In order to realize our goal of making Singer Thailand not only a highly profitable company but also one of the best managed Companies in Thailand, there are common values we must share and cherish:
<i>People</i>	We believe in our employees, who are key success factor in our business. Thus, all employees of Singer Thailand must be both happy to work for and feel proud of the Company with good opportunities for career advancement.
<i>Customers</i>	It is our goal and also not unusual for Singer Thailand to have life time customers purchase products from the Company over the years. The Company has built this loyal customer base by providing good quality products, ensuring timely collections and close follow-up of accounts. It is important that this continues in the future and that we maintain constant focus on our customers.
<i>Shareholders</i>	We provide a reasonable return to our shareholders while safeguarding their investment.
<i>Partners</i>	We develop our suppliers to be partners in progress and share our growth with them.
<i>Competitors</i>	We conduct our business by conforming to the ethics of our Country and share the social responsibility of the less fortunate.
<i>Community</i>	We conduct our business by conforming to the ethics of our Country and share the social responsibility of the less fortunate.
<i>Communications</i>	We believe that good and sustained internal communication is critical to all our business activities. However, this communication must be in 'two-way' in order to be effective - from Management to employees but also from employees to the Management.
<i>Leadership</i>	We believe in effective leadership. Being a good manager is not enough, all Executives, Managers and Supervisors should also aim at being great leaders. All great leaders have the following qualities: They listen, they communicate well, and they give credit to others for their successes and take full responsibility for poor results. Great leaders also inspire others and they always learn from their successes as well as their failures.

Business Operating Strategies

The Company has adjusted its strategy and business model from previously being fully focused on the core household consumers and customers segment to being more focused on small business customers, through emphasizing sales of commercial

products and appliances that are used for generating revenues for small business operators and entrepreneurs. This is in order to reduce the risks on being solely dependent on the household customers group.

The Company has also turned to targeting and capturing more small retail shop operators (or ‘show huay’) as its customers; whereby these small retailers, totaling several hundreds of thousands throughout Thailand, are located in all the small towns and rural villages throughout the country with as much as a total of 10 - 20 shops in every small town or village. These small retailers are the new target customers for the Company with the aim of facilitating and helping them to raise the overall level of their business activities as well as to achieve their potential competitive capabilities.

1.1.2 Significant changes and developments to the Company

In 1892, Singer Sewing Company of the USA appointed Kim Hua Heng Co., Ltd as the local dealer/distributor for its sewing machines in Thailand. Thereafter, in 1905, the Singer Sewing Company itself establish a branch operation in Thailand, under the name of Singer Sewing Machine Co. Ltd., with the aim of distributing its sewing machines together with accessory products associated with sewing machines that were imported from overseas. The Company also started to introduce the concept of hire-purchase installment sales of its products for the first time in 1925; whereby this service concept became the recognized business model for Singer - both in Thailand and overseas in many Asian countries. From that time onward and for more than 50 years thereafter, the Company sold and distributed only its sewing machines. Then in 1957, the Company began to sell other home electrical appliances, starting with refrigerators. Then, on 24 November, 1969, “Singer Thailand Co., Ltd.” was established and registered under the laws of Thailand to take over the operations of the existing Singer Sewing Machine Co., Ltd. that ceased to operate its business activities, with an initial total registered capital of Baht 60.0 million that was then increased to a total registered capital of Baht 270.0 million; whereby the Singer Thailand Co., Ltd. was then approved to be listed on the Stock Exchange of Thailand (SET) on 4 January, 1994 as a public listed company and changed its name to be “Singer Thailand Public Company Limited”. Currently, the Company has a registered capital of Baht 702 million that is fully paid up with a capital increase of Baht 412,525,208 (as at December 31, 2020)

As such, from the original beginning of its business activities in Thailand and up to the present, the Company has conducted and operated its businesses in an honest manner and with integrity, together with being responsible towards society as a whole, and actively participated in the development of the Thailand’s economy; whereby, 24 May, 2004 was an auspicious day for the Company in that His Majesty the King graciously granted the “Royal Warrant” and associated Royal Garuda Emblem to Singer Thailand Public Company Limited. This is considered to be a great honor and a most auspicious moment in the history of the Company and for all its Staff.

Important milestones for the Company during the past few years are as follows:

Year	Important milestones
2009	<ul style="list-style-type: none"> In 2009, the Company focused on implementing a ‘pre-approval’ credit system through the approval process of its Credit Center Officers, which resulted in a decrease in total sales of approximately more than 20% compared to the previous year. But the Company is committed to continue using this system, in order to achieve an overall improved quality for its hire purchase installment accounts.
2011	<ul style="list-style-type: none"> In 2011, the Company started to significantly expand its business activities into the commercial customers segment, especially those small retail business operators located in key provinces. It resulted in a clearly apparent increase in total sales from this newly targeted customers segment - especially for sales of refrigerators and beverage cooler products, freezers, and online mobile phone airtime vending machines. In 2011, the Company received the “SET Awards 2011” for listed companies” in the “Best Investor Relations Award” category.

Year	Important milestones
2012	<ul style="list-style-type: none"> In 2012, the Company achieved a total sales revenue mix of 60% for household consumers/ customers and 40% for commercial/small business customers, especially with sales of refrigerators/beverage coolers being the leading products followed by washing machines and air conditioners. The Company is still committed to further developing and growing the commercial/small business operators customer segment. In 2012, on 27 June 2012, the Company established the Singer Leasing (Thailand) Co., Ltd., with a registered and fully paid up capital of Baht 850 million, that received and took over and then operated the consumer finance business and hire-purchase services; whereby all the existing portfolio of hire-purchase customer accounts were transferred from Singer Thailand Pcl. In 2012, on 7 September, 2012, the Company changed and registered the name of the Singer Industry Co., Ltd. to be Singer Service Plus Co., Ltd., with a registered capital of Baht 5.0 million, so as to operate the core business of providing quality after sales services together with on-site repairs and maintenance services of all brands of electrical appliances and various other products at the consumers' homes. In 2012, the Company received from the SET the "SET Awards 2012" for listed companies in the "Best Investor Relations Award" category - again for the second consecutive year,
2013	<ul style="list-style-type: none"> In 2013, at the annual SET Awards event, the Company received from the SET the "Outstanding Investor Relations Award" - yet again for the third consecutive year. In 2013, on 19 December 2013, Singer Leasing (Thailand) Co., Ltd. increased its registered and paid up capital to Baht 1,450 million, with the Singer Thailand Pcl. having a 99.99% equity shareholding.
2015	<ul style="list-style-type: none"> In 2015, the majority Shareholder of the Company was Singer (Thailand) BV., a legal entity registered in the Netherlands with an equity Shareholding of 40.0% during the year up to 4 June 2015. Then on 5 June, 2015, Singer (Thailand) BV sold all its shares, with Jaymart Pcl., a legal entity registered in Thailand purchasing 24.99% of the Company's shares; whereby this then resulted in Jaymart Pcl. now becoming the majority Shareholder of the Company. On 18 December, 2015, Singer (Broker) Co., Ltd. implemented a capital increase; whereby its current total registered and paid up capital is now Baht 4.0 million (with a total of 40,000 ordinary common shares at a par value of Baht 100.00 per share); whereby Singer Thailand Pcl. has a 99.99% equity shareholding. In 2015, The Company received the "Outstanding Investor Relations Awards" from SET at the annual SET Awards event for the fourth time.
2016	<ul style="list-style-type: none"> On 25 July, 2016 the Company changed and registered the names of 3 Subsidiary Companies as follows; <ul style="list-style-type: none"> Singer Leasing (Thailand) Co., Ltd. to be SG Capital Co., Ltd. Singer Service Plus Co., Ltd. to be SG Service Plus Co., Ltd. Singer (Broker) Co., Ltd. to be SG Broker Co., Ltd. In 2016, The Company received the "Outstanding Investor Relations Awards" from SET at the annual SET Awards event for the fifth time.
2017	<ul style="list-style-type: none"> In 2017, SG Capital Co., Ltd., the subsidiary of Singer, started the new business, Rod Tum Ngern (making money vehicles) in the first quarter by providing credit and financing service to customers, both legal business entities and individual consumers through making use for their vehicle ownership licenses in being pledged as a collateral for personal loans with the Company; whereby vehicles licenses that are accepted as a collateral can be for passenger cars, commercial cars as well as large 6 or 10 wheels trucks.

Year	Important milestones
2019	<ul style="list-style-type: none"> • In 2019, the Board of Directors of the Singer Thailand Pcl, approved a resolution on 27 February 2019, to implement a capital increase of not more than Baht 432 million, through the issue of 432,000,000 new ordinary shares with a par value of Baht 1.00 per share that will be used in a Right Offering to existing Shareholders at the rate of 5 existing shares to 4 new shares at the price of Baht 4.89 per new shares . As such a total of 216,000,000 ordinary shares with a par value of Baht 1.00 per share will be allocated for this Rights Offering, together with another 108,000,000 new ordinary shares for supporting the redemption of the previous issue of Singer WARRANT -1 warrants as well as another lot of not more than 108,000,000 new ordinary shares for supporting the redemption of the previously issue of Singer “SINGER - W2 warrants. These Singer Warrants will be redeemed for new ordinary share at the rate of 2 warrants for 1 new ordinary shares. • On 22 April, 2019, the Company received a total of Baht 643 million from the issue of new ordinary shares and allocation of 131,505,235 new shares issued for the capital increase with a par value of Baht 1.00 per share; whereby the Company then registered the change in its registered capital from Baht 270,000,000 to Baht 702,000,000 with a paid up capital of Baht 401,505,235. The Company also registered a change in its shareholding structure; whereby Jay Mart Pcl., its majority Shareholder with a 24.99% shareholding now holds a total of 30.26% equity in the Company as a result of this capital increase. • In 2019, The Company received the “2019 Outstanding Investor Relations Awards” from SET at the annual SET Awards event for the sixth time.
2020	<ul style="list-style-type: none"> • In 2020, the Company has changed paid up capital to Baht 412,525,208 (as at December 31, 2020) from the exercise warrant of Shareholders. <ul style="list-style-type: none"> • The Company also registered a change in its shareholding structure; whereby Jay Mart Pcl., its majority Shareholder with a 30.26% shareholding now holds a total of 29.45% equity in the Company. • In 2020, The Company received the “2020 Outstanding Investor Relations Awards” from SET at the annual SET Awards event for the seventh time.
2021	<ul style="list-style-type: none"> • In 2021, the Company has changed paid up capital to Baht 455,164,940 (as at January 6, 2021) from the exercise warrant of Shareholders. <ul style="list-style-type: none"> • The Company also registered a change in its shareholding structure; whereby Jay Mart Pcl., its majority Shareholder with a 29.45% shareholding now holds a total of 32.625% equity in the Company. • The resolutions which have been passed at the Extraordinary General Meeting of Shareholders No. 1/2021 via electronic meeting, held on 26 October 2021 are as follows: <ul style="list-style-type: none"> • Approve the reduction of the Company's registered capital in the amount of 168,990,263.00 Baht from the existing registered capital of 702,000,00.00 Baht to 533,009,737.00 Baht by canceling 168,990,263 unissued shares which have not been reserved for the exercise of the warrants to subscribe for the newly issued ordinary shares of the Company No. 2 (SINGER-W2). • Approve the increase in the Company's registered capital in the amount of 305,007,841.00 Baht from the existing registered capital of 533,009,737.00 Baht to 838,017,578.00 Baht by issuing 305,007,841 newly issued ordinary shares at the par value of 1.00 Baht per share. • Approve the issuance and offering of warrants to subscribe for the newly issued ordinary shares in the Company No. 3 (SINGER-W3) in the amount of 11,557,681 units to be allocated to the Private Placement investor who subscribed for and is allocated ordinary newly issued ordinary shares in Private Placement.

Year	Important milestones
<p>2021</p>	<ul style="list-style-type: none"> ● Approve the allocation of the Company's newly issued ordinary shares. <ul style="list-style-type: none"> ○ Approve the allocation of 96,341,464 newly issued ordinary shares at the par value of 1.00 Baht per share to the existing shareholders in proportion to their respective shareholdings (Rights Offering), at the offering price of 36.3005 Baht per share, totaling 3,497,243,313.93 Baht. ○ Approve the allocation of no more than 197,108,696 newly issued ordinary shares at the par value of 1.00 Baht per share to the Private Placement investor at a fixed offering price of 36.3005 Baht per share, totaling to an amount of 7,155,144,219.15 Baht, which will be offered to U City Public Company Limited. ○ Approve the allocation of 11,557,681 newly issued ordinary shares at the par value of 1.00 Baht per share for the exercise of warrants to subscribe for newly issued ordinary shares of the Company No. 3 (SINGER-W3) to the Private Placement Investor who subscribed for and is allocated newly issued ordinary shares in Private Placement at a fixed offering price in the amount of 11,557,681 units, which will be offered to U City Public Company Limited. ● Approve the increase in the number of directors from 8 to 9 persons. ● Approve the issuance and offering of additional debentures in the maximum amount not exceeding 2,000 million Baht. ● the Company has changed paid up capital to Baht 800,094,788 (as at December 17, 2021) from to the existing shareholders in proportion to their respective shareholdings (Rights Offering) and the Private Placement investor, U City Public Company Limited. <ul style="list-style-type: none"> ● The Company also registered a change in its shareholding structure; <ul style="list-style-type: none"> ○ Jay Mart Pcl., its majority Shareholder with holds a total of 26.46% equity in the Company. ○ U City Pcl., its majority Shareholder with holds a total of 24.9% equity in the Company ○ Free Float 48.64% ● SG Capital Co., Ltd., subsidiary of the Company was approved to be listed on the Stock Exchange of Thailand (SET) on 18 October 2021 as a public listed company and changed its name to be “SG Capital Public Company Limited, SGC”. SGC has increased register capital Baht 820 million then the new registered capital of the company has changed to Baht 3,270 million. ● SG Broker Co.Ltd, has increased register capital Baht 10 million then the new registered capital of SGB has changed to Baht 14 million.
<p>2021</p>	<ul style="list-style-type: none"> ● the Company has changed paid up capital to Baht 811,054,379 (as at January 5,2022) from the exercise warrant of Shareholders.

1.2 Business Operations

Singer Thailand Public Company Limited is a distributor of commercial products, various electrical appliances household under the trademark "Singer" (every happiness is real at Singer) such as sewing machines, air conditioners, washing machines, refrigerators, televisions, etc., for commercial products such as coin-operated fuel dispensers, different types of freezers, such as fresh food freezers bakery freezer, beverage cooler, ice cream machine, snowflake drinks machine, water pump, etc. In addition, the Company is also a sales representative for various brands and models of mobile phones in order to meet the needs of customers comprehensively and diversely, both home and commercial customers. The distribution channel is available in both cash and hires purchase, where customers can choose to pay in instalments to ease the burden, especially during the current economic crisis.

In 2021, the products will be sold through almost 200 branches among nationwide. In addition, the telephone sales team has distributed through various electronic networks as well as wholesale channels. In addition, the Company has more than 3,000 franchise stores among nationwide.

Singer products can be divided into 2 product groups as follows:-

Household electrical products are:

- Sewing machine products such as sewing machines, needles, multi-purpose lubricants, scissors, etc.
- Household electrical appliances such as refrigerators, washing machines, gas stoves, air conditioners, oil-free fryer, chopper, coffee maker, fan, etc.
- Audio-visual products such as LED TV, Smart TV and audio equipment, etc.

Commercial products are:

- Products for stores such as fresh food coolers, freezers, beverage coolers, beer coolers, wine coolers, bakery coolers, slush machine and ice cream maker, etc.
- Vending machines products such as Petro vending machine, Airtime vending machine, drinking water vending machines
- Agricultural equipment products such as water pumps.

Structure and Change of Shareholders

On June 5, 2015, the Company changed the shareholder structure. The former major shareholder, SINGER (Thailand) B.V., holding 40%, sold all of its shares, and Jay Mart Public Company Limited became a new major shareholder with the shareholding of 24.99% and changed to 26% shareholding after the Company announced the increment of its capital in the year 2019.

- On December 17, 2021, the Company changed its registered capital again due to the increment of the capital by offering the total amount of newly issued shares Baht 305,007,841.00, divided into:
 - Offered to existing shareholders in proportion to their shareholding of 96,341,464 shares.
 - Private offering of 197,108,696 shares to U City Public Company Limited
 - Conducted allocation of 11,557,681 newly issued ordinary shares reserved for the exercise of the Warrants to purchase the Company's newly issued ordinary shares No. 3 (SINGER-W3) issued and allocated to investors who subscribed and received an allocation of newly issued ordinary shares issued and offered to a private placement to U City Public Company Limited.

Therefore, at present, there has been a new change in the proportion of the major shareholder structure to be

- Jay Mart Public Company Limited, holding shares of 26.46%
- U City Public Company Limited holding shares of 24.9%

In 2016, the Company introduced mobile phones for distribution through the Company's distribution channels both in the form of sales through the Singer's storefront and selling through a network of Singer stores across the country in the form of Direct Sales, which the Company has modified its sales and distribution methods and new collection methods to be in line with and support mobile phone sales that are different from selling electrical appliances that are the Company's main business.

In addition, the Company received the benefits from the debt management business of JMT Network Services Public Company Limited in managing hire purchase receivables and from the collection of the Company's outstanding debts.

This change in structure is another important turning point for Singer in Thailand. It is a synergy with new shareholders by using the strengths of both parties to expand the business base to support future growth. Therefore, the distribution of the Company's products since the second half of the year 2015 has changed from the original distribution of products under the "Singer" trademark in cash and instalment systems. The product groups are divided into three main groups: sewing machines, household electrical products and commercial products. In addition, there are products under other trademarks such as mobile phones, iPhones, Samsung, OPPO, Huawei, Vivo, and other accessories.

The Company conducted hired purchases through SG Capital Public Company Limited, which Singer Thailand Plc., hold 99.99% of the Company's direct sales through a network of outlets/branches, company salespeople, and distributors spread across the country. Most of the products that Singer sells are using the OEM (Original Equipment Manufacturer) method by ordering the most product from domestic manufacturers.

Revenue Structure

The Revenue Structure is from financial statements (including interest income) of the Company by geographic segment, and product lines can be divided as follows:

(Unit: Thousand Baht)

Domestic Sales Value by Product	2021	%	2020	%	2019	%
Washing Machine	376,159	9	398,603	12	326,843	14
Refrigerator	268,533	6	259,908	8	206,631	9
Freezer	700,592	16	547,808	16	364,154	16
Television	319,405	7	391,841	11	326,995	14
Sewing Machine	24,703	1	49,410	1	31,400	2
Air Conditioner	758,593	18	636,077	18	284,852	13
ATVM	68,820	2	96,120	3	120,934	5
Petrol Vending Machine	694,714	16	526,893	15	220,914	10
Mobile Phone	124,252	3	40,997	1	31,077	1
Total Sales Value in the Country	3,335,770	78	2,947,657	85	1,913,800	84
Other Products in the Country	929,604	22	512,314	15	368,985	16
Overseas Sales Value	-	-	-	-	-	-
Total Sales and Interest Income	4,265,374	100	3,459,971	100	2,282,418	100

Note: The Company operates the business of selling products in a single business segment and operates in a single geographic area, i.e. Thailand. Therefore, no segment information is presented.

Subsidiary Revenue Structure

(Unit: Thousand Baht)

Business Type	Operate By	% Share-holding of the Company	Year 2021	%	Year 2020	%	Year 2019	%
Sales Income								
Singer Thailand PCL.	STL	100.00	2,766,398	62.9	2,454,796	68.4	1,529,385	58.6
Interest Received from Installment Sales								
- SG Capital PCL	SGC	99.99	1,498,976	31.4	1,005,176	28.0	753,031	28.9
- Singer Thailand PCL.	STL	100.00			-	-	-	-
Service Business Income								
- Singer Thailand PCL.	STL	100.00	44,482	1.0	50,920	1.4	66,004	2.6
- SG Service Plus Co., Ltd.	SGS	99.96	(4,142)	-0.1	697	0.0	8,516	0.3
Life Insurance broker income								
- SG Broker Co., Ltd.	SGB	99.99	30,965	0.7	19,493	0.5	3,160	0.1
Other Income								
- Singer Thailand PCL.	STL	100.00	34,246	0.8	13,316	0.4	37,003	1.4
- SG Capital PCL	SGC	99.99	25,625	0.6	46,585	1.3	206,967	7.9
- SG Service Plus Co., Ltd.	SGS	99.96	299	0.0	180	0.0	5,875	0.2
- SG Broker Co., Ltd.	SGB	99.99	201	0.0	92	0.0	58	0.0
Total			4,397,050	100	3,591,235	100.0	2,609,999	100.0

Market and Competition

(a) Policy and Marketing Nature

Competitive Strategy

The "Singer" trademark has been known and famous in the market for more than 130 years. It is reliable in terms of the quality of durable products and quality after-sales service. Therefore, it is a reliable brand. The Company uses a direct sale strategy under the leasing system along with the cash sale, which customers can choose to pay according to their convenience. However, the sale of hire purchase is carried out to maintain and control the quality of debtors to have good quality debtors at an acceptable risk level. Thus, direct sales will allow employees to reach customers closely and provide useful recommendations of products to enhance and meet customers' needs. In addition, commercial products require guidance on proper placement, installation, usage, and maintenance throughout the lifetime. Creating close contact with customers is therefore crucial in the product distribution process. Furthermore, selling products in the hire purchase system can alleviate the burden of customers in making payments for goods, especially during the economic crisis, while being able to take advantage of the Company's commercial products to increase household income. In addition, the Company has increased the convenience of customers to access the Company's products through online channels (E-Marketplace), and the Company can also reach a wide range of customers. In addition, wholesale through distributors' channels shall help increase connection with more customers.

In addition, the Company has a process for managing the warehouse and transportation of goods with quality in order to reach customers with quality products and deliver within a reasonable time. For products that need to be monitored to measure quality in accordance with the standards of regulatory government agencies, the Company will follow up the after-sales service systematically.

With the business operation experience, quality of human resources specializing in business and products, technology systems that support efficient work, and good relationships between partners, these are factors that encourage the Company to be strong in the business and develop further operations to be more competitive.

The Company sold the products with equal or better quality compared to other manufacturers' products. As a result, the cash selling price of the product is similar to that of other brands. The Company's customers are domestic customers in every province. Therefore, the access to customer groups will be based on the characteristics of each sales channel. The Company has divided the sales system into four systems as follows:

1. The "SingerDirect21" system is an updated sales system developed in 2021 as a selling tool for the Singer salesperson network.
2. Sales system through telephone staff, is a direct contact with customers via telephone to sell and provide service through telephone.
3. Wholesale system is selling through dealers and group sales, focusing on selling sewing machines with peripheral equipment, freezer products, beverage coolers, wine coolers, and small home appliances.
4. Online system is a sales system through an application E-Marketplaces such as Lazada, Shopee, SG Home and LineOA-SingerConnect in order to increase the channel for customers to buy more products. The Company can also communicate new products to customers for them to choose from a wide variety and easy access and provide services to cover customers of all occupations and ages.

In the year 2021, the Company has developed information technology systems to support the direct selling process to be more convenient, faster and more efficient, as well as the development of application systems and various E-Marketplace channels. In addition, during the third quarter of the year 2021, the Company has conducted a serious study on opportunities to provide services to customers through online channels and started to provide services to customers via online channels at the beginning of the 4th quarter of the year 2021. At present, the Company can sell products through online channels to customers who are especially interested in small appliances and mobile phone products.

In addition, the Company has reorganised its organisational structure in response to its business strategy of expanding marketing channels to a wider group of customers. A unit is clearly responsible for every part (Value Chain), starting from the unit analysing products that meet customers' needs, especially in the current economic situation, developing and supplying products to meet requirements, efficient inventory storage and distribution management, the after-sales service process which are necessary for the Company's products, and the convenience of two-way communication between the Company and the customer. In addition, the development of a software system that supports and supports the customer service process to facilitate the quick sale of products and provide prompt service to customers.

The expansion of the current customers is based on most commercial customers. The current product presentation channels are presented through salespeople to provide clear services that meet each customer's specific needs. The Company has prepared by increasing the number of sales staffs across the country, which has started operations in the 4th quarter of the year 2021. Thus, the increment of franchises (Dealer) to reach more customers. In addition, the Company has conducted additional training plans for sales staffs in various products for enhancing salespeople's depth knowledge of products in order to be able to directly meet the needs of customers.

The expansion of the new group of customers is based on online channels. At present, the Company has started to operate and continue to have a continuous development plan in the year 2022 to increase the convenience of customers in accessing the Company's products, information about new products has been presented through online channels and ease of ordering as

well as the speed in receiving the products. The Company has a unit responsible for overseeing and developing online business throughout the process until the products reach the customers.

The expansion of a new group of customers is based through wholesale channels among nationwide. This is a channel to expand a new customer base by the Company realizing the opportunity and potential to provide services and reach new customers. It also supports and promotes overall marketing opportunities. However, such channels shall increase the variety of products so that customers can make more choices. It can also promote value-added and stimulate the overall economy of the country in another way.

In addition, the Company has also brought new products in order to expand the market for covering the target group of commercial entrepreneurs, such as grocery stores, retail stores, restaurants, coffee shops, dormitories and more apartments such as an ice cream maker machine, fresh food freezer, Petro vending machine and Slush machine to help enhance competitiveness and increase income for small entrepreneurs including the introduction of small electrical appliances such as oil-free fryers, air purifier to sell to increase the product line as more alternatives to consumers.

Distribution Channel Strategy

The Company sells products through the Company's branches which have almost 200 branches across the country and more than 3,000 franchise stores covering the country with a network of over 3,000 sales staff. The Company has trained sales staff to have good knowledge and understanding of products by using both internal training and online training. These sales staffs are a key force in expanding the Company's market. In addition, approximately 90 per cent of sales are hire-purchase sales through SG Capital Public Company Limited, which Singer Thailand Plc., hold the shares of 99.99%.

For the quality control of the hire purchase account, SG Capital Public Company Limited has been conducted the audit before and after-sale by establishing a Credit Control Officer to check and approve the customer's credit before the sale. However, the consideration of customer credit will be considered from the internal database of the Company and reviewed with the National Credit Bureau Company Limited (National Credit Bureau). The review of the after sale, the Telecall (TC) team will make a call to verify the account and act as a person to verify the correctness of all hire purchase accounts and the credit information, whether they are correct for the approval or not. If inaccurate information is found, it will be sent to the Field Collector (FC) team to review and visit every hire purchase customer's home. At present, the Company has more than 200 auditors responsible for auditing hire purchase accounts across the country under the control and inspection of the credit department.

Product distribution channels can be divided as follows

1. Direct Sales Channel Through Singer's Salesperson Network

The Company is proactive in expanding its current customer base. Because the Company's products are diverse, most of the products are commercial goods that can serve customers in expanding their business for the increment of customer's household income and value-added for the country's economy, such as Petrol vending machine, Drinking water vending machines, Airtime vending machines, etc. The Company focuses on expanding its customer base in the commercial product segment and providing quality of after-sales services to customers, consumers and a wide range of consumers.

2. Sales Channels Through Selling Platform

From the analysis of business channels and opportunities, the Company recognizes an opportunity to expand its customer base in new groups, especially products in the Small Appliance and Mobile Phones category, which is considered a product that is important to the modern lifestyle. This focuses on the convenience of consumers and customers in the country to have channels and opportunities to choose products that meet their needs, along with the convenience of purchasing various products through online channels such as E-Marketplace, Shopee, SG Home and Line Singer Connect, etc. The addition of such online channels is expected to provide services covering all occupations and ages of consumers and customers. They can also communicate the

Company's new products to allow customers to have more variety of choices and be more easily accessible.

3. Sales Channels Through Wholesale Centers Across the Country

The Company offers its products through a wholesale centre for customers who want to see the real product in order to decide when to buy a product. The product distribution plan will be through wholesale centres across the country, which is expected to be able to meet all the needs of consumers and customers and provide easier access to products.

4. Sales Channels Through Telephone Staff

At present, the Company has a team of telephone sales staff to offer products to customers. Most of the products sold are mobile phones, small appliances, etc.

5. Sales Channels Through Franchise Stores

In the year 2021, the Company has a network of more than 3,000 franchise stores nationwide to distribute products and provide services to customers both before and after-sale.

Industry Outlook and Competition

The demand for electrical appliances in the country is likely to grow by an average of 2.0-3.0% because (1) The housing market is expected to improve in 2022-2023 in line with the economic growth trend. (2) The marketing of new electrical appliances that focus more on health (air purification and bacteria/virus removal system to alleviate PM2.5 dust problems and prevent epidemics), such as air conditioners, washing machines, air purifiers, including new electrical appliances that have developed the ability to control operations via internet connection. (3) The weather in the year 2022-2023 is expected to increase in temperature continuously due to global warming, which helps support the demand for air conditioners, and (4) The increasing of distribution channels through online product marketing. This makes it more convenient for consumers to access information and make purchasing decisions.

In the long term, Thailand's electrical appliance industry has the opportunity to grow continuously due to the demand for high-tech appliances and the ability to connect to the Internet tends to increase in line with the development direction of 5G telecommunication networks that cover more areas. Which are in line with the trend of progress in the development of the Eastern Economic Corridor (EEC) project, a pilot area for investment in new industries of the future that emphasizes the use of high technology according to the government's Industry 4.0 strategy. This will help attract investments to develop innovation in the production of electrical appliances in Thailand, especially those with highly competitive potential in Thailand, such as refrigeration and household electrical appliances.

The electrical appliance dealer, which is a large modern store, will be a group that gains benefits from the growing trend of the electrical appliance market, which has a capital advantage, variety of products, many branches including marketing strategies and attractive prices. But electrical appliance stores, which are a large number, and most are traditionally managed, can be a turnkey risk due to facing more intense competition from large and some modern retailers that sell electrical appliances, including entering the market competition of domestic manufacturers and importers from China, who have the advantages of price and modern technology. In addition, there are also modern stores through online marketing channels, which have participated and competed for more general electrical appliance store market share.

Electrical Appliances Hire Purchase Business

In the hire purchase business, there are two main groups of domestic market shares, both of which have customer bases and different characteristics

- The first group consisted of major operators in the country, namely Ayudhya Capital Services Public Company Limited (Krungsri First Choice) and AEON Thana Sinsap (Thailand) Public Company Limited. Those individual operators have provided the hire purchase business for electrical appliances and other types of hire purchase services such as

hire purchase for communication equipment, office equipment, furniture, motorcycles and automobiles, etc. Thus, the methods of hire purchase through agent shops.

- The second group will focus on products with long service life and products such as home appliances. At present, only Singer Thailand Pcl. is the only company that still operates direct sales business through leasing through the store and the Company's sales staff.

It is difficult to increase sales results from the use of home appliances such as televisions, refrigerators, freezers, and washing machines, which is considered a proportion of products with a high percentage of ownership. But the Company's management realizes that it can increase sales by applying the marketing principle of the replacement market by using the trade-in strategy for all types of customers' home appliances, all brands. With Singer's new electrical appliances with conditions for discounts between Baht 1,000 - 5,000 along with relaxing and excellent service with Singer outlets across the country to achieve the Company's goal of expanding the market of all kinds of products that the Company distributes.

Sewing Machine

Many types of consumer products that are used in daily life, such as shirts, trousers, skirts, bags, shoes, bedsheets, pillowcases, etc., are all made by sewing machines. As a result, sewing machines are widely used products in large, medium and small businesses, including general sewing machines for home use. The sewing machine market can be divided into two main categories: Industrial sewing machines used for sewing industry consumables and ordinary sewing machines used for sewing in the household. Among the widely sold brands in the sewing machine market in Thailand are Singer, Janome, Elvira, Brother and Juki. In addition, there are also a variety of cheap sewing machines imported from China that join in competition in this business.

Because the sewing machine is a durable product and has a fairly long service life, it depends on the usage suitable for each type of sewing machine. At present, the market has a growing demand for sewing machines due to the introduction of modern technology to help develop more efficient sewing machines until it became a computer sewing machines with a beautiful appearance, modern, compact, easy to use, and able to create a variety of works, suitable for changing eras that are popular with unique crafts, and DIY (Do It Yourself).

Major Competitor Changes

There are big companies in Thailand that operate the business in financial services for consumers (Consumer Finance) that is not a bank (Non-bank) which are the companies that operate credit card businesses such as Krungsri Ayudhya Card Company Limited, Krunghthai Card Public Company Limited, General Card Services Company Limited, City Consumer Products Company Limited. The companies operate non-bank businesses, namely AEON Thana Sinsap (Thailand) Public Company Limited (AEONTS), Ayutthaya Capital Services Company Limited (Krungsri First Choice) (AYCAP) and Easy Buy Public Company Limited. (Easy Buy), which focuses on doing hire purchase business. And personal loans (Personal loans) and Singer Thailand Public Company Limited (SINGER), which has focused on and run the hire purchase business for more than 130 years.

Such non-bank companies can be divided into two groups, each with its own goals. For example, AEONTS, EASY BUY and Krungsri First Choice will focus on hire purchase and personal loans business with customers with a good history and has a fixed income of not less than Baht 4,000.00. On the other hand, SINGER will focus on customers in the upcountry. Most of them operate agriculture business, which is considered a group of foundations.

These companies operate on a direct selling basis where the cost of financing plus the cost of pre-and post-sales services is included in the rates charged to customers.

The competition among companies in these groups is different from companies in the first group (AEONTS, KFC and EASY BUY) that are competing in terms of speed in credit approvals and interest rates. The other companies with rural farmers compete to maintain good relations with local residents and offer good service both before and after-sales. Moreover, the companies will provide direct sales services to customers by focusing on the benefits of customers by offering services and new products.

Procurement of Products or Services

The procurement of sewing machines after the middle of year 2002, the Company changed the ordering procedure. In the past, the Company used the method of ordering sewing machines from the Singer Industry (Thailand) Co., Ltd. by changing to order the finished sewing machine directly from abroad. This is because the cost of importing finished sewing machines is lower than the cost of domestic production and assembly.

In the field of electrical appliances, the Company orders to produce products from domestic manufacturers in the form of OEM (Original Equipment Manufacturer), that is, the manufacturer will produce products according to the pattern and design characteristics of the Company's products. Under the "Singer" brand, most of the main manufacturers have domestic production bases and produce quality products. In addition, the Company has control measures to inspect goods from manufacturers to ensure the quality of products.

The training for sales staff to have in-depth knowledge of each company's products, is very important because most of the Company's products are commercial products. In the sale of goods, it is necessary to install and measure in order to meet the standards of the regulatory government agencies. Therefore, sales staff need to have knowledge of the Company's products.

In addition to products sold under the Singer trademark, the Company has also collaborated with Jay Mart Public Company Limited to distribute mobile phones of various brands and models, which enabled the Company to expand its customer base into more groups of new customers.

At the end of year 2021, the Company introduced a new store, Singer X FN Living Space, located in Kubon. This is a collaboration with new business partners to present products and installments of home appliances such as furniture, mattresses, etc., and is a new form of Singer store. The store is designed according to the customer's interest (Customer Centric) to meet the complete needs and increase convenience for customers who wish to purchase and/or pay in installments for home appliances as well.

Environmental Impact

The Company realizes the importance of energy-saving and environmental protection, and there has been a campaign to use the most efficient electrical equipment. The Company has continuously developed economical electrical appliances, which is considered a social responsibility. Therefore, the products that the Company sells are labelled with energy-saving labels 5. Moreover, Singer's refrigerators have developed to a step further with the use of non-toxic refrigerants and do not destroy the Earth's atmosphere. "NON-CFC" is a substance "C-Pentane" with zero ozone destruction value.

Because the Company does not have a factory to produce products but uses the method of ordering products with OEM (Original Equipment Manufacturer) production from factories with quality production processes and avoids ordering from poor quality manufacturers. The Company has a unit to inspect the quality of products (Quality Assurance) to screen the products according to the standards. And the Company has the policy to choose factories that focus on environmental impact and various matters with aforementioned.

The Company is committed to performing business with quality for the benefit of society as a whole and for consumers continuously.

Objectives and Goals of the Company's Operations (Corporate Goal)

In the year 2022, the Company aims to maintain a growth rate of 30% per annum by implementing the following operational plans:

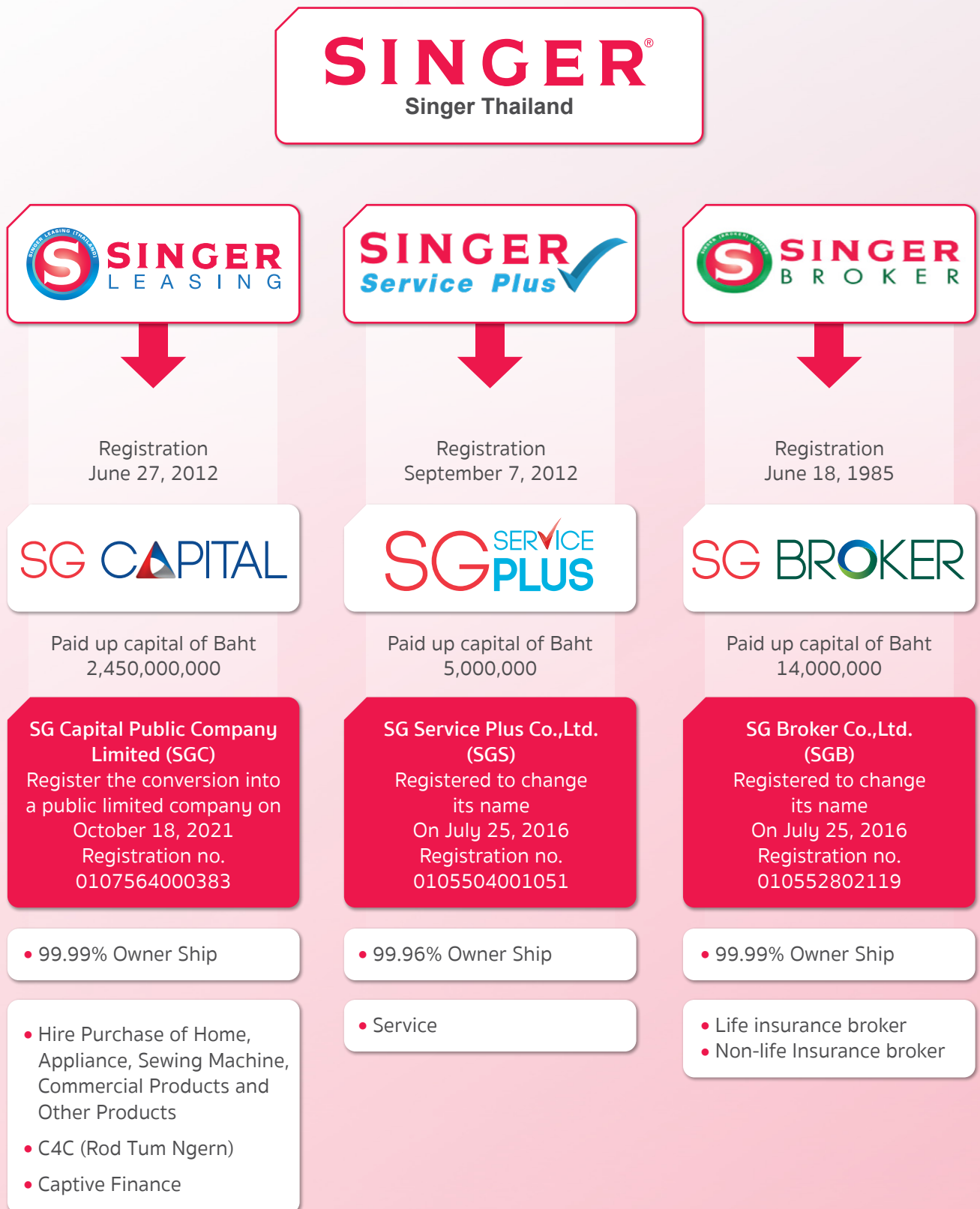
Marketing

1. Strengthen the business of lending for hire purchase of electrical appliances, which is the foundation business of Singer for sustainable growth. The Company plans to expand the network of branches to cover more with increased customer reach and develop the potential of branches, and salespeople, through product learning quality sales. The goal is for every home to have at least one Singer electrical appliance and buy electrical appliances from the Singer store that is accessible at the neighbour's store level.
2. Increase the product's distribution channel through the main Singer store that provides services in the community areas.
3. There is an increase in the number of franchise stores by more than 100%.
4. Develop and expand channels for the Company's wholesale centre to have more networks to reach wholesale customers. Enhance strength and good relationships with wholesale customers across the country.
5. Increase variety in product groups, increasing the type of products in the Get Rich product group to increase income and convenience, such as household electrical appliances. This is to meet the needs of all groups of customers and increase sales opportunities for Singer's sales team.
6. The marketing promotion activities are to create awareness and demand for Singer products through television media in various programs that match the target customer group and through cooperation with other agencies.

Receivable Quality

Maintain debtor quality control standards from credit approval and control of debt repayment. The goal is to have a non-performing loan (NPL) of no more than 3% by 2023.

1.3 Subsidiaries of the Company



Subsidiary



SG Capital Company Limited (SGC)

Type of Business	: To provide financial services as a non-financial institution headquartered in Bangkok. The provided services are as follows: (1) Hire purchase for electrical and home appliances, commercial appliances, and captive finance (2) Car title loan service (Passenger Car, Pickup Truck, Truck) and (3) Debt Consolidation under the name “SG Capital”
Corporate Registration Number	: 0107564000383
Headquarters Location	: No. 72, CAT Tower, 20th Floor, Charoen Krung Road, Bang Rak District, Bangkok 10500
Company’s Website	: www.sgcapiatal.co.th
Telephone	: 02-234-7171
Facsimile	: 02-352-4799
Par Value	: 1.00 Baht per share
Register Capital	: 3,270,000,000 Baht (as of 31 December 2021)
Paid-up Capital	: 2,450,000,000 Baht (as of 31 December 2021)

SGC has the business strategies as follows:

1. Customer Centric, Focusing on understanding customers' needs and introducing loans that truly response to the customers' needs.
2. Top of Mind, Focusing on the quality of employees, creating a team with a service mind to give customers the best experience and spreading word of mouth
3. Control the quality of receivables closely and setup the NPL Target of each product

SGC issues a policy to expand its business in the hire purchase area by focusing on groups of products under the brand SINGER. In addition, it plans to expand its hire purchase business to other brands to meet the customers' needs. For example, freezers, beverage refrigerators, vending machines, gas vending machines, etc., that are used in commercial business.

Furthermore, the Company provides car title loans, which had been started in the first quarter of 2017 under the slogan "Car for Cash's Loans", which provides services for both juristic entities and individuals who has the ownership of the cars. The types of cars included in this service are passenger cars, commercial vehicles, trucks, and trailers. The loans are being distributed via venders of SINGER across the country, which has more than 185 branches. The expansion of vending mediums will increase the growth of this business.

The Company has started to implement the direct repayment service for customers via bank systems along with, fees and fines collection from customers with late repayment system. These are to reduce the cost of tracking and collecting money and decrease corruption caused by employees and to ensure the quality of the new loan account that has been issued. Furthermore,, the Company is stringent in closely monitoring and supervising loan account to ensure prompt solution when issues occurred.

Company's Mission:

SGC is a lender for loans and will initiate other financial products to meet customers' needs domestically and to sustainably create growth as the leading loans and other financial products with collaterals provider. SGC emphasizes in expanding in car title loan business, especially for trucks and creating a good partnership with products and services under SINGER Thailand group and under other brands.

Company's Vision

No. 1 in car title loan for trucks service in 2025

4 Strategies that the Company focused on:

1. Supporting business in the hire purchase of appliances and services of SINGER brand. Primarily, the Company aims at groups of commercial products and will expand to other products in the future.
2. Managing receivable accounts of the Company to be in good condition with low non-performing loan (NPL)
3. Processing in approval of the loan to be more convenient and faster. The Company has created the credit analysing centre to review, rectify, and analyse the financial status of customers before approving any loan requests. Furthermore, the Company reviews customers' credits via National Credit Bureau and Field Checker to review the hire purchase accounts and car title loan to directly review the customers in their area, including establishing a field debt collection team to support the management of outstanding debt in the area directly and effectively.
4. Managing internal control of employees, knowledge, skills and supporting for development of qualification of employees in every level for higher performance and effectiveness. The Company also tries to reduce the expenses to create more profits.

The process of executing products to meet the target customers' needs is to introduce hire purchase and car title loan limit. The managing costs has been effectively planned by utilizing the services within all units and departments under the Company's group or by hiring an outsource to operate in Company's name for the non-material function. The Company executes contracts with the external service provider that are pursuant to law and notices of the Bank of Thailand.

Company's Policy

At present, SGC provides loan services for individual customers and entrepreneurial customers via three products as follows:

- (1) Hire purchase for electrical and home appliances, commercial appliances, and captive finance
- (2) Car title loan service (Passenger Car, Pickup Truck, Truck) and
- (3) Debt Consolidation

1. Hire purchase for electrical and home appliances, commercial appliances, and captive finance

SGC is the provider of hire purchases for electrical and home appliances for customers that purchased SINGER's products and products sold by SINGER Thailand. Whereby, customer that requires to purchase the product as an installment will execute the agreement as the hire purchase receivable of SGC. Any customers entitled for loan review, must meet the Company's requirement. The products and services are divided into three groups:

- 1) Electrical and Home Appliances: Refrigerator, Washing Machine, Television, Water Filter, Mobile Phone, etc.
- 2) Commercial Appliances: Gas Vending Machine, Freezer, Washing Vending Machine, Coffeemaker, Mobile Phone Vending Machine, etc.
- 3) Captive Finance: Medical equipment, Screening Machine, Lathe Machine, Printer, Sewing Machine, etc.

Target Customers:

Target customers for Home Appliances and Mobile are individual customers across the country who require instalment home appliances and mobiles with a low limit and friendly service. These customers are mainly have lower income and lack chances to be in touch with credit loans provided by the financial institution.

Target customers for Commercial Appliances are community entrepreneurs, such as convenience stores, restaurants, apartments, and companies that need to provide convenience for their employees.


Selling Channels and Process

SGC introduces credit loans through its representatives of SINGER Thailand, situated in the community across the country. Whenever customers need to purchase instalments, the representative will introduce products and conditions and process the reviewing process to the centre for approval. Once approved, the customers will become hire purchase receivable and obliged to pay for instalment with SGC.

Loan Reviewing Process

Hire purchase loans for electrical appliances will be reviewed by the reviewing centres in ten districts over the country. The Credit Operation Committee and Branch Operation Committee will monitor and supervise the policy for credit, procedures in the centres, and train the sales agents.

2. Car Title Loan

SGC provides car title loans to individual customers and juristic entities who are entitled to the ownership of cars under the brand, Car for Cash, which include (1) those who have to transfer the cars' ownership and (2) those who does not have to transfer the cars' ownerships (Car Title Loan) The types of customers' cars that could be considered are: trucks, passenger cars, and commercial cars (Pickups) 

Business Processing Policy

The central policy is Car for Cash, which is number one in SME entrepreneurs who require credit loan services to meet their business needs. The specialised team in loan products focuses on providing excellent and prompt service.

Target customers and strategic in competition

Customers	Characteristic of Customers	Introduced Products	Strategic in Competition
1.Large Entrepreneur	Individual and Juristic Entity	Car Title Loan without transferring the ownership at the limit of 10,000,000 Baht - 30,000,000 Baht	<ul style="list-style-type: none"> - Customisational review to meet customer's requirement individually - Prompt service, review and approve for transferring monies - Service provided by District Manager and Business Relations Team who are specialised in servicing big entrepreneurs with clear and direct presentation of products and information to create customers' trust
2.Medium Entrepreneur	Individual and Juristic Entity	Car Title Loan with and transferring the ownership at the limit of 3,000,000 Baht - 10,000,000 Baht	<ul style="list-style-type: none"> - Review and provide credit to meet the customers' needs - Prompt service, review and approve for transferring monies - Service provided by Branch Manager and Business Relations Team who are specialised in servicing with clear and direct presentation of products and information to create customers' trust
3.Small Entrepreneur and individual	Individual	Car Title Loan with and without transferring the ownership at the limit of 50,000 Baht - 3,000,000 Baht	<ul style="list-style-type: none"> - Prompt service, review and approve for transferring monies - Service provided by Business Relations Manager who specialised in servicing with clear and direct presentation of products and information to create customers' trust - Push Marketing - Servicing customers on site

Service Channels and Selling Process

Business Relations Team including the manager will be positioned at each branch of 62 branches throughout the country to service the customers of every province. In the three provinces at the South boarder, we have the branch in Pattani Province.

Loan Reviewing Process

Car for Cash will be processed with the following criteria:

Factors	Analysis	Loan Processing
1.Customer Identification and environmental factor analysis	<ul style="list-style-type: none"> Customer and guarantor are identified as provided in their application documents to request car title loan Must not be a fungible hire purchase (payer and borrower are the same person) The residence and work place of the customer are traceable and complied with the proves provided Social Capital, such as intimacy to the living area, difficulty to change residence, reputation and social status of both customer and guarantor to indicate stability 	The officer of the Company will meet with customer at their residence and work place to identify the customer, the company's directors, and guarantor to affirm the correctness of information provided. The officer will interrogate the people, shops, or community leader in the area for more information. Afterwards, Loan Reviewing Team will contact Field Checker Team to investigate another time before approving the loan every time
2.Checking on previous and current records of debt settlement	<ul style="list-style-type: none"> Grading customers according to their previous and current records of debt settlement for a period of last 12 - 24 months. Determining Loan to Value (LTV) by grading - Customers with good records will be considered for higher LTV Maximum LTV is at 85% 	<ul style="list-style-type: none"> Checking of NCB history or contracts and receipts of instalments with other financial institutions in case that the lender is not a member of NCB Checking Black List Database of the Company and Affiliates
3.Proving of income and ability to affordability ratio	<p>Analyse the capability to repay debt from Debt to Income (DTI) ratio by calculating monthly liability / monthly net income</p> <ul style="list-style-type: none"> Maximum DTI is 80% (Equivalent to Minimum DSCR = 1.43x) <p>The Company will review based on customer's income, together with considering the income of guarantor</p>	Credit Team will investigate income of both customer and guarantor according to sources of income, such as, Payroll Slip, Withholding Tax Certificate, Audited Financial Statement, employee contract, Title Deed, Bank Statement, etc.
4.Collateral and approximate value - Passenger Car - Pickup - Van - Trailer (excluding bus and taxi)	<p>Determination will be done in two dimensions as follows:</p> <ol style="list-style-type: none"> Acceptable value by assessing from purchasing price and liquidity of assets, second-tier brand car will receive lower 10% of LTV from normal guidelines Customer's retention of assets: assessing by investment proportion of assets, period of car ownership, and core asset to customer's business <ul style="list-style-type: none"> LTV will be set by retention of assets along with record of debt settlement LTV will be limited not higher than 85% of the estimated value in case the car is a trailer used as Core Asset and the customer has good record. 	<p>Credit Team will assess value of assets from two factors as follows:</p> <ol style="list-style-type: none"> Reference of the market price from the Red Book, Company's internal database, and other referees from the industry, such as dealers, and central assessed of other financial institution Determine from the actual condition of property, investigation of officer, images, vehicle ownership booklet and car condition update (in case of being a trailer) <p>All the cars required insurance and endorsed beneficiary to be SGC.</p>

Interest Rate and Fee

Types of Loan	Interest Rate	Front-End Fee
Automobile Title-Backed Loan	15% - 24.0% per year	1.5% - 3.0% of loan limit

3. Debt Consolidation

Business Process

Debt Consolidation is a type of loan with the purpose to support the employees of government and private agencies with high performance but having high debt liabilities. The Company will let the employees to combine all the credit, cash card, and personal loan and provide monies to the employees to pay off the loans from financial institutions that have higher interest rate.

Target Customers

Target customer of Debt Consolidation is private employees with high debt liabilities either with the financial institutions or creditors. Most of the customers are employees with stable financial status and good reputation. Some companies are registered in SET. For example, Bangkok Dusit Medical Services Public Company Limited, Bumrungrad Hospital Public Company Limited, Samitivej Public Company Limited, Central Plaza Hotel Public Company Limited, S P V I Public Company Limited, and Supalai Public Company Limited, etc.

Re-payment Channel

Payment of instalment will be deducted from employees' salary from their company that agreed by directly executed the MOU with the Company to reduce default risk of the said employee.

Personnel

Control and manage by the executives and experienced personnel in individual loan business

- 1) Manage manpower in accordance with business plan
- 2) Develop and up-skill capabilities of employees regarding products, regulations, and other related law continuously.

Location and Service Area

The Company's headquarters located at No. 72, CAT Tower, 20th Floor, Charoen Krung Road, Bang Rak District, Bangkok 10500

Technology

- 1) The Company develops its approval system of loan to meet international standard, the updated management of receivable, and debt collection system to support the further development in the future and to enhance the efficacy in the work process.
- 2) The Company has effective reporting and monitoring system for receivables to prevent and reduce Non-Performing Loan (NPL).

