

New Beginning



**SUN** VENDING  
TECHNOLOGY



# รายงานประจำปี 2564

Annual Report 2021 (Form 56-1 One Report)

บริษัท ชินเวนดิง เทคโนโลยี จำกัด (มหาชน)  
SUN VENDING TECHNOLOGY PUBLIC COMPANY LIMITED

EN



# **Annual Report 2021**

## **(Form 56-1 One Report)**



**บริษัท ซันเวนดิง เทคโนโลยี จำกัด (มหาชน)**  
**SUN VENDING TECHNOLOGY PUBLIC COMPANY LIMITED**

## Chairman of the Board

“ On behalf of the Board of Directors, executive representatives and all employees, I would like to thank all trade partners, allies, consumers, and shareholders who have given trust and support to the Company's business operations.”



## Message from the Chairman of the Board

Dear shareholders

During the year 2021, the overall economy of the country has been highly volatile due to the impact of the coronavirus epidemic (COVID-19) and the announcement of lockdown measures to control the epidemic's spread which has affected the business operations of all sectors resulting in economic slowdown and several industries going out of business. However, the cooperation of the Board of Directors, executives and all employees has allowed the Company to operate continuously and be successfully listed on the Stock Exchange of Thailand.

Owing to the fact that the Company operates in the business of vending machines, which may be regarded as an adaptation to "New Normal" lifestyle resulting in the reinforcement and driving of the business into the digital economy both in terms of consumer behavior of the current target group that prioritizes speed, convenience, safety in using various services; and in terms of good management. As a result, consumers are more interested in purchasing products on the application via vending machines, which are more in line with the lifestyle of today's generation.

In 2022, it is expected that the economic conditions in the country and the world continues to be slow and uncertain as before. But the Company continues to closely monitor various situations to plan strategies on marketing, producing, and importing vending machines from abroad to focus on product and service development to be able to manage comprehensively with due diligence to maintain its competitiveness in the competitive market. The Company also maintains a good relationship with current consumers while continually seeking new ones, as well as supporting research and development to be able to compete in the market.

On behalf of the Board of Directors, executive representatives and all employees, I would like to thank all trade partners, allies, consumers, and shareholders who have given trust and support to the Company's business operations. The Company intends to devotedly present all shareholders with the continually improved vending machines and products of international standards in the market.

The Company would like to sincerely thank you all for this opportunity.



(Dr. Suwit Thaniyawan)

Chairman of the Board



## Managing Director

“ the Company will be able to operate the business successfully by having all parties involved, including the Board of Directors, the management team, all employees, along with our consumers, financial institutions, trade partners, business allies and shareholders that has promoted the Company's business operations to overcome the past situations and move forward with stability. ”



## Message from the Managing Director

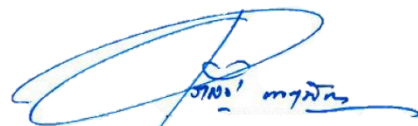
Dear shareholders

In 2021, SUN Vending Technology Public Company Limited ("the Company" or "SVT"), Thailand and the world has entered a new era of change in numerous areas including technology, trading, and transportation. This additionally includes the epidemic from coronavirus disease (COVID-19) which has impacted the economy, society, lifestyle, and well-being of not only Thai people but also of those around the world. The Company recognizes the importance of such influences in technological and business development to be impressive, modern, and appropriate for the present and the future. In 2021, the Company has changed and developed in a positive direction in contrast to the dire situations. It is a delightful year for the Company which has been transformed from a Limited Company to being listed on the Stock Exchange of Thailand ("SET") successfully through the cooperation of management, employees, and shareholders engaged in the Company's business as a pioneer in retailing through vending machines for over 20 years. There are currently 11 distribution locations across the country covering over 26 provinces in terms of service area.

Since the Company began the retailing through vending machines business, the Company saw the potential of business growth in Thailand and expansion into the Southeast Asian region as a way to support business growth, technological advancement, service improvement, as well as competitiveness. This is done by expanding service branches and distribution for vending machine businesses. Furthermore, the Company has established the first factory in Thailand to develop, assemble, and control the quality of imported machines with a research team tasked to advance technologies and innovations that are up-to-date at all times. This allows vending machines, regardless of the manufacturer, to connect to the working database, accept electronic payment with efficiency, and support cashless payments for industrial consumers by designing welfare cards (One Card) or memberships according to their individual needs.

Finally, although the Company's business operations have changed or has been influenced by the current situation, the Company will operate with caution and prudence as the Company will be able to operate the business successfully by having all parties involved, including the Board of Directors, the management team, all employees, along with our consumers, financial institutions, trade partners, business allies and shareholders that has promoted the Company's business operations to overcome the past situations and move forward with stability.

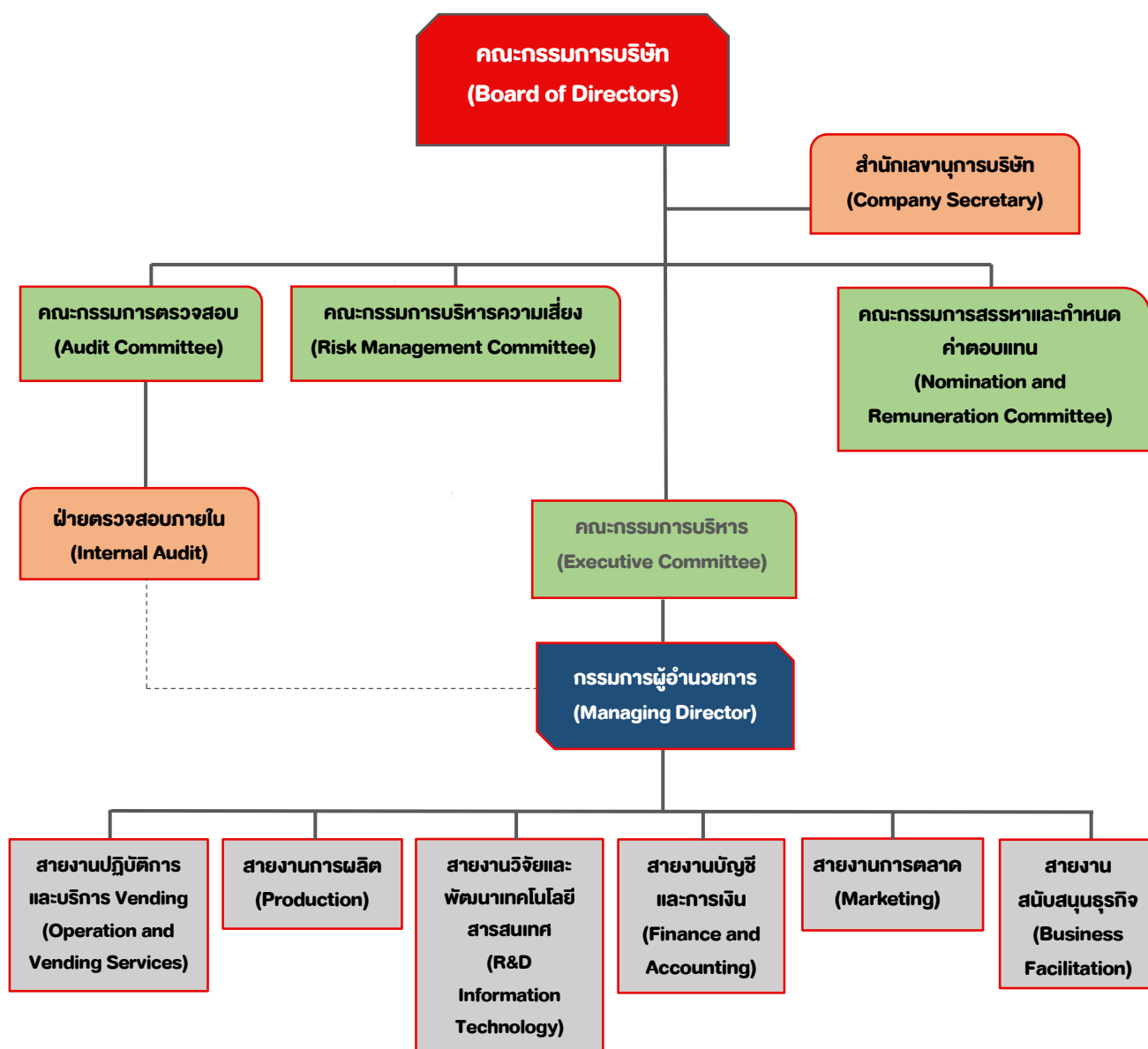
The Company would like to sincerely thank you all for this opportunity.



(Mrs. Apatsara Panupattana)

Managing Director

## Management Structure of Sun Vending Technology Public Company Limited



Approved in accordance with the resolutions of the Board of Directors' meeting. No. 1/2021, convened on April 8, 2021.





## Board of Directors

**1. Dr. Suvit Thaniyavarn**

Chairman of the Board of Directors / Independent Director

**2. Mr. Nattapon Dejvitak**

Director

**3. Mrs. Apassara Panupattana**

Director / Authorized Director

**4. Mrs. Teerada Ambhanwong**

Director

**5. Mr. Krittinai Lertsitthisak**

Director / Chairman of the Audit Committee /  
Independent Director

**6. Mr. Pitsnu Chokwatana**

Director / Authorized Director

**7. Dr. Somjin Sornpaisarn**

Director / Audit Committee /  
Independent Director

**8. Mr. Vathit Chokwatana**

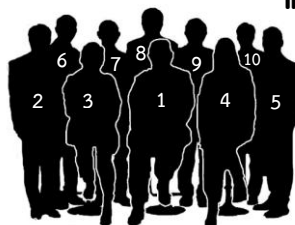
Director / Authorized Director

**9. Mr. Boonchai Chokwatana**

Director

**10. Mr. Jark Chulakiet**

Director / Audit Committee /  
Independent Director



## Audit Committee



### List of Audit Committee

**1. Mr. Krittinai Lertsitthisak**

Chairman of the Audit Committee / Independent Director

**2. Dr. Somjin Sornpaisarn**

Audit Committee / Independent Director

**3. Mr. Jark Chulakiet**

Audit Committee / Independent Director

## Nomination and Remuneration Committee



### List of Nomination and Remuneration Committee

**1. Mr. Jark Chulakiet**

Chairman of the Nomination and Remuneration Committee /  
Independent Director

**2. Mr. Vathit Chokwatana**

Nomination and Remuneration Committee

**3. Mr. Krittinai Lertsitthisak**

Nomination and Remuneration Committee /  
Independent Director

## Risk Management Committee



### List of Risk Management Committee

- |  |  |
|--|--|
| <b>1. Mr. Nattapon Dejvitak</b><br>Chairman of the Risk Management Committee | <b>4. Mr. Pitsnu Chokwatana</b><br>Risk Management Committee       |
| <b>2. Miss Pattarawadee Chotithamnawee</b><br>Risk Management Committee      | <b>5. Mr. Krittinai Lertsitthisak</b><br>Risk Management Committee |
| <b>3. Mrs. Apassara Panupatthana</b><br>Risk Management Committee            |  |



## Executive Director



<< **1. Mr. Vathit Chokwatana**  
Chairman of the Executive Committee



<< **2. Mr. Pitsnu Chokwatana**  
Executive Director / Managing director

**3. Mr. Kanes Atthaphaisalkul**  
Executive Director /  
Deputy Director of Marketing



**4. Miss Pattarawadee Chotithamnawee**  
Executive Director / Deputy Director  
of Accounting and Finance (CFO)



<< **5. Mr. Surachet Panupattana**  
Executive Director / Deputy Director of  
R&D Information Technology

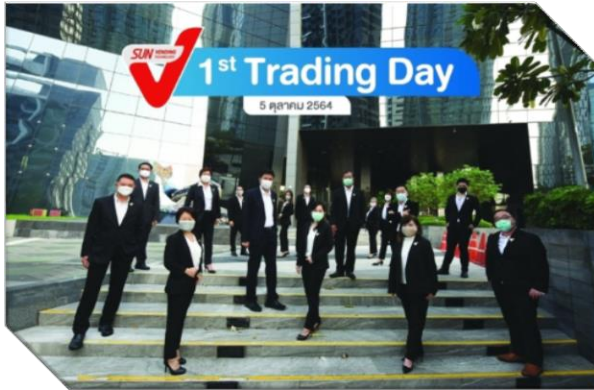


**6. Mrs. Jirada Nantanawongsa** >>  
Executive Director / Deputy Director  
of Business Facilitation



^ **7. Mr. Wipob Jenjirayut**  
Executive Director / Deputy Director of  
Operations and Vending Services

## The success of SVT in 2021



SUN Vending Technology Public Company Limited (“the Company” or “SVT”) has raised IPO funds and was listed and traded on the Stock Exchange of Thailand (“SET”) in October 5, 2021 as the first day to emphasize the number 1 leadership of the retail business through vending machines.

SVT is the first Retail Tech stock in Thailand’s vending machine business, which is gratifying for the Board of Directors, the management team, employees, and shareholders of SVT to successfully take the first step in becoming a listed company in SET. and support the expansion of the vending machine business, the Company’s main operations, to cover the whole country and expand abroad.

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## Part 1

### Business Operations and Performance

#### 1. Structure and Operations of the company

##### 1.1 Policy and business overview

SUN Vending Technology Public Company Limited (“the Company” or “SVT”), formerly known as “Sun 108 Company Limited is a pioneer in the retail business selling products through one-stop vending machines in Thailand for over 20 years. The Company imports second-hand vending machines (Used) and unused vending machines (New) to be maintained for use in Thailand. The Company owns a vending machine modify and Refurbishment facility and has 11 distribution branches covering over 26 provinces in service area as at the end of 2021. There are 14,628 vending machines in the market selling over 700 types of beverages, snacks, instant noodles, and other consumption products. 65 percent of installation premises are located in factory areas while the remaining consists of department stores, residential areas, educational institutions, office buildings, gas stations, etc. SVT is currently at 1st place in the Thai vending machines market, both in terms of refurbishment capability and the number of vending machines in service. In addition, the Company also sell both refurbished and New vending machines to consumers in accordance with their needs. Adding value to vending machines the Company also providing advertisement spaces on the machines and on the machine display panels.

##### 1.1.1 Vision, Objective, Goal or Business Strategies

The Company has clearly defined guidelines for business operations which has been announced to employees in order to reach common goals including:

###### Vision

The Vision of becoming the leader in distribution and one-stop services for consumer convenience using modern technology.

###### Mission

1. Determined to create an automated distribution system for products and services that is diverse and comprehensive to meet the needs of modern consumers in Thailand and the rest of the world.
2. Committed to research and developing information technology systems, digital platforms, digital solutions, and the business network of vending machines and services continue to enhance the quality and experience of convenience.
3. Aiming to develop and expand the business for sustainable growth, along with developing to be an innovative organization with personnel and management systems that modern, transparent, efficient, and be responsible to society and the environment.

### **The Main Objectives and Goals of the Organization**

The company has the following business goals:

1. Becoming the leader of one-stop service vending machines in Thailand and expand to related businesses.
2. Increasing circulation by expanding the market to cover all regions of Thailand to reach 20,000 units by 2023.
3. Increasing profit margin (GP) by optimizing product management and supply chain.
4. Optimizing production to reach the capacity of 15,000 cashless vending machines by 2023.
5. Increasing digital technology and innovation capabilities by improving the payment systems and the types of products sold through vending machines.
6. Upgrading to an Organization Excellence and continuously increasing the capabilities of personnel to support the growth of the Company.

#### **1.1.2 Background, Major Changes and Developments**

##### **(1) Background**

SUN Vending Technology Public Company Limited (“the Company” or “SVT”) was established by the Chokwatana Group or Saha Pathanapibul (Sahapat Group) in 1975, under the name of Sun Color Company Limited to operate in the stationery distribution business and to be a supplier of colored films, photo developing equipment, audio equipment, and electrical appliances. Due to the impact of financial crises, the aforementioned businesses have ceased. The floating of the Thai Baht coupled with the beginning of a new era of technological disruption resulting in new digital innovations of photography and mobile electronic devices.

In 2000, the Company has transferred from being a subsidiary of Saha Group to the retailing through vending machines (“Vending Machines”) business due to seeing the growing potential of said business in Japan. The determination and dedication of management has resulted in the continual growth of the vending machine business. Management has decided to change the Company’s name to Sun Roi Pad Company Limited (“SVT’s former name”) to operate in the vending machine business from November 1, 2007 and increased the registered capital to 100 million baht.

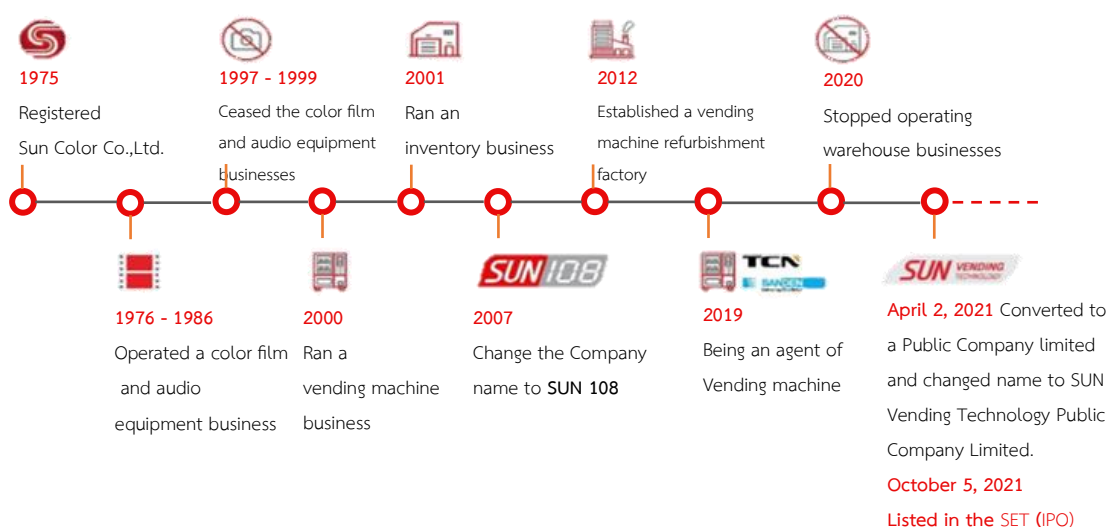
Since SVT started its vending machine business, the Company saw the growth potential for retailing through vending machines in Thailand. Comparing the rate of vending machines per population, Thailand has higher growth potential when compared to other countries in Asia such as Japan, China, Singapore, Malaysia, etc. SVT has therefore expanded its vending machine service area to enhance business growth while increasing service efficiency and competitiveness by providing superior services and distribution to vending machine businesses and reinforcing its Refurbishment factory. SVT factory serves as largest facility of its type in this region while also housing a development team tasked to keep up with the technologies and innovations trend and able to upgrade various models of used vending machines, regardless of the manufacturer, and to be

able to connect to the working database and accept all kinds of electronic payment. SVT is considered a pioneer in the business of retailing through vending machines in Thailand for over 20 years.

After continuing business operations until April 2, 2021, SVT has transferred from a Limited Company to a Public Limited Company and has registered for a name change from Sun Roi Pad Company Limited to SUN Vending Technology Public Company Limited and has increased the registered capital to 700 million baht, with a par value of 1 baht per share and a total of 700 million shares.

On October 4, B.E. 2021, The Stock Exchange of Thailand has announced to accept SVT assets as registered assets with the first trading day on October 5, 2021.

## (2) Major Changes and Developments



### 1.1.3 Is the use of the proceeds from the fundraising in line with its purpose?

#### (1) Utilization of the capital increase from the offering of ordinary shares

No.	Period Use of Capital Increase	Objective Use of Capital Increase	Net Received Amount (Unit: Million Baht)	Used During the Period (July 1, 2021 to December 31, 2021)	Remaining Balance (Million Baht)
1	Quarter 4: 2021 to 2023	Used for procuring vending machines	280.00	101.99	178.01
2	Quarter 4: 2021 to 2023	Used for developing systems and supplying electronic equipment for Smart vending machines	210.00	8.68	201.32
3	Quarter 4: 2021 to 2023	Fees or other expenses related to the offering of shares.	18.00	18.00	0.00
TOTAL			508.00	128.67	379.33

**Remark:** The Stock Exchange of Thailand listed SVT as a registered security on October 5, 2021.

(2) Applicable Laws

- None -

1.1.4 Obligations that the Company commits to the statement of the offering of assets and/or the conditions for permission of the office (if any) and/or the terms of receiving security of SET.

- None -

1.1.5 The Name, location of head office, type of business, Company registration number, telephone, fax, Company website (if any), total number and types of all outstanding shares of the Company are as follows:

(1) Company Information

Company Name	Sun Vending Technology Public Company Limited (“the Company”)
Assets Abbreviation	SVT
Secondary Market	The Stock Exchange of Thailand (“SET”)
Company Registration Number	107564000103
Business Type	Production and distribution of vending machines (“Vending Machines” or “automatic kiosks”) and retailing of products through vending machines under the trademark “SUN Vending”
Industrial Group	Service
Business Category	Commerce
Registered Capital	700,000,000 Baht (SEVEN HUNDRED MILLION BAHT)
Paid-up Capital	700,000,000 Baht (SEVEN HUNDRED MILLION BAHT)
Par Value	1 Baht per share
Location of the Company Head Office	No. 414/25 Soi Phatthanakan 1, Bang Phong Phang Sub-district, Yannawa District, Bangkok 10120 Telephone: 02-026-3805 Fax: 02-683-6548
1. Sathupradit Branch	No. 530/1-2 Sathu Pradit 58 Road, Bang Phong Phang Subdistrict, Yan Nawa District, Bangkok 10120 Telephone: 02-295-4530 , 089-205-7108
2. Suan Luang Branch	No. 6 Soi Chaloem Phrakiat Rama 9 Soi 28 Intersection 12, Dok Mai Subdistrict, Prawet District, Bangkok 10250 Telephone: 084-388-9108
3. Chonburi branch	6/10, Moo 6, Nong Khang Khok Sub-district, Mueang Chonburi District, Chonburi 20000 Telephone: 038-144-745
4. Ayutthaya Branch	No. 118, Village No. 5, Wang Chula Sub-district, Wang Noi District, Phra Nakhon Si Ayutthaya Province 13170 Telephone: 081-831-7673
5. Nakhon Ratchasima Branch	Number 125, Village No. 10, Dan Kwian Subdistrict, Chokchai District, Nakhon Ratchasima Province 30190 Telephone: 081-170-3689

6. Prachinburi Branch	Number 448, Village No. 3, Kroksoomboon Subdistrict Si Maha Phot District Prachinburi Province 25140 Telephone: 037-452-393
7. Ratchaburi Branch	No. 125/1, Village No. 9, Bang Phae Subdistrict, Bang Phae District, Ratchaburi Province 70160 Telephone: 085-649-9367
8. Rayong branch	No. 256/573, Village No. 3, Bowin Sub-district, Sriracha District, Chonburi Province 20230 Telephone: 038-190-696
9. Factory Location / Suwinthawong Branch	No. 34/1-5-6, Village No. 20, Saladaeng Sub-district, Bang Nam Piao District Chachoengsao Province 24000 Telephone: 081-170-3690 (Factory) Telephone: 080-108-2542 (Suwinthawong)
10. Khon Kaen Branch (Sub-Branch)	No. 333, Village No. 12, Ban Thum Sub-district, Mueang Khon Kaen District Khon Kaen Province 40000 Telephone: 081-170-3689
11. Samut Sakhon Branch	No. 31/5, Village No. 4, Khok Krabue Subdistrict Mueang Samut Sakhon District Samut Sakhon Province 74000 Telephone: 065-7190847, 034-171-939
Company Website	<a href="http://www.sunvending.co.th">www.sunvending.co.th</a>
Assets Registrar	<b>Thailand Securities Depository Co., Ltd.</b> 1 <sup>st</sup> Floor, The Stock Exchange of Thailand Building, Building B, No. 93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400 Telephone: 02-009-9000 Fax: 02-009-9991
Auditor	<b>EY Office Company Limited</b> No. 193/136-137 Lake Rajada Office Complex, Floor 33, Ratchadaphisek Road, Khlong Toei Sub-district, Khlong Toei District, Bangkok 10110 Telephone: 02-264 0777 Fax: 02-264-0789-90
Internal Auditor	<b>Dharmniti Internal Audit Company Limited</b> No. 178 Dharmniti Building, 5 <sup>th</sup> Floor, Soi Permsap (Prachachuen 20) Prachachuen Road Bang Sue Sub-district, Bang Sue District, Bangkok 10800 Telephone: 02-596-0500 ext. 327
Office of Company Secretary/ Investor Relations	<b>Ms. Supa Piyakornthaweerung</b> (Company Secretary and Contact Coordinator) SUN Vending Technology Public Company Limited

## 1.2 Nature of Business

### 1.2.1 Revenue Structure Classified by Business Type

The Company's revenue structure is divided into five categories as a present, represented by value and percentage for the years 2019 to 2021 as follows:

Revenue Type	For the year ended					
	December 31, 2019		December 31, 2020		December 31, 2021.	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
1.Revenue from selling products through vending machines	1,774.99	98.31	1,725.98	97.66	1,922.86	97.94
2. Revenue from sales of vending machines	11.04	0.61	16.42	0.93	18.28	0.93
3. Revenue from rental advertisement space on the vending machines	7.38	0.41	10.22	0.58	10.20	0.52
4. Service revenue <sup>(1)</sup>	4.81	0.26	6.39	0.36	6.41	0.33
5. Other revenue <sup>(2)</sup>	7.40	0.41	8.35	0.47	5.57	0.28
<b>Total Revenue</b>	<b>1,805.62</b>	<b>100.00</b>	<b>1,767.36</b>	<b>100.00</b>	<b>1,963.32</b>	<b>100.00</b>

**Remark:** 1. Service revenue refers to revenue from coin exchange and after sales service revenue.

2. Other revenue refers to revenue from first entry and product placement, dividend revenue, interests, asset sales, money from insurance claims, etc.

The Company's main revenue came from revenue from selling products through vending machines represented 98% of total revenues. In year 2020 and 2021, revenue from selling products through vending machines has fluctuated from the impact of the COVID-19 pandemic, which had caused some service locations had been shut down from the epidemic prevention measures, providing WFH and lockdowns, closing places at risk of spreading germs such as office, department stores, school, university, etc. As a result, revenue from selling goods through vending machines located on such places decreased from the normal. However, in each year the Company continued to locate more units of vending machines in service in order to have more service coverage to consumers, and boost opportunity of sales growth. In year 2021, the Company located net 1,289 units of more vending machines or 9.66 percent when compared to the year 2020. At the end of year 2021, the Company had a total of 14,628 vending machines in service.

### 1.2.2 Product Information

#### (1) Product or Service Characteristics and Business Innovation Development

The Company is a retailer in the business of selling products through vending machines. The Company is an importer of both new and used vending machines for refurbishment as well as retailing consumption products through vending machines and selling of vending machines to other retailers of various beverages and products through vending machines. Businesses related to vending machines can be divided into three groups as follows:

**(1.1) Businesses selling products through vending machines.** The Company's lead

revenue comes from selling products through vending machines by using the trademark name. 

The majority of sold products are beverages and snacks, with the former being the best seller due to Thailand being a tropical country. The hot climate results the high market share of beverages such as tonics and soft drinks. The Company also recognizes the current shift in consumer behavior, prompting the expansion of product categories available in vending machines, such as face masks, wet tissues, and bakeries, among other products that consumers urgently need and can be conveniently found in the 14,628 vending machines. Data as of December 31, 2021

Product group is divided into six types:

- 1) Beverages include drinking water, soft drinks, sweet drinks, fruit juices, coffee, tea, tonics, sports drinks, and electrolyte drinks.
- 2) Various snacks and bakeries
- 3) Instant noodles and other instant foods
- 4) Ready to eat foods
- 5) Hot/cold beverages with cups
- 6) Other products such as masks, mobile phone apparatus, etc.



In addition, SVT also categorizes vending machines into four main types as follows:

- 1) Can & bottle vending machines are models for filling bottles or cans of cold beverages. The display shows product samples for selection, upon pressing a button the corresponding beverage will flow from the rear storage compartment to the front reception compartment. These vending machines are sturdy and has more storage capacity than other models.





2) Glass-front vending machines are models for packing various kinds of products. The front of these models is a clear glass for viewing the actual products such as boxed products, bottled and canned beverages, or snacks with plastic packaging.



3) Hot and Cold Cup vending machines are machines for mixed drinks. These models have an automated mechanism to add hot water and ice to products such as coffee, tea, lemon tea, chocolate, ginger juice, etc. consumer can select the drink's cream and sugar concentration as needed.

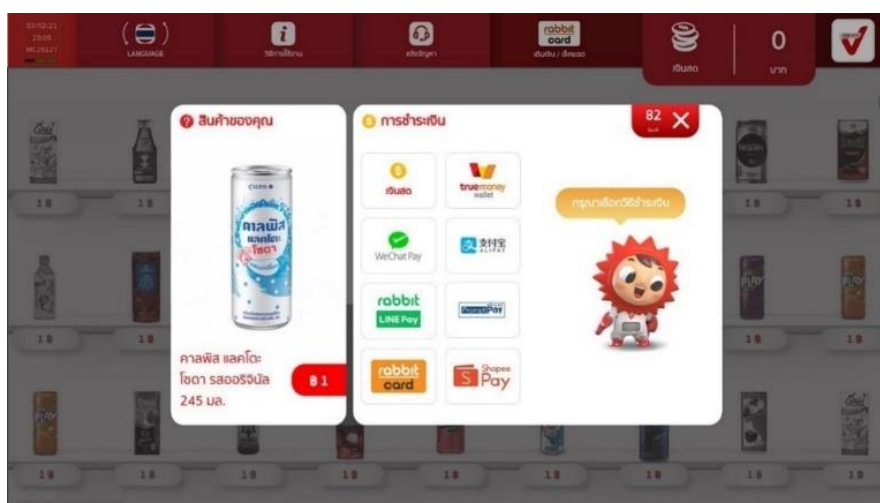


4) Instant food (Noodle) vending machines are similar to the Can & Bottle models in which the actual product samples were display in front of the machine and have a hot water filling system for cooking instant foods. When a button of the product's code is pressed, the corresponding product will drop down and the hot water will be available for a period of time.



In addition, there are other machines to support the business of selling products through vending machines, such as coin exchange machines. SVT manufactures coin exchange machines for consumers who wish to purchase products but are short on coins and a top-up machine that can top-up to a Rabbit Card or employee card registered in SVT's welfare card system (One Card) for purchasing products through vending machines.

In 2021, SVT procured used vending machines from Japan and new ones from China to serve consumers in Thailand. These machines are simple coin and banknotes operating system. SVT recognizes the importance of bringing technology to modernize electronic payment methods. Therefore, vending machines have been modified to accept various electronic payment systems. The current coronavirus (COVID-19) epidemic has increased the tendency of Thai people to avoid contact and paying for products via electronic channels. Moreover, technological advancement to support various forms of sales promotion with the capacity to receive - send sales information and load products to develop and manage more efficient for logistics operation.