Management

- 1) Manage with Good Governance
- 2) Manage the work in supervising and complying to the law and internal audit in compliance with notices and regulations issued by Bank of Thailand or Office of the Consumer Protection Board
- 3) Have the effective primary investigation of information given by the customers, which will affect the quality of loan that will be reviewed and approved
- 4) Monitor the debt collection of the Company and third party representatives, which has been governed with justice and keep the good reputation of the Company in compliance with regulations set by the Bank of Thailand

Financial Status and Sources of Investment

- 1) Singer Thailand Public Company Limited holds share 99.99%
- 2) Sources of investment come from shareholders and bank's loan



SG Service Plus Co., Ltd. (SGS)

SG Service Plus Co. Ltd. is a Subsidiary Company, in which Singer Thailand Pcl. has a 99.96% shareholding, started operations on 7 September, 2012. SG Service Plus Co., Ltd., (SSPL), Business License No.0105504001951, with a total registered capital of Baht 5 million and its registered offices at 8, Moo 4, Samkok -Sena Road, Bangnomkho, Amphur Sena, Pranakon Sri Ayutthaya Province 13110, operates after sales services for the installation, repairs, and maintenance of all types and brands of electrical appliances together with selling the associated accessories or spare parts under the control of Singer Thailand Pcl. As such, the company aims to be a top-quality provider of after sales services just like your immediate neighborhood appliance repairman. The company changed its corporate name on July 25, 2016; whereby the company's Board of Directors passed a resolution to change the company's name from Singer Service Plus Co., Ltd., (SSPL) to be SG Service Co., Ltd., (SGS), through changing only the company's name.

In 2018, the company undertook various proactive initiatives and focused on providing speedy services through investing in a new 'application' that enables the customer to monitor and check, in real time, the status of the repairs service; together with implementing a program to support the repair services and sales of accessories corresponding to this new 'application'. Additionally, the company also expanded the scope of its maintenance and repairs services coverage to include large engineering projects as well as bidding for work relating to Government projects, industrial projects, and hotel and resorts projects. As such, the company has expanded its sales revenue channels; such as: undertaking the electrical system wiring work for buildings, laying down the wiring for a LAN network system or a telephone system, buildings improvement and repair work, and installing exhibition booths or stalls; as well as selling genuine spare parts and accessories for SINGER products and also for all other brands of electrical appliances.

With regard to its human resources development, the company has trained and developed its technicians to achieve various standards of technical skills competence - namely: building electrical technician level 1 program and air conditioning technician for small sized commercial air conditioning systems level 1 program - so as to comply with the applicable legal and regulatory requirements of the Department of Skills Development, Ministry of Industry. The company also undertook new products training courses on a continuing basis; as well as created a new generation of technicians to replace older technicians through collaborating, under a bi-partisan MOU to undertake vocational teaching activities, with vocational schools in the Central and Southern provinces of the country.

With regards to the HOTLINE 0-818-404-555 service at its Service Center together with the coordination and assignment of work to technicians, the company covers all areas and all provinces through having 115 technicians operating from the established network of 188 Branch Offices of Singer Thailand Pcl., so as to enable SGS to provide its services throughout the country in a comprehensive manner.



SG Broker Company Limited (SGB)

SG Broker Company Limited commenced operations on June 18, 1985, under the name Singer (Broker) Company Limited with a paid-up registered capital at that time of two hundred thousand Baht (2,000 ordinary shares, 100.00 Baht per share) with Singer Thailand Public Company Limited holding 99.99% shares. Later on December 18, 2015, the Company increased its registered capital with a total paid-up capital is 4 million Baht (the number of common shares is 40,000 shares, 100.00 Baht per share). And on July 25, 2016, the Board of Directors resolved to register the Company's name change from Singer (Broker) Co., Ltd. to be SG Broker Co., Ltd. (SGB). Subsequently, at the Extraordinary General Meeting of Shareholders of the Company No. 1/2021, it was unanimously resolved to increase the registered capital of the Company by another 10 million Baht by issuing 100,000 ordinary shares with a par value of 100.00 Baht per share, in which the Company registered the increment of the capital and amendment of Clause 5 of the Memorandum of Association to a new paid-up capital of 14 million Baht on December 8, 2021.

SG Broker Company Limited (SGB) operates a non-life insurance broker, license no. WOR 00014/2016, a life insurance broker, license no. CHOR 00045/2545, with “**Singer Thailand Public Company Limited**” major shareholder. Conduct business under the management team and knowledgeable personnel, expertise by adhering to good governance principles. Also, it has always strictly followed the rules and regulations of the OIC. In addition to providing non-life insurance services, the Company has an idea to expand non-life insurance services to cover the insurance business. Besides, it is an extension of affiliated businesses and supports the Company's customer base available throughout the country with customers' interests as the priority. Essential aspects of the non-life insurance business, particularly insurance other than motor insurance, have not yet reached a large number of low-income citizens.

With the reputation of "Singer" (a significant shareholder of the Company), has been standing in business alongside the public for hundred years, which has a database of over four hundred thousand customers as well as the potential of network marketing channels of affiliated distributed companies in regions across the country. The Company, therefore, sees it as an opportunity to provide services for this group of customers, which will allow them more access to insurance, are protected according to their appropriate purchasing power, and, importantly, to promote the insurance business to another level.

Reason for Conducting Business

It is an extension to expand the Company's business and the shareholders, including serving low-income customers to purchase insurance conveniently and suitable for their income.

VISION

To be the insurance agency business leader committed to improving service quality with international standards and taking care of the interests of customers, partners, employees, and shareholders honestly, and contributing to creating a good society

Mission

1. Build a standardized service system with quality.
2. Create maximum satisfaction for customers.
3. Generate practical management innovations with modern information systems.
4. Produce quality and professional personnel.

GOALS

Provide motor insurance agent services and personal accident insurance and life insurance with honesty and excellent service to facilitate using the service and create maximum customer satisfaction. The Company is also committed to improving

operational efficiency and complying with laws and announcements from relevant government agencies so that the Company's business operations can grow sustainably in the future.

SG Broker Company Limited operates as a broker for introducing and delivering insurance premiums by using the dealer network of SG Capital Company Limited (SGC), the holder of a broker license, direct non-life insurance management type.

1. **Life Insurance** Selling Loan Protection Insurance, Life insurance and Health Insurance
2. **Non-Life Insurance** Selling Motor Insurance and Non Life Insurance

Business Plan for Sourcing of Insurance Brokerage Products or Services

The Company has focused on selling compulsory and voluntary car insurance. Mainly procure target customers who are car owners of a personal car with no more than seven seats by purchasing a supplier's target customer database. Also collaborate with a non-life insurance company (Partner) to acquire and manage a customer database for use in contacting and selling car insurance of a non-life insurance company partner, a total of 15 companies. All non-life insurance companies have a non-fixed term business operation agreement with the Company. It is considered a parent contract or master agreement and can change terms in the additional contract such as insurance policy type, insurance commission, and other service fees. Therefore, the Company has categorized the characteristics of customers and partners in the non-life insurance brokerage business by the source of the customer database as follows:

1. Partners offering car and Non life insurance products with the following duties:
 - Collaborate with the Company to acquire and manage the partner's target customer database.
 - Collect premiums from customers on behalf of the Company.
 - Provide insurance policies to customers.

However, the above-mentioned non-life insurance companies and the Company will verify that the target customers' information each time before conducting a sale, not to create a conflict with the company's existing customer base.

2. Partners offer non-life insurance products only (Non-Partner), 15 non-life insurance companies (including partner products, but the Company provides a database of target customers). It offers various product types to the Company to offer for sale to target customers via Face to Face channel. The Company provides a database of target customers, including collecting insurance premiums and delivering insurance policies to customers.

Selecting and Recruiting Business Partners Policy

The Company has a policy for selecting and recruiting business partners as follows:

1. It is a non-life or life insurance company with a strong presence in the business both in finance and product design and providing customers with speedy compensation.
2. It is a non-life or life insurance company with good governance principles. There are senior executives with vision and an efficient work team. Have a good understanding of business and be ready to support the success of the brokerage business.
3. It is a non-life insurance company with a network of motor insurance claim services covering all Bangkok and upcountry areas.
4. Have relevant partners such as garages or official dealer garages, etc., that have been accepted for service and approved of payment of compensation from a non-life insurance company.
5. There are personnel teams who understand and support the work before and after the sale.
6. Support in new channels for insurance underwriting and event development.
7. Have the most profitable management to generate higher returns with the life or non-life insurance brokerage firm.

Competitiveness of Corporation Agent, How to Choose an Insurance Product, Using Channels to Offer Insurance Products

SGB have operated their business with honesty and social responsibility for over 40 years. It consists of a highly qualified management team, knowledgeable, and plenty of experience. Moreover, they have a long experience in providing insurance services, especially the business network under the reputation of "Singer," with more than four hundred thousand clients who have already used "Singer" services. The Company, therefore, believes that it will be able to operate the non-life insurance brokerage business effectively and can meet the needs of consumers to the fullest extent possible.

Target Market and Target Customer

- The Company's target market is to provide insurance and personal accident insurance.
- Customers, who use business services of "Singer" aged between 18 - 60 years old.
- Low-income customers, who are interested in and focus on accident insurance.

Marketing Strategy, Distribution Channel to Reach Target Customer, Marketing Promotion Method

• Marketing Strategy

Cooperate with partner insurance companies to develop a suitable product design/coverage condition following the target customers' premium price according to various projects, which is a ready-made insurance policy and easy offering to customers.

• Distribution Channel to Reach Target Customer

In addition to selling via the Company, it is supported by the sales representative of "Singer," with a non-life insurance license. There are also branches all over the country. It is another essential distribution channel, including online media.

• Marketing Promotion Method

Define a benefit-return structure to motivate salespeople. Organize promotional activities such as lottery draws and give rewards to customers by purchasing "Singer" electrical appliances of that branch to support its sales. Arrange a seminar activity to educate and raise awareness of the importance of insurance to the public.

• Public Relations Advertising

1. Organize an internal roadshow at "Singer" head office and notify the sales meetings of "Singer" in each area across the country.
2. Prepare a web page to introduce the Company to publicize news and marketing activities.
3. Make posters for posting announcements at the branches of "Singer."

Relationships between the Singer Thailand group and the majority Shareholding group

Singer Thailand Pcl., and the Companies within the Group has agreed to cooperate in conducting business with Jaymart Pcl. and its Group of Companies, that is now a direct majority Shareholder of the Company. The Company has undertaken various business operations with Jaymart Pcl. as necessary and appropriate within the framework as specified by the Company's Board of Directors, such as: selling mobile telephone products and accessories that are purchased through Jaymart Pcl., at the best possible prices from manufacturers of the best quality and brands. The sales activities of mobile telephone products are aimed at enabling the Company to expand its customers base as well as to increase its overall sales revenues on a continuing basis, as well as to enhance the creditability for the products offerings of the Company. Additionally, the Company has outsourced some debt collections activities to JMT Network Services Pcl., under an agreement to provide debt collections and follow-up services for specific categories/ groups of debtors as agreed; whereby the Company is required to pay debt collections services fees as specified in the outsourcing services agreement that is valid for 1 year effective from as of 29 September, 2017 to 28 September 2018.

1.4 Securities and Shareholder Information

1. Amount of Registered Capital and Paid-up Capital

(1) Registered capital and issued and paid-up capital as of December 31, 2021

Registered capital : 838,017,578.00 Baht (Eight Hundred Thirty-eight Million Seventeen Thousand Five Hundred Seventy-eight Baht) consisting of 838,017,578 ordinary shares (Eight Hundred Thirty-eight Million Seventeen Thousand Five Hundred Seventy-eight shares) par value 1.00 Baht per share.

Issued and paid-up capital : 800,094,788.00 Baht (Eight Hundred Million Ninety-four Thousand Seven Hundred Eighty-eight Baht) consisting of 800,094,788 ordinary shares (Eight Hundred Million Ninety-four Thousand Seven Hundred and Eighty-eight shares) at par value 1.00 Baht per share.

(2) Instruments representing returns arising from underlying securities (NVDRs)

As of March 10, 2021, Thai NVDR Company Limited has 25,848,376 ordinary shares of the company as underlying securities or equivalent to 3.187% of the paid-up capital, which has no voting rights of shareholders because Thai NVDR Company Limited does not exercise the right to vote in the shareholders' meeting.

- At present, the Company does not have preferred shares.
- The Company's obligations regarding future issuance of shares.

The Board of Directors Meeting No. 226, held on January 8, 2019, the Extraordinary General Meeting of Shareholders of the Company No. 1/2019 held on February 27, 2019, and the Board of Directors Meeting No. 228, held on February 27, 2019, had considered the approval of the allocation of newly issued ordinary shares to the existing shareholders in proportion to their respective shareholdings (Right Offering) and had considered the approval of the allocation of the newly issued ordinary shares to support the exercise of the warrants to purchase the Company's ordinary shares in the amount of 2 sets with the details are as follows:

1. Newly Issued Ordinary Shares

The Company issues new ordinary shares, not exceeding 432,000,000.00 Baht, divided into ordinary shares of not exceeding 432,000,000 shares with a par value of 1.00 Baht per share to support the allocation that is not more than 216,000,000 newly issued ordinary shares with a par value of 1.00 Baht per share for offering to the existing shareholders of the Company in proportion to their shareholding (Right Offering) at the offering price of 4.89 Baht per share, in a subscription ratio equal to 5 existing ordinary shares per 4 newly issued ordinary shares (or 1.25 existing ordinary shares per 1 new ordinary share). The existing shareholders may express their intention to subscribe to the newly issued shares more than their rights (Excess Rights) that have been allocated in proportion to the same offering price and will be allocated over-subscribed shares only when there is remaining capital of ordinary shares left from the allocation of the existing shareholders who have fully subscribed according to their rights.

In addition, the Company allocates not more than 216,000,000 newly issued ordinary shares with a par value of 1.00 Baht per share reserve for the exercise of the Company's Warrants No. 1 ("SINGER-W1"), not exceeding 108,000,000 shares and reserve for the exercise of rights under the Company's Warrant No. 2 ("SINGER-W2"), not exceeding 108,000,000 shares. Both mentioned warrants will be issued and offered to the existing shareholders of the Company who subscribed and allocated the newly issued ordinary shares which are issued and offered to the existing shareholders in proportion to their shareholding (Right Issue) and oversubscribed from the rights (Excess Rights).

2. Warrant No. 1 (SINGER-W1)

The Company will allocate warrants to purchase the Company's ordinary shares of Singer Thailand Public Company Limited No. 1 ("SINGER-W1"), with the name specified and transferable of not more than 108,000,000 units with a price of 0.00 Baht per unit (zero Baht) (no value) to the existing shareholders, who exercised the rights to subscribe for newly issued ordinary shares and are allocated with the newly issued ordinary shares which issued and offered to the existing shareholders in

proportion to their shareholding (Right Issue) and oversubscribed from the rights (Excess Rights) at the ratio of 2 ordinary shares allocated to 1 unit of the warrant. The exercise price is 7.00 Baht, except in the case of an adjustment of rights, the warrants will be issued within one year from the date that the shareholders' meeting of the Company has the resolution to issue the warrants and reserved shares for the warrants. The warrants are valid for two years from the date of issuance and expire on April 23, 2021.

3. Warrant No. 2 (SINGER-W2)

The Company will allocate warrants to purchase the Company's ordinary shares of Singer Thailand Public Company Limited No. 2 ("SINGER-W2"), with the name specified and transferable of not more than 108,000,000 units with a price of Baht 0.00 per unit (zero Baht) (no value) to the existing shareholders, who exercised to subscribe for newly issued ordinary shares and are allocated to the newly issued ordinary shares which the issued and offered to the existing shareholders in proportion to their shareholding (Right Issue) and oversubscribe from the rights (Excess Rights) at the ratio of 2 ordinary shares allocated to 1 unit of the warrant. The exercise price is 14.00.00 Baht, except in the case of adjustment of rights, the warrants will be issued within one year from the date that the shareholders' meeting of the Company has the resolution to issue the warrants and reserved shares for the warrants. The warrants are valid for four years from the date of issuance.

According to the Extraordinary General Meeting of Shareholders No. 1/21 of Singer Thailand Public Company Limited (the "Company") held on October 26, 2021, it was resolved to approve the issuance and allocation of newly issued ordinary shares in the amount of not more than 305,007,841 shares with a par value of 1.00 Baht per share to be offered to the existing shareholders in proportion to their shareholding (Right Offering) at the offering price of 36.3005 Baht per share and determine the names of the shareholders who are entitled to be allocated New ordinary shares (Record Date) on November 2, 2021.

According to the terms and conditions governing the rights and duties of the warrant issuer and the warrant holder, SINGER-W2 (Rights Condition) Clause 6.2 (Right Adjustment Conditions) states that when the company offers to sell the newly issued ordinary shares to the existing shareholders in proportion to their shareholding (Right Offering) where the "net price per share of newly issued ordinary shares" is lower than 90 percent of the "market price per share of the Company's ordinary shares". The change in the exercise price and the exercise ratio will be effective immediately from the first day that the purchaser of the ordinary shares will not be entitled to purchase the newly issued ordinary shares. (The first day that the SET posts the XR sign) in the case of an offering to the existing shareholders (Right Offering). The issuance and offering of newly issued ordinary shares to the existing shareholders in proportion to their respective shareholdings (Right Offering) is considered the issuance and offering of newly issued ordinary shares at a price lower than 90 percent of the market price.

According to the Extraordinary General Meeting of Shareholders No. 1/2021 of Singer Thailand Public Company Limited (the "Company") held on October 26, 2021; it was resolved to approve the issuance and allocation of newly issued ordinary shares in the amount of not more than 197,108,696 shares with a par value of Baht 1.00 per share for private placement offering at a price of 36.3005 Baht per share and the issuance and offering of warrants No. 3 SINGER- W3 amount 11,557,681 units.

According to the terms and conditions governing the rights and duties of the warrant issuer and the warrant holder, SINGER-W2 (Right Conditions) Clause 6.2 (Conditions for adjustment of rights) states that when a company offers to sell its newly issued ordinary shares to a private placement where the "net price per share of newly issued ordinary shares" is lower than 90 percent of the "market price per share of the Company's ordinary shares". Therefore, the change in the exercise price and the exercise ratio will be effective immediately from the first day of offering newly issued ordinary shares to the private placement limited band. However, an offering price of Baht 36.3005 per share is considered the issuance and offering of newly issued ordinary shares at a price lower than 90 percent of the market price.

And the terms and conditions governing the rights and duties of the warrant issuer and the warrant holder SINGER-W2 (Right Conditions) Clause 6.3 (Conditions for adjustment of rights) states that when a company sells any newly issued securities to a specific investor where the securities have the right to convert/convert to ordinary shares or give the right to purchase

ordinary shares ("Newly issued securities with convertible rights") such as convertible bonds or warrants to purchase ordinary shares where the "net price per share of the newly issued ordinary shares to reserve the rights" is lower than 90 percent of the "market price per share of the Company's ordinary shares", the right and the exercise ratio shall be effective immediately from the first day of the offering of any newly issued securities with the right to convert/convert to ordinary shares or grant the right to purchase ordinary shares, in the case of an offering to a private placement. The issuance and offer for sale of newly issued securities with conversion rights. It is the issuance and offers for sale of newly issued securities with convertible rights at a price less than 90 percent of the market price.

The Company, therefore, adjusts the exercise price and/or the exercise ratio in order to maintain returns of SINGER-W2 warrant holders not to be inferior for the reason of having to adjust the rights because securities were offered for sale to private placement with a price lower than 90 percent of the market price per share of the Company's ordinary shares. It is calculated from the first day that the securities are offered for sale to the private placement, which is in accordance with the rights provisions Clauses 6.2 and 6.3

Therefore, the exercise ratio and the exercise price of SINGER-W2 warrants are amended as follows:

Exercise price	:	12.71849
Exercise Ratio	:	1.10076

The effective date for the adjustment of rights is December 17, 2021.

The Company has registered the increment of capital with the Ministry of Commerce on November 4, 2021.

- On December 17, 2021, the existing shareholders and U City Public Company Limited purchased 197.11 million newly issued ordinary shares of the Company and paid the full amount of the shares, and received the right to purchase the warrants to purchase the company's ordinary shares No. 3 (Singer-W3), but not yet to convert such warrants which causing U City Public Company Limited to have a stake in 24.64% of the Company's issued and paid-up shares and is considered a major shareholder of the Company.

- **Secondary Market of Securities at Present.**

The common stock of the Company is currently traded on the Stock Exchange of Thailand.

Shareholders

The list of major shareholders as of March 10th, 2022, is as follows -

No.	Name - Surname	Number of Shares	% of Total Shares
1	JAYMART PUBLIC COMPANY LIMITED	208,871,053	25.753
2	U City Public Company Limited	197,108,696	24.303
3	MR. CHAO KARA	25,996,017	3.205
4	THAI NVDR COMPANY LIMITED	25,848,376	3.187
5	MS. KULISALA KARA	23,640,233	2.915
6	Mr. SATHAPORN NGARMRUANGPONG	22,736,700	2.803
7	MS. MANEERAT NGARMRUANGPONG	17,854,500	2.201
8	MS. RAVISARA NGARMRUNGSIRI	9,404,800	1.160
9	MR. JITTIPORN CHANTARATCH	9,012,308	1.111
10	MR. SANTI KOWITJINDACHAI	9,000,000	1.110

No.	Name - Surname	Number of Shares	% of Total Shares
11	K-Master Pooled Fund	7,612,129	0.939
12	MR. KITTI NGHAMMAHARAT	7,369,785	0.909
13	MR. DIREK TAKRU	6,587,767	0.812
14	MS. CHANJIRA NAKLADA	6,264,978	0.772
15	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	5,860,091	0.723
16	Mr. Natthaphan Settaboot	4,582,100	0.565
17	SCB DIVIDEND STOCK 70/30 LONG TERM EQUITY FUND	4,406,611	0.543

Remark Investors can search for current shareholder information from www.singerthai.co.th before the Annual General Meeting of Shareholders

The major shareholder who is a juristic person

Jay Mart Public Company Limited is a listed company on the Stock Exchange of Thailand.

U City Public Company Limited is a listed company on the Stock Exchange of Thailand.

1.5 Issuance of Other Securities

Bills and Debentures

1. Bill of Exchange

As of December 31, 2020, the Company has no outstanding balance.

2. Debentures

As of December 31, 2021, the Company has the outstanding of debentures that have not yet matured with a total of 8,000.00 Million Baht, which are unsubordinated debentures, unsecured, and has a representative of the bondholders with the details of the outstanding debentures are as follows:

	Instrument Maturity	Date of Issue Instrument	Maturity Date	Value of Debentures (Million Baht)
SINGER227A	3 Years	July 25 th , 2019	July 25 th , 2022	1,500
SINGER235A	3 Years	May 28 th , 2020	May 28 th , 2023	800
SINGER239A	3 Years	September 11 th , 2020	September 11 th , 2023	1,000
SINGER243A	3 Years 3 Months	December 17 th , 2020	December 17 th , 2023	1,000
SINGER249A	3 Years 6 Months	March 24 th , 2021	September 24 th , 2024	2,000
SINGER252A	3 Years 6 Months	August 6 th , 2021	February 6 th , 2024	1,700

History of Default

The Company has no history of default on interest or principal of debt instruments or default on loans from commercial banks, finance companies, Credit Foncier company, or a financial institution established under a specific law by the record of the past three years history from the National Credit Information Company and the financial statements audited by a certified public accountant.

History of Breach of Conditions in the Performance of Rights Provisions

The Company has no history of breaching conditions in the past three years.

1.6 Dividend Payment Policy

Singer Thailand Public Company Limited has the policy to pay dividends of not more than 60 percent of the net profit of the consolidated financial statements after income tax with a statutory reserve and other reserves each year. However, the dividend payment depends on the economic situation, operating profit, various investment plans in the future.

The payout schedule for the past 3 years is as follows:

(Baht)

	Year 2021	Year 2020	Year 2019
Interim Dividend*	0.15	0.10	-
Final Dividend**	0.54-0.56	0.15	0.10
Total Dividends Paid	0.69-0.71	0.25	0.10
Par Value	1	1	1

* According to the resolution of the Board of Directors No. 243 dated August 10, 2021.

** According to the resolution of the Board of Directors No. 249 dated February 23, 2022, the exact amount of dividend will be known again by the increment of the number of shares after the exercise of Singer-W2 and Singer-W3 warrants to propose to the shareholders for approval at the Annual General Meeting of Shareholders No. 55 on April 22nd, 2021.

- Remark**
1. The Company registered the change in share value from the original value of 10.00 Baht per share to Baht 1.00 per share on May 10, 2004.
 2. Singer Thailand Public Company Limited has been paid dividends since 1984.

SG Capital Public Company Limited

(Baht)

	Year 2021	Year 2020	Year 2019
Interim Dividend*	-	-	-
Final Dividend**	0.18	-	-
Total Dividends Paid	0.18	-	-
Par Value	1	1,000	1,000

* According to the resolution of the Board of Directors No. 1/2022 dated February 22, 2022, to propose to the shareholders for approval at the 2022 Annual General Meeting of Shareholders on April 20, 2022, and dividend payment on May 12, 2022.

Dividend Payment Policy of Subsidiaries

The Company has the policy to pay dividends to shareholders at the rate of not less than 50 percent of the net profit according to the Company's separate financial statements after deducting all types of taxes and reserves as required by the laws and regulations of the Company of each year. However, according to the Company's separate financial statements, there must be no accumulated loss in shareholders' equity.

However, the Company may impose a different rate of a dividend payment from the rate specified above depending on the performance of the financial status, cash flow, the need for working capital, investment and business expansion plans, liabilities and conditions, and limitations as specified in the loan agreement and other factors related to the management of the company.



2. Risk Management

Overview of the Company's Risk Management Activities

In order to be aware of the various potential risks that may impact the Company's ongoing business operations, the Company has determined principles and operating procedures guidelines regarding the management of risks; as well as has undertaken regular reviews together with improving the established procedures on a continuous basis. This is to enhance the Company's operational standards and preparedness in facing any potential risks that may occur in the future. As such, the established principles and operating procedures for managing risks together with the potential risks that may occur and impact the Company's ongoing business operations can be summarized below as follows:

• Principles of Risk Management

The Company manages various risks relating to the many aspects of its business operations; namely: managing risks relating to customer hire-purchase accounts; managing risks relating to the targeted market segments; managing risks relating to financial liquidity; managing risks relating to the business operations; managing risks relating to human resources; and managing various other potential risk factors - such as: natural disasters (ie: floods, earthquakes or tsunamis) or epidemic disease (ie: Coronavirus Disease 2019). As such, the Company adheres to the following key principles of risk management:

- **Having joint responsibilities and active participation by both the respective operating Business Units and involved Supporting Departments in managing the relevant risk factors:** The Business Unit responsible for undertaking the operational activities where the risks may occur is directly responsible for the continuous management of those risks, so that the degree of those risks are managed and minimized to an acceptable level as appropriate to the respective targeted financial gains and benefits. At the same time, the involved Supporting Department has the responsibility to support and assist the Business Unit so as to be able to jointly achieve the set targets and objectives, and to being jointly responsible for managing those operational risks together with the Business Unit in an effective manner.
- **Having the overall management and control of risks undertaken independently by an autonomous group:** A corporate Risk Management Committee has been established as a separate and independent internal unit, reporting directly to the Audit Committee; whereby various risk management working groups or teams will be set up, comprising of the various respective "risk owners", who will be responsible for jointly giving opinions and advice regarding various specific risks factors in an independent and credible manner together with proposing measures to control and manage those risks to be at acceptable levels.
- **Having clearly defined risk management policies:** The Corporate Risk Management Committee is directly responsible for determining the Risk Management Policies within the established framework and guidelines specified by the Company's Board of Directors.
- **Having a comprehensive management of all types of risks arising from the Company's business operations:** All the various types of potential external risks, that have been identified and expected to possibly arise from the business operations of the Company, are to be taken into consideration together with those risks that may occur internally within and at all levels of the organization.
- **Having an evaluation of the achieved results in managing and mitigating the identified risks for each operating Business Unit:** The operating Business Units will set up various "Risk Owner" Working Groups/Teams, to be responsible for evaluating their respective operational risks factors together with the effective operational results after having identified and assessed the respective risks and also the respective risk management measures implemented.

• Risk Management Procedures

In order to achieve a fully effective management of all risks within the organization, the Company has determined the Corporate Risk Management Procedures that consist of the following key processes:

- **Determining Risks:** This is the process of identifying various relevant risks in terms of the types and causes of those risks together with any associated issues regarding both the internal and external risks; whereby this includes the current risk factors being faced by the Company together with any expected potential new risks that may occur in the future.
- **Assessing Risks:** This is the process of assessing the identified and potential risks factors, through using various available risk assessment tools and methods as suitable and appropriate; whereby these processes must be regularly audited and approved, as well as reviewed within an appropriate timeframe.
- **Monitoring and Controlling Risks:** This is the process of monitoring and controlling that the risk management activities are in accordance with established respective policies, regulations and procedures as well as with the overall scope of the risks. This is to ensure that the risk management activities correspond to the Risk Management Policies and to the accepted level of risks as approved by the Board of Directors; whereby this will be achieved through monitoring and controlling activities that are undertaken on a regular and continuous basis.
- **Reporting Risks:** This is the process of reporting on all the various types of risks in a fully comprehensive manner; whereby the reported information must be appropriate and adequate so as to achieve the maximum possible degree of risk management effectiveness.

As such, so as to avoid possible financial losses and to support the various Business Units to be able to conduct their operations in a continuous and uninterrupted manner, these risk management best practices have been determined and designed to take into consideration the ongoing changes in the business operating environment - namely: both in a normal business operations mode and a crisis mode.

Risk Factors for the Business Operations of the Company/Group of Companies can be summarized as follows:

1. Risks relating to target markets and sales operations

Electrical appliances sales business

Due to the increasing competitiveness of this market after the establishment of the AEC Free Trade Area that has resulted in restrictions and large decreases of the import duties and also in many new overseas players entering the electrical appliances market coupled with the establishment of additional new sales channels - such as: online sales. These new market factors have created intense competition in the electrical appliances sales and distribution business, and enabled consumers to now easily access new sales channels like online sales; whereby this may impact the Company's sales operations and its total revenues. As such, the Company has then developed new sales channels like its franchised business activities, so that sales representatives can maintain ongoing customer relationships and also increase their customers base.

Car for Cash Loans

The Ministry of Finance licenses the Group under the Bank of Thailand's supervision to be a personal loan operator under the supervision of a vehicle registration type, which has become increasingly competitive. Besides, there is a tendency to have more service providers in the market. It can be seen from the increasing of the Ministry of Finance licenses for non-bank supervisory personal loan operators (Non-Bank). Due to it is a high yield business depending on which service providers have more customer acquisition strategies, such as interest rate, the term of payment, and fast service. However, the Company's policy in Car for Cash Loans is to be number one in the minds of SME entrepreneurs who want a credit service that genuinely meets the needs of the business. Therefore, target customers are defined and set a competitive strategy to meet customer needs, emphasizing speed and service. It enables the Company to expand its customer base and have a working system and a team that has direct expertise in the business.

Captive Finance

Namely, the business of providing hire-purchase loans services for customers, who purchase various machines, appliances and equipments, by the manufacturer or dealers/distributors of those machines, appliances and equipments. As such, the Company has established its sales teams with extensive experience and expertise in this business to look after and take care of its target customers, together with operating procedures and practices from the beginning to the end of the selling cycle and process; as well as has established business alliances with various importers of machinery, appliances and equipments, whereby they have signed an MOU which includes a key condition with the manufacturers that they agree to buy back the machinery, appliances or equipments.

2. Accounting Risk from Hire Purchase Receivables

For the loan service business, the Company is faced with the risk of the debtor's quality that may default to the debt and become bad debts, which will affect the results of operations. Therefore, the Company has established measures to reduce the said risk and always control the incidence of bad debt. As a result, the debtor portfolio's bad debt level has continued to improve, considering the year 2019 until 2021. The Company had bad debt levels of 9.25%, 4.4%, and 3.8%, respectively. It is expected to reduce bad debt levels continuously.

Measures to reduce the credit quality risk of the portfolio are as follows:

- Establish strict supervision measures for accounts receivable from credit scoring, monitoring, and evaluation, litigation, and legal action in case of default.
- In the hire purchase of electrical appliances, the sales system is adjusted using the Farmer Model by allowing the salespeople to take part in the debtor's default in their portfolio. The salesperson will receive a share of the installment every installment, but the commission will be deducted if the portfolio's debtor does not pay the installment.
- For Car for Cash Loans, the Company will give an appropriate credit limit of the car value (estimated from used car price data). If the debt default, the Company estimates that the car's selling price will cover or not, help mitigate the damage to a minimum.
- For the new machinery hire purchase, the Company has agreed with the major distributors (dealer). If the customer's debt has defaulted, the dealer has to repurchase the machine or responsible for the hire purchase. It reduces the liquidity risk of the seized goods.
- The Company has established a department that has expertise in managing overdue accounts. Responsible for performing problematic debt management, this will consider choosing the best way to get a repayment with objectives to improve asset quality to minimize the losses.
- The Company has a department responsible for selling non-performing loans following the guidelines approved by the Board.

3. Risk from COVID-19 Outbreak

Uncertainty of the COVID-19 outbreak poses a risk to the Company if a customer may default on debt while the Company continues to bear costs and expenses. However, the Company has instructed the employees to follow up calling customers closely to pay the annuity according to the schedule. Management has also closely monitored the situation to control it to have the most negligible impact on the business. As evidenced by collection, during the epidemic through the end of 2021, accounts receivable portfolio decreased by less than 20% per month. The Company has a short-term credit line with financial institutions (promissory notes and overdraft facilities) in 586 million baht. Besides, the Company has the proceeds from the exercise of the SINGER W1, and the exercise price is 7 Baht, the maturity date of April 23, 2021, and the exercise of the SINGER W2, the exercise price is 14 Baht, the maturity date is April 23, 2023. Therefore, the Company is confident that there is no material impact during the said period and still has sufficient liquidity for its business operations.

With the Company's robust sales approach of selling electrical appliances business in upcountry markets, whether selling through agents in the community or having direct sales representatives to the customer's home, the Company believes that it will cope with the epidemic situation. In addition, the Company uses technology systems to assist in the work and to approve loans. Therefore, it is not an obstacle to work. However, the Company has issued measures preventing the risks to build customer confidence by tightening staff and sales representatives before meeting customers to assure customers that they will not be infected with the disease from the Company's employees. Moreover, the Company believes that the COVID-19 epidemic will be an opportunity to increase sales of electrical appliances due to demand rising due to customers being confined to their homes. As a whole, the Company ensures that it will be able to pass through this epidemic crisis.

4. Financial Risk

The Company has risks from normal business operations and has the policy to manage financial risks as follows:

4.1 Interest Rate Risk

The Company has the policy to take on loans from banks, financial institutions, and institutional investors, which has risks from the fluctuation of interest rates according to the currency market and capital market conditions. Therefore, the Company won't borrow money from a particular bank or financial institution to diversify the loan source risks and costs. Most of the funds come from the offering of debentures with fixed interest rates. As of the end of 202, the Company had 8,000 million Baht of outstanding debentures (accounting for 85.45 percent of total liabilities). Besides, the Company earns income from interest income on hire purchase loans, which is growing every year in line with credit lending. As a result, profit from the difference in interest rate increases as well.

4.2 Risk from Maintaining Financial Ratio

The Company's operations require a source of funding from bank borrowing, financial institutions, and investors, which must comply with the conditions for maintaining financial ratios with financial institutions and from the increased debt burden. It causes the Company to be at risk from compliance with the financial ratios (Covenant), which has stipulated essential conditions that the Company has to comply with as follows:

Financial Terms	Ratio to be maintained under conditions with financial institutions	Ratio as of 31 December 2019	Ratio as of 31 December 2020	Ratio as of 31 December 2021
1. Debt to Equity Ratio (D/E Ratio)	Not more than 3: 1 time	1.52	2.29	0.63
2. The ratio of hire purchase receivables having an outstanding payment of more than 3 months to all hire purchase receivables.	Not more than 10 %	9.25	4.4	3.8
3. The ratio of hire-purchase receivables, net to interest-bearing debt	Not less than 1.35: 1 time	readjusted to item 4	readjusted to item 4	
4. The ratio of hire-purchase receivables to interest-bearing liabilities (beginning in the 4 th quarter of 2019)	Not less than 1.30: 1 time	1.42	1.36	1.49
5. Working Capital Ratio	Not less than 1.50: 1 time	3.71	2.43	6.44

In this regard, according to the criteria specified in terms of the right to issue debentures, the Company must maintain the Interest Bearing Debt to Equity Ratio of no more than 3: 1 (three to one time) from 2019, 2020, and 2021 financial statements at 1.22, 1.94, and 0.54 respectively. At present, the Company can still maintain the ratio according to the terms and conditions.

4.3 Risks relating to foreign currency exchange rates

Risks relating to foreign currency exchange rates that arise will impact the Company's operations with regard to importing products and goods from overseas suppliers that account for not more than 3% of the total sales revenues of the Company; whereby currently the Company has a policy to mainly purchase products and goods from local suppliers. As such, there will be only a slight impact on the overall costs of goods sold for some imported products and goods, such as: sewing machines and accessories. However, the Company can minimize any such impact by adjusting the selling price in line with any increases in the cost price coupled with the decrease in import duties on sewing machines and accessories imported from China in accordance with the Free Trade Agreement (FTA) signed between the Thai Government and China, whereby the majority of imports are subject to an import duty of 0%.

5. Credit Risks

Namely, risks relating to customers and Business Partners being unable to repay the credit and loans granted by the Company upon coming due in accordance with the credit lines or loans agreements, which involve credit lines given to Business Partners as well as hire-purchase loans, car for cash loans and other short term loans granted to customers. As such, the Management group manages such credit risks through establishing policies and operating procedures to effectively controlling the credit approval process as appropriate. Thus, the Company does not expect any significant risks from granting credits lines and loans. Additionally, there is no concentration of borrowers in any one area or market sector, since the Company's customers base is extensive and geographically varied. As such, the high level of credit risks are reflected in the prices of loans for the respective types of loans - trade receivables, hire-purchase account loans, loans with vehicle ownership licenses used as a collateral, and other types of consumer loans as stated in the accounts within the Statement of Financial Position of the Company.

6. Risks relating to products or services

Electrical Appliances: The majority of products sold by the Company consists of those products supplied under an OEM (Original Equipment Manufacturer) agreement with appliance manufacturers; whereby this arrangement requires relying on the experience and expertise of those suppliers, who are selected and who have their manufacturing management systems approved by the Thai Industrial Standards Institute (TISI). As such, the Company does not target any specific manufacturer, which would then result in a monopoly together with an advantageous bargaining power over the Company by only one supplier, so as to achieve the required costs of goods appropriate to the Company's business operations. Thus, procurement procedures and associated criteria have been established in selecting products suppliers for the Company, in order to ensure only those quality manufacturers possessing the required manufacturing standards are chosen, with consideration regarding the associated technological advancements also taken into account that will result in accessing products incorporating the most up-to-date technology. Additionally, the Company regularly manages its inventory on hand so as to ensure that, in the event of any products showing a decreasing stock movement and signs of not being in demand in the market anymore, the Company can then undertake a sales campaign - such as a special promotions, to quickly clear out such products from its inventory.

Other Financial Products - such as Car for Cash Loans or Hire Purchase of New Machinery or Equipments In order to ensure that other financial products or credit financing services developed and offered by the Company comply with the Government's legal requirements together with both the established appropriate risk assessment and operations management procedures, strict approval processes for these financial products and services offerings have been established by the Management and Board of Directors prior to being offered to customers. This also involves seeking additional advice from external legal experts as part of the decision making process by Management in the event of any possible legal issues arising - such as: required business licenses.

7. Risks relating to the overall financial liquidity of the Group of Companies

Risks relating to the ability to source sufficient funds needed for investments within the required time frame, which may then result in damages being caused to the Company; or risks in being able to source funds but only at a high interest costs, that may then affect both the profit & loss results and also the capital base of the Company.

Risks relating to the financial liquidity will originate from both internal and external factors; whereby the internal factors depend on the total assets base and its composition as well as on the level of total liabilities together with having sufficient reserve of liquid assets for use as and when required. As for the external factors, these mainly depend on the liquidity in the capital markets, interest rate increases and overall investors' confidence. The Company has, therefore, added new sources of capital funds - such as: issuing debentures, in addition to borrowing funds from financial institutions.

Additionally, there are also risks relating to fluctuating interest rates - both in borrowing funds and in giving credit services or consumer loans; since loans interest income is based on a fixed and flat rate while borrowed funds are based on floating interest rates. As such, in the event of any changes in the interest rates for borrowed funds, this will then affect the 'spread' between interest income received and interest costs paid.

As for risks arising from fluctuations in foreign currency exchange rates, this will have an impact on the Company's activities in importing products for sales from overseas suppliers; whereby such imported goods, on average, account for not more than 3% of the Company's total sales revenues, since currently the Company has a policy to mainly source products from local manufacturers and suppliers. Therefore, such risks relating to foreign currency exchange rates will only have a small impact on the Company's costs of goods for this small amount of imported products - such as: components and accessories for sewing machines. Nevertheless, the Company is able to mitigate and minimize the impact from such risks by adjusting selling prices upwards to correspond to the increased costs of goods, as well as by benefiting from the decreased import duties for sewing machines and accessories imported from China in accordance with the Government's policy in signing a Free Trade Agreement (FTA), which mainly charge an import duty rate of 0 %

8. Regulatory Compliance Risk

The Bank of Thailand (BOT) has issued several new regulations following the BOT's announcement, such as the Interest calculation for the default on debt repayment, including the order of debt repayment, etc., to supervise personal loans under supervision the type of the vehicle title loan. As a result, the Company and the group companies have to improve the program and operating systems under the said announcement, which can be completed within the BOT time specified.

The risk of being sued by the customer; the Company has complied with the Bank of Thailand announcement regulations, Consumer Protection Act, including civil and commercial laws, such as contracts, interest rates, determining the penalty, the cost of debt collection, and seizure. Also, appropriate credit approval criteria have been established by assessing the customer's risk in terms of payment capability and the guarantor to reduce the default on the debt. Besides, the collateral debt collection process and seizure are fair and consistent according to the law. The Company, therefore, believes that the chances of being sued by the customer are minimal.

As for the petrol vending machines business, the Company must comply with the established laws and regulations of involved Government agencies - such as: the Laws on Weights and Measures Act that require an inspection of the equipment used for selling petrol to ensure that it meets the specified standards of the manufacturer before being used, and also that must subsequently be inspected every 2 years. The Company must also comply with the regulations of the Department of Energy Business, Ministry of Energy, which is involved in checking and ensuring that the petrol vending equipments meet the specified public safety standards of operations. As such, for these matters, the Company coordinates with the equipment manufacturers and the relevant Government Agencies involved, so as to correctly comply with these operational regulations. In the event that there is a need to correct or rectify any deficiencies, then such corrective actions will be taken immediately, so as to prevent and be protected from the risks in breaching any specified operating regulations

9. Risks relating to the collaterals or guarantees for the loans business

Risks relating to the loans agreement and associated collaterals or guarantees given, or to losses resulting from the collateral assets for the car for cash loans and for the machinery/equipment hire-purchase loans in the event that the collateral assets given disappear or are lost and cannot be located or is damaged; whereby this will negatively affect the business. As such, the Company has determined measures to minimize such risks by setting up a safety vault for keeping important documents together with strict access control procedures; as well as having in place insurance coverage on such collateral assets.

With regard to risks relating to not being able to locate loan collateral assets, the Company has determined a policy to grant loans by having a guarantor together with a policy to get to Know Your Customer (KYC), as well as a policy for close monitoring, chasing up of installment payments and achieving timely debt collections.

10. Risks relating to the Business Continuity Plans

Natural disasters and threats from the epidemic that occurs, whether it is a tsunami, political rally, and the most recent one is the coronavirus disease 2019 or COVID-19, which may affect if the disaster occurs at the central office or branches that causes interruption of business operations. In addition to Back up data every day, the Company has set up a plan for emergency management to minimize business operations and return to normalcy with efficiency.

11. Risks relating to human resources

The Company's human resources is considered to be one of its key success factors, as well as being a cause for risks for continuous smooth business operations - such as: key people retiring or resigning, which may result in some business disruptions. As such, the Company has attached much importance to all its staff; as well as to take good care of their well-being and best interests as if they were part of one and the same family, together with supporting them to work in job positions that are appropriate to their respective responsibilities and capabilities.

Furthermore, in this regard, the Company has managed such human resources related risks through undertaking regular training and skills development programs for the staff at every level of the organization, together with establishing a Staff Retirement Provident Fund so that the staff will not be affected in terms of their financial resources upon reaching retirement.

12. Risk factors relating to reposessing products or goods

It is normal that the hire-purchase loans business has inherent risks relating to reposessing products or goods used as the loans granted; whereby this is also considered to be an unavoidable factor. Further, even if the products or goods are reposessed, there is also a further risk in having decreased revenues together with having increased inventory on hand. On the other hand, the reposessed products or goods are considered to be a compensating factor for customers discontinuing to repay their loans, as the Company is able to resell those products or goods in the second-hand market so as to compensate for the financial losses resulting from the default payments, even if the products or goods sold result in a loss between the reselling price and the remaining book value of the associated loan account. Further, in some cases, there may be additional costs in repairing or reconditioning the reposessed items to be resold - namely (Loss on Repossession). However, reposessing products or goods is another marketing strategy deployed in the hire-purchase loans business.

13. Management of risks relating to the business operations

Risks relating to business operations means any risks from any operational errors or mistakes made in undertaking business activities; as well as any risks in having in place inadequate control procedures with regard to the operating procedures and processes, staff actions, and the operating systems; or relating to the information technology and communications systems in use; or even relating to any external factors and situations. All such risks may result in both direct and indirect losses to the Company's total revenues or its customer's loan accounts.

- **Guidelines in managing risks relating to the business operations**

Risks relating to the business operations means risks relating to any operational errors or mistakes made in undertaking the business activities; or risks relating to any deficiencies in the internal controls with regards to established operating procedures, staff actions, and operating systems or any external factors - all of which will result in losses that both can and also cannot be measured in monetary terms - such as: the Company's reputation and business opportunity losses. Given that the Company has expanded its business operations in varying directions - both in terms of increasing sales channels for its existing businesses together with adding new business activities, this has, therefore, resulted in additional business operations risks corresponding to the added businesses.

However, the Company has established procedures in launching new product or service offerings; thus, so as to assess the associated risks and to ensure that there are effective controls process in place to review and manage the potential risks in operating its varied businesses, the Company has determined and published a Handbook of Standard Operating Procedure (or SOP) for each respective business operations procedures

14. Risks relating to Agreement on Fees charged for the use of the Product Brand Name and Trademark

On 1 August 2015, the Company entered into trade name agreement with Singer Company Limited S.a.r.l and trademark license agreement with Singer Asia Limited. These new agreements are based on a Master License Agreement between Singer Asia Limited and The Singer Company Limited (Isle of Man). Trade name license fee is US Dollar 0.25 million per year paid to Singer Company Limited S.a.r.l. and the term of the agreement is effective from 1 August 2015 to 31 July 2020. Trademark license fee is 0.5% of consideration revenue paid to Singer Asia Limited. The term of the agreement is effective from 1 August 2015 to 31 July 2025 unless either party gives to the other parties a written notice of termination of the agreement at least 12 months in advance.

On 1 January 2022, the Company has terminated the contract on 1 August 2015 and entered into Tradename and Trademark License Agreement with Singer Company Limited S.a.r.l, this agreement includes the payment for Trademark and Tradename fees at rate specified in the agreements. The term of this agreement is effectived from 1 January 2022 to 31 December 2032, unless either party gives to the other parties a written notice of termination of the agreement at least 90 days.

15. Risks relating to Financial Instruments

- **Credit Risks**

Holders of Debentures issued by the Company have a risk in not receiving the interest payable or even the principal amount due in the event that the business operating results of the issuer does not go as planned or if the assets of the issuer are not sufficient enough to meet the debts owed. Therefore, prior to deciding whether or not to invest, the investor must analyse, from the financial information given in the rights offering documents and prospectus for the sale of the financial instruments, the financial status together with the capability of the issuer to repay the debts, so as to evaluate the involved credit risks relating to the issuer. The investor can also refer to the credit ratings issued by the Credit Rating Agencies as part of the decision whether or not to make an investment. If the credit rating given to the proposed debentures to be issued is low, this means that the overall credit risk relating to the debentures and the issuer itself is high; and thus the return from the debentures to be received by the investor should also be high, so as to offset the potential related risks from the investment in question. However, the credit rating given is not, in itself and in any way, a recommendation to buy, sell or to retain the debentures issued; whereby the credit rating given can be changed or withdrawn at any time during the validity of the debentures. The investor should closely follow any news or information of the issuing company of the debentures together with any ongoing changes to and updates for the credit rating in question from the website of the Office of Securities & Exchange Commission (SEC) and of the Stock Exchange of Thailand (SET) or that of the Thai Bond Market Association.

- Price Risk

The risk relating to the holder of debentures may only be able to sell the debentures at a price that is lower than the stated par value per share or the actual purchased price, in the event that the holders wish to sell before the maturity date, namely: when the interest rate in the market increases the price of debentures will become lower. As such, in general, the price of those debentures with a remaining validity that is longer will be more impacted by the changes of the rates of interest in the market.

- Liquidity Risk

There is a risk relating to the inability of debenture holders to sell the debentures at the secondary market at any time before the maturity date of the debentures and at the desired selling price, since there is limited trading activities for financial instruments in the Thai BEX. Debenture holders can buy/sell them at commercial banks, securities companies or other juristic entities that are licensed to trade in debt financial instruments. Additionally, holders of debentures may not be able to sell them prior to the maturity date of the debentures, since the issuer may have registered restrictions in the transfer of debenture ownership with the SEC, whereby only major institutional investors or major investors are allowed to do so.

16. Credit Risk

- Policy in giving credit services

The Singer Group of Companies has a policy to stress on growing its credit services business in a careful and measured manner; whereby in approving any new loans the Company will consider, on an individual borrower basis, the capability to repay the loan and the collateral or guarantee given together with the appropriate rate of return or interest rate to be charged given the involved credit risks. The Singer Group will focus on expanding its credit services into those market sectors where the Company has experience together with having acceptable risks and offering appropriate rates of return. In the event that the Company wishes to enter a new market sector, a detailed comprehensive assessment and analysis will be made by the Group of the business opportunities and various involved risk factors.

The policy on collateral and guarantees will differ according to the type of credit and loans, with the Company having a strict policy regarding the applicable collateral assets and guarantees to be given, together with the measures and mechanisms in preserving the value of the collateral assets so as to effectively manage the risks of any potential financial losses. Nevertheless, in approving credit and loans for each customer the Company has in place specific credit approval procedures and criteria for considering the credit application, through taking into consideration the qualifications of the applicant in a clear and strict manner so as to ensure that only quality borrowers will be given the loan; while, at the same time, in still being able to meet the needs of the customer. The Company has a special unit responsible for checking each credit or loan application, and to ensure that the credit approval process is undertaken in accordance with the specified process as established by the Company.

As for hire-purchase loans, which are retail loans and accounts for the majority of the Company's loans business, the Company has a policy to proactively expand this business especially in the market sector that has growth potential and level of financial returns appropriate to the risk factors. The Company has a policy to determine the standards for the hire-purchase and small retail loans in a systematic manner through a credit scoring process as used by the National Credit Bureau (NCB)

Additionally, the Company is still continuing to further develop the credit approval process so as to achieve speedy and faster credit approval. As such, this is to meet the demands of customers with regard to the sufficient amount of credit approved, as well as to achieve a balance in the overall credit risks of the Company that will enable the targeted expansion of this retail loans business in line with established goals of the Company.

- Credit approval and Credit approval authority

The Executive Committee has assigned the credit approval process together with the various credit approval authority to the Credit Committee, that is responsible for overseeing both the approval of credit and loans, as well as credit approval authorities in accordance with the established credit approval policies as approved by the Executive Committee.

As such, based on the established policy, the various credit approval authorities have been clearly determined, with any credit approval for the amount exceeding Baht 15,000,000 per customer must be approved by the Credit Committee, since it is a high loan amount.

As for the small retail loans that are lower than Baht 15,000,000 per customer, credit approval procedures and authority have been determined and assigned to be implemented by members of the Management for varying loan amount limits within the established policy relating to credit approval authorities.

- Policies in managing risks in providing credit services and loans

In 2019, the Singer Group of Companies further developed the credit risk management procedures and measures, so as to enhance its potential capabilities in providing credit services and loans; namely:

1. Making use of appropriate credit risk management tools, such as:
 - The Company makes use of the National Credit Bureau (NCB) database in assessing loan applications, so as to evaluate the credit risk of captive finance customers wishing to purchase machinery and equipment.
 - The Company reviews the structure and composition of the various existing loans products together with implementing a special project to assess those current highquality borrowers and customers of the Company with a good repayment history.
 - The Group of Companies has determined the maximum ratio of those borrowers or customer with high risk, medium risk and low risk respectively in the combined loans portfolio; whereby this is to be regularly reviewed so as to be appropriate.
 - The Company has established the maximum amount of credit facilities to be given to each respective customers or borrowers groups; whereby involved definitions have been clearly stated in determining how and which groups of customers are related, so as to then combine them together as one group. This is so that credit risks can be effectively managed in avoiding a concentration of loans to any particular group of customers (or loans concentration risk).
2. The Group of Companies prepares to support for reporting following the regulations set by the Bank of Thailand because the Company group has already obtained a personal loan business license under the supervision of a non-bank financial institution.
3. The Company regularly reviews its credit approval policies together with the established credit approval authorities given for various loan amounts, so as to be in line with the current and latest business environment.



3. Business driving for sustainability


3.1 Sustainability Management Policy and Goals


The Company is determined to be the leader in the hire purchase business, including electrical appliances and sales service that covers groups of customers in all areas. The Company focuses on its growth by expanding its customer base by expanding the sales team through the selection process of the salesperson in each area to provide services covering all areas in the country and to be able to understand the needs, culture, and language of customers in each region. In addition, the Company's sales staff must go through the whole training process theoretically and practically to provide credit services to customers with an understanding of the Company's products, services, and practices to customers equally and fairly with courtesy humbly and respectfully, including expanding the network provide services through entrepreneurs and agents, who have knowledge and expertise in products as being close to customers and having understood the needs of customers very well.

This is for sustainable growth that can create added value for both the business, social and environmental sectors. The Company has created a corporate governance policy and compliance with good corporate governance principles. (Good Corporate Governance Policy) which emphasizes the rights of different conflict of interest groups of stakeholders such as shareholders, employees, customers, business partners, competitors, etc. It also includes society, environment, compliance with laws and regulations of government agencies and relevant government agencies, and anti-corruption fairly, transparently, and in accordance with the requirements of various laws and related regulations in order to be a "Responsible Credit Service Provider" which is consistent with the announcement prescribing rules for managing the fair service to customers (Market conduct) of the Bank of Thailand which the Company realizes the sustainable development value and striving to enhance the real and sustainable development value with the management integration address the sustainability issues as part of business operations and align with the business operation strategy of the Company both in the short term and long term in the future. In addition, the Company also focuses on the importance of the human rights of stakeholders by creating The Respect for Human Rights Policy which has been established to focus on promoting and maintaining a corporate culture that adheres to respect for human rights by adhering to the essence in accordance with the principles of UN Guiding Principles on Business and Human Rights: UNGP, which consists of 3 main pillars as follows:

- Pillar 1** Protection of Human Rights (Protect) means that the state has to protect against infringement of human rights involved in business operations, whether from government organizations or business organizations.
- Pillar 2** Respect for Human Rights (Respect) means individuals and organizations that conduct business, whether a business of any type or size, have a responsibility to respect human rights.
- Pillar 3** Remedy (Remedy) means correction, rehabilitation, and compensation when an impact or violation of human rights arises from business operations. Both government and business sectors must have effective healing mechanisms.



		Company's Operation driving sustainable development goals
In Terms of Starvation		The Company participated in helping the victims of the disaster, or disasters that happen to many people, for example, fire, storms, floods, and other disasters that cause damage to life and public property continually
In Terms of Health		The Company focuses on the importance of systematic and efficient waste management, including encouraging the employees' awareness of the waste problem and taking part in reducing dumping and sorting waste properly with the 3R concept to reduce the amount of waste within the organization effectively. There is also a Big Cleaning Day activity to manage resources and improve the environment in the workplace regularly to clean, allocate consumables, and carry out proper separation and disposal of garbage and waste.
In Terms of Education		The Company implements activities to develop and promote education for underprivileged children and youths to receive education and training to develop and cultivate a good social conscience society. To promote activities for the development of children and youths in the community to cultivate awareness among children and youths to conserve and apply resources in accordance with the local way of life and Thai wisdom, promote access to education and reduce the gap in education
In Terms of Gender Equality		The Company recruits and selects personnel based on the Company's benefits and achievements with the ability and skills related to business operations and takes into account the principle of morality and principles of equality in order to obtain "good people" and "smart people" with attitudes in line with the corporate culture considering the qualifications of each position official qualifications study, experience and other requirements necessary to perform the job, without obstruction gender, age, races, and religion, as well as treating all employees with equality in all levels.
In Terms of Water Management and Sanitation		The Company has established guidelines for saving electricity, water, and emissions of pollution and waste by requiring directors, executives, and all employees to use resources economically and most efficiently.
In Terms of Energy		The Company is determined to manage resources and energy in a cost-effective and efficient in its business operations for the reduction of impact on the environment by prescribing policies and guidelines in the management of the environment systematically and in accordance with the laws and regulations and by promoting the selection of materials and equipment that are environmentally friendly by providing knowledge in environmental protection and continual energy conservation.
In Terms of Inequality		The Company has organized professional skills training activities for groups with disabilities by dispatching personnel with sewing expertise to organize training activities for design, sewing, the invention of workpieces, and product development that can be sold as OTOP products to create careers and opportunities for the underprivileged and disabled people.
In Terms of Community		The Company has organized activities for housewives and communities, including providing social assistance and community locally and nationally. Employees are encouraged to join the CSR Club, an activity group of employees with volunteer spirit for affiliated companies that organize to develop and organize social service activities for society and the environment.

Company's Operation driving sustainable development goals	
<p>In Terms of Social</p> 	<p>The Company realizes the importance of conducting business based on the ethics and integrity of good morals and care and assistance in creating the importance of sustainable Thai society. The Company foresees that career training for Thai society is an essential foundation of society. Therefore, the Company jointly develops, promotes, and supports career training for students, youth and housewives, female inmates, including groups with disabilities continuously, which is the origin of the project to create jobs, careers that the Company and government agencies, and the private sector have created the job and careers.</p>

3.2 Managing impact on stakeholders in the business value chain

3.2.1 business value chain

3.2.1.1 Main Activities

The Board of Directors is involved in driving fair treatment of customers by prescribing it as a policy and communicating and conveying it to all departments and personnel involved in providing customer service through channels within the Company to promote and create a culture of fair quality customer service practices throughout the process. From the development of credit services, advertising sets up distribution channels and provides information on credit services, considering the needs and benefits of customers as an important basis.

The Company realizes the importance and is determined to operate its business in accordance with the Good Corporate Governance Policy, which includes the control of business operations to be in line with laws, honest, transparent, and accountable as well as supporting all personnel of the Company to have a conscience and adhere to morals and ethics. This is to promote and develop the Company's operations properly and sustainably and build confidence and be accepted by society. To emphasize the focus to accomplish such goals, the Company has established the Code of Conduct and Business Ethics by focusing on the values that the Company aims to help all directors, executives, and employees perform their responsibilities properly and according to the relevant laws in business operation and corporate culture.

Furthermore, the Company considers the group of stakeholders. It emphasizes the importance of the sustainability management of its activities business value chain by creating stability and prosperity with products and services that meet the needs of all groups together with effective risk management by the value chain of the Company's business as follows;

No 1. Corporate Social Responsibilities

The Company considers the duty and responsibility to society. With the aim to improve the quality of life of employees, staff families, and the communities surrounding our company premises and at the national level in accordance with the Social Responsibility Policy of Employment Occupational Health and Safety Community Contributions, including customers and business partners.

No 2. Community Relationship

The Company takes responsibility for communities, where it operates both at the local and national level by adhering to practices consistent with patterns that have been practiced both at the community and the national level of that country in parallel with the appropriateness of duties and responsibilities, which the Company has with its shareholders, employees, business partners, and customers. Accordingly, the Company shall take the following appropriate actions:

- Providing grants or other assistance to institutions or any action to help promote quality of life in the community.
- Encourage employees to help community institutions or to participate in organizing community activities.
- Provide channels of communication with the local community regarding the activities of the Company that may have an impact on that community.

- Together with strategic partners, trade partners, partners responsible for the mission for the good relationship good in the community.

No 3. Community Relationship

All employees must comply with the laws and regulations of the Company. Employees and the Company shall not do any act that is contrary to the terms and laws relevant to our business and shall consider the following matters, especially:

- Using internal information for self-benefit
Employees should not take advantage of the internal information about the Company's performance which will have an impact on the Company's share price or securities. And the executives or agencies, who have received internal information shall be prohibited to disclose such information to outsiders or a person who has no relevant duties and to trade the securities of the Company in the period of one month before the financial statements are released to the public.
- Bribery and Corruption
Employees shall not engage in bribery and corruption in business operations. Whereby, the employee shall not offer unrighteous benefits to obtain unreasonable business benefits, whether directly or indirectly.
- Fairtrade competition
Employees shall respect the fair competition and anti-trust law.
- Corruption and misconduct
Employees shall not commit fraud and misconduct. The Company has created a policy against corruption to deal with fraud and corruption. Without the authorization to do such, an employee or salesperson of the Company cannot take money and assets from the Company with dishonest intent or misused for the employee's benefit.
- Whistleblowing, cooperation, proof, or participation in dealing with corruption
Employees must not neglect to notify the information about corruption they experienced or participated in. Such notification must not have a negative effect on the duty of the notifier unless it is a false notification statement.
- Deliberately destroying individuals and companies
If there is a false allegation, this may result in the reporter for disciplinary action, including being dismissed from work.
- Criminal Acts
Employees must not commit a criminal offense that intentionally caused damage to the Company.

No 4. Use and Protection of Assets and Information

- Employees are responsible for maintaining and using corporate assets cautiously with maximum benefit by reducing the cost of such assets.
- Employees shall protect the Company's trade secret information, except for the employees whose duty shall disclose such information pursuant to the laws.
- Employees shall protect and secure the Company's internal technology information.
- We are committed to protecting our customers' confidentiality and maintaining the trust of the customers given to us by ensuring that information related to our customers' business activities is retained and maintained confidential. In addition, we are committed to treating information received from each customer or organization as the customer or the organization performs such information by themselves to bring trust to the Company.
- The Company shall keep the trade secret of its strategic partners and trade partners as its own.

No 5. Avoiding Conflict of Interest

- Employees shall disclose information to the Company if a situation that creates a financial benefit or personal interest is found, which is a benefit that is contrary to the organization's policies.
- Employees should not be involved in making decisions for the Company's benefit if the activities of the Company's business have involved the employee's relatives.

- If the employee encounters a conflict-of-interest situation, employees must consult with their supervisors or

No 6. Gifts and Donations

Employees shall not offer, request, or accept gifts or donations that value is beyond the norm from those involved in the Company's business. However, entertainment and gifts of nominal value arising from the hospitality trade that is customary in accordance with Thai cultural traditions are acceptable.

No 7. Accuracy and Completion of Recording of Transaction and Accounting

The information of the Company's business operations reports must be accurately prepared and reliable for further submission to executives, shareholders, customers, government organizations, and other agencies.

Therefore, information related to the Company's business must be accurate in accordance with the facts and content exhaustive without any limitations. The accuracy of the information means the accuracy of both the written documentation and business ethics.

The Company does not allow the purchase, hire purchase, or lease the use of products concealed by using a pseudonym or transactions made through third-party accounts.

Employees have the responsibility to keep information with integrity in line with the objectives and, as a matter of fact. However, if the employees' performance is deemed to be illegal or violent to the Company's business ethics without knowing of such an action, it cannot be used as an excuse to mistake or misrepresent related to the Company's information unless it is done negligently without causing severe damage.

No 8. Transparent Communication

Decision-making, operating procedures, and the Company's communication policy to stakeholders are clear, transparent, and determined to disclose information transparently, impartially, and promptly. In addition, disclosure of information to all stakeholders can be reviewed in line with the related law, regulatory framework, and the Company's practical order to prevent the leak of trade secrets to trading competitors.

No 9. Honesty

We are committed to performing our duties with integrity and honesty with directness to the law and Company's regulations. By observing this business ethics in all activities and decisions of the Company, we shall conduct business with honesty and consider the risks affecting the organization.

No 10. Public Relations

The Company adheres to honesty as a basis for its work. Therefore, to convince customers to favor the Company's services and products, the Company does not perform any fraud advertisements, including ambiguous activities in integrated marketing communications which shall not be performed.

The Company complies with fair trade business standards in terms of advertising, planning, public relation, selection, and advertising media, including integrated marketing communication strategies. The success of the Company's services and products comes from the basis of its quality and performance, including company reputation, not due to giving false information or distorted information.

Suggestions

Compliance with business ethics cannot be behaviorally explained in every situation. However, the Company believes in each employee's decision when carefully considering what is right and appropriate in each situation.

If the employee is unable to determine which action is appropriate, please answer the below questions and if the answer is "yes", the employee can take further action:

- Is your action lawfully committed and in accordance with the Company's policies and regulations?

- This action is "Is it the right thing?" and your actions. "Does it feel like it is the right thing to do?"
 - Is this action consistent with what is publicly acceptable?
- Will this action help build the Company's credibility as a company with a code of conduct or not?
- If the received answer is not a "yes", the employee must not do that.

The Company has designated the Human Resources and Administrative Department to be in charge of the employee's business ethics. It is responsible for regularly reviewing and updating the information as necessary to reflect the standards in organization behavior and culture as the best company-based organization. If you have any questions, please contact Human Resources and Administration Department.

3.2.1.2 Support activities

(1) Human Resource Management

The Company believes that the employees are an important asset of the Company. Therefore, the Company's personnel policy is based on the mission of cultivating high talented, open-minded, and ethical people. The Company also considers respecting human rights without distinction in terms of sex, age, race, and religion.

The Company has a policy of Human Resource Development and Succession Plan with an emphasis on capacity building, including focusing on developing employees to be a person of quality, morality, ethics and adhering to honesty, integrity, and responsibility to the organization and society, and encouraging employees to participate in Corporate Social Responsibility. In addition, the Company is focusing on the importance of developing the next generation of the employee through the provision of the manpower reserve plan to accommodate any situation or change that may occur. To enhance working knowledge for the Company's employees and increase employee's confidence in performing duties and build stability and make the Company's work still be able to achieve the target goals, including reducing the damage that may occur to a minimum level.

In addition, the Company has provided training for the employee which is defined in two approaches are Internal Training and Public Training with an emphasis on skills, knowledge, proficiency, and abilities to employees for bringing their knowledge to apply and create the increment of effectiveness and efficiency in their work. Furthermore, the Company set up a project to focus on anti-corruption by thoroughly clarifying to employees and making employees aware of corruption's penalty in their duties.

The Company also adds courses that enhance morality and ethics to employees at all levels to increase efficiency in the performance of employees at all levels. The Company considers sending employees and executives in various fields to attend training and seminars on related matters to the operations of each department, which include training in Anti-Money Laundering law and Counter-Terrorism Financing and Proliferation of Weapon of Mass Destruction Policy, Personal Data Protection law, Debt Collection law and provide training on various products of the Company, including professional ethics for employees of the Company.

The Company recruits and develops qualified and competent personnel with an attitude that matches the Company's values in order to attract and retain skilled and talented employees. Furthermore, the Company is focusing on maintaining its remunerations and welfare to be at a competitive level as well. In addition, the Company also supports the work under different situations and conditions, such as employees of the Company can choose the attendance time that suits their individual personal situation. Besides, the Company also encourages to educate the employees in managing their personal finances, as well as encourages the employees to volunteer or participate in charitable activities.

(2) Technology and Infrastructure Development

The Company is committed to supporting the innovation for changing in its work process for better performance along with creating benefits for society by focusing on the use of technology to be able to use it with ease and maximize benefits such as having a variety of payment channels and have channels for customers to access the Company's products and services with conveniently and quickly via the SG Home, SG Connect applications, including on-line services through the Company's website, the presentation of the product, providing various services including management within the team. In addition, the Company also set up the foundation of information technology and digital in accordance with the changes, which are:

1. Creating a system for collecting customer data to know the customer's identity and be able to analyze the data in many aspects to respond appropriately to the needs of customers.
2. Developing promotional tools for sales staff and dealer network (Dealer) and agents, that can convey appropriate information to customers conveniently, promptly, and accurately.
3. Analysis of data from the customer collection platform to understand and offer suitable services for the target customers for each product group for both present and future.
4. Improving work processes within the organization to increase the capability to provide better services and help manage expenses effectively.

The Company supports every employee to have a digital mindset and supports their employees in data literacy skills. In addition, the Company provides various necessary learning tools, such as manuals, Standards of Operation (SOP), IT policies and procedures, Information Security Policy to employees so that they are keeping pace with changes in technology and have operational standards, including safety in operations related to the Company's information and information technology to meet the needs of digital for both presents and in the future.

3.2.2 Business Chain Stakeholder Analysis

The Company has given importance to the rights of all groups of stakeholders of the Company which are related to the business value chain and set out as a guideline to meet the expectations of the stakeholders as follows:

Stakeholders	Engagement Approaches	Stakeholder Expectations	Guidelines for action to respond to Stakeholder Expectations
1. Shareholders	<ul style="list-style-type: none"> - Shareholders' Meeting - Company website 	<ul style="list-style-type: none"> - Good performance and sustainable business growth - Fair and equitable treatment of shareholders - Disclosure of accurate and complete information - Transparent operation and reviewable - Good corporate governance and risk management 	<ul style="list-style-type: none"> - Determining a clear business plan for the short term 1-3 years; Medium-term 3-5 years by focusing on presenting products with financial quality to the market in order for the Company to be able to generate revenue, market share, and maintain growth rate consistently and maintain a profitable rate and capability of competitiveness
2. Customers	<ul style="list-style-type: none"> - Receiving complaints and serving customers through branches and customer service centers on the Company's website and a central call center (Call Center) call 02-234-7171 - Receiving complaints through the application Line: @SGCare 	<ul style="list-style-type: none"> - Fast and accurate solutions for complaints - Receiving equal, equitable, and fair services - Obtaining compliance in line with business conditions to customers with strictly, fairly, and reliable - Receive complete, accurate, timely information and promote communication, build relationships with customers continuously 	<ul style="list-style-type: none"> - Provide quality service according to the needs of customers. Disclosure of information news, services, complete, accurate, and up-to-date events without misrepresenting the facts - Provide communication channels for customers for product quality complaints - Not stipulate unfair trading conditions to customers - Comply with any contract, agreement, or condition transparently and equally - Considering the importance of maintaining customers' confidential information without using such information for their own benefit and or other related persons.
3. Partners	<ul style="list-style-type: none"> - Regularly contacting via telephone or through electronic media - Meetings to discuss or share ideas 	<ul style="list-style-type: none"> - Fair and transparent procurement - Timely payment of goods and services - Sustainable business growth together - Preparing an appropriate contract format 	<ul style="list-style-type: none"> - Do not demand, accept, pay any commercial benefits to the trade partners with dishonesty. - Strictly comply with contracts, agreements, and conditions with partners. In case the conditions cannot be met, notify partners in advance to

Stakeholders	Engagement Approaches	Stakeholder Expectations	Guidelines for action to respond to Stakeholder Expectations
	<ul style="list-style-type: none"> - Visiting the company or attending a seminar for relationship management with partners - Making complaints or whistleblowing of corruption through email and postal channels in the audit group 	<ul style="list-style-type: none"> - Providing a management and monitoring system to ensure that there is compliance with the full terms of the contract and prevent corruption and misconduct at every step of the procurement process, and there are principles of payment to partners and the counterparty on time according to the agreed payment terms - Maintaining lasting relationships with partners and contract parties with clear objectives 	<ul style="list-style-type: none"> - jointly consider problem-solving with the reasonable principle
4. Competitors	<ul style="list-style-type: none"> - Following up on the news through various channels such as the website - Joining activities through government agencies jointly 	<ul style="list-style-type: none"> - Conducting business and competing with fairness and transparency 	<ul style="list-style-type: none"> - Perform in accordance with the rules of fair competition and based on fair returns to both parties. - Do not seek confidential information of competitors with dishonest or inappropriate methods - Do not damage the reputation of competitors with an accusation in a derogatory way without true information.
5. Creditors	<ul style="list-style-type: none"> - Contact via telephone or through the electronics media 	<ul style="list-style-type: none"> - Paying off debts in the full cycle and meeting the requirements period. - Performing in line with the contracts, legal, or other relevant agreements. 	<ul style="list-style-type: none"> - Strictly comply with the contracts, terms, and conditions made with creditors - Report the company's financial situation to the creditor with honest, accurate, and consistently on time - Notify creditors in advance if unable to comply with the contract to jointly find solutions and prevent damage
6. Employees	<ul style="list-style-type: none"> - Communicate via email or intranet of the Company and through meetings between the Company's executives and all employees 	<ul style="list-style-type: none"> - Be treated equally and fairly with non-discrimination and provided equal opportunities, such as assignments, learning, and development, including remuneration and benefits paid - Executives act as good role models for employees, such as commitment to work - Employees are treated for safety, occupational health, working environment health, and well-being 	<ul style="list-style-type: none"> - Maintain the working environment to be safe in life and property - Provide fair and appropriate remuneration according to employee's ability, responsibility, and performance - Consider the appointment, transfer, awarding, and punishment to employees with equality and based on fairness and decency - Listen to feedback, suggestions, and complaints from employees at all levels equally and encourage employees to participate in determining the direction of work - Strictly comply with the laws and regulations related to employees - Manage operations by avoiding any unfair action which may affect the stability of the page of the employee - Treat employees with courtesy and respect individuality, and human dignity - Encourage employees to understand the Code of Ethics of the business and its role in fostering behavior in the code of conduct framework

Stakeholders	Engagement Approaches	Stakeholder Expectations	Guidelines for action to respond to Stakeholder Expectations
			<ul style="list-style-type: none"> - Encourage the employee to understand the Code of Ethics of the business and its role in fostering behavior in the framework of the code of conduct.
7. Society and Environment	<ul style="list-style-type: none"> - Website: www.singerthai.co.th - Participating in activities with government agencies, communities, or organizations related to environmental management 	<ul style="list-style-type: none"> - Environmental Management to promote awareness and continuously train employees in the environment management - Conducting business irresponsible for the environment and society and supporting environmental conservation for society and various organizations 	<ul style="list-style-type: none"> - Considering the choices that affected the detriment of society's environment and the quality of life of the people at a minimum level - Not taking any action that damages natural resources and the environment beyond the limit of the law and continuously cultivating awareness of social and environmental responsibility among employees at all levels - Promote the efficient use and conservation of energy for the benefit of the public and future generations - Do not support any harmful activities to society or morals and/or promote all vices - Set up a complaint system on matters that may affect the community and conduct an audit amendment and notify the result action to inform the complainant in a timely manner - Practice and cooperate or control to perform according to strictly the intent of the law and the rules issued by the regulatory agency - Support community and social activities by focusing on the social development, community, environment, including support education for youth and public benefit activities. - Provide quick response and effective against events affecting communities and the environment due to the Company's operations by fully cooperating with government officials and related agencies
8. Gov-ernment agencies/ government organizations	<ul style="list-style-type: none"> - Cooperating with the government and determining relevant policies 	<ul style="list-style-type: none"> - Compliance with laws, regulations, regulations of government office 	<ul style="list-style-type: none"> - The Board of Directors has established a good business corporate governance policy in which one important aspect is to comply with laws, regulations, and other official requirements by the corporate governance unit of the Company appropriately and regularly providing the training for necessary knowledge to employees
9. Regulator agencies	<ul style="list-style-type: none"> - Compliance as specified at the regulatory agency announced or prescribed - Attend training and seminars at various regulatory agencies have organized 	<ul style="list-style-type: none"> - Good corporate governance and in accordance with the law that the agency stipulates. 	<ul style="list-style-type: none"> - Complete compliance and strictly cooperate in the supervision

3.3 Environmental Sustainability Management

3.3.1 Environmental Policies and Practices

The Company is committed to operating its business on a sustainable basis based on environmental responsibility by realizing and giving importance to reducing environmental impacts that arise from business operations by having a good environmental management system. Therefore, the Company has set goals for using natural resources with a sense of value and support to reduce the use of limited natural energy as well as prepare plans and measures to participate in solving the challenges prediction of climate change, promotion of energy management, water management, a waste, waste product, and pollution effectively and support the protection of ecosystems and biodiversity. Therefore, an Environmental Management Policy has been established, which has the following guidelines:

1. Comply with international and local environmental laws and rules and regulations of the Company strictly.
2. Conduct business with environmental and social responsibility. The environmental management system will be developed according to international standards to certify that the activities and operations of the Company comply with standards and environmental laws that related.
3. Determine to monitor the performance and environmental impact of the operation and continue to improve efficiency by specifying objectives, goals, and action plans that are clear and have an environmental impact assessment.
4. The Company shall enhance awareness and continuous training to employees of the environment so that the system of environmental management shall be effective and create a better understanding of the changing conditions of climate, conservation of natural resources, and the importance of preventing adverse environmental impacts, including the impact on ecosystems that negatively affect biodiversity.
5. The Company shall support environmental conservation for society and various organizations, including disseminating information to enhance the image and good understanding of environmental management.

The Company's environmental policy is covered the following issues:

Environmental Protection and Pollution Prevention

The Company is committed to protecting the environment, including preventing pollution and improving the working environment of the Company to have a good environment by using resources and energy efficiency to receive the most benefit from consumer goods, waste control by applying the 3 R principles, is 1) R-Reduce reduces the use and consumption of non-required resources 2) R-Reuse makes the most of resources by reusing and 3) R-Recycle chooses resources that can be recycled to reduce the amount of waste and reduce the emission of waste to the environment, including emergency planning in an appropriate manner. The Company organizes the Big Cleaning Day activities to manage resources in the workplace clean, reduce consumable materials, sort and dispose of materials that do not benefit the workplace and environment.

Choose environmentally friendly materials

The Company chooses products that do not cause any harm to the environment, such as paper and cloth that have environmental toxicity in the workplace area, and reduce the use of products that contain chemicals that are toxic to the environment. Do not use materials, equipment, and products that contain hazardous substances.

Education on environmental protection and energy conservation with employees in the organization

The Company provides information and knowledge about environmental protection and energy conservation and announces the environment policy to employees for thoroughly informed through internal communication channels such as via email and intranet of the Company. Furthermore, the Company also promotes and enhances awareness of environmental protection and energy conservation among all employees for their cooperation in practice following the Company's environmental policy seriously and continuously.

Environmentally-friendly business development

The Company considers the importance of business development and investment that does not cause environmental problems, and the Company promotes sustainable business operations and develops digital marketing technology to facilitate customers and for the benefit of reducing the use of resources such as paper and reducing the energy consumption of the copying process of paper or destroying documents.

3.3.2 Management and performance of environmental sustainability management in environmental dimensions

The Company has a policy to encourage employees, executives as well as customers, and business partners to participate in the use of valuable natural resources and support to reduce the use of limited natural energy, and prepare plans and measures to contribute to solving the challenges of climate change, management promotion, energy management, water management, manage waste, waste, and pollution with effectiveness including promotion of protecting ecosystems and biodiversity. In the past, various social projects have been organized as follows:

Social and Environment Reforestation Project

The Company has organized reforestation activities for society and the environment at Huai Nam Sai Reservoir, Pa Phayom District, Phatthalung Province.



The volunteer project to sew a caring pillow

The Company has organized volunteer activities to sew a caring pillow by allowing employees to participate by using recycled straws instead of java cotton or synthetic to sew a pillow to be utilized for bedridden patients.





3.4 Sustainability Management in Social Dimensions

3.4.1 Social Policies and Practices

The Company recognizes and places importance on supporting social activities under the framework of good governance, transparent and verifiable, with a commitment to developing its business along with creating economic balance in society and the environment. Therefore, the Company is determined to maintain itself as a role model for society (Good Corporate Citizen) in parallel with sustainable business operations, be able to manage the business to grow steadily, and be accepted in society with the fundamentals of ethics and good corporate governance principles as well as able to generate returns for the shareholders effectively by taking into account the impact of business operations on those involved in the Company in all aspects from the Company's recognition of social responsibility to develop and build a continuous and sustainable responsibility foundation. Therefore, the corporate social responsibility policy has been defined as the following topics:

(1) Conducting Business with Fairness

In order to ensure fairness in business operations, Singer Thailand Public Company Limited and its subsidiaries have determined the Company's policy by focusing on the importance of the rights of all groups of stakeholders, whether it is an inside stakeholder such as employees or management of the Company or the outside stakeholder such as customers, creditors, government agencies and other related agencies including community, society, and environment which is not only required by law only but also includes not taking any actions that violate/diminish of the rights of those stakeholders by defining ethical business guidelines as follows:

- **Policy and responsibility to shareholders**

1. To establish a policy on corporate governance for the increment of transparency and the confidence of shareholders, investors, and all related parties by setting up the policy and direction of the Company's operations as well as devoting importance to the internal control and internal audit system, supervise the management to act in accordance with the effective policy for the benefit of the shareholders.
2. To respect the rights of shareholders for obtaining the necessary information to assess the Company equally and will reveal the results of operations financial status by providing accurate and truthful supporting information according to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission had determined.
3. To provide a system to ensure that all shareholders are treated equally in the shareholders' meeting.

- **Guidelines on Conflicts of Interest**

1. Employees must avoid conflicts between their personal interests and the Company's interests in dealing with partners and any other persons.
2. Employees must devote themselves and their time fully to the business of the Company. In case there is a need to do other work to increase income, or for other purposes outside of working hours, the work must be under the following nature:

- Not affect their duties of work
- Not violating the law or is against the peace and order and good morals of the people
- There is no adverse effect on the reputation and business of the Company
- Not contrary to the interests of the Company
- Not utilize the Company's secret

(2) Anti-corruption

The Company has set a policy in the Company's management manual, the Company Code of Business Ethics Book, the policy does not allow any corruption (Zero Tolerance Policies). In addition, the Company has jointly signed the intent under the Thai Private Sector Collective Action Coalition Against Corruption by the Institute of Directors Association Thai Company (IOD) and is certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption completely.

(3) Respect for Human Rights

Human rights are rights that every human being deserves. To be happy as a human being and part of society, human rights protect the individual as well as the freedom and human dignity of that person. Therefore, respect for Human Rights is essential to society's security and peace.

Therefore, the Company emphasizes respecting human rights and has realized the value of human resources, and wishes to make employees take pride in the organization, promoting a participatory working atmosphere and providing opportunities for equal career advancement. Therefore, the employees shall be developed to promote knowledge and competence thorough and continuous in order to create value and maintain excellence in business under the guidelines for personnel management as follows:

● Equality and equal opportunity

1. Treating all employees with dignity and the value of human beings all people equally.
2. The recruitment and selection of personnel are carried out based on the Company's benefits and achievements with moral principles, equality principles, principles of competence, and necessity in doing business in order to obtain "good people" and "smart people" with an attitude consistent with the work and culture of the organization by considering of the qualifications of each position, educational, experience and other requirements necessary for the job. Without restrictions on sex, age, race, religion, or personal relationship.
3. Determine the remuneration payment system according to the ability of the employees, including providing benefits and welfare for employees and their families by considering the salary structure that is in line with the economic situation and the increment of wage, which is based on the success of the business and the results of the efforts of the employees in the past year.
4. Support and encourage employees to continuously develop both the core competence of the business, management competence, and the ability to work by supporting both consistent budgeting and time in order to develop the ability to work. Providing opportunities for employees to advance in their careers as well as develop personnel to be quality people with a good attitude and have job knowledge.
5. Create a good communication atmosphere for bringing good relationships and efficiency in work cooperation.
6. Promote and provide opportunities for employees to have communication channels for suggestions and complaints about grievances related to work, livelihood, and welfare rights through the Welfare Committee in the workplace by seriously considering the suggestions and determining the solutions for correction to create benefit to all parties and create a good working relationship together.
7. Promote and provide opportunities for employees of all levels for a study trip to a foreign country to give an opportunity, worldview, and perspective on work and life experience, including bringing the perspective of knowledge that has been adapted to work.

- **Harassment**

1. Supervisors should conduct themselves to be respected by employees, and employees should not do anything that shows disrespect their supervisors.
2. All employees must not commit any acts that are infringing or threatening. Whether verbal or acting to others on the basis of race, religion, age, physical and mental disabilities.

(4) Fair Treatment of Labor

The Company believes in the power of all personnel in the organization as an important force in driving the organization towards its vision and mission effectively, appropriately, and in line with the business strategy. Therefore, the Company recruits and selects new personnel who have knowledge, abilities, skills, good attitude and are ready to join the company along with maintaining the existing personnel to have more knowledge, abilities, and skills for working together as a team that helps each other with love and connection that will achieve the goals of the Company effectively and efficiently and, above all, that the Company has always focused on is to let employees work happily and with love and pride to be part of the organization.

- **Wage Management, Compensation, and Welfare**

The Company adheres to the principle of fair wage management, which is suitable for a happy living, providing support money in the form of grants and welfare loans including many other benefits such as staff uniform, annual physical check-ups, annual recreation, etc., along with encouraging employees to have balance in work life and personal life according to the philosophy of sufficiency economy.

- **Rights and Freedoms of Persons**

The Company considers the importance of the protection of human dignity, rights, and liberties of the individual. There is a supervision of the Company's operations for not being involved in human rights violations, including treating all employees with equality. The Company provides opportunities for employees to submit their complaints in writing to their supervisors. The Company also provides a box or suggestion box and suggestions as well as other complaints within the Company to give opportunities for employees to express opinions and complaints. There shall be a Welfare Committee in the Company who brings comments and suggestions as well as other complaints that employees express their opinions and complaints to present to the executives in the monthly meeting which the management meets with employees regularly.

- **Employee Potential Development**

The Company has a systematic personnel development process for employees at all levels for potential development and arrangement for staff development processes to be more efficient, such as coaching, on-the-job training, mentoring, and becoming part of the organization. Due to the epidemic situation of the COVID-19 virus, the whole world must adapt to a new way of life. Therefore, the training model and employee potential development have been changed from classroom training to be online training. This online training is also in line with the Company's new way of working. This online training also facilitates employees to access to training and creates more learning opportunities. The Company has a plan to continuously develop more online training courses in order to continuously enhance learning opportunities and develop personnel.

- **Participation in Social and Community**

The Company provides support and encourages all employees to involve in various activities for Corporate Social Responsibility (CSR) by setting a policy for each department and branch of the Company that exists throughout the country to participate in showing the power to do good in return and provide social and community assistance at both local and national level. The CSR Club has been set up from the gathering of employees who have volunteered spirits to create benefits for society and the environment.

The Company assesses, prepares, and implements training plans that are consistent with the knowledge and abilities of current employees and new employees at all levels to develop employees' knowledge and abilities to drive employee's opportunities for advancement and growth. The Company also considers of the necessary well-being in accordance with target employees such as personal finance knowledge for employees, etc. In addition, the Company has prepared a working environment and assigned flexibility to work appropriately for operations such as space arrangements, work with adequate lighting, assigning employees to work from home during the pandemic of the coronavirus disease (COVID-19) to prevent the spread and assign employees to be able to choose a working time to reduce the traveling time during rush hour.

(5) Responsibility to Customers and Consumers

In addition to complying with the law, the Company also has a policy for all employees to perform their duties in accordance with the principles of business ethics related to customers or trading partners as follows:

- **Customers**

1. Committed to strictly complying with business conditions with customers. To be fair and reliable.
2. Committed to providing complete, accurate, timely information and continuously promoting communication to build relationships with customers.

- **Partners and Contract Parties**

1. Committed to providing quality products and services under the principle of equal database competition, there are criteria for evaluating and selecting partners and contractual parties. Develop an appropriate contract format. To prepare the management and monitoring system to ensure full compliance with the terms of the contract and prevent corruption and misconduct at all stages of the procurement process and has a principle of payment to partners and the contract parties on time according to the agreed payment terms.
2. Committed to developing and maintaining sustainable relationships with suppliers and contract parties with clear objectives in the quality of a product or service that is worth the money, technical quality, and mutual trust.
3. Employees are prohibited from receiving any personal benefits from business partners and contract parties.

(6) Taking Care of the Environment

The Company is considering the analysis of risks and impacts on the environment and safety in all business processes, including using resources efficiently and saving energy according to international principles.

"Singer" is an organization that emphasizes the importance of taking responsibility for society and the environment. It has practice guidelines to reduce greenhouse problems (Carbon Footprint), which will result in toxic pollution and global warming problems, by setting up cooperation with partner organizations to reduce environmental impact. In terms of the responsibility of products by recruiting factory partners who have innovations to produce products with environmentally friendly materials.

The Company realizes the importance of energy saving. Environmental protection has been a campaign to use the most efficient electrical equipment, which is considered one of the social responsibilities. The Company has developed electrical appliances equipment continuously; therefore, the products sold by the Company are labeled with energy-saving labels 5. Moreover, the refrigerators of Singer's product have taken a further step by using a refrigerant that does not harm the environment and does not destroy the earth's atmosphere "NON-CFC" is "C-Pentane", which has zero ozone depletion value.

Because the Company does not have a factory to produce products but uses the method of ordering products with OEM production (Original Equipment Manufacturer) from a factory with quality production processes and avoids ordering products from poor quality manufacturers. In this regard, the Company has a Quality Assurance unit to screen the products to meet the standards, and the Company has a policy for selecting a factory that is focusing the importance of environmental impact and the above matters.

The Company is committed to doing business continuously with quality for the benefit of society as a whole and consumers.

There is also a campaign for employees to reuse the other side of the paper, including waste separation and reuse of packaging paper boxes.

The Company is committed to managing resources and energy cost-effectively to increase efficiency in business operations and reduce environmental impacts by defining policies and guidelines for systematic environmental management and complying with laws and regulations in line with important environmental management guidelines by using modern innovation and technology that help reduce energy consumption and resources.

The Company focuses on the importance of systematic and efficient waste management, including enhancing campaigning for employees to recognize waste problems and take part in reducing waste disposal and proper segregation of waste with the 4R concept to reduce the amount of waste within the organization efficiently.

- | | |
|-------------------------------------|---|
| - Reuse (reuse) | Use of resources worthwhile by reusing objects and utensils |
| - Reduce (Useless) | Reduce the use of resources with minimum use |
| - Recycle (using processing) | Selecting and sorting resources back to use for processing |
| - Revalue (create value) | Recycle used resources to create value to become valuable |

(7) Community Development

The Company realizes the importance of conducting business on the basis of ethics and good morals along with helping and contributing to the creation of a sustainable Thai society necessarily. The Company foresees that vocational training for Thai society is an important foundation of the society. Therefore, the Company has continuously participated in developing, promoting, and supporting career training for students, youths, and housewives, including female inmates, which is the origin of the career job project in that the Company cooperates with government agencies and the private sector to create jobs and careers.

(8) Preparation of Environmental Reports

The Company shall disclose information of compliance with social responsibility guidelines as a benefit to all stakeholders by preparing a report to disclose social and environmental performance covering business operations environmental and safety and social issues, including creating information accurately and providing various information dissemination channels for stakeholders to access the information conveniently.¹

(9) Donations

Charitable Contributions, Donations, and Aid Grant according to criteria about charitable donations and conducting donation activities on behalf of the Company or affiliated companies in accordance with company objectives, strategies, and the practice of Corporate Social Responsibility. The donation must be able to prove that there is a charitable project activity and actions were taken to support the achievement of the project objectives and cause real benefit to society or for the purpose of operating with responsibility for society, whether it is a charitable donation or a social contribution. Employees and the management of the Company are prohibited from donating to individuals, juristic persons, organizations, or other entities as follows:

1. Support political parties or secret political activities for individuals, juristic persons, organizations, or unlawful entities.
2. Have dishonest intentions for any purpose, even if it is the business outcome of the Company.
3. The person who represents the donation must hold the position of manager or above. If having to donate money or items valued over 5,000 baht (five thousand baht), it must be approved by the line director or managing director.
4. Withdrawing money, products, or things must strictly comply with the Company's regulations.

3.4.2 Social Performance Results

The Company has a policy to encourage employees, executives, as well as customers, and business partners to participate in returning and being responsible to society and the community as a whole through activities that are continually beneficial to society and the environment. Therefore, there is a policy in providing assistance and social development in addition to internal work processes by the different projects for society in the past as follows:

Quality of life and community

The Company has organized the project "Share the Heart, Care for the School"
by supporting the water purifier for various educational institutions.



The Company has organized the project "Donate Electrical Appliances to Support the Operations
of Various Agencies for the Benefit of the Community and the Public."



Social

The Company and the Ministry of Social Development and Human Security have supported a survival bag Singer Mineral Water Mask, Sanitary pads and Isolation Gown.



The Company has provided food and beverages to medical personnel and those affected by the pandemic situation of the Coronavirus outbreak (COVID-19)



Together with the Share Stories show, the Company gave Singer Mineral Water to communities at risk of contracting coronavirus (COVID19), with community leaders as recipients.



Religious and Cultural

The Company has participated in religious activities by being a co-host in the annual Royal Kathin Robe Offering B.E. 2021, together with affiliated companies which have presented the Kathina Robes to the monks in the Buddhist Lent at Rama 9 Temple, Kanchanaphisek, Bangkok Sub-district, Huai Khwang District, Bangkok on November 12, 2021





4. Management Discussion & Analysis

for 4th quarter and the 12-month period of 2021 of Singer Thailand Public Company Limited (the Company) and its subsidiaries (the Group)

Performances of the 4th 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	%
Revenues								
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	-	-
Total revenues	1,328	1,079	249	23.1	4,397	3,591	806	22.4
Expenses								
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
Total expenses	871	784	87	11.1	2,922	2,735	187	6.8
Profit from operating activities	457	295	162	54.9	1,475	856	619	72.3
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
Profit before income tax expense	286	96	188	195.8	902	439	457	104.1
Tax expense	74	(28)	102	(364.3)	201	(4)	205	5,125.0
Profit for the period	212	124	88	71.0	701	443	258	58.2

For the 4th 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 4th 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 4th 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 4th 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 4th 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 4th 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 4th 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 202	Inc (Dec)	
			Amount	%
Current assets				
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
Total non-current assets	17,076	4,480	12,596	281.2
Non-current assets				
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

Assets (Million Baht)	31 Dec 2021	31 Dec 2020	Inc (Dec)	
			Amount	%
Deferred tax assets	118	229	(111)	(48.5)
Other non-current assets	17	21	(4)	(19.0)
Total non-current assets	7,125	4,775	2,350	49.2
Total assets	24,201	9,255	14,946	161.5

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	%
Liabilities and equity				
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
Total current liabilities	2,650	1,882	768	40.8
Non-current liabilities				
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)
Total non-current liabilities	6,713	4,563	2,150	47.1
Total liabilities	9,363	6,445	2,918	45.3

Liabilities and equity (Million Baht)	31 Dec 2021	31 Dec 2020	Inc (Dec)	
			Amount	%
Equity				
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)
Total equity	14,838	2,810	12,028	428.0
Total liabilities and equity	24,201	9,255	14,946	161.5

- 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.

Business Plan for 2021

The Company aims to continuously grow in the loan business with car registration as collateral from the total loan balance at the end of 2020 and 2021, amounting to 3,449 million Baht and 6,044 million Baht, respectively. In 2021, the Company planned to issue debentures to support the expansion of loans with car registration as collateral for at least 3,600 million Baht. In addition, the Company has been authorized to operate a personal loan business under the supervision of the Bank of Thailand. This is an opportunity that the Company will drive returns up to 28% under fair competition in line with the supervision of the Bank of Thailand.

In addition to the loan business with car registration as collateral, Singer's original business was the electronics leasing business. It has quality control by implementing the information technology systems to control the sales process for more efficient and additional collection channels for salespeople to provide services and contact for payment. The Company also focus on lending products with high profit (margin) and low risk. In addition, the Company is focusing on increasing the Singer's franchises continuously to expand the sales coverage area to reach as many customers as possible.

Liquidity

In the year 2021, the Group has cash, and cash equivalents amounted to 1,227 million Baht, with an increase of 512 million Baht divided into net cash used from operations of 2,871 million Baht, cash used in investing activities of 10,024 million Baht, and cash flow from operations of fundraising activities of 13,407 million Baht.

Key Performance Indicators

Performance Indicators	Year 2019	Year 2020	Year 2021	Description
Net Profit (Loss) Margin	6.36%	12.34	15.93%	The increased net profit margin was due to increased sales revenue and interest income from hire purchase contracts and loans from the expansion of the receivable portfolio. In addition, the Company has conducted control of costs and expenses properly.
Gross Margin	62.55%	60.83%	65.57%	Higher gross margin because the Company has efficient control of the cost of sales.
Profit (Loss) from Operations	9.67%	17.33%	31.64%	The increased operating profit margin was due to increased interest income from hire purchase contracts and loans and decreased bad debt and doubtful accounts expenses. In addition, the Company has the policy to control costs of sales and service costs continuously.
Return on Assets ^{1/}	5.8%	8.74	7.91%	Return on assets slightly decreased from the year 2020 due to the expansion of the receivable portfolio. However, the Company can still effectively make a profit from the increased assets.
Return on Equity	8.58%	17.20%	7.94%	The rate of return on shareholders decreased due to the Company's capital increase in the 4 th quarter of the year 2021. The increment of capital will allow the Company to reduce debt and interest expenses significantly. However, the Company will maintain its return on equity to perform its continuous growth.
The Ratio of Allowance for Doubtful Accounts to Total Loans ^{2/}	2.4%	4.3%	2.5%	The ratio of allowance for doubtful accounts to total loans decreased because the Company has efficient control over the quality of debtors, and the provision for doubtful debts has been appropriately implemented according to the Company's policy.
Bad Debt to Total Loan Ratio	9.5%	4.4%	3.8%	The bad debt to total loan ratio decreased. This is because the subsidiary has streamlined the credit approval process to be more concise in order to have more quality debtors.
Liquidity Ratio (Times)	3.71	2.38	6.44	The Company and its subsidiaries have higher liquidity ratios, representing the ability to pay off short-term debt effectively.
Debt to Equity Ratio (Times)	1.52	2.29	0.63	The Company and its subsidiaries had a lower debt to equity ratio because the Company has increased capital, strengthening the capital base and effectively representing the ability to pay off debts.

Note: ^{1/}Return on Assets is calculated from Profit (Loss) before Finance and Income Tax (EBIT) / Total Assets.

^{2/}Total credit means loans and accrued interest.



5. General Information and Other Important Information

5.1 General Information

Singer Thailand Public Company Limited

Registration No: 0107537000050

Head Office

72 CAT Telecom Tower, 17th Floor., Charoen Krung Rd., Bangrak, Bangkok 10500

Telephone : 66-2-352-4777

Fax : 66-2-3524799

Call Center : 66-2-234-7171

Service Hotline : 668-1840-4555

Home page : www.singerthai.co.th

Main Business :

- Distribution and Sales of home appliances, Sewing Machines, and commercial appliances and other products
- Hire Purchase - Installment Payments services, Vehicle Loan, Personnel Loan, Captive Finance
- After sales services, Maintenance or repairs of appliances
- Insurance

Financial Year /Accounting Period

January 1 to December 31

Legal Advisor

CMT Counsellor Co., Ltd.

20 Bubhagit Building, 7-9 Floor., North Sathorn Rd., Bangkok 10500, Thailand

External Auditor

KPMG Phoomchai Audit Ltd.

195 Empire Tower, 50-51 Floor., South Sathorn Rd., Bangkok 10120, Thailand

Registrar

Thailand Securities Depository Company Ltd.

62 Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand

Debentures Holder Representative

Registrar and Paying Agent

CIMB Thai Bank Public Company Limited

Registered Capital

Baht 838,017,578

(at 838,017,578 Ordinary Shares with a Par Value of Baht 1.00)

Paid-up Capital: Baht 800,094,788

**as at December 31, 2021*

Date of Listing on the SET

June 28, 1984

Investors can access, for the purpose of reviewing and analysis, detailed information regarding the issue of new shares or securities by the Company in the Annual Statement of the Company (Form 56-1) posted on www.sec.or.th OR on the company's website at www.singerthai.co.th.

5.2 Other Important Information

-None-

5.3 Legal Disputes

As at 31 December 2021 and 2020, the Company has litigation cases as follow:

Patent infringement

On 4 May 2018, a company (“Plaintiff”) filed a lawsuit against to the Company with three other defendants in a joint patent infringement case. According to the indictment, plaintiff claimed to be the owner of an invention patent concerning one device in the product that the Company hired first defendant to produce under the sale contract of automatic fuel vending machine as well as requested the damages in the amount of Baht 100 million.

Regarding the sale contract of automatic fuel vending machine, the Company is only the buyer of the first defendant and the plaintiff has confirmed that plaintiff is the owner of copyright, patent, and petty patent which licensed or legally represented by the real owner of a copyright, a patent, a petty patent in goods and equipment. Besides, the first defendant will be solely responsible for any damage to the company or its customers or outsiders in the case of products be alleged as piracy, patent infringement, or petty patent.

The Company assigned the attorney-at-law to apply statement of defence on 5 July 2018. Then, on 3 September 2018, the court fixed the day for settlement of issues and scheduled to take evidence from the plaintiff and the defendant.

On 23 December 2019, the Central Intellectual Property and International Trade Court rendered the judgement to dismiss a criminal case between the plaintiff and the Company with three other defendants.

However, on 25 December 2020, the Court of Appeal for Specialized The first defendant (S. Safe Oil Company Limited) is guilty of the Patent Act 2522, Section 85, Section 36, paragraph (1), a fine of 2,000 Baht for confiscation of the goods. In addition to the amendment to be in accordance with the Central Intellectual Property and International Trade Court.

Up to date status, the Civil Case as of 2021 is during the temporary disposal stage in order to hear the final judgement in the Criminal Case. If the final judgment in the Criminal case appears to uphold the case, to dismiss the plaintiff's complaint, this will lead to the result that the Court in the Civil Case shall dismiss the plaintiff's complaint in civil part as well. Therefore, the Company cannot assess the impact at this time. The Company has not recorded any potential loss from such matter in the financial statements.

5.4 Secondary Market

-None-

5.5 Regularly Contacted Financial Institutions

Kasikornthai Bank Public Company Limited

1 Soi Rat Burana 27/1, Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok 10140

Krungthai Bank Public Company Limited

10 Sukhumvit Road, Klong Toey Subdistrict, Klong Toey District Bangkok 10110

Bangkok Bank Public Company Limited

333 Silom Road, Silom Subdistrict, Bang Rak District, Bangkok 10500

Siam Commercial Bank Public Company Limited

9 Ratchadaphisek Road, Chatuchak District, Bangkok 10900

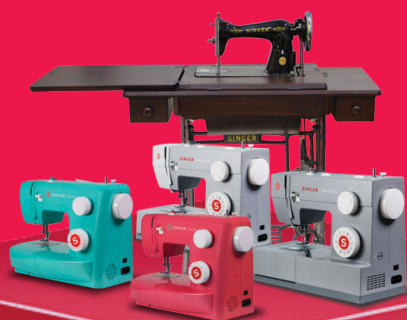
CIMB Thai Bank Public Company Limited

44 Langsuan Road, Lumpini, Pathum Wan, Bangkok 10330

PART 2

Corporate Governance

- 6. Policies on Good Corporate Governance
- 7. Corporate Governance Structure and Important Information of Directors, Management and Employees
- 8. Report on Good Corporate Governance
- 9. Internal Controls and Related Party Transactions





6. Policies on Good Corporate Governance

Singer Thailand Pcl., recognizes the importance of good corporate governance as an effective mechanism in linking the relationships between the interests and benefits of all Stakeholders groups on a sustainable basis, as well as one of the key factors in enabling the Company to achieve the established business objectives and to achieve growth on a sustainable basis for the longer term.

The Board of Directors has established the principles and policies on good corporate governance of the Company as a guideline for Board Directors, Management and all Staff in conducting the businesses of the Company. As such, all Company Board Directors, Management and Staff have also all been made aware of the established required business ethics together with the policies on good corporate governance, so as to demonstrate their joint intent to strictly adhere to these principles and policies. Additionally, the Company has informed and communicated these key policies and principles to everyone within the organization via various channels of communications, such as: the staff orientation program, internal company newsletters, monthly staff-Management meetings and internal PR notices, as well as via the Company's website and through various Company activities. This is to reinforce the awareness of and facilitate full and active cooperation by everyone within the organization on a continuing basis.

Due to the Securities and Exchange Commission and SET has improved the principles of good corporate governance By dividing into 8 practice principles, the Board of Directors agreed to review the good corporate governance policy of the company in order to cover the new practices of good corporate governance principles for listed companies in 2017 which will be a guideline for the organization to achieve operational efficiency and sustainability in the long term.

At the Board of Directors Meeting No.227, on 21 February 2019, a resolution was approved relating to the anti-corruption stance and policies of the Company, policy relating to receiving confidential information and complaints, and also the "Revised - 2014 Policies and Principles on Good Corporate Governance" that has been updated to be more appropriate to the possible changes in the overall business situation and environment or in the applicable legal and regulatory requirements.

Oversight of the Operations of Subsidiary Companies or JV Companies

- Currently, Singer Thailand pcl., has 3 Subsidiary Companies, in which the Company has an 99.99% equity shareholding, namely: SG Capital Co., Ltd., SG Service Plus Co., Ltd., and SG Broker Co., Ltd.; and has no JV Companies. Additionally, in order to comply to the governance and oversight procedures that are aimed at achieving effective control of and responsibility for the management of these Subsidiary Companies, as well as to protect the financial investments and interest of the Company, the Board of Directors has assigned representatives to be Directors of these 3 companies, in accordance with the rules and regulations of the Company and as approved by the resolution of the Company's Board of Directors.

Every Quarter, the operating performance results of these 3 Subsidiary Companies, that have been audited by the external Auditors and reviewed by the Audit Committee, are submitted to the Board of Directors for consideration and approval.

With regards to other important transactions, such as: related party transactions or the acquisition and disposal (if any) of assets, these are subject to the established oversight and control procedures, through the systematic procedure of consideration and review by the Board of the Subsidiary Company for proposing to the Company's Audit Committee for review and eventual proposal for approval by the Company's Board of Directors; whereby details of such transactions are then disclosed via the SET's information communications network system.

Controls in the Use of Inside Information

The Board of Directors has determined various measures to prevent insider trading, through illegal or misuse of confidential information by any involved parties; namely: the Board of Directors, Senior Executives/Management members and any Staff involved and having access to such information, including spouses and children not yet of legal age of these involved persons, as follows:

- Senior Executives/Management members are required to report any changes in their ownership of shares of the Company to the SEC and SET, as specified by Clause 59 of the Securities and Stock Exchange Act (1992).
- Senior Executives and any involved business units having access to any internal confidential information, are prohibited from disclosing such information to those outside the Company or those inside the Company not authorized to have access to such information, and from purchasing any shares of the Company within a 1 month period prior to the official release, to the general public, of the Company's Financial Statement.