SVT has the capacity to bring various vending machine models to be further developed into a Smart system. At present, SVT has developed different types of Smart vending machines as follows:

- 1) Smart can & bottle vending machines with the outstanding features of the front having a 32 and 43 inch touchscreen displaying moving product images and other advertisements that consumers can purchase by touching on the display.

2) Smart glass front vending machine with the outstanding feature of the front having a 7 and 22inch touchscreen displaying moving product images and other advertisements that consumers can purchase by touching on the display.

#### (1.1.1) Features of Smart Vending Machine

(1) Accept electronic payment methods in addition to paying with banknotes and coins

(2) Has a system to check the status of the vending machine by installing the VMS Cloud system that shows the condition of the vending machine's availability such as Machine's temperature, the status of doors being opened or closed, etc. In addition, the Company can also view real time movement of sales of products in each machine via the VMS Cloud system and can also separate payments in each channel.

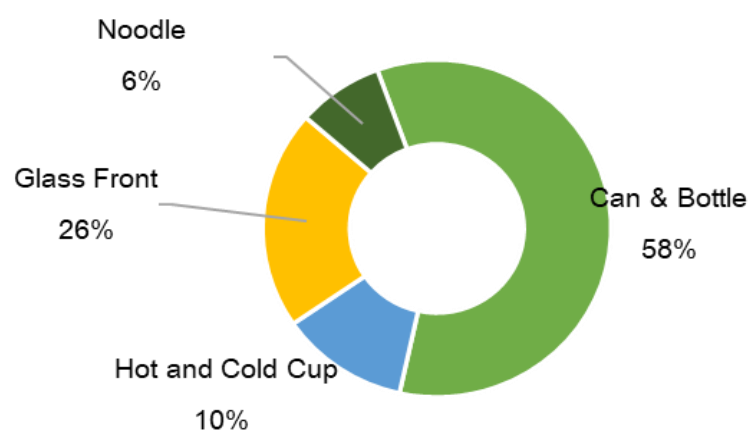
(3) The system can also link data to accounting and data processing systems to review and issue reports on payments through various payment channels.

(4) The system can collect data to study consumer behavior, popular times, popular products, etc. to be used for market analysis and planning.

(5) The system can process product information to create promotional items (Promotion) according to the time period.

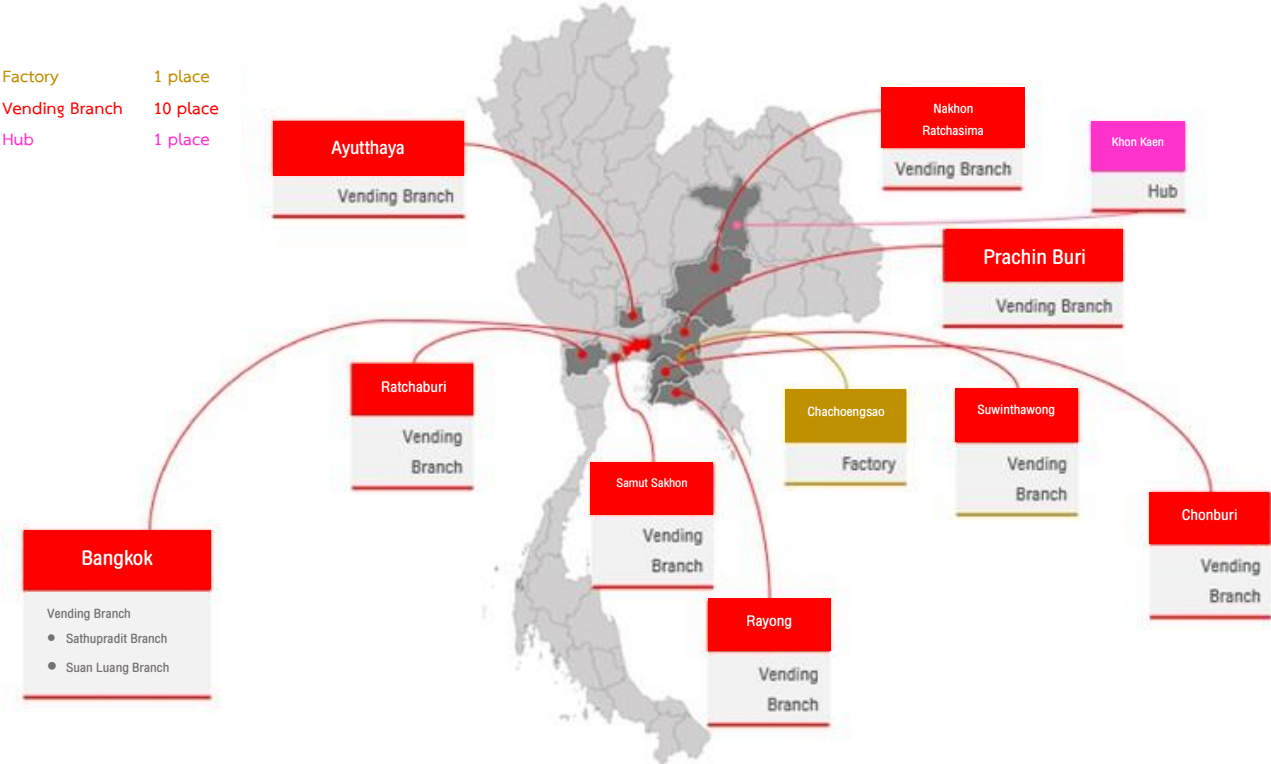
(6) Comes with a touchscreen that advertises various public relations through the display.

In addition, SVT is constantly expanding to find areas to install vending machines. Especially when opening new branches in other provinces which the number of vending machines that installed in various fields as of December 31, 2021, there are 14,628 vending machines, categorized by type as follows:



Maintenance of SVT's vending machines and Route Operators have been supervised by each branch's Operations and Vending Services with currently 10 branches and 1 sub-branch covering 26 provinces in the Bangkok and adjacent provinces, the eastern and northeastern regions and other nearby provinces. SVT aims to increase the number of vending machines to be distributed to the northern, southern, and northeastern regions to cover all of Thailand.

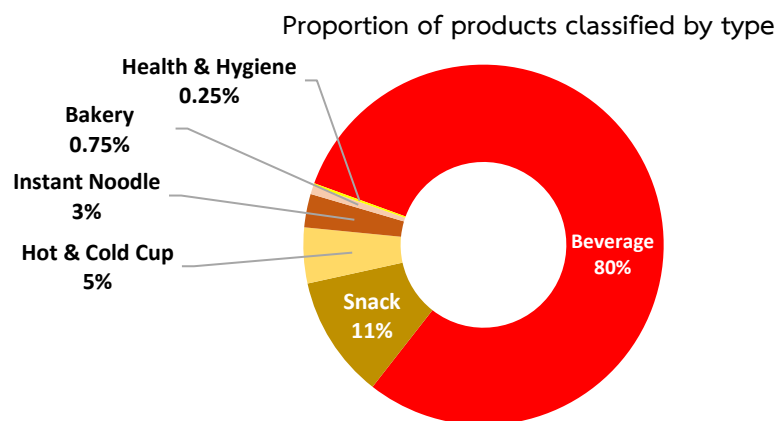
Location map of SVT factories and branches nationwide.



The selection of SVT installation premises takes the density of service users into account, including having few business competitors so that SVT may be installed in the most appropriate location accessible to most service users. The main target groups to be considered for the location include industrial factories, offices, apartments, condominiums, department stores, schools, universities, fuel service stations (gas stations), hotels, hospitals, etc. SVT provides compensations for installation in either the form of area fees, water and electricity bill fees, or the sharing of benefits from sales

In the past, the number of vending machines classified by type of location as of December 31, 2021 were mostly located in factory and office areas. SVT has the policy to expand the installation of vending machines to sites such as department stores, government agencies, hotels, and educational institutions to increase the awareness of SVT among consumers.

Details of the revenue proportion from selling products through vending machines in 2021 can be divided into 80 percent for beverages, 11 percent for snacks, and others are as follows:



SVT's vending machines focus on selling products that consumers demand on a regular basis at an affordable price and is convenient to be purchased. The Company has a product control system and payment collection that sells through vending machines. The system is called the VMS (Vending machine System), which is a system developed by the Company by controlling products and collecting payments through a branch employee (Route Operator). A traditional vending machine uses a manual method of recording and collecting money by the Route Operator. SVT vending machines focus on selling products that consumers want at affordable prices and with purchasing convenience. SVT has a control system for products and collection of payment for products sold through vending machines. The system, namely the VMS (Vending machine System), developed by SVT to control products and collect payment through branches. While the traditional model records data via tablet devices by the Route Operator, SVT currently has a Smart machine system which utilizes an online payment system by adding a payment channel from the original one that requires coins or banknotes to be able to support electronic payment such as Prompt Pay, Rabbit Card, Line pay, True Money, Ali Pay, WeChat, and Shopee pay to help consumers buy products from the vending machines more conveniently and quickly. Finally, SVT can also perform a real-time check on the inventory of products within the machines.

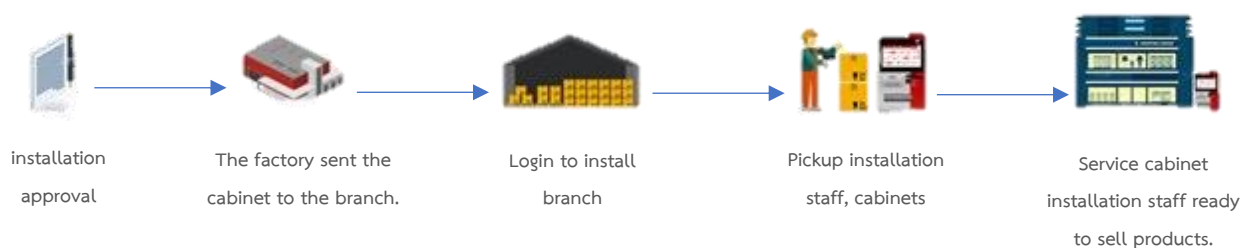
On December 31, 2021, SVT has a total of approximately 2,382 Smart vending machines, representing 16 percent of the total number of all vending machines. SVT plans to increase the proportion of Smart vending machines to 75 percent of the total number of machines by 2023.

#### (1.1.2) Operation procedure

SVT divides management operations in each branch into 5 units as follows:

1) **The Vending Machine Installation Unit** is responsible for moving the vending machines from the installation premises, reinstalling a vending machine at the site, as well as the overhaul of vending machines back to branches.

#### New Vending Machine Installation Process



a. The branch manager receives new installation information from the VMS system and approves said installation through mentioned VMS system to requisition vending machines from the branch inventory system.

b. The Head of the Branch inspects the vending machine for installation.

c. The Vending Machine Installation Unit receives instructions from the VMS system and requisitions products, change, keys, and vending machines

d. The Vending Machine Installation Unit brings the vending machine for installation in accordance to Route's operation plan. The vending machine must be able to operate immediately after installation.

**2) The Warehouse Unit** responsible for the procurement of products to fill vending machines, managing orders, preparation of products fill vending machines, and the return of products in case of defects.

#### Warehouse work process

a. The Head of the Warehouse Unit makes purchases from the Vendor list via the VMS Stock system by using the re-order point criteria. The branch manager then approves the purchase via the VMS Stock system.

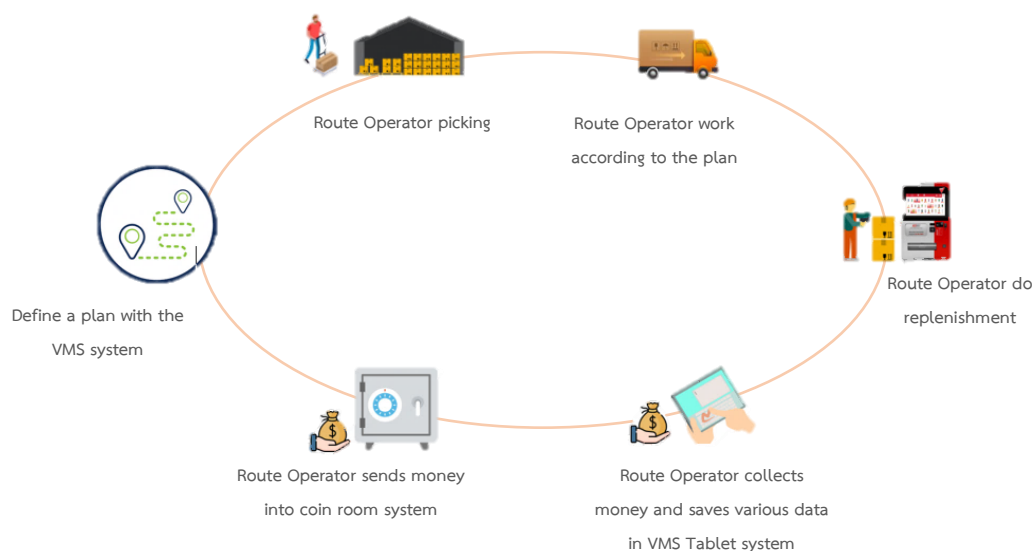
b. Warehouse personnel inspects the products according to the policy of receiving products.

c. Warehouse the products according to the Route Man's requisition bill through the VMS system.

d. Warehouse personnel counts warehouse stock

**3) The Product Replenishing Unit or service personnel (Route Operator)** is responsible for the requisition of products to fill the vending machines as well as the collection of payment and keeping records of sales into the system

#### Working process of the Route Operator



- a. The Head of the Product Replenishing Unit plans services via the VMS system.
- b. The Route Operator requisitions products on a daily basis through the VMS Tablet system.
- c. When the Route Operator arrives at the vending machine, they collect the money, examine the change, and start replenishing the machine. They also record various work systems such as sales meters and product loads via the VMS Tablet system.
- d. As the Route Operator completes the replenishing as planned and returns to the branch, they dispatch the money case to the coin room for further examination.

**4) The Coin Room Unit** is responsible for the compilation of money cases from the Route Man and counting of both coins and banknotes to be recorded into the system on a daily basis.

#### **Working process of the Coin Room Unit**

- a. The Route Operator collects money and sends money cases into the coin room.
- b. The coin counter counts coins and banknotes using money counting machines and record data into the Money Counting System. The data is sent to the VMS system and immediately examined by Operations Unit.
- c. At the end of the day, the coin counter deposits banknotes at the bank.
- d. The coin counter sends a daily sales summary report to the finance department.

**5) The Vending Machine Maintenance Unit** is responsible for the maintenance and repair of vending machines by working with the call center.

#### **Working Process of Vending Machine Maintenance Unit**

- a. Information regarding maintenance of vending machines may be received from 3 channels via the call center system (Phone, Line, Facebook), from the Route Operator providing information via the tablet system, and from consumers scanning the QR Code in front of the vending machine.
- b. The Head of the Branch approves the maintenance work and assigns the job to the maintenance personnel through the call center system.
- c. The maintenance personnel inspects the vending machine and sends the information to the VMS system to shutdown the machine for repairs.
- d. In the case of unrepairable vending machines, information will be sent to the repair's supervisor for the reinstallation and overhaul to the factory.

#### **Process of selling products through vending machines.**

##### **1) In the case of paying by cash**

- (1) Consumers insert coins or banknotes as payment for products.



(2) Consumers make a purchase at the vending machine by pressing the button that corresponds to the desired product.

(3) Mechanisms within the machine will immediately dispense the products selected by consumers, along with any change.



**2) In the case of paying with electronics channels (Cashless) supported by the SVT system.**

(1) Consumers make a purchase at the vending machine by pressing the button that corresponds to the desired product.

(2) The machine will show the amount to be paid by the consumer, where they can choose to pay via the electronic payment system on the touchscreen installed on the vending machine.

(3) The system in the vending machine will send billing instructions online to generate a QR Code for that specific payment.

(4) Consumers use their mobile phones to scan the QR Code that appears on the screen. Upon pressing the confirm payment button, the system will send the payment confirmation to the vending machine with the aforementioned generated QR Code for the internal mechanism to instantly dispense the ordered product.

(5) In the case of using a Rabbit Card, upon tapping the card reader will show the results of the completed payment to the consumer and trigger the internal mechanism to instantly dispense the ordered product.

#### **(1.2) Vending machine sales and rental business**

SVT is a manufacturer and supplier of both new and used machines as well as a supplier of automatic products from China and Japan. SVT has a factory located in Bang Nam Piao District, Chachoengsao Province. It houses manufacturing, repairing and research and development units for vending machines for selling machines of SVT systems has and selling new machines in accordance to the needs of consumers.

In 2021, SVT earned 18.28 million baht in sales of vending machines. In the future, SVT will expand its customer group to the automation machine business group, product owner, and CLMV domestic consumer group.

At the present time, SVT is a supplier of Chinese TCN vending machines, where TCN is 1 of the top 3 standardized manufacturers in China of high quality vending machines and exports to over 50 countries around the world. SVT is the sole supplier of TCN in Thailand. These vending machines are models that sell a variety of products such as foods, snacks, beverages, and appliances which is visible through the glass pane.

Furthermore, SVT is a supplier of Sanden brand products from Japan. The brand specializes in vending machines and is placed 2nd in Japan. The vending machines sell canned and bottled beverages and is one of Japan's leading brands in terms of quality, as they are durable, energy efficient, and has a high storage capacity for beverages. SVT has collaborated with Sanden to develop vending machines specifically for distribution in Thailand and will be used from 2021 onwards.



A distinct characteristic of SVT is that it is a business operator that provides installation and distribution services for vending machines with expertise from over 20 years of experience. SVT can provide advice on business operations, supply vending machines at a reasonable price, and impart maintenance knowledge. Additionally, SVT can survey locations for establishment and product procurement, as well as free consultations for entrepreneurs interested in starting their business.

SVT has vending machine business partners in the leading countries. Therefore, numerous types of machines are currently for sale, such as -18 degree machines, warming-heating machines, and double extension machines to meet the needs of the expanding market of retailers who wish to sell products with more specific requirements.

SVT's research and development unit has also developed a Smart model to be sold to consumers. These models come with a vending management system so that every single one sold to consumers has a system to manage and operate the business.

SVT also has a refurbishment factory for both used and new vending machines and second-hand tools that have been imported. The factory covers over 9 rai 3 ngan in area and is capable of producing over 600 machines per month to be used in business operations and to be distributed to consumers.

It also comes ready with spare parts, repairs, systems maintenance 2 times a year, a 1 year warranty, a training session and set up. All issues regarding the vending machine handled by the after-sales service department.

SVT is also competitive in the price offered to consumers.

(1) Second-hand vending machines. The sufficient bargaining power of bulk purchasing and the refurbishment factory with the economy of scale gives SVT an advantage in being able to offer more attractive prices to consumers than others.

(2) TCN's new vending machine. Being the sole supplier in Thailand results with SVT having a competitive advantage, allowing SVT to be proactive in the market through promotions to SMEs, large-volume consumers and projects.

In 2021, the sales proportion of new to used machines from abroad is 53 to 47 respectively. Under the terms of the machine sales, the Company will first receive a deposit and then the remaining funds before shipment. In the case of granting credit to consumers, the time frame ranges from 30 to 60 days, depending on the other conditions agreed upon with the consumers.

SVT also rents vending machines to organizations or agencies that want to use vending machines for a limited time or to promote products. It is an additional channel to sell products aside from events and retail consumers. SVT is still beginning to provide rental services to retail businesses to sell their own products. Therefore, machine rental revenue accounts for less than 1 percent of sales and service revenue of the Company.

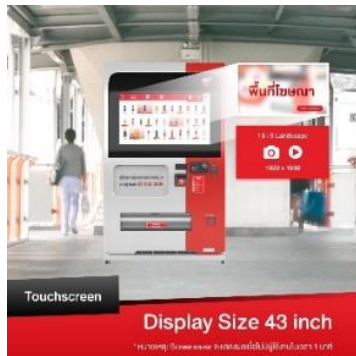
### **(1.3) Space rental on vending machines for advertising purposes business.**

SVT offers advertising space on vending machines both in the form of advertising on the outside of the machines itself by attaching stickers and by advertising through the touchscreen with a fee based on the number of machines, location of machines and the duration. The population density of the installation area is also taken into consideration. If it is an open place such as a department store or a train station, where a higher rate will be charged than placing the machine at an enclosed location. In the past, SVT has rented sticker advertising spaces for manufacturers such as Saha Pathanapibul Public Company Limited, Osotspa Public Company Limited, Nestle (Thai) Company Limited, etc.



SVT has strategies to expand the business of space rental on vending machines for advertising purposes as follows:

(1) Adding a Smart vending machine which supports advertising through the smart screen, where various types of products can be advertised in rapid succession with a touchscreen that can be changed conveniently and quickly.



(2) Installing in more open places to increase visibility from the dense population that is stationed or roaming within the area, which is an important factor for businesses interested in renting advertisement space.

(3) From business partners selling products through the machines, which acts as an advertisement and promotion while increasing the product's attractiveness in the eyes of consumers.

## (2) Marketing and Competition

Target consumers and marketing strategies. SVT has two types of target consumers as follows:

1) SVT's general consumer group, approximating at 20 million transactions per month. This consumer group buys products from vending machines from areas, whether enclosed premises such as factory and office workers, where a large number of purchases are made at certain times and at certain installation points which requires the expertise and experience of the Route Operator to manage in order to meet the quantity and demands of consumers who use them, or open premises with people roaming such as shopping malls, hotels, and fuel stations. Machines located in open premises must be outstanding as a point of interest and contain marketing promotions to motivate users. The installation premises must also be easily accessible and is responsive to consumer behavior that requires quick access to the product, regardless of it being a drink, snack, or hygiene products that are currently essential for daily use.

2) Entrepreneurs consumer group consisting of companies or organizations can be divided into

2.1 Factories / companies is a consumer group that wants to do giveaways or discounts on vending machine products as a form of subsidy for employees. SVT has a ready-made system One Card or membership that meets the needs of these consumers. Various conditions can be set in the giveaways or discounts for employees, allowing the consumer to control the cost or quantity of products through the

system. Doing so allows SVT to certainly earn revenue via the use of vending machines since the products received are at a special price or is a form of welfare distributed freely to employees. As of December 31, 2021, SVT already has 112 One Card consumer members, mostly factories and offices, which SVT expects to increase the number to 750 by 2023. SVT expects to increase revenue from selling to this group by 4 times from the present.



2.2 Consumer group who buys vending machines, consisting of manufacturers, retailers, or other service providers in the market who wants to expand distribution channels into those of vending machines. SVT focuses on penetrating the potential target market with the need for vending machines.

### (2.1) Marketing Strategy

SVT assigns great significance to marketing strategies aimed at responding to the demand for convenient purchases by using modern technology for consumer satisfaction and business growth. SVT has a planned strategy for managing vending machines by installation areas, which consists of enclosed and open premises. Closed installation areas are where consumers work, rest, or live in such areas regularly, such as industrial plants, apartments and condos. Meanwhile, open installation areas are densely populated areas with crowds of people passing by such as a public transit station, fuel station, and department stores

Marketing Strategies for Local Services. SVT has analyzed and adjusted its strategies to meet the arisen situation in order to get an appropriate location and for the machine to generate the highest sales. SVT stands out in its Product Strategy for enclosed premises, has a wide range of vending machine products such as for canned and bottled beverages, snacks, hot and cold beverages, and instant foods. Among other products include machines such as charging cables, portable power banks and so on within a sufficient number of installed vending machines for the consumer group in the area. There is also a welfare card system (One Card) that employers can use to distribute or give discounts on products to employees without using cash. In addition, the One Card is designed to be topped-up by both employers and card users. Currently, SVT's corporate or organization consumers that uses the One Card system numbers at 12. Most of them are factories and offices. However, SVT sees a channel to expand to other organizations that provide welfare to their personnel such as schools, hospitals, hotels, etc.

Aside from the outstanding Product Strategy for open premises, SVT vending machines have a distinctive look and function to support a wide range of products, it also integrates technology and innovation to develop Smart vending machines that can support a variety of payment methods including cash, Rabbit Card or electronic payment, which is more convenient and acts as alternative payment channels



for consumers. Furthermore, Place Strategy is considered another outstanding marketing strategy, where the installation premises of SVT machines is often located in a high population density area.

For both enclosed and open premises, SVT focuses on Promotion Strategy through organizing various promotional events to attract consumers and increase sales by focusing on public relations via online channels. Additionally, Power Strategy is also emphasized. SVT is the pioneer of the vending machine business in Thailand with 11 distribution centers branches covering 26 provinces including those of Bangkok and other provinces. In addition, SVT owns the largest refurbishment factory in Southeast Asia that repairs and assembles machines and has been entrusted with over 700 articles of consumer products by over 100 partner companies. This leads to quality responses towards buyers and consumers and the potential to create new business models such as vending machine rental and franchised retailing through vending machines businesses as well.

Adding to the outstanding marketing strategy for services in the closed and open premises as mentioned, SVT also has strengths in technology and innovation development by R&D units, enabling vending machines to manage product data via online systems including inventory check, sales report, and sales data analysis. Product data management encompasses SVT's own replenishment system, developed over the past 20 years, is another strength that facilitates product replenishment services efficiency. This is an important factor in product sales via vending machines in accordance to collected and analyzed data regarding frequency and quantity of product replenishing, which in turn leads to a reduced probability of loss and facilitates sales 24 hours a day.

Strategies for selling vending machines to expand the target market of the vending machine business by expanding to 3 target market groups as follows:

1. Entrepreneurs who want to expand their product distribution channels. These include manufacturers of foods, beverages, cosmetics, dietary supplements, or other products that can be sold through vending machines.
2. Businesses that have their own replenishment, logistics, and service units such as other vending machine service providers in the market, wholesalers, retailers, logistics business owners or retail business operators with a network of stores, chain stores and marketplaces.
3. Consumers with their own installation premises, owning land or service places, who wants vending machines to service their own customers. Examples are hotels, condominiums, general stores, schools, office buildings, etc.

Other marketing strategies implemented by SVT over the past year include Event Marketing to publicize SVT's products and services at large-scale events, both online and offline, with a myriad of participants such as the 25th Saha Group Fair and Smart SME EXPO 2021. In addition, collaborative marketing strategies or partnerships are implemented. By collaborating with Bangkok Smartcard System Company Limited, the service provider of "Rabbit Card", in designing SVT's own card brand to increase payment channels for purchases via SVT machines. Doing so also expands SVT's consumer group to those who regularly use the services of the BTS by allowing Rabbit Card users to top-up through SVT's vending machines. Online marketing strategies are also implemented, consisting of social media marketing using platforms such as Facebook, LineOA, Instagram and YouTube; and utilizing guest blogging to publish articles related to SVT on popular websites and

social media such as Longtunman, MarketThink, Cheechongruay, and ThaiFranchise. Additionally, Marketplace Marketing is used to promote and increase sales through Shopee while Search Marketing is used to direct advertising to target audiences and reach potential consumers with the use of Google Ads.

## **(2.2) Product Strategy (Machine)**

SVT owns a vending machine refurbishment factory. With over 20 years of experience, SVT is familiar with the operation of electronic and mechatronic systems, as well as expertise in reconditioning and assembling of machine for efficient and extended operation time. Machine repair training is also provided for each branch, without the need for overhaul. SVT is in the process of reconditioning and assembling of Smart machines for the reinstallation or replacement of over 14,000 current installations to enable the machines to transmit online data and support cashless payment system with the aim of having a 75 percent proportion smart machines by 2023.

Consumer products sold within the machines will be diversified to meet changing consumer behavior and appeal to all genders and age in each installation premises. SVT will increase the quantity and type of products to be sold based on marketing information, consumer behavior, and consumption trends with a specified profit margin. In 2021, consumers start seeking out health beverages such as vitamin water, herbal drinks, food supplements, hygienic products, etc., or specialized products that are difficult to manage or replenish. SVT has a business cooperation plan with trade partners to provide the aforementioned products.

## **(2.3) The competitive advantages of SVT are as follows:**

1. Has vending machines to cover all areas. (26 provinces)
2. Convenient to use while also being durable and has efficient replenishing.
3. Being up-to-date and meets all needs. Supports both cash payment and payment by QR Code or E-wallet.
4. Has products that meet the needs of consumers including beverages, snack, instant noodles, and other products that meet the needs of future consumers.
5. Has various models of vending machines unutilized by competitors, such as a vending machine for cooking instant noodles.
6. Has a refurbishment factory with high potential and is the largest in Southeast Asia.
7. Has a support system for reporting on problems via QR Code in front of the machines with a call center team to provide information to consumers.

## **(2.4) Product and Supply Chain Management Strategies**

SVT has the capacity to increase gross margin in selling products through vending machines by increasing the efficiency of product management and supply chain as follows:

1. Procurement of new products with regards to market information and current consumer behavior and trends, where the retail price of such products will be determined appropriately.
2. Finding new suppliers, especially those who self-manufactures.
3. Business planning with manufacturers and suppliers



SVT has examined original equipment manufacturers (OEM) products under SVT's branding that are suitable for SVT's distribution channels (details mentioned in Future Projects article)

In addition, the efficiency of program-based operations and applications has been enhanced by application modern technology developed and supported by the Information Technology Research and Development Department as follows:

1. Optimization of management, replenishment, transportation, with transparent revenue and product list and with a notification system for when the product is equal to the amount set in the system.
2. Program development to support procurement operations and branch-specific operations for a sufficient amount of products in line with the needs of consumers.

#### **(2.5) Location Strategy**

Scouting the optimal vending machine installation premises where generally no location is objectively superior, but considerations are made with each premises' advantageous characteristics. Typically, favorable installation premises are ones with a large population density (High traffic) and low business competition in selling products through vending machines at high volumes such as industrial plants, department stores, educational institutions, fuel stations, etc., where such installations must be convenient for the use of consumers.

Vending machine installation premises can be divided into 2 types as follows:

1. Open premises include department stores, universities, government agencies, hotels, hospitals, fuel stations where population density is an important factor.
2. Enclosed premises include industrial factories, offices, schools, with entry restrictions. In the past, SVT has placed vending machines in enclosed premises which has generated 80 percent of the total revenue from all machines.

In the year 2021, with the COVID-19 epidemic has caused the government to announce a lockdown, where most personnel are imposed with WFH measures to prevent the viral spread. This has affected the service of machines installed in the aforementioned areas. SVT has therefore focused on expanding machines to serve the industrial sector, in line with the situation where the industrial sector is in the process of accelerating production from the continual increase in number of exports. June 2021 founded the highest growth rate in 11 years with a value of USD\$23.699 million, which is a 43.82 percent growth. Factories affected by COVID-19 infected personnel had implemented preventive and control measures in specific areas (Bubble and Seal). Several factories have issued a policy for employees to buy products through vending machines instead of going outside the factory. As a result, new machine installations in the industrial sector in 2021 totaled 1,551 machines, accounting for 56.8 percent of all new machines where it has increased from 2020 by 17 percent. SVT is still expanding the service in open premises, but must be considered by an experienced area scouting team in order to receive the optimal installation premises that affects the sales and image of SVT.



## (2.6) Sale Promotion Strategy

SVT's vending machines have been imposed a product promotion policy to increase sales and market share. Public relations strategy are implemented for general public awareness that SUNVENDING machines are available for both selling by itself and for retailing through vending machines. Public relations are both online and offline, such as promoting through the website of [www.SUNVending.co.th](http://www.SUNVending.co.th) and SVT's social media, along with participating in various charitable activities and operation social activities (CSR), etc. The sales promotion strategies are as follows:

### (2.6.1) Vending machine sales

1) Creating promotions according to marketing plans through social media and marketplaces such as Facebook, Shopee, Lazada, and Facebook with price adjustments to increase sales, offering a discount at an agreed amount, and adding after-sales services.



2) Participating in online trade displays such as the 25th Saha Group Fair on 1-4 July 2021 and participating in events such as SMART SME EXPO 2021 on 2-5 December 2021 at Muang Thong Thani.



3) Proposing terms of sales in installments, low interest, with installation and machine usage training sessions. Also includes after-sales services for 2 free inspections of the machine and a 6-12 months warranty according to the model.

#### (2.6.2) Selling products through vending machines

1) Provide a discount on products to boost consumer usage and attract new consumers to foster familiarity in purchasing products through vending machines.



2) The use of employee welfare cards (One Card) for benefits or additional discounts, where a machine for the specific use of welfare cards will be developed by SVT with several subscription types.

#### (2.7) Growth opportunity of the vending machine business

(2.7.1) The proportion of vending machines per population in Thailand is still low.

Considering that there are 5 million vending machines (all model) in Japan with a population of 125 million, the ratio would be 1 vending machine per 23 people (Source: [www.itsyourjapan.com](http://www.itsyourjapan.com) as of February 2020). When compared to Thailand with a population of 67 million, SVT estimates that Thailand has only 30,000 vending machines. with a ratio of 1 vending machine to a population of 2,233, SVT therefore sees that the market has plenty of growth opportunities. Products to be sold through vending machines will be more varied with an increased number of installations in line with the changing consumer behavior at present.

#### **(2.7.2) Advances in the transportation system of Thailand**

The expansion of urban areas and public transport systems including the those of electric trains in the Bangkok metropolitan area to major provinces results in more people using public transportation. This increases the opportunity to expand more vending machines installations in open premises.

#### **(2.7.3) Modernization and lifestyle change of consumers**

The way of life of people who desire convenience, speed, hustle and ability to serve themselves (self-service) creates opportunities for new product launches and further development of product sales through vending machines. Coupled with the current situation of COVID-19, consumers currently demand disinfecting and cleaning products that are environmentally friendly in response to the New Normal society.

Another stimulus for the expansion of the vending machine business is the development of technology for digital or cashless payments in various forms such as QR Code, E-wallet, WeChat Pay, Alipay or Prompt Pay triggers people to an increasingly cashless lifestyle.

#### **(2.7.4) Business and economic competition**

Newer and online retail businesses have continued to grow but with higher competition, especially home delivery businesses and vending machine businesses which are continuously expanding especially following the COVID-19 pandemic.

Business operators have begun to penetrate new channels for their products through the increase of vending machine installations in open premises, such as transport junctions, shopping malls, mass transit systems, tourist attractions, educational institutions, hospitals, etc.

#### **(2.7.5) Modern technologies that advance IOT and 5G**

The advancement of technologies such as AI, IOT, and Data Analytics has resulted in their increased application in businesses to assist entrepreneurs in selling their products by collecting product data and analyzing consumer behavior to use as a guideline for developing marketing strategies. They can also do business using mobile phones which is modern and can be used for shopping, as well as paying and transferring money. Consumers have higher faith in their security and identity systems as well.

#### **(2.7.6) Market and consumer demand**

Although Thailand's population as a whole is aging, the new generation population has modified product values. They are constantly looking for new items, and they are more interested in new advertising mediums than in traditional media such as radios and televisions. The need for open space advertising has expanded as a result of this new market, which allows for the expansion of advertising through the use of more vending machines. Furthermore, the opening of the AEC Free Trade Area, as well as the CLMV countries' economic progress and quality of life, improves the chance to extend the vending machine company internationally.

### **(2.8) Impact of COVID-19 on the vending machine industry**

Many operators have devised and used techniques for selling through vending machines as a result of the COVID-19 epidemic in Thailand in early 2020, which decreases or eliminates human touch since people are concerned about cleanliness, product safety, and hygiene. They can also sell things around the clock as well as the introduction of new products such as masks, alcohol gel, and other types of



items which will be newly available through vending machines. Vending machines will, in the future, be used to sell umbrellas, slippers, t-shirts, raincoats, chargers, portable power banks, and other items that are frequently used and sometimes urgently required which does not need to be touched to carefully considered in terms of the appearance before purchase or use.

#### **(2.9) The competitive environment of the vending machine business**

On December 31, 2021, SVT has approximately 14,628 vending machines, making SVT the current market leader. The competitors in the market will consist of

1. entrepreneurs who provide payment services through electronic systems such as Vending Plus machines of Vending Plus Company Limited and Boonterm machines of Forth Smart Service Public Company Limited.

2. Beverage brand owners or retail operators such as 7-Eleven machines of CP All Public Company Limited, Lotus machines of Ek-chai Distribution Systems Company Limited, TG machines of T.C. Pharmaceutical Industries Company Limited (Red Coconut) and AOC of Asia Vending Machine Operations Company Limited (Osotspa Group).

3. Entrepreneurs who own various applications with a function to support online payments, top up mobile phones, etc. such as Blue Mart of BluePay Company Limited.

#### **(2.10) Strengths and advantages of SVT**

1. Is the leading business in the vending machine market of Thailand by the end of 2021, with over 14,628 vending machines distributed across 26 provinces reaching all target groups.

2. Has over 20 years of work experience, which in turn yields expertise in production, conditioning, and assembly (refurbishment) alongside service, sales, and relationship with suppliers for a long period of time.

3. Has a team of engineers knowledgeable in designs to develop all models of vending machines. Also has development of new machine models such as top-up machines, and coin exchangers all while possessing and can develop automatic cabinet control circuit boards.

4. Has a factory to repair, condition, and assemble vending machines, with executives, a team of engineers, and personnel who have been with SVT for over 20 years.

5. Has personnel in information technology, whereas the Back Office, in order to install the system with the hardware, has the capacity to develop replenishing systems and supply chain distributions.

6. There are 11 warehouses located in Bangkok, the central region, the eastern region, as well as Korat and Khon Kaen, providing distribution services covering more than 26 provinces, with over 380 internal trucking fleet and approximately 311 route operators.

7. A leader in developing One Card or Membership system for corporate customer groups which will adopt a sustainable business for SVT, adding value to the business with the potential to expand in a market with few competitors.

### **(3) Procurement of products and services**

#### **(3.1) Purchasing**

##### **1) Procurement of goods for sale through vending machines**

Procurement of products for sale through vending machines, with the merchandise department in charge of implementing policies, conditions, control, and management of product recruitment and selection for vending machines. There is a process of selecting products to sell through automated machines in order to obtain quality products with effectiveness, the correct quantity, on time, at the right price from reliable sources, and can generate appropriate sales and profits. Furthermore, according to SVT's policy, the procurement of products for sale through vending machines has the potential to generate good operating results as follows,

1.1. The material properties and packaging must be able to fit into the slot in accordance with the standards.

1.2. Gross profit (According to required standards)

1.3. Products that have gone through market trials and are distributable and saleable according to the criteria established by SVT as a standard

in 2021, SVT purchased products for vending machines from approximately 62 manufacturers and distributors, with purchases from Sahapat Group accounting for 9% of total sales purchases.

##### **2) Procurement of Vending Machines**

There are two types of vending machine procurement: vending machines to sell products under the brand "SUNVENDING" (SVT assets) and vending machine trading (goods for sale).

SVT has a trading process to obtain various vending machines of the correct quality and quantity, on time at a reasonable price from a reliable source. The average lifespan of a brand-new vending machine is about 8-12 years, while a second-hand vending machine has an average lifespan of 5-8 years.

Considering information about vending machine vendors/manufacturers includes:

2.1 The seller's credibility, reputation, at least 5-years of production and export experience, product development, and leadership in products and markets at the forefront of production technology research and development of boards and systems in accordance with modern technology.

2.2 The potential of the producer, such as quantity, quality in production, and the ability to deliver goods on time

2.3 The price is reasonable, when compared to the quality of SVT's Competitive Advantage

#### **(3.2) Purchasing Policy**

The following are the purchasing guidelines that must be followed from the SVT manual:

1) **For purchasing requests**, a person wishing to purchase must make a purchase request before the date they wish to use the property, and every time they need to be approved by the authorized person, except for purchases that are regulated by the Minimum Stock Point.



**2) Selection of vendors** (Vendor) The seller is reliable. The quality is correct and appropriate. For payment terms, the price is correct and meets the needs of customers as much as possible, with delivery service according to the quantity ordered and after sales service.

**3) Seller evaluation,** Vendor evaluation is required once a year, selecting from the highest purchases of 20% of all sellers (vendors) to be evaluated. In the case of a new seller, it will be assessed as appropriate for the time of purchase.

**4) Determining the purchasing policy,** the purchase contract, the terms, and the conditions of the purchase must comply with the purchasing policy. The product must be clearly identified with the terms of product warranty, payment, and delivery in full, correct, and convenient to inspect.

### (3.3) Refurbishment and assembly plant (Refurbishment)

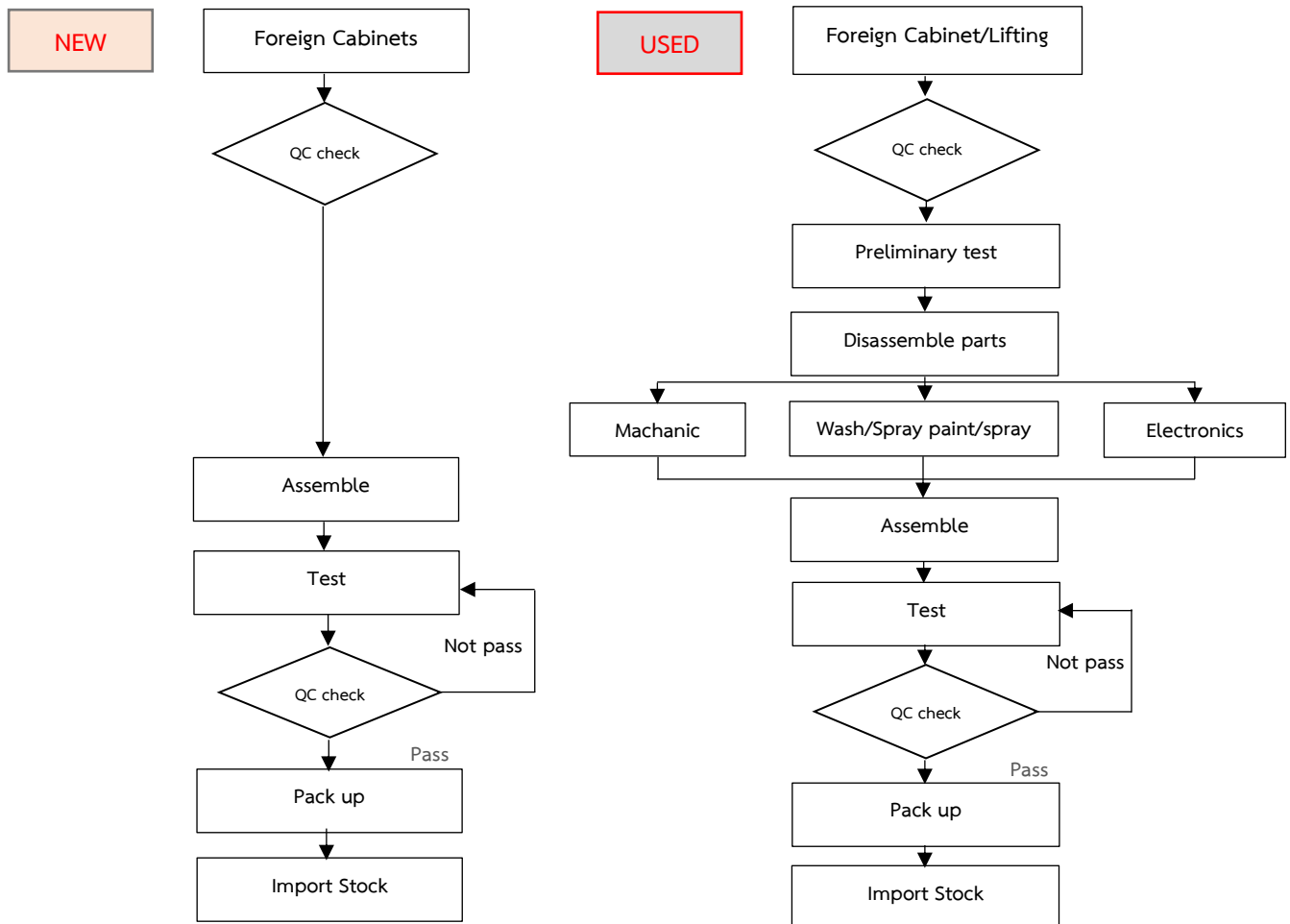


The work in the factory is divided into 4 main tasks as follows:

1. Imported second-hand tools and lifting machines back from the branch for refurbishment and assembly - import second-hand tools to improve the condition and assemble and send them to branches for installation.
2. Spare equipment maintenance – Receiving the returned machines from the branch for repair and return
3. Improve the condition and assemble the machine to order – it is a machine design that has a specific order (Made to order).

4. Reconditioning and assembling machines for sale – Importing new or used machines for sale. Before selling, the machines' condition must be improved and assembled, or the program must be installed.

#### Procedure for reconditioning and assembling the machine (Refurbishment)



**(3.3.1) Procedure for reconditioning and assembling the machine (Refurbishment)**, which consists of the following departments:

1.1. The Quality Inspection Department is responsible for checking the condition of the vending machine and its internal equipment before entering the system for reconditioning and assembling the machine.

1.2. The Preliminary Testing Unit is in charge of testing the vending machines' operation.

1.3. The Disassembly Unit is in charge of disassembling parts and other spare parts from the machine.

1.4. The Cleaning and Painting Department is in charge of cleaning parts and spare parts, as well as painting the machine.

1.5. The Electronic Unit is in charge of inspecting all electronic equipment and spare parts within the machine.

1.6. The Mechanics Unit is in charge of inspecting and maintaining all hardware, as well as cooling and heating equipment, within the machine.

1.7. The Assembly Unit is in charge of assembling vending machines.

1.8. The Testing Unit is in charge of testing the vending machine's entire operation.

SVT has a factory for the refurbishment and assembly (Refurbishment) of vending machines under the brand "SUNVENDING" produced at SVT's factory in Suwinthawong, with an approximate area of 9 Rai 3 Ngan 90 and a total usable area of 8,416 square meters. SVT will plan its annual and monthly vending machine production by pre-ordering vending machines from abroad in advance. The second tool is ordered as a container from a distributor in Japan under the condition that the device is not more than ten years old. The device must be able to be activated and a guarantee that the product will be returned if it does not function properly.

Vending machine production entails pre-production planning as well as inventory management to ensure that products are delivered on time and with the required quality and time. SVT has a plan in place to continuously improve production efficiency, considering the ability of personnel, machines, tools, and equipment, as well as the use of modern technology, to support the growing demand for products from both domestic and international customers.

SVT has a test and maintenance unit (Test and Maintenance), which is a support unit for other units in the factory, especially the testing of the use of vending machines before offering to consider the purchase and the testing of the packaging of products that can be used with vending machines. Furthermore, it is in charge of receiving maintenance notifications from the Call Center unit, as well as being an agency that writes vending machine user manuals.

**(3.3.2) Test and Maintenance unit is divided into 5 types of work duties.**

1. The Testing and Maintenance Unit is in charge of putting new machines from overseas through their paces. It is a unit that tests new types of machines from abroad in order to collect usage and performance data to analyze and present to relevant departments for consideration and approval so that they can be used in practice and efficiently.

2. The Testing and Maintenance Unit is in charge of putting new machines from overseas through their paces. It is a unit that tests new types of machines from abroad in order to collect usage and performance data to analyze and present to relevant departments for consideration and approval so that they can be used in practice and efficiently.

3. A product packaging test is a unit that tests product packaging for various types of vending machines and summarizes test data for the relevant departments.

4. Creating machine manuals and training SVT employees on vending machines, it is a unit that is responsible for writing manuals for the use of vending machines that are new types from overseas and those developed by the product research and development department, including training on vending machines for personnel within SVT and outside of SVT (customers who buy machines from SVT).

5. After-sales service for vending machine customers is in charge of

providing maintenance services for vending machines both under warranty and out of warranty, including going out to repair vending machines. When a customer has a problem and contacts the call center system, the Research and Training Testing Department will provide advice and consultation over the phone, including dispatching staff to repair the vending machine for the customer.

#### (4) Assets Used in Business Operations

As of December 31, 2021, the Company's assets used in its business operations are as follows:

No.	Property type	Proprietary nature	Obligation	Net Value after Deduction of Accumulated Depreciation (Million Baht)
1	Land and land improvements	according to the main assets table	On March 15, 2021, a piece of land mortgaged with financial institution for 120 million Baht.	204.81
2	Buildings and building improvements	Owned	None	122.45
3	Equipment	Owned	None	444.13
4	Furniture and office supplies	Owned	None	12.65
5	Vehicle	Owned	None	58.32
6	Assets under construction and installation	Owned	None	69.75
<b>Total</b>				<b>912.11</b>

#### (4.1) Table showing the main assets used in business operations

##### 1) Land and buildings of the Company

No	Branch	Title deed number	Area (Rai/Ngan/Square Wah)	Location	Net Book Value (Baht)		Area used		
					Land and land improvements	Buildings and Building Improvements	Production Unit (Square meter)	Office (Square meter)	Warehouse (Square meter)
1	Factory and Suwinthawong Branch hachoengsao Province	11988, 20530, 20531, 20532, 20533	9/3/1990	Bang Nam Priao District	7,288,721	35,458,957	4,736	2,760	2,322
2	Chonburi branch (Ban Puek Sub-district)	75857	1/1/1931	Mueang Chonburi District	6,728,500	3,155,542	-	300	517

No	Branch	Title deed number	Area (Rai/Ngan/ Square Wah)	Location	Net Book Value (Baht)		Area used		
					Land and land improvements	Buildings and Building Improvements	Production Unit (Square meter)	Office (Square meter)	Warehouse (Square meter)
	Chonburi branch (Nong Khang Khok)	156951	2/3/1980	Mueang Chonburi District	13,590,000	16,760,753	-	309	988
3	Rayong branch (Bowin, Sriracha)	145428	4-0-82	Sriracha District	12,000,000	12,505,364	-	351	975
4	Ayutthaya Branch	27295, 27296	1-2-74,2-0 Total area: 3 Rai 2 Ngan 74 Square meters	Wangnoi District	6,992,905	13,855,072	-	180	728
		66,296,630	0.88,0.89 Total area: 177 Square meters	Wangnoi District	2,033,200	1,563,267	-	120	180
5	Prachinburi Branch	42920	1/2/1984	Si Maha Phot District	5,688,805	6,772,664	-	264	490
6	Korat Branch	522, 705, 226, 752, 269	0-1,1-0,0-1 Total area: 1 Rai 2 Ngan	Chok Chai District	2,408,625	5,809,068	-	294	225
		108083	12 Square meters	Mueang Nakhon Ratchasima District	960,000	1	-	-	-
7	Ratchaburi Branch	2006	2-0-40	Bang Phae District	7,820,000	8,536,575	-	270	570
8	Samut Sakhon Branch	115578	2/2/2000	Mueang Samut Sakhon District	19,300,000	18,038,296	-	325	900
9	Bangkok Head Office <sup>1</sup> (Under construction)	11336	1/1/1941	Bangkapi District	120,000,000	Under construction	-	-	-

**Remark:** Bangkok Head Office<sup>1</sup> registered the mortgage of the land which is the ownership of the Company as collateral for debt repayment with a financial institution.

## 2) Lease

No.	Branch - Location	Rental Space	Tenant	Lessor	Rental Period	Contract Details
1	- Sathu Pradit is an office and warehouse - No. 414/25	1,008 Square meters	SVT	I.C.C. International Public Company Limited	1 year (January 1, 2021 –	1. The lessee shall notify the lessor of his/her wish to renew the contract in

No.	Branch - Location	Rental Space	Tenant	Lessor	Rental Period	Contract Details
	Soi Phatthanakan 1, Bang Phong Pang Sub-district, Yannawa District, Bangkok	(Parts of building)			December 31, 2021)	<p>writing 3 months prior to the expiration of the lease.</p> <p>2. The lessor shall carry property insurance for the leased building and is the beneficiary where the lessee is required to pay the premiums for such insurance.</p> <p>3. The lessee shall not have the right to sub-lease, sublet or transfer of lease rights to anyone.</p> <p>4. The lessee shall be responsible for payment of land and building tax, signboard tax, and any others related to the operation of lessee's business.</p>
2	<p>- Research and Development Department Building: R&amp;D</p> <p>- No. 2/35 Sukhaphiban 2 Road, Prawet Sub-district, Prawet District, Bangkok</p>	Commercial building 4 floors	SVT	Mrs. Thitima Boonsirimaneechoke	1 year (June 1, 2021 – May 31, 2022)	<p>1. The lessee shall notify the lessor of his/her wish to renew the contract in writing 60 days prior to the expiration of the lease.</p> <p>2. The lessee shall be responsible for payment of the land tax and the local maintenance tax, and other relevant property tax or withholding tax.</p> <p>3. The lessee shall have the right to insure the property where the lessor is the beneficiary and the lessee is responsible for the payment insurance premium.</p>
3	<p>- Suan Luang branch is used as a warehouse</p> <p>- No. 6 Soi Chaloem Phrakiat Rama 9 Soi. 28, Junction 12 Dokmai Sub-district Prawet District, Bangkok</p>	Buildings and some outdoor spaces Area: 1 Rai	SVT	Ms. Rewadee Yodudom	2 years (January 1, 2020 – December 31, 2022)	<p>1. The lessee shall notify the lessor of his/her wish to renew the contract in writing 60 days prior to the expiration of the lease.</p> <p>2. The lessee shall terminate this lease agreement by giving written notice to the lessor at least 60 days in advance.</p> <p>3. The lessee shall agree that the lessor has a collective right to use the second door to access to the leased premises at any time.</p> <p>4. The lessee shall be responsible for the payment of common expenses (according to the area), building tax, signboard tax and related taxes, as well as being a person who installs</p>



No.	Branch - Location	Rental Space	Tenant	Lessor	Rental Period	Contract Details
						separate electricity meters and water meters.
4	- Office for IT Programing Service Department and Information Technology Security Department - No. 1 Montphichit Building, Ratchadaphisek Road, Bang Phong Pang Sub- district Yannawa District, Bangkok	Area: 95.25 Square meters, 3 <sup>rd</sup> floor, Monphichit Building	SVT	Monphichit Company Limited	1 year (December 14, 2020 – December 31, 2021)	<ol style="list-style-type: none"> <li>1. The lessee shall notify the lessor of his/her wish to renew the contract in writing at least 3 months prior to the expiration of the lease.</li> <li>2. If the lessee terminates this lease agreement before the expiration date, the lessor shall have the right to forfeit all rental deposit and to demand the tenant to pay for compensation.</li> <li>3. When the lease is terminated and both parties agree to enter into a new lease agreement, the lessor shall promise not to increase the rent more than 20 percent of the rent under the original contract.</li> <li>4. The lessee shall be responsible for the property and land tax.</li> <li>5. The lessee shall not have the right to sub-lease or sublet to anyone.</li> <li>6. Any act that the lessee has done in the rental place and causes the property to be attached to the rental place. The property shall immediately become the property of the lessor.</li> </ol>
5	- Khon Kaen Sub-Branch - No. 333, Moo 12 Ban Thum Sub-district Mueang Khon Kaen District Khon Kaen Province	Land with buildings (only product building)	SVT	Mr. Taweeiat Lapcharoenwongsa and Mr. Thosaphon Lapcharoenwongsa	1 year (October 1, 2021 – September 30, 2022)	<ol style="list-style-type: none"> <li>1. If the contracting party wishes to terminate the contract before the contract period expires, the other party must be notified in writing at least two months in advance.</li> <li>2. The lessee pays the withholding tax. The lessor is responsible for paying property and land taxes, local maintenance taxes, and any other taxes, as well as fees and expenses.</li> <li>3. If the tenant has refurbished the building that is fixed, it will be the property of the lessor.</li> </ol>

### 3) Vehicle

Information as of 31 December, 2021, the Company owns delivery vehicles, and some parts are being leased, and operating leases. The details are summarized as follows,

No.	Vehicle Type	Amount (Units)	Ownership	Net Book Value (Million Baht)	Obligation
1	Pickup truck / Six-wheeled truck	395	Owned	56.49	None
2	Car used at the head office	2	Hire purchase	2.13	None
3	Pickup truck	13	Hire purchase	5.08	None
4	Rental car (for the purpose of transportation of goods)	19	Rent	Monthly Rental	None

### (5) Unfinished item(s)

- None -

### 1.3 Shareholding Structure

**1.3.1 Shareholding Structure of the Group Company.** The Company has no investment in any subsidiary or associated company.

#### 1.3.2 Shareholding structure

Shareholding Structure of the Company as of December 31, 2021, the Company's registered capital was 700,000,000 Baht, divided into a paid-up capital in the amount of 700,000,000 Baht, with a par value of 1 Baht per share, totaling 700,000,000 shares.

#### 1) Company's Major Shareholders

The list of shareholders as of December 31, 2021 can be summarized as follows:

No.	Major Shareholders	Number of Shares	Percent (%)
1	<b>Chokwatana Group</b>		
	(1) Saha Pathanapibul Public Company Limited	88,767,500	12.681
	(2) Saha Pathana Inter-Holding Public Company Limited	50,000,000	7.143
	(3) I.C.C. International Public Company Limited	41,250,000	5.893
	(4) Chokwatana Company Limited	39,508,380	5.644
	(5) Mr. Boonyasit Chokwatana	35,113,090	5.016
	(6) Thai Wacoal Public Company Limited	25,000,000	3.571
	(7) International Laboratories Corp., Ltd.	25,000,000	3.571
	(8) Hlanpu Company Limited	23,905,680	3.415
	(9) Mr. Vathit Chokwatana	19,685,430	2.812
	(10) I.D.F Company Limited	18,694,280	2.671

No.	Major Shareholders	Number of Shares	Percent (%)
	(11) Mr. Boonchai Chokwatana	16,427,070	2.347
	(12) Mr. Pitsnu Chokwatana	6,225,010	0.889
	(13) Mr. Peeranat Chokwatana	5,933,000	0.848
	(14) Mr. Boonkiat Chokwatana	5,010,400	0.716
	(15) Sinparadorn Company Limited	3,906,240	0.558
	(16) Mr. Boon-ek Chokwatana	3,758,040	0.537
	(17) Far East Fame Line DDB Public Company Limited	2,109,400	0.301
	(18) Boonwattanachok Company Limited	1,679,700	0.240
	(19) Mrs. Suwannee Chokwatana	1,512,900	0.216
	(20) Newcity (Bangkok) Public Company Limited	800,500	0.114
	(21) Eaksuwan Company Limited	687,500	0.098
	(22) Mr. Boonpakorn Chokwatana	451,000	0.064
	(23) Saipinwattana Company Limited	312,500	0.045
	(24) Unifunds Company Limited	300,600	0.043
	(25) First United Industry Company Limited	260,400	0.037
	(26) Suncolor O.A. Company Limited	258,300	0.037
	(27) Ms. Worawan Chokwatana	100,000	0.014
	(28) Mr. Phiphob Chokwatana	100,000	0.014
	(29) Dinvest Company Limited	89,040	0.013
	(30) Thai Sanwa Food Industrial Company Limited	62,500	0.009
	(31) Ms. Thiwalak Chokwatana	46,890	0.007
	(32) Mrs. Chamnian Chokwatana	8,340	0.001
	(33) Mrs. Thipaporn Chokwatana	8,340	0.001
	(34) Mr. Chailadon Chokwatana	5,200	0.001
	(35) Mrs. Chailada Tantivejkul	5,200	0.001
	(36) TPCS Public Company Limited	5,000	0.001
	(37) Ms. Patcharin Chokwatana	3,120	0.000
	<b>Total</b>	<b>416,990,550</b>	<b>59.570</b>
<b>2</b>	<b>Mrs. Lawan Wanglee</b>	<b>10,500,000</b>	<b>1.500</b>
<b>3</b>	<b>Panupattana Group</b>		
	(1) Mrs. Apassara Panupatthana	8,078,340	1.154
	(2) Mr. Sombat Panupatthana	1,668,170	0.238
	(3) Mr. Surachet Panupatthana	400,000	0.057
	<b>Total</b>	<b>10,146,510</b>	<b>1.450</b>
<b>4</b>	<b>Wichitsaengrat Group</b>		
	(1) Mr. Somchai Wichitsaengrat	6,320,000	0.903

No.	Major Shareholders	Number of Shares	Percent (%)
	(2) Ms. Chalothon Wichitsaengrat	450,000	0.064
	(3) Ms. Sarocha Wichitsaengrat	360,000	0.051
	(4) Ms. Wanluck Wichitsaengrat	40,000	0.006
<b>Total</b>		<b>7,170,000</b>	<b>1.024</b>
5	Mr. Charan Leetrairong	4,250,000	0.607
6	Mr. Kitpaphan Ueasudkij	3,500,000	0.500
7	Mr. Worawit Kaewsawang	3,333,800	0.476
8	Ms. Siriya Ueasritanakorn	3,332,630	0.476
9	Ms. Supa Piyakontaweerung	3,261,000	0.466
10	Mr. Chanchai Jienjiltart	3,000,000	0.429
11	Other Minority Shareholders	234,515,510	33.502
<b>Net Total</b>		<b>700,000,000</b>	<b>100.000</b>

*Remark: - 3<sup>rd</sup> shareholder, Panupattana Group<sup>1</sup> Being a Director and Executive of SVT*

*- Shareholder No. 9 Ms. Supa Piyakontaweerung<sup>2</sup> is the Company Secretary of SVT*

*- The shareholding of directors and executives, including employees, is, however, in accordance with the resolutions of the 2021 Annual General Meeting of Shareholders, which was held on March 22, 2021*

## 2) Share Transfer Restrictions

The Company has no restrictions on the transfer of shares. The transfer of shares must not result in a foreign holding of more than 49 percent of the Company's total voting shares. Following the public offering of ordinary shares at this time, if a transfer of shares by any person results in a foreign shareholding of more than 49 percent of the total voting shares, the Company has the right to refuse to accept the registration of the transfer of shares.