Further, the Company, via the Investor Relations Unit, has also determined a 'silent period' relating to the use of any sensitive and significant information in relation to the trading of any Company shares, whereby this policy has been communicated, via email, to all Directors, Senior executives/Management members and any parties involved, so that all parties will be aware of and adhere strictly to this policy with regards to the use of 'inside information' in making any transactions to buy/sell any Company shares. As such, during the past year, all Company Directors and Senior Executives/Management Members have strictly complied with this requirement; and, apparently, these parties have not made any transactions in buying/selling of the any shares of the Company during this prohibited period.

- The Company has established various measures to prevent illegal misuse of any inside confidential information for personal gain, through restricting access to such information internally and also by preventing possible access to such information by those outside the Company. The Company has also implemented various authorized access levels to such information for different staff levels that are appropriate to their assigned duty and responsibilities.

Additionally, the Company requires every employee to acknowledge and confirm, in a Memorandum of Confidentiality and Non-Disclosure Agreement, their understanding of the abovementioned requirements, together with confirming their agreement not to disclose any internal confidential information, not to violate the Computer Laws, and not to infringe or violate any intellectual property rights of others; whereby all employees will sign this Memorandum of Confidentiality and Non-Disclosure Agreement at the same time as their Contract of Employment.

Further, the Company has established guidelines, within the Company's Code of Good Business Conduct and Ethics, for the prevention of any situations involving possible conflicts of interests; whereby such guidelines are communicated to all employees, so that they can strictly adhere to these established guidelines. The Executive/Management Group is responsible for monitoring and ensuring that all employees always observe and strictly comply with all relevant applicable laws, rules and regulations together with the established policies and the Company's Code of Good Business Conduct and Ethics.

6.1 Code of Best Practices - SET

The Board of Directors realizes the importance of good corporate governance practices covering 8 principles of corporate governance as follows:

- Practice 1 : Establish Clear Leadership Role and Responsibilities of the Board
- Practice 2 : Define the Objectives that Promote Sustainable Value Creation
- Practice 3 : Strengthen Board Effectiveness
- Practice 4 : Ensure Effective CEO and People Management
- Practice 5 : Nurture Innovation and Responsible Business)
- Practice 6 : Strengthen Effective Risk Management and Internal Control)
- Practice 7 : Ensure Disclosure and Financial Integrity)
- Practice 8 : Ensure Engagement and Communication with Shareholders

Practice 1 Establish Clear Leadership Role and Responsibilities of the Board

The Company has established the roles, duties, and responsibilities of the Board of Directors clearly in addition to legal duties and responsibilities, which stipulates that the Board of Directors has the powers and responsibilities in managing the Company following the law, objectives, the Company's article of association, and the resolution of the shareholders' meeting with responsibility, caution, and honesty. The Company has also assigned the Board of Directors to have the authority, duties, and responsibilities in defining the Company's vision, mission, goals, policies, operational directions, strategic plans, work plans, and annual budgets, including supervision and monitoring of operations to be under the law, policy, work plan, and annual budget as well as assess the performance of the said work. The Company communicates to the Board and all parties on their assigned roles, duties and responsibilities to ensure the Board understanding the scope of responsibilities as the organization's leader and all parties to realize their roles.

The Company has appointed various subcommittees, including the risk management subcommittee and chief executive officer, to support the Board's duties. Review and supervise operations and administration following the laws, policies, plans, and annual budgets. Set the scope of powers, duties, and responsibilities of the sub-committees and chief executive officer clearly.

Besides, the executive committee of the Company has appointed the risk management subcommittee, consisting of 5 members, to perform their duties in considering problems or risk factors that may arise with the Company's business operations and find a way to reduce the risk or manage the risk as low as possible. The performance will be reported to the executive committee, the audit committee, and the Board of Directors regularly.

The Board of Directors' meeting has passed a resolution approving the establishment of a charter for the Board of Directors and sub-committees. Ensure that the Board of Directors and sub-committees acknowledge the Charter above, including monitoring and ensuring that there is and evaluating the performance of duties as assigned and reviewing of the Charter annually at least once a year to be corrected following the direction of the Company

The Board of Directors has established a Code of Conduct and policies about corporate governance as a corporate governance guideline to conduct business ethically, respect the rights, be responsible to the shareholders and stakeholders in every segment, and conduct business benefited society and the environment. Moreover, it can be adapted under changing factors to create stable long-term performance and competitiveness and good operating results by considering the long-term effects. The Company has also disseminated the Code of Conduct and policies via the Company's website.

Practice 2 Define the Objectives that Promote Sustainable Value Creation

The Board of Directors has established a clear vision, mission, and business goals that are appropriate for the organization to determine the direction of business operations to grow together with society with sustainability and drive the organization in the same order and achieve the objectives and goals set. The Company has a policy of communicating the vision, mission, and business goals to the personnel at all organization levels, including communicating with all stakeholders to understand the organization's objectives and primary goals.

The Company has the policy to review and consider for the determination of strategic plans and budgets every year to ensure that such strategic plans and budgets align with the economic conditions and organizational potential. There is also an analysis of the environment, factors, and risks that may impact relevant stakeholders based on social responsibility and environment. Encourage the creation of innovation and the introduction of innovations and information system technology to be used to develop a sales system to effectively reduce fraud in the Company's sales and collection processes and supervise the allocation of essential resources and appropriate operational control according to the plan.

Besides, the Board of Directors has assigned the executive committee to supervise and monitor operations following the specified strategies and budgets.

Practice 3 Strengthen Board Effectiveness

The Company has the policy to define the Board structure as appropriate in line with the Company's business and size as required by law. The Board of Directors' composition has a proportion between the executive directors and the non-executive directors that reflect the appropriate balance of power. The Board of Directors structure consists of independent directors, more than one-third of the number of the Company's directors. At present, the Company has 9 directors, divided into 1 executive director and 8 non-executive directors. Besides, the Board of Directors has also appointed various committees to assist the corporate governance of the Company as follows:

- 1) The executive committee comprises eight members. They shall determine the business direction and strategy to meet the Board of Directors' goals and allow the management to be agile.
- 2) The audit committee consists of three members and at least one audit committee member who has knowledge and experience in accounting and can perform the duty of reviewing the reliability of the Company's financial statements. The audit committee's primary duties and responsibilities are to examine whether the Company has accurate financial reporting and disclosures sufficiently. There is an appropriate and effective internal control and internal audit system, including giving independent opinions on transactions involving conflicts of interest.

Besides, the executive committee of the Company has appointed the risk management subcommittee, consisting of 5 members, to perform their duties in considering problems or risk factors that may arise with the Company's business operations and find a way to reduce the risk or manage the risk as low as possible. It shall report to the executive committee, the audit committee, and the Board of Directors acknowledge regularly.

The Board of Directors has a policy of separating the Chairman of the Board's positions and the Chief Executive Officer to be a different person to achieve clarity of responsibility during government policy and daily administration. Therefore, the Company has clearly separated roles, duties and responsibilities between the Board of Directors and the executives. The Board of Directors is responsible for setting policies and overseeing the operations of the executives. In comparison, the executives are responsible for managing various aspects of the Company's operations following the specified procedures. To prevent absolute power, the Company has set the scope of authority and duties in the Company's approval and control.

To enable directors to devote their time to perform their duties in the Company, the Company requires that each director can hold a position in other listed companies for a total of no more than five companies and must attend the Board meeting of not less than 75% of the total number of meetings held in that year. The Company stipulates that there will be no less than six Board meetings per year. For each session, there is a clear agenda for the meeting, and a notice of meeting with details is sent at least seven days in advance so that the Board of Directors has enough time to study the information before attending the meeting. There is also a written record of the minutes and keep the certified one by the Board of Directors for the Board of Directors and the people involved can check.

For determining the term of office of independent directors, since the Company's primary business is unique, the selection of the Company's independent director needs time to study and understand business as well. At present, the four independent directors of the Company do not have any qualifications or conditions contrary to the Securities and Exchange Commission requirements and the Stock Exchange of Thailand in any way. In the past accounting period, independent directors do not have any business relationship or professional service. The Board of Directors stipulates that an independent director has a continuous term of office for not more than nine years from the first appointment as an independent director.

In nominating and selecting persons to be appointed as directors of the Company, the Company has established a clear and transparent process by setting the Nomination Remuneration and Corporate Governance Committee to perform the duties of recruiting, selecting, and proposing persons to be the chairman of the Board, director, subcommittee, chief executive officer, senior management, and company secretary. The Company also considers remuneration appropriate to the duties and responsibilities and evaluates the Company's performance as a priority to propose to the shareholders' meeting for consideration and appointment as a director of the Company.

The Company has set a clear and transparent compensation policy. The remuneration is suitable for the duties and responsibilities assigned by each director. They are sufficient to attract and retain directors and executives who have the Company's qualifications. The shareholders' meeting must approve the directors' remuneration payment of the Company.

The Company discloses information of directors and executives such as age, educational background, experience, shareholding percentage, years of being a director, number of times attended the meeting, directorship in other listed companies, roles and duties, performance report of the sub-committees, remuneration of the Board of Directors both in monetary and non-monetary in the Annual Report and an Annual Registration Statements (Form 56-1).

The Board ensures to disclose the roles and duties of the Board and sub-committees, number of meetings and number of times each director attended, and reports on every sub-committee performance. In which most of the members of the Company's subcommittee are independent directors. It is for transparency and independence in performing the subcommittee's duties efficiently and achieves the Board's objectives, obligations, and responsibilities.

- (1) The Board of Directors holds at least 6 meetings per year to discuss and take any action to accomplish the task according to the responsibilities.
- (2) The Chairman of the Nomination Remuneration and Corporate Governance Committee is independent. There are 2 independent directors and 1 non-executive director. In 2021, there were 6 meetings and reported to the Board of Directors.
- (3) The Audit Committee consists of 3 independent directors. The Chairman of the Audit Committee is Mr. Chan Itthithavorn, who has knowledge in accounting and finance and sufficient experience to review the reliability of the financial statements according to the qualifications of the SET and regulations of the supervisory authority, the audit committee. In 2021, there were 4 meetings and reported to the Board of Directors.

The Board of Directors has determined that non-executive directors shall hold the meeting without the executive director attending the session when the company has any matter of interest or important related business. It allows non-executive directors to exchange views and consider various issues.

The Company has appointed a company secretary to supervise and advise the directors and executives regarding compliance with laws, regulations, rules, and the Company's article of association.

Monitor and take care that there is a correct and consistent action and is responsible for organizing the Board of Directors' meetings and shareholders' meetings. Supervise and coordinate the implementation of the said meeting's resolution, including any other duties as required by law.

The Board of Directors encourages and promotes the Company's directors to attend training, seminars, and courses continuously held by the Thai Institute of Directors, Securities and Exchange Commission, or various independent organizations. Details of training information and continuous knowledge development of the Company's directors in 2021, there were directors attended the training as follows:

Director	Training Course	Institution
1. Miss Somsri Shalapakdee - Chairman of Nomination Remuneration and Corporate Governance Committee, - Independent Director and - Member of Audit Committee	Director Certification Program (DCP), DCP 307/2021	Thai Institute of Directors

Board Skills Matrix

Position	Experience in related business	Marketing & Retail Business	Internal Audit	Risk Management	Good Corporate Governance	Accounting and Finance	Law	Economic	Political Science	Information Technology	Social, Environment and Safety Management	Crisis Management	Credit and Asset Management
1. Director (None Management)													
Chairman of th Board	✓	✓						✓				✓	✓
Chairman of Audit Committee and Director	✓	✓	✓	✓	✓	✓	✓						
Director	✓			✓		✓			✓	✓	✓		✓
2. Independent Director													
Chairman of Audit Committee and Independent Director		✓	✓	✓	✓		✓						
Independent Director	✓								✓		✓	✓	
3. Executive Committee													
Chief Executive Officer and Member	✓	✓				✓						✓	✓
Member			✓	✓	✓	✓	✓	✓		✓	✓		✓
Total	5	4	3	4	3	4	3	2	2	2	3	3	4

Practice 4 Ensure Effective CEO and People Management

The Company has established a recruitment and succession plan for key management positions, including the chief executive officer's work, to ensure the business operations continuously. There is a policy to pay reasonable compensation as incentives to the chief executive officer and key executives who are determined to work in the Company's best interests and shareholders. There is also an evaluation of the duties' performance every year as a basis for determining compensation and developing capabilities to increase work efficiency.

The Board of Directors has a self-assessment as a group assessment form, and individual assessment forms, and the results of the assessment obtained to propose at the Board of Directors meeting for acknowledgment and further action.

The Company has the policy to promote and facilitate training and educate those involved in the Company's corporate governance system, including directors, audit committee, executive, and Company secretary, to improve performance continuously. There is also an executive development program for the benefit of considering the succession plan.

The Company gives importance to developing its employees to have more knowledge, skills, and potential in their work, which is the creation of knowledge to be ready for sustainable growth. The development training is planned throughout the year to increase work potential and enhance competitiveness. Focus on building safety awareness in the workplace, strategic planning for executives, service quality development, sales knowledge development, and review product knowledge for sales representatives, and providing knowledge on anti-corruption measures and raising awareness of the environment at the same time. In the year 2020, the Company had organized training for employees according to the following details:

The Board of Directors defines the structure and relationship of shareholders and stakeholders that may have impacts and hurdles in business operations. The Board of Directors understands the structure and relationship of shareholders, which affects the power to control the Company's management. The Board of Directors ensures that the agreement does not interfere with the Board's performance. Besides, information that affects the control of the business is disclosed to the shareholders and stakeholders through the Company's channels following the principle of approval of the related transactions. Build an understanding of the structure and relationship of shareholders may affect the management of the entity and power to control its direction to not interfere with the performance of duties of the Board of Directors and to ensure that information that may affect the control of the Company is appropriately disclosed.

Practice 5 Nurture Innovation and Responsible Business

The nature of the Company's business depends mainly on the interests of the customers. Therefore, the Company pays attention to the development of and has the policy to promote the adoption of various innovations and information technology used in the work process to meet the needs and interests of the customers.

The Board of Directors ensures that the business is operated with social and environmental responsibility by recognizing all groups of stakeholders' rights, whether they are internal stakeholders or external stakeholders. It is to create a better understanding and cooperation between the Company and stakeholders, which will benefit business operations and build confidence and increase the Company's competitiveness in the long run. The Company has set a policy and practices as follows:

1) Apart from the fundamental rights of shareholders stipulated in the laws and the Company's article of association, such as the right to verify the number of shares, receive share certificates, attend the shareholders' meeting, and cast the votes, freely express opinions at shareholders' meetings, and receive a fair return. The shareholders are also given the right to suggest statements about conducting the Company's business as the Company's owner through independent directors. Every comment will be collected and submitted to the Board of Directors for consideration.

2) The Company values its employees as valuable resources and strives to make every employee proud and believe in the organization. In the past year, the Company worked on various projects to support and foster an atmosphere of collaboration to create new things and empower employees to be ready for work. It also gave great importance to maintaining health, which the Company arranged for employees at all levels to have an annual health checkup. In terms of safety protection and quench fires in the workplace for the employees' work, the Company organized fire drills at least once a year at the headquarters building and the warehouse every year. Also, the Company prepared a campaign and publicity banners, "Zero Accident," to focus on reducing the occurrence of work-related accidents to zero, in which there were no accidents from work in the past year. The landscape and working environment were improved to suit the job. Besides, employees were encouraged to learn the environment by providing training for employees to raise awareness and apply the knowledge gained in daily life. There were the environmental conservation activities or to take part in supporting actions related to the conservation of natural resources and the environment.

3) The Company is committed to providing customers with the highest benefits in terms of quality and price, including developing and maintaining a lasting relationship. The Company chooses to sell products that Industrial Standards or TIS has licensed. Besides, the Company provides a central information service by Call Center, contact number 0-2234-7171. It is the agency responsible for providing suggestions on products and services, give advice on how to solve the problem, and receive complaints so that customers get the most satisfaction in products and services. There has been established Singer Service Center, Hotline number 0-818-404-555, to provide direct assistance in the notification of repair of electrical products to customers.

4) The Company adheres to an ethical trade competition framework by adhering to the contract's performance, strict ethics, and commitments made to trade partners, which have established guidelines in writing in the policy of good corporate governance.

5) The Company has the policy to take care of its business partners regarding the environment, safety at work, and the returns received. It also promotes the development of capacity and enhances knowledge both in and outside the work of business partners to work more efficiently.

6) The Company respects venture capitalists' rights and treats all investors fairly, including giving good cooperation with them. It is for the operations to be successful following the joint venture's objectives.

7) The Company has complied with borrowing conditions following agreements and obligations to creditors, such as business creditors and financial creditors, which has established writing guidelines in the good corporate governance policy. At present, the Company has treated all creditors equally. There are no guarantees of any kind to any creditors, one particular. There is only a guarantee in the debentures of SG Capital Co., Ltd, a subsidiary, with Singer Thailand Public Company Limited holding 99.99% of shares.

8) The Company conducts business with integrity to all stakeholders. Adhere to the corporate social responsibility ideology to achieve community and social development and support activities to improve the quality of life and create benefits for the community and society by creating various social activities, especially the development and promotion of youth and homemakers in the field of job creation, career creation, including education. It also encourages the employees to participate in good citizenship practices that benefit communities and society through Singer's CSR Club.

9) The Company gives importance to government agencies as stakeholders by establishing guidelines to enable employees to act correctly and appropriately, including cooperating with government agencies and support activities.

10) The Company places great importance on disclosing information to the mass media to communicate appropriately to the public and be quick to keep up with the events.

11) The Company adheres to fair competition by adhering to proper business operations within the law framework and the Company's Code of Business Conduct. In the past year, the Company did not have any disputes in regards to trade competitors.

12) The Company operates the business concerning social and environmental responsibility by realizing the importance of energy-saving, environmental protection, and a campaign to use the most efficient electrical equipment. The Company has continuously developed electrical appliances. Therefore, the product that the Company sells is a product with a fiber-saving label 5. Moreover, Singer refrigerators have developed a new level of refrigerant that does not destroy the environment and does not destroy the world's atmosphere. "NON-CFC" is C-Pentane, which has zero ozone depletion value.

The Company has grown awareness and encouraged employees to have the knowledge and take part in protecting the environment, including restoration and improve natural resources through various activities held by the Company, which can see details in the topic "Corporate Social Responsibility."

Intellectual Property Policy and Practice

The Company conducts business and encourages its personnel to perform their duties under laws or regulations related to intellectual property rights, whether it is trademarks, patents, copyrights, trade secrets, and other intellectual property as required by law, such as using a legitimate computer program. All kinds of computer programs must be examined and programmed by the Information Technology and System Development Department. The policy on the Computer Crime Act B.E 2550 has been issued as a warning and prohibitions on the screen desktop computer of all employees. Besides, the Company has required all employees to acknowledge and sign a memorandum of agreement on non-disclosure of confidential information, non-offenses relating to the Computer Act, and non-infringement of intellectual property. The new employee will sign with the signing of the employment contract.

Policies and guidelines on respect of laws and human rights principles

The Company supports and respects the protection of human rights. Ensure that the Company's business does not get involved in human rights abuses, such as not supporting forced labor and against child labor. Respect and treat all stakeholders fairly based on human dignity without discrimination from the place of origin, race, gender, age, skin color, religion, physical condition, status, and ancestry.

Anti-Corruption

The Board of Directors meeting No.224, held on November 9, 2018, passed a resolution to approve the review of the anti-corruption policy and set policy in the management manual, the Company Code of Business Conduct, and Zero Tolerance Policies. The Company also declared its intention to be a Thai Private Sector Collective Action against Corruption with the Thai Institute of Directors Association (IOD). At the meeting of the Anti-Corruption Coalition Committee for the quarter 2/2020, the Meeting has certified “Singer Thailand Public Company Limited” as a member of the Private Sector Anti-Corruption Coalition. The said certification was valid for three years from the date of approval, which was September 30, 2020, expired three years on September 30, 2023. The Company has reviewed the risk assessment related to corruption and establishes the Code of Conduct Policy on Anti-Corruption. Provide policy communication, guidelines, and whistle-blowing in the event of fraud or concern by establishing the Anti-Corruption and Misconduct Committee in the Company and made a letter informing details of the policy conditions for all employees to sign for acknowledgment.

Anti-Corruption Policy and Practice

The Company has a communication channel for stakeholders to report, suggest or complain in case of fraud. There are guidelines for giving or receiving gifts and any other property or benefit, entertainment, or expenses that exceed the limit, which does not comply with the Company's criteria. The procurement guidelines and donations must also be carried out in a clear, fair manner under the Company's rules and procedures.

The Company has distributed regulations on the Company's work to all executives and transfers to all employees to acknowledge and sign for the acknowledgment to strictly observe the rules, especially sales and field workers, to understand and perform correctly.

Whistleblowing or Complaints

The Company has appointed the executives to be the recipient of complaints directly and has a joint committee to verify the correctness and fairness. Establish a policy for establishing an effective internal control system. There are transparent reporting and verifiable to assure the complainants' trust and belief in a fair investigation process. There is also the policy on the protection of whistleblowers. Those who report whistleblowing or complaints that are employees, customers, or individuals employed to work for the Company will be protected by law, detailed in the Company's corporate governance policy and Whistle-Blower Policy.

Suppose various stakeholders have questions or see actions suspected of violating or failing to comply with laws, regulations or the Code of Business Conduct. In that case, they can report clues or complaints and submit details and evidence to The joint committee checking the accuracy of the Company's fair. The Committee will investigate the facts and write a summary of important issues for the Company's executives to consider. The contact channels are as follows:

The joint committee checking the accuracy of the Company's fair
Singer Thailand Public Company Limited
P.O. Box 17, Bangrak Post Office, Bangrak District, Bangkok 10500
E-mail : amnesty@singerthai.co.th

In the past year, the Company did not have any significant disputes with all groups of stakeholders.

The Board is responsible for monitoring the management to allocate and manage resources to be efficient and effective following the policies, work plans, and budgets by considering the impact and development of resources throughout the value chain to achieve sustainable objectives and core goals.

The Board of Directors provides an organizational, regulatory, and management framework for information technology in line with the needs, including ensuring that information technology is used to increase business opportunities and develop risk management to achieve the business's objectives and primary goals. There are an efficient and effective allocation and management of information technology resources and system of information security measures sufficient and appropriate by considering the confidentiality, maintaining reliability and availability of information, and preventing data misuse.

Practice 6 Strengthen Effective Risk Management and Internal Control

The Board of Directors has oversight to ensure that the Company has a risk management and internal control system to achieve its objectives effectively and practice following the relevant laws and standards. The Board of Directors is responsible for considering and determining the risk management policy and overseeing the establishment of a risk management system or process under the certification standards and control methods to reduce the business's impact covering the entire organization.

The Board of Directors has established an audit committee that can perform duties efficiently and independently. The audit committee has access to information necessary to perform its assigned tasks, such as facilitating the audit committee's ability to summon relevant persons to provide information, meeting with the auditor, or seek independent opinions from any other professional advisor to support its consideration. There are assessments of both internal and external risk factors. Analyze the risk factors and determine measures to monitor the risk's cause, including efforts to reduce risks to assign relevant departments to monitor and report progress to the Board of Directors continually.

The Board of Directors regularly monitors and handles conflicts of interest that may arise between the Company and the management, Board of directors, or shareholders, including the prevention of improper use of the property, the Company information and opportunities conducting transactions with those who have a connected relationship with the Company in an unreasonable manner.

The Board of Directors has established measures and procedures for approving related transactions and transactions relating to the Company's assets' acquisition or disposition to comply with the requirements of the Securities and Exchange Commission and the Stock Exchange and related laws.

The Board of Directors has oversight to establish a clear anti-corruption policy and practice and communicate at all levels of the organization and outsiders to achieve practical implementation. The Board of Directors has a supervisory guideline to ensure that the Company has a risk management system and an internal control system following all systems' risk management processes. There are strict control guidelines to prevent and reduce the risk impact on the Company's business efficiency and practice under the relevant laws and standards.

The Board oversees the business to have a mechanism for receiving complaints and taking action in case clues are identified. The Company has established clear guidelines for whistleblowing or complaints under the anti-corruption policy and whistleblower policy to operate according to the objectives with integrity.

Practice 7 Ensure Disclosure and Financial Integrity

The Company requires that the dissemination of information and corporate communication is one of the Company's central policies by providing the investor relations and corporate communications department, which is the agency that represents the Company and as a mediator between the management to communicate and disclose information. Give importance to information disclosure since it is a matter that affects the decisions of investors and stakeholders. There is a need for control and establish measures for the disclosure of information, both financial and non-financial, according to the law. It contains all vital material, sufficient, reliable, and timely in both Thai and English. There is the information disclosure through the SET Community Portal system of the SET and the Company website by adhering to the laws, rules, and regulations set by the Securities and Exchange Commission, the Stock Exchange of Thailand, and other government agencies strictly. Follow up on changes regularly to ensure that the laws, rules, regulations the Company adheres are correct and guarantee shareholders have confidence in conducting business that is transparent, correct, and straightforward.

- 1) Disclose financial information and non-financial information correctly and timely.
- 2) Prepare a report of the committee's responsibility for financial statements and displayed it together with the auditor's report in the annual report.
- 3) Establish policies for directors and executives to report their interests and people involved, which is stake related to the management of the Company's affairs or a subsidiary, with the following reporting criteria and methods.

- Report when taking office as director or executive for the first time.
 - Always report any changes in the stakeholder information.
 - Report at the end of the year regularly.
 - If a director vacates office and has continuously resumed his position as director, that director is not required to file a new report if the stakeholder information is not changed.
 - The directors and executives shall submit a report of interest to the company secretary. Then the company secretary must send a copy of this report of interest to the Chairman of the Board and the Chairman of the Audit Committee acknowledged within seven business days from the date of receiving the notification. At every quarterly meeting of the Board of Directors, there is an agenda regarding stakeholders' meetings every quarter.
- 4) Disclose of methods for recruiting directors.
 - 5) Disclose of information on the performance of duties in the subcommittee and the number of meeting attendance individually.
 - 6) Disclose the operating structure and investment in subsidiaries and associated companies.
 - 7) Disclose information on the remuneration received by each director as a member of the subcommittee individually.
 - 8) Disclose the remuneration policy for directors and top management, including the form, nature, and amount of remuneration that directors receive as a member of various sub-committees.
 - 9) Disclose the policy on environmental and social stewardship and results of the implementation of the policy.
 - 10) Report the corporate governance policy and its performance.
 - 11) Disclose significant investment projects and their impact on investment projects by disseminating the information through the SET Community Portal system of the SET and the Company website to provide shareholders, investors, media, and related parties to receive accurate, comprehensive, and transparent information.

The Company has given importance to the disclosure of information, and transparency is one of the critical factors of business operations. As a result, in 2011 and 2012, Singer Thailand Public Company Limited received the Set Awards 2011 and 2012 "Best Investor Relations Awards" from Thailand's Stock Exchange for two consecutive years. For the year 2020, the Company received the "Outstanding Investor Relation Awards" in the Set Awards 2020 from Thailand's Stock Exchange.

The Company's Investor Relations and Corporate Communications Department has served to communicate with institutional investors, retail investors, shareholders, analysts, and related government agencies equally and fairly. If shareholders need additional information, they can contact them directly at Investor Relations and Corporate Communications Department.

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Tel: 0-2352-4777 ext. 4201

In 2021, various activities were organized for the Chief Executive Officer, directors, and Chief Financial Officer to regularly meet with retail investors, institutional investors, and analysts. The results of operations, financial statements, financial position, and Management Discussion & Analysis were also presented. There was participation in listed companies' activities to meet investors (Opportunity Day) to show the Company's performance information and future trends. It could be summarized as follows:

- Organize activities for the CEO meeting with retail investors to clarify, communicate, and create a correct understanding of business and general information.
- Hold the Company Visits and direct response to inquiries from analysts and investors via email and telephone regularly.
- Joining Opportunity Day, organized by SET for 2 times

The Board of Directors is responsible for monitoring the adequacy of financial liquidity and debt servicing ability in the face of financial difficulties or is likely to have problems. The Board of Directors will ensure that the Company has a plan to fix the problem or other mechanisms that can solve financial issues under consideration of stakeholders' rights with special care. There is a report of the Board of Directors' responsibility for the financial report, presented with the auditor's report and management

analysis. Provide general and essential information in the annual report and the annual registration statement that is accurate, complete, timely, and according to the Securities and Exchange Commission and the Stock Exchange regulations. Besides, the Board also conducts internal and external risk assessments to ensure that such transactions will not affect the continuity of business operations, financial liquidity, or the ability to pay debts.

Suppose the business faces financial problems or is likely to encounter problems. In that case, the Board should ensure that the entity has a plan to resolve the issue or other mechanisms to solve financial problems. Under consideration of stakeholders' rights, the Company's performance meets the target set, resulting in the Company having good performance and profit and liquidity, paying debts, and continuously paying dividends to shareholders. However, there are still some risks in operating the business. Therefore, if the Company has financial problems or is likely to face economic issues, the Board of Directors must ensure that the Company has a plan to fix the problem or have a mechanism to resolve the matter under consideration of stakeholders' rights.

The Company sets a policy for sustainable organization development to be a business practice guideline for creating long-term value for organizations and stakeholders in the economy, society, energy, and the environment under corporate governance principles. It is committed to conducting business with transparency, realize the equal value of labor and dignity of all human beings, promote a corporate culture that cares for the environment throughout the supply chain. The Company and all employees are ready to step towards sustainability through operations that consider economic growth, social well-being, and make the best use of natural resources and protect the environment following the sustainable development guidelines and the sustainable development goals.

- 1) Creating sustainable value toward the organization
- 2) Creating sustainable value toward society
- 3) Creating sustainable value toward the environment

The Board of Directors assigns to the management to establish the Investor Relations Office be responsible for communicating with shareholders and other stakeholders such as investors and analysts to be appropriate, equal, and timely.

The Board of Directors promotes the application of information technology to disseminate information. In addition to publishing data according to the specified criteria and through the Stock Exchange of Thailand's channels, the Board of Directors considers information disclosure in Thai and English through other channels, for example, through the Company's website at www.singerthai.co.th. Nowadays, marketing information is communicated through mobile applications such as Facebook, Instagram, Line official, and YouTube to be in line with today's people's modern lifestyle.

Practice 8 Ensure Engagement and Communication with Shareholders

The Board of Directors takes care of and ensures that shareholders participate in making decisions on the Company's essential matters. The Company realizes and gives importance to fundamental rights of shareholders, i.e., the right to buy, sell or transfer shares, the right to receive a percentage of the profit and adequate information on the Company's business, the right to attend the meeting to exercise the rights and cast vote at the shareholders' meeting to appoint or remove directors and appoint the auditors. It includes the matters that impact the Company, such as the allocation of dividends, prescribing or amending the article of association and memorandum of association and regulations, capital reduction or capital increase, etc.

The Board of Directors ensuring that the conducting of the shareholders' meeting is neat, transparent, efficient, and allows shareholders to exercise their rights. The Company requires the shareholders to be treated equally. There will be no acts that violate or infringe shareholders' rights by ensuring that all shareholders take part in presentations and decisions on important matters of the Company under the fundamental rights as shareholders in full compliance with the law and the issues that may affect the direction of business operations as follows:

- 1) Right to buy, sell or transfer shares
- 2) Right to share profits of the Company

- 3) Right to receive adequate information and relevant information through the Company's website or the website of the Stock Exchange of Thailand or by any other method
- 4) Right to submit questions in advance of the meeting date, the Company specifies rules for submitting questions and publishing such rules through the Company's website at www.singerthai.co.th. The questions will be collected for further inquiries at the shareholders' meeting.
- 5) Right to attend the meeting to exercise the vote at the shareholders' meeting independently, appoint or remove directors and consider their remuneration, appoint the auditors, dividend payment, capital increase, issuance of new shares, as well as the right to ask questions to the Board of Directors regarding the report of the Board of Directors, any other matters presented to the meeting for consideration and approval, the nomination of persons to be elected as directors of the Company and participation in making decisions on important issues of the Company. All shareholders have the right to vote according to the number of shares they hold, with each share having one (1) vote or arrange at least one independent director as a proxy to attend the meeting and vote on behalf of such shareholders.

At the same time, the Board of Directors is responsible for ensuring that the shareholders' meeting operations are neat, transparent, and efficient. Allow shareholders to fully exercise their rights, including overseeing the disclosure of the shareholders' meeting resolutions and preparing the minutes of the shareholders' meeting to be correct and complete.

The Company has a policy not to take any action that violates or deprives the rights of shareholders. In addition to shareholders' fundamental rights, the Company gives importance to the right of shareholders to receive the Company's information in a correct, complete, adequate, timely, and equitable manner to support decisions in all matters. The Board of Directors has set the following policies.

- 1) Organize a shareholders' meeting to allow shareholders to consider essential matters required by law or matters that may affect the Company's business operations.
- 2) Deliver meeting invitation letters and supporting information to the shareholders in advance of the meeting for the period specified by relevant laws or regulations to provide opportunities for shareholders to study the info completely before the shareholders' meeting. The Company also provides the opportunity for shareholders to submit questions in advance of the meeting date. The criteria for submitting questions will be set up and disseminated on the Company's website, and the Company will bring essential questions to be asked at the meeting.
- 3) Give opportunities for minority shareholders to nominate persons to be elected as directors or propose additional agenda items prior to the shareholders' meeting. There are clear criteria and disclose the above rules to the shareholders in advance and will inform the reasons for not including the shareholders' meeting agenda's proposal to the shareholders' meeting at that time.
- 4) Suppose the shareholders are unable to attend the meeting by themselves. In that case, the Company will assist by allowing shareholders to appoint a proxy or arrange at least one independent director as a proxy to attend the meeting and vote on behalf of such shareholders. The names and information of the aforementioned independent directors will be announced in the shareholders' meeting notice.
- 5) The Company has prepared an invitation letter and supporting information in the English language to send to foreign shareholders.
- 6) Proceed to publish the invitation to the shareholders' meeting on the website at least 28 days before the meeting date to easily and ultimately download the meeting agenda's information.
- 7) Facilitate all shareholders equally in their meeting attendance in terms of location and the right time.
- 8) The shareholders' meeting will be conducted following the laws and the Company's article of association by considering and voting in the agenda specified. Do not change any material information or add an unnecessary plan. Give shareholders equal opportunities to make inquiries, comments, and various suggestions.
- 9) Use ballot papers on important agendas and provide independent individuals, such as external auditors and legal counsel, as a person who examines the votes at the meeting.

- 10) The Company will encourage all directors and relevant executives to attend the meeting to answer shareholders' questions simultaneously.

Record the minutes of the meeting to be complete and accurate and report names of directors and executives attending the meeting, methods for voting and counting of votes, meeting resolutions, voting results, including essential questions and opinions, in the minutes of the meeting for the shareholders to be able to complete their review within 14 days from the date of the shareholders' meeting. The Company will also arrange a video recording of the session to collect as a reference and deliver the minutes of the meeting to the Stock Exchange of Thailand or related agencies within the specified time. Publish the minutes of the shareholders' meeting on the Company's website for shareholders to consider.

6.2 Code of Business Conducts & Ethics

Business ethics is the most important fundamental factor in enhancing the credibility and reputation of the organization. The companies that have operated under business ethics and have employees with a business ethical approach and dignity will support and elevate the organization to increase the progression and achievement of the Company's mission and goals set.

Therefore, Singer Thailand Public Company Limited Group established the "Code of Business Conducts & Ethics" as a framework for mutual understanding. All personnel must maintain themselves in accordance with the business ethical guidelines set by the Company. It is the basis of our daily business.

Implementation and Compliance with the Code of Business Conducts & Ethics

This Code of Business Conducts & Ethics applies to all of us, from all directors, directors, managers, officers, and employees of the Company. This includes the various operations departments, individuals, juristic bodies, and related entities that have the authority to manage and control the Company to implement this Code of Business Conducts & Ethics.

All divisions and departments must establish mechanisms for informing, communicating, and supporting personnel to practice compliance with all business ethics through reviewing, organizing seminars, or organizing other projects as appropriate. Designated employees and officers will be responsible for monitoring those activities by reporting to the Managing Director and the management periodically.

This Employee Code of Business Conducts & Ethics has been developed and approved by the Board of Directors and Management to enhance all employees' understanding of performing their duties with professional knowledge and behaving according to good business ethics standards. This document contains information on guidelines and norms of conduct both within and outside the organization. It presents a key point, namely the values the Company aims for helping employees to perform their responsibilities properly. The Company expects all employees who have been assigned different roles to use their discretions in their work for the fullest of their jobs. The proper performance of all employees and a sense of responsibility will be the power to protect and enhance the reputation and values of the Company. Therefore, all employees should always keep in mind the Company's business ethics to complying with this employee's business ethics.

The Company should be aware that the performance of duties with honesty needs the appropriate knowledge and skills with the diligence of all employees, which is an essential factor that helps uphold the reputation and support the business of the Company. Therefore, employees are obliged to strictly comply with this Code of Business Conduct for maintaining the Company's reputation as a company that conducts business with integrity. The Board of Directors expects all employees to be proud to be part of the organization which adheres to the highest standards of business ethics.

Article 1. Adhering to Corporate Social Responsibility

The Company takes into account its duty and corporate social responsibility with the aim to improve the quality of employees' lives, employee's family as well as the communities surrounding our business premises, both local and at the national level, according to the social responsibility policy on employment policy, Occupational Health, and Safety, and contributions to the community, including customers and business partners.

Article 2. Community Relationship

The Company takes responsibility for the communities where it operates, both at the local and national level, by adhering to practices that are consistent with the patterns that have been practiced at both the community and national level of that country, along with the appropriateness in duties and responsibilities that the Company has to shareholders, employees, business partners, and customers. The Company will take the following actions as appropriate:

- To provide financial assistance or other assistance to the institution or any action to help promote the quality of life in the community
- To encourage employees to provide assistance to community institutions or to participate in community activities.
- To provide channels to communicate with the local community about the Company's activities that may affect that community.
- Jointly with strategic partners, trade partners, partners in the mission of responsible for good relations with the community.

Article 3. Adhering to the Law and Upholding the Company's Rules and Regulations (Compliance)

All employees must comply with the laws and regulations of the Company. Employees and companies do not do anything contrary to the requirements, registration of laws related to our business and will focus on the following particular matters.

- Use of inside information for benefits
Employees shall not seek benefits from inside information related to the Company's performance which will affect the share price or the Company's securities and prohibits executives or entities that have received inside information from disclosing inside information to outsiders or a person who has no relevant duties and does not trade the Company's securities during one month before the financial statements are released to the public.
- Bribery and Corruption
Employees shall not be involved in bribery and corruption in business operations by not offering any unfair benefits directly or indirectly to obtain unreasonable business benefits.
- Fair Trade Competition
Employees shall respect the fair competition and anti-trust law.
- Acts of Fraud and Misconduct
Employees shall not commit fraud and misconduct. The Company has created a zero-tolerance policy to deal with fraud and corruption without authorization. Any employee or salesperson of the Company cannot take money and assets away from the Company with dishonest intent or misuse it for personal benefits.
- Whistleblowing, cooperation, proof, or participation in dealing with corruption, employees must not neglect to provide information about corruption they experience or participate in. The notification of such information must not adversely affect the work performance of the informer unless it is a false statement.
- Deliberately destroying a group, causing disgrace to individuals and companies.
If there is a false allegation, this could result in disciplinary action being taken, including dismissal from work.
- Criminal Action
Employees must not commit a criminal offense that intentionally damages the Company.

Article 4. Use and Protection of Assets and Information

- Employees are responsible for maintaining and using corporate assets cautiously and creating maximum benefits by reducing the cost of such assets.
- Employees will protect the Company's trade secret information, except for employees who are legally obliged to disclose information.
- Employees will protect and maintain the insider security of information technology of the Company.
- We are committed to protecting the confidentiality of our customers and maintaining the trust of customers given to us by ensuring that information related to customer business activities remains confidential. We are committed to

treating information received from each customer or organization as that customer or organization does practice such information by themselves, which will lead to the trust of the Company.

- The Company will maintain the confidentiality of its partners, both strategic partners and trade partners as if it was a secret of the Company itself.

Article 5. Avoiding Conflicts of Interest

- Employees will disclose information to the Company if there is a situation that creates a financial benefit or personal interest, which is a benefit that is contrary to the organization's policy.
- Employees should not be involved in making decisions for the benefit of the Company if the Company's business activities involve relatives of employees.
- If the employee encounters a conflict of interest situation, employees will consult their supervisors. Or the Company's legal advisor to find the most suitable operational guidelines.

Article 6. Gifts and Donations

Employees will not offer, request or accept gifts or donations with the exceeding standard value from the Company's business associates. However, the entertainment and gifts of nominal value arising from trade assurance, a tradition in line with Thai cultural traditions, are acceptable.

Article 7. Records and Accounting are accurate and complete

Information about the Company's business operations must be produced from accurate and reliable reports in order to propose to executives, shareholders, customers, government organizations, and other agencies.

Therefore, information related to the Company's business must be accurate, true, and complete without limitation. The accuracy of information means both the correctness of the written documentation and the validity of the business ethics.

The Company does not allow the purchase, leasing, or leasing of products concealed by using a pseudonym or transacting through a third-party account.

Employees are responsible for storing information with integrity in line with objectives and facts. However, the employee's performance of duties is considered illegal or unethical business without intention. Such actions cannot be used as an excuse to misrepresent or misrepresent the Company's information unless it is done negligently and does not cause severe damage to the Company.

Article 8. Transparent Communication (Communication)

The Company's decision-making, operational methods, and formulation of communication policy to stakeholders are clear and transparent, including a commitment to disclose information transparently, impartially, and quickly, which is able to disclose information to all stakeholders for review in accordance with the laws and regulations, rules and procedures of the Company related to preventing trade secrets from leaking to trade competitors.

Article 9. Honesty

We are committed to practicing the right thing, perform duties with honesty, integrity, and directness under the law and regulations of the Company. This business ethics has adhered to all activities and decisions of the Company.

We will conduct our business with integrity and consider the risks affecting the organization.

Article 10. Public Relations

The Company takes honesty as the basis of its operations. Therefore, to motivate and enhance the confidence of customers to use the Company's services and products, fraudulent propaganda, including unclear integrated marketing communication activities, should not be done.

The Company complies with fair trade business standards in terms of advertising and public relations, planning, selection, and use of advertising media, including integrated marketing communication strategies. Therefore, the success of the services and products of the Company is rooted in quality and performance, including the reputation of the Company, not due to giving false information, or distorted information.

Suggestions

Compliance with the business ethics cannot be behaviorally explained in every situation. However, the Company trusts the decisions of each employee when carefully considering what is right and appropriate in each situation.

If the employee cannot determine which action is appropriate, please answer the following questions below, and if the answer is "yes", the employee can proceed.

- Is your action legal and in accordance with the Company's policy and regulations?
- This action is "What is right or not?" and your actions. "Does it feel like it's the right thing to do?"
- Is this action consistent with what is publicly acceptable?
- Will this act help build the credibility of the Company as an ethical company?

If the answer received is not "yes", the employee must not do that.

The Company has designated the Human Resources and Administration Department to oversee this Employee's Business Ethics. It is responsible for regularly reviewing and updating information as needed to reflect standards in behavior and culture to be the best company-based organization. If you have questions, please contact Human Resources and Administration.

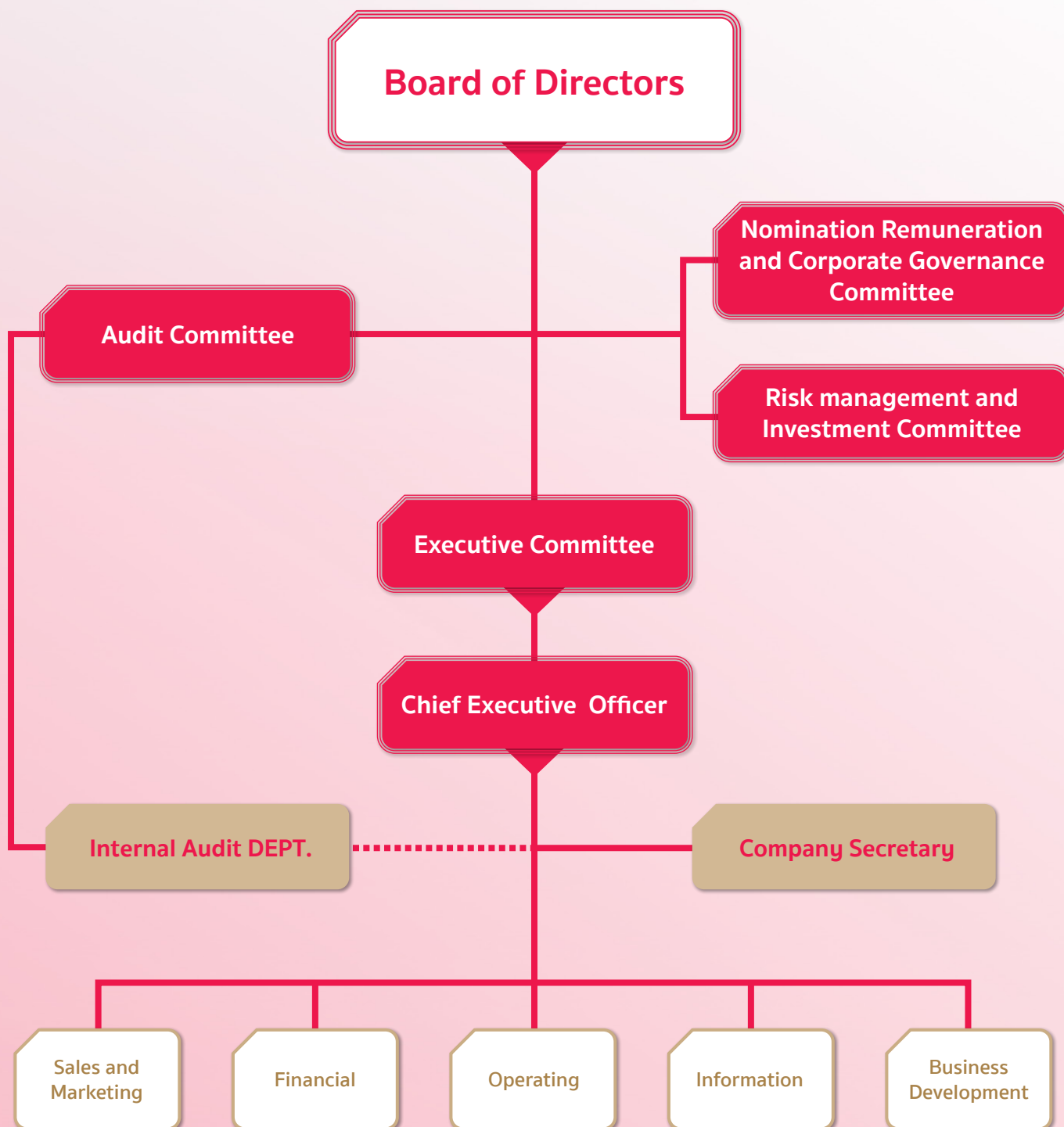
6.3 Milestone Development on the CG Policy of the Year

In 2021, the Company

- Has received 100 full scores from assessment of Quality in arrangement of Annual General Meeting of Shareholders by the Thai Investors Association.
- Has been recognized as 'Very Good' CG Scoring from assessment under 2021 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors and



7. Corporate Governance Structure and Important Information of Directors, Management and Employees



Board of Directors of the Company

The structure and composition of the Company's Board consist of: the Board of Directors, the Audit Committee, the Nomination, Remuneration and Corporate Governance Committee, the Executive Committee, the Risk Management and Investment Committee and the Management Group; whereby the scope of duties and responsibilities of these various Committees are as follows:

Name of the Board of Directors of the company

1. Mr. Adisak Sukumvitaya	Chairman of the board
2. Mr. Kittipong Kanokvilairat	Chief Executive Officer
3. Mr. Chan Itthithavorn	Independent Director
4. Mr. Bibit Bijaisoradat *	Independent Director
5. Mr. Preecha Prakobkit	Independent Director
6. Mr. Vorayos Thongtan	Independent Director
7. Mr. Piya Pongacha	Director
8. Mrs. Nonglak Laksanapokin, Ph.D.	Director
9. Miss Somsri Shalapakdee **	Independent Director
10. Admiral Navapol Damrongpong ***	Director

Note: * Director resigned, effective on May 1, 2021

** Director appointed, replace to resign Director, effective on May 1, 2021

*** Director appointed, (Additional Director), effective on December 17, 2021

The authorized directors to sign on behalf of the Company

The authorized directors to sign on behalf of the Company specified in the Company's Ministry of Commerce Affidavit are Mrs. Nonglak Laksanapokin, Ph.D. and Mr. Kittipong Kanokvilairat, both of them signing together and affixing the Company seal.

Scope of Duties and Responsibilities of the Board of Directors

The Board of Directors of the Company is required to carry out its duties and responsibilities fully in accordance with all the applicable laws and regulations, together with the objectives and the Articles of Association of the Company, as well as the established Company policies and the resolutions of the Shareholders Meetings in an honest manner and with all due care, so as to protect and ensure that full benefits are achieved for the Company and all Stakeholder groups.

The Board of Directors must always act with full accountability to the Shareholders of the Company in undertaking activities that will protect the benefits of the Shareholders, with full and transparent disclosures of information to its investors.

The overall conduct of the Company's businesses is overseen and guided by the Board of Directors, so as to ensure that the Management Group acts in full compliance with the established policies of the Company; whereby, as specified in the Company's Ministry of Commerce Affidavit, Mrs. Nonglak Laksanapokin, Ph.D. and Mr. Kittipong Kanokvilairat, both of them signing together and affixing the Company seal, are authorized, in the name of the Company, to legally commit and bind the Company with regards to undertaking any legal actions and fighting any legal proceedings or disputes, together with executing any agreements and financial instruments. However, the Board of Directors retains the right to review and consider making any further changes to the names of the authorized Board Directors as appropriate, in order to achieve maximum management together with operational effectiveness and efficiency of the Company; as well as to assign management and operational authority to the next level of the Management Group further down the line as appropriate.

Board Committees

1. The Chairman of the Board of Directors does not hold the Chairman's position in and is not appointed as a Member of any of the various Board Committees, so as to allow these Board Committees to act in a fully independent manner.
2. The majority of the Members of the Board Committees are Independent Directors; as such, this is to achieve full transparency and genuine independence in the discharge of their responsibilities by the various Board Committees.
3. In order that these Board Committees are full effective in the discharge of their duties and responsibilities as assigned by the Board of Directors as well as in being able to realize and achieve their established objectives and goals, the various Board Committees should have at least 6 meetings during the year, so as to consider and be able to decide on appropriate actions with regard to any relevant matters or issues that are within their scope of responsibility.

The Board of Directors has established various Board Committees to assist it in the good governance oversight, as follows :

The Audit Committee

- | | |
|------------------------------|---------------------------------|
| 1. Mr. Chan Itthithavorn | Chairman of the Audit Committee |
| 2. Mr. Bibit Bijaisoradat* | Member of Audit Committee |
| 3. Mr. Preecha Prakobkit | Member of Audit Committee |
| 4. Miss Somsri Shalapakdee** | Member of Audit Committee |

Note: * Director resigned, effective on May 1, 2021

** Director appointed, replace to resign Director, effective on May 1, 2021

The Audit Committee : In accordance with the resolution of the Company's Board of Directors, the Audit Committee was established, consisting 3 Independent Directors, with Mr. Chan Itthithavorn as the Chairman of the Audit Committee and the Committee Member, who possess the knowledge, experiences and expertise in regards to finance and accounting, as required by the Stock Exchange of Thailand (SET) and other regulatory authorities. This is in order to be able to effectively review the accuracy and creditability of the Company's Financial Statements, as well as to support the development of financial and accounting reporting systems to conform with universally accepted accounting principles and standards, together with assessing the effectiveness and adequacy of the internal controls system as well as the internal audit and risk management procedures, so that they are more concise, comprehensive, appropriate, up to date and fully effective.

The Audit Committee is to discharge its responsibilities and provides any comments with full independence, with the Internal Audit Department being under the responsibility of and reports directly to the Audit Committee. The Audit Committee also consults and works closely with the external Auditors; whereby it meets with the external Auditors, without any members of the Management Group being present, at least once a year in order to obtain their opinions on various matters. Additionally, the Audit Committee can consult with independent external legal advisors, with the Company being responsible for paying all associated expenses. The Audit Committee holds regular meetings with a total of 4 meetings being held during 2021, and reports to the Board of Directors in accordance with the assigned scope of duties and authority, as stated in the Charter for the Audit Committee, as follows:

Scope of Authorities and Responsibilities of the Audit Committee

In the Board of Directors Meeting No. 242, with the Audit Committee attending, a resolution was approved relating to the following overall scope of duties and authority of the Audit Committee:

1. Review to ensure that the Company has accurate and sufficiently reliable financial reporting in accordance with accounting standards and financial reporting standards prescribed by law.
2. Review to ensure that the Company has an internal control system (Internal control) and an internal audit system (Internal audit) that are appropriate and effective according to generally accepted international methods and standards.