## 3) Shareholder Agreement

-None-

### 1.3.3 Relationship with the business group of the major shareholder

The Chokwatana family and companies in the Sahapat Group are the Company's major shareholders. The Sahapat Group has no other company that competes with the business of selling products through vending machines. Sahapat Group has joint ventures with trade partners to sell retail products through other channels, such as Lawson 108, Tsuruha, and so on, but the nature of the products sold differs from SVT, as do the distribution channels. The Company only sells products through vending machines, such as beverages, snacks, etc.

Due to selling products through vending machines, the Company will buy products from the Sahapat Group, such as drinking water, instant noodles, etc. The Company earns advertising revenue from vending machines, wrapping vending machines with instant noodles advertisements, and contracts to place vending machines in the Sahapat Group's area, which is a normal business transaction. The Company has a

process for selecting products to be sold through vending machines, as well as a price comparison and gross profit, with no significant reliance or support from the Company. The Company has a policy of doing connected transactions and has an audit committee to consider related transactions every quarter.

#### **1.4 Registered and Paid-up Capital Amount**

As of December 31, 2021, the Company has a registered capital of 700,000,000.00 Baht and a paid-up registered capital of 700,000,000 Baht with a par value of 1 Baht per share, totaling 700,000,000 shares.

#### **1.5 Others Securities Issuance**

-None-

#### **1.6 Dividend Payment Policy**

The Board of Directors may consider paying the Company's annual dividend, which must be approved by the shareholders' meeting holding shares, unless it is an interim dividend payment, in which case the Board of Directors has the authority to approve the payment of dividends from time to time when the Company sees that there are sufficient profits, and the Board of Directors shall report to the shareholders' meeting for acknowledgment at the next meeting.

The Company has the policy of paying dividends to shareholders at a rate of not less than 40 percent of net profit after corporate income tax and reserves according to the laws and regulations of the Company. Dividend payments are subject to change in the future, depending on the investment plan, cash flow liquidity, performance, and other factors deemed appropriate by the Board of Directors and/or shareholders of the Company, and in accordance with applicable laws, regulations, rules, or other notifications, in order to primarily benefit the shareholders.

## **2. Risk Management**

### **2.1 Risk factors**

Before deciding to invest in the Company's ordinary shares, investors should exercise caution when considering the risk factors discussed in this topic and other information in this document. The aforementioned risk factors are not the only ones that could affect the Company's common stock; therefore, other risk factors that the Company is not aware of at this time or that it considers to be non-material risk factors at this time could become a risk factor in the future, affecting the Company's operations.

#### **2.1.1 Business Risks**

##### **1) Risks from Providing Vending Machine Space**

The Company has set a target of 20,000 vending machines by 2023 to increase product sales through vending machines each year. As a result, the Company needed to find a suitable location for the vending machines that were also accessible to customers. This makes product sales more liquid and ensures that there are enough sales to cover fixed costs and make a profit. The vending machine market is becoming more competitive these days. As a result, finding a good location is more costly, and a landlord with good potential will have more negotiating power. Therefore, the Company runs the risk of not being able to obtain the space as planned and the cost of space is higher, resulting in less profit.

The Company has planned to place vending machines by adjusting the proportion of vending machines installation locations to 70 percent closed areas and 30 percent open areas, with factory and office

groups still the main target groups of closed places. The group has been related for a long time, and this area has still generated sales consistently. In the open area, vending machines will be added in the area of gym and public transport, etc. The Company has a sales expansion team that identifies high-traffic areas and selects types of vending machines and products that are suitable for the area and target demographics, including negotiating the rental cost for space for vending machines. With high-traffic areas, the company can also diversify into other businesses, such as selling advertising media through touch screens or wrapping vending machine areas. Then the information will be analyzed and financially projected, and the Company will proceed to make a contract with the landlord.

The Company also intends to construct three additional distribution centers to support the expansion of vending machine installation services and to broaden its customer base to more provinces in the North, South, and Northeast.

## **2) The risk of not renewing the vending machine space contract**

As of December 31, 2021, the Company has placed 14,628 vending machines to distribute products. The nature of a vending machine placement agreement or contract will be defined by an unscheduled contract period and no fixed compensation for setting up the machines in each location. The contract will be terminated by providing one month's notice in advance (depending on the case as agreed under the contract). As a result, if the Company is unable to negotiate a space lease agreement with the landlord or find a replacement in the surrounding area, this may have an impact on the Company's business operations.

Previously, however, the Company had no trouble renewing the contract with the landlord, or if cancelled, the Company can find a replacement area and can also increase the number of vending machines every year by leaps and bounds and find new areas to penetrate new target customers.

## **3) Risks from relying on foreign vending machines manufacturers and distributors**

At the moment, the Company has ordered vending machines (new and used cabinets) and spare parts from international distributors. As for the new vending machines, in 2021, SVT ordered vending machines from two manufacturers from China and Japan. Two of the aforementioned companies have contracts to be distributors of vending machines for a period of 2 years and 3 years, respectively. In the part of second-hand vending machines and spare parts, the Company has 3-4 distributors from Japan. The Company will have criteria for selecting distributors who have high-quality vending machines at a reasonable price, and those machines must meet the Company's needs.

In 2021, the Company's main raw material or product will be vending machines, and they are ordered from overseas because they are products that cannot be produced in the country on. As a result, there is a risk of relying on products manufactured by foreign manufacturers. If the manufacturer is unable to supply the product to the Company on time, there will be a significant impact on the Company's operations.

However, in the case of the new vending machines, the Company's orders are made according to contractual agreements and raw material purchases are planned in advance, and in the part of the second-hand vending machines, the Company has a list of other distributors that can provide raw materials. The Company has never experienced a severe shortage of raw materials in the past, but there may be some delays. The Company believes that ordering from such distributors will not affect or damage in any way.



As for the risk from fluctuations in the exchange rate, the Company purchases vending machines from other countries using US Dollars, Japanese Yen, and Chinese Yuan based on the agreement. Most of the payment terms are in 2 installments, namely paying in advance and paying the remaining balance when the goods are delivered from the seller's side in the form of T/T without credit. As a result, there is little risk of currency fluctuations.

#### **4) Risk of misoperation or fraud by cashiers at vending machines**

The Company has hired employees to work in branches or as Route Operator, who are Company employees to get money from a vending machine and to add products to vending machines to ensure that products are available for sale on a regular basis and meet market demand. As a result, the Company may face the risk that the Route Operator employee may misbehave or corrupt which may have an impact on operating results and the Company's overall financial situation.

However, the Company has several systems in place to prevent mismanagement or fraud, including the following:

1. Checking the number of pieces sold and sales using the VMS program, which is a program that connects to meter data that employees enter when opening a filling machine and collecting money.
2. Checking the payment collection of sales for each day, employees must bring the money collected from the wholesale to the coin room of each branch to count the money from daily sales by the coin counter. The data department of each branch will check the VMS data from the amount counted by the coin room and the sales report from the VMS vending machines.
3. Checking with the inventory counting system at the back of the car
4. Checking with the branch's inspection system with a supervisor
5. Checking with an inspection system by the Internal Audit Department (Stock & VMS).

As for the staff selection process, the Company has a strict policy for selecting Route Operator employees based on their background and qualifications suitable for work. The Company has put insurance in place to protect employee guarantee contracts. Each individual named in the employment contract serves as a guarantee in the event of a fraudulent employee or the company's inability to collect money or goods from employees in full.

#### **5) The risk of relying on specialized human resources**

Due to the fact that the Company's vending machines have a complex development process and rely on the integration of technology into different departments. In particular, the manufacture of vending machines and the improvement of the system to use cashless payment methods and the improvement of the functionality of vending machines purchased abroad depend on specialized personnel, especially information technology and programming personnel. If the Company loses such highly specialized personnel, this may cause the Company's business operations to be disrupted and may have an impact on the Company's overall performance as well as the Company's future business opportunities.

The Company, on the other hand, focuses on the policy of appropriate human resource development, such as remuneration and compensation consideration for staff by taking into account the duties and responsibilities of the positions, the average wage compared to other companies, and has a systemic procedure for employee performance evaluation. The Company, on the other hand, has trained personnel who

can provide knowledge about production and productive administration. Furthermore, the Company provides an operation manual for practical personnel as well as a continuous personnel development policy to ensure that employees can work efficiently and substitute each other.

#### **6) Risks from changes in regulations and policies from the government sector**

Because the Company must import vending machines from overseas, both new and used, the import process must be in accordance with the government's policy, laws, and rules to operate the general business of Thailand. The aforementioned laws and rules may differ depending on the government's policies and regulations. As a result, changes in government regulations in the future, such as restrictions on importing second-hand goods from overseas or the imposition of new tariffs, may have an impact on the Company's business operations and turnover in both positive and negative ways. Furthermore, there may be unfavorable consequences for the Company's financial status and overall operations.

The Company has been aware of changes in the government's regulations and policies on a continuous basis. The Board of Directors will delegate to the Department of Business Support the responsibility of monitoring changes and enforcing related regulations to ensure that the aforementioned regulations are followed correctly and in a timely manner. Furthermore, the Company Management Department has continued to monitor government policies in order to develop business strategies in a timely manner.

#### **7) The risk of technological change**

The Company is involved in businesses related to the advancement of digital technology, which plays an important role in daily life. The rapid advancement of technology has caused the Company to pay attention and recognize the need for adjustment in order to apply the use of technology in the business. If the company is unable to adapt to the changes, it may have an impact on its turnover and its continued existence.

The Company is also aware of technological advancements. As a result, the products and services have been modified to be more appropriate and in line with technological advancements. There are three R&D teams that prepare personnel to keep up with changes: R&D Circuit Control, R&D Software Development, and R&D Hardware & Mechanical. Furthermore, the Company's executives have more than 20 years of experience in the aforementioned industry, making them knowledgeable, understanding, and aware of the importance of technological changes. The Company has established a three-year business plan with a focus on empowering in the field of technology and innovation, as well as a strong emphasis on product selection using the software that the Company has developed. As a result, the Company's system can be trusted with high efficiency and the use of modern technologies, allowing employees to constantly learn more and update information about the system.

#### **8) The risk of the spread of COVID-19**

The epidemic situation of COVID-19 caused the Company to be at risk or to be affected in terms of general operation since the epidemic crisis of COVID-19 since 2020 and the later wave of the new outbreak. Vending machine business is restricted to use in certain areas, such as areas with severe epidemic outbreaks or areas under lockdown with the measure to quarantine people traveling across borders in some provinces. The aforementioned changes had an impact on the overall operation of the Company and resulted in an increase in sales due to the Company's inability to reload products into vending machines in some areas.

The Company has Business Continuity Plan ("BCP") to manage and control the COVID-19 in order for the Company to continue its business. Initially, according to the BCP, the Company is able to relocate the work location as the situation may require or to move some personnel in the distribution branches that are temporarily closed to other operating branches that are still operating immediately after being impacted by the pandemic. In terms of the online systems, the IT Support Team is ready to install accounting software and an online system to be prepared for working from home. In the past, the Company has been able to manage and control the epidemic situation of COVID-19 very well, and moreover, the Company has continued to be aware of the situation and constantly followed the plans, including following the safety measures for the organization (Covid Free Setting), imposed by the government sector as guidelines for employees in accordance with the notifications, orders, and regulations of the government sector in order to operate the business under the conditions of compliance with the measures to prevent and control the outbreaks of the disease appropriately in accordance with the situation.

### 3. Driving Business towards Sustainability

#### 3.1 Sustainable Development Policy and Goals

The Company is committed to driving sustainable business under the Green Economy framework, by value on creating balance growth in three areas, i.e., economic, social, and environment, throughout its business value chain. The commitment would drive the company towards an innovative organization with quality human resources and cutting-edge management systems which is transparent, efficient, and responsible to society and the environment.

In addition, the company is committed to supporting the United Nations Sustainable Development Goals (SDGs) in accordance with the ESG (Environment Social and Governance) guidelines covering environmental, social, and corporate governance dimensions. The 5 Sustainable Development Goals which are linked with the company's sustainability management policies are:



1. Improve the quality of life and well-being for all people of all ages through sourcing and distributing safe and healthy products for consumers.



2. Commit to developing and improving energy efficiency in business operations and the value chain to enhance sustainable energy practices.



3. Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.



4. Ensure sustainable consumption and production patterns, including achieving the sustainable management and efficient use of natural resources, reducing food waste, achieving the environmentally sound management of chemicals hazardous wastes, and substantially reducing waste generation through recycling and reuse.



5. Take urgent actions to support the transition to a low-carbon economy by integrating climate change measures into the organization's strategies and planning and sustainable natural resources management measures. Specifically, reduce direct and indirect greenhouse gas emissions throughout the value chain. emissions throughout the value chain.

### 3.2 Managing impact on stakeholders in the business value chain

SVT emphasizes sustainable value creation, not only within our company but also throughout our value chain. Therefore, we have incorporated value chain and stakeholder analysis into our sustainability approach, including understanding stakeholder expectations along the value chain in order to evaluate and analyze high-risk issues. The Company has established guidelines in response to these and integrated these into the business operations in order to reduce operating risks that may affect stakeholders in the environmental, social, and governance dimensions.

#### 3.2.1 Business value chain



### 3.2.2 Stakeholder Analysis

	Government agencies and regulators	Business partners and suppliers	Customers and consumers	Employees	Shareholders and investors	Community and society	Media and financial analyst	Business competitors
1	✓	✓		✓		✓	✓	
2	✓	✓	✓	✓		✓		
3	✓	✓	✓	✓		✓		
4	✓	✓	✓	✓	✓		✓	✓
5	✓	✓	✓	✓	✓	✓	✓	

Stakeholders	Key Point/Expectations	Response Measures	Response Channel
Government agencies and regulators	<ul style="list-style-type: none"> <li>&gt; Compliance with regulations</li> <li>&gt; Business operations align with the sustainable development economy following the announcement of the National Agenda 2021 (Bio-Circular-Green Economy: BCG Model)</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Comply with and support policies of regulators and government agencies</li> <li>&gt; Study and apply the Bio-Circular-Green Economy in tandem with the Company's sustainability management policy</li> <li>&gt; Continuously monitor government policies and apply as appropriate in setting business strategies</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Annual report</li> <li>&gt; <a href="http://www.sunvending.co.th">www.sunvending.co.th</a></li> <li>&gt; Facebook: SUN Vending</li> <li>&gt; Environmental impact assessment report</li> </ul>
Business partners and suppliers	<ul style="list-style-type: none"> <li>&gt; Implications of changes in ESG on procurement practices</li> <li>&gt; Business growth and stability</li> <li>&gt; Fair procurement and timely payments</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Establish procurement practices with partners and contractors consistent with ESG guidelines</li> <li>&gt; Open channels for suggestions and opinions</li> <li>&gt; Disclose important procurement information</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Case-by-case basis meeting</li> <li>&gt; Company hotline</li> <li>&gt; Annual report</li> <li>&gt; Code of Conduct</li> <li>&gt; <a href="http://www.sunvending.co.th">www.sunvending.co.th</a></li> </ul>
Customers and consumers	<ul style="list-style-type: none"> <li>&gt; Delivery of quality products that meet the needs of customers and consumers</li> <li>&gt; Healthy, safe, and nutritional food and beverages</li> <li>&gt; Efficient and rapid communication with customers</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Regularly include performance reviews conducted to improve and develop product quality in meeting agendas</li> <li>&gt; Set safety and nutrition standards in product selection for consumers</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Annual report</li> <li>&gt; Direct contact on a case-by-case basis</li> <li>&gt; Hotline: 062-5985215</li> <li>&gt; <a href="mailto:marketing.s@sunvending.co.th">marketing.s@sunvending.co.th</a></li> <li>&gt; <a href="http://www.sunvending.co.th">www.sunvending.co.th</a></li> <li>&gt; Facebook: SUN Vending</li> </ul>

Stakeholders	Key Point/Expectations	Response Measures	Response Channel
		> Open channels for suggestions and opinions through call center and social media platforms	
Employees	<ul style="list-style-type: none"> <li>&gt; Career growth opportunities</li> <li>&gt; Welfare and fair compensation</li> <li>&gt; Fair and equitable treatment of employees</li> <li>&gt; Safe and appropriate working environment</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Promote employee capacity in terms of professional skills and other supporting skills and set clear indicators</li> <li>&gt; Consider fairness of employee compensation and welfare taking into account wages in the labor market</li> <li>&gt; Establish transparent employee rights guidelines</li> <li>&gt; Establish guidelines for occupational safety and health and safety and emphasize strict adherence to the guidelines</li> <li>&gt; Establish channels for employees to provide opinions</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Internal e-mail</li> <li>&gt; Empeo system</li> <li>&gt; www.sunvending.co.th</li> <li>&gt; Employee survey</li> <li>&gt; Company activities</li> <li>&gt; Facebook: SUN Vending</li> <li>&gt; Code of Conduct</li> </ul>
Shareholders and investors	<ul style="list-style-type: none"> <li>&gt; Continuous growth of business performance</li> <li>&gt; Transparent corporate governance</li> <li>&gt; Conduct business following ESG guidelines</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Management conduct analysis and feasibility studies for budget and return on investment in each project before making a decision</li> <li>&gt; Be able to validate the existence of good corporate governance to ensure transparency</li> <li>&gt; Listening to opinions to improve business operations</li> <li>&gt; Disclose significant ESG-related information to ensure stakeholder confidence and integrate ESG-related frameworks into business and strategic planning</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Annual report</li> <li>&gt; Annual shareholder meeting</li> <li>&gt; www.sunvending.co.th</li> </ul>
Community and society	<ul style="list-style-type: none"> <li>&gt; Potential safety and environmental impacts from business operations</li> <li>&gt; Participate in community development in terms of knowledge, employability, income, and financial or</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Establish guidelines and manage business activities to reduce potential social and environmental impacts</li> <li>&gt; Promote the formation of projects that create inclusive engagement among companies, communities, and society</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Community and society responsible projects</li> <li>&gt; Community field visit</li> <li>&gt; Public hearing</li> <li>&gt; www.sunvending.co.th</li> </ul>



Stakeholders	Key Point/Expectations	Response Measures	Response Channel
	equipment support that is beneficial to the community		
Media and financial analyst	> Factual information	> Disclose company information, news, and business performance data in a transparent and verifiable manner	> Traditional communication channels such as television, radio, newspapers > Online media channels related to investment > Annual report > www.sunvending.co.th
Business competitors	> Fair competition	> Conduct business with ethics and strictly comply with trade competition laws	> Direct contact on a case-by-case basis > www.sunvending.co.th > Facebook: SUN Vending

### 3.3 Sustainability management in environmental dimension

#### 3.3.1 Environmental policies and practices

SVT has established environmental practices in line with the policy to drive sustainable business. The Company emphasize operating its business with environmental responsibility and its operations support certain Sustainable Development Goals (SDGs), namely Goal 7: Affordable and Clean Energy, Goal 12: To Responsible Consumption and Production, and Goal 13: Climate Action. The Company has embarked on a journey to reduce the environmental footprint and impact of its business operations (Reducing Environmental Footprint) through control, prevention and diminish the impact of business operations that negatively affect the environment, such as by reducing greenhouse gas emissions and reducing waste and refuse. The Company also builds resilience in its business operations to enable adaption to environmental-related changes (Environmental Business Resilience). The Company has placed the importance of integrating environmental practices into the whole production process, warehouse management, and product sales through vending machines, throughout the value chain.

#### 3.3.2 Environmental Management and Performance

##### 1) Energy Management

The Company recognizes the importance of reducing energy consumption and maximizing energy efficiency and is in the process of considering adoption of targets to reduce energy consumption from the base year. The Company raises awareness of energy conservation among stakeholders and has implemented a variety of measures to support sustainable energy management as follows:

##### Optimize/reduce energy consumption in vending machines

The Company is determined to become a leader in use of energy-efficient vending machines. Currently, the Company is a vending machine distributor of Sanden, the second-largest vending machine manufacturer in Japan, who is expert in designing, developing, and manufacturing high-quality vending machines characterized by high durability and energy-efficiency.

In addition, the Company has partnered with Sanden to develop vending machines especially for distribution in Thailand. These vending machines have been in use since 2021 and have outstanding energy

conservation features due to an energy-saver compressor developed especially for use with vending machines and that uses less energy than a comparable refrigerator or other cooling system machine. (*More details by appendix A.*)

#### Reduce energy consumption in transportation

The Company is aware of the energy-intensive nature of its activities due to fuel use in transportation, both for distribution of consumer goods and transportation of vending machines for installation and maintenance. Consequently, the Company has set guidelines to reduce energy consumption by developing a Smart system for automatic vending machines that allows the Company to receive sales and inventory information to enhance warehouse management efficiency and logistics systems. In addition, the Company encourages rotating parts for maintenance at each branch for maximum utilization to reduce the transportation of machines back to the factory.

#### Energy efficiency in office buildings

The Company recognizes an opportunity to reduce energy consumption in the organization through an electricity conservation project in the lighting system, through changing the type of light bulbs from fluorescent to LED as well as promoting energy conservation by setting times to turn off the lights during lunch break. Furthermore, the company is studying the feasibility of applying Smart Building technology to improve the efficient use of energy in buildings.

Examples of electricity conservation projects are the installation of an automatic lighting system that can brighten or dim lights according to the ambient light and automatically turn off lights when there are no employees in the area, the installation of a solar lighting system for buildings, and the installation of a temperature control system using sensors to automatically monitor and adjust the environment. The system also supports temperature and humidity control, and optimization of airflow rate in the office space, reducing unnecessary energy loss.

#### Reduce energy consumption in vending machine assembly plants

The Company aims to reduce energy consumption while continuously increasing energy efficiency and has a roadmap to develop a system for analyzing energy consumption through the entire production cycle, is seeking opportunities to improve the Company's energy consumption through installation of new and more efficient equipment and is conducting a feasibility study on upgrading technology in the production process.

#### Increase renewable energy consumption proportion

To support the use of clean energy and renewable energy that is environmentally friendly, the Company is studying the feasibility of installing solar power systems for lighting in the office building under construction. Currently, the Company is considering the appropriateness of full solar power generation capacity and expects to complete the plan in 2023. In 2021, the energy consumption of the Company was 36,549 mega joules (MJ).

## **2) Water management**

Water is not used in the production process but is consumed in office buildings, factories, and warehouses. However, since the Company perceives water resources as one of the significant resources to support

its business operations in factories, warehouses, and office buildings. The Company is determined to use water as efficiently as possible and establish water conservation campaigns. In 2021, the water consumption of the company was 12,544 cubic metres.

### **3) Waste and pollution management**

The Company continuously emphasizes waste and industrial waste management. Adhering to the principle of using resources for maximum benefit (Resource Efficiency). Through the 3R principle (Reduce, Reuse, Recycle) in business operations by reusing raw materials and leftovers to be recycled throughout the supply chain according to the measures as follows:

#### Vending machines waste reduction

Since the Company's business involves many electronic devices or parts, there may be scraps of electronic equipment or parts from vending machines during production and maintenance. The Company, therefore, seeks to optimize the use of electronic equipment or parts, by reusing the good condition parts in other machines and as maintenance parts. The Company's expertise in improving the condition and assembling to improve the machines to function more efficiently can extend the machine lifetime. In addition, the Company provides training to each branch's personnel on repairing machines with non-severe issues, without sending the machines back to the factory.

#### Industrial waste management

For non-recycled industrial waste from the production process, the Company emphasizes compliance with regulations, using disposal measures that do not negatively impact the environment, and strictly complying with the laws and practices of the Department of Industrial Works. The Company hires an industrial waste management specialist to remove waste such as fiberglass, and electronic equipment to dispose of properly according to the environmental standards.

#### Air pollution management

SVT regards the importance of air pollution controls following the law to ensure occupational health and safety in the working area and reduce the impact on the environment. The Company is aware of the pollution that may be caused by the Company's production process, such as chemicals from the vending machine powder coating process. Hence, the Company has established guidelines to control and measure air pollution, following the concentration of hazardous substance standards issued by the Department of Labor Protection and Welfare (2017). In 2021, the Company conducted annual air pollution measurements for the 6 chemical substances that may be released by the process of spray-painting vending machines from stacks i.e., lead, benzene, toluene, styrene, total suspended particulate, and particulate matter. The measurements and evaluations were carried out by Safety World Green Company Limited and the results were within the control levels under the standard. Also, there were no complaints or reports concerning air pollution.

### **4) Greenhouse Gas Management**

The Company recognizes the importance of running a business that supports a low-carbon society. The Company is determined to reduce negative impacts that could affect climate change through activities, such as reducing greenhouse gas emissions by using more environmentally friendly refrigerants in vending machines and reducing energy consumption in business activities. The details are as follows:

#### The use of refrigerants that reduce the impact on global warming

Refrigerants are considered potent greenhouse gases with a Global Warming Potential (GWP) of hundreds to ten thousand times higher than carbon dioxide. Therefore, choosing the proper refrigeration technology and refrigerant is crucial in reducing greenhouse gas emissions. The Company recognizes the importance of this and has changed from using R12, R22, and R-134 refrigerants in vending machines that have global warming potential value as high as 10,200, 1,760, and 1,300GWP, respectively, to R-600a and R-1234yf, which have only 3 and 4 GWP respectively, to increase the percentage of the vending machine with eco-friendly refrigerant in business operation. In 2021, the Company has approximately 4,000 vending machines with eco-friendly refrigerants, which is approximately 27 percent to total number of vending machines.

The Company is also studying the possibility of switching to other refrigerants such as the R-290, which has a low global warming potential and is economical and safe to apply. This is expected to help in significantly reducing greenhouse gas emissions. *(More details by appendix B.)*

#### Energy optimization and energy conservation

In addition to reducing greenhouse gas emissions from refrigerants, energy management is also a vital mechanism in reducing greenhouse gas emissions. Measures include energy efficiency optimization, energy conservation in vending machines, transportation, and assembly plants (For more details see section 3.3.2.1).

In 2021, the greenhouse gas emission calculated based on the Greenhouse Gas Reporting for Listed Companies Manual, provided in collaboration by The Office of the Securities and Exchange Commission and Thailand Greenhouse Gas Management Organization (Public Organization), was 3,821 tonnes CO<sub>2</sub>, comprising direct emissions (Scope 1) of 3,116 tonnes CO<sub>2</sub> and indirect emissions (Scope 2) of 705 tonnes CO<sub>2</sub>e.

Furthermore, the Company reported greenhouse gas emissions arising from Refrigerant R-22 at 67 tonnes CO<sub>2</sub> separately from direct emissions (Scope 1) and indirect emissions (Scope 2), following the disclosure requirements of the abovementioned Greenhouse Gas Reporting for Listed Companies Manual.

The Company is planning to have the greenhouse gas emission information reviewed in the year 2022 and is planning to set up targets for reducing the greenhouse gas emissions of both Scope 1 and Scope 2 in the future.

The Company plans to have assurance on the Scope 1 and 2 greenhouse gas emissions disclosure next year.

### **3.4 Sustainability Management in Social Dimension**

#### **3.4.1 Social Policy and Practice**

SVT is well aware of its crucial role in managing internal and external social issues. The Company emphasizes the importance of the well-being, occupational health, and safety of its employees, business partners, local communities, and society. Social issues are the main factor in driving the business to grow sustainably following the Sustainable Development Goals, Goal 3: Good Health and Well-being, and Goal 10: Reduce Inequalities. The Company has also adopted the United Nations Guiding Principles on Business and Human Rights and the Ministry of Labor's human rights principles such as the Thai Labor Standards - Social Responsibility of Thai Business (Mor Ror Tor. 8001-2553) as guidelines to apply to all stakeholders throughout the value chain. The Company focuses on continuous human development according to the human resource management policy and human rights (Respect to Human Rights). It aims to promote good practices throughout

the business value chain as well as to conduct business in parallel with participatory development and support society in all aspects following sustainable business practices.

### **3.4.2 Social-related Performance**

#### **1) Treatment of employees and workers**

##### Human rights

The Company recognizes the importance of equal treatment for all, non-discrimination and respect for individual differences. The Company promotes the right to protect and respect the fundamental human rights at all levels without discrimination on the basis of gender, race, religion, beliefs and culture, age, or physical limitations. Moreover, the Company strictly applies these principles in human resource management, including the recruitment process, employee development, performance assessment and compensation.

The Company focuses on diversity issues intending to provide gender equality between women and men for career growth. The Company also supports access to employment, e.g., employing disabled people.

##### Long-term employee development

Employees are one of the most important resources for business growth. Therefore, the Company is dedicated to promoting professional skills development for employees, to build the potential for career growth in the organization and to keep pace with the new global context and changes in technology, through providing internal training or having external training on production and management systems knowledge and establishing operating manuals for employees. In 2021, the Company delivered a total of 4,800 hours of skills and knowledge training, running 17 courses reaching 736 employees.

In addition, the Company provides employee welfare motivate its employees and demonstrate its commitment to their long-term welfare e.g., providing provident funds so that the employees have a good quality of life both while working as an employee and after retirement. The Company's welfare includes annual medical check-ups, emergency loans, support for funeral expenses and uniform expenses.

##### Workplace health and safety

SVT focuses on the safety of employees and workers by strictly complying with occupational health, safety, and working environment regulations. The Company has appointed safety officers and arranged compulsory training on appropriate safety practices for employees to ensure that all activities in the business units are following safety standards. In 2021, there were no records of Lost Time Injuries (LTI) for employees.

##### COVID-19 Prevention Measures

During the COVID-19 pandemic, the Company has given the safety of all employees the highest priority. The Company strictly complies with guidelines and measures to prevent the spread of COVID-19 as announced by the Ministry of Public Health. The major safety practices and measures are as follows:

1. All employees must wear protective equipment at all times when working on-site, such as masks and sanitary gloves, wash hands with alcohol gel and use alcohol spray to clean the vending machines before and after restocking.
2. Disinfection with DURU HD5 aerosol solution, ULV system from Germany - KEEN ULTIMA NATURAL FORMULATION GERM KILLER BLOOD, SCALE & OIL REMOVER, is carried out to thoroughly sanitize and

clean the office buildings, warehouses, factories and all service vehicles. The disinfectant is made from natural materials that are safe for employees and the environment.

3. Providing sanitary equipment, i.e., face masks, alcohol gel, alcohol spray, and sanitary gloves, and arranging vaccination to all employees to build herd immunity and create trust among all customers using the Company's service.

4. Apply a policy to reduce crowding in office buildings and various risk prevention measures, including working from home, employee temperature checking before entering the workplace, requiring all employees to wear a mask at all times, frequent hand-washing, to avoid eating together, and keep clean for safety.

5. Plan for emergency measures to enable relocation of the workplace and personnel in a timely manner if affected by the pandemic.

## **2) Treatment of Customers and Consumers**

The Company responds to customers' and consumers' key issues and expectations in the value chain by delivering quality vending machines and consumer products sold through vending machines that meet the needs of customers. The Company also develops products with technologies and innovations, provides consumer products that meet safety standards, and establishes customer relationship management guidelines to quickly and efficiently respond to customer needs. These enhance customer satisfaction and relationships between the Company and customers in the long run. The major guidelines are as follows:

### Quality and safety of vending machines

The Company responds to customers' and consumers' key issues and expectations in the value chain by delivering quality vending machines and consumer products sold through vending machines that meet the needs of customers, by considering quality and safety standards throughout the production, installation, and maintenance processes, which can be summarized as follows:

1. Developing vending machines that provide additional payment channels, specifically E-Payment system, to reduce the use of coins and banknotes, and reduce the risk of illness spread through contact transmission

2. Installing an automatic circuit breaker meeting international standards to cut off the electricity in the event of a malfunction in the electrical system

3. Providing preventive maintenance services every six months under warranty.

4. Communicating how to properly and safely operate the vending machine through the instruction and safety manual.

### Consumer health and safety

Procurement of quality foods and beverages that meet consumer safety standards is a key issue on which the Company has always focused and has prioritized in its business operations. Therefore, the Company is determined to select quality products that meet the needs of consumers and that are safe and nutritious. The Company has guidelines for product selection and inspection prior to distribution, such as a system for checking and recalling products close to their expiration date.

In addition to quality and safety, the Company also focuses on promoting the wellbeing of consumers through the products distributed. The Company plans to increase the proportion of healthy products



to increase choices for consumers. At the same time, the Company values products with quality certification standards and products with information labels, such as production date, expiration date, display nutritional information, to provide factual information to support consumers' decision-making.

#### Access to goods and services

The Company also considers the accessibility of products and services to all groups of consumers. The concept of Friendly Design has been incorporated to enable senior customers, customers with disabilities to use the vending machine services by designing the screen, touch buttons, and the receiving box at the right height for ease of use of consumers.

In 2021, there were no complaints from customers or consumers.

### **3) Treatment of Communities and Society**

The Company adheres to a business code of conduct with community and social responsibility, emphasizing improving the well-being of our communities and society and avoiding any operations that may have negative impacts on the community and society. In particular, the nature of the Company's business that is directly affecting consumers from food and beverages distribution through vending machines. In the past year, there were no social or environmental-related complaints from communities.

In addition, the Company has considered community and social development activities by emphasizing participation of all stakeholders. In 2021, the Company participated in 9 promoting and developing society activities, consisting of 9 medical support activities and one heritage activity. Examples of the projects are as follows:

#### Delivering automatic vending machines for innovative medical products project

The Company aims to utilize its expertise in the design, assembly, and manufacture of vending machines, to help in distributing goods and products that have a positive impact on the community and society. On 21 May 2021, the Company delivered 5 vending machines to support and promote products invented and developed by researchers at the Faculty of Medicine, Chulalongkorn University and Chulalongkorn Hospital, Thai Red Cross Society.



#### COVID-19 related projects

During the Covid-19 pandemic crisis, the Company recognizes the necessity and importance of participating in activities to improve the quality of life of Thais and supporting the engagement of related personnel in such activities. Examples of such activities are as follows:

- Installed automatic water dispenser machines for people waiting for COVID-19 vaccinations at the Big C Vaccine Service Center, Bang Bon on 28 May 2021
- Installed a fresh coffee dispenser machine to support operations of the team of doctors and public health personnel from the Department of Health at the Emergency Response Center in Bangkok City Hall 2 (Din Daeng) on 9 June 2021
- Delivered 5,000 bottles of drinking water to those quarantined due to COVID-19 at Cal-Comp Electronics (Thailand), Phetchaburi Province, on 17 June 2021
- Provided financial assistance of 20,000 baht, along with cooked food, to support the operation of medical personnel involved in the Care from the Heart project of Local Administration Organizations of Bor Tor people organized by the Financial Management Division at Thammasat Field Hospital on June 29, 2021
- Delivered 4,000 N95 masks to support the operations of medical personnel at Chulalongkorn Hospital, Thai Red Cross Society on July 5, 2021
- Delivered 50,000 surgical masks to Bang Khun Thian Elderly Hospital, Medical Office Bangkok on July 13, 2021
- Installed 4 vending machines at the Bang Sue Central Station vaccination center to provide quality consumer products such as beverages, snacks, mobile phone accessories, face masks, disinfectants, and alcohol gel, at special prices to ease the burden of living expenses of Thai people during the Covid-19 crisis

#### Kathin ceremony cultural heritage project at Wat Mongkhon Rattanaram (Ban Rang Wa)

On October 24, 2021 the Company and employees joined the local community in a Kathin ceremony at Wat Mongkhon Rattanaram (Ban Rang Wa) temple, Nong Lan Subdistrict, Tha Maka District, Kanchanaburi Province, to carry on cultural heritage. A total of 1,653,119 baht was contributed to the temple for constructing a monastery hall with the objective of preservation, conservation, protection, and promotion of Buddhist sites and cultural heritage.

#### More details by Appendix A. and Appendix B.

- (1) (Appendix A. A comparison of vending machine and commercial refrigerator energy consumption. Page 177)
- (2) (Appendix B. Information related to R-290 refrigerant. Page 179)

## **4. Management Discussion and Analysis (MD&A)**

### **4.1 Business overview**

Sun Vending Technology Public Company Limited is engaged in the business of retail sales via vending machines and sales of vending machines. The Company has its own refurbishment and assembly factory for vending machines with 11 distribution branches divided into 10 main branches and 1 sub-branch (the sub-branch has less than 500 vending machines and distribution warehouses for goods and services under main branch)

covering service areas in 26 provinces. As of 31 December 2021, the Company had 14,628 vending machines located at various places. These vending machines are divided into four main types consisting of Can and Bottle vending machines, Glass-front vending machines, Hot and Cold Cup vending machines and Noodle vending machines. The goods sold via vending machines are consumer goods such as beverages, snacks, instant noodles and other products such as masks, bread and bakery goods, etc., a total of 700 items of products (SKU). The Company's vending machines support cash and cashless payments.

The Company's revenue for the year ended 31 December 2021 consisted of: (1) Revenue from sale of products via vending machines accounted for 97.94%; (2) Revenue from vending machine sales accounted for 0.93%; (3) Revenue from advertisement services on vending machines accounted for 0.52%; and (4) Service income and other income accounted for 0.61%.

#### 4.2 Summary of financial performance for the year ended 31 December 2021

For the year ended 31 December 2021, the Company had a total revenue of Baht 1,963.32 million, an increase of Baht 195.96 million or 11.09 percent from the same period in the previous year. Although, in 2021 the Company was affected by the second wave of COVID-19 outbreaks in Samutsakorn in January and February, and the situation began to improve in March 2021, the third wave of COVID-19 outbreaks occurred in early April for a continuous period, until the three-month period of Quarter 3'2021. However, in the year 2021, the Company was affected less than in 2020 due to improvements in the export industry. Furthermore, factories remained open, except for some factories closed due to COVID-19 infections and lower revenue in some segments which suspended services or travels to study and work such as hotels, universities, schools and offices, etc. In 2020, the Company was affected by the announcement of strict emergency lockdown situations and closures of many types of facilities at risk such as department stores, education institutions and hotels, etc., including cross-provincial travel bans and curfews to prevent COVID-19 outbreaks. In addition, main customers in many factories closed down temporarily or reduced the number of working days due to lower production orders caused by effects from COVID-19 outbreaks on the Thai economy and exports.

The Company's net profit for the year ended of 2021 was Baht 66.69 million, or an increase from the previous year by 20.07 percent. This was because the Company had higher revenue from increasing the number of vending machines to provide services and continuous increases in the types of products, including changes of estimated useful life of vending machines caused lower depreciation expense in year 2021.

Statement of income	For the year ended 31 December 2020		For the year ended 31 December 2021	
	MBaht	%	MBaht	%
<b>Revenues</b>				
Sales	1,742.40	98.59	1,941.15	98.87
Other income	24.96	1.41	22.17	1.13
<b>Total revenues</b>	<b>1,767.36</b>	<b>100.00</b>	<b>1,963.32</b>	<b>100.00</b>
<b>Expenses</b>				
Cost of sales	(1,160.84)	(65.68)	(1,302.36)	(66.33)
	(479.95)	(27.16)	(509.06)	(25.93)
Selling and distribution expenses				

Statement of income	For the year ended 31 December 2020		For the year ended 31 December 2021	
	MBaht	%	MBaht	%
Administrative expenses	(56.74)	(3.21)	(61.46)	(3.13)
Other expenses	(0.08)	(0.00)	(0.22)	(0.01)
Financial costs	(7.08)	(0.40)	(7.00)	(0.36)
<b>Total expenses</b>	<b>(1,704.69)</b>	<b>(96.45)</b>	<b>(1,880.10)</b>	<b>(95.76)</b>
<b>Profit before income tax expenses</b>	<b>62.67</b>	<b>3.55</b>	<b>83.22</b>	<b>4.24</b>
Income tax expense	(7.13)	(0.40)	(16.53)	(0.84)
<b>Net profit for the year – from continuing operation</b>	<b>55.54</b>	<b>3.15</b>	<b>66.69</b>	<b>3.40</b>
Net profit for the year – from discontinuing operation <sup>1</sup>	9.61	0.5	-	-
<b>Net profit for the year</b>	<b>65.15</b>	<b>3.69</b>	<b>66.69</b>	<b>3.40</b>

**Remark:** /1 The Company's statement of income for the year ended 31 December 2020 was included past performance of the distribution center service and transportation business (which was discontinued operation since 1 April 2020).

### Revenues

The Company's total revenues for the year ended 31 December 2021 were amounted to Baht 1,963.32 million, which revenue structure can be summarised as follows:

Revenue Structure	For the year ended 31 December 2020		For the year ended 31 December 2021	
	MBaht	%	MBaht	%
1. Revenue from selling goods via vending machines	1,725.98	97.66	1,922.86	97.94
2. Revenue from selling vending machines	16.42	0.93	18.28	0.93
3. Revenue from advertising space on vending machines <sup>(1)</sup>	10.22	0.58	10.20	0.52
4. Service income <sup>(1)</sup>	6.39	0.36	6.41	0.33
<b>Total revenues from sales and services</b>	<b>1,759.01</b>	<b>99.53</b>	<b>1,957.75</b>	<b>99.72</b>
Other income <sup>(1)</sup>	8.35	0.47	5.57	0.28
<b>Total revenues</b>	<b>1,767.36</b>	<b>100.00</b>	<b>1,963.32</b>	<b>100.00</b>

**Remark:** /1 Included under other income in the financial statement.

### Revenues from sales and services

Revenues from sales and services for the year 2021 were amounted to Baht 1,957.75 million or 99.72 percent of total revenues. This growth increased by 11.30 percent when compared to the previous year. This growth corresponded with service area expansions by more units of vending machines in services in order to have more service coverage to consumers. Revenue structures are as follows:

**1. Revenue from selling goods via vending machines** main business of the Company is retail business by selling goods via vending machines. The Company's revenues from sales via vending machines for the year 2021 were at Baht 1,922.86 million, or increased by 11.41 percent, compared to the previous year. In each year, the Company has plans to expand service areas by locating vending machines at service facilities to

have more service coverage to consumers, and boost opportunity of sales growth. In the year 2021, the Company continued to locate more units of vending machines in service. The Company located net 1,289 units of more vending machines or 9.66 percent when compared to the year 2020. At the end of year 2021, the Company had a total of 14,628 vending machines in service.

The Company's main customers (approximately 70 percent of all vending machines) are industrial factories such as automobile assembly factories, automobile parts manufacturing factories, textile factories, electronic parts factories, etc., followed by offices, department stores and hotels. In 2021, the COVID-19 pandemic caused the Company's customers in the industrial factories and other customers such as department stores and offices, etc., to close or stop businesses temporarily or reduce working hours to prevent COVID-19 infections, causing effects to revenue from sales of products via vending machines located in the aforementioned service areas.

However, the Company has a risk diversification policy. The Company expanded service areas where vending machines are located in new segments such as gas stations, train stations such as MRT, BTS, Airport Link and condominiums, etc., in order to be consistent with changes in consumer lifestyles in the New Normal such as workers and condominium residents in cities who travel by public transportation for speed, and expansions of retail store business in gas station, etc. When considering average revenue/machine/day of the Company's vending machines, average revenue/machine/day for the year 2021 were at Baht 380, which was higher than 374 baht/machine/day in the previous year. This was because the Company was more affected by the COVID-19 pandemic in the year 2020, particularly in Quarter 2'2020, causing revenue per machine to be lower than normal.

**2. Revenue from selling vending machines** this is revenue from selling vending machines to the customers. The Company has a vending machine refurbishment and assembly factory, and the Company is the sole vending machine sale representative in Thailand for one leading vending machine manufacturer in Japan and another in China. Vending machines are sold with right to customers. The Company's revenue from vending machine sales for the year 2021 was at Baht 18.28 million, or 0.93 percent of total revenue, which increased by Baht 1.86 million, or 11.35 percent when compared to the previous year due to the more vending machines sold.

**3. Revenue from advertising space on vending machines** This revenue is from service fees for attaching advertisement media on vending machines to advertise customer products by wrapping stickers around vending machines. Service fees were charged by considering the location of the vending machine where customers want to advertise. The Company's revenue from advertising space on vending machines for the year 2021 was at Baht 10.20 million, or 0.52 percent of total revenues. This revenue decreased by Baht 0.02 million, or 0.26 percent when compared to the previous year depend on the number of advertisement customers.

**4. Service income** This revenue is revenue from coin exchange services for a retail business entrepreneur and revenue from vending machine after-sale services. Because the Company's main business involves selling products via vending machines, most of the Company's revenue is cash in the form of banknotes and coins from customers who purchased products from vending machines. The Company can deposit banknotes in banks, and exchanges coins with convenience store entrepreneurs, giving the Company revenue from exchanging coins. Service income for the year 2021 was Baht 6.41 million, or 0.33 percent of total revenues,

which increased by Baht 0.02 million, or 0.33 percent when compared to the previous year. This is due mainly to increase in coin exchange service fees.

#### Other income

Other income consisted of revenue from renting vending machines, product listing fees from product owners, dividend income, interest income, gains from sales of assets and gains on exchange rates, etc. Other income for the year ended of 2021 was amounted to Baht 5.57 million, or 0.28 percent of total revenues, which decreased by Baht 2.78 million, or 33.30 percent when compared to the previous year. This was due to the extraordinary gain from sales of assets in year 2020 amounting to Baht 1.17 million according to discontinued operation of distribution center service and transportation business. In addition, this was due to decreases in dividend income and product listing fees in year 2021.

#### Cost of sales

Cost of sales for the year 2021 was amounted to Baht 1,302.36 million, or 66.33 percent of total revenues. The main cost of sales was the cost of products for sale via vending machines at 99.30 percent of total costs, followed by the cost of vending machines for sale at 0.70 percent of total costs. The Company's cost structure and gross profit can be summarised as follows:

Cost structure	For the year ended 31 December 2020		For the year ended 31 December 2021	
	MBaht	%	MBaht	%
1. Cost of goods sold via vending machine	1,152.27	99.26	1,293.18	99.30
2. Cost of vending machine sold	8.57	0.74	9.18	0.70
<b>Total cost of sales</b>	<b>1,160.84</b>	<b>100.00</b>	<b>1,302.36</b>	<b>100.00</b>

Gross profit	For the year ended 31 December 2020		For the year ended 31 December 2021	
	MBaht	%	MBaht	%
1. Gross profit from goods sold via vending machine	573.71	33.24	629.68	32.75
2. Gross profit from vending machine sold	7.86	47.84	9.11	49.80
<b>Total gross profit</b>	<b>581.57</b>	<b>33.38</b>	<b>638.79</b>	<b>32.91</b>

The Company's costs of goods sold via vending machines for the year 2021 was accounted for 67.25 percent of revenue from selling goods via vending machines or a gross profit margin of 32.75 percent. The gross profit margin was decreased from the previous year of 33.24 percent. This is due to sales of more new various products in the year 2021 such as health beverage, health and hygiene appliances including sanitary masks of which price is controlled, and has lower gross profit margin than other products. The Company has a policy in selecting products to be placed in vending machines to have a gross profit margin not less than 30 percent with consideration given to consumer preference for products and the shape of products enabling products to be placed in vending machines.



The Company's costs from vending machine sales in the year 2021 were accounted for 50.20 percent of revenue from vending machine sales or a gross profit margin of 49.80 percent, which increased from 47.84 percent in the year 2020. This was mainly due to sales of more vending machines which type has high gross profit margin in 2021.

Although, the gross profit margin of vending machine sales is high, most of the Company's revenue is from sales of products via vending machines, resulting to the Company's overall gross profit margin to be approximately 33 percent.

#### **Selling and distribution expense**

Selling and distribution expenses for the year 2021 were amounted to Baht 509.06 million, or 25.93 percent of total revenues. The Company's major selling and distribution expenses consisted of: (1) expenses related to route operation employees, and sales and marketing employees in terms of salaries, bonus, commissions and other benefits, etc., which accounted for 35.07 percent of total selling and distribution expenses; (2) depreciation expense accounted for 25.02 percent of total selling and distribution expenses; and (3) location fees for vending machine service area accounted for 18.12 percent of total selling and distribution expenses.

Major selling and distribution expense	For the year ended 31 December 2020		For the year ended 31 December 2021	
	MBaht	%	MBaht	%
Staff costs	165.76	34.54	178.52	35.07
Depreciation expenses	145.96	30.41	127.34	25.02
Location fees	72.75	15.16	92.23	18.12

Selling and distribution expenses for the year 2021 increased by Baht 29.11 million or 6.06 percent from the previous year. This is mainly due to increase in location fees for vending machine service areas resulting from expansions of service areas into open spaces, higher competition and a higher number of vending machines in service which increased from Baht 72.75 million to Baht 92.23 million, or increased by Baht 19.48 million, or 26.77 percent. This location fee for vending machine service areas was accounted for 18.12 percent of selling and distribution expenses, which increased from the previous year at 15.16 percent of selling and distribution expenses. Nevertheless, depreciation decreased from Baht 145.96 million to Baht 127.34 million, or decreased by Baht 18.62 million, or 12.75 percent, because the Company changed the estimated useful life of a number of vending machines from five years to eight years beginning from Quarter 1 of 2021 to be consistent with expected economic benefit from using the aforementioned assets. This depreciation was at 25.02 percent of selling and distribution expenses which decreased from the previous year at 30.41 percent of selling and distribution expenses.

#### **Administrative expenses**

Administrative expenses in the year 2021 were amounted to Baht 61.47 million, or 3.13 percent of total revenues. The Company's major administrative expenses were: (1) Expenses related to employees and executives such as salaries, bonus and other benefits, etc., at 56.97 percent of administrative expenses; (2) Consultation fees and expenses for preparing the Company to be listed in the Stock Exchange of Thailand and

directors' remuneration at 17.01 percent of administrative expenses; and (3) Depreciation at 3.35 percent of administrative expenses.

Major administrative expenses	For the year ended 31 December 2020		For the year ended 31 December 2021	
	MBaht	%	MBaht	%
Staff cost	32.65	57.47	35.02	56.97
Consultant fee and directors' remuneration	9.41	16.57	10.45	17.01
Depreciation expense	1.87	3.28	2.06	3.35

Administrative expenses for the year 2021 increased from the previous year by Baht 4.72 million, or 8.32 percent. This was mainly caused by information technology consultation expenses continuing from Quarter 4 of 2020, legal consultant fees and financial consultant fees for preparing the Company's listing in the Stock Exchange of Thailand, including operating expenses for the additional ordinary shares for initial public offering in Quarter 3'2021.

#### **Financial costs**

Financial costs for the year 2021 were at Baht 7.00 million, or 0.36 percent of total revenues, which decreased by Baht 0.08 million from the previous year. This is interest expense on loans for investments in expanding vending machines, and for working capital.

#### **Net profit**

The Company's net profit for the year 2021 was Baht 66.69 million, or net profit margin of 3.40 percent which increased from the previous year. This was mainly due to higher revenue from increasing the number of vending machines to provide services and continuous increases in the types of products, including changes of estimated useful life of vending machines caused lower depreciation expense in year 2021.

### **4.3 Analysis of Financial Position**

#### **Assets**

The Company had total assets at the end of year 2020 and 2021 at Baht 1,089.74 million and Baht 1,485.12 million, respectively. Changes in assets can be summarised as follows:

1. Cash and cash equivalent at the end of year 2021 were at Baht 300.67 million which increased from year 2020 by Baht 246.27 million. This was mainly due to cash receipts from increase in share capital of Baht 508 million in September 2021 and deduct with cash paid for investing in assets.

2. Property, buildings and equipment at the end of year 2021 were at Baht 912.11 million which increased from year 2020 by Baht 79.25 million. This was mainly due to investments in more 2,357 units of vending machines including electronic parts for smart vending machines or net value (after deduct depreciation) increased by Baht 63.39 million. This is in order to support increasing in service areas for vending machines to other locations.

#### **Liabilities**

The Company had total liabilities at the end of year 2020 and 2021 at Baht 477.31 million and Baht 333.62 million, respectively. Changes in liabilities can be summarised as follows:

1. Bank overdraft and short-term loans from financial institutions and related parties at the end of year 2021, was decreased from year 2020 by Baht 170.14 million. This is due to repayment of such short-term loans in year 2021.

2. Trade and other payables at the end of year 2021 were at Baht 294.36 million which increased from year 2020 by Baht 23.38 million. This is mainly due to increase in trade payables from purchase of goods for more vending machines in services.

#### **Shareholders' equity**

Shareholders' equity at the end of year 2021 was at Baht 1,151.50 million accounting for 77.54% of total liabilities and shareholders' equity. This was increased from at the end of year 2020 by Baht 539.06 million because of increase in share capital of Baht 50 million in March 2021 and increase in share capital of Baht 200 million (with share premium, net of Baht 294.44 million) in September 2021, profit from operation in year 2021 deducting with dividend payment in year 2021 of Baht 81 million, and increase in other components of shareholders' equity from fair value in investments of equity instruments.

#### **Liquidity**

##### **1. Cash flow liquidity**

Net cash flows from operating activities for the year 2021 were amounted to Baht 111.43 million which increased from the previous year by Baht 21.73 million. This is mainly due to decrease in trade and other payables in year 2020 according to discontinued operation of distribution center service and transportation business since 1 April 2020.

Net cash flows used in investing activities for the year 2021 were amounted to Baht 150.94 million. The Company invested in buildings and equipment amounting to Baht 142.65 million which consist of investing in vending machines including electronic parts for smart vending machines, and branch building construction.

Net cash flows from financing activities for the year 2021 were amounted to Baht 285.78 million. The Company had proceed from long-term loan amounting Baht 150.00 million, increase in share capital amounting to Baht 544.44 million. Also, the Company repaid loans from related parties, net amounting to Baht 50.00 million, repaid bank overdraft and loans from financial institution amounting to Baht 120.14 million, repaid long-term loan amounting Baht 150.00 million, and paid dividend to shareholders amounting to Baht 81.00 million.

##### **2. Liquidity ratio and cash cycle**

In 2021, the Company had liquidity ratio at 1.63 times which increased from year 2020. This is due to increase in current assets portion from cash receipt from increase in share capital of Baht 508 million in September 2021.

From considering cash cycle for the year 2021 at (29) days, the Company had negative cash cycle because the Company can have collection before debt payment. This is because main revenues are cash sales that the customer has to pay when purchasing goods via vending machines. However, according to the business, the Company has to invest in many units of vending machines in order to increase in service areas for vending machines to other locations. So, it is resulted to sometimes borrow short-term loans from financial institution for working capital.

## 5. General information and other important information

### 5.1 General information (Other references)

Securities Registrar	
Thailand Securities Depository Company Limited	1st Floor, The Stock Exchange of Thailand Office, Building B No. 93 Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok 10400
Telephone Number	02-009-9000
Fax	02-009-9991
Auditor	
EY Office Company Limited	No. 193/136-137 Lake Rajada Office Complex, 33 <sup>rd</sup> Floor, Ratchadaphisek Road, Khlong Toei Sub-district, Khlong Toei District, Bangkok 10110
Telephone Number	02-264 0777
Fax	02-264-0789-90
Internal Auditor	
Dharmniti Internal Audit Company Limited	No. 178 Dharmniti Building, 5th Floor, Soi Permsap (Prachachuen 20), Prachachuen Road, Bang Sue Sub-district, Bang Sue District, Bangkok 10800
Telephone Number	02-596-500 ext. 327
Frequently contacted financial institutions	
Siam Commercial Bank Public Company Limited	No. 9 Ratchadaphisek Road, Chatuchak Sub-district, Chatuchak District, Bangkok 10900
Telephone Number	0-2777-7777
Kasikorn Bank Public Company Limited	No. 1 Soi Rat Burana 27/1, Rat Burana Road, Rat Burana Sub-district, Rat Burana District, Bangkok 10140
Telephone Number	0-2222-0000 ext. 1
Bangkok Bank Public Company Limited	333 Silom Road, Silom Sub-district, Bang Rak District, Bangkok 10500
Telephone Number	1333
Bank of Ayudhya Public Company Limited	No. 1222, Rama 3 Road, Bang Phong Phang Sub-district, Yannawa District, Bangkok 10120
Telephone Number	1572

### 5.2 Other important information

- None -

### 5.3 Legal dispute

Information as of December 31, 2021, The Company has no legal disputes that may cause damage to the Company's assets and there are no other legal disputes that may affect the Company's business operations.

## Part 2

### Corporate Governance

#### 6. Corporate Governance Policy

The Company is committed to conducting business responsibly and fairly to all stakeholders by controlling business operations within the framework of the Company's good corporate governance policy and communicating through the Code of Conduct, which employees at all levels must follow. The Company's Good Corporate Governance Policy serves as a measure for supervision by the Board of Directors in order to create value and sustainability for the business. The Board of Directors considered developing a policy in conjunction with the Securities and Exchange Commission's ("SEC" or "SEC") good corporate governance principles (CG Code), which includes the following eight guidelines for practice:

**Principle 1:** Recognize the Board of Directors' roles and responsibilities as an organization leader who creates long-term value

**Principle 2:** Determine the main objectives and goals of the business that will ensure its long-term sustainability

**Principle 3:** Strengthen effective committees

**Principle 4:** Recruit and develop high-level executives, as well as personnel management

**Principle 5:** Promote innovation and business operations that are accountable

**Principle 6:** Assure proper risk management and an internal control system

**Principle 7:** Maintain financial credibility and information disclosure

**Principle 8:** Encourage participation and communication with shareholders.

**Principle 1: Recognize the Board of Directors' roles and responsibilities as a leader of the organization that creates value to the business.**

Through the formulation of written policies, the Board of Directors recognizes the roles, duties, and responsibilities of supervising directors and executives to perform their duties with responsibility, caution (Duty of Care), and honesty to the organization (Duty of Loyalty). The following are the practice guidelines:

1. The Committee plays an important role in determining the Company's objectives and main goal in business operations, whether it's setting vision, mission, strategies, budgets, or allocating essential resources so that the Company's personnel can perform their duties in order to achieve the objectives, which includes overseeing the administration and performance of the management department or any other person assigned to perform such duties in accordance with the Company's policies.

2. Establish a good corporate governance policy and a Code of Conduct, and review them at least once a year as a rule and guideline for conducting business ethically, respecting rights, being accountable to shareholders and stakeholders, and reducing the impact on society, community, and environment. Furthermore, the Company will be able to adapt to changes in order to maintain its long-term growth.

3. Develop the Board of Directors' Charter, which shall be reviewed at least once a year, to determine the scope of power, duties, and responsibilities of the Board of Directors in a written statement. According to the aforementioned Charter, the Board of Directors must follow the laws, objectives, regulations, shareholder resolutions, policies, other guidelines, and approval authority schedule, as well as the process of approval for important operations such as investment, transactions that have a significant impact on the Company, transactions with connected persons, asset acquisition or disposition, and dividend payment, among others.

**Principle 2: Determine the business's main objectives and goals in order to ensure its long-term sustainability**

The Board of Directors recognizes the significance of determining and overseeing the Company's objectives and goals in order to ensure long-term viability and value creation for the Company, its customers, stakeholders, and society as a whole, as the following practices demonstrate below,

1. Prioritize the ability to grow sustainably with society and create values that benefit all stakeholders, which is the main factor in determining the Company's business operations' objectives and goals, and will support the communication and strengthening of the organization's objectives and goals to be reflected in decision-making and operations of personnel at any level until such practice becomes the organization's culture.

2. Create an annual strategy and plan that aligns with the organization's objectives and main goals, taking into account the current business environment, as well as acceptable opportunities and risks, such as societal, environmental, and stakeholder issues. Furthermore, there will be a push to review goals and strategies in light of the suitability of each situation in business operations.

3. Supervise to ensure that the operations' objectives, goals, and mid-term and/or annual strategies align with the achievement of the organization's objectives and main goals through the appropriate and safe application of innovation and technology.

**Principle 3: Strengthen an effective committee**

The Board of Directors is in charge of determining and reviewing the structure of the directors, considering nominations, and overseeing the performance of duties to ensure that they are appropriate and necessary to lead the organization to its set objectives and main goals, using the following guidelines for practices:

**1.1 Structure of the Board of Director**

(1) The Board of Directors consists of at least 5 directors and must consist of at least one-third of the total number of directors.

(2) The Chairman of the Board must not be the same person as the Chairman of the Executive Committee and the Managing Director in order to separate the roles and responsibilities between the Board of Directors and management division. In the event that the Chairman - Directors of the Company is not an independent director, the Board of Directors shall appoint one director to participate in considering the setting of the meeting agenda of the Board of Directors.

(3) Appoint a Company Secretary to be in charge of overseeing the Board's



operations of various activities and ensuring that the Board and the Company are abiding by all applicable laws and regulations.

## 1.2 Establishment of specific committees

In order to consider important matters which requires a careful consideration of the Board of Directors. As a result, specific committees are appointed to carry out specific responsibilities, and the appointment is presented to the Board of Directors for consideration and acknowledgement as follows,

(1) The Audit Committee is made up of at least three independent directors who hold the position of directors of the Company, one of whom has sufficient knowledge and experience in accounting or finance to supervise the review of the financial statements' reliability by acting in supervision and checking the administration's internal control and compliance with applicable laws, including the preparation of financial reports to ensure that the operations and disclosure of the Company's information are transparent and trustworthy, regarding the scope of authority and responsibilities outlined in the Audit Committee Charter, which is available on the Company's website.

(2) The Nomination and Remuneration Committee consists of at least three of the Company's directors with more than half of independent directors to hold the position of director and senior management in order to consider the types and criteria for remuneration payment for directors and senior management to present to the Board of Directors and/or shareholders' meeting for consideration on a case-by-case basis, including the development of the Company's top executives. The Nomination and Remuneration Committee has authority and responsibilities as specified in the Nomination and Remuneration Committee Charter, which is available on the Company's website.

(3) The Risk Management Committee consists of at least three directors who are in charge of managing, supervising, considering, providing opinions, and making recommendations to management in order to manage risks and develop a risk management system that is consistently effective throughout the organization. Furthermore, the Risk Management Committee shall consider the organization's risk management policy to present to the Board of Directors for consideration, with the scope of authority and responsibility specified in the Risk Management Committee Charter, which is available on the Company's website.