3. Consider the independence of the internal audit unit as well as to approve the appointment, transfer, dismissal and consideration of the performance of the Head of the Internal Audit Department or any other units responsible for internal audits.
4. Review to ensure that the Company complies with the law on securities and exchange, including regulations, announcements, regulations, rules, and/or regulations of the Stock Exchange of Thailand Securities and Exchange Commission and other laws related to the Company's business.
5. Consider the selection and propose to appoint the Company's auditors, including considering and proposing the auditor's remuneration, considering the independence, credibility, resource sufficiency, the amount of audit work of the audit firm, and experience of personnel assigned to audit the Company's accounts.
6. Attending the meeting with the auditor without the management participating in the meeting at least once (1) time per year.
7. Review the Company's financial reports, the accounting standard and accounting policies, and significant changes in accounting standards, principles, or practices, including making important accounting decisions that affect the Company's financial reports, including alternatives reasonableness and the consequences of such decisions.
8. Consider related transactions or transactions that may have conflicts of interest to comply with the laws and regulations of the regulatory agencies. This is to ensure that the transaction is reasonable and for the best benefit of the Company.
9. Review and approve or ratify any transaction between the Company and related parties. This is a transaction that is required to disclose information according to the Securities and Exchange Commission rules.
10. Review the Company's internal audit plan according to generally accepted methods and standards.
11. Review to ensure that the Company has an appropriate and efficient risk management system.
12. Report on the performance of the Audit Committee by notifying to the Board of Directors at least four (4) times a year.
13. In performing duties within the scope of duties, the Audit Committee has the authority to invite the management, executives, or employees of the related Company to give opinions, attend meetings or submit documents deemed relevant or necessary.
14. To have the authority to hire a consultant or a professional expert on the performance of an audit or a third party to give opinions or give advice in case of necessity at the expense of the Company.
15. The Audit Committee should evaluate its performance at least once (1) a year.
16. Review and update the Audit Committee Charter and present to the Board of Directors for consideration and approval of changes if necessary.
17. Prepare the Corporate Governance Report of the Audit Committee by disclosing in the Company's annual report, which must be signed by the Chairman of the Audit Committee and must contain at least the following information:
 - a. An opinion on the accuracy, completeness, and reliability of the Company's financial reports.
 - b. Opinions about the adequacy of the Company's internal control system.
 - c. Opinions on compliance with the Securities and Exchange Law, Regulations of the Stock Exchange of Thailand or laws related to the Company's business.
 - d. An opinion on the suitability of the auditor.
 - e. Comments on transactions that may impose conflicts of interest.
 - f. Number of Audit Committee Meetings and the attendance of each audit Committee.
 - g. Overall opinions or observations received by the Audit Committee in the performance of duties under the Charter.
 - h. Other transactions that the shareholders and the general investors should know under the scope of duties and responsibilities assigned by the Board of Directors.

18. Conducts an investigation as informed by the auditor regarding suspicious circumstances that a director, manager, or person responsible for the Company's operations has committed an offense under the Securities and Exchange Act. The Audit Committee shall report the results of the preliminary audit to the Office of the Securities and Exchange Commission and the auditor within thirty days from the date of being notified by the auditor.
19. Ensure that the Company has channels for receiving clues and complaints about reports in the financial statements that are inappropriate or other issues by ensuring that the whistleblower has confidence that there is an independent review process and has appropriate follow-up actions.
20. Perform any other acts as assigned by the Board of Directors with the approval of the Audit Committee by virtue of the Company's Articles of Association and the laws in performing the above-mentioned duties. The Audit Committee is directly responsible to the Board of Directors, and the Board of Directors remains responsible for the Company's operations to outsiders.

The Nomination, Remuneration and Corporate Governance Committee (NRCG)

Mr. Bibit Bijaisoradat*	Chairman of NRCG
Mr. Adisak Sukumvitaya	Member of NRCG
Mr. Chan Itthithavorn	Member of NRCC
Mr. Preecha Prakobkit**	Chairman of NRCG

Note: * Director resigned, effective on May 1, 2021

** Director appointed, replace to resign Director, effective on May 12, 2021

The Chairman of the Nomination, Remuneration and Corporate Governance Committee should be fully independent, whereby this Committee comprises of 2 Independent Directors and 1 non-Executive Director. During 2021, the Nomination, Remuneration and Corporate Governance Committee held 6 meetings and reported to the Board of Directors. The Nomination, Remuneration and Corporate Governance Committee has the duty and responsibility of selecting qualified persons for being nominated as Board Directors and also as Senior Executives/Management Members of the Company, as well as of determining appropriate procedures for Shareholders to be able to participate in the nomination and appointment process of new Board Directors through proposing qualified candidates to the Board of Directors for consideration and eventual nominations/appointment by the Shareholders Meeting. the Nomination, Remuneration and Corporate Governance Committee is also responsible for the consideration of guideline in determining, in an independent and equitable manner, the required and appropriate annual remuneration plans for the Board of Directors, the Board Committees, and the Senior Executive/Management Members.

The Nomination, Remuneration and Corporate Governance Committee have the following defined scope of duty and authority:

Nomination

1. Determine the rules and policies for nominating company directors and sub-committees by considering the appropriateness of the number, structure, and composition of the Board by determining the qualifications of the directors to propose to the Board of Directors and/or propose for approval to the shareholders' meeting as the case may be.
2. Consider the nomination, selection, and nomination of qualified persons to serve as the Company's directors whose term expires and/or there is a vacancy and/or appoint more as the case may be.
3. Consider the nomination and selection of the Company's executives, especially the position of Managing Director, covering the education, experience, knowledge, expertise-wise.
4. Prepare and review the succession plan of the top management of the Company to ensure a continuity plan to have the successor for the Company's management to be able to work continuously.
5. To perform any other nomination activities as assigned by the Board of Directors.
6. Assessing the performance of the top management of the Company in order to provide recommendations to the Board of Directors' meeting for consideration of appropriate remuneration.

Remuneration

1. Prepare rules and policies for determining the remuneration of the Board of Directors, sub-committees, and executives to propose to the Board of Directors and/or propose for approval to the shareholders' meeting as the case may be.
2. Determine necessary and appropriate monetary and non-monetary remuneration of the Board of Directors by individually setting the Board's remuneration and management of the Company, by considering the suitability of the duties, responsibilities, performance, and comparison with companies in similar businesses and expected benefits from directors and management of the Company, propose to the Board of Directors for consideration and present to the Board of Directors' meeting for approval.
3. Consider and approve the determination of the annual remuneration of directors.
4. Responsibility to the Board of Directors and has a duty to give explanations in answering questions about the remuneration of directors, sub-committees, and senior management of the Company at the shareholders' meeting.
5. Report on policies, principles, and reasons for the determination of remuneration for directors and executives according to the regulations of the Stock Exchange of Thailand. This will be disclosed in the annual registration statement (56-1) and the Company's annual report.
6. Perform any other acts related to the determination of remuneration as assigned by the Board of Directors which the management, and various agencies must report or present relevant information and documents to the Nomination, Remuneration and Corporate Governance Committee in order to support the performance of the Nomination and Remuneration Committee to achieve the assigned duties.

Corporate Governance

1. Prepare corporate governance policy, Business Ethics and Code of Conduct, Anti-Corruption Policy, Sustainability Policy under the law and regulations of the agency government sectors and organizations responsible for monitoring the Company such as the Stock Exchange of Thailand and the Securities and Exchange Commission, and present to the Company's Board of Directors for consideration and approval.
2. Establish policies and guidelines for promoting innovation, conducting business with social and environmental responsibility and sustainable development planning.
3. Propose guidelines on corporate governance, practices related to the fight against corruption and sustainability management to the Board of Directors and provide advice and recommendations to the Board of Directors.
4. Encourage the Company to communicate with directors, executives, employees at all levels and related parties to realize and understand the policies and practices of corporate governance, Business Ethics and Code of Conduct Anti-Corruption Policy, Sustainability policies and related practices are adequate and continuous.

The Executive Committee

1. Mr. Piya Pongacha	Chairman of Executive Committee
2. Mrs. Nonglak Laksanapoking	Vice Chairman of Executive Committee
3. Mr. Kittipong Kanokvilairat	Chief Executive Officer and Member
4. Miss Rapeepan Kantayaporn	Member
5. Miss Auntikorn Phichetkorn	Member
6. Miss Busaba Kunsiritham	Member
7. Miss Pittaya Jearkittimasak*	Member
8. Miss Chanthornjira Kongtongsmut	Secretary

Note: * Director appointed, additional Director, effective on September 30, 2021

In accordance with the resolution of the Board of Directors Meeting No.209, on 21 December 2015, with the Audit Committee attending, the Executive Committee was established and held the meeting once a month, with the duties and responsibilities to

oversee the Company's business operations to be in accordance with the agreed strategic directions, together with the operating systems and procedures of the Company and Subsidiary Companies, as well as undertaken in a uniform manner.

Scope of authority, duties and responsibilities of the Executive Committee:

1. Follow up the management and control the business of the Company in compliance with the objectives, rules, regulations, articles of association, orders, resolutions of the Board meetings and the shareholders meetings, and to formulate the guidelines or commitments for the Administration and Management and management through the Board's policy.
2. Review the business plan and the annual budget of the Company, and submit the same to the Board.
3. Consider the strategy for overall growth and investment of the Company.
4. Consider and approve the contract, expenditure and investment in stocks or any other securities, including any loans, which each transaction in the amount is significant to the Company's Financial Statements.
5. Cooperate and assist other subcommittees in the performance of their duties.
6. Consider and approve the employment, determine the wage, remuneration, welfare, bonus, to Executive Management of the Company.
7. If it is necessary, engage consultants or experts in the fields beneficial to business operation of the Company, at the Company's expense.
8. Perform other duties as entrusted by the Board.

Role and Responsibilities of the Board of Directors and the Executive/Management Group

The Company's Board of Directors has clearly defined and separated the respective role and responsibilities of the Board of Directors and those of the Executive/Management Group; whereby the Chairman of the Board is an Independent Director and the position is not held by the same person who is the Chairman of Executive Committee, with clearly separated roles, responsibilities and scope of authority. This is in order to achieve an effective balance of power between the management and governance/oversight functions.

Risk Management and Investment Committee

- | | |
|--------------------------------|--|
| 1. Miss Somsri Shalapakdee | Chairman of Risk Management and Investment Committee |
| 2. Mr. Kittipong Kanokvilairat | Member |
| 3. Mr. Piya Pongacha | Member |
| 4. Admiral Navapol Damrongpong | Member |

At the Board of Directors Meeting No. 249, a resolution was approved to establish the Risk Management and Investment Committee responsible for determining policies and criteria for managing risks in accordance with international principles and practices together with regulations as specified by the SET, as well as for determining applicable risks assessment and risk management measures and also effective 'warning systems' that will enable effective management of risks in an appropriate manner. The Committee was also charged with overseeing and monitoring, on a regular basis, that all operational Divisions/Departments manage their respective risks in accordance with established laws, regulations, and specified procedures and processes together with submitting reports on risk management activities. Additionally, the Committee will review, on a regular basis, the established key risk management measures to assess their ongoing effectiveness, and will submit a report of the assessment results together with proposing, at least twice a year and having risk agenda regularly, any improvements to these policies to the Audit Committee, as well as to receive any suggestions from the Audit Committee for further improvement and implementation.

Scope of duties and authority of the Risk Management Committee

According to the resolution of the Board of Directors meeting which was attended by the Risk Management Committee, the scope of duties and authority of the RMC was determined, as follows:

1. To determine relevant policies and associated criteria relating to the overall management of risks for the Group, that are in accordance with international principles and practices as well as with the regulations as specified by the SET; and then to propose such policies for approval by the Audit Committee.
2. To define appropriate and applicable risk management-related preventive measures and procedures for the Group.
3. To determine and deploy applicable risks assessment procedures, and to ensure that effective applicable ‘warning systems’ are in place.
4. To oversee and monitor, on a regular basis, that all operational Divisions/Departments effectively manage their respective risks in accordance with established procedures and specified processes.
5. To oversee and ensure that the Group’s operations fully comply with all relevant and applicable laws and regulations.
6. To prepare and submit reports to the Audit Committee, on a regular basis, in regards to any required improvements and corrective actions, in accordance with the established policies and strategies of the Group relating to identified risk factors and their potential occurrence, as well as any applicable risk management from such risks procedures or guidelines and also expected impacts.
7. To undertake any other activities as assigned by the Audit Committee.

Personnel Headcount

The Company has a total personnel headcount of 9,500 persons, of whom 946 are employed by the Subsidiary Companies. For 2021, the Company paid total remuneration and compensation of Baht 664 million, of which Baht 280 million was paid by the Subsidiary Companies; whereby this included basic salaries, bonus payments, overtime payments, living allowances, as well as sales and collections targets-related incentives together with the Company’s contribution to the social security and employee provident funds contributions.

Total No. of Employees and Compensation (by company)

For 2021	Singer Thailand PCL.	SG Capital PCL.	SG Service Plus Co., Ltd.	SG Broker Co., Ltd.
Field or Area personnel (persons)	8,224	454	91	9
Central HO staff (persons)	305	318	43	14
Executives & Management Members (persons)	25	16	-	1
Total No. of Employees (persons)	8,554	788	134	24
Total Remuneration & Compensation (Baht - million)	664	227	17	36

Human Resources Management Activities of the Company is separated into 2 key aspects, as follows:

1. Human Resource Management (HRM)

1. Job Designing & Job Description: Undertook a review and redesign of the various existing job descriptions for all operating Business Units/Departments
2. Personnel Planning: Undertook a review and assessment of the total number of people in the Company, in order to re-verify the exact total number of personnel that is shown in the HRMS database and employees registry so as to use this information for ongoing personnel planning activities.
3. Recruiting & Selecting qualified personnel: Making use of various sales staff recruitment channels - such as: through existing sales representatives/agents or the Branch Office Managers; whereby the Company also added other Staff

recruitment channels – such as, the PR advertisements on the internet, local newspapers, various national and local job search/application related print media, and joint participation to screen and select targeted potential candidates, as well as setting up and participating in various job fairs and recruitment events. This also included employment of new permanent staff as well as updating the existing Hiring & Employee History database. The Company has determined various criteria for the selection of new personnel from applicants for the various open job positions in accordance with the respective requirements for each position, together with for the required screening and background checks as well as for the actual hiring activities to be in accordance with the established Company regulations as well as the required by the labor authorities and the Thai Labor Protection Act (BE 2541 or 1968).

4. **Performance Appraisals:** The Company has created Staff job performance appraisal procedures and forms that are in accordance with the accepted principles of Performance Management (PM), so that joint participation in the appraisal process can be undertaken by both the Staff and their Superior together with continuous ongoing monitoring actions to enable further suggestions for improvements to be made in the discharge of their duties that correspond to the respective established performance targets for each person.
5. **Compensation Management System:** The Company's compensation structure includes many forms of remuneration – such as: basic salaries, bonus payments, overtime payments, and special allowances for selected positions, together with sales commission and incentives, various welfare benefits and special assistance allowance; whereby various differing Staff positions will receive different total compensation, depending upon their respective roles and responsibilities in each operating Business Unit/Department. Regular reviews of the welfare benefits and incentive programs for sales Staff are undertaken; whereby actual performance results relating to achieved sales and collections are used to determine the various programs that are appropriate for each respective Sales Staff group.
6. With regard to Staff resignations and employment terminations, the Company adheres to the working regulations that correspond to the established labor laws and are in accordance with the principles of fairness, and equitability, as well as to good morals and business ethics.
7. **Welfare & Other Benefits:** The Company has a policy to give formal recognition to honor those employees with a long service history with the Company of 5 years or more, through giving a certificate of appreciation together with special gifts or rewards, so as to thank them for and further motivate them in devoting their knowledge, efforts, capabilities and time in discharging their responsibilities for the overall benefit of Company. The Company also provides financial assistance for medical and hospitalization expenses to the immediate family of a Staff member, together with donations in the event of the death of the Staff's father or mother. Other basic Staff welfare benefits are also given – such as: social security contributions; Staff life insurance and accident insurance coverage; Staff uniforms; and transportation to and from work in the event a Staff member lives far from the Company's work place (warehouse facilities and distribution centers); as well as special Staff price for the Company's products together with installment purchase plans. The Company has also established a Staff compensation fund and a Staff cooperative savings fund that serve as a channel for the Staff to save their earnings or as a source of Staff member loans, at special low interest rates, to help provide relief from any short term financial problems as necessary or needed.

2. Human Resource Development (HRD)

Consists of 3 separated components, namely:

1. Training
 2. Education
 3. Development
- **Training** 2 approaches have been established for the Company's training program, ie: 1) Internal Training and 2) Public Training. However, the Company places more emphasis to 'on the job training' for its Staff, because its field, at all levels and especially the sales Staff, are key to the achievement of the Company's total sales and revenues. Further,

the Company undertakes continuous internal training activities and seminars that focus on anti-corruption practices, through educating Staff members, at all levels, to be fully aware of the penalties for any acts of corruption in the discharge of their duties, together other seminars aimed at promoting good business ethics and morals. While support Staff also attend external training courses, that focus on the development of new skills, know how, and capabilities, in order that they will be able to make use of or adapt such new knowledge in undertaking their so as to achieve improved efficiency and effectiveness.

- **Education** The Company supports continuous self-improvement and self- learning activities for various key Staff positions - such as: for regional/area managers, branch outlets managers, operating Business Units/Department Managers, as well as accountants and accounts reviewers. Further, so as to encourage that Staff at all levels to more effectively save their earnings, guidelines and procedures in creating and making simple income/expense records are made available by the Company. Additionally, self-training tools in the form of VCDs are also made available - such as: guidelines on standards in managing and looking after branch outlets as well as branch office management, together with other self-learning materials or guidelines on selling skills, on communications and presentation skills, and on the products features offered by the Company.
- **Development** a Mini Training Center has been established to undertake training on branch outlets management and improved IT systems-related working procedures for branch outlets management. Such courses are aimed at being operating guidelines for the branch outlets management group, as well as to prepare those designated to become branch outlets managers, selected from branch outlet Staff who have achieved good job performances and possess appropriate qualifications, so that they are well-prepared to undertake the responsibilities as a branch outlet manager in the future. In order to create sufficient numbers of training staff, various training activities for personnel responsible for Staff training are also undertaken through the ‘train the trainers program’ together with making available adequate quantities of training tools. This is to create sufficient internal training facilitators required to support the ongoing business expansion plans and increased numbers of required Staff in accordance with the corporate business plans. An improvement of the Training Department organization structure has also been undertaken, so that it better corresponds to the actual required internal training activities as well as to the comply with the Labor Skills Development Act. Additionally, outside training institutions and experts have been contacted to help determine and develop new improved training programs for the Company, that are be more effective as well as efficient.

Human Resource Development in 2021

NO.	Public /Inhouse /Field	Details							
		Name	Position	Department	Course	Month	Number of day	Number of People	Note
1	Public	Ms. Nisarot Chotepiromkul	senior head of department	IT	Requirements Analysis and Management	March	2	1	
2	Public	Mr. Patipan Parapong	Assistant department manager	IT	Requirements Analysis and Management	March	2	1	
3	Public	Ms. Nalinya Sutthipong	Senior department manager	CG Department	ANTI-MONEY LAUNDERING ACT (No. 5)	May	1	1	
4	Public	Ms. Somsri Shalapakdee	Director	Director Officer	Director Certification Program (DCP Online) DCP 307/2021	July-August	8/7-5/8/2021	1	
5	Public	Ms. Suphanikar Channarong	Division Manager	Internal audit	ANTI-MONEY LAUNDERING ACT (No. 5)	October	1	1	
6	Field	-	SN, SP, SA, SR, SM	Sales	How to Increasing more effective work for SR(Step 1)	February-April	1	176	In Class

NO.	Public /Inhouse /Field	Details							
		Name	Position	Department	Course	Month	Number of day	Number of People	Note
7	Field	-	SP, SR, BM	Sales	THE SECRET OF SEWING: SEWING EFFICIENCY	April	1	9	In Class
8	Field	-	BM	Sales	How to Managing Branch Manager	July	3	10	Online via Zoom
9	Field	-	SN, SP, SA, SR, SM, BM	Sales	SG-Direct 21 procedure	August-September	1	356	Online via Zoom
10	Field	-	SN, SP, SA, SR, SM, BM	Sales	New Product introduction	September	1	31	In Class
11	Field	-	RTS	Sales	Effective franchise nominator	September	1	7	In Class
12	Field	-	RM	Sales	C.100 and POS Instruction	September	1	10	Online via Zoom
13	Field	-	RM	Sales	How to Increasing more effective work for RM	September	1	18	Online via Zoom
14	Field	-	RM Sub Dealer Mobile	Sales	How to Increasing more effective work forRM	October-November	2	15	Online via Zoom
15	Field	-	RM Sub Dealer Mobile	Sales	How to Increasing more effective work for Sub Dealer Mobile Train The Trainer	November-December	2	12	In Class
								649	

Other Important Information

Company Secretary

The Company's Board of Directors Board appointed Ms. Chanthornjira Kongtongsmut, who possesses the required relevant qualifications and experience, as the Company Secretary with the responsibility for overseeing and ensuring that Company acts in compliance with the applicable legal and regulatory requirements as well as in accordance with the principles of good corporate governance, so that the overall management of the Company can be even more effective and efficient. The company fully recognizes the importance of good corporate governance principles and practices. The Company Secretary has successfully attended the Corporate Secretary Development Program (Class2) and the Fundamental Practices for the Corporate Secretary (class 22), together with the Fundamentals of Law and Regulations for Listed Companies for Corporate Secretaries, held by the Thai Listed Companies Association with the support of the SET. Please refer to the qualifications and professional history of the Company Secretary as shown in the Detailed Information on the Management Group - in the Section regarding the Company Secretary.

The person taking the highest responsibility in finance and accounting

According to the resolution of the Nomination, Remuneration and Corporate Governance Committee meeting No. 4/2021 held on July 24, 2021, the committee assigned Mr. Kittipong Kanokvilairat, Chief Executive Officer of the company to act as Chief Financial Officer while the company is recruiting the appropriate person.

Remuneration for the Auditor

For the fiscal year ended 31 December 2021, the company paid audit fees to auditors of KPMG Phoomchai Audit Limited as description below;

1. Audit Fees

For the Company and Subsidiary Companies, the audit fee paid

- to the authorized auditor for work in the past financial year, totaling Baht --

- to the Audit Firm, as well as persons or business involved with the authorized auditor and Audit Firm for the past financial year, totaling Baht 6,160,000.-; together with fees required to be paid in the future for agreed services, that has yet to be fulfilled, for the past financial year totaling Baht --

2. Non-Audit Fees

For the Company and Subsidiary Companies, the non - audit fees relating to other services:

- to the authorized auditor totaling, for the past financial year, Baht --; together with fees required to be paid in the future for agreed services, that has yet to be fulfilled, for the past financial year totaling Baht --
- to the Audit Firm, as well as persons or business involved with the authorized auditor and audit firm, totaling for the past financial year, Baht --; together with fees required to be paid in the future for agreed services, that has yet to be fulfilled, for the past financial year totaling Baht --
- to other companies associated and involved with the Audit Firm, KPMG Phoomchai Audit Ltd. for the past financial year, totaling Baht --; together with required fees payable in the future for agreed services, that has yet to be fulfilled, for the past financial year totaling Baht --



8. Report on Good Corporate Governance

8.1 Performance of the Board of Directors in Y2021

The Company has established the roles, duties, and responsibilities of the Board of Directors clearly in addition to legal duties and responsibilities, which stipulates that the Board of Directors has the powers and responsibilities in managing the Company following the law, objectives, the Company's article of association, and the resolution of the shareholders' meeting with responsibility, caution, and honesty. The Company has also assigned the Board of Directors to have the authority, duties, and responsibilities in defining the Company's vision, mission, goals, policies, operational directions, strategic plans, work plans, and annual budgets, including supervision and monitoring of operations to be under the law, policy, work plan, and annual budget as well as assess the performance of the said work. The Company communicates to the Board and all parties on their assigned roles, duties and responsibilities to ensure the Board understanding the scope of responsibilities as the organization's leader and all parties to realize their roles.

Nomination, Development and Assessment of Board of Directors

Nomination

Nomination of Independent Directors

The Board of Directors will be responsible for initially reviewing the nomination of Independent Directors from proposed nominees possessing the required and appropriate qualifications as specified by the SEC and SET; and then the Board will propose to The Nomination, Remuneration and Corporate Governance Committee to consider the appropriate remuneration for proposing to the Board of Directors for final consideration and concurrence.

The 3 Independent Directors of the Company do not possess any qualifications that conflict with those required and specified by the SEC and SET in any way whatsoever. Also during the last financial period, these Independent Directors do not have any 'related' business activities or provided any professional services with the Company.

Qualifications for Independent Directors

The Company has used the definition of an 'Independent Director' exactly as specified by the SEC and SET in regards to owning shares of the Company at not more than 1% of the total number of shares with the right to vote, and in not being involved in any way with the management of the Company or Subsidiary Companies, in being fully independent of the management activities undertaken by majority Shareholder of the Company, and in not having any business relationships with the Company that may, in any way, diminish the full interest and benefits of the Company and/or its Shareholders.

The Company has determined the required qualifications for Independent Directors to be as follows:

1. A person owning not more than 1% of the total voting shares of the Company, including those shares owned by any related persons/parties, as well as those shares issued by any Subsidiary or JV Company of and any related companies of the Company. However, in the case of Directors who are members of the Audit Committee, such shareholding is limited to only 0.5%.
2. A person who is not involved in any day-to-day management of the Company or who is not a Staff /Employee or a consultant receiving a permanent salary; as well as a person who is not a person with a controlling power over the Company, the parent Company, a Subsidiary Company, a JV Company, a Subsidiary Company of a parallel status, or over any juristic entity with possible legal conflicts; whereby such a status was valid within a 2 year period prior to being appointed as an Independent Director of the Company.
3. A person who is not related by blood or through a legal registration process - and thereby having a status of being a parent, spouse, siblings, or children and including spouses of the children - of a Management Member and a majority

Shareholder, of a person with a controlling interest, of a person about to be nominated as a member of Management, or of someone with a power over the Company and/or its Subsidiary Companies.

4. A person who does not have any business relationships with the Company and/or with a juristic entity or a person considered as not being fully independent according to the qualifications of being an Independent Director and a Member of the Audit Committee as specified by the rules and regulations of the SEC. This includes any business relationships in providing professional services, or any other types of trade/business relationships that are considered to be 'related party transactions' as defined by the SET. However, exceptions can be made for special or necessary situations as appropriate; whereby such business relationships do not occur repeatedly or on an ongoing basis, that require prior Board approval with a unanimous vote.
5. A person/Director that has not been appointed to act on behalf of a Director of the Company, of a majority shareholder or of a Shareholder connected to and associated with the majority shareholder of the Company - except in the event of being assigned by the Board of Directors to make decisions, on a collective basis only, regarding the operations of the Company, the parent Company, its Subsidiary Company, JV Company, a Subsidiary Company of a parallel status as well as a juristic entity with a possible conflict of interests.
6. A person/Director that has not been empowered by the Board of Directors of the Company to make decisions on the operations of the Company, the parent Company, its Subsidiary Company, JV Company, a Subsidiary Company of a parallel status, as well as a juristic entity with a possible conflict of interests.
7. A person who is not Director of the parent Company, its Subsidiary Company and JV Company, as well as a Subsidiary Company of a parallel status, that is public listed companies only.
8. A person being able to undertake the required duties, as well as having and expressing opinions, together with being able to report on the results of any such responsibilities as assigned by the Board of Directors, with full independence and free from any influence from the Executives/Management Group or the majority Shareholder of the Company or any related parties, and including any involved person/parties or relatives of such person/parties

Nomination of Board Directors and Senior Executives

The Company has established The Nomination, Remuneration and Corporate Governance Committee, responsible for selecting persons to be nominated as the Chairman of the Board, Board Directors and Members of the various Board Committees, together with the CEO and Senior Executives/Management Members of the Company together with the Company Secretary, as well as for determining remuneration plans appropriate to the assigned responsibilities. In the event of a vacancy on the Board for whatever reasons, The Nomination, Remuneration and Corporate Governance Committee will undertake to recruit and nominate the appropriate person to be considered and approved as a replacement Director by the Board of Directors - with the exception of the appointment of a new Director and a Director to replace one due to retire by rotation; whereby in such an event, The Nomination, Remuneration and Corporate Governance Committee will recruit and nominate qualified persons for consideration and concurrence by the Board of Directors, so as to then propose such nominees for final consideration and approval by the Shareholders Meeting.

As such, the Company will propose nominees to be considered and elected, on an individual basis, as new Board Directors by a vote of the Shareholders. This is to allow the Shareholders the opportunity to exercise their entitled Shareholders rights in genuinely participating and selecting the required new Board Director. Additionally, the Board of Directors also appoints the various Board Committees to help reduce its workload and share the responsibilities in overseeing, monitoring and considering various important matters, namely: the Audit Committee, The Nomination, Remuneration and Corporate Governance Committee, the Executive Committee, and the Risk Management Committee. As such, the actual process of selection and appointment of the Members of the various Board Committee is required to be undertaken and approved by The Nomination, Remuneration and Corporate Governance Committee, which then submits the nominees for final approval by the Board of Directors.

The nomination of qualified persons to the Board of Directors must successfully undergo a consideration of their relevant and appropriate qualification as follows:

1. Possessing the required qualifications and not possessing any prohibited qualification as specified by the applicable laws relating to Public Companies, as well as not having any characteristics that will indicate or lead to a lack of confidence and trust, on the part of Shareholders, in the nominee being able to oversee the management of the Company in accordance with the specified qualifications of the SET.
2. Possessing the knowledge, skills, experiences, and other qualifications as deemed appropriate by the Board of Directors.
3. Being able to fully devote the required time and efforts in discharging the duties of a Board Director - especially with regards to being able to make important decisions - for the benefit of the Company.

In year 2021 the Company has allowed minority Shareholders the opportunity to propose, in advance, those qualified to be considered for appointment as a Board Director during the period between 13 September 2021 to 31 December 2021, however no nominations for consideration to be appointed a Director have been received from any Shareholders.

Board Self Assessment

The Board of Directors sets the self-evaluation for the directors once a year in 2 performance assessment forms, self-assessment of the board as a whole and individual, which focuses on the performance based on the good corporate governance. The Board of Directors will review the result of director's performance for further improvement and development. The assessment of the entire Board of Directors' performance is divided into 6 main topics in accordance with the guidelines of the Stock Exchange of Thailand. They consist of:

1. The structure and qualifications of the Board of Directors
2. The roles, duties and responsibilities of the Board of Directors
3. Board meetings
4. The duties of the directors
5. The relationship with the management
6. The self-development and executive development

Meetings of the Board of Directors

The Company's Board of Directors has determined to schedule normal Board Meetings every Quarter together with any special Board Meetings as required during the year. The Company determines the Agenda for such meetings in a clear and concise manner, with the Company Secretary being responsible for and overseeing the dispatching of the Notifications of Board Meetings together with all relevant supporting documents to Board Directors in advance. Board Directors can freely express their opinions without being influenced by any particular person or group of persons.

In 2021, the Board of Directors held a total of 8 Board Meetings - consisting of 6 normal Board Meetings and 2 special meetings; whereby for each meeting supporting documents for each agenda item being considered were sent out in advance to all Board Directors, so that they may have sufficient time be able to adequately review and study the various issues before each meeting. The Company also held 1 Annual General Shareholders Meeting (AGM) and 1 Extraordinary General Meeting of Shareholders, which was attended by the Board Directors. The attendance record of the respective Board Directors at these meetings during 2021 are summarized as below:

Attendance record of Board Directors during 2021

Board Director	Term of Office	No. of times attended/No. of times held				
		AGM No.54	EGM 1/2021	Board Meeting	Audit Committee meetings	Nomination & Remuneration Committee
1. Mr. Adisak Sukumvitaya*	Apr 2020 - Apr 2023	1/1	1/1	8/8	-	6/6
2. Mr. Chan Itthithavorn**	Apr 2019 - Apr 2022 (a)	1/1	1/1	8/8	4/4	6/6
3. Mr. Bibit Bijaisoradat (b)	Apr 2020 - Apr 2023	1/1	-	2/2	1/1	3/3
4. Mr. Preecha Prakobkit ** (d)	Apr 2019 - Apr 2022 (a)	1/1	1/1	8/8	4/4	3/3
5. Mr. Vorayos Thongtan	Apr 2019 - Apr 2022 (a)	1/1	1/1	7/8	-	-
6. Mrs. Nonglak Laksanapokin, Ph.D*	Apr 2021 - Apr 2024	1/1	1/1	8/8	-	-
7. Mr. Piya Pong-acha*	Apr 2021 - Apr 2024	1/1	1/1	8/8	-	-
8. Mr. Kittipong Kanokvilairat	Apr 2020 - Apr 2023	1/1	1/1	8/8	-	-
9. Miss Somsri Shalapakdee** (c)	Apr 2020 - Apr 2023	-	1/1	6/6	3/3	-
10. Admiral Navapol Damrongpong * (e)	Dec 2021 - Apr 2024	-	-	-	-	-

Note: * Board Director representing the majority Shareholder Group

** Board Director possessing the required knowledge and experiences to review the credibility of the Company's Financial Statements

(a) Board of Director retiring by rotation in April 2022 and to be nominated for reappointment as a Board Director for another term at the AGM/2022 to be held on 22 April 2022

(b) Director resigned, effective on May 1, 2021

(c) Director appointed, replaced, effective on May 1, 2021

(d) Appointed as Chairman of NRCG, effective on May 12, 2021

(e) Director appointed, additional director, effective on December 17, 2021

The Board of Directors has determined that non-executive directors shall hold the meeting without the executive director attending the session when the company has any matter of interest or important related business. It allows non-executive directors to exchange views and consider various issues.

Management Group

Management Group of Singer Thailand Public Company Limited

Mr. Kittipong Kanokvilairat	Chief Executive Officer
Miss Rapeepan Kantayaporn	Chief Information Officer
Miss Chanthornjira Kongtongsmut	Chief Operating Officer
Miss Pittaya Jearkittimasak	Chief Marketing Officer

Management of SG Capital Public Company Limited

Miss Busaba Kulsiritham	Chief Executive Officer
Miss Auntikorn Pichetkorn	Deputy Chief Executive Officer

Company Secretary

The Company's Board of Directors Board appointed Ms. Chanthornjira Kongtongsmut, who possesses the required relevant qualifications and experience, as the Company Secretary with the responsibility for overseeing and ensuring that Company acts in compliance with the applicable legal and regulatory requirements as well as in accordance with the principles of good corporate governance, so that the overall management of the Company can be even more effective and efficient. The

company fully recognizes the importance of good corporate governance principles and practices. The Company Secretary has successfully attended the Corporate Secretary Development Program (Class2) and the Fundamental Practices for the Corporate Secretary (class 22), together with the Fundamentals of Law and Regulations for Listed Companies for Corporate Secretaries, held by the Thai Listed Companies Association with the support of the SET. Please refer to the qualifications and professional history of the Company Secretary as shown in the Detailed Information on the Management Group - in the Section regarding the Company Secretary.

Remuneration for the Company's Board Directors and the Management Group in 2021

Remuneration for Board Directors : The Nomination, Remuneration and Corporate Governance Committee, with the responsibility for considering and reviewing the remuneration for Board Directors, had determined, in a clear, concise and transparent manner, the proposed overall remuneration plan that is comparable to other companies in the same industry sector, together with the level of remuneration that is appropriate to experiences and assigned duties, role and additional scope of responsibilities as well as comparable to various other SET listed companies; whereby this proposal is based on the 'Annual Compensation Survey Report - 2020 ' published by the Thai Institute of Directors Association (IOD).

Remuneration & Compensation for the Management Group : The Nomination, Remuneration and Corporate Governance Committee is responsible for considering and reviewing the remuneration plan for the Management Group, through evaluating the respective job performance for individual Management members as well as comparing the evaluation results with the overall performance results of the Company together with the actual achieved performance results of each Department compared to pre-agreed targets. Additionally, a survey was undertaken of the remuneration and compensation given by comparable companies within the same business sector, so as to have sufficient information on hand.

1. Remuneration for Board Directors: In the form of money

Director name	Singer Thailand Public Company Limited	
	Position	(Baht)
Mr. Adisak Sukumvitaya	- Chairman of the Board	565,500
	- Member of the Nomination, Remuneration and Corporate Governance Committee	36,500
Mr.Chan Itthithavorn	- Chairman of the Audit Committee,	213,000
	- Independent Director	353,500
	- Member of the Nomination, Remuneration and Corporate Governance Committee	36,500
Mr. Bibit Bijaisoradat	- Chairman of the Nomination, Remuneration and Corporate Governance Committee	30,250
	- Member of the Audit Committee	85,550
	- Independent Director	176,750
Mr. Preecha Prakobkit	- Chairman of the Nomination, Remuneration and Corporate Governance Committee	30,250
	- Member of the Audit Committee	171,100
	- Independent Director	353,500
Mr. Vorayos Thongtan	- Independent Director	353,500
Mr. Piya Pong-acha	- Director	353,500
Mrs. Nonglak Laksanapokin, Ph.D.	- Director	353,500
Miss Somsri Shalapakdee	- Member of the Audit Committee	265,125
	- Independent Director	128,325
Admiral Navapol Damrongpong	- Director	-
	Total	3,506,350

Note: - Management who are also Board Directors do not receive any remuneration or compensation for being a Board member and Member of the Executive Committee

2. Remuneration for Board Directors: Other forms

-none-

3. Remuneration for the Management Group: In the form of money

Types	For 2021	
	No. of persons	Total - Baht
Salaries, bonus payments and incentives	4	19,728,306

4. Remuneration for the Management Group: Other forms

Types	For 2021	
	No. of persons	Total - Baht
Company's contribution to the Employee Provision Fund	5	827,768

Note: Disclosures of the remuneration and compensation for the Management Group are shown as a total amount for the total number of people for the defined and announced management positions that correspond to the Company's organization chart.

5. Share Ownership by Directors and Management

Name		Total			
		January 1, 2021	Trading During the Year		December 31, 2021
			BUY	Sell	
1.	Mr. Adisak Sukumvitaya	1,383,770	263,124*	-	1,646,894
2.	Mr. Chan Itthithavorn	-	-	-	-
3.	Mr. Preecha Prakobkit	-	-	-	-
4.	Mr. Bibit Bijaisoradat	-	-	-	-
5.	Mrs. Nonglak Laksanapokin	-	-	-	-
6.	Mr. Vorayos Thongtan	-	-	-	-
7.	Mr. Piya Pong-acha	-	-	-	-
8.	Ms. Somsri Shalapakdee	-	-	-	-
9.	Admiral Navapol Damrongpong	-	-	-	-
10.	Mr. Kittipong Kanokvilairat	-	-	-	-
11.	Ms. Rapeepan Kantayaporn	-	-	-	-
12.	Ms. Chanthornjira Kongtongsmut	3,500	3,202**	-	6,702
13.	Ms. Pittaya Jearkiittimasak	-	-	-	-

* Increasing shares from allocation newly issue ordinary shares of the Company to the existing shareholders in proportion to their respective shareholdings (right offering) between 7-9 and 13-14 December 2021

** Increasing shares from exercise Singer-w1, 830 shares and Singer-w2, 830 shares and from allocation newly issue ordinary shares of the Company to the existing shareholders in proportion to their respective shareholdings (right offering) between 7-9 and 13-14 December 2021, 1,542 shares

As mentioned above they are required to submit a declaration regarding such changes in the ownership of shares of the Company to the office of Company Secretary, in order to enable the Company Secretary to coordinate internally and create a company shareholdings report for submitting to the Securities and Exchange Commission ("SEC") as required. Furthermore, the Company requires that a disclosure be made, at every Board of Directors Meetings for any changes, of the amount of shares of the Company owned by each Board Director.

Policies and guidelines on respect of laws and human rights principles

The Company supports and respects the protection of human rights. Ensure that the Company's business does not get involved in human rights abuses, such as not supporting forced labor and against child labor. Respect and treat all stakeholders fairly based on human dignity without discrimination from the place of origin, race, gender, age, skin color, religion, physical condition, status, and ancestry.

Anti-Corruption

The Board of Directors meeting No.224, held on November 9, 2018, passed a resolution to approve the review of the anti-corruption policy and set policy in the management manual, the Company Code of Business Conduct, and Zero Tolerance Policies. The Company also declared its intention to be a Thai Private Sector Collective Action against Corruption with the Thai Institute of Directors Association (IOD). At the meeting of the Anti-Corruption Coalition Committee for the quarter 2/2020, the Meeting has certified "Singer Thailand Public Company Limited" as a member of the Private Sector Anti-Corruption Coalition. The said certification was valid for three years from the date of approval, which was September 30, 2020, expired three years on September 30, 2023. The Company has reviewed the risk assessment related to corruption and establishes the Code of Conduct Policy on Anti-Corruption. Provide policy communication, guidelines, and whistle-blowing in the event of fraud or concern by establishing the Anti-Corruption and Misconduct Committee in the Company and made a letter informing details of the policy conditions for all employees to sign for acknowledgment.

Anti-Corruption Policy and Practice

The Company has a communication channel for stakeholders to report, suggest or complain in case of fraud. There are guidelines for giving or receiving gifts and any other property or benefit, entertainment, or expenses that exceed the limit, which does not comply with the Company's criteria. The procurement guidelines and donations must also be carried out in a clear, fair manner under the Company's rules and procedures.

The Company has distributed regulations on the Company's work to all executives and transfers to all employees to acknowledge and sign for the acknowledgment to strictly observe the rules, especially sales and field workers, to understand and perform correctly.

Use of inside information to seek benefits

The Company specified guidelines to prevent abuse usage of inside information for personal gain in the Company's business ethics and such details was disclosed in the Company's website in the 'Corporate Governance' topic. In 2021, no director or executive was found to trade their securities during the Company's black-out period.

Risk Management

The Company has the Risk Management Committee to consider and set guidelines to prevent the risks from internal and external factors that can cause the damages to the Company to ensure that the risk management system is efficient and comprehensive throughout the organization.

Whistleblowing or Complaints

The Company has appointed the executives to be the recipient of complaints directly and has a joint committee to verify the correctness and fairness. Establish a policy for establishing an effective internal control system. There are transparent reporting and verifiable to assure the complainants' trust and belief in a fair investigation process. There is also the policy on the protection of whistleblowers. Those who report whistleblowing or complaints that are employees, customers, or individuals employed to work for the Company will be protected by law, detailed in the Company's corporate governance policy and Whistle-Blower Policy.

Suppose various stakeholders have questions or see actions suspected of violating or failing to comply with laws, regulations or the Code of Business Conduct. In that case, they can report clues or complaints and submit details and evidence to

The joint committee checking the accuracy of the Company's fair. The Committee will investigate the facts and write a summary of important issues for the Company's executives to consider. The contact channels are as follows:

The joint committee checking the accuracy of the Company's fair
 Singer Thailand Public Company Limited
 P.O. Box 17, Bangrak Post Office, Bangrak District, Bangkok 10500
 E-mail : amnesty@singerthai.co.th

In the past year, the Company did not have any significant disputes with all groups of stakeholders.

The Board is responsible for monitoring the management to allocate and manage resources to be efficient and effective following the policies, work plans, and budgets by considering the impact and development of resources throughout the value chain to achieve sustainable objectives and core goals.

The Board of Directors provides an organizational, regulatory, and management framework for information technology in line with the needs, including ensuring that information technology is used to increase business opportunities and develop risk management to achieve the business's objectives and primary goals. There are an efficient and effective allocation and management of information technology resources and system of information security measures sufficient and appropriate by considering the confidentiality, maintaining reliability and availability of information, and preventing data misuse.

8.2 Report of the Audit Committee's performance from the past year

As of the year 2021, the Audit Committee had convened 4 meetings with the significant duties summarized as follows:

1. Reviewed the significant information of quarterly and annual financial statements of the Company, including considered the impacts derived from the change of the Financial Reporting Standards and exclusively convened the meetings with the auditor by excluding the attendance of the management.
2. Monitor the executives' operation from the external auditor's report in relation to the operation audit result, including considered the impacts on the accounting and the performance presentation in accordance with the Accounting Standards.
3. Reviewed the related parties transaction or the transaction that might impose the conflict of interest of the Company.
4. Reviewed the policies and practices in accordance with the Company's risk management principles.
5. Considered and approved the annual auditing plan and considered the independence of the internal audit performance.
6. Reviewed the management for the good corporate governance, including revised the criteria for the duties and responsibilities of the Audit Committee.
7. Considered the Company's internal audit plan and monitored the performance of the internal audit department.

8.3 Summary of the performance of the other sub-committees

Nomination Remuneration and Corporate Governance Committee

As of the year 2021, the Nomination Remuneration and Corporate Governance Committee had convened 6 meetings with the significant matters summarized as follows:

1. Nominated the person(s) with suitable qualifications in accordance with director's structure for the director position in replace of the director(s) retired by rotation, and proposed such person to the Board of Directors and the shareholders' meeting respectively for the consideration and approval.
2. Considered the determination of the director's remuneration for the year 2021 for the directors who are not the executives, and proposed such remuneration to the Board of Directors and the shareholders' meeting respectively for the consideration and approval by considering from the director's evaluation, duties, responsibilities, and appropriateness including considering the comparison between the remunerations of the companies within the same or relative industry.
3. Considered the limit and budget for the increment of the salary and annul bonus payment for the executives and the employees of the Company.
4. Appointed the Chief Financial Officer which considered from the qualification, expertise and capabilities.

5. Appointed the Chief Marketing Officer which considered from the qualification, expertise and capabilities.
6. Appointed the additional executives which considered from the qualifications, expertise and capabilities.
7. Considered the increase of the number of directors and the appointment of new director(s) as the Company is in the verge of the business expansion reserved for the expansion, and proposed such person(s) to the Board of Directors and the shareholders' meeting respectively for the consideration and approval.

Executive Committee

As of the year 2021, the Executive Committee had convened 24 meetings with the significant matters summarized as follows:

1. Determined the policies and strategies of the Company including the appropriateness for the annual budget for the operation to achieve the goals and reserved for the Company's growth.
2. Reviewed and monitored the Company's performance to be in line with the set out plans.
3. Provided the opinion on the investment on various projects and opinion on the investment for the effective investment choices.



9. Internal Controls and Related Party Transactions

9.1 Internal Controls and Risk Management

The Board of Directors of the Company has established the Audit Committee, comprising of 3 Independent Directors, who possess the required qualifications as specified by the Stock Exchange of Thailand (SET).

The Audit Committee is responsible for reviewing all financial reports of the Company and to ensure that they are accurate, correct and credible, as well as disclose the required information in an adequate manner together with being in full compliance with all applicable laws and regulations. The Audit Committee is also responsible for reviewing that the Company has in place effective and adequate internal control procedures, and determining that the Internal Audit Department reports directly to the Audit Committee and the Chief Executive Officer. Further, Ms. Supannikar Channarong has been appointed by the Audit Committee to be the Manager of the Internal Audit Department; whereby he possesses the required qualifications and abilities (as per his biographical profile - see Attachment 3 : qualifications for the head of the internal controls unit) and the Audit Committee is of the opinion that Ms. Supannikar Channarong is appropriately qualified to be appointed to this position and can effectively carry out the required duties and responsibilities. Further, in the event of any future appointments, dismissal or transfer of the Manager of the Internal Audit Department, approval from the Audit Committee is required.

At the Audit Committee Meeting No.1/2022, on 23 February, 2022, that was attended by all the 3 Independent Directors who are Members of the Committee, a review and assessment was made of the existing internal controls system of the Company, through asking specific questions from the participating members of the Management and the external Auditors. From this thorough assessment of the 5 core components of the internal controls system, namely: internal control procedures within the organization, risks assessment and operational oversight and audit, together with information technology and communications systems, and monitoring procedures and systems, the Audit Committee concluded that the existing system of internal controls is adequate, as well as that the Company has assigned sufficient numbers of people to effectively undertake these responsibilities. It was also concluded that the monitoring procedures within the overall internal controls system relating to the operations oversight of the Company and Subsidiary Companies are already adequate in being able to protect the assets of the Company and Subsidiary Companies from being inappropriately misused by Directors and the Executive/Management Group, through undertaking activities that are beyond scope of their authority together with regards to undertaking transactions with any related party that may have a conflict of interests.

With regard to other key aspects of internal control procedures, the Audit Committee is of the opinion that such procedures are adequate; but also requested the Company to further develop the Enterprise Risk Management system (ERM). The Company has established the Risk Management Committee (RMC), responsible for assessing the internal controls system as well as for overseeing the overall management of risks within the organization. The RMC together with the various Heads of Departments, as the 'risk owners', are to be responsible for identifying various possible risks within their respective Departments; whereby such perceived risks would then be reported to the RMC for further consideration to determine appropriate risk management measures and to then propose to the Audit Committee for acknowledgement and consideration.

The Audit Committee has also given importance to the 3 core compositions of the Company's overall risk management structure, namely: Operations Risk, Credit Risk and Compliance Risk, so as to be able to determine associated guidelines in recommending procedures for managing risks that are in accordance with the appropriate and correct risk management framework.

The Company's external Auditor, namely: KPMG Phoomchai Audit Ltd., is responsible for reviewing and auditing the Company's Quarterly and Annual Financial Statements for 2021, and has given its opinions in its Audit Report on the respective

Consolidated Financial Statements of the Company and Subsidiary Companies and also those for the Company only, ending as at 31 December 2021. The Audit Report also discloses both the consolidated financial status of the Group of Companies and that of the Company only, as well as the consolidated operations performance results of the Group of Companies and that of the Company only together with the associated consolidated cash flows of the Group and those of the Company only, ending as at the same date. As such, the Audit Report confirms that all these financial reports are accurate and correct with regard to any significant financial information and have been prepared in accordance with the required financial reporting standards.

At the Board Meeting No. 249, held on 23 February, 2022, which was also attended by the Audit Committee and Board of Directors, the Board considered the Audit Committee Report, questioned the Management on specific matters; as well as reviewed and assessed the adequacy of the internal controls system as summarized in the Audit Committee Report, based on the Committee's thorough assessment and discussions at the Audit Committee Meeting No.1/2022 held on 23 February, 2022. As such, it was concluded that Board of Directors did not have any differences of opinion from those expressed and submitted by the Audit Committee in its Report to the Board.

Additionally, the Audit Committee also focused on the issue of corporate governance, so as to facilitate ongoing reviews and to enable continuing improvements to be made to the internal controls system, with the following details:

1. The Organization and the Operating Environment

The Company has created an organization structure that facilitates and enables the effectiveness of both the Management group and the activities of the staff, through having clearly defined working objectives together with measurable targets. The Company has determined these goals based on appropriately realistic and achievable assumptions; and has also determined a Code of Ethics in conducting its businesses, together with comprehensive regulations for the Management group and staff relating to possible conflicts of interests with the Company's businesses. Operating policies and procedures relating to financial transactions, procurement, and general management and administration, that are concise and appropriate, have also been determined by the Company. Additionally, policies and business activities plans have been determined with regard to the equitable treatment of customers that will benefit the Company in the longer term.

2. Risk Management

The Company has assessed various external and internal risks that may have adverse impacts on the Company's business operations, through taking into consideration both the opportunities and the potential gains to be achieved. The Company has also closely monitored various situations on a regular basis so as to enable various appropriate counter measures and mitigating strategies to be determined, which have been communicated to the Management group and all staff for implementation and adherence, in order to reduce the perceived risks to an appropriate and acceptable level. As such, the Company has also established specific measures to effectively manage risks of losses relating to the Company's financing and hire-purchase services, through establishing a Credit Approval Center to approve the credits granted prior to a sale is made so as to prevent potential risks resulting from having poor credit quality customers, together with close monitoring of hire-purchase customers accounts on a regular basis; whereby this has resulted in the Company having a hire-purchase customers base that is of a good quality. Additionally, the Company has established a Credit Operations Committee to review, improve and control credit risks, together with improving the overall quality of the credit customers portfolio to be in accordance with the established policies of the Company.

3. Control and Oversight of the Activities of the Management Group

The Company has established the scope of authority and responsibilities for the Management group together with clearly defined and appropriate levels of approval authority within specific financial limits. There is also a clearly defined separation of duties and responsibilities relating to recording accounting transactions and other key information, together with the safekeeping and maintenance of Company assets. Other measures have also been established to effectively control the implementation of

various transactions that involve the majority Shareholder, Directors and members of the Management group or other parties involved with these group of people. This is to prevent any conflict of interests situations from occurring, as well as to achieve full transparency in the Company's business operations through taking into consideration the best interests of and benefits for the Company.

4. Information Technology and Communications Systems

The Company attaches great importance to its information technology and communications systems, so that the information communicated is of a good quality and sufficiently adequate to enable decisions to be made by the Board of Directors, the Management group, Shareholders and investors, as well as for other involved parties with regard to their consideration and decision making process. Additionally, the Company makes use of accounting policies and practices that conform to generally accepted accounting standards and that are appropriate to the Company's business operations with full accountability; whereby such accounting and financial records are carefully maintained and securely kept as appropriate as well as can be easily audited. Further, Invitations to Shareholders Meeting together with all supporting documentation as well as minutes of Board Meetings and Shareholder Meetings that have been submitted for concurrence to both the Board Meetings and the Shareholders Meetings (as applicable) are sent out in a timely manner prior to the scheduled meetings and as required by the relevant laws and regulations. Additionally, the Company also regularly releases important news and information information about the Company, both externally and internally to all Staff, through multiple channels of communications - such as, newspapers, in order to properly and clearly inform everyone about the Company's business activities.

5. Monitoring System and Procedures

The Board of Directors closely monitors the activities of the Management group to assess whether, or not, they are in full accordance with established business objectives; and has also arranged for regular reviews and assessments to be made with regard to operational procedures and internal controls system. This is in order to ensure whether, or not, they are adequate and appropriate, and are being fully adhered to as well as achieved, through the activities of the Internal Audit Department, who will then report its findings directly to the Audit Committee, so that timely consideration and decisions can then be made with regard to rectifying any deficiencies; whereby those involved will then report on the outcome of such corrective actions within an appropriate timeframe.