(4) The Executive Directors consists of at least three directors who are not required to be directors of the Company, being in charge of managing and supervising the operations of the Company's related businesses, such as setting the policies, directions and/or strategies for the Company's business operations and ensuring the compliance with the objectives, regulations, policies, rules, regulations, orders and resolutions of the Board of Directors' meeting and/or resolutions of the shareholders' meeting in all respects by adhering to the rules/requirements of the Company's Executive Committee meeting. The Executive Board Charter, which is available on the Company's website, specifies the scope of authority and responsibilities.

## 1.3 Nomination of Directors

The process for selecting and appointing directors shall be transparent and clear, in accordance with the Company's Articles of Association and applicable laws. The Nomination and Remuneration Committee considers and selects qualified individuals who have passed the criteria, as well as the nomination process, as specified in the Charter of the Board of Directors or the ad hoc committees, as well as consideration in accordance with the Board of Directors' diversity policy. The committee recognizes the importance of

diversity and believes that it is one of the most important factors in improving the efficiency of the Board of Directors' performance, whether it is a diversity factor in terms of gender, age, educational background, professional experience, and knowledge skills to propose to the Board of Directors and/or shareholders' meeting for approval on a case-by-case basis.

#### 1.4 Board of directors and specific committees' remuneration

The Board of Directors assigns the Nomination and Remuneration Committee the responsibility of being in charge of proposing the criteria for paying the remuneration to the directors and specific director by considering the appropriateness of duties and responsibilities in comparison to the rate of remuneration for directors in the same industry, as well as the Company's performance, and proposing to the Board of Directors and the shareholders' meeting to consider and approve.

#### 1.5 Board of directors' meeting

Directors should attend meetings on a regular basis. Directors must attend at least 75% of the total number of Board meetings held during the year. The agenda for the meeting will be set annually in advance by the Company, and the meeting will be held at least four times per year. The agenda for the meeting can be proposed by any of the directors. The Company Secretary will distribute meeting materials to all directors at least seven days before the meeting date.

The Chairman will allot sufficient time for discussion at the board meeting and will allow all directors to express their opinions independently, including allowing high-level executives to share information as a person who is directly related to the problem. In this regard, the resolution of the Board of Directors' meeting shall be adopted by one director having one vote, and directors who have interests will not have the right to vote on that matter. In the event that the votes are equal, the Chairman of the meeting will have one more vote to cast as a casting vote. Furthermore, the Board of Directors has also required that non-executive directors meet at least once a year.

#### 1.6 Performance evaluation and knowledge development

In order to effectively perform the duties of the Board of Directors and to be able to set a framework for the improvement and development of operations, the Board of Directors determines to assess the performance of the Board of Directors as a whole, self-assessment of performance, and evaluation of the performance of the specific committees by delegating responsibility for proposing the evaluation criteria to the Board to the Nomination and Remuneration Committee. In this regard, a summary of the performance appraisal results will be included on the agenda of the Board of Directors Meeting No. 1 of each year and used as a factor in determining the suitability of the Board of Directors' structure or composition.

The performance of the ad hoc committees will be evaluated by the Board of Directors. Ad hoc committees will present the assessment criteria to the Board of Directors for consideration, as well as a summary of the assessment results to the Board of Directors to suggest improvements if any recommendations on various issues are received on an annual basis.

The Nomination and Remuneration Committee will bring the results of the committee's and Ad hoc committees' performance evaluations for analysis in order to appropriately assess the guidelines for promoting and developing knowledge for directors.

### 1.7 Orientation for new directors

The Board of Directors assigns the Company Secretary to coordinate training arrangements for new directors in order to know the details of the Company's business, Director's Manual, Good Corporate Governance Policy, and Code of Conduct, including arranging for new directors to visit the Company's factory to understand the nature of business operations covering the management structure.

The Company Secretary will ensure that all directors receive the training necessary to promote and develop skills for the performance of duties as a director and/or ad hoc committee member, in accordance with the criteria for the promotion and development of directors' knowledge as prescribed by the Nomination and Remuneration Committee and/or the Board of Directors

#### **Principle 4: Recruiting and developing senior management and personnel management**

The Board of Directors prioritizes recruiting and developing senior management's knowledge and skills in order to ensure that the organization's top executives have the knowledge, abilities, and characteristics required to drive the organization toward its goals. The following are some guidelines for supervision:

##### 1. Personnel management, recruitment and development of senior executives

The Board of Directors will oversee the Company's personnel management to ensure that business operations are directed in accordance with the Company's strategy through the management plan proposed by the Executive Committee or Management, whether it is a criterion or a factor for evaluating performance that promotes knowledge development and appropriate incentives for employees.

The Nomination and Remuneration Committee will determine the criteria for nominating executives at the executive chairman level and managing directors to propose them to the Board of Directors' meeting for nomination and development. The Nomination and Remuneration Committee, however, shall determine the policy or succession plan, including formulating the development policy and executives who are responsible for various lines of the Company, when considering the selection of executives in other positions.

##### 2. Succession plan

The Nomination and Remuneration Committee is in charge of developing the Company's executive nomination policy, as well as succession plans for the Managing Director and senior management to present to the Board of Directors, which are evaluated through the performance appraisal process and individual development guidelines and task assignment, including working rotations to develop skills.

##### 3. Performance assessment and compensation

The Nomination and Remuneration Committee develops and recommends to the Board of Directors the criteria and methods for evaluating the performance of the managing director. The assessment is divided into two parts: (1) assessment to measure success, which is measured by comparing performance to set goals; and (2) performance assessment by the Company's directors who are not individual executives. The assessment results will be summarized at the annual meeting of the Board of Directors, and the Managing Director will be notified of the results for acknowledgement. The aforementioned assessment results will be used by the Board of Directors to review the Managing Director's annual remuneration.

For employees at other levels, the Company requires performance appraisals in the

form of Key Performance Indicators (KPIs) based on the scope of their job responsibilities and behavior reflecting organizational values to be used when considering employee compensation, whether it be a salary adjustment or an annual bonus.

#### 4. Training and knowledge development

The company has established a development plan for individual staff that is appropriate for duty and work positions, which includes defining mandatory training courses for each department for efficiency in completing responsibilities and preparing employees. Employees are informed about related training courses and can request to attend the training in accordance with the company's standards, with consent from the department's supervisor or the person who has been authorized.

#### Principle 5: Promote innovation and responsible business operations

The Board of Directors values responsible business practices, which are represented in our values, corporate strategy, and goals, including the creation of products and services. To achieve the specified goals, however, corporate operations must rely on good operational processes, which necessitates collaboration from employees at all levels and across all divisions. The following are some practice guidelines:

1. Promote publicity, the Code of Conduct, communication rules and standards, and set up a test to ensure that the Company's employees are aware of the policies and procedures.
2. Determined to create the Company for long-term growth by ensuring that all parties within the organization operate their businesses with social and environmental responsibility and do not violate stakeholders' rights, including by following the Company's objectives, goals, and strategies.

#### Guidelines for treating stakeholders of the Company

Shareholder	Conduct business in accordance with corporate governance principles to gain the most advantage and long-term value for shareholders.
Employee	Treat employees in accordance with human rights principles that are not in conflict with the law, taking into account their demands for skill development and stability, including career growth.
Customer / Consumer	Committed to providing innovative products and services that are accredited for customer satisfaction and the best interests of customers through high-quality items at reasonable rates.
Partner	There is a fair, transparent, and verifiable selection procedure according to the framework of honest trade competition,
Community, Society and Environment	Emphasizes the community's safety, society's impact on the environment, and the Company's business activities' impact on the environment, society, and community, including encouraging employees to have a conscience and responsibility to the environment, society, and community.
Creditor	Strictly Follow the conditions and/or contracts to the letter, including repayment of principal, interest, and taking care of various collaterals as required, and set a deadline.
Competitor	Adhering to conducting business with honesty, treating competitors to create competition. Fair under the law and the Company's Code of Conduct

1. Support and encourage the use of materials or equipment including various resources effectively and productively

2. Establish a policy on the use of information technology to use it effectively and safely, which is an important factor that will lead to a successful operation as well as to ensure that information technology is used to increase business opportunities, operational development and the Company's risk management as follows:

2.1 Establish information technology management policy which is in line with the needs of the business to propose to the Board of Directors and review the policy at least once a year. The policy shall cover the followings:

1) Policy and measure to maintain the security of information technology systems

2) Policy to promote the use of equipment and programs that are legally licensed and notify employees at all levels

3) Assign and manage appropriate information technology resources for business operations, including guidelines if adequate allocation is not available.

2.2 Promote the use of devices and programs that are legally licensed only

2.3 Company's information system shall not be used to disseminate information that is morally inappropriate, and against the law.

2.4 The Company has the right to inspect, monitor, investigate and control employees' access to information systems to protect the safety of the Company's information system

**Principle 6: Ensure that there is an appropriate risk management and internal control system**

Board of Directors realizes the importance of risk management and internal control processes of the organization with the view that it is an important process that will help the Company achieve its objectives effectively as well as being a process for monitoring compliance with the law and related standards, which has the following guidelines:

1. Risk Management

Provide systematic risk management and in accordance with international standards throughout the organization as well as assigning the Risk Management Committee to supervise, consider and give opinions and make recommendations to the management on risk management. Develop an organization-wide risk management system to be consistently effective including support for cooperation at all levels of the organization. The Company's Board of Directors has established risk management policies and published them to employees of the organization at all levels.

For the assessment and preparation of risk management information, it is the responsibility of the risk owner unit to assess, prepare, and adjust. Managing the risks of the unit itself in accordance with the situation and corporate strategy to report to the Risk Management Committee and Board of Directors for consideration in order

## 2. Internal Controls and Internal Audit Systems

Assign the Audit Committee as it is an important mechanism for governance and to check the correctness of the Audit Committee's appointment of Dharmniti Internal Audit Co., Ltd to be the company's internal auditor. In order to ensure compliance with established policy, monitor the operations of various departments within the company, including evaluating the sufficiency of various departments' internal control systems. ensure that operations are in accordance with the system. Internal control is appropriate and consistent and is a tool for assessing deficiencies in the performance of duties, developing the operating system to be more efficient, and effectively balancing power. Therefore, auditors are required to report directly to the Audit Committee.

## 3. Conflicts of Interest Prevention

The Board of Directors realized the significance of monitoring and managing potential conflicts of interest between the Company and management, the Board of Directors, or shareholders. Through establishing a policy to prevent conflicts of interest as a guideline for monitoring and monitoring transactions that may cause conflicts of interest as per the rules and regulations of the regulatory law to inhibit misuse of the Company's assets, information, and opportunities. This includes reporting on the interests of directors, executives, and employees involved in departments that may receive classified inside information.

The Board of Directors has set a policy and guidelines for anti-corruption practices in writing and communicated them to employees at all levels of the organization. This includes disseminating them to outsiders to achieve practical implementation, support, and promote activities that will instill in all employees the laws, and related regulations. As well as supervise the Company to have a mechanism for receiving complaints and take action in cases where there is a clue that clearly defines guidelines for practice, which is specified in the Code of Conduct, and discloses the channels for receiving complaints on the Company's website.

### **Principle 7: Maintain financial credibility and disclosure of information**

The Board of Directors is responsible for controlling and supervising the disclosure of important information. To maintain financial credibility and disclosure of important company information which affects the company's stock price and/or investor's decision by stipulating as a guideline for practice as follows:

1. Responsible for maintaining the financial reporting system and the disclosure of financial statements. Which must be reviewed by the auditor, including the disclosure of the annual report form 56-1 One Report, Management Discussion and Analysis, and the disclosure of important information to be accurate, complete, timely, and transparent, following relevant rules, standards and guidelines.

2. Consider giving approval to the disclosure of financial reports, taking into account the results of the sufficiency assessment of the internal control system, opinions and observations from auditors, the Audit Committee as well as being consistent with the objectives, goals and policies of the Company.

3. Supervise the management to report the financial status of the company to the Board of Directors on a regular basis to monitor and assess the situation, liquidity, debt repayment ability, and together to find solutions and manage them in a timely manner, including to ensure caution in business operations.

4. Responsible for ensuring the disclosure of non-financial information, which reflects the practices that lead to sustainable business value creation, such as corporate governance policy, Code of Conduct, Anti-Corruption Policy, and complaints or whistleblowing policies, etc.

5. Supervise the establishment of an investor relations unit and/or company secretary including assigning the management as the designate representatives to communicate information to investors, analysts, and other related parties appropriately, equitably, and in a timely manner through communication channels set by the Stock Exchange of Thailand (“SET”) and through the Company's website.

6. Promote the use of information technology in disseminating information, paying attention to the disclosure of information regularly for shareholders to receive the information through the company's website. Such information must be kept up-to-date at all times.

**Principle 8 : Encourage participation and communication with shareholders**

The Board of Directors values the shareholders of the company by taking actions to ensure that the shareholders of the company are treated equally and able to exercise their fundamental rights as shareholders in full. This includes the awareness of and giving importance to the rights of shareholders, which will not infringe or deprive the rights of the shareholders. The guidelines for practice are as follows:

1. Basic rights of shareholders

1.1 The right to equal treatment in the purchase, sale, and transfer of independently held securities.

1.2 The right to receive and verify the company's information as facts, correct, complete, and sufficient in light of the events, and suitable for decision making, without restriction on access to that information.

1.3 The right to receive an equal share of profits from the Company.

1.4 The right to attend the shareholders' meeting, at which shareholders can consider various agendas, including expressing opinions and/or giving suggestions.

1.5 The right to propose the agenda of the Annual General Meeting of Shareholders in advance and the nomination of a person to be a director of the Company.

1.6 The right to vote and the removal of company directors with the following criteria:

(1) Each shareholder has a vote equal to 1 share per 1 vote.

(2) Allow individual shareholders to vote for the election of directors.

(3) Person who has the highest number of votes in each sequence will be elected as a director equal to the number of directors required or should be elected at that time. In the event that the persons elected in descending order have equal votes exceeding the required number of votes, or should be elected at that time, the chairman shall have one more casting vote.

1.7 The right to appoint the Company's auditors and set the audit fee, including making decisions on important matters of the company.



## 2. Promoting and facilitating the exercise of shareholders' rights

2.1 The Company will prepare a meeting invitation letter with explanations and rationale for each agenda, including clarifying the rights of shareholders and prepare documents related to the meeting and the Company's information in 2 languages (Thai and English).

2.2 The Company will clearly set the agenda for the meeting and will not add any additional agenda without notifying the shareholders in advance.

2.3 The Company will inform the shareholders of the rules and methods for determining directors' remuneration in all forms as well as comparing the information of directors' remuneration in the past year, and notify the shareholders for their consideration.

2.4 The Company allows shareholders to submit questions in advance of the meeting date via email or at the address of the Company.

2.5 The chairman or the chairman of the meeting will give an opportunity to all shareholders to have equal rights to express opinions and ask questions by giving the appropriate time and stating in the minutes of the meeting so that the shareholders who did not attend the meeting know.

2.6 The Company will use the voting confirmation card in every agenda of the shareholders' meeting and use a barcode system to count votes for convenience and speed, as well as having representatives of the auditors or legal advisors of the Company to witness the vote counting and clearly disclose it in the minutes of the shareholders' meeting together with the votes of agreeing, disapproving, and abstaining in every agenda that requires voting.

2.7 The Company will disclose the resolutions of the shareholders' meeting and voting results for each agenda via the SETLink system of the Stock Exchange of Thailand and publish them on the Company's website within the business day following the meeting date, and will send the minutes of the meeting to the Stock Exchange of Thailand within 14 days from the date of the meeting and publish them on the Company's website.

## 3. Minority shareholders management

3.1 The Company provides opportunities for a sole shareholder or several shareholders holding a total of not less than 5 percent of the total number of shares with voting rights of the Company to propose an agenda for the Annual General Meeting of Shareholders and/or nominate a person to be a director of the Company with details of criteria and guidelines appearing on the Company's website.

3.2 The Company will send a notice of the shareholders' meeting together with relevant documents in Thai and English (for foreign shareholders) to shareholders at least 21 days before the meeting date and will disseminate the meeting documents on the company's website at least 30 days before the meeting date.

3.3 The company takes the shareholders' convenience into account. To attend the shareholders' meeting, whether it is a meeting place Notification of criteria details to maintain the right to attend the meeting and access to information via the website. The Company will attach the proxy form along with the meeting invitation letter. To facilitate the shareholders who are unable to attend the meeting.

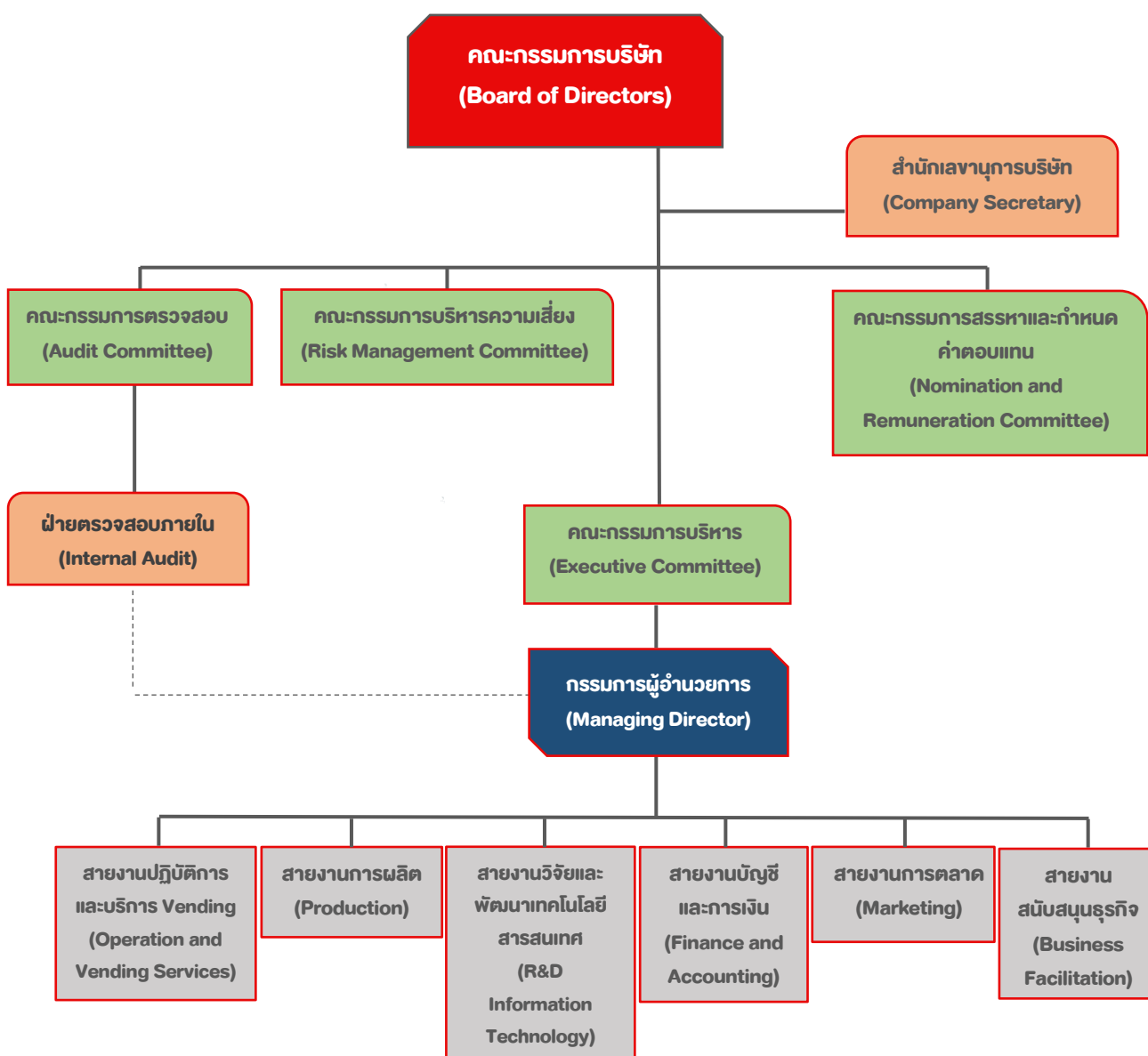
## 7. Corporate Governance Structure and important information about the board, sub-committees, management, employees, and others

### 7.1 Corporate Governance Structure

Information as of December 31, 2021 The Company's management structure consists of the Board of Directors and 4 sub-committees, namely the Audit Committee, Executive Directors, Nomination and Remuneration Committee, and the Risk Management Committee. The Company has a Board of Directors structure with at least 3 independent directors and at least one-third of the total number of directors of the Company.

The Company has a management structure approved by the Board of Directors Meeting No. 1/2021, convened on April 8, 2021 as follows:

#### Management Structure



approved by the resolution of the Board of Directors'  
meeting No. 1/2021, convened on April 8, 2021

## 7.2 Information about the Board

### 7.2.1 Board of Directors

There are 10 members on the Company's Board of Directors

Number	List	Position
1	Dr. Suwit Thaniyavarn <sup>1</sup>	Chairman of the Board of Directors / Independent Director
2	Mr. Boonchai Chokwatana	Company's director
3	Mr. Vathit Chokwatana	Company's director / Director authorized to sign on behalf of the Company
4	Mr. Pitsnu Chokwatana	Company's director / Director authorized to sign on behalf of the Company
5	Mrs. Apassara Panupattana	Company's director / Director authorized to sign on behalf of the Company
6	Dr. Somjin Sornpaisarn <sup>2</sup>	Company's director / Independent Director
7	Mr. Jark Chulakiet	Company's director / Independent Director
8	Mr. Krittinai Lertsitthisak	Company's director / Independent Director
9	Mr. Nattapon Dejvitak	Company's director
10	Mrs. Teerada Ambhanwong	Company's director
11	Mr. Pansak Statatien <sup>3</sup>	Company's director / Independent Director

**Remark:** - Information as of February 23, 2022

- Dr. Suwit Thaniyawan <sup>1</sup> was appointed as the Company's director. According to the resolution of the Extraordinary General Meeting of Shareholders no. 1/2564 held on February 8, 2021.

- Dr. Somjin Sornpaisarn <sup>2</sup> was appointed as the Company's Director / Audit Committee Member / Independent Director according to the resolution of the Board of Directors Meeting No. 1/2022, convened on February 23, 2022 instead of Mr. Pansak Statatien <sup>3</sup> who resigned from being a director of the Company / Audit Committee / Independent Director with effect from March 1, 2022 onwards.

With Ms. Supa Piyakornthaweerung acting as company secretary, having passed the Company Secretary training course No. 90/2018 of the Thai Institute of Directors Association.

The authorized directors are Mr. Vathit Chokwatana, Mr. Pitsnu Chokwatana and Mrs. Apassara Panupattana, two-thirds of the directors jointly sign and affix the Company's seal.

#### (1) Scope of Authorities, Duties, and Responsibilities of the Board of Directors

Board of Directors Meeting No. 5/2019 dated September 30 2019 resolved to determine the scope of authorities and duties and responsibility of the Board of Directors in the management of the Company to comply with the law, objectives, and articles of association of the Company are as follows:

(1.1) Prepare the charter of the Board of Directors in accordance with the good corporate governance policy, the Company's operational direction, and in accordance with the law, objectives, and regulations of the Company as well as the resolutions of the shareholders' meeting by protecting the interests

of the company and all shareholders equally and that such a charter shall be reviewed regularly at least once a year.

(1.2) Conduct a good corporate governance policy, business ethics, Code of Conduct, and a written manual for directors and that such policies are reviewed regularly at least once a year.

(1.3) Determine vision, mission, strategy, business direction, policy, goals, business plan, budget, management structure, and the approval authority of the Company as presented by the management including overseeing the administration and the performance of the management or any person who has been assigned to perform such duties in order to comply with the established policies and budgets in an efficient and effective manner.

(1.4) Continuously monitor and evaluate the Company's performance in various fields to ensure that the operations are in accordance with the goals, plans, and budgets set, and able to deal with obstacles and problems that may arise in a timely manner.

(1.5) Determine the authority and functions of the Chairman and the Managing Director.

(1.6) Establish a control system for operations financial reporting and compliance with rules and policies by reviewing the following system at least once a year. and shall be disclosed in the annual report.

(1.7) Determine the company has an appropriate and effective accounting system, and make an annual report of the Company and provide reliable financial reporting and auditing including responsibility for the preparation and disclosure of the financial statements at the end of the accounting period of the Company to be accurate, to show the financial position and operating results in the past year truthfully, completely, and correctly following certified accounting standards, which are audited by the auditors before being presented to the shareholders' meeting for consideration and approval.

(1.8) Consider and approve the selection and nomination of auditors and set appropriate remuneration as presented by the Audit Committee before presenting it to the annual shareholders' meeting for consideration and approval.

(1.9) Follow up on important audit reports of the Audit Committee or the internal audit unit, including the auditors and consultants from various departments of the Company, as well as formulate guidelines for improvement and fix cases where significant errors were found.

(1.10) Review the adequacy, the suitability of the internal control system and the Company's risk management by allowing the management to act in accordance with the policy and report to the Board of Directors regularly, and to have a review or assess the effectiveness of the risk management at least once a year and disclose it in the annual report and every period when the level of risk has changed. This includes focusing on early warning signs and other unusual items.

(1.11) Consider appointing, removing, and assigning authorities and duties to directors, independent directors, specific committees and company secretary.

(1.12) Consider the organizational structure and administration, including the authority to appoint the Executive Committee Chief Executive Officer sub-committees and any other sub-committees as

appropriate, as well as defining the scope of authorities, duties, and responsibilities of such sub-committees with follow-up on performance and regular supervision of operations.

(1.13) Consider appointing, changing directors or executives or suitable persons to become a representative director in a subsidiary and/or an associate in which the company invests or jointly invests.

(1.14) Consider the performance appraisal of the Board of Directors and sub-committees, including supervising the company to have an effective process for evaluating the performance of the highest level executives of the Company.

(1.15) To be responsible to shareholders regularly and operate in the interests of shareholders. A report on general information and financial information of the Company is provided to report to shareholders and stakeholders or general investors accurately, promptly, and following the law.

(1.16) Supervise the company to comply with the law on securities and exchange, regulations of the Stock Exchange of Thailand such as related transactions, acquisition or disposition of property according to the regulations of the Stock Exchange of Thailand or according to the announcement of the Securities and Exchange Commission Capital Market Supervisory Board or laws related to the company's business.

(1.17) Delegate authorities to one or more directors or any other person to perform any act on his behalf Board of Directors, under the control of the Board of Directors or delegate authorities to such person to have authorities and duties as the Board of Directors deems appropriate and/or within a period that the Board of Directors deems appropriate. The Board of Directors may cancel, revoke, change or amend the authorized person, or that authority when see fit.

(1.18) Consider determining and amending the name of the director who has the authority to bind the Company.

(1.19) Consider appointing a company secretary to help manage various activities of the board and help the Board of Directors and the Company to comply with the relevant laws and regulations, as well as define the scope of duties and responsibilities of the company secretary.

(1.20) Consider and approve investment projects, acquisition or disposition of assets, and connected transactions between the company and the connected person to be in accordance with the announcements, regulations, and/or relevant regulations as required by law.

(1.21) Consider and approve the interim dividend payment to shareholders when it can be seen that the company is lucrative to do so, and report such dividend payment to the shareholders' meeting for acknowledgment in the next shareholders' meeting.

(1.22) Consider and approve other important businesses concerning the company or that it deems appropriate to do so for the maximum benefit to the company.

Any matter that a director has a stake in or has a conflict of interest with the Company Directors who have interests or conflicts of interest as mentioned above, the director will have no right to vote on that matter.

### 7.3 Information About the Committees

#### 7.3.1 Audit Committee

Audit Committee of the Company Consists of 3 independent directors as follows:

Number	List	Position
1	Mr. Krittinai Lertsitthisak	Chairman of the Audit Committee / Independent Director
2	Mr. Jark Chulakiet	Audit Committee / Independent Director
3	Dr. Somjin Sornpaisarn <sup>1</sup>	Audit Committee / Independent Director
4	Mr. Pansak Saetsatien <sup>2</sup>	Audit Committee / Independent Director

**Remark:** - Information as of February 23, 2022

- Extraordinary General Meeting of Shareholders No. 1/2564 held on February 8, 2021 resolved to appoint the Audit Committee/Independent Directors of 3 persons.

- Dr. Somjin Sornpaisarn<sup>1</sup> was appointed as the Company's Director / Audit Committee Member / Independent Director according to the resolution of the Board of Directors Meeting No. 1/2022, convened on February 23, 2022 to replace Mr. Pansak Saetsathien<sup>2</sup> who resigned from being the Company's Director / Audit Committee Member / Independent Director with effect from March 1, 2022 onwards.

Ms. Pornnaphat Phatwaraphan is acting as the secretary of the Audit Committee.

#### (1) Scope of Authorities, Duties, and Responsibilities of the Audit Committee

Board of Directors Meeting No. 5/2019 dated September 30, 2019 resolved to determine the scope of authorities, duties and responsibilities of the Audit Committee as follows:

(1.1) Prepare the Audit Committee Charter to be by the scope of responsibility in the operation of the company, which must be approved by the Board of Directors, and the appropriateness of the Charter must be reviewed at least once a year.

(1.2) Review the Company's financial reporting to be accurate and sufficient. by coordinating with the auditor and executives responsible for preparing financial reports according to the Company's accounting period.

(1.3) Review the Company's internal control system and internal audit to be appropriate and effective.

(1.4) Consider the independence of internal auditors as well as approving, appointing, transferring, or dismissing the company's internal auditors, or considering hiring/terminating internal auditors from agencies outside the Company, including determining or adjusting the remuneration of internal auditors.

(1.5) Consider, approve and review the budget and internal audit plan.

(1.6) Review to ensure that the Company has an appropriate and efficient risk management system.

(1.7) Review and discuss with the management about the Company's major risks and measures the management has taken to monitor and control such risks.

(1.8) Review the Company's compliance with the Securities and Exchange Act, regulations and notifications of the Stock Exchange of Thailand, and relevant laws which are applicable to the Company and/or the Company's business.

(1.9) Review for the company to comply with the principles of good corporate governance, including guidelines and recommendations necessary for the development of good corporate governance.

(1.10) Consider, select, and propose the appointment of the Company's auditors as well as propose the auditor's remuneration by taking into account reliability, resource sufficiency, and the amount of audit work of that audit firm, including the experience of personnel assigned to audit the Company's accounts.

(1.11) Consider the independence of the auditor, including attending the meeting with the auditor without the management attending the meeting at least once a year.

(1.12) Consider the audit results and the auditor's recommendations, internal auditor and propose to the management to improve, including following up on the implementation of the recommendations.

(1.13) Consider the disclosure of the Company's information in the event of a connected transaction, acquisition, or disposition of assets of the Company or transactions that may have conflicts of interest to follow laws and regulations of the Stock Exchange of Thailand.

(1.14) Perform any other acts as the Board of Directors assigned and the Audit Committee agreed.

(1.15) Examine, investigate, and request information from relevant agencies or persons for further consideration under the authority of the Audit Committee, which has the authority to hire or bring in specialists to assist in the investigation and investigation.