Further, the Management group is also the required to immediately report, to the Board of Directors, any incidents of misconduct as well as any fraudulent, unlawful or suspicious activities that may have a negative impact on the corporate image, reputation and financial status of the Company.

9.2 Related Party Transactions

This is a report of the various significant related party transactions as disclosed in the Notes No. 5 to the Financial Statements for the Year ended December 31, 2020 and the Financial Statements for the Year ended December 31, 2021.

Based on the opinions of the Board of Directors with regards these related party transactions, it can be summarised that those related party transactions between the Company and its Subsidiary Companies, as described in the respective Notes to the Financial Statements for the year ended December 31, 2020 and to the Financial Statements for the Year ended December 31, 2021, have been undertaken in a fair and reasonable manner; as well as that the Company has benefited from these related party transactions accordingly.

So as to achieve good corporate governance, the Company does not have a policy to undertake transactions that will result in any conflict of business interests, except for very special circumstances or where the Company will gain maximum or the most equitable benefits. As such, the Audit Committee will participate in the consideration of such transactions before submitting them to the Board of Directors and/or the Shareholders for final consideration and approval, as applicable, in accordance with the rules and regulations of the Stock Exchange of Thailand. With regards to related transactions in the future, the Company still has the policy to lend/borrow funds amongst the various companies within the Singer Group, in the event that it is necessary for the ongoing operations of the businesses; whereby the interest rate charged will be in accordance with the then current market rates.

Companies that may have a conflict of interests

Parties who may have a conflict of interests	Types of transactions and nature of the relationships
SG Capital Co, Ltd., (SGC), in which Singer Thailand Pcl., has a 99.99% equity	Undertakes a hire purchase business, through buying products from Singer Thailand and selling them to customers on a hire purchase basis, with the support of sales representatives from Singer Thailand in making the sales and collecting the loans installment repayments together with making recommendations about the product being sold to customers. As such, Singer Thailand is still able charge service fees as per the the signed services agreements. Furthermore, loans are obtained from Singer Thailand by SGC for its hire purchase loans business.
SG Service Plus Co., Ltd., (SGS), in which Singer Thailand Pcl., has a 99.96% equity	Provides services in installing air conditioners together with after sales maintenance services to customers, who have bought SINGER appliance from Singer Thailand, through charging a monthly after sales services fees.
SG Broker Co., Ltd., (SGB), in which Singer Thailand Pcl., has a 99.99% equity	Operate in a direct life and non-life insurance broker by utilizing the network of Singer Thailand Public Company Limited and its subsidiaries, exclusively for insurance broker license holders. For life insurance business remains the premium payment of the insured persons which are currently effective, the insured persons directly pay the premium to Muang Thai Life Insurance Company. For non-life insurance business are cooperated with the allied insurance companies to develop the products/coverage that are appropriate to and in line with the price of the premium for the customers group of loans with vehicle registration certificate as the security of SG Capital Company Limited.

- On 14 October 2021, the Extraordinary General Meeting of a subsidiary approved the transformation of the subsidiary as a public company. The subsidiary registered the public company transformation with the Ministry of Commerce on 18 October 2021.
- On 28 May 2021, the Company additionally invested share capital of SG Capital Public Company Limited, a subsidiary of the Company, totalling Baht 1,000 million. The percentage of holding interest of the Company remains unchanged.
- On 8 December 2021, the Company additionally invested share capital of SG Broker Company Limited, a subsidiary of the Company, totalling Baht 10 million. The percentage of holding interest of the Company remains unchanged.
- In 2021 and 2020, the Company had no dividend income from subsidiaries.

The relationships with the Subsidiary Companies have been disclosed in the Notes No.12 to the Financial Statements; while the relationships between important Executives and other related parties or business entities are as follows:

Name of entities	Country of incorporation	Nature of relationships
Jay Mart Public Company Limited	Thailand	Major shareholder, 26.11% shareholding (2020: 29.45%) and common director
U City Public Company Limited	Thailand	Major shareholder, 24.64% shareholding and common director
The Group of Jaymart Public Company Limited	Thailand	Subsidiaries and associates of the major shareholder and common director
Key management personnel		Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director

The pricing policies for transactions are explained further below:

Transactions	Pricing policies
Sales of goods	Market price
Service income	Percentage rate as agreed
Revenue from marketing support	Price as agreed
Revenue from sales of rights in receivable	Price as agreed
Commission income	Price as contract
Purchase of goods	Market price
Cost of sales of goods	Weighted average price determined by product
Cost of rendering of services	Fixed price determined by product
Management fee income	Price as agreed
Management fee	Price as agreed
Dividend income	Upon declaration
Debt collecting fee	Price as contract

Transactions	Pricing policies
Interest income	Average funding cost plus margin
Other income	Price as agreed
Other expense	Price as agreed

Significant agreements with related parties

Business transfer agreement

On 14 December 2012, the Company entered into business transfer agreement with SG Capital Public Company Limited under which the Company agreed to transfer the business operation for hire-purchase of products to SG Capital Public Company Limited on 31 December 2012. SG Capital Public Company Limited agreed to acquire the certain business operation on the terms and conditions as described in the agreement. This transaction arises from the difference between the net of hire-purchase receivables and the employee benefit liabilities, and business transfer price of Baht 974 million. The Company recorded a reserve arising from business combination under common control in equity of Baht 974 million in the separate financial statement.

Loan agreement

The Company entered into a loan agreement with SG Capital Public Company Limited in the amount of Baht 7,463 million. The interest rate shall be calculated from an average interest rate of the Company's debentures, which were issued each time, plus 0.25% margin. The interest shall be paid by monthly. Subject to the terms and conditions of the agreement, the principle of such loans is due at call.

Interest subsidy agreement

The Company entered into an interest subsidy agreement with the subsidiary. This agreement is effective for a year, and will be automatically renewed a year unless either party gives to the other party a written notice to terminate the agreements. Fees and conditions are specified in the agreements. Since 1 April 2021, the Company has terminated the interest subsidy agreement.

Agreements within the Group

The Group entered into several agreements within the group's company. The terms of these agreements are effective for 6 months to 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate the agreements. Fees and conditions are specified in the agreements. Services and building rental scope are as follows:

- 1.1 The service support regarding to operation support, finance and accounting, personnel service, information technology and others;
- 1.2 The service support regarding repair and maintenance services for new products and reverted products;
- 1.3 Debt collection service;
- 1.4 Supporting insurance business service;
- 1.5 Building rental and service.

Agreements with other related parties

Service agreement

The Company entered into a service agreement with Jay Mart Public Company Limited, whereby Jay Mart Public Company Limited agrees to grant the service support regarding operations support, finance and accounting, marketing

and management service and other to the Company. In consideration thereof, the Company is committed to pay service fees as specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Receivable management and collection service agreement

The Company and SG Capital Public Company Limited entered into agreement with JMT Network Services Public Company Limited (JMT) for certain receivable management and collection services to be provided by JMT to the Company and SG Capital Public Company Limited in return for fees at rates specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

The Company and SG Capital Public Company Limited entered into agreements with JMT Network Services Public Company Limited (JMT) for certain collection services to be provided by JMT to the Company and SG Capital Public Company Limited in return for fees at rates specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Consignment agreement

The Company entered into a consignment agreement with Jay Mart Public Company Limited whereby the Company agreed to sell consignment products of Jay Mart Public Company Limited. In consideration thereof, Jay Mart Public Company Limited agreed to pay the remuneration for the consignment sale to the Company at the rates as specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Jay Mart Public Company Limited transferred a partial of the business to Jaymart Mobile Company Limited which is a subsidiary of Jay Mart Public Company Limited and transferred its right and duty according to the consignment agreement as mentioned above.

Supporting insurance business service agreement

SG Capital Public Company Limited entered into a service agreement with Jaymart Insurance Broker Co., Ltd. whereby SG Capital Public Company Limited agreed to render the insurance premium collection service for Jaymart Insurance Broker Co., Ltd. Fees and conditions are specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Outsourcing agency

SG Capital Public Company Limited entered into a service agreement with J Fintech Co., Ltd. whereby SG Capital Public Company Limited agrees to be outsource agency to provide the personal loan customers and fully prepare supporting documents for customers and submit to J Fintech Co., Ltd. Fees and conditions are specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Between January 2021 and December 2021, the Company and its subsidiaries had significant business transactions with related parties. The transactions are in accordance with the commercial terms and criteria as agreed between those subsidiaries and related parties as in normal business which can be summarized as follows:

Unit : (Million Baht)

	Consolidated Financial Statement	Separate Financial Statement
Major Shareholders		
Service income	30	-
Management fee	15,000	15,000
Subsidiaries		
Sale of goods (net - interest subsidy)	-	2,434,871
Management fee income		82,737
Interest income	-	351,381
Other income	-	5,908
Purchase of goods	-	180,070
Cost of sales of goods	-	93,283
Other expense	-	148
Other related parties		
Sale of goods	4,145	4,142
Service income	38,612	37,088
Revenue from marketing support	12,235	12,235
Commission income	10,127	10,127
Revenue from sales of rights in receivable	2,321	-
Other income	244,332	819
Purchase of goods	3,340	1
Debt collecting fee	436	434
Cost of sales of goods	3	3
Cost of rendering services	2,268	2,167
Other expense	4,145	4,142
Major Shareholders		
Creditor	-	-
Subsidiaries		
Trade accounts receivable	-	1,096,041
Other receivables	-	3,823
Accrued income	-	40,903
Short-term loans	-	7,463,090
Trade accounts payables	-	71,373
Other payables	-	32,160

	Consolidated Financial Statement	Separate Financial Statement
Other related parties		
Trade accounts receivable	199	199
Other receivables	5,565	5,283
Accrued income	12,352	12,352
Trade accounts payables	234,471	176,706
Other payables	3,474	12

PART 3

Financial Statements

Board of Directors' Responsibilities
for the Financial Statements

Independent Auditor's Report

Statement of financial position

Statement of comprehensive income

Statement of changes in equity

Statement of cash flows

Notes to the financial statements



Board of Directors' Responsibilities for the Financial Statements



The Board of Directors of Singer Thailand plc. is responsible for and has provided the Consolidated Financial Statements and those for its Subsidiaries together with the associated information relating to their respective financial status as presented in this Annual Report.

These Financial Statements and reports on the performance results for the financial year 2021 are prepared in accordance with generally accepted accounting principles and through the use of appropriate accounting policies that are consistently applied by the Company together with the use of careful consideration and best estimates. Further, all important and relevant information are adequately disclosed within the Notes to the Financial Statements.

Towards this end, the Board of Directors has appointed an Audit Committee consisting of Independent Directors, which is responsible reviewing the quality of these Financial Statements, the internal controls. The opinions and comments of the Audit Committee relating to these matters appear in the Audit Committee's Report that is included this Annual Report.

The Board of Directors is of the opinion that the overall internal controls system of the Company has functioned satisfactorily and, thus, has provided reliable, accurate and adequate information for the Consolidated and Financial Statements and those for its Subsidiaries for the financial year ending December 31, 2021.

Mr. Adisak Sukumvitaya
Chairman of the Board

Mr. Kittipong Kanokvilairat
Chief Executive Officer



Independent Auditor's Report

To the Shareholders of Singer Thailand Public Company Limited

Opinion

I have audited the accompanying consolidated and separate financial statements of Singer Thailand Public Company Limited and its subsidiaries (the “Group”), and of Singer Thailand Public Company Limited (“the Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of hire-purchase contract receivables and loan receivable

Refer to Note 3, 8 and 9

The key audit matter	How the matter was addressed in the audit
<p>The core businesses of the Group are hire-purchase and lending consist of a great number of wholesale and retail accounts with small receivable value. The hire-purchase contract receivables and loan receivable as at 31 December 2021 amount to Baht 10,689.43 million, approximately 44% of the Group's total assets.</p> <p>The Group has applied TFRS 9 Financial Instruments that specify the Group to consider allowance for expected credit losses (“ECL”). Management has estimated the allowance for expected credit losses based on credit models which are complex and dependent on significant management judgements and estimates including establishment of the criteria for determining whether credit risk has increased significantly since initial recognition, development of models used to measure ECL.,</p>	<p>My audit procedures included the followings:</p> <ul style="list-style-type: none">• Understanding the credit approval, collection and monitoring processes including the policies and procedures in consideration of allowance for expected credit losses.• Considering the Group's accounting policies to determine whether these have been set up in accordance with the requirements of TFRS 9 <i>Financial Instruments</i>.• Evaluating the design and implementation and testing the operating effectiveness of key internal controls surrounding the credit approval and allowances for expected credit losses process.• Assessing and testing the reasonableness of staging applied by the group for different types of credit exposures including sampling testing with relevant documents.

Valuation of hire-purchase contract receivables and loan receivable

Refer to Note 3, 8 and 9

The key audit matter	How the matter was addressed in the audit
<p>determination of the forward-looking macroeconomic variables and probability-weighted scenarios into the measurement of ECL. In particular, the ongoing economic situation adds further complexity to management's estimation process</p> <p>Due to materiality of transactions and involving judgement, I consider this to be key audit matter.</p>	<ul style="list-style-type: none"> • Involving KPMG's credit specialists to inspect model documentation performed by expert engaged by the management, assess key data, assumptions, method, models including mathematical theory including evaluating the reasonableness of the economic factors used by management in the models to adjust losses rate based on current economic conditions and forward-looking information by comparing them to relevant market information to derive expected credit losses model parameters on customers portfolios. • Testing the mathematic of the expected credit losses of hire-purchase contract receivables and loan receivable, including testing the calculation. • Considering the adequacy of the Group's disclosures in accordance with the relevant Thai Financial Reporting Standards.

Valuation of inventory

Refer to Note 3 and 11

The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2021, the Group has inventory amounting to Baht 643.37 million, approximately 3% of the Group's total assets.</p> <p>With regard to the changing speedy and dynamically on technological and electronic products industry and the extremely volatile with significantly changing in consumer demand. The Group has the uncertainty risk that the carrying value of inventory may exceed its net realisable value.</p> <p>The Group considers the allowance for decline in value, obsolescence and reverted inventory by the management estimates and judgment. Consequently, I consider that this is a significant matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • Testing the controls designed in respect of the appropriate of the adequacy of estimation about a decline on valuation of inventory and reverted inventory and understanding the policies and procedures that the Group applied. • Understanding the internal control related to inventory and reverted inventory management and attending the inventory observation and testing the physical of inventory. • Testing on a sampling basis items in the inventory and reverted inventory report and corroborating whether these items were classified in the appropriate aging bracket and categories. • Considering the reliability of net realisable value of inventory and reverted inventory with the historical information, current situation and sales plan for consideration of the reasonableness of current assumptions. • Considering the adequacy of the Group's disclosures in accordance with the related Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(Chokechai Ngamwutikul)
Certified Public Accountant
Registration No. 9728

KPMG Phoomchai Audit Ltd.
Bangkok
23 February 2022



Statement of financial position

Singer Thailand Public Company Limited and its Subsidiaries

Part 3: Financial Statements

(in Baht)

	Note	Consolidated financial statements 31 December		Separate financial statements 31 December	
		2021	2020	2021	2020
Assets					
<i>Current assets</i>					
Cash and cash equivalents	6	1,226,574,251	715,192,583	775,418,069	524,620,815
Current investment	30	10,350,941,886	401,477,556	10,350,941,886	401,477,556
Trade receivables	5, 7	68,688,506	13,575,490	1,163,944,393	874,667,752
Current portion of hire-purchase contract receivables	8	3,105,637,511	1,787,943,205	-	-
Current portion of loan receivables	9	1,225,842,667	651,167,586	-	-
Other receivables	5, 10	437,657,268	230,660,168	286,949,038	145,794,570
Short-term loans to related parties	5	-	-	-	4,772,412,386
Inventories	11	643,366,389	675,203,508	640,082,296	672,546,229
Accrued income	5	13,680,259	3,667,809	53,352,575	43,083,626
Assets foreclosed		-	995,750	-	-
Other current assets		3,041,896	-	3,041,896	-
Total current assets		17,075,430,633	4,479,883,655	13,273,730,153	7,434,602,934
<i>Non-current assets</i>					
Hire-purchase contract receivables	8	2,078,977,100	1,558,137,710	-	-
Loan receivables	9	4,278,977,420	2,409,502,896	-	-
Long-term loans to related party	5	-	-	7,463,090,180	-
Investments in subsidiaries	12	-	-	2,468,995,800	1,458,995,800
Other long-term investment		2,000,000	2,000,000	-	-
Property, plant and equipment	13	474,679,096	433,084,919	460,561,521	426,834,609
Right-of-use assets	14	102,424,855	74,051,642	86,238,444	55,938,095
Intangible assets	15	53,317,494	48,101,918	46,267,690	44,798,451
Deferred tax assets	27	117,995,513	228,822,070	-	67,354,738
Other non-current assets		17,185,063	21,522,944	15,617,688	20,297,019
Total non-current assets		7,125,556,541	4,775,224,099	10,540,771,323	2,074,218,712
Total assets		24,200,987,174	9,255,107,754	23,814,501,476	9,508,821,646

The accompanying notes are an integral part of these financial statements

Statement of financial position

Singer Thailand Public Company Limited and its Subsidiaries



(in Baht)

	Note	Consolidated financial statements 31 December		Separate financial statements 31 December	
		2021	2020	2021	2020
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	16	-	150,541,526	-	150,541,526
Trade accounts payable	5	577,731,865	350,950,910	575,465,588	377,257,731
Other payables	5, 17	466,277,222	360,893,914	324,292,289	380,415,591
Current portion of long-term borrowing from a financial institution	16	9,890,692	-	-	-
Current portion of debentures	16	1,500,000,000	950,000,000	1,500,000,000	950,000,000
Current portion of lease liabilities	16	43,907,501	31,553,408	35,504,994	24,474,769
Current income tax payable		52,189,228	37,681,470	2,414,505	-
Total current liabilities		2,649,996,508	1,881,621,228	2,437,677,376	1,882,689,617
Non-current liabilities					
Long-term borrowing from a financial institution	16	14,439,345	-	-	-
Debentures	16	6,444,179,868	4,262,340,775	6,444,179,868	4,262,340,775
Lease liabilities	16	60,930,589	48,062,193	51,509,433	35,945,869
Provision for employee benefit	18	141,598,443	201,534,085	111,658,569	175,600,806
Employee security deposits		9,896,522	8,922,083	6,663,138	6,009,227
Provident funds	19	41,350,654	42,504,925	40,679,968	41,848,699
Deferred tax liabilities	27	-	-	6,786,533	-
Total non-current liabilities		6,712,395,421	4,563,364,061	6,661,477,509	4,521,745,376
Total liabilities		9,362,391,929	6,444,985,289	9,099,154,885	6,404,434,993

The accompanying notes are an integral part of these financial statements



Statement of financial position

Singer Thailand Public Company Limited and its Subsidiaries

Part 3: Financial Statements

(in Baht)

	Note	Consolidated financial statements 31 December		Separate financial statements 31 December	
		2021	2020	2021	2020
Liabilities and equity					
Equity					
Share capital:	20				
Authorised share capital		838,017,578	702,000,000	838,017,578	702,000,000
Issued and paid share capital		800,094,788	412,525,208	800,094,788	412,525,208
Share premium:					
Premium on ordinary shares	20	11,996,409,654	801,143,202	11,996,409,654	801,143,202
Reserve arising from business combination under common control	5	-	-	974,117,594	974,117,594
Advance received from share subscription	21	139,389,449	298,611,124	139,389,449	298,611,124
Retained earnings:					
Appropriated:					
Legal reserve	22	41,228,262	27,000,000	41,228,262	27,000,000
Unappropriated		1,640,104,392	1,046,238,954	542,738,144	366,385,548
Other components of equity	13, 22	221,368,700	224,603,977	221,368,700	224,603,977
Total equity		14,838,595,245	2,810,122,465	14,715,346,591	3,104,386,653
Total liabilities and equity		24,200,987,174	9,255,107,754	23,814,501,476	9,508,821,646

The accompanying notes are an integral part of these financial statements

Statement of comprehensive income

Singer Thailand Public Company Limited and its Subsidiaries



(in Baht)

		Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
		2021	2020	2021	2020
Note					
Income					
Revenue from sale of goods	5	2,766,398,200	2,454,795,687	2,715,892,522	2,048,914,309
Interest income from hire-purchase contract and loans		1,498,976,071	1,005,176,141	-	-
Revenue from rendering of services	5	71,848,456	71,109,604	44,482,154	50,919,547
Revenue from management fees	5	-	-	82,737,496	79,436,423
Other income	5	59,828,474	60,173,504	391,535,084	211,175,446
Total income		4,397,051,201	3,591,254,936	3,234,647,256	2,390,445,725
Expenses					
	5				
Cost of sale of goods	11, 25	1,473,100,832	1,346,577,540	1,486,262,354	1,335,387,199
Cost of rendering of services	25	20,173,410	36,637,882	2,937,218	24,155,856
Distribution costs	25	959,830,562	929,293,513	759,987,809	734,034,657
Administrative expenses	25	469,712,132	422,445,203	235,329,910	250,152,353
Total expenses		2,922,816,936	2,734,954,138	2,484,517,291	2,343,730,065
Profit from operating activities		1,474,234,265	856,300,798	750,129,965	46,715,660
Finance costs	26	424,604,216	224,531,715	422,559,528	223,696,171
Expected Credit Loss (reversal of)	30	151,527,292	194,119,972	(17,068,715)	2,868,408
Gains on measurement of current investments	30	(4,144,150)	(1,166,206)	(3,552,767)	(1,166,206)
Profit (loss) before income tax expense		902,246,907	438,815,317	348,191,919	(178,682,713)
Tax expense (income)	27	201,655,339	(4,482,864)	63,626,677	(66,674,422)
Profit (loss) for the year		700,591,568	443,298,181	284,565,242	(112,008,291)

The accompanying notes are an integral part of these financial statements



Statement of comprehensive income

Singer Thailand Public Company Limited and its Subsidiaries

(in Baht)

	Note	Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
		2021	2020	2021	2020
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gains on remeasurment of defined benefit plans	18	66,503,638	-	64,645,493	-
Income tax relating to items that will not be reclassified	27	(13,300,728)	-	(12,929,099)	-
Total items that will not be reclassified subsequently to profit or loss		53,202,910	-	51,716,394	-
Other comprehensive income for the year, net of tax		53,202,910	-	51,716,394	-
Total comprehensive income (expense) for the year		753,794,478	443,298,181	336,281,636	(112,008,291)
Basic earnings (loss) per share (in Baht)	28	1.40	1.09	0.57	(0.28)
Diluted earnings (loss) per share (in Baht)	28	1.32	1.08	0.54	(0.27)

The accompanying notes are an integral part of these financial statements

Statement of changes in equity

Singer Thailand Public Company Limited and its Subsidiaries



(in Baht)

	Note	Consolidated financial statements						
		Issued and paid-up share capital	Share premium on treasury share	Advance received from share subscription	Retained earnings		Other components of equity	Total equity
					Legal reserve	Unappropriated	Revaluation surplus	
Year ended 31 December 2020								
Balance at 1 January 2020		401,505,235	735,023,364	-	27,000,000	680,653,082	227,839,254	2,072,020,935
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the parent</i>								
Issue of ordinary shares	20, 21	11,019,973	66,119,838	-	-	-	-	77,139,811
Advance received from share subscription	21	-	-	298,611,124	-	-	-	298,611,124
Dividends	29	-	-	-	-	(80,947,586)	-	(80,947,586)
Total transactions with owners of the parent, recorded directly in equity		11,019,973	66,119,838	298,611,124	-	(80,947,586)	-	294,803,349
Comprehensive income (expense) for the year								
Profit		-	-	-	-	443,298,181	-	443,298,181
Total comprehensive income for the year		-	-	-	-	443,298,181	-	443,298,181
Transfer to retained earnings	13	-	-	-	-	3,235,277	(3,235,277)	-
Balance at 31 December 2020		412,525,208	801,143,202	298,611,124	27,000,000	1,046,238,954	224,603,977	2,810,122,465

The accompanying notes are an integral part of these financial statements



Statement of changes in equity

Singer Thailand Public Company Limited and its Subsidiaries

(in Baht)

	Note	Consolidated financial statements						
		Issued and paid-up share capital	Share premium on treasury share	Advance received from share subscription	Retained earnings		Other components of equity	Total equity
					Legal reserve	Unappropriated	Revaluation surplus	
Year ended 31 December 2021								
Balance at 1 January 2021		412,525,208	801,143,202	298,611,124	27,000,000	1,046,238,954	224,603,977	2,810,122,465
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the parent</i>								
Issue of ordinary shares	20, 21	387,569,580	11,195,266,452	(298,611,124)	-	-	-	11,284,224,908
Advance received from share subscription	21	-	-	139,389,449	-	-	-	139,389,449
Dividends	29	-	-	-	-	(148,936,055)	-	(148,936,055)
Total transactions with owners of the parent, recorded directly in equity		387,569,580	11,195,266,452	(159,221,675)	-	(148,936,055)	-	11,274,678,302
Comprehensive income (expense) for the year								
Profit		-	-	-	-	700,591,568	-	700,591,568
Other comprehensive income		-	-	-	-	53,202,910	-	53,202,910
Total comprehensive income (expense) for the year		-	-	-	-	753,794,478	-	753,794,478
Transfer to legal reserve	22	-	-	-	14,228,262	(14,228,262)	-	-
Transfer to retained earnings	13	-	-	-	-	3,235,277	(3,235,277)	-
Balance at 31 December 2021		800,094,788	11,996,409,654	139,389,449	41,228,262	1,640,104,392	221,368,700	14,838,595,245

The accompanying notes are an integral part of these financial statements

Statement of changes in equity

Singer Thailand Public Company Limited and its Subsidiaries



(in Baht)

Note	Separate financial statements							
	Issued and paid-up share capital	Share premium on treasury share	Reserve arising from business combination under common control	Advance received from share subscription	Retained earnings		Other components of equity	Total equity
					Legal reserve	Unappropriated		
Year ended 31 December 2020								
Balance at 1 January 2020	401,505,235	735,023,364	974,117,594	-	27,000,000	556,106,148	227,839,254	2,921,591,595
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners of the parent								
Issue of ordinary shares	20, 21	11,019,973	66,119,838	-	-	-	-	77,139,811
Advance received from share subscription	21	-	-	298,611,124	-	-	-	298,611,124
Dividends	29	-	-	-	-	(80,947,586)	-	(80,947,586)
Total transactions with owners, recorded directly in equity		11,019,973	66,119,838	298,611,124	-	(80,947,586)	-	294,803,349
Comprehensive income (expense) for the year								
Loss		-	-	-	-	(112,008,291)	-	(112,008,291)
Total comprehensive income (expense) for the year		-	-	-	-	(112,008,291)	-	(112,008,291)
Transfer to retained earnings	13	-	-	-	-	3,235,277	(3,235,277)	-
Balance at 31 December 2020	412,525,208	801,143,202	974,117,594	298,611,124	27,000,000	366,385,548	224,603,977	3,104,386,653

The accompanying notes are an integral part of these financial statements



Statement of changes in equity

Singer Thailand Public Company Limited and its Subsidiaries

Part 3: Financial Statements

(in Baht)

Note	Separate financial statements							
	Issued and paid-up share capital	Share premium on treasury share	Reserve arising from business combination under common control	Advance received from share subscription	Retained earnings		Other components of equity	Total equity
					Legal reserve	Unappropriated		
Year ended 31 December 2021								
Balance at 1 January 2021	412,525,208	801,143,202	974,117,594	298,611,124	27,000,000	366,385,548	224,603,977	3,104,386,653
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners of the parent								
Issue of ordinary shares 20, 21	387,569,580	11,195,266,452	-	(298,611,124)	-	-	-	11,284,224,908
Advance received from share subscription 21	-	-	-	139,389,449	-	-	-	139,389,449
Dividends 29	-	-	-	-	-	(148,936,055)	-	(148,936,055)
Total transactions with owners, recorded directly in equity	387,569,580	11,195,266,452	-	(159,221,675)	-	(148,936,055)	-	11,274,678,302
Comprehensive income (expense) for the year								
Profit	-	-	-	-	-	284,565,242	-	284,565,242
Other comprehensive income	-	-	-	-	-	51,716,394	-	51,716,394
Total comprehensive income (expense) for the year	-	-	-	-	-	336,281,636	-	336,281,636
Transfer to legal reserve 22	-	-	-	-	14,228,262	(14,228,262)	-	-
Transfer to retained earnings 13	-	-	-	-	-	3,235,277	(3,235,277)	-
Balance at 31 December 2021	800,094,788	11,996,409,654	974,117,594	139,389,449	41,228,262	542,738,144	221,368,700	14,715,346,591

The accompanying notes are an integral part of these financial statements

Statement of cash flows

Singer Thailand Public Company Limited and its Subsidiaries



(in Baht)

	Note	Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
		2021	2020	2021	2020
<i>Cash flows from operating activities</i>					
Profit (loss) for the year		700,591,568	443,298,181	284,565,242	(112,008,291)
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>					
Tax expense (income)		201,655,339	(4,482,864)	63,626,677	(66,674,422)
Interest income from hire-purchase contract and loans	(1,498,976,071)	(1,005,176,141)	-	-	
Finance costs		424,604,216	224,531,715	422,559,528	223,696,171
Depreciation		90,827,214	74,973,123	70,453,175	62,754,433
Amortisation		7,655,479	12,668,160	6,990,602	12,039,934
Expected credit loss (reversal of) in profit or loss		151,527,292	194,119,972	(17,068,715)	2,868,408
Provision for employee benefit		15,289,300	30,235,118	6,856,548	25,886,098
Provision for provident funds		1,267,004	1,620,941	1,116,022	1,469,364
Gains on sale investments		(4,144,150)	(1,166,206)	(3,552,767)	(1,166,206)
(Reversal of) losses on inventories devaluation		(658,788)	19,946,744	(1,231,704)	790,020
Loss on disposal of plant and equipment		2,532,972	-	2,367,427	
Loss (gain) on amortisation of intangible assets		-	(558,896)	3,725,659	(558,896)
Other interest income		(954,675)	(602,659)	(352,200,948)	(194,339,035)
		91,216,700	(10,592,812)	488,206,746	(45,242,422)
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		(55,226,375)	(9,588,545)	(289,276,641)	(461,846,077)
Hire-purchase contract receivables	(2,494,567,177)	(1,906,997,411)	-	-	
Loan receivables	(2,435,311,031)	(1,816,860,704)	-		
Other receivables		(187,524,535)	(19,825,397)	(115,153,408)	27,885,080
Accrued income		(10,012,450)	8,757,631	(10,268,949)	5,118,510
Inventories		32,495,907	(8,909,284)	33,695,637	8,599,588
Assets foreclosed		995,750	2,422,250	-	-
Other current assets		(3,041,896)	-	(3,041,896)	-
Other non-current assets		4,337,881	(4,806,043)	4,679,331	(4,599,142)
Trade accounts payable		226,780,955	81,534,434	198,207,857	36,018,787
Other payables		88,299,687	140,935,127	(73,206,923)	142,712,713
Employee security deposits		974,439	3,971,041	653,911	2,704,963
Employee benefit paid		(8,721,304)	(4,278,082)	(6,153,292)	(2,043,338)
Provident funds paid		(2,421,275)	(7,528,789)	(2,284,753)	(7,421,978)

The accompanying notes are an integral part of these financial statements



Statement of cash flows

Singer Thailand Public Company Limited and its Subsidiaries

Part 3: Financial Statements

(in Baht)

	Note	Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
		2021	2020	2021	2020
Cash flows from operating activities (continue)					
Net cash (used in) generated from operating		(4,751,724,724)	(3,551,766,584)	226,057,620	(298,113,316)
Interest recived from hire-purchase contract and loans		1,975,264,421	1,319,854,091	-	-
Tax paid		(95,214,779)	(28,873,981)	(8,932,345)	
Net cash (used in) from operating activities		(2,871,675,082)	(2,260,786,474)	217,125,275	(298,113,316)
Cash flows from investing activities					
Interest received		954,675	602,659	352,200,948	194,339,035
Increase in investment in subsidiaries	12	-	-	(1,010,000,000)	-
Increase in loans to related party	5	-	-	(2,690,677,794)	(2,163,723,730)
Acquisition of plant and equipment		(67,017,515)	(28,899,063)	(55,090,639)	(26,206,618)
Proceeds from sale of plant and equipment		291,199	561,300	291,199	561,300
Acquisition of intangible assets		(12,871,055)	(7,779,118)	(12,185,500)	(7,679,118)
Acquisition of current investment		(13,200,000,500)	(1,600,000,000)	(12,600,000,500)	(1,600,000,000)
Proceeds from sale of current investment		3,254,680,320	1,518,352,828	2,654,088,939	1,518,352,828
Net cash used in investing activities		(10,023,962,876)	(117,161,394)	(13,361,373,347)	(2,084,356,303)
Cash flows from financing activities					
Proceeds from advance received from share subscription and issuance of ordinary share	20, 21	11,423,614,357	375,750,935	11,423,614,357	375,750,935
Financial cost paid		(395,094,954)	(215,203,440)	(400,014,138)	(215,147,069)
Dividends paid to owners of the Company	29	(148,936,055)	(80,947,586)	(148,936,055)	(80,947,586)
(Decrease) increase in bank overdrafts and short-term loans from financial institutions	16	(150,541,526)	150,541,526	(150,541,526)	150,541,526
Proceed from long-term borrowing from a financial institution	16	30,000,000	-	-	-
Repayment of long-term borrowing from a financial institution	16	(5,669,963)	-	-	-
Repayment of debentures	16	3,681,839,093	2,762,340,775	3,681,839,093	2,762,340,775
Proceed from issue of debentures	16	(950,000,000)	(400,000,000)	(950,000,000)	(400,000,000)
Payment of lease liabilities		(78,191,326)	(51,445,731)	(60,916,405)	(43,643,411)
Net cash from financing activities		13,407,019,626	2,541,036,479	13,395,045,326	2,548,895,170
Net increase in cash and cash equivalents		511,381,668	163,088,611	250,797,254	166,425,551
Cash and cash equivalents at 1 January		715,192,583	552,103,972	524,620,815	358,195,264
Cash and cash equivalents at 31 December	6	1,226,574,251	715,192,583	775,418,069	524,620,815

The accompanying notes are an integral part of these financial statements

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Notes to the financial statements

For the year ended 31 December 2021

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 23 February 2022.

1 General information

Singer Thailand Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in June 1984. The Company’s registered office at 72 CAT Building 17th Floor, Charoenkrung Road, Bangrak, Bangkok.

The Company’s major shareholder during the financial year was Jay Mart Public Company Limited (26.11% shareholding) (2020: 29.45%) and U City Public Company Limited (24.64% shareholding) incorporated in Thailand.

The principal activities of the Group are trade sales and hire-purchase of electronic appliances, commercial products, mobile phones, hire-purchase of electronic appliances, hire-purchase of vehicle, loan receivables with vehicle collateral and others, repair and maintenance service of electronic appliances, provides life and non-life insurance broker.

Details of the Company’s subsidiaries as at 31 December 2021 and 2020 are given in notes 5 and 12.

2 Basis of preparation of the financial statements**(a) Statement of compliance**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

(c) Foreign currencies

Transactions in foreign are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

(d) Financial instruments

(d.1) Recognition and initial measurement

Other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition or issue of the securities, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value.

(d.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the financial statements

For the year ended 31 December 2021

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis and cannot be cancelled.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise and cannot be cancelled.

Financial assets - business model assessment

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment,

'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

*(d.3) Derecognition**Financial assets*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d.4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the financial statements

For the year ended 31 December 2021

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(f) Trade and other receivables

Trade and other receivables are recognised when the Group has an unconditional right to receive consideration. Trade and other receivables are measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Hire -purchase contract receivables and loan receivables

Hire-purchase contract receivables are stated at the contract value net of unearned hire-purchase, which is presented after net of initial direct income and costs at the inception of the contracts.

Loan receivables are stated at the principal amount and accrued interest receivables, which is presented after net of initial direct income and costs at the inception of the contracts.

The Group considers expected credit losses of hire-purchase contract receivables and loan receivables as disclosed in note 3(m).

(h) Inventories

Inventories which include reverted inventories are measured at the lower of cost and net realisable value. Reverted inventories are repossessed inventories from the defaulted customers. Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(i) Assets foreclosed

Assets foreclosed consisting of vehicles and machines are stated at the lower of cost or net realisable value less estimated disposal expenses of the assets foreclosed less allowance for impairment losses.

Any gains and losses on disposal of assets foreclosed are determined by comparing the proceeds from disposal with the carrying amount of assets foreclosed, and are recognised in profit or loss.

(j) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for land and buildings which are stated at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss. When there is a disposal of revalued assets, the amount recognised in revaluation reserve is reclassified to retained earnings.

Revaluations of asset are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date. Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the “revaluation reserve” in other components of equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds the revaluation reserve previously recognised in other comprehensive income in respect of the same asset. The revaluation reserve is utilised by reference to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset’s original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation reserve is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. No depreciation is provided on freehold lands and assets under construction.

The estimated useful lives are as follows:

Buildings	50 years
Leasehold improvement	5 years
Office furniture and equipment	5 years

(k) Intangible assets

Software licenses that have finite useful lives, are stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licenses	5 - 10 years
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Notes to the financial statements

For the year ended 31 December 2021

(l) Leases

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group recognises income received under hire-purchase contract in profit or loss over the contract term as part of 'interest income from hire-purchase contract'. Initial direct costs incurred in arranging an contract are added to the carrying amount of the leased asset and recognised over the contract term on the same basis as income.

The Group derecognises and determines impairment on the lease receivables as disclosed in note 3(m).

(m) Impairment of financial assets (excluding trade and other receivables)

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, hire-purchase receivables, loan receivables, and loan commitments issued which are not measured at FVTPL.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for hire-purchase contract receivables and loan receivables, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Expected credit losses are computed as unbiased, probability weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information. This includes forward looking information.

The estimate of expected cash shortfalls is determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD).

Forward-looking macroeconomic assumptions are incorporated into the PD, LGD and EAD where relevant and where they have been identified to influence credit risk, such as GDP, Unemployment rates and Consumer Price Index. These assumptions are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally and are consistent with those used for financial and capital planning.

Multiple forward-looking scenarios are incorporated into the range of reasonably possible outcomes for all material portfolios both in terms of determining the PD, LGD and EAD, where relevant, and in determining the overall expected credit loss amounts.

The estimate of expected cash shortfalls on a collateralised financial instrument should consider the amount and timing of cash flows that are expected from confiscation on the collateral less the costs of obtaining and selling the collateral without considering the possibility of the confiscation.

The estimate of expected cash shortfalls are discounted using the initial effective interest rate on the financial asset.

Notes to the financial statements

For the year ended 31 December 2021

*Expected Loss Recognition - Staging**Stage 1 Financial asset without a significant increase in credit risk (Performing)*

Expected credit losses are recognised at the time of initial recognition of a financial instrument and represent the lifetime cash shortfalls arising from possible default events up to 12 months into the future from the balance sheet date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of an instrument or the instrument becomes credit-impaired. If a financial assets is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.

Stage 2 Financial asset with a significant increase in credit risk (Under-performing)

If a financial asset experiences a significant increase in credit risk (SICR) since initial recognition, an expected credit loss provision is recognised for default events that may occur over the lifetime of the asset. SICR is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination, the significance of which being determined by using a number of quantitative and qualitative factors are as follows;

- Financial assets that are 30 or more days past due or
- Financial assets have more than 3 times of 30 and more days past due during the past 12 months.

Stage 3 Financial assets that are credit impaired (Non-performing)

Financial assets that are credit impaired or in default represent those that are at over 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit impaired where the customers are unlikely to pay on the occurrence of one or more observable events that have a negative impact on the estimated future cash flows of the financial asset.

Evidence that a financial asset is credit impaired includes observable data about the following events:

- Significant financial difficulty of the borrower;
- Breach of contract such as default or a past due event;
- Pending or actual bankruptcy or other financial reorganisation to avoid of the borrower's obligations;
- Purchase or origination of a financial asset at a deep discount that reflects incurred credit losses.

Impairment provisions against credit impaired financial assets are determined based on an assessment of the recoverable cash flows under a range of scenarios, including the realisation of any collateral held where appropriate, representing the difference between the present value of the cash flows expected to be recovered, discounted at the instrument's original effective interest rate, and the gross carrying value of the instrument prior to any credit impairment.

Modified financial instruments

Where the original contractual terms of a financial asset have been modified for credit reasons and the instrument has not been derecognised, the resulting modification loss is recognised within credit impairment in the income statement with a corresponding decrease in the gross carrying value of the asset.

When a receivable has a significant increase in credit risk, the Company considers to write-off the receivable by comparing the cash flows from net realisable value of reverted inventory with gross carrying amount of the receivable excluded allowance for expected credit losses in profit or loss.

Expected credit losses for modified financial assets that have not been derecognised and are not considered to be credit-impaired will be recognised on a 12-month basis, or a lifetime basis, if there is a significant increase in credit risk. These assets are assessed to determine whether there has been a significant increase in credit risk subsequent to the modification.

Improvement in credit risk

A period may elapse from the point at which financial instruments enter stage 2 or stage 3 and are reclassified back to stage 1. For financial assets within stage 2, these can only be transferred to stage 1 when they are no longer considered to have experienced a significant increase in credit risk.

Where significant increase in credit risk was determined using quantitative measures, the financial instruments will automatically transfer back to stage 1 when the original PD based transfer criteria are no longer met. Where financial instruments were transferred to stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the financial instruments can be reclassified to stage 1. This includes instances requiring the action to be resolved before loans are reclassified to stage 1.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'

Write-off and reversal of credit impairment loss

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

If the amount of the credit impairment loss decreases and the decrease can be related objectively to an event occurring after the credit impairment was recognised, such as an improvement in the debtor's credit rating, the previously recognised credit impairment loss is reversed by adjusting the provision account. The amount of the reversal is recognised in profit or loss.

(n) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount of a non-financial asset is calculated as the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of the non-financial assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the financial statements

For the year ended 31 December 2021

(o) Employee benefits*Defined contribution plan*

Obligations for contributions to the Group's provident funds are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed by a qualified actuary using the projected unit credit method

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Provident funds for staff

The provident funds' contributions for the staff are calculated at the rates fixed by the fund criteria and by the Group at the same amount deducted from staff. The contributions to provident fund are recognised as an expense in profit or loss according to the criteria of the funds (see note 19).

(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Warranties

A provision for warranties is recognised when the underlying products are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(q) Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(r) Reserve arising from business combination under common control

The reserve arising from business combination under common control arises from the merger of businesses under the common control of the Company. The reserve represents the difference between the cost of the combination and the carrying amounts of net identifiable assets at the date of combination. The Company recognises the difference arising from common control transactions under shareholders' equity. It is non-distributable and will be retained until the respective business or assets are sold or otherwise disposed of.

(s) Revenue

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

Revenue for rendering of services is consisted of remuneration for the consignment, sale revenue sharing and others which is recognised over time as the services are provided.

For bundled packages, the Group recognises revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

Notes to the financial statements

For the year ended 31 December 2021

Payment to a customer

Interest subsidy expenses paid to the customer (its subsidiary), the Company recognises such payments as a reduction in revenue.

Interest income

The Company recognises interest income from hire-purchase and loans contracts as they accrue by effective interest method throughout the term of contracts and calculates from initial book value of hire-purchase and loans receivables.

For hire-purchase contract and loans receivables with subsequent credit losses, the Company recognises interest income by effective interest method which calculates net book value (net of allowance for expected credit losses) of the receivable.

Direct revenue and expense which initially occur from hire-purchase and loans contracts are recognised by allocation and gradual recognition by effective interest method and deducted from interest income from hire-purchase and loans contracts throughout the term to reflect the effective interest rate of the contracts.

Investment income

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

(t) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(v) Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(w) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Impact of COVID-19 Pandemic

COVID-19 pandemic is still on going, while vaccines for COVID-19 are being rolled out during 2021. The Group applied accounting guidance, covering payment moratoriums, as well as a loan repayment holiday to get the Group and the Company help affected borrowers that are encountering short-term cash flow problems to resume repayment ability at the end. The Group and the Company provides additional relief measures as follows

1. Extend the installment period
2. Reduce installments
3. Pay only the principle
4. Pay only the interest
5. Pause payment

In relation to financial reporting, key concerns are on the application of forward-looking information and pro-cyclicality effect from applying TFRS 9 ECL provisioning concept. The BoT in collaboration with TFAC announced some guidelines to be applied under these 2-year period of 2020 and 2021.

Regarding the impacts on the Group and the Company's performance, the Group and the Company's ECL still reflect fair position through closely monitoring, together with management overlay. This can ensure that in times of downturn, credit risk development is captured and buffered with prudence.

Notes to the financial statements

For the year ended 31 December 2021

5 Related parties

Relationship with subsidiaries is described in note 12. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
Jay Mart Public Company Limited	Thailand	Major shareholder, 26.11% shareholding (2020: 29.45%) and common director
U City Public Company Limited	Thailand	Major shareholder, 24.64% shareholding and common director
The Group of Jaymart Public Company Limited	Thailand	Subsidiaries and associates of the major <i>shareholder</i> and common director
Key management personnel		Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies for transactions are explained further below:

Transactions	Pricing policies
Sales of goods	Market price
Service income	Percentage rate as agreed
Revenue from marketing support	Price as agreed
Revenue from sales of rights in receivable	Price as agreed
Commission income	Price as contract
Purchase of goods	Market price
Cost of sales of goods	Weighted average price determined by product
Cost of rendering of services	Fixed price determined by product
Management fee income	Price as agreed
Management fee	Price as agreed
Dividend income	Upon declaration
Debt collecting fee	Price as contract
Interest income	Average funding cost plus margin
Other income	Price as agreed
Other expense	Price as agreed

Significant transactions with related parties
For the year ended 31 December

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Major shareholder				
Sale of goods	-	19	-	19
Service income	30	-	-	-
Other expense	-	1,000	-	1,000
Management fee	15,000	4,284	15,000	4,284

Notes to the financial statements

For the year ended 31 December 2021

Significant transactions with related parties**For the year ended 31 December**

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sale of goods (net - interest subsidy)	-	-	2,434,871	1,845,998
Management fee income	-	-	82,737	79,436
Interest income	-	-	351,381	193,921
Other income	-	-	5,908	3,939
Purchase of goods	-	-	180,070	149,307
Cost of sales of goods	-	-	93,283	85,030
Other expense	-	-	148	23
Other related parties				
Sale of goods	4,145	632	4,142	413
Service income	38,612	18,047	37,088	16,525
Revenue from marketing support	12,235	9,622	12,235	9,622
Commission income	10,127	16,737	10,127	-
Revenue from sales of rights in receivable	2,321	67,171	-	-
Other income	-	112	-	41
Purchase of goods	244,332	92,261	819	9,061
Debt collecting fee	3,340	5,096	1	3
Cost of sales of goods	436	-	434	-
Cost of rendering services	3	6	3	6
Other expense	2,268	6,251	2,167	5,401
Key management personnel				
Key management personnel compensation				
Short-term benefit	104,784	74,876	64,991	53,176
Post-employment benefits	8,726	7,135	5,623	5,650
Total	113,510	82,011	70,614	58,826

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Trade accounts receivable				
Subsidiaries	-	-	1,096,041	862,201
Other related parties	199	138	199	-
	199	138	1,096,240	862,201
Less allowance for expected credit loss	-	-	-	-
Net	199	138	1,096,240	862,201
Other receivables				
Subsidiaries	-	-	3,823	3,390
Other related parties	5,565	14,093	5,283	2,548
	5,565	14,093	9,106	5,938
Less allowance for expected credit loss	-	-	-	-
Net	5,565	14,093	9,106	5,938

Notes to the financial statements

For the year ended 31 December 2021

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Accrued income				
Subsidiaries	-	-	40,903	41,606
Other related parties	12,352	2,319	12,352	1,481
Total	12,352	2,319	53,255	43,087

	Interest rate	Separate financial statements		
	At the end of the year (% per annum)	At 1 January	Increase	Decrease
			<i>(in thousand Baht)</i>	
Short-term loans*				At 31 December
2021				
Subsidiary	5.25 - 6.09	4,772,412	4,206,776	(1,516,098)
Net		4,772,412		7,463,090
2020				
Subsidiary	5.25 - 6.04	2,608,689	2,849,830	(686,107)
Net		2,608,689		4,772,412

* As at 31 December 2021, loans to a related party amounting to Baht 7,463 million were classified as long-term loans as the Company agreed not to demand payment within 31 December 2022.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Trade accounts payables				
Subsidiaries	-	-	71,373	73,856
Other related parties	234,471	74,953	176,706	33,664
Total	234,471	74,953	248,079	107,520
Other payables				
Subsidiaries	-	-	32,160	142,627
Other related parties	3,474	1,219	12	2
Total	3,474	1,219	32,172	142,629

Significant agreements with related parties**Business transfer agreement**

On 14 December 2012, the Company entered into business transfer agreement with SG Capital Public Company Limited under which the Company agreed to transfer the business operation for hire-purchase of products to SG Capital Public Company Limited on 31 December 2012. SG Capital Public Company Limited agreed to acquire the certain business operation on the terms and conditions as described in the agreement. This transaction arises from the difference between the net of hire-purchase receivables and the employee benefit liabilities, and business transfer price of Baht 974 million. The Company recorded a reserve arising from business combination under common control in equity of Baht 974 million in the separate financial statement.

Loan agreement

The Company entered into a loan agreement with SG Capital Public Company Limited in the amount of Baht 7,463 million. The interest rate shall be calculated from an average interest rate of the Company's debentures, which were issued each time, plus 0.25% margin. The interest shall be paid by monthly. Subject to the terms and conditions of the agreement, the principle of such loans is due at call.

Interest subsidy agreement

The Company entered into an interest subsidy agreement with the subsidiary. This agreement is effective for a year, and will be automatically renewed a year unless either party gives to the other party a written notice to terminate the agreements. Fees and conditions are specified in the agreements. Since 1 April 2021, the Company has terminated the interest subsidy agreement.

Agreements within the Group

The Group entered into several agreements within the group's company. The terms of these agreements are effective for 6 months to 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate the agreements. Fees and conditions are specified in the agreements. Services and building rental scope are as follows:

- 1.1 The service support regarding to operation support, finance and accounting, personnel service, information technology and others;
- 1.2 The service support regarding repair and maintenance services for new products and reverted products;
- 1.3 Debt collection service;
- 1.4 Supporting insurance business service;
- 1.5 Building rental and service.

*Agreements with other related parties**Service agreement*

The Company entered into a service agreement with Jay Mart Public Company Limited, whereby Jay Mart Public Company Limited agrees to grant the service support regarding operations support, finance and accounting, marketing and management service and other to the Company. In consideration thereof, the Company is committed to pay service fees as specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Receivable management and collection service agreement

The Company and SG Capital Public Company Limited entered into agreement with JMT Network Services Public Company Limited (JMT) for certain receivable management and collection services to be provided by JMT to the Company and SG Capital Public Company Limited in return for fees at rates specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Notes to the financial statements

For the year ended 31 December 2021

The Company and SG Capital Public Company Limited entered into agreements with JMT Network Services Public Company Limited (JMT) for certain collection services to be provided by JMT to the Company and SG Capital Public Company Limited in return for fees at rates specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Consignment agreement

The Company entered into a consignment agreement with Jay Mart Public Company Limited whereby the Company agreed to sell consignment products of Jay Mart Public Company Limited. In consideration thereof, Jay Mart Public Company Limited agreed to pay the remuneration for the consignment sale to the Company at the rates as specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Jay Mart Public Company Limited transferred a partial of the business to Jaymart Mobile Company Limited which is a subsidiary of Jay Mart Public Company Limited and transferred its right and duty according to the consignment agreement as mentioned above.

Supporting insurance business service agreement

SG Capital Public Company Limited entered into a service agreement with Jaymart Insurance Broker Co., Ltd. whereby SG Capital Public Company Limited agreed to render the insurance premium collection service for Jaymart Insurance Broker Co., Ltd. Fees and conditions are specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

Outsourcing agency

SG Capital Public Company Limited entered into a service agreement with J Fintech Co., Ltd. whereby SG Capital Public Company Limited agrees to be outsource agency to provide the personal loan customers and fully prepare supporting documents for customers and submit to J Fintech Co., Ltd. Fees and conditions are specified in the agreement. The term of this agreement is effective for 1 year, and will be automatically renewed 1 year unless either party gives to the other party a written notice to terminate this agreement.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	289	270	223	213
Cash at banks - current accounts	272,403	115,471	20,046	9,449
Cash at banks - saving accounts	953,765	599,335	755,032	514,842
Cash in transit - current accounts/ saving account	117	117	117	117
Total	1,226,574	715,193	775,418	524,621

7 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Related parties	5	199	138	1,096,240	862,201
Other parties		79,027	23,865	77,413	22,170
Total		<u>79,226</u>	<u>24,003</u>	<u>1,173,653</u>	<u>884,371</u>
Less allowance for expected credit loss	30	<u>(10,537)</u>	<u>(10,428)</u>	<u>(9,709)</u>	<u>(9,703)</u>
Net		<u>68,689</u>	<u>13,575</u>	<u>1,163,944</u>	<u>874,668</u>
Expected credit loss (reversal of) for the year		<u>109</u>	<u>(299)</u>	<u>6</u>	<u>(552)</u>

Aging analyses for trade accounts receivable is described in note 30.

8 Hire-purchase contract receivables

	Consolidated financial statements				
	Portion due within one year	Portion due over one year but within two years	Portion due over two years but within three years	Portion due over three years but within four years	Portion due over four years but within five years
					Portion due over five years
					Total
<i>(in thousand Baht)</i>					
31 December 2021					
Hire purchase receivables	4,371,094	1,603,329	656,229	329,979	122,957
Less unearned interest income	(1,071,813)	(408,849)	(127,712)	(45,915)	(9,349)
	3,299,281	1,194,480	528,517	284,064	113,608
Less allowance for expected credit loss	(193,643)	(31,242)	(12,135)	(5,248)	(1,930)
Net	3,105,638	1,163,238	516,382	278,816	111,678
					8,863
					5,184,615
31 December 2020					
Hire purchase receivables	2,794,906	1,312,245	436,621	191,834	47,653
Less unearned interest income	(816,391)	(275,488)	(59,450)	(22,740)	(3,176)
	1,978,515	1,036,757	377,171	169,094	44,477
Less allowance for expected credit loss	(190,572)	(56,514)	(12,311)	(3,540)	(159)
Net	1,787,943	980,243	364,860	165,554	44,318
					3,163
					3,346,081

31 December 2021
Hire-purchase contract
receivables*

* Hire-purchase contract receivables net of unearned interest income

For the year ended 31 December 2021

[illegible]

* Hire-purchase contract receivables net of unearned interest income

Modification of hire-purchase contract receivables

The financial statements for the year ended 31 December 2021 and 2020 includes the following changes through various types of modification:

	Consolidated financial statements			
	2021		2020	
	Before modification	After modification (in thousand Baht)	Before modification	After modification
Modification of hire-purchase contract receivables net of unearned interest income for the year	134,056	125,702	75,820	75,820

Cash collection under modification of hire-purchase contract receivables for the year ended 31 December 2021 and 2020 were as follows:

	Consolidated financial statements	
	2021	2020
	(in thousand Baht)	
Cash collection under modification for the year	48,383	21,260

As at 31 December 2021 and 2020 modification of hire-purchase contract receivables have remaining balances were as follows:

	Consolidated financial statements	
	31 December	
	2021	2020
	(in thousand Baht)	
Hire-purchase contract receivables net of unearned interest income after modification	159,481	82,122

9 Loan receivables

	Consolidated financial statement					
	Portion due within one year		Portion due after one year		Total	
	31 December		31 December		31 December	
	2021	2020	2021	2020	2021	2020
	(in thousand Baht)					
Loan receivables	1,207,735	651,127	4,294,957	2,416,158	5,502,692	3,067,285
Add accrued interest receivable	30,396	17,161	-	-	30,396	17,161
	1,238,131	668,288	4,294,957	2,416,158	5,533,088	3,084,446
Less allowance for expected credit loss	(12,289)	(17,120)	(15,979)	(6,655)	(28,268)	(23,775)
Net	1,225,842	651,168	4,278,978	2,409,503	5,504,820	3,060,671

At 31 December 2021 and 2020, carrying amount and allowance for expected credit loss for loan receivables were as follows:

<i>(in thousands Baht)</i>										
31 December 2021										
Loan receivables										
Within credit terms	4,472,153	25,250	-	164,545	8,595	-	164,545	8,595	-	4,670,543
Overdue:										
1 - 30 days	517,926	20,992	-	-	5,134	-	-	5,134	-	544,052
31 - 60 days	-	221,618	164	-	-	4,966	164	-	226,748	226,748
61 - 90 days	-	68,445	-	-	-	31	-	31	-	68,476
More than 90 days	-	-	-	277	-	-	277	-	-	23,269
Net carrying amount	4,990,079	336,305	164	164,545	13,729	4,997	164,986	18,726	5,168,353	5,533,088
Less allowance for expected credit loss	(13,922)	(7,837)	-	(189)	-	-	(466)	-	(14,111)	(28,268)
Net	4,976,157	328,468	164	164,356	13,729	4,997	164,520	18,726	333,629	5,504,820

Notes to the financial statements

31 December 2020

Within credit terms

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Notes to the financial statements

For the year ended 31 December 2021

Modification loan receivables

The financial statements for the year ended 31 December 2021 and 2020 includes the following changes through various types of modification:

	Consolidated financial statements			
	2021		2020	
	Before modification	After modification <i>(in thousand Baht)</i>	Before modification	After modification
Modification of loan receivables for the year	12,690	12,225	20,712	20,712

Cash collection under modification of loan receivables for the year ended 31 December 2021 and 2020 were as follows:

	Consolidated financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Cash collection under modification for the year	3,954	3,122

As at 31 December 2021 and 2020, modification of loan receivables have remaining balances were as follows:

	Consolidated financial statements	
	31 December	
	2021	2020
	<i>(in thousand Baht)</i>	
Loan receivables after modification	32,072	23,801

10 Other receivables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Related parties	5	5,565	14,093	9,106	5,938
Ex-employee		101,118	102,550	101,118	102,550
Employee		82,716	27,233	82,729	27,230
Other parties					
- Value added tax		89,958	37,591	15	-
- Rebate and royalty receivables		73,274	54,765	73,274	54,765
- Advance payment for goods		50,535	8,111	35,100	8,111
- Withholding tax		43,290	39,840	26,465	17,532
- Advance payment		24,032	11,592	19,910	8,210
- Advance payment for rendering service		8,685	15,678	8,685	15,678
- Others		78,315	43,162	35,941	15,299
Total		557,488	354,615	392,343	255,313
Less allowance for expected credit loss		(119,831)	(123,955)	(105,394)	(109,518)
Net		437,657	230,660	286,949	145,795
(Reversal of) expected credit loss for the year		(4,124)	25,580	(4,124)	11,598

As at 31 December 2021, the Company had long outstanding balance of ex-employee's shortage remittance amounting to Baht 101.12 million (2020: Baht 102.55 million) and set up allowance for impairment for Baht 82.92 million (2020: Baht 92.30 million).

11 Inventories

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Finished goods	560,018	555,179	560,018	555,179
Right to recover returned products	119,180	157,083	96,363	134,898
Service parts	3,623	3,056	-	-
	682,821	715,318	656,381	690,077
Less allowance for loss on decline in value	(39,455)	(40,114)	(16,299)	(17,531)
Total	643,366	675,204	640,082	672,546
Inventories recognised in cost of sales of goods				
- Cost	1,473,760	1,326,631	1,487,494	1,334,597
- Write-down to net realisable value (reversal of)	(659)	19,947	(1,232)	790
Net	1,473,101	1,346,578	1,486,262	1,335,387

12 Investments in subsidiaries

Investments in subsidiaries as at 31 December were as follows:

Separate financial statements

	Type of business	Country of operation	Ownership Interest		Paid share capital		Cost method	
			2021	2020	2021	2020	2021	2020
			(%)		(in thousand Baht)			
SG Capital Public Company Limited*	Hire-purchase of home appliance, commercial products, mobile phones, hire-purchase of vehicle, loan receivables with vehicle collateral and others	Thailand	99.99	99.99	2,450,000	1,450,000	2,449,998	1,449,998
SG Service Plus Co., Ltd.	Repair and maintenance service of electronic appliances to a related company	Thailand	99.96	99.96	5,000	5,000	4,998	4,998
SG Broker Co., Ltd.	Life and non-life insurance broker	Thailand	99.99	99.99	14,000	4,000	14,000	4,000
Total					2,468,996	1,458,996		

*On 14 October 2021, the Extraordinary General Meeting of a subsidiary approved the transformation of the subsidiary as a public company. The subsidiary registered the public company transformation with the Ministry of Commerce on 18 October 2021.

On 28 May 2021, the Company additionally invested share capital of SG Capital Public Company Limited, a subsidiary of the Company, totalling Baht 1,000 million. The percentage of holding interest of the Company remains unchanged.

On 8 December 2021, the Company additionally invested share capital of SG Broker Company Limited, a subsidiary of the Company, totalling Baht 10 million. The percentage of holding interest of the Company remains unchanged.

In 2021 and 2020, the Company had no dividend income from subsidiaries.

Notes to the financial statements

For the year ended 31 December 2021

13 Property, plant and equipment**Consolidated financial statements**

	Land and land improvement	Buildings	Leasehold improvement	Office furniture and equipment (in thousand Baht)	Tools and equipment	Vehicle	Construction in progress	Total
Cost / revaluation								
At 1 January 2020	315,122	133,625	68,496	113,565	2,067	9,279	-	642,154
Additions	-	-	14,036	13,075	-	-	1,783	28,894
Disposals	-	-	-	-	(3)	(2,445)	-	(2,448)
At 31 December 2020 and 1 January 2021	315,122	133,625	82,532	126,640	2,064	6,834	1,783	668,600
Additions	-	13,902	14,557	23,500	-	-	15,058	67,017
Transfers	-	-	1,783	-	-	-	(1,783)	-
Disposals	-	-	(206)	(5,538)	(26)	(5,792)	-	(11,562)
At 31 December 2021	315,122	147,527	98,666	144,602	2,038	1,042	15,058	724,055
Depreciation and impairment loss								
At 1 January 2020	534	54,766	60,056	90,483	1,689	8,856	-	216,384
Depreciation charge for the year	-	4,044	4,898	12,194	55	386	-	21,577
Disposals	-	-	-	-	(3)	(2,443)	-	(2,446)
At 31 December 2020 and 1 January 2021	534	58,810	64,954	102,677	1,741	6,799	-	235,515
Depreciation charge for the year	-	5,150	3,991	13,411	11	36	-	22,599
Disposals	-	-	(186)	(2,733)	(26)	(5,793)	-	(8,738)
At 31 December 2021	534	63,960	68,759	113,355	1,726	1,042	-	249,376
Net book value								
At 31 December 2020	314,588	74,815	17,578	23,961	323	35	1,783	433,085
At 31 December 2021	314,588	83,567	29,907	31,247	312	-	15,058	474,679

Notes to the financial statements

For the year ended 31 December 2021

Separate financial statements

	Land and land improvement	Buildings	Leasehold improvement	Office furniture and equipment <i>(in thousand Baht)</i>	Vehicle	Construction in progress	Total
Cost / revaluation							
At 1 January 2020	315,122	133,625	58,286	97,037	9,279	-	613,349
Additions	-	-	13,629	10,795	-	1,783	26,207
Disposals	-	-	-	-	(2,445)	-	(2,445)
At 31 December 2020 and 1 January 2021	315,122	133,625	71,915	107,832	6,834	1,783	637,111
Additions	-	13,902	14,132	14,495	-	12,562	55,091
Transfers	-	-	1,783	-	-	(1,783)	-
Disposals	-	-	(206)	(4,421)	(5,792)	-	(10,419)
At 31 December 2021	315,122	147,527	87,624	117,906	1,042	12,562	681,783
Depreciation and impairment losses							
At 1 January 2020	534	54,766	52,599	78,500	8,856	-	195,255
Depreciation charge for the year	-	4,044	4,015	9,019	386	-	17,464
Disposals	-	-	-	-	(2,443)	-	(2,443)
At 31 December 2020 and 1 January 2021	534	58,810	56,614	87,519	6,799	-	210,276
Depreciation charge for the year	-	5,150	3,419	10,101	36	-	18,706
Disposals	-	-	(186)	(1,782)	(5,793)	-	(7,761)
At 31 December 2021	534	63,960	59,847	95,838	1,042	-	221,221
Net book value							
At 31 December 2020	314,588	74,815	15,301	20,313	35	1,783	426,835
At 31 December 2021	314,588	83,567	27,777	22,068	-	12,562	460,562

The gross amount of the Group and the Company's fully depreciated plant and equipment that was still in use as at 31 December 2021 amounted to Baht 261.63 million and Baht 244.66 million, respectively (2020: Baht 243.58 million and Baht 229.10 million, respectively).

Measurement of fair value

Fair value hierarchy

The fair values of land and buildings were determined by independent professional valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

During 2019, the Company's lands and buildings were reappraised by an independent valuer using the market comparison approach. The value of the buildings was estimated using the cost of replacement, new less depreciation of the building, then the difference between the open market value and the building valuation was taken as the value of land, resulting in an increase in the carrying value of lands and buildings in the amount of Baht 314.59 million and Baht 78.86 million, respectively.

As at 31 December 2021, fair value measurement for land and buildings, net of Baht 398.25 million (2020: Baht 389.49 million) have been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The following table shows the valuation technique used in measuring the fair value of land and buildings, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs
Land	
- Total market price less building value	• Open market value
Building	
- Cost of replacement, new less depreciation approach	• Cost of replacement

Movement of unrealised surpluses on revaluation of assets for the years 2021 and 2020 were as follows:

	Consolidated and Separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Balance at 1 January	224,604	227,839
Revaluation of land	-	-
Revaluation of buildings	-	-
Increase in deferred tax liabilities - revaluation	-	-
	<u>-</u>	<u>-</u>
Depreciation	(4,044)	(4,044)
Decrease in deferred tax liabilities - depreciation	809	809
	<u>(3,235)</u>	<u>(3,235)</u>
Balance at 31 December	221,369	224,604

Notes to the financial statements

For the year ended 31 December 2021

14 Leases*As a lessee*

<i>Right-of-use assets at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Building	85,316	54,961	76,606	40,876
Equipment	3,442	5,007	1,925	4,027
Vehicle	13,667	14,084	7,707	11,035
Total	102,425	74,052	86,238	55,938

In 2021, additions to the right-of-use assets of the Group was Baht 96.6 million and Baht 82.1 million (2020: Baht 74.1 million and Baht 55.9 million), respectively.

The Group leases a number of warehouse and branch for 2 - 3 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

During 2021, The Group leases a number of copy machine for 3 - 4 years, and paid fixed and variable lease payment that are based on usage over the lease term. These payment terms are common in Thailand

Extension options

The group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
- Building	56,581	44,957	43,476	38,832
- Equipment	3,693	3,016	2,649	2,437
- Vehicle	7,953	5,417	5,624	4,018
Interest on lease liabilities	6,813	3,615	5,462	2,835
Expenses relating to short-term leases	2,308	2,291	2,204	1,889

In 2021, total cash outflow for leases of the Group was Baht 73 million and Baht 56 million (2020: Baht 51 million and Baht 44 million), respectively.

15 Intangible assets

Consolidated financial statements			
	Software licences	Software licences under installment (in thousand Baht)	Total
<i>Cost</i>			
At 1 January 2020	73,183	2,610	75,793
Additions	3,659	4,120	7,779
Transfer	2,610	(2,610)	-
At 31 December 2020 and 1 January 2021	79,452	4,120	83,572
Additions	8,896	3,975	12,871
At 31 December 2021	88,348	8,095	96,443
<i>Amortisation</i>			
At 1 January 2020	25,816	-	25,816
Amortisation for the year	9,654	-	9,654
At 31 December 2020 and 1 January 2021	35,470	-	35,470
Amortisation for the year	7,656	-	7,656
At 31 December 2021	43,126	-	43,126
<i>Net book value</i>			
At 31 December 2020	43,982	4,120	48,102
At 31 December 2021	45,222	8,095	53,317

Notes to the financial statements

For the year ended 31 December 2021

	Separate financial statements		
	Software licences	Software licences under installment (in thousand Baht)	Total
Cost			
At 1 January 2020	67,511	2,610	70,121
Additions	3,559	4,120	7,679
Transfer	2,610	(2,610)	-
At 31 December 2020 and 1 January 2021	73,680	4,120	77,800
Additions	8,635	3,551	12,186
Disposals	(6,459)	(65)	(6,524)
At 31 December 2021	75,856	7,606	83,462
Amortisation			
At 1 January 2020	23,976	-	23,976
Amortisation for the year	9,026	-	9,026
At 31 December 2020 and 1 January 2021	33,002	-	33,002
Amortisation for the year	6,990	-	6,990
Disposals	(2,798)	-	(2,798)
At 31 December 2021	37,194	-	37,194
Net book value			
At 31 December 2020	40,678	4,120	44,798
At 31 December 2021	38,662	7,606	46,268

16 Interest-bearing liabilities

	Consolidated financial statements					
	Secured	2021 Unsecured	Total (in thousand Baht)	Secured	2020 Unsecured	Total
Current						
Bank overdrafts	-	-	-	-	542	542
Short-term loans from financial institutions	-	-	-	-	150,000	150,000
Current portion of long-term borrowing from a financial institution	-	9,891	9,891	-	-	-
Current portion of debentures	-	1,500,000	1,500,000	-	950,000	950,000
Current portion of lease liabilities	-	43,907	43,907	-	31,553	31,553
Non-current						
Long-term borrowing from a financial institution	-	14,439	14,439	-	-	-
Debentures	-	6,444,180	6,444,180	-	4,262,341	4,262,341
Lease liabilities	-	60,931	60,931	-	48,062	48,062
Total interest-bearing liabilities	-	8,073,348	8,073,348	-	5,442,498	5,442,498

	Separate financial statements					
	Secured	2021 Unsecured	Total (in thousand Baht)	Secured	2020 Unsecured	Total
Current						
Bank overdrafts	-	-	-	-	542	542
Short-term loans from financial institutions	-	-	-	-	150,000	150,000
Current portion of debentures	-	1,500,000	1,500,000	-	950,000	950,000
Current portion of lease liabilities	-	35,505	35,505	-	24,475	24,475
Non-current						
Debentures	-	6,444,180	6,444,180	-	4,262,341	4,262,341
Lease liabilities	-	51,509	51,509	-	35,946	35,946
Total interest-bearing liabilities	-	8,031,194	8,031,194	-	5,423,304	5,423,304

As at 31 December 2020, the Group had bank overdrafts bearing interest at MOR rates of 5.82% to 5.88% per annum.

As at 31 December 2021, the Group had short-term loans from financial institutions at MLR-1 rates and at MRR rates of 5.95% to 6.22% per annum (2020: 4.25% to 6.22% per annum).

On 21 May 2021, a subsidiary of the Company entered into a loan agreement with a financial institution, amounting to Baht 30 million with repayment terms within 3 years ended May 2024 at MLR-3.85% to MLR-2.85% per annum. This loan is currently secured by the Company.

As at 31 December 2021, the Group and the Company had unutilised credit facilities totalling Baht 586.30 million (2020: Baht 315.76 million).

Debenture issued by Singer Thailand Public Company Limited

In the Board of Directors meeting on 23 February 2018 passed a resolution approving unsecured and senior debentures amounting to Baht 950 million at par value of Baht 1,000, interest rate at 5.50% per annum. The Company issued the debenture on 30 March 2018 and will be matured on 30 March 2021.

On 20 April 2018, the Annual General meeting No. 51 of the Company's shareholders passed a resolution approving the plan of debenture issuance with the issuance size limit not to exceed Baht 5,000 million. However, on 6 November 2020, the Extraordinary General meeting No. 1/2020 of the Company's shareholders passed a resolution approving the plan of debenture issuance with the issuance size limit not to exceed Baht 3,000 million and on 26 October 2021, the Extraordinary General meeting No. 1/2021 of the Company's shareholders passed a resolution approving the plan of debenture issuance with the issuance size limit not to exceed Baht 2,000 million total Baht 10,000 million. The detail of issued debentures is as follows:

1. The first series of 3-year debentures amounting to Baht 1,500 million at par value of Baht 1,000, interest rate at 6.00% per annum, unsecured and senior debentures. The Company issued the debenture on 25 July 2019 and will be matured on 25 July 2022.
2. The second series of 3-year debentures amounting to Baht 800 million at par value of Baht 1,000, interest rate at 5.90% per annum, unsecured and senior debentures. The Company issued the debenture on 28 May 2020 and will be matured on 28 May 2023.
3. The third series of 3-year debentures amounting to Baht 1,000 million at par value of Baht 1,000, interest rate at 5.80% per annum, unsecured and senior debentures. The Company issued the debenture on 11 September 2020 and will be matured on 11 September 2023.

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4. The fourth series of 3-year and 3-month debentures amounting to Baht 1,000 million at par value of Baht 1,000, interest rate at 5.75% per annum, unsecured and senior debentures. The Company issued the debenture on 17 December 2020 and will be matured on 17 March 2024.
5. The fifth series of 3-year 6-month debentures amounting to Baht 2,000 million at par value of Baht 1,000, interest rate at 5.75% per annum, unsecured and senior debentures. The Company issued the debenture on 24 March 2021 and will be matured on 24 September 2024.
6. The sixth series of 3-year 6-month debentures amounting to Baht 1,700 million at par value of Baht 1,000, interest rate at 5.70% per annum, unsecured and senior debentures. The Company issued the debenture on 6 August 2021 and will be matured on 6 February 2025.

Under the Company's debenture's condition, the Company has to comply with certain conditions including maintaining debt to equity ratio of not more than 3:1.

17 Other payables

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Other payables - related parties	5	3,474	1,219	32,172	142,629
Suspense payment - receivable wait for car registration transference		59,195	40,021	-	-
Accrued expense		54,423	26,089	35,363	21,282
Accrued interest		45,080	27,992	45,071	27,992
Accrued bonus		45,011	25,894	27,547	16,057
Suspense account - transferred from customers		41,393	7,707	28,392	2,516
Accrued advertising and sales promotion		36,169	42,266	36,169	42,266
Accrued commission		32,451	42,593	25,147	33,559
Accrued tradename and trademark expenses		25,898	22,824	25,898	22,824
Advance received		17,449	20,105	17,449	20,105
Insurance premium payable		11,374	24,229	-	-
Others		94,360	79,955	51,084	51,185
Total		466,277	360,894	324,292	380,415

18 Employee benefit obligations***Defined benefit pension plan***

The Group operates a defined benefit pension plan based on the requirements of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk and interest rate risk.

Notes to the financial statements

For the year ended 31 December 2021

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	201,534	175,577	175,601	151,758
Include in profit or loss:				
Current service cost	14,222	26,135	9,536	22,360
Interest on obligation	1,067	4,100	834	3,526
Transfer to related parties	-	-	(3,514)	-
	15,289	30,235	6,856	25,886
Included in other comprehensive income:				
Actuarial (gain) loss				
- Demographic assumptions	(15,615)	-	(11,228)	-
- Financial assumptions	8,546	-	5,499	-
- Experience adjustment	(59,435)	-	(58,916)	-
	(66,504)	-	(64,645)	-
Others:				
Benefit paid	(8,721)	(4,278)	(6,154)	(2,043)
At 31 December	141,598	201,534	111,658	175,601

<i>Actuarial assumptions</i>	Consolidated and Separate financial statements	
	2021	2020
Discount rate	0.9%	2.5%
Future salary growth		
- salaried staff	5.0%	5.0%
- commissioned agent	Notional commission model, inflated by price inflation of 2.0%	Notional commission model, inflated by price inflation of 3.5%

Assumptions regarding future mortality are based on published statistics and mortality tables.

At 31 December 2021 and 2020, the weighted-average duration of the defined benefit obligations was 7 years (2020: 8 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below.

<i>Effect to the defined benefit obligation At 31 December</i>	Consolidated financial statements			
	1% increase in assumption		1% decrease in assumption	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(9,200)	(14,620)	10,567	16,810
Future salary growth	9,918	15,802	(8,937)	(14,045)

Notes to the financial statements

For the year ended 31 December 2021

Effect to the defined benefit obligation At 31 December	Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(6,868)	(12,327)	7,862	14,147
Future salary growth	7,352	13,234	(6,569)	(11,738)

19 Provident funds

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	42,505	48,413	41,849	47,801
Provision used				
- Company and interest	(1,762)	(5,462)	(1,650)	(5,403)
- Employee	(659)	(2,066)	(634)	(2,018)
Provision setup				
- Company and interest	955	1,269	868	1,162
- Employee	312	351	247	307
At 31 December	41,351	42,505	40,680	41,849

The provident funds for staff are established and managed by the Group. Membership of the funds is on a voluntary basis. Contributions are made monthly by the staff at the rates fixed by the fund criteria and by the Group at the same amount deducted from salesmen and shop managers whose remuneration, being commission based, is variable and not fixed as with basic salaries. Consequently, the funds do not qualify to be registered with the Ministry of Finance as juristic entities nor can the funds be managed by a licensed Fund Manager. Therefore, the funds have been established on a voluntary basis and managed by the Group based on the relevant criteria set-down by the Group governing the fund contributions and benefits. The contributions are based on the number of years of membership and at rates fixed by the fund criteria.

20 Share capital

	<i>Par value per share (in Baht)</i>	2021		2020	
		Number	Baht	Number	Baht
		<i>(thousand share/thousand Baht)</i>			
Authorised shares					
At 1 January					
- ordinary shares	1	702,000	702,000	702,000	702,000
Increase of new shares	1	305,008	305,008	-	-
Decrease shares	1	(168,990)	(168,990)	-	-
At 31 December					
- ordinary shares	1	838,018	838,018	702,000	702,000
Issued and paid-up shares					
At 1 January					
- ordinary shares	1	412,525	412,525	401,505	401,505
Increase of new shares	1	293,451	293,451	-	-
Shares issued from exercised warrants	1	94,119	94,119	11,020	11,020
At 31 December					
- ordinary shares	1	800,095	800,095	412,525	412,525

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Issue of ordinary shares

On 26 October 2021, the Extraordinary General Meeting of the Company's shareholders passed a resolution approving

- the reduction of ordinary shares by to 169 million shares amounting to Baht 169 million from the existing ordinary shares of 702 million shares to 533 million shares, at the par value of Baht 1 per share by cancelling unsold ordinary shares for 169 million shares, the Company registered the reduction with Ministry of Commerce on 3 November 2021;
- the increase of ordinary shares amounting to Baht 305 million from shares 533 million to shares 838 million at the par value of Baht 1 per share which allocated for
 1. the rights offering to the existing shareholders in proportion to the number of shares they have been granted, in the amount not exceeding 96.34 million shares at Baht 36.3005 per share;
 2. offering private placement that allocates to an investor who subscribed and allotted the newly issued shares by private placement in the amount not exceeding 197.11 million shares at Baht 36.3005 per share and
 3. reserve for the third exercising of the Company's warrants (SINGER-W3) apportioned to the investors who subscribed and allotted the newly issued shares by private placement at the ratio of 1 newly issued ordinary shares to 1 unit of warrant in the amount not exceeding 11.56 million shares at Baht 36.3005 per share.

The Company registered the capital increase with the Ministry of Commerce on 4 November 2021.

On 17 December 2021, the existing shareholders and U City Public Company Limited purchased newly issued ordinary shares of the Company amounting to Baht 96.34 million and 197.11 million, respectively with fully paid amount, which caused shareholding ratio of U City Public Company Limited to be 24.64% of the Company's issued and paid-up shares and considered as a major shareholder of the Company.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

	2021	2020
	<i>(in thousand Baht)</i>	
Share premium		
At 1 January	801,143	735,023
Increase of new shares	10,358,937	-
Shares issued from exercised warrants	836,330	66,120
At 31 December	11,996,410	801,143

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21 Warrants

The significant information of warrants are as follows:

1) Warrants SINGER-W1

Grant date:	17 May 2019
Number of warrants offered:	65,752,617 units
Offered price per unit:	Baht 0 (zero Baht)
Term of warrants:	Not exceeding 2 years from the date of initial offer of the warrants
Exercise rate:	1 unit of warrant per 1 ordinary share
Exercise price:	7 Baht/share
Number of reserved shares:	65,752,617 shares
Expired date of warrants:	23 April 2021

2) Warrants SINGER-W2

Grant date:	17 May 2019
Number of warrants offered:	65,752,617 units
Offered price per unit:	Baht 0 (zero Baht)
Term of warrants:	Not exceeding 4 years from the date of initial offer of the warrants
Exercise rate:	1 unit of warrant per 1 ordinary share
Exercise price:	Since 17 December 2021: 12.72 Baht/share (Previously: 14 Baht/share)
Number of reserved shares:	65,752,617 shares
Expired date of warrants:	23 April 2023

3) Warrants SINGER-W3

Grant date:	17 December 2021
Number of warrants offered:	11,557,681 units
Offered price per unit:	Baht 0 (Zero Baht)
Term of warrants:	Not exceeding 1 year and 6 months from the date of initial offer of the warrants
Exercise rate:	1 unit of warrant per 1 ordinary share
Exercise price:	36.3005 Baht/share
Number of reserved shares:	11,557,681 shares
Expired date of warrants:	17 June 2023

Movements during the year ended 2021 and 2020 of warrants SINGER-W1, SINGER-W2 and SINGER-W3 were as follows:

<i>For the year ended 31 December</i>	Consolidated and Separate financial statements			
	2021		2020	
	Average exercise price per share (Baht)	Number (in thousand units)	Average exercise price per share (Baht)	Number (in thousand units)
SINGER - W1				
At 1 January	7.00	12,112	7.00	65,753
Exercised during the year	7.00	(12,111)	7.00	-
Expired	7.00	(1)	7.00	(53,641)
At 31 December	-	-	7.00	12,112
SINGER - W2				
At 1 January	14.00	65,734	14.00	65,753
Exercised during the year	14.00	(39,369)	14.00	(19)
Exercised during the year	12.72	(10,960)	14.00	-
At 31 December	12.72	15,405	14.00	65,734
SINGER - W3				
At 1 January	-	-	-	-
Issued during the year	36.31	11,558	-	-
At 31 December	36.31	11,558	-	-

On 23 April 2021, shares options of warrants SINGER-W1 in amount of 732 shares were expired.

On 17 December 2021, the Company adjusted the exercise price and/or exercise rate to maintain the returns of the holders of SINGER-W2 not to be inferior. The reason of the adjustment is because there were securities offered to private placement with a price lower than 90% of the Company's market price per share by calculating from the first day of the offering to private placement.

Notes to the financial statements

For the year ended 31 December 2021

Detail of exercised warrants SINGER-W1 and SINGER-W2 for the year ended 31 December 2020 and 2021 were as follows:

Warrants	Exercised period	No. of shares (million shares)	Cash for paid-up capital (million Baht)	Date registered additional paid up share capital with the Ministry of Commerce
SINGER-W1	December 2020	42.63	298.35	6 January 2021
	March 2021	8.51	59.59	7 April 2021
	April 2021	3.60	25.19	18 May 2021
SINGER-W2	December 2020	0.02	0.27	6 January 2021
	March 2021	27.50	385.01	7 April 2021
	June 2021	3.37	47.24	5 July 2021
	September 2021	8.49	118.91	4 October 2021
	December 2021	10.96	139.39*	5 January 2022

*Cash for paid-up capital in amount of Baht 139.39 million in December 2021 presented under advance received from share subscription.

22 Reserves

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution. During the year 2021, the Company allocated legal reserve for Baht 14 million.

Other components of equity

Revaluation reserve

The revaluation reserve comprises the cumulative net change in the valuation of property and plant included in the financial statements at valuation until such property and plant sold or otherwise disposed of.

23 Segment information and disaggregation of revenue

The Group has three reportable segments which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Trade sales
- Segment 2 Hire purchase and loans
- Segment 3 Service and others

Each segment's performance is measured based on segment profit (loss) before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit (loss) before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Notes to the financial statements

For the year ended 31 December 2021

Consolidated financial statements

For the year ended 31 December	Trade sales		Hire-purchase and loans		Service and others		Eliminations		Total
	2021	2020	2021	2020	2021	2020	2021	2020	
	<i>(in thousand Baht)</i>								
Revenue from sales of goods and interest income									
- External revenue	281,022	202,916	1,735,934	1,319,220	1,194	1,405	2,247,224	1,936,431	3,459,972
- Inter-segment revenue	2,434,871	1,845,998	-	-	450	206	(2,435,321)	(1,846,204)	-
Other income									
- External revenue	78,728	64,236	25,625	46,585	27,323	20,462	-	-	131,676
- Inter-segment revenue	440,026	277,296	20,258	18,611	94,648	86,595	(554,932)	(382,502)	-
Total segment revenue	3,234,647	2,390,446	1,781,817	1,384,416	123,615	108,668	(743,029)	(292,275)	3,591,255
Finance costs	422,560	223,696	353,294	194,633	131	123	(351,381)	(193,920)	224,532
Segment profit (loss) before income tax	348,192	(178,683)	759,667	528,998	(16,394)	(2,316)	(189,218)	90,816	438,815
Segment assets as at 31 December	23,814,501	9,508,822	11,457,561	7,002,651	118,294	102,690	(11,189,369)	(7,359,055)	9,255,108
Segment liabilities as at 31 December	9,099,155	6,404,435	9,016,252	6,182,505	96,507	76,457	(8,849,522)	(6,218,412)	6,444,985

Geographic segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

Timing of revenue recognition

The Group recognised the main revenue at a point time and recognised the interest income over the period.

Notes to the financial statements

For the year ended 31 December 2021

24 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Wages and salaries		401,210	329,583	182,157	156,188
Commission		358,164	397,692	331,159	346,605
Sales incentive		121,783	180,047	121,868	180,025
Defined benefit plans	18	15,289	30,235	6,856	25,886
Defined contribution plans		20,582	20,922	11,548	12,710
Others		10,445	11,977	10,807	8,938
Total		927,473	970,456	664,395	730,352

Defined contribution plans

The defined contribution plans comprise provident funds established by the companies in the Group for their employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 5% to 10% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

25 Expenses by nature

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress		1,417,093	1,296,124	1,413,242	1,275,029
Employee benefit expenses	24	927,473	970,456	664,395	730,352
Travel expenses		90,187	79,420	38,753	35,013
Lease expenses		70,238	70,776	60,816	62,204
Loss from sale of assets foreclosed		2,100	14,656	-	-
Product installation fee		56,787	47,852	68,355	55,769
Management service fee		43,113	29,997	43,113	29,997
Depreciation of plant and equipment	13	22,599	21,577	18,706	17,464
Freight expenses		34,420	32,951	34,420	32,959
Amortisation of intangible assets	15	7,656	9,654	6,990	9,026
Pre-settlement fee		31,048	19,795	-	-
Product warranty expenses		-	-	24,928	29,259
Others		220,103	141,696	110,799	66,659
Total cost of sales of goods, cost of rendering of services, distribution costs and administrative expenses		2,922,817	2,734,954	2,484,517	2,343,731

26 Finance costs

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Finance costs:				
Debentures	416,647	217,735	416,647	217,735
Bank overdrafts and loans from Bank	797	2,323	55	2,239
Lease liabilities	6,813	3,615	5,462	2,835
Others	347	859	396	887
Total	424,604	224,532	422,560	223,696

27 Income tax expense

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Income tax recognised in profit or loss</i>				
Current tax expense				
Current year	104,129	66,130	2,415	-
Deferred tax expense				
Movements in temporary differences	97,526	(70,613)	61,212	(66,674)
Total tax expense (income)	201,655	(4,483)	63,627	(66,674)

Consolidated financial statements						
	2021		2020			
	Before tax	Tax expense (note 18)	Net of tax	Before tax	Tax expense (note 18)	Net of tax
<i>Income tax</i>						
<i>Recognised in other comprehensive income</i>						
Defined benefit plan actuarial gains (loss)	66,504	(13,301)	53,203	-	-	-
Total	66,504	(13,301)	53,203	-	-	-

Separate financial statements						
	2021		2020			
	Before tax	Tax expense (note 18)	Net of tax	Before tax	Tax expense (note 18)	Net of tax
<i>Income tax</i>						
<i>Recognised in other comprehensive income</i>						
Defined benefit plan actuarial gains (loss)	64,645	(12,929)	51,716	-	-	-
Total	64,645	(12,929)	51,716	-	-	-

Reconciliation of effective tax rate

	Consolidated financial statements			Separate financial statements		
	2021	2020		2021	2020	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		902,247		438,815		(178,683)
Income tax using the Thai corporation tax rate	20	180,449	20	87,763	20	(35,737)
Expenses not deductible for tax purposes		13,098		12,910		3,794
Double deduction expense for tax purposes		8,108		(77,516)		(7,041)
Previous tax losses for which no deferred tax asset was recognised		-		(27,690)		(27,690)
Current year losses for which no deferred tax asset was recognised		-		50		-
Total	22.35	201,655	(1.02)	(4,483)	18.27	(66,674)

**Deferred tax
At 31 December**

	Consolidated financial statements			Separate financial statements		
	Assets	Liabilities		Assets	Liabilities	
	2021	2020		2021	2020	
		(in thousand Baht)		(in thousand Baht)		
Total	184,338	290,122		52,088	128,654	(61,300)
Set off of tax	(66,343)	(61,300)		(52,088)	(61,300)	61,300
Net deferred tax assets (liabilities)	117,995	228,822		-	67,354	-

Movements in deferred tax assets and liabilities during the year were as follows:

	Consolidated financial statements (Charged) / credited to:			
	At 1	Profit or loss	Other comprehensive income	At 31
Deferred tax	January	(in thousand Baht)		December
2021				
Deferred tax assets				
Expected credit loss allowance	83,518	(2,273)	-	81,245
Allowance for decline in value of inventories	8,024	(133)	-	7,891
Provision for employee benefit	39,891	(2,344)	(13,301)	24,246
Deferred revenue	91,006	(25,118)	-	65,888
Provision for provident funds	4,731	(146)	-	4,585
Right-of-use assets	890	(407)	-	483
Loss carry forward	62,062	(62,062)	-	-
Total	290,122	(92,483)	(13,301)	184,338
Deferred tax liabilities				
Property, plant and equipment	(61,300)	2,425	-	(58,875)
Deferred expenses	-	(7,468)	-	(7,468)
Total	(61,300)	(5,043)	-	(66,343)
Net	228,822	(97,526)	(13,301)	117,995
2020				
Deferred tax assets				
Expected credit loss allowance	107,572	(24,054)	-	83,518
Allowance for decline in value of inventories	4,035	3,989	-	8,024
Provision for employee benefit	35,116	4,775	-	39,891
Deferred revenue	38,908	52,098	-	91,006
Provision for provident funds	5,684	(953)	-	4,731
Impairment loss on property and plant	28	(28)	-	-
Right-of-use assets	-	890	-	890
Loss carry forward	28,166	33,896	-	62,062
Total	219,509	70,613	-	290,122
Deferred tax liabilities				
Property, plant and equipment	(61,300)	-	-	(61,300)
Total	(61,300)	-	-	(61,300)
Net	158,209	70,613	-	228,822

Notes to the financial statements

For the year ended 31 December 2021

	At 1 January	Separate financial statements (Charged) / credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2021				
Deferred tax assets				
Expected credit loss allowance	22,742	(824)	-	21,918
Allowance for decline in value of inventories	3,506	(246)	-	3,260
Provision for employee benefit	34,860	401	(12,929)	22,332
Provision for provident funds	4,587	(164)	-	4,423
Right-of-use assets	897	(742)	-	155
Loss carry forward	62,062	(62,062)	-	-
Total	128,654	(63,637)	(12,929)	52,088
Deferred tax liabilities				
Property, plant and equipment	(61,300)	2,425	-	(58,875)
Total	(61,300)	2,425	-	(58,875)
Net	67,354	(61,212)	(12,929)	(6,787)
2020				
Deferred tax assets				
Expected credit loss allowance	22,712	30	-	22,742
Allowance for decline in value of inventories	3,348	158	-	3,506
Provision for employee benefit	30,352	4,508	-	34,860
Provision for provident funds	5,541	(954)	-	4,587
Impairment loss on property and plant	27	(27)	-	-
Right-of-use assets	-	897	-	897
Loss carry forward	-	62,062	-	62,062
Total	61,980	66,674	-	128,654
Deferred tax liabilities				
Property, plant and equipment	(61,300)	-	-	(61,300)
Total	(61,300)	-	-	(61,300)
Net	680	66,674	-	67,354

	Consolidated Financial statements		Separate Financial statements	
	2021	2020	2021	2020
Unrecognised deferred tax assets				
		(in thousand Baht)		
Tax losses	-	50	-	-
Total	-	50	-	-

28 Earnings (loss) per share

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht / thousand shares)</i>			
<i>Profit (loss) attributable to ordinary shareholders for the year ended 31 December</i>				
Profit (loss) attributable to ordinary shareholders of the Company (basic and diluted)	700,592	443,298	284,565	(112,008)
<i>Ordinary share outstanding</i>				
Number of ordinary shares outstanding at 1 January	412,525	401,505	412,525	401,505
Effect of shares issued	88,945	4,586	88,945	4,586
Effect of warrants exercised	267	1,025	267	1,025
Weighted average number of ordinary shares outstanding (basic) at 31 December	501,737	407,116	501,737	407,116
Effect of warrants issued	29,338	4,355	29,338	4,355
Weighted average number of ordinary shares outstanding (diluted) at 31 December	531,075	411,471	531,075	411,471
Earnings per (loss) share (basic) (in Baht)	1.40	1.09	0.57	(0.28)
Earnings per (loss) share (diluted) (in Baht)	1.32	1.08	0.54	(0.27)

29 Dividends

The dividends paid by the Company to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
2021				
Annual dividend	23 April 2021	21 May 2021	0.15	74,215
Interim dividend	10 August 2021	9 September 2021	0.15	74,721
Dividend paid				148,936
2020				
Annual dividend	9 April 2020	8 May 2020	0.10	40,151
Interim dividend	10 August 2020	9 September 2020	0.10	40,797
Dividend paid				80,948

30 Financial instruments**(a) Carrying amounts and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

Notes to the financial statements

For the year ended 31 December 2021

Consolidated and Separate financial statements						
Carrying amount			Fair value			
Note	Fair value through profit or loss	Amortised cost - net	Total (in thousand Baht)	Level 1	Level 2	Total
At 31 December 2021						
Financial assets						
(liabilities)						
Current investments	10,350,942	-	10,350,942	10,350,942	-	10,350,942
Debenture	16 -	(7,944,180)	(7,944,180)	-	(8,024,003)	(8,024,003)
Total financial assets	10,350,942	(7,944,180)	2,406,762			
(liabilities)						
At 31 December 2020						
Financial assets						
(liabilities)						
Current investments	401,478	-	401,478	400,072	1,406	401,478
Debenture	16 -	(5,212,341)	(5,212,341)	-	(5,281,367)	(5,281,367)
Total financial assets	401,478	(5,212,341)	(4,810,863)			
(liabilities)						

Financial instruments measured at fair value

The Company determines Level 1 Fair values for current investments that are marketable investments that are measured at FVTPL. The valuation technique used was the net asset value as of the reporting date.

At 31 December 2020, current investment which is debt securities measured at FVTPL with a carrying amount of Baht 1.41 million were determined Level 2 Fair values because quoted prices in the market for these debt securities were no longer regularly available. To determine the fair value of the debt securities, management used a valuation technique in which the net asset value as of the closing date announced was reconciled with each announced amount return to the unit holder.

Financial instruments not measured at fair value

The Company determines Level 2 Fair values debentures based on Thai Bond Market Association as of the reporting date.

(b) Movement of marketable debt securities

<i>Marketable debt securities</i>	Consolidated financial statements				At 31 December
	At 1 January	Purchase	Disposal (in thousand Baht)	Fair value adjustment	
2021					
Current financial assets					
Debt securities measured at - FVTPL	401,478	13,200,000	(3,254,681)	4,145	10,350,942
Total	401,478	13,200,000	(3,254,681)	4,145	10,350,942
2020					
Current financial assets					
Debt securities measured at - FVTPL	318,664	1,600,000	(1,518,352)	1,166	401,478
Total	318,664	1,600,000	(1,518,352)	1,166	401,478
<i>Marketable debt securities</i>	Separate financial statements				At 31 December
	At 1 January	Purchase	Disposal (in thousand Baht)	Fair value adjustment	
2021					
Current financial assets					
Debt securities measured at - FVTPL	401,478	12,600,000	(2,654,089)	3,553	10,350,942
Total	401,478	12,600,000	(2,654,089)	3,553	10,350,942
2020					
Current financial assets					
Debt securities measured at - FVTPL	318,664	1,600,000	(1,518,352)	1,166	401,478
Total	318,664	1,600,000	(1,518,352)	1,166	401,478

*(c) Financial risk management policies**Risk management framework*

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Notes to the financial statements

For the year ended 31 December 2021

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(c.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, hire-purchase contract receivables, loan receivable and other receivable.

(c.1.1) Trade accounts receivables, ex-employee's shortage receivables and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's regularly review sale limits which are established for each customer. Any sales exceeding those limits require approval from the risk management committee.

The following table provides information about the exposure to credit risk and ECLs for trade accounts receivables, ex-employee's shortage receivables and other receivables.

	Consolidated financial statements				
	Trade accounts receivables (see note 7)	Ex- employee's shortage receivables (see note 10)	Other receivables (in thousand Baht)	Total carrying amounts	Allowance for expected credit loss
At 31 December					
2021					
Within credit terms	63,599	-	341,412	405,011	-
Overdue:					
Less than 3 months	5,078	-	59,513	64,591	-
3 - 6 months	22	-	6,701	6,723	2,020
6 - 9 months	29	-	1,104	1,133	520
9 - 12 months	27	-	1,350	1,377	905
Over 12 months	10,471	101,118	46,290	157,879	126,923
Total	79,226	101,118	456,370		130,368
Less allowance for expected credit loss	(10,537)	(82,917)	(36,914)		
Net	68,689	18,201	419,456		

Notes to the financial statements

For the year ended 31 December 2021

Consolidated financial statements

<i>At 31 December</i>	Trade accounts receivables (see note 7)	Ex- employee's shortage receivables (see note 10)	Other receivables (in thousand Baht)	Total carrying amounts	Allowance for expected credit loss
2020					
Within credit terms	13,485	-	200,812	214,297	-
Overdue:					
Less than 3 months	74	-	10,428	10,502	-
3 - 6 months	28	-	2,136	2,164	652
6 - 9 months	49	-	5,267	5,316	2,419
9 - 12 months	105	-	88	193	162
Over 12 months	10,263	102,550	33,334	146,147	131,150
Total	24,004	102,550	252,065		134,383
Less allowance for expected credit loss	(10,428)	(92,295)	(31,660)		
Net	13,576	10,255	220,405		

Separate financial statements

<i>At 31 December</i>	Trade accounts receivables (see note 7)	Ex- employee's shortage receivables (see note 10)	Other accounts receivable (in thousand Baht)	Total carrying amounts	Allowance for expected credit loss
2021					
Within credit terms	1,158,946	-	190,703	1,349,649	-
Overdue:					
Less than 3 months	4,998	-	59,513	64,511	-
3 - 6 months	-	-	6,701	6,701	2,010
6 - 9 months	6	-	1,104	1,110	497
9 - 12 months	-	-	1,350	1,350	878
Over 12 months	9,703	101,118	31,854	142,675	111,718
Total	1,173,653	101,118	291,225		115,103
Less allowance for expected credit loss	(9,709)	(82,917)	(22,477)		
Net	1,163,744	18,201	268,748		
2020					
Within credit terms	874,663	-	115,947	990,610	-
Overdue:					
Less than 3 months	5	-	10,428	10,433	-
3 - 6 months	-	-	2,136	2,136	641
6 - 9 months	-	-	5,267	5,267	2,370
9 - 12 months	-	-	88	88	57
Over 12 months	9,703	102,550	18,897	131,150	116,153
Total	884,371	102,550	152,763		119,221
Less allowance for expected credit loss	(9,703)	(92,295)	(17,223)		
Net	874,668	10,255	135,540		

Notes to the financial statements

For the year ended 31 December 2021

The Company limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 60 days. Outstanding trade receivables are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Movement of allowance for expected credit loss of trade accounts receivables, ex-employee's shortage receivables and other receivables

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	134,383	120,367	119,221	119,071
Addition	12,350	27,964	12,232	14,098
Reversal	(16,365)	(4,142)	(16,350)	(4,142)
Write-off	-	(9,806)	-	(9,806)
At 31 December	130,368	134,383	115,103	119,221

(c.1.2) Hire-purchase contract receivables and loan receivables

		Consolidated financial statements		
	12-months ECL	Lifetime ECL - not credit-impaired	Lifetime ECL - credit-impaired	Total
	<i>(in thousand Baht)</i>			
<i>At 31 December</i>				
<i>2021</i>				
Hire-purchase contract receivables	4,077,462	952,421	399,015	5,428,898
Loan receivables	5,168,353	341,466	23,269	5,533,088
	9,245,815	1,293,887	422,284	10,961,986
Less allowance for expected credit loss	(96,781)	(63,336)	(112,434)	(272,551)
Net	9,149,034	1,230,551	309,850	10,689,435
<i>2020</i>				
Hire-purchase contract receivables	2,455,206	870,174	283,857	3,609,237
Loan receivables	2,904,703	171,791	7,952	3,084,446
	5,359,909	1,041,965	291,809	6,693,683
Less allowance for expected credit loss	(75,741)	(54,089)	(157,101)	(286,931)
Net	5,284,168	987,876	134,708	6,406,752

		Consolidated financial statements		
	12-months ECL	Lifetime ECL - not credit-impaired	Lifetime ECL - credit-impaired	Total
	<i>(in thousand Baht)</i>			
<i>Movement of allowance for expected credit loss</i>				
<i>Hire-purchase contract receivables</i>				
At 1 January 2021	61,730	48,179	153,247	263,156
Change from stage reclassification	231	840	(1,071)	-
Change from remeasurement of ECL	(23,379)	323	(19,541)	(42,597)
Purchased or acquired	59,839	17,865	7,353	85,057
Repaid / Derecognition	(15,751)	(11,708)	(33,874)	(61,333)
At 31 December 2021	82,670	55,499	106,114	244,283

Notes to the financial statements

For the year ended 31 December 2021

<i>Movement of allowance for expected credit loss</i>	12-months ECL	Consolidated financial statements		Total
		Lifetime ECL - not credit- impaired (in thousand Baht)	Lifetime ECL - credit- impaired	
<i>Hire-purchase contract receivables</i>				
At 1 January 2020	4,492	4,092	403,627	412,211
Change from stage reclassification	640	37,959	(38,599)	-
Change from remeasurement of ECL	10,973	(18,075)	27,111	20,009
Purchased or acquired	46,932	25,293	18,837	91,062
Repaid / Derecognition	(1,307)	(1,090)	(257,729)	(260,126)
At 31 December 2020	61,730	48,179	153,247	263,156
<i>Movement of allowance for expected credit loss</i>	12-months ECL	Consolidated financial statements		Total
		Lifetime ECL - not credit- impaired (in thousand Baht)	Lifetime ECL - credit- impaired	
<i>Loan receivables</i>				
At 1 January 2021	14,011	5,910	3,854	23,775
Change from stage reclassification	999	(1,173)	174	-
Change from remeasurement of ECL	(6,224)	1,185	2,084	(2,955)
Purchased or acquired	10,188	2,996	257	13,441
Repaid / Derecognition	(4,863)	(1,081)	(49)	(5,993)
At 31 December 2021	14,111	7,837	6,320	28,268
At 1 January 2020	389	437	10,487	11,313
Change from stage reclassification	26	4,225	(4,251)	-
Change from remeasurement of ECL	2,361	(500)	(525)	1,336
Purchased or acquired	11,398	1,795	201	13,394
Repaid / Derecognition	(163)	(47)	(2,058)	(2,268)
At 31 December 2020	14,011	5,910	3,854	23,775
<i>Expected credit loss (reversal of) for the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivable	109	(299)	6	(552)
Hire-purchase contract receivables	166,510	166,382	-	-
Loan receivables	4,490	12,454	-	-
Ex-employee's shortage receivables and other receivables	(19,582)	15,583	(17,075)	3,420
Total	151,527	194,120	(17,069)	2,868

Loss rates are based on actual credit loss experience over the past 3 years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Notes to the financial statements

For the year ended 31 December 2021

(c.1.3) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

Collateral held

In addition to determining counterparty credit quality through risk analysis, the Group also uses collateral as one type of credit risk mitigation to reduce potential credit losses to the Group. The Group considered the collateral value as at contractual effective date whether it is adequate to the Group's acceptable risk. Collateral is comprised of electronic appliances, vehicles and others whose values are appraised on an initial recognition of hire-purchase contract receivables and loan receivables with vehicle collateral.

For guarantee, the process for the analysis of guarantor's creditworthiness is aligned to credit assessment process for borrowers.

Concentrations of credit risk

The Group monitor concentrations of credit risk by type of financing which credit risk concentration of hire-purchase contract receivables more than 40% are in retail group comprising of day labour, and loan receivables with vehicle collateral more than 30% are the small and medium enterprises (SMEs).

Information related to ECL***Significant increase in credit risk (SICR)***

When determining whether the probability of default on a financial instrument has increased significantly since initial recognition, the Group consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and including forward-looking information.

Definition of default

The Group consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group within 90 days from maturity date;
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Probability of default

Credit risk grades are a primary input into the determination of the probability of default. The Group have collected repayment performance data of each receivable and input into statistical models to analyse the data collected and generate estimates of the lifetime PD based on contractual repayment. Then, to estimate ECL.

Incorporation of forward-looking information

ECL has been estimated by the probability weighted of default over the expected life of the financial instrument. It is based on the present value of all expected cash shortfalls carried by historical loss experience data for the group of assets that the Group consider credit risk to be similar such as types of financing and adjusted by current observed data, along with supportable and reasonable future forecasts if statistically correlated can be proved. Appropriate judgements are also incorporated to estimate ECL using macroeconomic data. The Group assess both the current situation and the forecast of future economic conditions and probability weighted for each situation.

However, the Group review the assumptions and forecasts of the future economic situations on a regular basis. In addition, the Group also consider to provide the management overlay as a part of ECL.