(1.16) In performing the duties of the Audit Committee, the Audit Committee can communicate with the auditors, internal auditors, and the Company's management directly.

(1.17) Consider appointing the secretary of the Audit Committee to assist with the operation of the Audit Committee.

(1.18) Provide an evaluation of the Audit Committee's performance at least once a year for improvement the operations to be effective for shareholders and the Company.

## **(2) Office Term of the Audit Committee**

(1) The Audit Committee has a term of office of 3 years, with each term of office according to the terms of the Company's directorship.

(2) Members of the Audit Committee who vacate office upon the expiration of the term may be re-appointed as the Audit Committee member as the Board of Directors deems appropriate.

(3) The Audit Committee who retires by rotation acting in position to continue performing duties until the appointment of the Audit Committee to replace the position.

### **7.3.2 Nomination and Remuneration Committee**

Information as of December 31, 2021 The Company has 3 members of the Nomination and Remuneration Committee as follows:

Number	List	Position
1	Mr. Jark Chulakiet	Chairman of the Nomination and Remuneration Committee / Independent Director
2	Mr. Vathit Chokwatana	Nomination and Remuneration Committee
3	Mr. Krittinai Lertsitthisak <sup>1</sup>	Nomination and Remuneration Committee / Independent Director



*Remark: Mr. Krittinai Lertsittisak<sup>1</sup> was appointed as a member of the Nomination and Remuneration Committee according to the resolution of the Board of Directors' meeting on April 8, 2021.*

with Ms. Supa Piyakornthaweerung acting as the secretary of the Nomination and Remuneration Committee.

#### **(1) Scope of Authorities, Duties, and responsibilities of the Nomination and Remuneration Committee**

Board of Directors Meeting No.1/2020 held on February 27, 2020 resolved to determine the scope of authorities, duties and responsibilities of the Nomination and Remuneration Committee as follows:

##### **(1.1) Recruiting**

(1.1.1) Determine the rules and policies for the selection of the Company's directors and sub-committees by considering the appropriateness of the number, structure, and composition of the Board of Directors, including determining the qualifications of directors to propose to the Board of Directors and/or to propose to the shareholders' meeting for approval, as the case may be.

(1.1.2) Consider the recruit, selection, and nomination of suitable persons for the position of the Company's director to replace directors who have retired and/or have vacant positions and/or appoint more, including considering the recruitment and selection Executive Chairman and Managing Director.

(1.1.3) Consider policies and plans for succession of positions at the senior management level of the Company as well as formulating a policy for the development of directors and executives who are responsible for various fields of the company in order to prepare for continuity in the succession and the company's management and to have the said policy reviewed at least once a year.

##### **(1.2) Remuneration**

(1.2.1) Prepare rules and policies for determining the remuneration of the Board of Directors, sub-committees, and senior management to propose to the Board of Directors and/or to propose to the shareholders' meeting for approval, as the case may be.

(1.2.2) Determine necessary and appropriate compensation, both in monetary and non-monetary, for directors' sub-committees and senior management to propose to the Board of Directors and/or the shareholders' meeting for approval, as the case may be considering:

(a) Obligations and responsibilities of the directors who have performed their duties in each committee

(b) Appropriateness of criteria which compare with the industrial situation, economic condition, the Company's performance, and other factors.

(c) Information on director remuneration rates of companies in the same industry as the Company and other businesses with business size and the operating results similar to the Company.

##### **(1.3) Others**

(1.3.1) Consider setting guidelines and policies for evaluating the Board's performance and managing director to propose to the Board of Directors.

(1.3.2) The Nomination and Remuneration Committee may hire a consultant or outside experts as necessary and appropriate to be able to perform duties in accordance with the Charter effectively. The budget was approved by the Board of Directors' meeting.

(1.3.3) Prepare a report on the performance of the Nomination and Remuneration Committee to be disclosed in the Company's annual report, specifying:

- (a) List of Nomination and Remuneration Committee
- (b) The number of meetings and attending the meeting of the Nomination and Remuneration Committee
- (c) Summary of the Nomination and Remuneration Committee Charter
- (d) Report on the performance of duties in the past year according to the charter

(1.3.4) Prepare any other reports that shareholders and general investors should be aware of, under the scope of duties and responsibilities assigned by the Board of Directors.

(1.3.5) Prepare the Nomination and Remuneration Committee Charter and review suggestions. Reasonable amendments at least once a year for submission to the Board of Directors for approval.

(1.3.6) Perform any other duties as assigned by the Board of Directors.

## **(2) Office Term of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has a term of office of 3 years. The Nomination and Remuneration Committee who vacates office by rotation may be re-appointed as a member of the Nomination and Remuneration Committee as the Board of Directors deems appropriate.

### **7.3.3 Risk Management Committee**

Information as of December 31, 2021 the Company has 5 members of the Nomination and Remuneration Committee as follows:

Number	List	Position
1	Mr. Nattapon Dejvitak	Chairman of the Risk Management Committee
2	Mr. Krittinai Lertsitthisak	Member of the Risk Management Committee
3	Mr. Pitsnu Chokwatana	Member of the Risk Management Committee
4	Mrs. Apassara Panupatthana <sup>1</sup>	Member of the Risk Management Committee
5	Ms. Pattarawadee Chotithamnawee	Member of the Risk Management Committee

*Remark: The Board of Directors Meeting No. 1/2020 held on February 27, 2020 approved the appointment of the Risk Management Committee*

with Ms. Supa Piyakonhaweering acting as the secretary of the Risk Management Committee.

## **(1) Scope of Authorities, Duties, and Responsibilities of the Risk Management Committee**

Board of Directors Meeting No.1/2020 dated February 27, 2020 approved the scope of authorities, duties and responsibilities of the Risk Management Committee to help support the Board of Directors in formulating risk management policies covering the entire organization as follows:

(1.1) Determine risk management policy and present to the Board of Directors to consider approval and review regularly at least once a year.

(1.2) Arrange a risk assessment of the Company and to be reviewed regularly by covering the risks both from external and internal factors on the following issues:

(1.2.1) Strategic Risk

(1.2.2) Operational risk

(1.2.3) Financial and non-financial reporting risks

(1.2.4) Compliance risks, legal and contractual obligations of the organization

(1.2.5) Information Technology Risk

(1.3) Consider giving opinions on the results of the risk assessment and the Company's risk management methods in each matter in accordance with the risk management policy, which can assess, monitor, and prevent risks to an appropriate and acceptable level and has guidelines for practice to support various events when such risks arise and be proposed to the Board of Directors.

(1.4) Follow up and supervise annually to ensure that the company has appropriate risk management for various events and has been implemented effectively.

(1.5) Provide advice and support to the Executive Committee of the Company in the matter of corporate risk management, including promoting and supporting improvements and developing a risk management system within the organization to occur continuously and regularly.

(1.6) Communicate, exchange information and coordinate the risks and internal control with the Company's Audit Committee.

(1.7) Appoint a working group to provide support for risk management processes and activities as appropriate and necessary.

(1.8) Prepare the Risk Management Committee Charter and review suggestions and reasonable amendments at least once a year to propose to the Board of Directors for approval.

(1.9) Prepare a risk management report of the Risk Management Committee which is disclosed in the Company's annual report, which was signed by the Chairman of the Risk Management Committee.

(1.10) Any other practice as assigned by the Board of Directors.

## (2) Office Term of the Risk Management Committee

The Risk Management Committee has a term of office of 3 years each. The Risk Management Committee who vacates office by rotation may be re-appointed as the Risk Management Committee as the Board of Directors deems appropriate.

### 7.3.4 Executive Directors

The Company has 7 Executive Directors as follows:

Number	List	Position
1	Mr. Vathit Chokwatana	The Chairman of Executive Committee
2	Mrs. Apassara Panupatthana <sup>1</sup>	Member of the Executive Committee
3	Mr. Pitsnu Chokwatana	Member of the Executive Committee
4	Ms. Pattarawadee Chotithamnawee	Member of the Executive Committee
5	Mr. Surachet Panupatthana	Member of the Executive Committee

Number	List	Position
6	Mr. Kanes Atthaphaisalkul	Member of the Executive Committee
7	Mrs. Jirada Nintanawongsa	Member of the Executive Committee
8	Mr. Wipob Jenjirayut <sup>2</sup>	Member of the Executive Committee

**Remark:** - Information as of February 23, 2022

- Mrs. Apassara Panupattana<sup>1</sup> resigned from the position of Executive Committee Effective from February 28, 2022

- Mr. Wipob Janjirayut<sup>2</sup> was appointed to the Executive Committee Effective from March 1, 2022 in accordance with the resolution of the Board of Directors Meeting No. 1/2022 held on February 23, 2022 instead of Mrs. Apatsara Panupattana

With Ms. Supa Piyakonhaweerung acting as secretary to the Executive Committee

#### (1) Scope of Authorities, Duties, and Responsibilities of the Executive Committee

Board of Directors Meeting No. 5/2019 held on September 30, 2019 has resolved that the Executive Committee has the scope of authorities, duties and responsibilities as follows:

(1.1) Prepare the Executive Board Charter in accordance with the Company's business policy as prescribed by the Board of Directors, which must be approved by the Board of Directors, and the appropriateness of the Charter must be reviewed at least once a year.

(1.2) Prepare and present business policies, goals, strategies, action plans, and management structures, including the authority of administration, to the Board of Directors for approval.

(1.3) Consider the annual budget allocation as proposed by management to propose to the Board of Directors for approval, including considering and approving changes and additional annual expenditure budget during the time without a meeting of the Board of Directors and to be presented to the Board of Directors for acknowledgment in the next meeting.

(1.4) Manage and supervise operations related to the general management of the Company to be in accordance with the objectives, regulations, policies, rules, regulations, orders, and resolutions of the Board of Directors' meeting and/or the resolutions of the shareholders' meeting of the Company in all respects.

(1.5) Consider running a new business or liquidation of business or investment or joint investment to propose to the Board of Directors.

(1.6) Consider the company's dividend payment policy and offer the company's dividend payment to propose to the Board of Directors.

(1.7) Conduct a feasibility study and approve entering into contracts and/or any transactions related to the Company's normal business operations, such as trading, investing, or joint ventures with other parties for the normal transactions of the Company and for the benefit of operating in accordance with the objectives of the company within the limit as stipulated in the approval authority table or as prescribed by the Board of Directors.

(1.8) Consider and approve the investment and set a budget for investment according to the authority in the authority table.

(1.9) Approve the withdrawal of money from all accounts of the Company , the use of credit at all financial institutions that the Company has, including applying for various forms of credit with all financial institutions, as well as pledging, mortgage, pledging the Company's securities as collateral, both registered and unregistered, and being a guarantor for such debts, within the amount specified in the approval authority table or as prescribed by the Board of Directors.

(1.10) Approve the appointment of consultants in various fields necessary for the operation of the company within the budget framework approved by the Board of Directors each year.

(1.11) Supervise, consider, and approve the Company's business operations and may appoint or assign to a person or any group of persons to proceed as the Executive Committee deems appropriate, as well as having the authority to change or amend, except to revoke such authority.

(1.12) Has the authority to approve, appoint, hire, transfer, dismiss, discipline, terminate employment, determine wages, compensation, benefits, bonuses, gratuities, and other forms of compensation, including the expenses and facilities of the staff or company employees who hold the positions of Deputy Director, Senior Deputy Director, or special working groups to perform specific tasks.

(1.13) Any other action as assigned by the Board of Directors from time to time

The authority to carry out the duties above, as well as delegating authorities to other persons that the Executive Committee deems appropriate, will not include authorities or authorizations or delegations of authority in approving transactions that cause the Executive Director or the person authorized by the Executive Committee to be able to vote to approve the transaction or persons who may have conflicts, a stake or there may be a conflict of interest in any other manner with the Company or items that are not subject to the Company's general business operations. The approval of the said transaction must be proposed to the Board of Directors' meeting and/or the shareholders' meeting (as the case may be) for consideration and approval by the Company's Articles of Association or the relevant laws.

## **(2) Office Term of the Executive Directors**

(2.1) The Executive Committee has a term of office of 3 years from the date of appointment by resolution.

(2.2) Executive Director retired by rotation may be re-appointed as an Executive Director If the Board of Directors deems appropriate.

(2.3) The executive director who vacates the office upon the expiration of the term is acting in a position to continue performing duties. Until the Board of Directors resolves to appoint an Executive Director to replace them, the appointment must be made within 2 months from the date of the expiration of the Executive Committee's term.

### **7.4 Information about the management**

#### **7.4.1 Management Team**

The Company has a management team of 7 persons, according to the definition of “executives” as specified in the Notification of the Securities and Exchange Commission No. KorJor. 17/2551 Re: Determination of Definitions in Notifications Regarding Issuance and Offering of Securities as follows:

Number	List	Position
1	Mr. Pitsnu Chokwatana <sup>1</sup>	Managing Director / Acting Deputy Director of Production

Number	List	Position
2	Mr. Surachet Panupattana	Deputy Director of R&D Information Technology
3	Mr. Kanesh Attaphaisakul	Deputy Director of Marketing
4	Ms. Pattarawadee Chotithamnawee	Deputy Director of Accounting and Finance
5	Mrs. Jirada Nintanawongsa	Deputy Director of Business Facilitation
6	Mr. Wipob Jenjirayut <sup>2</sup>	Deputy Director of Operations and Vending Services
7	Mrs. Apassara Panupattana <sup>3</sup>	Managing Director / Acting Deputy Director of Vending Operations and Services
9	Mrs. Naparat Yenchomchuen	Chief Accountant

**Remark:** - Information as of February 23, 2022

- Mr. Phisanu Chokwatana<sup>1</sup> was appointed as the Managing Director to replace Mrs. Apassara Panupattana, effective from March 1, 2022 according to the resolution of the Board of Directors Meeting No. 1/2022, held on February 23, 2022

- Mr. Wipob Janjirayut <sup>2</sup> was appointed as Deputy Director of Operations and Vending Services, effective from 1 March, 2022 according to the resolution of the Board of Directors Meeting No. 1/2022, held on February 23, 2022

- Mrs. Apassara Panupattana <sup>3</sup> resigned from the position of Managing Director, effective from February 28, 2022

#### (1) Scope of Authorities, Duties, and Responsibilities of the Managing Director

Board of Directors Meeting No. 1/2564 held on April 8, 2021 resolved to approve the scope of authorities, duties and responsibilities of the Managing Director as follows:

(1.1) Supervise and approve matters related to the normal operations of the Company and delegate authorities to executives or any other person carrying out the normal daily operations of the Company to perform duties on behalf of the Managing Director on specific matters under the control of the Managing Director and within the period the Managing Director deems appropriate, the Managing Director may revoke, revoke, change or amend such authorities.

(1.2) Operate or perform tasks in accordance with the policies, plans, and budgets approved by the Board of Directors and/or the Executive Committee of the Company.

(1.3) To be the Company's attorney in the management of the Company's business to be in accordance with the objectives, regulations, policies, rules, regulations, orders, resolutions of the shareholders' meeting and/or resolutions of the Board of Directors' meeting and/or the Executive Committee of the Company in all respects.

(1.4) To have any other authority as approved by the Board of Directors or the Executive Committee as specified in the Company's approval authority manual.

(1.5) To have the authority to sub-delegate and/or assign other people to perform specific tasks on their behalf by sub-authorization and/or assignment under the scope of authorization and/or in accordance with the regulations, requirements, or orders set by the Board of Directors of the Company and/or the Company.

(1.6) Follow up and evaluate the Company's performance regularly to prevent risks from various factors both inside and outside the company.

(1.7) Consider investments to present to the Executive Committee and/or the Board of Directors.

(1.8) Consider appointing various consultants necessary for the operation of the Company to propose to the Executive Committee and/or the Board of Directors.

(1.9) Perform other duties as assigned by the Board of Directors or the Executive Committee from time to time.

In this regard, the Managing Director will consider and approve transactions with interests or have no other conflicts of interest with the Company, except for the approval of transactions in accordance with the policies and rules that the Board of Directors or the shareholders' meeting has considered and approved and in accordance with the law. The Board of Directors may cancel, revoke, change, or amend the authorities of the Managing Director by resolution of the Board of Directors.

## **7.5 Employees' Information**

### **7.5.1 Total Number of Employees**

The Company has employees as of December 31, 2021, a total of 747 people. In 2021, the company has paid compensation to employees in the total amount of 225.51 million baht, which are salaries, overtime pay, subsidies, living expenses, bonuses, social security payments. and contributions to the provident fund.

No.	Details	Number of people	Compensation (Million Baht)
1	Executives	8	17.61
2	Employees	739	207.90
<b>Total</b>		<b>747</b>	<b>225.51</b>

Divided into 637 full-time employees, 110 daily employees, total 747 people.

#### **(1) Other Compensation**

The 2021 Annual General Meeting of Shareholders held on March 22, 2021 approved the Company to issue 200 million new ordinary shares with a par value of 1.00 baht per share for sale to the general public and offered to directors and executives, which is in accordance with the proportion under the regulations, relevant rules, and laws at the same price as the price offered to the general public by offering for sale together with the offering of newly issued ordinary shares to the public as well.

#### **(2) Provident Fund**

The Company has established a provident fund. From March 14, 2008, with Principal Asset Management Company Limited (formerly known as "Asset Management Company CIMB-Principal Company Limited") is a fund management company according to the Provident Fund Act, 1987 (as amended) as an incentive for employees working with the Company and as a guarantee for the future of employees where employees can specify how much they want to collect from 5% to 15% of wages and salaries, and the Company will support contributions at the rate of 5% of wages/salaries. In the event that an employee resigns or is terminated as an employee, the Company will make additional contributions based on the length of service.



### (3) Human Resource Development Policy

The company realizes the importance of human resources. This is the heart of business operations. Therefore, there is a policy of organizing staff training. general staff level and the level of the head (Supervisor) as follows:

Department	General staff level	Supervisor Level
Operation and Vending Services	Route man development	Increase knowledge and skills in the position of supervisor
Production and R&D Information Technology	1. Update new technology in accordance with business growth. 2. Improve work processes to be more efficient, to produce more products with less or the same cost.	
Marketing	1. Update knowledge and new marketing trends. 2. Competition of business both directly and indirectly. 3. Increase sales skills.	Professional sales presentation and closing the sale.
All Departments		1. Update knowledge and new marketing trends. 2. Competition of business both directly and indirectly. 3. Train on strategic thinking and be able to apply it in planning work in accordance with new business.

There is training within the company and the Company also sends employees to attend training from external courses according to the responsibilities of each level of employee. The company will provide employees with training in order to get into the work system as a whole and give employees the opportunity to learn how to work professionally as well as gain experience in receiving production technology transfers from trading partners who directly manufacture those machines. It is an important factor that plays a part in driving the business to grow continuously as the company places importance on human resource development to strengthen its business. The intense competition that will arise from the rise of competitors and the use of digital technology. With the vision of the executives who see the importance of providing training to develop the potential of personnel in all departments so that the personnel of the organization have the ability and efficiency to work more. At present, the company has set up a training program, including setting up a training schedule for the year 2021 to be used as a guideline to develop the potential of employees in all departments which will lead to the improvement of the quality of work better.

In 2021, the company has personnel training and development expenses in the amount of 424,767 baht, with training both within the organization and sending employees to attend training courses outside the organization according to the responsibilities of each level of employee. In addition, if there is a new vending machine that the company has recently imported or developed, the company will provide employees with training to understand the overall work system and give employees the opportunity to learn to work professionally, including gaining experience from partners. The machine manufacturer directly transferred the knowledge of production technology to the staff who participated in the training.

The Company's personnel development is an important factor contributing to the continuous growth of the business. The Company places importance on human resource development to strengthen the business to support the intense competition that will arise from the increase of competitors and the use of digital technology. With the vision of the executives who see the importance of providing training to develop the potential of personnel in all departments, so that the personnel of the organization have the ability to work efficiently.

**(4) Labor Dispute**

- None -

**7.6 Other Important Information**

**7.6.1 Company Secretary**

Board of Directors Meeting No. 4/2019 held on May 16 2019 resolved to appoint Ms. Supa Piyakornthaweerung to be a company secretary who are qualified and have passed the company secretary training course from the Thai Institute of Directors Association by appointing the said company secretary to supervise Supervise the Board of Directors to perform their duties in accordance with the provisions of Section 89/15 of the Public Companies Act, 1992 with responsibility caution and honesty as well as to comply with the law, objectives, and regulations of the Company Resolutions of the Board of Directors Meeting as well as the resolutions of the shareholders' meeting The roles, duties and responsibilities are detailed as follows.

(1) Prepare and maintain the following documents:

(1.1) Register of Directors

(1.2) Notice of Board of Directors Meeting and Minutes of Board of Directors Meeting and the Company's annual report

(1.3) Notice of the shareholders' meeting and the minutes of the shareholders' meeting

(2) Keeping stakeholder reports reported by directors or executives.

(3) Submit a copy of the report of gain and loss under Section 89/14 to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 business days from the date the Company received that report. The company must have a document retention system or evidence related to the disclosure and take care to keep it properly and completely so it can be checked within a period of not less than 10 years from the date of preparation of such documents or information.

(4) Is a center for inquiries and information gathering that the Board of Directors needs from various departments, including those other than those received from management, such as auditors and internal auditors, as well as arranging meetings between the Board of Directors and the executives. as requested by the committee.

(5) Other actions as announced by the Capital Market Supervisory Board, any associated company.

## 8. Report on Key Performance in Corporate Governance

### 8.1 Recruiting, Developing, and Evaluating the Performance of the Board of Directors

#### 8.1.1 Nomination and Appointment of Directors and Senior Management

##### (1) Board of Directors

The Company has selected a person to be appointed as a director. by considering the knowledge, ability, experience and sufficient time to attend the meetings regularly. The shareholders' meeting will appoint directors by majority vote in accordance with the following rules and procedures.

1) A shareholder has a vote equal to 1 share per 1 vote according to the number of shares he holds.

2) In the election of company directors, voting for individual nominees or several nominees at the same time is as the meeting of shareholders deems appropriate. However, in voting or having any resolution, each shareholder will exercise the right according to all the votes he has under Clause 1, but cannot divide his votes with any person to any extent.

3) Voting for the election of directors must be subject to the majority of votes. If there are equal votes, the person presiding over the meeting shall have one more casting vote.

##### (1.1) Composition and Appointment of the Board of Directors

1) Board of Directors consists of at least 5 members and not less than half of the total number of directors must reside in the Kingdom.

2) Board of Directors must consist of independent directors, at least one-third of the total number of directors and not less than 3 persons. The independent directors must be independent from the control of the management and major shareholders as well as have all the qualifications in accordance with the criteria for the qualifications of independent directors specified in the charter of the Board of Directors.

3) The Board of Directors elects one director to be the Chairman of the Board of Directors. The Chairman of the Board of Directors must not be the same person as the Chairman of the Executive Committee, director, and chairman of sub-committees in order to have a clear separation of roles.

4) In the event that the Board of Directors deems appropriate, one or more directors may be elected to be the Vice Chairman of the Board of Directors. The vice chairman has duties in accordance with the regulations in the business assigned by the chairman.

5) The Board of Directors appoints the Company Secretary. The Company Secretary shall act as the secretary of the Board of Directors.

##### (2) Independent Director

##### (2.1) Qualifications of Independent Directors

1) Holding no more than 1% of the total voting shares of the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the company, including shares held by related persons of that independent director.

2) Not being or used to be a director involved in management, employees, staff, consultants who receive a regular salary or controlling person of the Company, parent company, subsidiary company, associated company, subsidiary of the same level major shareholder or of the company's controlling person unless the aforementioned characteristics have been vacated for not less than 2 years. or consultant of

the government sector, which is a major shareholder or the person who has the authority to control the company.

3) Not a person who has a blood relationship or by legal registration in the form of father, mother, spouse, siblings, and children, including spouses of children of other directors, executives, major shareholder controllers, or a person who will be nominated to be a director, executive, or person with controlling authority of the company or subsidiary.

4) Does not have or had a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder, or the person who has the authority to control the company in a manner that may impede the exercise of one's independent judgment, including not being or having been a significant shareholder or a person with control authority of a person having a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder, or the person who has the authority to control the company, unless the aforementioned nature has been terminated for not less than 2 years.

Business relationships under the first paragraph include making trade transactions that are normally carried out for business operations, renting or renting out real estate. Assets or services, or giving or receiving financial assistance by accepting or lending, guaranteeing, and placing assets as collateral for liabilities, including other similar behaviors. As a result, the company or the contracting party has an obligation to pay the other party at least 3% of the company's net tangible assets, or 20 million baht or more. However, the calculation of such indebtedness shall be by the method for calculating the value of connected transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Connected Transactions mutatis mutandis. However, such debt shall include debt obligations incurred during the 1 year before the date of the business relationship with the same person.

5) Not or not used to be an auditor of the company, parent company, subsidiary company, associated company, major shareholder or the person who has the authority to control the company and is not a significant shareholder controller or a partner of the audit firm which has auditors of the Company, parent company, subsidiaries, associated companies, major shareholders or the person having the authority to control the company is affiliated with unless the aforementioned nature has been terminated for not less than 2 years.

6) Not or not has been a professional provider of any kind. This includes serving as a legal or financial advisor which receives service fees of more than 2 million baht per year from the company, parent company, subsidiary company, associated company, major shareholder, or the person who has the authority to control the company and is not a significant shareholder controller or a partner of that professional service provider unless the aforementioned nature has been terminated for not less than 2 years.

7) Not being a director who has been appointed to represent the Company's directors major shareholder or shareholders who are related to major shareholders.

8) Do not operate businesses with the same nature and are in significant competition with the Company's business or a subsidiary, be a significant partner in the partnership or being a director who takes part in the management, an employee, an employee, an advisor who receives a regular salary or hold more than 1 percent of the total number of shares with voting rights of other companies that

operate businesses of the same nature and are in significant competition with the business of the Company or its subsidiaries.

9) There is no other nature that prevents the expression of an independent opinion on the operations of the Company.

However, if the Capital Market Supervisory Board announces the change in the qualifications of independent directors, the Company's independent directors must possess the qualifications as announced in all changes.

### **(3) Audit Committee**

#### **(3.1) Composition and Appointment of the Audit Committee**

1) The Board of Directors or the shareholders' meeting appoints the independent directors of the company to be on the audit committee.

2) The Audit Committee consists of independent directors, not less than 3 people, all of whom must hold the position on the Board of Directors.

3) At least one member of the Audit Committee must be a knowledgeable person with experience in the accounting or finance field and be able to review the reliability of financial statements.

4) The Audit Committee elects 1 member to be the Chairman of the Audit Committee.

5) The Audit Committee appoints the Audit Committee's secretary to assist the Audit Committee's operations concerning meeting appointments, preparing the agenda for submission of meeting documents, and recording of meeting minutes.

#### **(3.2) Qualifications of the Audit Committee**

1) The Audit Committee of the Company is independent according to the definition of independence of independent directors according to the above qualifications and will be in accordance with the notification of the Capital Market Supervisory Board No. TorJor. 39/2016 and have duties in the same manner as stipulated in the Stock Exchange of Thailand Notification Re: Qualifications and Scope of Work of the Audit Committee.

2) Not a director assigned by the Board of Directors to decide on the operation of the company, parent company, subsidiary company, associated company, the same-level subsidiary entity that may have conflicts with a major shareholder or the person who has the authority to control the company.

3) Not a director of a parent company, a subsidiary, or a subsidiary of the same level, only a listed company.

4) Have sufficient knowledge and experience to be able to perform duties as an audit committee and be able to perform duties, express opinions or report on the performance of the assigned duties independently without being under the control of the management, major shareholder, or the person who has the authority to control the company, including those involved or a close relative of such person, and not have any other characteristics that prevent independent opinions.

5) Be a director in no more than 5 other listed companies in order to devote sufficient time to perform duties as an audit committee.

6) Should be trained and tested continuously and regularly in matters related to the operations of the Audit Committee to keep up with potential changes and should continually increase their knowledge of the Company's operations to increase the effectiveness of the Audit Committee.

#### **(4) Executive Directors**

##### **(4.1) Composition and Appointment of the Executive Committee**

- 1) The Board of Directors appoints a person who meets all qualifications as specified as an Executive Director.
- 2) The Executive Committee consists of members who are directors and/or the Company's executives, at least 3 persons, without the need to hold office as a director of the Company.
- 3) The Executive Committee elects 1 Executive Director to be the Chairman of the Executive Committee.
- 4) The Executive Committee shall appoint a secretary of the Executive Committee to assist in the performance of the Executive Committee in relation to meeting appointments, preparing the agenda for submission of meeting documents and recording of meeting minutes.

#### **(5) Nomination and Remuneration Committee**

##### **(5.1) Composition and Appointment of the Nomination and Remuneration Committee**

- 1) Nomination and Remuneration Committee Must hold a directorship position.
- 2) The Board of Directors selects and appoints the Nomination and Remuneration Committee. At least 3 directors, half of whom must be independent directors.
- 3) The Nomination and Remuneration Committee selects one member of the Nomination and Remuneration Committee to be the Chairman of the Nomination and Remuneration Committee.
- 4) The Nomination and Remuneration Committee shall appoint the secretary of the Nomination and Remuneration Committee.
- 5) The Nomination and Remuneration Committee must be knowledgeable, competent, ethical, and honest, as well as have enough time to dedicate knowledge and abilities to perform the duties of the position.
- 6) The chairman of the Nomination and Remuneration Committee must be a director who does not hold a position in the Company's management.

#### **(6) Risk Management Committee**

##### **(6.1) Composition and Appointment of the Risk Management Committee**

- 1) Risk Management Committee consists of at least 3 members, and the Risk Management Committee is not required to hold the position of the Company's director.
- 2) Risk Management Committee must consist of at least 1 expert in accounting, finance or risk management..
- 3) The Risk Management Committee appoints the Secretary of the Risk Management Committee.

4) Risk Management Committee must be a person who has the knowledge, ability, and expertise in organizational management and has a good knowledge of the Company's business, products, and services, as well as having enough time to devote to that knowledge and the ability to perform duties in the position.

5) Risk Management Committee must be fully qualified and have no prohibited characteristics according to the law on public limited companies, Securities and Exchange Law, and any other relevant laws.

6) Risk Management Committee must not be a person who operates businesses of the same nature and is competing with the company's business or become a partner or director in other juristic persons which operates businesses with the same condition and compete with the company's business whether for the benefit of oneself or others unless notified to the Board of Directors meeting prior to the appointment resolution.

#### (7) Managing Director and Senior Executives

When the position of director and executive director is vacant or in a position that is unable to perform duties in the position, the Company will provide a system for management at a similar level or the next level as acting in the position until the recruitment and selection of a person who has qualifications according to the criteria specified by the company and must be a visionary knowledge and experience suitability to corporate culture. By the consideration of the Nomination and Remuneration Committee to nominate the Managing Director to present to the Board of Directors consider and approve the appointment of suitable persons to take up the position.

In the recruitment of lower-ranking executives, the Managing Director and the Nomination and Remuneration Committee consider the qualifications and suitability of experienced personnel and knowledge and ability to manage tasks in related fields to hold a senior management position in each line of work according to the authority outlined in the authority.