(c.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Consolidated financial statements						
Contractual cash flows						
More than 2						
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>						
2021						
Non-derivative financial liabilities						
Bank overdrafts	-	-	-	-	-	-
Loans from financial institutions	24,330	10,980	10,980	4,032	-	25,992
Trade payables	577,732	577,732	-	-	-	577,732
Debentures	7,944,180	1,925,395	2,114,377	4,864,465	-	8,904,237
Lease liabilities	104,838	48,081	37,649	12,640	12,993	111,363
	8,651,080	2,562,188	2,163,006	4,881,137	12,993	9,619,324

Notes to the financial statements

For the year ended 31 December 2021

Consolidated financial statements						
Contractual cash flows						
More than 2						
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 2 years (in thousand Baht)	years but less than 5 years	More than 5 years	Total
2020						
Non-derivative financial liabilities						
Bank overdrafts	542	542	-	-	-	542
Loans from financial institutions	150,000	150,542	-	-	-	150,542
Trade payables	350,951	350,951	-	-	-	350,951
Debentures	5,212,341	1,215,584	1,704,504	2,902,632	-	5,822,720
Lease liabilities	79,616	34,835	25,940	23,499	1,143	85,417
	5,793,450	1,752,454	1,730,444	2,926,131	1,143	6,410,172
Separate financial statements						
Contractual cash flows						
More than 2						
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 2 years (in thousand Baht)	years but less than 5 years	More than 5 years	Total
2021						
Non-derivative financial liabilities						
Trade payables	575,466	575,466	-	-	-	575,466
Debentures	7,944,180	1,925,395	2,114,377	4,864,465	-	8,904,237
Lease liabilities	87,014	39,021	33,423	7,127	12,993	92,564
	8,606,660	2,539,882	2,147,800	4,871,592	12,993	9,572,267
2020						
Non-derivative financial liabilities						
Bank overdrafts	542	542	-	-	-	542
Loans from financial institutions	150,000	150,542	-	-	-	150,542
Trade payables	377,258	377,258	-	-	-	377,258
Debentures	5,212,341	1,215,584	1,704,504	2,902,632	-	5,822,720
Lease liabilities	60,421	26,926	18,324	18,517	1,143	64,911
	5,800,562	1,770,852	1,722,828	2,921,149	1,143	6,415,973

(c.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(c.3.1) Foreign currency risk

The Group and the Company was not exposed to foreign currency risk in respect of financial assets and liabilities denominated in foreign currencies.

(c.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debentures and loan interest rates are mainly fixed. So the Group has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of Group.

31 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, which the Group considers as return on operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

32 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Capital commitments</i>				
Software	6,703	1,026	6,703	1,026
Total	6,703	1,026	6,703	1,026
<i>Other commitments</i>				
Purchase orders for goods and services	1,421,205	668,951	1,403,971	668,625
Bank guarantees	5,870	4,670	4,010	4,010
Total	1,427,075	673,621	1,407,981	672,635

The Company has committed with the local banks for letters of guarantee issued in favor of a local company and a state enterprise for guarantee the payment of goods and postage service that are their requirement for every customer to deal with them.

Significant agreements***Trade name and trademark license agreement***

On 1 August 2015, the Company entered into trade name agreement with Singer Company Limited S.a.r.l and trademark license agreement with Singer Asia Limited. These new agreements are based on a Master License Agreement between Singer Asia Limited and The Singer Company Limited (Isle of Man). Trade name license fee is US Dollar 0.25 million per year paid to Singer Company Limited S.a.r.l. and the term of the agreement is effective from 1 August 2015 to 31 July 2020. Trademark license fee is 0.5% of consideration revenue paid to Singer Asia Limited. The term of the agreement is effective from 1 August 2015 to 31 July 2025 unless either party gives to the other parties a written notice of termination of the agreement at least 12 months in advance.

Notes to the financial statements

For the year ended 31 December 2021

On 1 January 2022, the Company has terminated the contract on 1 August 2015 and entered into Tradename and Trademark License Agreement with Singer Company Limited S.a.r.l, this agreement includes the payment for Trademark and Tradename fees at rate specified in the agreements. The term of this agreement is effectived from 1 January 2022 to 31 December 2032, unless either party gives to the other parties a written notice of termination of the agreement at least 90 days.

33 Contingent liabilities

As at 31 December 2021 and 2020, the Company has litigation cases as follow:

Patent infringement

On 4 May 2018, a company ("Plaintiff") filed a lawsuit against to the Company with three other defendants in a joint patent infringement case. According to the indictment, plaintiff claimed to be the owner of an invention patent concerning one device in the product that the Company hired first defendant to produce under the sale contract of automatic fuel vending machine as well as requested the damages in the amount of Baht 100 million.

Regarding the sale contract of automatic fuel vending machine, the Company is only the buyer of the first defendant and the plaintiff has confirmed that plaintiff is the owner of copyright, patent, and petty patent which licensed or legally represented by the real owner of a copyright, a patent, a petty patent in goods and equipment. Besides, the first defendant will be solely responsible for any damage to the company or its customers or outsiders in the case of products be alleged as piracy, patent infringement, or petty patent.

The Company assigned the attorney-at-law to apply statement of defence on 5 July 2018. Then, on 3 September 2018, the court fixed the day for settlement of issues and scheduled to take evidence from the plaintiff and the defendant.

On 23 December 2019, the Central Intellectual Property and International Trade Court rendered the judgement to dismiss a criminal case between the plaintiff and the Company with three other defendants.

However, on 25 December 2020, the Court of Appeal for Specialized The first defendant (S. Safe Oil Company Limited) is guilty of the Patent Act 2522, Section 85, Section 36, paragraph (1), a fine of 2,000 Baht for confiscation of the goods. In addition to the amendment to be in accordance with the Central Intellectual Property and International Trade Court.

Up to date status, the Civil Case as of 2021 is during the temporary disposal stage in order to hear the final judgement in the Criminal Case. If the final judgment in the Criminal case appears to uphold the case, to dismiss the plaintiff's complaint, this will lead to the result that the Court in the Civil Case shall dismiss the plaintiff's complaint in civil part as well. Therefore, the Company cannot assess the impact at this time. The Company has not recorded any potential loss from such matter in the financial statements.

34 Events after the reporting period*Capital increase*

On 28 January 2022, the Company's Board of Director's meeting no. 248 passed on the resolutions to approve to propose the Extraordinary General Meeting of Shareholders no. 01/2022 to consider and approve the increase the Company's registered capital in the amount of Baht 2.66 million from the existing registered capital of Baht 838.02 million. The new registered capital shall be Baht 840.67 million by issuing 2.66 million newly issued ordinary shares with the par value of 1 Baht per share reserved for the exercise of warrants under the SINGER-W2 project of which rights had been adjusted by adjusting the price and the exercise ratio and approved the amendment of the Company's Memorandum of Association to reflect the Company's registered capital increase.

Dividend payment

On 23 February 2022, the Company's Board of Director's meeting approved the payment of dividend in respect of net profit for the year ended 31 December 2021, totalling Baht 450.70 million to the Company's shareholders. The payment of dividend will be made on 20 May 2022.

35 Thai Financial Reporting Standards (TFRS) not yet adopted*Accounting guidance: Guideline for entities that provide support to COVID-19 affected debtors*

This accounting guidance is optional for all entities that provide support to debtors under Bank of Thailand (BOT)'s minimum supporting measures, including credit card companies, car leasing companies, personal loan businesses both regulated and unregulated by BOT, e.g. leasing business, hire purchase business, motorcycle hire purchase business and factoring business, etc. This accounting guidance is applicable for support provided to debtors who affected from COVID-19 during the period from 1 January 2022 to 31 December 2023 or as further updated by BOT. For debt restructuring under specified criteria from 1 January 2021 to 31 December 2021, the entities can apply the relevant concept of staging and allowance under this accounting guidance to the debtors from 1 January 2022 to 31 December 2023.

Under this accounting guidance, which is in line with BOT circulars no. BOT.ForNorSor.2.Wor. 802/2564 dated 3 September 2021, entities can elect to apply the BOT optional treatment for the following:

- Debt restructuring which aims to reduce the repayment other than term extension;
- Debt restructuring by term extension only;
- No allowance provided for unused credit line; and
- Remain staging for individual debtors and SMEs debtors who are in the process of restructuring debts at 31 December 2021.

Entities electing this accounting guidance must disclose the background facts as well as the application of the related BOT requirements in the notes to the financial statements, comply with the disclosure requirements under related TFRS and guidance on risk management and impact on measurement of expected credit loss.

35 Reclassification

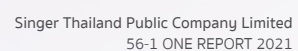
Certain accounts in the financial statements for the year ended 2020 have been reclassified to conform to the presentation in the financial statements for the year ended 31 December 2021 were as follows:

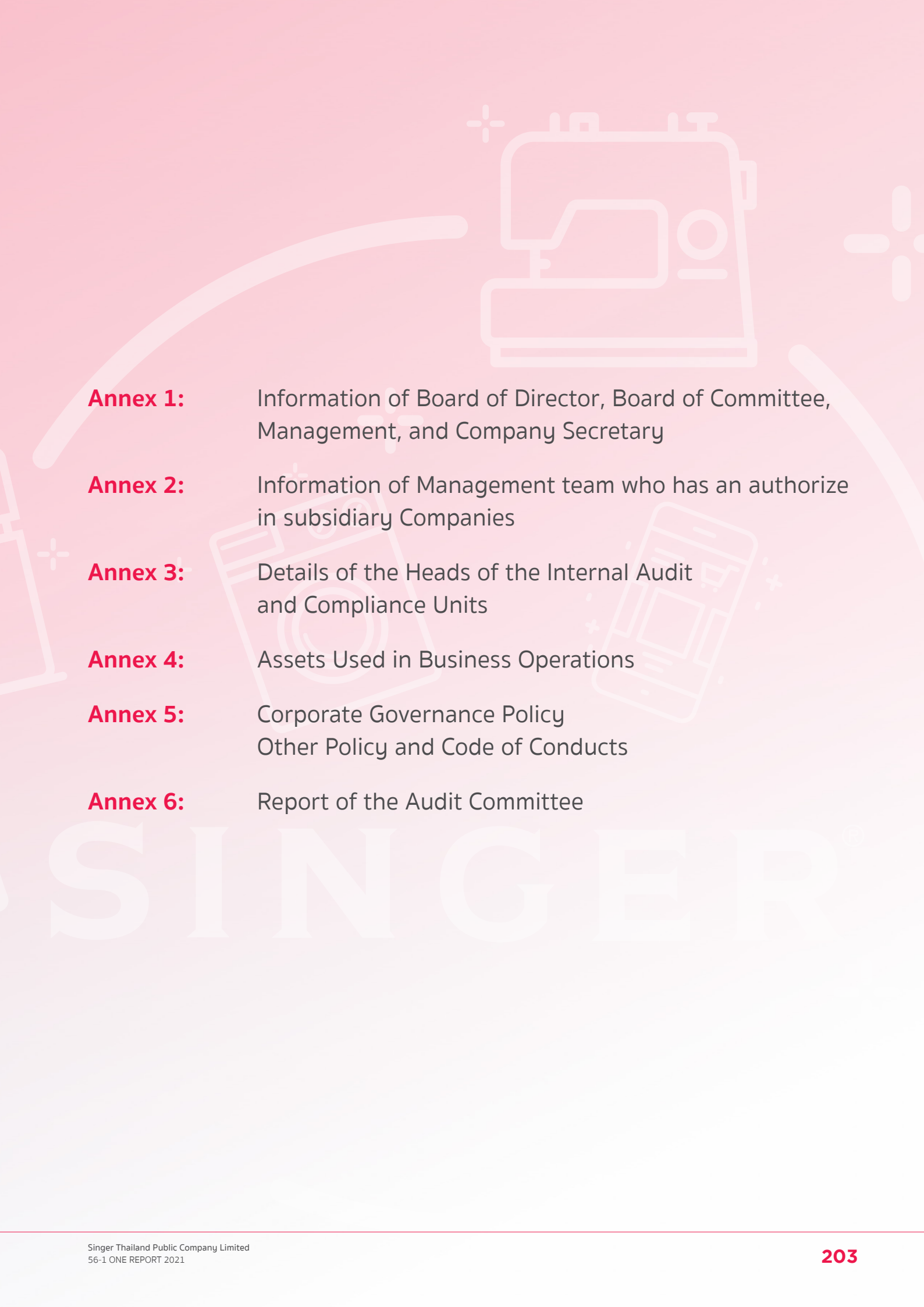
	2020					
	Consolidated financial statements			Separate financial statements		
	Before reclassification	Reclassification	After reclassification (in thousand Baht)	Before reclassification	Reclassification	After reclassification
Statement of financial position						
<i>As at 31 December 2020</i>						
Trade accounts receivables	2,641	10,935	13,576	863,733	10,935	874,668
Current portion of loan receivables	634,671	16,496	651,167	-	-	-
Other receivables	322,728	(92,068)	230,660	154,213	(8,419)	145,794
Accrued income	3,932	(264)	3,668	43,084	-	43,084
Loan receivables	2,336,894	72,609	2,409,503	-	-	-
Account payable	(306,898)	(44,053)	(350,951)	(377,258)	-	(377,258)
Other payables	(397,240)	36,345	(360,896)	(377,899)	(2,516)	(380,415)
		-			-	
Statement of comprehensive income						
<i>For the year ended 31 December 2020</i>						
Interest income from hire-purchase contract and loans	(972,360)	(32,816)	(1,005,176)	-	-	-
Other income	(160,160)	99,987	(60,173)	(211,175)	-	(211,175)
Cost of sale of goods	1,066,158	(136,864)	929,294	734,035	-	734,035
Cost of rendering services	406,072	16,373	422,445	241,975	8,178	250,153
Expected credit loss	140,799	53,320	194,119	11,046	(8,178)	2,868
		-			-	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.



Annex



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- Annex 1:** Information of Board of Director, Board of Committee, Management, and Company Secretary
- Annex 2:** Information of Management team who has an authorize in subsidiary Companies
- Annex 3:** Details of the Heads of the Internal Audit and Compliance Units
- Annex 4:** Assets Used in Business Operations
- Annex 5:** Corporate Governance Policy
Other Policy and Code of Conducts
- Annex 6:** Report of the Audit Committee



Board of Directors

Annex 1



1. Mr. Adisak Sukumvitaya

Chairman of the Board
Member of Nomination, Remuneration and Corporate
Governance Committee

2. Mr. Kittipong Kanokvilairat

Chief Executive Officer
Member of Risk management and Investment Committee

3. Mr. Chan Itthithavorn

Chairman of Audit Committee
Independent Director
Member of Nomination, Remuneration and Corporate
Governance Committee

4. Mr. Preecha Prakobkit

Chairman of Nomination, Remuneration and Corporate
Governance Committee,
Independent Director,
Member of Audit Committee

Board of Directors



5. Miss Somsri Shalapukdee

Chairman of Risk management and Investment Committee
Independent Director
Member of Audit Committee

6. Mr. Vorayos Thongtan

Independent Director

7. Admiral Navapol Damrongpong

Director
Member of Risk management and Investment Committee

8. Mr. Piya Pong-acha

Director
Member of Risk management and Investment Committee

9. Mrs. Nonglak Laksanapokin, Phd.

Director



Board of Directors



Mr. Adisak Sukumvitaya

Chairman of the Board

Member of Nomination, Remuneration and Corporate Governance Committee

Age : 66 Years

Nationality : Thai

Address : 79/125 Panya-Indra Road, Bangchan, Klong Samwa, Bangkok 10510

Company Shareholdings : 1,646,894 shares equal to 0.203%

Date of Appointment : August 13, 2015

Years of Directorship : 6 Year 8 months

Meeting Attendance Year 2021 : 8/8

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
3	1. Director, Chief Executive Officer Jaymart PCL. 2. Chairman of the Board JMT Network Services PCL. 3. Director JAS Asset PCL.	6	-

Educations :

1981	MBA (ECONOMICS), KASETSART UNIVERSITY
1979	B.E. (ECONOMICS), KASETSART UNIVERSITY

Certifications :

2013	Management Program (CMA.15), Capital Market Academy
2008	Director Accreditation Program (69/2008) Thai Institute Directors Association

Work Experiences in other Listed Companies :

Years	Listed Company	Position
1990 - Present	Jaymart PCL.	Director/ Chief Executive Officer
2004 - Present	Jaymart PCL.	Chairman of the Executive Committee
2012 - Present	JMT Network Services PCL.	Chairman of the Board
2012 - Present	JAS Asset PCL.	Chairman of the Board
1994 - 2012	JMT Network Services PCL.	Director
2002 - 2015	JAS Asset PCL.	Chairman of the Board
1981 - 1984	TISCO Securities PCL.	Research Officer

Other Working Experiences :

Years	Company	Position
2017 - Present	J Ventures Company Limited	Director
2016 - Present	Jaymart Mobile Company Limited	Chairman of the Board
2013 - Present	Chairman of the Board	J Asset Management Ltd.
2013 - Present	Chairman of the Board	J Insurance Broker Ltd.
1995 - Present	Director	Singh Buri Cable T.V Co., Ltd.
1995 - Present	Director	JMART TAKSIN Co., Ltd.
2002 - 2005	Director	TAS Asset Ltd.
1985 - 1989	Product Manager	Philips Electronics (Thailand) Ltd.

Relevant Important Positions :

Years	Company	Position
2016 - 2021	SG Capital Public Company Limited	Director

Not having any lawsuit case in the past 10 years.

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries.

Board of Directors



Mr. Kittipong Kanokvilairat

Chief Executive Officer

Member of Risk management and Investment Committee

Age : 48 Years

Nationality : Thai

Address : 1/121 Private Lake Garden Village, Phra-ya Suren Road, Khlong Sam Wa, Bangkok 10510

Company Shareholdings : None

Date of Appointment : 1 May 2016

Years of Directorship : 5 Year 11 Months

Meeting Attendance Year 2021 : 8/8

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
-	-	-	-

Educations :

1991 - 1994	Bachelor Degree, Assumption University
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Certifications :

2020	Advance Master of Management 5/2020, Institute of Public Administration, National Institute of Development Administration
2019	Chief Transformation Officer Course (CTO), mai Listed Company Association (maiA)
2017	Director Certificate Program (DCP) 246/2017, Thai Institute Of Directors (IOD)

Other Working Experiences :

Years	Company	Position
2012 - 2014	Brightstar (Thailand) Ltd.	General Manager
1996 - 2002	Motorola (Thailand) Ltd.	Account Manager
1995 - 1996	NEC (Thailand) Co., Ltd.	Marketing Executive

Relevant Important Positions :

Years	Company	Position
2016	SG Capital Public Company Limited	Director
2016	SG Service Plus.Co.,th	Director
2017	SG Broker Co.,th	Director

Work Experiences in other Listed Companies :

Years	Listed Company	Position
2018 - Present	Singer Thailand Public Co., Ltd.	Chief Executive Officer
2016 - Present	Singer Thailand Public Co., Ltd.	Director
2017 - 2017	Singer Thailand Public Co., Ltd.	Co-Chief Executive Officer
2016 - 2017	Singer Thailand Public Co., Ltd.	Chief Marketing Officer
2015	Crown Tech Advance Public Co., Ltd.	Chief Commercial Officer
2002 - 2011	Jaymart Public Co., Ltd.	Chief Marketing Officer

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.



Board of Directors



Mr. Chan Ithithavorn

Chairman of Audit Committee

Independent Director

Member of Nomination, Remuneration and Corporate Governance Committee

Age: 54 Years

Nationality: Thai

Address: 230 Ladprao Soi 12, Chatuchak, Bangkok 109000

Company Shareholdings: None

Date of Appointment: 15 May 2020

Years of Directorship: 1 Year 10 Months

Meeting Attendance Year 2021: 8/8

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
-	-	2	๒

Educations :

1995 - 1996	Chartered Financial Analyst (CFA), Level 1 and 2, Association for Investment Management and Research (AIMR) Virginia, USA
1992 - 1994	MBA Degree, Major in Finance and Management of Information System, University of Minnesota, Minneapolis, Minnesota, U.S.A.
1986 - 1990	BA Degree (First Class Honor), Major in Finance and Banking, Chulalongkorn University Bangkok, Thailand

Certifications :

2019	Director Accreditation Program (DAP) The Thai Institute of Directors (IOD)
2020	Advanced Audit Committee Program (AACP) 38/2020 The Thai Institute of Directors (IOD)

Work Experiences in other Listed Companies :

Years	Listed Company	Position
2010 - 2013	Esso (Thailand) Public Company Limited	Investor Relations Manager

Other Working Experiences :

Years	Company	Position
2019 - present	PRTR Group Co., Ltd.	Independent Director&Chairman of the Audit
2015 - present	Fahbandansurp Co., Ltd.	Managing Director
2013 - 2015	ExxonMobil Limited	AP Financial Accounting Process Division Man-ager
2008 - 2010	ExxonMobil Limited	AP Chemical Financial Accounting Manager

Relevant Important Positions :

Years	Company	Position
2020 - 2021	SG Capital Public Company Limited	Director

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.

Board of Directors



Mr. Preecha Prakobkit

Chairman of Nomination, Remuneration and Corporate Governance Committee,

Independent Director,

Member of Audit Committee

Age: 73 Years

Nationality: Thai

Address: 335 Soi Ladprao 101, Wang Thonglang Sub-district, Wang Thonglang District, Bangkok 10310

Company Shareholdings: None

Date of Appointment: 8 August 2016

Years of Directorship: 5 Years 7 Months

Meeting Attendance Year 2021: 8/8

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
-	-	-	-

Educations :

1981	Bachelor Degree in Business Administration Roosevelt University, USA
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Certifications :

2006	Director Accreditation Program (DAP) The Thai Institute of Directors Association
2006	Audit Committee Program (ACP) The Thai Institute of Directors Association

Work Experiences in other Listed Companies :

Years	Listed Companies	Positions
2012-2012	JMT Network Services PCL.	Director, Member of Audit Committee
2005-2011	G STEEL PUBLIC COMPANY LIMITED	Member of Audit Committee

Other Working Experiences :

Years	Companies	Positions
2011-2014	Amway (Thailand) Ltd.	Advisor
1989-2011	Amway (Thailand) Ltd.	Managing Director

Relevant Important Director Positions :

Years	Companies	Positions
2016 - 2020	SG Capital Public Company Limited	Director

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.



Board of Directors



Miss Somsri Shalapukdee

Chairman of Risk management and Investment Committee

Independent Director

Member of Audit Committee

Age: 63 Years

Nationality: Thai

Address: 66/48 Soi Bangwaek 79 Moobaan NisaChon, Bangwaek Rd., Khlong Khwang, Phasi Charoen, Bangkok 10160

Company Shareholdings: None

Date of Appointment: 1 May 2021

Years of Directorship: 11 Months

Meeting Attendance Year 2021: 6/6

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
-	-	1	๖๖๖

Educations :

Bachelor of Accountancy (second honor) Chulalongkorn University
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Certifications :

2021	Director Certification Program (DCP), DCP 307/2021 The Thai Institute of Directors (IOD)
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Other Working Experiences :

Years	Company	Position
2000	Mongkhon Chaipattana Company Limited	Vice Managing Director, Director

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.



Mr. Vorayos Thongtan

Independent Director

Age: 41 Years

Nationality: Thai

Address: 795 Mittaphab 1 Village, Onnuj 46, Suanluang, Bangkok 10250

Company Shareholdings: None

Date of Appointment: 15 May 2020

Years of Directorship: 1 Year 11 Months

Meeting Attendance Year 2021: 7/8

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
1	Managing Director Sahacogen (Chonaburi) Public Company Limited	5	-

Educations :

2010 - 2012	Master of Business Administration, GPA 3.71, The University of Texas at Dallas, Texas, USA
2010 - 2012	Master of Science in Finance, Distinction Honor The University of Texas at Dallas, Texas, USA
2005 - 2007	Master of Engineering, Information Processing, Nara Institute of Science and Technology, Nara, Japan
2004 - 2005	Research Student, Tokyo Institute of Technology, Tokyo, Japan
1999 - 2003	Bachelor of Engineering, Electrical, Second Class Honor Thammasat University, SIIT, Pathumtani

Certifications :

2019	Director Certification Program (DCP 272/2019) The Thai Institute of Directors Association (IOD)
2018	How to Develop a Risk Management Plan (HRP 20/2018), The Thai Institute of Directors Association (IOD)

Work Experiences in other Listed Companies :

Years	Listed Company	Position
2021 - Present	Sahacogen (Chonaburi) Public Company Limited	Managing Director
2018 - Present	Saha Pathana Inter-Holding Public Com-pany Limited	Vice President, Investment and Corporate Strategy

2017 - 2018	Saha Pathana Inter-Holding Public Com-pany Limited	Manager, Investment Division, Fi-nance and Investment Department
2015 - 2016	Saha Pathana Inter-Holding Public Com-pany Limited	Assistant Manager, Investment De-partment
2013 - 2014	Saha Pathana Inter-Holding Public Com-pany Limited	Investment Analyst, Investment De-partment
2012 - 2013	Bangkok Bank Public Company Limited	Associate, Financial Advisory, In-vestment Banking Group

Other Working Experiences :

Years	Company	Position
2019-Present	Impact Solar Company Limited	Director
2018-Present	Saha Komehyo Company Limited	Director
2018-Present	Mobile Logistics Company Limited	Director
2017-Present	C.I.T. Property Consultants Company Limited	Director
2017-Present	C.I.T. Appraisal Company Limited	Director
2014-2015	C.I.T. Property Consultants Company Limited	Director
2014-2015	C.I.T. Appraisal Company Limited	Director
2014-2015	Union Frost Company Limited	Director
2007-2009	Toyota Tsusho Electronics (Thailand) Co., Ltd.	Sales and Marketing Officer
2003	National Electronics and Computer Tech-nology Center	Research Assistant

Relevant Important Positions :

Years	Company	Position
2020 - 2021	SG Capital Public Company Limited	Director

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.



Board of Directors

Annex 1



Admiral Navapol Damrongpong

Director

Member of Risk management and Investment Committee

Age: 64 Years

Nationality: Thai

Address: 10/2, Sukhumvit 55, Phra Konong Tai, Phra Kanong, Bangkok

Company Shareholdings: None

Date of Appointment: 17 December 2021

Years of Directorship: 4 Months

Meeting Attendance Year 2021: -

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
2	1. Independent Director Aira Factoring Public Company Limited 2. Independent Director, Audit Committee, Nomination and Remuneration Committee Raja Ferry Port Public Company Limited	-	-

Educations :

	Master of Public and Private Management Program, National Institute of Development Administration (NIDA)
	Naval Cadet Program Class #75, Royal Thai Naval Academy
	Cadet Program Class #18, Armed Forces Academies Preparatory School

Certifications :

	Director Accreditation Program (DAP) Class 177/2020 The Thai Institute of Directors (IOD)
	FO MWV CO/XO Designate Course, Australia
	Executive Relationship Development Course (ERDC) Class 7

	Naval Staff Program Class #53, Naval Command and Staff College
	Naval War Program Class #36, Naval War College, Royal Thai Navy
	The National Defence Course Class #55, National Defence College
	Capital Market Leader Program Class #25, Capital Market Academy
	Advance Master Management Program (AMM) Class #1, National Institute of Development Administration (NIDA)

Work Experiences in other Listed Companies :

Years	Listed Company	Position
2020 - Present	Aira Factoring Public Company Limited	Independent Director
2020 - Present	Raja Ferry Port Public Company Limited	Independent Director, Audit Committee, Nomination and Remuneration Committee

Other Working Experiences :

ปีที่ผ่านมา	ตำแหน่ง
2018 - 2019	Deputy Chief of Defence Forces
2017 - 2018	Assistant Commander-In-Chief Royal Thai Navy
2016 - 2017	RTN Advisory Group Royal Thai Navy
2015 - 2016	Board of Malaysia -Thailand Joint Authority (MTJA)
2015 - 2016	Assistant secretary, Special Economic Zone policy committee
2015 - 2016	Advisor to Chairman, Industrial Estate Authority of Thailand
2014 - 2016	Director General Naval Logistic Department

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.

Board of Directors



Mr. Piya Pong-acha

Director

Member of Risk management and Investment Committee

Age: 51 Years

Nationality: Thai

Address: 187, 189 Jaymart Building, Ramkhamhaeng Road, Ratpattana, Saphansung, Bangkok 10240, Thailand

Company Shareholdings: None

Date of Appointment: 12 May 2016

Years of Directorship: 5 Year 11 Months

Meeting Attendance Year 2021: 8/8

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
2	1. Director, Executive Director Chief Executive Officer JMT Network Services PCL. 2. Executive Committee, Deputy Chief Executive Officer Jaymart PCL.	4	-

Educations :

1994	Bachelor Degree in Business Administration Kasem Bundit University
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Certifications :

2011	Director Accreditation Program (DAP) The Thai Institute of Directors Association
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Working Experiences in other listed Company :

Years	Company	Position
Jan 2018 - Present	Jaymart PCL.	Executive Committee, Deputy Chief Executive Officer
2018 - Present	บมจ. เจพีประกันภัย	กรรมการ ประธานกรรมการบริหาร
2012 - Present	JMT Network Services PCL.	Director, Executive Director Chief Executive Officer
2012 - 2017	JMT Network Services PCL.	CEO
1998 - 2012	JMT Network Services PCL.	Marketing Director

Other Working Experiences :

Years	Company	Position
2021 - Present	KB J Capital Co., Ltd.	Director
2013 - Present	J Asset Company Limited	Director
2013 - Present	J Insurance Broker Co., Ltd.	Director
2011 - Present	JMT Plus Company Limited.	Director

Relevant Important Positions :

Years	Company	Position
2016 - 2021	SG Capital Public Company Limited	Director

Not having any lawsuit case in the past 10 years.

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries.



Board of Directors

Annex 1



Mrs. Nonglak Laksanapokin, Phd.

Director

Age: 61 Years

Nationality: Thai

Address: 8/555 Laddaville 5, Bang Kruai-Sai Noi Rd, Bang Bua Thong, Nonthaburi 11110

Company Shareholdings: None

Date of Appointment: 28 April 2016

Years of Directorship: 6 Year

Meeting Attendance Year 2021: 8/8

Other present position in other Company :

Listed Company		None listed Company	Other company (competitive or similar company)
Total	Type of director	Total	Total
2	1. Chief Internal Audit Officer Jaymart PCL. 2. Advisor JAS Asset PCL.	-	-

Educations :

2016 - 2019	Doctor of Philosophy Program in Peace Studies, Mahachulalongkornrajavidyalaya University
1984 - 1987	Master of Science Prince of Songkla University
1980 - 1984	Bachelor of Science Prince of Songkla University

Training Certifications :

2004	Director Accreditation Program Thai Institute of Directors
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Work Experiences in other Listed Companies :

Years	Listed Company	Position
2016 - Present	Singer Thailand Public Company Limited	Director
2016 - 2017	Singer Thailand Public Company Limited	Chief Executive Officer
2018 - Present	Jay Mart Public Company Limited	Chief Internal Audit Officer
2016 - Present	JAS Asset Public Company Limited	Advisor
2012 - 2016	JAS Asset Public Company Limited	Director, Nomination and Remuneration Committee, Chief Executive Officer, and Executive Committee
2000 - 2012	Jay Mart Public Company Limited	Executive Committee
1997 - 2000	M Link Asia Corporation PCL.	Vice President of Operating Department

Other Working Experiences :

Years	Company	Position
1992-1997	Technic Telecom Co. Ltd.	Vice President of Operating Department

Relevant Important Positions :

Years	Company	Position
2016 - 2021	SG Capital Public Company Limited	Director
2016 - Present	SG Service Plus Co., Ltd.	Director
2016 - Present	SG Broker Co., Ltd.	Director

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.

Singer Thailand Public Company Limited



1. Mr. Kittipong Kanokvilairat

Chief Executive Officer

2. Miss Rapeepan Kantayaporn

Chief Information Officer

3. Miss Chanthornjira Kongtongsmut

Chief Operating Officer and Company Secretary

4. Miss Pittaya Jearkittimasak

Chief Marketing Officer

SG Capital Public Company Limited



1. Miss Busaba Kunsiritham

Chief Executive Officer

2. Miss Auntikorn Phichetkorn

Deputy Chief Executive Officer

Singer Thailand Public Company Limited

Miss Chanthornjira Kongtongsmut

Director Type : Chief Operating Officer and Company Secretary

Age: 55 Years

Nationality: Thai

Address: 577/82 Soi Pongpetchniwet, Chatuchak, Bangkok

Company Shareholdings: 6,702 shares 0.000826%

Date of Appointment : 15 May 2016

Educations :

2019	Master of Business Administration, Industrial Business and Human Resource Development King Mongkut's University of Technology North Bangkok
	Bachelor of Business Economics, The Thai Chamber of Commerce University
	Special Courses Faculty of law "Law and Regulations for the Secretary of Company" Chulalongkorn University

Training :

1. Corporate Secretary Development Program(class2)
2. Fundamental Practice for Corporate Secretary (class22)
3. Fundamental of Law for Corporate Secretaries
Held by the Thai Listed Companies Association

Other Working Experiences :

Years	Company	Position
2016 - Present	Singer Thailand PCL	Chief Operating Officer
2008 - Present	Singer Thailand PCL.	Company Secretary & IR & Public - Com-munication Manager
2007 - 2008	Singer Thailand PCL.	IR & Public Communication Manager
2004 - 2007	DE Capital Public Company Limited	Investor Relation Director and HR & Admin Manager
1993 - 2004	Singer Thailand PCL.	Investor Relation Manager & Secretary of Audit Committee
1992 - 1993	Singer Thailand PCL.	Invertor Relation officer

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the director who involved to manage all staff, employee or consultants who receive regular salary.

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.

Miss Rapeepan Kantayaporn

Director Type : Chief Information Officer

Age: 61 Years

Nationality: Thai

Address: 72/421, Soi Bung Khwang, Khwaeng Saen Saep,
Khet Min Buri, Bangkok

Company Shareholdings: None

Date of Appointment : June 17, 2016

Educations :

- Master Degree in Business Management, Rangsit University
- Mini Software Engineering, Kasetsart University
- Bachelor Degree in Science, Price of Songkla University

Work Experiences in other Companies :

Years	Listed Company	Position
2016 - Present	Singer Thailand Public Company Limited	Chief Information Officer
2013 - 2016	CPS Consulting Co., Ltd.	Project Director
2011 - 2013	V-Smart Co., LTD.	Project Director
2005 - 2010	Innova Software Co., Ltd.	Project Manager
2003 - 2004	e-Discover Co., Ltd.	Project Manager
1995 - 2003	Semiconductor Venture International (Public) Co., Ltd.	Senior Manager of IT division
1987 - 1994	B Grimm Engineering (Public) Co., Ltd.	Senior System Analyze
1986 - 1987	Loxley Ltd.	Senior Programmer
1983 - 1986	Niyompanich Co., Ltd., Chiangmai	Head of EDP

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the director who involved to manage all staff, employee or consultants who receive regular salary.

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.

Singer Thailand Public Company Limited

Miss Pittaya Jearkittimasak

Director Type : Chief Marketing Officer

Age: 53 Years

Nationality: Thai

Address: 800/529 Ashton Chula Silom, Rama IV rd., Si-Praya, Bangrak, Bangkok, 10500

Company Shareholdings: None

Date of Appointment : 5 May 2021

Educations :

1993-1995	Assumption University, Bangkok Thailand. Master of Business Administration (MBA-Marketing Program)
1989-1992	Thammasat University, Bangkok, Thailand. Bachelor of Computer Science

Other Working Experiences :

Years	Company	Position
2018 - 2019	Central Marketing Group	Head of Beauty
2016 - 2018	Luxasia (Siam) Ltd.	Country Manager
2013 - 2016	Boots Retail (Thailand) Ltd.	Commercial Director
2013 - 2013	Symphony EYC (Thailand) Ltd.	CRM Director
1992 - 2012	Procter & Gamble Trading (Thailand) Ltd.	Global Program Innovation Delivery Leader
2535 - 2555	บริษัท พรอคเตอร์ แอนด์ แกมเบิล เทรดดิ้ง (ประเทศไทย) จำกัด	Global Program Innovation Delivery Leader Responsibility

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the director who involved to manage all staff, employee or consultants who receive regular salary.

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.

SG Capital Public Company Limited

Miss Busaba Kunsiritham

Director Type : Chief Executive Officer

Age: 46 Years

Nationality: Thai

Address: 276/1 Eakachai Rd., Bangklongpharm, Bangbon, Bangkok 10150

Company Shareholdings: None

Date of Appointment : January 1, 2021

Educations :

2008 - 2010	Master Degree in Applied Finance (Financial Risk Management Stream) Macquarie University, Australia
2003 - 2005	Master Degree in Business Administrative (MBA) Chulalongkorn University, Thailand
1994 - 1998	Bachelor Degree in Accounting (2 nd class honor) Thammasat University, Thailand

ประสบการณ์การทำงาน :

Years	Company	Position
Jan 2021 - Present	SG Capital Co., Ltd.	Chief Executive Officer
2019 - 2020	Singer Thailand Public Company Limited	Chief Financial Officer
2017 - 2019	Pricewaterhousecoopers ABAS Limited	Associate Partner
2015 - 2017	Pricewaterhousecoopers ABAS Limited	Director
1998 - 1999	KPMG Audit (Thailand)	Audit Assistant

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the director who involved to manage all staff, employee or consultants who receive regular salary.

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.

Miss Auntikorn Phichetkorn

Director Type : Deputy Chief Executive Officer

Age: 55 Years

Nationality: Thai

Address: 978/45 Baromrachchonance Rd., Bangbunru, Bangpat, Bangkok

Company Shareholdings: None

Date of Appointment : January 1, 2021

Educations :

1989	Bachelor Degree of Arts in Home Economics Rajabhat Institute Suan Dusit Bangkok Thailand
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Working Experiences :

Years	Company	Position
Jan 2021 - Present	SG Capital Public Company Limited	Deputy Chief Executive Officer
2018 - 2020	SG Capital Public Company Limited	Chief Credit and Asset Officer
2014 - June 2018	Chayo Asset Management Company Lim-ited	Managing Director
Jan 2014 - Jun 2014	Bank of Ayudhaya PCL., Krungsri Auto Collection CR Team Management UPC	Assistant Vice President, Collection CR team
2012 - 2013	Bank of Ayudhaya PCL., Total Services Solution PCL.	Assistant Vice President, Collection R&L CoE team
2004 - 2012	The Hongkong and Shanghai Banking Corporation Limited	Assistant Vice President, Recovery Consumer Credit Risk
2003 - 2004	DBS Thai Danu Bank PCL.	Associates II Consumer Credit Quality Dept.
2002 - 2003	Citibank, N.A.	Collection & Support Manager
1996 - 2002	Citibank, N.A.	OA Supervisor
1989 - 1995	Dawa International Machinery Co., Ltd.	Assistant Credit Manager

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the director who involved to manage all staff, employee or consultants who receive regular salary.

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years.

Board of Directors and Management



Singer Thailand Public Company Limited

Board of Directors

Mr. Adisak Sukumvitaya	Chairman of the board
Mr. Kittipong Kanokvilairat	Chief Executive Officer
Mr. Chan Itthithavorn	Independent Director
Mr. Preecha Prakobkit	Independent Director
Miss. Somsri Shalapukdee	Independent Director
Mr. Vorayos Thongtan	Independent Director
Admiral Navapol Damrongpong	Director
Mr. Piya Pongacha	Director
Mrs. Nonglak Laksanapokin Phd.	Director

Audit Committee

Mr. Chan Itthithavorn	Chairman of Audit Committee
Mr. Preecha Prakobkit	Member of Audit Committee
Miss. Somsri Shalapukdee	Member of Audit Committee

Nomination Remuneration and Corporate Governance Committee

Mr. Preecha Prakobkit	Chairman of Nomination Remuneration and Corporate Governance Committee
Mr. Chan Itthithavorn	Member of NRG
Mr. Adisak Sukumvitaya	Member of NRG

Executive Committee

Mr. Piya Pongacha	Chairman of Executive Committee
Mrs. Nonglak Laksanapokin Phd.	Vice Chairman of Executive Committee
Mr. Kittipong Kanokvilairat	Chief Executive Officer and Member
Miss Rapeepan Kantayaporn	Member
Miss Auntikorn Phichetkorn	Member
Miss Busaba Kunsiritham	Member
Miss Pittaya Jearkittimasak	Member
Miss Chanthornjira Kongtongsmut	Secretary

Risk management and Investment Committee

Miss Somsri Shalapukdee	Chairman of Risk management and Investment Committee
Mr. Kittipong Kanokvilairat	Member of Risk management and Investment Committee
Mr. Piya Pongacha	Member of Risk management and Investment Committee
Admiral Navapol Damrongpon	Member of Risk management and Investment Committee

Management

Mr. Kittipong Kanokvilairat	Chief Executive Officer
Miss Rapeepan Kantayaporn	Chief Information Officer
Miss Chanthornjira Kongtongsmut	Chief Operating Officer
Miss Pittaya Jearkittimasak	Chief Marketing Officer

SG Capital Public Company Limited

Management

Miss Busaba Kunsiritham	Chief Executive Officer
Miss Auntikorn Phichetkorn	Deputy Chief Executive Officer

Annex 2: Information of Management team who has an authorize in subsidiary Companies

Name of Management	Singer Thailand Public Company Limited	Subsidiary Company		
		SG Capital Public Company Limited	SG Service Plus Co., Ltd.	SG Broker Co., Ltd.
Mrs. Nonglak Laksanapokin, Ph.D	/	/	/	/
Mr. Kittipong Kanokvilairat	/, //	/, //	/, //	/, //
Ms. Chanthornjira Kongtongsmut	//	-	/	/, //
Ms. Rapeepan Kantayaporn	//	-	-	-
Pittaya Jearkittimasak	//	-	-	-
Ms. Busaba Kunsiritham	-	/, //	-	-
Ms. Auntikorn Phichetkorn	-	//	-	-

Remark:- / = Director, Authorized Directors in subsidiary Companies

x = Chairman of the Board

// = Management Team

Annex 3: Details of the Heads of the Internal Audit and Compliance Units

Supannikar Channarong

Position : Internal Audit Division Manager

Education :

2001 - 2004	Bachelor of Accounting, Mahidol University
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Working Experience :

Years	Company	Position
2021 - Present	Singer Thailand Public Company Limited	Internal Audit Division Manager
2017 - 2021	Central Retail Public Company Limited	Internal Audit Division Manager
2005 - 2017	Deloitte Touche Tohmatsu Jaiyos Audit Company Limited	Audit Assistant Manager

Certificate :

Certified Public Accountant (CPA) no. 13664

Contact :

Singer Thailand Public Company Limited

72 CAT Telecom Tower, 17 Fl., Charoen Krung Rd., Bangrak, Bangkok 10500

Tel : 02-3524777 Email: SupannikarC@Singerthai.co.th

Company Shareholdings : N/A

Not having any relation among family with other Directors and Executives

Not having any, direct or indirect, stake holder's benefit as a contract partner in any business concerning the Company and its subsidiaries.

Not having any relation among family with other Directors and Executives

Not being a director or executive in any business which may cause conflicts of interest or having a business competition with the company and its subsidiaries

Not being the director who involved to manage all staff, employee or consultants who receive regular salary.

Not being the specialist service provider such as the independent auditor or Independent Legal Consultant

Not having any significant business relationship which may result in an inability to make independent decisions

Not having any lawsuit case in the past 10 years

Annex 4: Assets Used in Business Operations



Assets Used in Business Operations

Land, Buildings and Machineries

The total number of stores is 192 branches. The Company owns the land and buildings for 56 locations in total; the rest are branches that the Company leases, including the building used as the head office. Now, the head office is located at 72 CAT Telecom Building, 17th Floor, Charoenkrung Road, Bangrak Subdistrict, Bangrak District, Bangkok 10500, which has been leased from National Telecommunications Public Company Limited (Formerly: CAT Telecom Plc.) with the expiration of lease on January, 14th, 2021. The renewal lease agreement is for three years, from January 15th, 2021, to January 14th, 2024, with an area size of 2,408 square meters at the original rental rate of 602,000 Baht per month and service fee of 385,950 Baht per month.

In addition, there will be a lease of a warehouse building in Phra Nakhon Si Ayutthaya with Jolly Land Co., Ltd. with a lease period of 3 years at the rental rate of 448,000 Baht per month with the expiration of lease on December 10th, 2023, and a lease contract of the front area of the building at a rental rate of 70,000 Baht per month with a period of 3 years, the expiration of lease on April 30th, 2023.

The book value of land, buildings, and equipment - the net value of Singer Thailand Plc. and its subsidiaries as of December 31st, 2019, and December 31st, 2020, amounted equal to 425.77 million Baht and 433.08 million Baht, respectively.

Such land, buildings and machinery have no encumbrances.

The Company or its subsidiaries does not operate real estate development business.

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Rights or restrictions on business operations

- Patent None
- Trademark

Trade Name and Trademark Fee Contracts

On 1 August 2015, the Company entered into trade name agreement with Singer Company Limited S.a.r.l and trademark license agreement with Singer Asia Limited. These new agreements are based on a Master License Agreement between Singer Asia Limited and The Singer Company Limited (Isle of Man). Trade name license fee is US Dollar 0.25 million per year paid to Singer Company Limited S.a.r.l. and the term of the agreement is effective from 1 August 2015 to 31 July 2020. Trademark license fee is 0.5% of consideration revenue paid to Singer Asia Limited. The term of the agreement is effective from 1 August 2015 to 31 July 2025 unless either party gives to the other parties a written notice of termination of the agreement at least 12 months in advance.

On 1 January 2022, the Company has terminated the contract on 1 August 2015 and entered into Tradename and Trademark License Agreement with Singer Company Limited S.a.r.l, this agreement includes the payment for Trademark and Tradename fees at rate specified in the agreements. The term of this agreement is effectived from 1 January 2022 to 31 December 2032, unless either party gives to the other parties a written notice of termination of the agreement at least 90 days.

- Investment Promotion Certificates None

Investments in Subsidiaries and Associated Companies

The details of investments in subsidiaries affiliates, associated companies and related companies are as follows:

Company Names	Type of business and Business Nature	Paid-up capital (Baht)	% Shareholding	Investment Value (at cost) (Baht)
Subsidiary				
SG Broker Company Limited	- Engages in life insurance broker business and non-life insurance	14,000,000	99.99	13,999,800
SG Service Plus Company Limited	- Service	5,000,000	99.96	4,998,000
SG Capital Co., Ltd.	- Hire purchase business for household electrical appliances, sewing machines, commercial products and other products - Car registration pawn loan business "Money Making Car" - Machinery hire purchase business	2,450,000,000	99.99	2,449,998,000

Associated Company none

As of December 31st, 2020, the investment policy in the subsidiaries companies shall be retained at the same proportion ratio of previous shares. The Board of Directors and management of the subsidiaries is the management that the executives selected from the management team within the Company to be responsible for supervising the subsidiaries' operations to comply with the Company's core business operation policy. The Company has a total investment in subsidiaries equal to 2,468.99 million Baht, with a ratio of 10.20% of total assets.

Annex 5:**Corporate Governance Policy
Other Policy and Code of Conducts**

Corporate Governance Policy

<https://singerthai.cloud.21impact.com/en/corporate-governance/corporate-governance-policy>

Other Policy and Code of Conducts

<https://singerthai.cloud.21impact.com/en/corporate-governance/charters-and-documents>

Annex 6: Report of the Audit Committee

Audit Committee Report 2021



The Audit Committee of Singer Thailand Public Company Limited consists of 3 independent directors, who are qualified according to the requirements set by the Stock Exchange of Thailand, and 1 secretary of the Audit Committee. The Audit Committee are independent to perform duties under the Audit Committee Charter, which consists of:

- | | |
|------------------------------|----------------------------------|
| 1. Mr. Chan Inthiithavorn | Chairman of the Audit Committee |
| 2. Mr. Preecha Pakobkij | Audit Committee |
| 3. Ms. Somsri Chalapakdee | Audit Committee |
| And Ms. Supannika Channarong | Secretary to the Audit Committee |

In the year 2021, the Audit Committee had held 4 meetings, in which all the audit committee members had attended with details as follows:

Mr. Mr. Chan Inthiithavorn	Chairman of the Audit Committee	Meeting Attendance 4/4times
Mr. Preecha Pakobkij	Audit Committee	Meeting Attendance 4/4times
Ms. Somsri Chalapakdee	Audit Committee	Meeting Attendance 4/4times

Because the group of companies of Singer Thailand Public Company Limited in 2021 has expanded the existing business, including initiating in developing new business to continuously response to the requirements and the needs of customers and the market, the Audit Committee has performed its duties independently by acting, supervising the operating process, and assessing the sufficiency of the internal control system. By participating in the assessment and risk management in providing suggestions on developing the internal control system and using information technology to be more efficient and effective, the Audit Committee received opinions from the management and a certified public accountant to consider and suggest opinions by reporting the results of the performance to the Board of Directors on a quarterly basis with the following significance:

Financial Report

The Audit Committee reviewed the quarterly financial statements and annual financial statements for the year 2021 prior to presenting them to the Board of Directors to ensure that the financial reports and the Company's accounting transactions have been prepared correctly in line with the financial reporting standards, including the adequate disclosure of information in the notes of the financial statements. Along with, monitoring the management's actions according to the report issued to the management (Management Letter) of the external auditor regarding the results of the annual performance audits of the Company, and considers the impact of accounting, and presents the Finance Statement about the easing measures of the Federation of Accounting Professions under the Royal Patronage, including other impacts on the group of companies caused by COVID-19 as well. Furthermore, the Audit Committee reviews with auditors for the accuracy and completeness of Financial Statements, adjustments, and accounting entries that show the current position of financial status, performance, and cash flow correctly as it should be in its essence and credibility. Nonetheless, it has sufficient disclosure of information and is issued timely.

The Adequacy of the Internal Control System

The Audit Committee has jointly considered the annual internal audit plan through the reviewing of the auditorial report of the internal audit committee and assesses the adequacy of the internal control system with current business conditions by

following up on the performance of the internal audit department as well as providing recommendations for development and improvement of audit methods and more efficient reporting. For example, considering and providing suggestions to reduce overlapping operations between group companies. Considering and encouraging field team inventories monitoring with a friend method (Peer-to-Peer) to increase the efficiency of work, including considering the internal control system in the field of information technology by providing the assessment against the COBIT 5 international standard, which is the framework for governance and corporate IT management to support the achievement of organization in its governance objectives and management of corporate IT in the past year of 2021. the Audit Committee has the opinion that the internal control system is effective appropriate enough without any materiality defect to present business.

Risk Management

The Audit Committee has reviewed, assessed, and managed the risk management appropriate to the business conditions by considering the Company's risk management structure in 3 areas: Operation Risk, Credit Risk, and Compliance Risk. In addition, in 2021, the Audit Committee reviewed the Group's risks for new businesses arising within the year (the Instalment Gold - Click2Gold) and gave suggestions on how to reduce the said risk and has considered the investment policy and cash balance management process to ensure that the cash balance is managed rigorously in line with the company's goals including consider following up on the management of slow-moving products and second-hand goods including recommending a plan to deal with a group of such products to reduce the risk that may occur.

Connected Transactions

The audit committee has reviewed the related transactions and the conflict of interests transactions. Therefore, the Board of Directors has the opinion that the related transaction has occurred with reasonable in the best interests of the company with disclosure of complete and sufficient information according to the regulations of the Stock Exchange of Thailand.

Good Corporate Governance

The Audit Committee has monitored the implementation of management guidelines in accordance with the Three Lines of Defences principle that the department managers and employees must have their roles, powers, duties and responsibilities by linking the work of the entire organization, employees, operations and governance and the Audit Committee to increase the efficiency and effectiveness operating results and operations and governance of SG Capital Company Limited and SG Service Plus Co., Ltd. along with giving comments and suggestions including considering to follow up on the implementation of the new law that will have effective and relevant to the business operations of the Company, such as the Personal Data Protection Act (PDPA), which is the laws that affected to the company business operations to ensure that the company is supervised to operate properly.

For the fiscal year 2022, the Audit Committee has proposed that the Board of directors to appoint Mr. Chokchai Ngamwuthikul and/or another auditor of KPMG Phoomchai Company at the shareholders' meeting Limited be the auditor of the company.

The offering ceremony of the royal kathin robe of 2021 at the Rama IX Golden Jubilee Temple



His Majesty The King graciously bestowed the royal kathin robes of 2021 to Jay Mart Public Company Limited, Singer Thailand Public Company Limited, SG Capital Company Limited and its subsidiaries to the congregation of monks at Rama IX Golden Jubilee Temple in Bang Kapi District, Bangkok presided by Mr. Adisak Sukumvitaya, Chairman of the Board of Singer Thailand Public Company Limited, royal bestowed for the royal kathin robes together with executives, staff, and devotees. The offering ceremony had donated a fund of 4,256,028 Bath to the temple as the contribution to a charity fund started by His Majesty The King.

The 54th Annual General Meeting of Shareholders

Singer Thailand Public Company Limited or SINGER organized the annual general meeting of shareholders No.54th of year 2021 (E-AGM) in Meeting Room, 30th Floor, CAT Tower in Bangkok. The attendees in the meeting are the Company's committees, which attend the meeting in person and online due to the awareness of the COVID-19 situation. The meeting approved all the resolutions proposed by the committee and approved the payment of dividends to the shareholders from the retained earnings of the year 2020 at the share rate of 0.15 Bath.



The Extraordinary General Meeting of Shareholders 1/2021



Singer Thailand Public Company Limited or SINGER, together with the Company's Board of Directors, organized the Extraordinary General Meeting of Shareholders 1/2021 via online (E-EGM), in which the meeting agreed to approve all the resolutions proposed by the meeting, including the increase of capital, the increase of the limit for the offering of debentures and the plan to list SGC, the Company's subsidiary, on the Stock Exchange of Thailand.

SINGER®

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