#### 8.1.2 Meeting Attendance and Remuneration of Individual Committees

##### (1) Monetary Compensation and Other Compensation

##### (1.1) Board of Directors and Sub-committees' Remuneration

The 2021 Annual General Meeting of Shareholders held on March 22, 2021 fixes the remuneration of the Company's directors and sub-committees in the form of meeting allowances and quarterly compensation. Details are as follows:

No.	Director's Remuneration	Comparison Between the Past 3 Years			Remarks
		Year 2019	Year 2020	Year 2021	
1	Quarterly Compensation				Per quarter/per person
	(1) Chairman of the Audit Committee	-	25,000.00	25,000.00	Received by the audit committee only
	(2) Audit Committee Member	-	20,000.00	20,000.00	
2	2.1 Board of Directors Meeting Allowance				Per time/per person
	(1) Chairman of the Board of Directors	12,000.00	12,000.00	12,000.00	



No.	Director's Remuneration	Comparison Between the Past 3 Years			Remarks
		Year 2019	Year 2020	Year 2021	
	(2) Company Director	10,000.00	10,000.00	10,000.00	
	<b>2.2 Audit Committee Meeting Allowance</b>				
	(1) Chairman of the Audit Committee	20,000.00	20,000.00	20,000.00	
	(2) Audit Committee Member	10,000.00	10,000.00	10,000.00	
	<b>2.3 Nomination and Remuneration Committee Meeting Allowance</b>				
	(1) Chairman of the Nomination and Remuneration Committee	-	12,000.00	12,000.00	
	(2) Nomination and Remuneration Committee Member	-	10,000.00	10,000.00	
	<b>2.4 Risk Management Committee Meeting Allowance</b>				
	(1) Chairman of the Risk Management Committee	-	12,000.00	12,000.00	
	(2) Risk Management Committee Member	-	10,000.00	10,000.00	
3	<b>Directors' Remuneration / Bonus</b>	50,000.00	120,000.00	140,000.00	- Per year/per person - Obtained only BOD
4	<b>Miscellaneous Benefits</b>	The 2021 Annual General Meeting of Shareholders held on March 22, 2564 (2021) has resolved to approve the Company's issue of 200 million new ordinary shares with a par value of 1 baht per share, totaling 200 million baht for public offering. This includes offering shares to the Board of Directors and the Company's management, which is in accordance with the proportion of the allocation of newly issued ordinary shares under the relevant notifications, regulations, rules, and laws for 2.54 baht per share, which is the same price as offered to the general public (IPO price).			

The summary of the remuneration of the Board of Directors and Sub-Committees as of December 31, 2021. The details are as follows:

No.	Name-Surname	Position	Pension/Remuneration for Directors (Baht)		Meeting Allowance (Baht)				Net Amount (Baht)
			BOD	AC	BOD	AC	NRC	RMC	
1	Dr. Suvit Thaniyavarn	Chairman of the Board (Independent Director)	140,000.00	-	58,000.00	-	-	-	198,000.00
2	Mr. Boonchai Chokwatana	Director	140,000.00	-	64,000.00	-	-	-	204,000.00
3	Mr. Vathit Chokwatana	Director / Member of the Nomination and Remuneration Committee	140,000.00	-	60,000.00	-	40,000.00	-	240,000.00
4	Mr. Pitsnu Chokwatana	Director / Member of Risk Management Committee	140,000.00	-	60,000.00	-	-	30,000.00	230,000.00
5	Mrs. Apassara Panupattana	Director / Member of Risk Management Committee	140,000.00	-	40,000.00	-	-	10,000.00	190,000.00
6	Mr. Pansak Statsatien	Director/Audit Committee (Independent Director)	140,000.00	80,000.00	30,000.00	60,000.00	-	-	310,000.00

No.	Name-Surname	Position	Pension/Remuneration for Directors (Baht)		Meeting Allowance (Baht)				Net Amount (Baht)
			BOD	AC	BOD	AC	NRC	RMC	
7	Mr. Jark Chulakiet	Director/Audit Committee/Chairman of the Nomination and Remuneration Committee (Independent Director)	140,000.00	80,000.00	60,000.00	60,000.00	48,000.00	-	388,000.00
8	Mr. Krittinai Lertsitthisak	Director/Chairman of the Audit Committee/ Member of Nomination and Remuneration Committee/ Member of Risk Management Committee (Independent Director)	140,000.00	100,000.00	60,000.00	120,000.00	20,000.00	30,000.00	470,000.00
9	Mr. Nattapon Dejvitak	Director/Chairman of Risk Management Committee	140,000.00	-	50,000.00	-	20,000.00	36,000.00	246,000.00
10	Mrs. Teerada Ambhanwong	Director	140,000.00	-	60,000.00	-	-	-	200,000.00
11	Ms. Pattarawadee Chotithamnawee	Risk Management Committee	-	-	-	-	-	30,000.00	30,000.00
Total			1,400,000.00	260,000.00	542,000.00	240,000.00	128,000.00	136,000.00	2,706,000.00

**Remark:** - BOD = The Board of Directors - AC = Audit Committee - NRC = Nomination and Remuneration Committee - RMC = Risk Management Committee

- Dr. Suvit Thaniyavarn<sup>1</sup> and Mr. Pansak Statsatien<sup>2</sup> were appointed as directors from the Extraordinary General Meeting of Shareholders No. 1/2021 held on February 8, 2021.

- The meeting allowance for Board of Directors and Sub-committees includes meeting allowances before the conversion to a listed company on the stock exchange.

## (1.2) Board of Directors' Meeting

Summary of details of the meeting attendance of the Board of Directors as of December 31, 2021. The details are as follows:

No.	Name-Surname	The Annual Meeting of the Board of Directors 2021			
		BOD (6) times	AC (6) times	NRC (4) times	RMC (3) times
1	Dr. Suvit Thaniyavarn <sup>1</sup>	5	-	-	-
2	Mr. Boonchai Chokwatana	6	-	-	-
3	Mr. Vathit Chokwatana	6	-	4	-
4	Mr. Pitsnu Chokwatana	6	-	-	3
5	Mrs. Apassara Panupatthana	4	-	-	1
6	Mr. Pansak Statsatien <sup>2</sup>	3	6	-	-
7	Mr. Jark Chulakiet	6	6	4	-
8	Mr. Krittinai Lertsitthisak	6	6	2	3

No.	Name-Surname	The Annual Meeting of the Board of Directors 2021			
		BOD (6) times	AC (6) times	NRC (4) times	RMC (3) times
9	Mr. Nattapon Dejvitak	5	-	2	3
10	Mrs. Teerada Ambhanwong	6	-	-	-
11	Ms. Pattarawadee Chotithamnawee	-	-	-	3

### 8.1.3 Supervision of Subsidiaries and Associated Companies

The Board of Directors' Meeting No. 3/2020 on August 14, 2020 has a resolution to approve "Governance Policy for Subsidiaries and Associated Companies", whereby the Company has set the direction of future business operations related to its subsidiaries and associated companies to ensure that the Company's business operations will be under the framework of decent supervision. Therefore, the Board of Directors sets guidelines for supervising the operations of subsidiaries and associated companies.

The Board of Directors has the authority to appoint, change director, executive or any suitable person to become a representative director in the Subsidiary or Associated Company to participate in the administration and jointly set significant operational policies, and if the Subsidiary or Associated Company with any change or action that affects the Company's performance significantly, such representatives shall report to the Board of Directors to request approval before taking any action in order to supervise the operations of the Subsidiary and Associated Companies efficiently and transparently. To ensure that the direction of business operations is in accordance with the Company, including the maintenance of important information. Accounting according to the Company's accounting standards to be able to check, compile and prepare financial statements accurately, completely and on time. To be an agent in the Subsidiary or such Associated Company will be in accordance with the shareholding proportion of the Company.

In addition, in the case of the Subsidiary, the person appointed to represent shall ensure that the Subsidiary has regulations on connected transactions, acquisition or disposition of assets or any other important transactions of the Company to be complete and correct according to the rules related to the transaction Rules for Disclosure of Transaction Information including the company's criteria related to the mentioned transactions.

At present, the Company has no investment in any subsidiary or associated company.

### 8.1.4 Monitoring to ensure compliance with corporate governance policies and guidelines

#### (1) Prevention of conflicts of interest

To prevent conflicts of interest in entering into transactions with persons who may have conflicts of interest, the matter shall be presented to the Audit Committee for consideration and approval of related transactions, and the board has managed carefully when there may be conflicts of interest. The policies and procedures for approval of connected transactions shall be in accordance with the Securities and Exchange Act and regulations, notifications, orders or requirements of the Stock Exchange of Thailand, including compliance with the disclosure requirements of connected transactions. Those who may have conflicts of interest or have interests in the transaction shall not have the right to participate in the approval of the

transaction, and the Company shall follow the rules and procedures accordingly which such announcement stipulates in that matter as well.

## **(2) The Exploitation of Internal Information**

### **(2.1) Supervision of the use of internal information**

Board of Directors' Meeting No. 1/2020 held on February 27, 2020 has a resolution to determine "Internal Information Use Policy and Reporting on the Holding of Securities of the Company" with details and guidelines for practice as follows:

1. Directors, executives and employees, including related persons are prohibited from buying, selling, making an offer to buy, offering for sale or soliciting other people to commit such actions to securities of the Company, whether directly or indirectly in order to take advantage of outsiders by relying on internal information which the person has foreseen in their position or such a position and whether such action will act for the benefit of oneself or others, or bring internal information to disclose for others to do so whether the person receives any benefits or not.

2. Directors, executives and employees, including related persons are prohibited to trade the Company's securities with a time limit classified by types of internal data as follows:

2.1 Financial Statement: Trading of the Company's securities is prohibited. From the 15th day of the month following the month ending quarterly or annual accounting period until the Company has submitted financial statements to Stock Exchange of Thailand and published to the public for 24 hours. The Company secretary will announce the prohibition period at all time.

2.2 Other Information: Trading the Company's securities is prohibited since receiving information until the Company has published to the public for 24 hours.

3. Directors, executives and employees shall prepare a report of their securities holdings and report on the change of the Company's securities which are classified into reporting types as follows:

3.1 First Reporting: Directors, executives and employees shall prepare a report of their and related persons securities holdings, according to the Company's securities holding report form and submit to the Company secretary within 30 days from the date of appointment.

#### 3.2 Reporting on the Change

(1) Directors and executives shall prepare a report on the change of securities holding, according to the form provided in the electronic work system and submitted to the SEC Office in accordance with the announcement of the Securities and Exchange Commission (SEC) at SorChor. 38/2561 and notify the Company secretary within 3 business days from the date of the person or related persons make trading of the Company's securities.

(2) Employees shall prepare a report on the change of securities holding according to the Company's securities holding report form and submit to the Company secretary within 3 business days from the date that the person or related persons make trading of the Company's securities.

3.3 Quarterly Reporting of Holdings: Directors, executives and employees shall prepare a report of their securities holdings and related persons as of the closing date of each accounting period according to the Company's securities holding report form and submit to the Company secretary within

15 days from the closing date of each accounting period. The company secretary will announce at all time the period is reached.

4. Directors, executives and employees are not required to prepare a report on the change of securities in the following cases:

4.1 Acquiring securities in proportion to the number of shares that each shareholder holds

4.2 Acquiring securities from the company's stock dividend

4.3 Exercise of rights under convertible securities

4.4 Acquisition of securities by inheritance

4.5 Acquisition of securities from the offering of newly issued securities to directors or employees of the Company (Employee Stock Option Program "ESOP"), or receive securities from the Employee Joint Investment Program "EJIP").

4.6 Borrowing or lending securities with securities companies that have been licensed to undertake securities borrowing and lending business (SBL) or securities depository including in the event that collateral is required from such transactions.

4.7 Transfer or accept transfer which is done with the caretaker and keeping the securities (Custodian) holding the securities instead.

### **(3) Anti-Corruption**

The Company is committed to conduct business correctly, honestly, transparently and can be traced, including not to neglect or ignore and does not support unlawful practices, and contrary to the anti-corruption and corruption policy of the Company, whether it is demanding or giving money, things or any other benefits which causes the misuse of power, Prohibition of all forms of bribery in a manner that may cause or is corruption to the establishment of a charitable donation control system gift giving and entertainment which shall take into account the suitability. This is a policy against corruption, including to provide as part of the business ethics which all employees shall strictly adhere to.

#### **(3.1) Prevention of Involvement in Corruption**

Corruption means bribery in any form, by offering promise to give commit of giving, demanding or accepting money, property or any other improper benefits. With government officials, government agency, private agency or those who have duties, whether directly or indirectly for such persons to act or neglect to perform duties which is given, maintain business or recommend business to the Company in particular, or to obtain or maintain any other inappropriate business benefits, except in the case of laws, regulations, announcements, local customs or trade customs.

In this regard, the Company has realized and given importance to anti-corruption. The guidelines for proper conduct of the Board of Directors, executives and employees have been set in the Good Corporate Governance Manual. Code of ethics and business ethics. Therefore, the anti-corruption policy has been established. The directors, executives, employees and employees of the Company are prohibited to do anything related to corruption in all forms. for direct or indirect benefit to oneself, family, friends and acquaintances, whether they are the recipient or the giver both in monetary or non-monetary to government

agencies or a private agency that the Company operates business or contacts, with the guidelines are as follows:

1. Directors, executives and employees shall comply with anti-corruption and corruption policies, including business ethics and shall not be involved in corruption matters or corruption, either directly or indirectly.

2. Directors, executives and employees shall not neglect or ignore when witness an action that is considered corruption which is related to the company and shall report to supervisor or related persons to be aware and cooperate in the investigation of facts.

3. Prevent bribery in any form, in a manner that may or is corruption including control of donations for charities, donations to political parties, business gift giving and support various activities shall be transparent with no intention to convince government or private officials take improper action.

4. The Company will set up appropriate internal controls appropriately and consistently in order to prevent employees from acting inappropriately. Especially sales, marketing and purchasing.

5. Set up a strong internal control system. The sufficiency of the internal control system is assessed every year. The Company has hired an outsource company to perform as an internal auditor in order to assess the risks and unusual items. The results of the internal audit will be proposed to the Audit Committee at least every 3 months.

6. Giving gifts, souvenirs and entertainment shall perform within the scope taking into account the appropriateness in each agenda, suitable to the recipient or the giver without contravening the law and comply with the tradition or general practices of society, trade, value of gifts, souvenirs. Including the cost of entertainment, every item shall be properly recorded and evidenced in order to be able to verify.

7. Charity donation or funding shall be transparent and not contrary to morals, ethics, legal and in accordance with the policy and the Company's regulations in such matters strictly, or providing such support shall not cause conflicts of interest for both individuals and companies and shall not be used as an excuse for corruption.

8. Conduct business in a politically neutral manner. No political assistance or political support for political parties, politicians in all forms Including not to support directors, executives or employees to participate in any political activities in behalf of the Company, however, the Company holds personal rights and freedoms in accordance with the law to participate in political activities but shall not claim to be an employee or use any assets of the Company to support political activities or take any action which causes a misunderstanding that the Company participates in or provides any political support, or in the area of the company's departments considered an offense according to the Company's regulations.

### **(3.2) Whistleblowing**

The Company places importance on conducting business with honesty, integrity and transparency under the framework of decent corporate governance, and anti-corruption of corruption in all forms as well as focusing on supporting directors, executives, and all employees of the Company to adhere to the rules in order to set the rules and guidelines for complaints fraud, whistleblowing and non-compliance with the law. The organization's rules and regulations of the Company's personnel are clear, transparent, fair and can

be checked, including responsibility to stakeholders which is in accordance with the principles of decent corporate governance, and the Company's Code of Conduct with criteria and guidelines for compliance with the complaint and whistleblowing policy when in doubt or witness actions that violate good practice or any other important matter that may have a negative impact on the Company.

#### **(3.2.1) Scope of Complaints or Whistleblowing**

1. Violation of the law or does not comply with the decent corporate governance policy, Code of Conduct and anti-corruption policies
2. Actions that violate the rules, regulations and regulations of the Company.
3. Unfairness in operation
4. Acts that are considered fraud, corruption and providing or receiving bribes.
5. Intentional concealment of actions under Articles 1 - 4

The complaint will be kept confidential and does not need to reveal his/her identity. However, if the complainant is able to reveal himself/herself, the Company will be able to notify the result of the action. Or additional relevant details for the complainant to know.

##### **(1) Whistleblowing Channels**

###### E-mail

Company Secretary Office: [com.sec@sunvending.co.th](mailto:com.sec@sunvending.co.th)

Chairman of the Audit Committee: [krittinai.l@sunvending.co.th](mailto:krittinai.l@sunvending.co.th)

##### **(2) Postage Mail (Please specify confidential document)**

Company Secretary Office

SUN Vending Technology Public Company Limited

No. 414/25 Soi Phatthanakan 1, Bang Phong Phang Sub-district,

Yan Nawa District, Bangkok 10120

#### **(3.2.2) Process of Receiving Complaints or Receiving Clues**

1. The recipient of the complaint will be responsible for the investigation, and compile the facts or the power to delegate to a person/organization which is suitable to audit and compile the facts.
2. Complaint recipient or the person assigned can invite any employee to provide information or request to submit any relevant documents for consideration and verification.
3. If examined and found out to be true. The Company secretary or assigned person will invite executive representatives to participate in the review and investigation

#### **(3.2.3) Protective Measures for Complainants or Whistleblowers**

1. The company will collect information and identity of the complainant, whistleblower or cooperating as well as related confidential information, and will disclose as necessary taking into account safety and the damage of the reporter, data source or related persons which access to information is limited only for the person responsible for the investigation of complaints.
2. In case the complainant, whistleblower, or co-operator suspect that they were insecure or caused trouble, the complainant, whistleblower, or co-operator can request that the Company determine suitable protection measures. The Company may determine protection measures for complainants,



whistleblowers, or the co-operator without any requests if the Company perceives any potential for trouble, damage, or insecurity.

3. The Company will not take any unfair actions towards the complainant, whistleblower, or co-operator either by changing the position, the nature of work, the workplace, suspending work, threatening, interfering with operational performance, employment termination, or any other unfair acts.

4. Those who have suffered shall be alleviated by appropriate and fair procedures.

In this regard, the Board of Directors assigns the management of the Company with a duty to supervise the company accurately, completely and timely. Information shall be communicated and disclosed to investors, media and other stakeholders by using a variety of media such as publications, newspapers, radio, television, conferences and press conferences. Including the use of media channels, websites and e-mails that can receive - send information accurately and quickly. As well as having a company secretary office who is responsible for supervising of such matters. In the past year, there have been no whistleblowing and complaints of corruption or violations of the governance policy, Company's business.

#### **8.1.3 Auditor's Remuneration**

##### **(1) Auditor's Remuneration**

The Company paid the audit fee as of December 31, 2021, to the Company's auditor. In the past accounting period, the total amount was 2,300,000 baht.

##### **(2) Auditor's other expenses**

The Company pays other expenses such as travel expenses, postage expenses, fax expenses, overtime pay to the Company's auditors. In the past accounting period, the total amount was 13,284 baht.

#### **8.2 Report of the Performance of the Audit Committee in the Past Year**

(1) Report of the Performance of the Audit Committee

(2) Performance of the Audit Committee

(details in Attachment 6 Report of Sub-committees)

#### **8.3 Summary of the Performance of Other Sub-Committees**

(1) Number of Meeting Times and Attendance (details can be found in Report Section 2, Item 8.1.2, Meeting Attendance and Remuneration for Individual Committees, Item (1.2) Board Meeting)

(2) Performance of Sub-committees (details in Attachment 6: Report of the Sub-committees)

### **9. Internal Control and Connected Transactions**

#### **9.1 Internal Control**

The Company has approved the hiring of Dharmniti Internal Audit Co., Ltd to be the Company's internal auditor, which has been performing internal audits for the Company from 2019 to the present. In 2021, Ms. Ruthaichanok Suphapong, the head of the internal audit team, conducted a risk assessment, prepared an annual internal audit plan, and performed an audit, as well as followed up on improvements according to recommendations and reported to the Audit Committee on an ongoing basis. The Company received the reports of internal audit results directly from the internal auditors. The results showed that the company has a fairly good internal control system. The internal auditors have given suggestions for further improvements,

which the management will follow up and take corrective actions according to the recommendations of the internal auditors.

## **9.2 Related Transactions (if any)**

List of related companies and persons, relationships, pricing policy, and related transactions that occurred during the year 2021 has been completely disclosed in the notes to the financial statements No. 7

## Part 3

### Financial Statements

#### Independent Auditor's Report

To the Shareholders of Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)

#### Opinion

I have audited the accompanying financial statements of Sun Vending Technology Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2021, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sun Vending Technology Public Company Limited as at 31 December 2021, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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 judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond is described below.

### **Recognition of revenue from selling products through the vending machines**

The Company's revenue mainly represented revenue from selling products in the vending machines, which amounted to Baht 1,922.9 million for the year ended 31 December 2021, or 98% of the Company's total revenues. As a large number of items were sold through numerous vending machines located in many locations, I therefore focused my audit on determining the accuracy of the amount and timing of revenue recognised from sales of products through vending machines.

I have examined the revenue recognition from selling products through the vending machines of the Company by:

- Assessing and testing the Company's IT system and its internal controls with respect to the revenue recognition from selling products through the vending machines by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Performing analytical procedures on disaggregated data to detect possible irregularities in revenue from products through the vending machines transactions throughout the period.
- Examining revenue recognition from selling products through the vending machines for accounting entries made through journal vouchers.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing 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 Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.

I am responsible for the audit resulting in this independent auditor's report.



Chayapol Suppasdtanon

Certified Public Accountant (Thailand) No. 3972

EY Office Limited

Bangkok: 23 February 2022

Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)  
Statement of financial position  
As at 31 December 2021

		(Unit: Baht)	
	Note	2021	2020
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	300,665,401	54,392,243
Trade and other receivables	7, 9	25,512,415	22,905,679
Inventories	10	138,605,509	111,202,168
Other current assets		23,693,747	11,087,456
<b>Total current assets</b>		<b>488,477,072</b>	<b>199,587,546</b>
<b>Non-current assets</b>			
Restricted bank deposits	11	9,000	9,000
Other non-current financial assets	12	45,950,567	33,696,654
Property, buildings and equipment	13	912,114,174	832,859,630
Right-of-use assets	19	11,232,135	10,734,021
Intangible assets	14	14,303,845	7,254,223
Deferred tax assets	24	-	703,365
Other non-current assets		13,029,052	4,897,740
<b>Total non-current assets</b>		<b>996,638,773</b>	<b>890,154,633</b>
<b>Total assets</b>		<b>1,485,115,845</b>	<b>1,089,742,179</b>

The accompanying notes are an integral part of the financial statements.



Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)  
Statement of financial position (continued)  
As at 31 December 2021

		(Unit: Baht)	
	Note	2021	2020
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Bank overdraft and short-term loans from			
financial institutions	16	-	120,136,603
Short-term loans from related parties	7	-	50,000,000
Trade and other payables	7, 17	294,357,100	270,980,493
Current portion of long-term loan	18	-	-
Current portion of lease liabilities	19	4,374,180	6,194,193
Income tax payable		-	2,692,421
Other current liabilities		1,586,600	2,210,763
<b>Total current liabilities</b>		<b>300,317,880</b>	<b>452,214,473</b>
<b>Non-current liabilities</b>			
Long-term loan, net of current portion	18	-	-
Lease liabilities, net of current portion	19	4,049,640	3,569,486
Provision for long-term employee benefits	20	21,709,662	18,613,608
Deferred tax liabilities	24	6,937,816	-
Other non-current liabilities		604,470	2,910,052
<b>Total non-current liabilities</b>		<b>33,301,588</b>	<b>25,093,146</b>
<b>Total liabilities</b>		<b>333,619,468</b>	<b>477,307,619</b>

The accompanying notes are an integral part of the financial statements.

Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)  
Statement of financial position (continued)  
As at 31 December 2021

		(Unit: Baht)	
	Note	2021	2020
<b>Shareholders' equity</b>			
Share capital	21		
Registered			
700,000,000 ordinary shares of Baht 1 each			
(2020: 45,000,000 ordinary shares of Baht 10 each)		700,000,000	450,000,000
Issued and fully paid			
700,000,000 ordinary shares of Baht 1 each			
(2020: 45,000,000 ordinary shares of Baht 10 each)		700,000,000	450,000,000
Share premium	21	294,751,775	312,500
Retained earnings			
Appropriated - statutory reserve	22	48,400,000	45,000,000
Unappropriated		88,405,984	104,937,915
Other components of shareholders' equity		19,938,618	12,184,145
<b>Total shareholders' equity</b>		<b>1,151,496,377</b>	<b>612,434,560</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,485,115,845</b>	<b>1,089,742,179</b>

The accompanying notes are an integral part of the financial statements.

Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)  
Statement of comprehensive income  
For the year ended 31 December 2021

		(Unit: Baht)	
	Note	2021	2020
<b>Profit or loss:</b>			
<b>Revenues</b>			
Sales		1,941,147,819	1,742,402,666
Other income		22,174,244	24,960,446
<b>Total revenues</b>		<b>1,963,322,063</b>	<b>1,767,363,112</b>
<b>Expenses</b>			
Cost of sales		1,302,360,194	1,160,837,081
Selling and distribution expenses		509,062,010	479,956,344
Administrative expenses		61,469,227	56,736,846
Other expenses		220,918	83,784
<b>Total expenses</b>		<b>1,873,112,349</b>	<b>1,697,614,055</b>
<b>Profit before finance cost and income tax expense</b>		<b>90,209,714</b>	<b>69,749,057</b>
Finance cost		(6,996,419)	(7,080,558)
<b>Profit before income tax expense</b>		<b>83,213,295</b>	<b>62,668,499</b>
Income tax expense	24	(16,526,327)	(7,129,518)
<b>Profit from continuing operation for the year</b>		<b>66,686,968</b>	<b>55,538,981</b>
<b>Discontinued operation</b>			
Profit from discontinued operation for the year (net of income tax)	15	-	9,607,395
<b>Profit for the year</b>		<b>66,686,968</b>	<b>65,146,376</b>
<b>Basic earnings per share</b>	25		
Profit from continuing operation		0.12	0.12
Profit from discontinued operation		-	0.02

The accompanying notes are an integral part of the financial statements.

Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)  
Statement of comprehensive income (continued)  
For the year ended 31 December 2021

(Unit: Baht)		
Note	2021	2020
<b>Other comprehensive income:</b>		
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>		
Gain on changes in value of equity investments designated at fair value through other comprehensive income	10,874,193	966,950
Actuarial gain	-	4,953,191
Less: Income tax effect	24 (1,938,619)	(3,306,694)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	8,935,574	2,613,447
<b>Other comprehensive income from continuing operation for the year</b>	<b>8,935,574</b>	<b>2,613,447</b>
<b>Discontinued operation</b>		
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>		
Reversal loss on actuarial	-	352,565
Less: Income tax effect	24 -	(70,513)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	-	282,052
<b>Other comprehensive income for the year</b>	<b>8,935,574</b>	<b>2,895,499</b>
<b>Total comprehensive income for the year</b>		
Profit from continuing operation	75,622,542	58,152,428
Profit from discontinued operation	-	9,889,447
	<b>75,622,542</b>	<b>68,041,875</b>

The accompanying notes are an integral part of the financial statements.

Sun Vending Technology Public Company Limited

(Formerly known as “SUN108 Company Limited”)

Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

	Note	Issued and fully paid share capital	Share premium	Retained earnings		Other component of shareholders' equity	Total shareholders' equity
				Statutory reserve	Unappropriated	Fair value reserve	
Balance as at 1 January 2020		450,000,000	312,500	32,500,000	103,660,266	2,919,919	589,392,685
Profit for the year		-	-	-	65,146,376	-	65,146,376
Other comprehensive income for the year		-	-	-	4,244,605	(1,349,106)	2,895,499
Total comprehensive income for the year		-	-	-	69,390,981	(1,349,106)	68,041,875
Appropriated to statutory reserve		-	-	12,500,000	(12,500,000)	-	-
Dividends paid	28	-	-	-	(45,000,000)	-	(45,000,000)
Transfer loss of investment in equity designated at fair value through other comprehensive income	12	-	-	-	(10,613,332)	10,613,332	-
<b>Balance as at 31 December 2020</b>		<b>450,000,000</b>	<b>312,500</b>	<b>45,000,000</b>	<b>104,937,915</b>	<b>12,184,145</b>	<b>612,434,560</b>
Balance as at 1 January 2021		450,000,000	312,500	45,000,000	104,937,915	12,184,145	612,434,560
Profit for the year		-	-	-	66,686,968	-	66,686,968
Other comprehensive income for the year		-	-	-	-	8,935,574	8,935,574
Total comprehensive income for the year		-	-	-	66,686,968	8,935,574	75,622,542
Increase in share capital	21	250,000,000	294,439,275	-	-	-	544,439,275
Appropriated to statutory reserve		-	-	3,400,000	(3,400,000)	-	-
Dividends paid	28	-	-	-	(81,000,000)	-	(81,000,000)
Transfer gain of investment in equity designated at fair value through other comprehensive income	12	-	-	-	1,181,101	(1,181,101)	-
<b>Balance as at 31 December 2021</b>		<b>700,000,000</b>	<b>294,751,775</b>	<b>48,400,000</b>	<b>88,405,984</b>	<b>19,938,618</b>	<b>1,151,496,377</b>

The accompanying notes are an integral part of the financial statements.

Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)

Cash flow statement

For the year ended 31 December 2021

	(Unit: Baht)	
	2021	2020
<b>Cash flows from operating activities</b>		
Profit before income tax from continuing operation	83,213,295	62,668,499
Add: Profit before income tax from discontinued operation (Note 15)	-	12,011,822
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	144,488,088	162,784,501
Gain on lease modification and cancellation	(63,923)	-
Reduce cost of inventories to net realisable value	122,472	36,899
Gain on sales of other current financial assets	-	(2,249)
Loss on written-off of equipment	65,837	220,789
Gain on sales of equipment	(358,548)	(1,281,007)
Long-term employee benefits expense (reversal)	4,102,057	(540,449)
Unrealised loss (gain) on exchange	(325)	3,326
Dividend income	(1,043,251)	(1,491,082)
Interest expenses	6,996,419	7,356,275
Profit from operating activities before changes in operating assets and liabilities	237,522,121	241,767,324
Operating assets (increase) decrease		
Trade and other receivables	(2,606,736)	32,870,620
Inventories	(104,906,405)	(98,113,756)
Other current assets	(12,606,291)	(1,717,384)
Other non-current assets	(8,131,312)	(632,142)
Operating liabilities increase (decrease)		
Trade and other payables	26,596,439	(46,026,127)
Other current liabilities	(624,163)	(1,841,022)
Cash paid for long-term employee benefits	(1,006,003)	(3,461,952)
Other non-current liabilities	(2,305,582)	(15,282,553)
Cash flows from operating activities	131,932,068	107,563,008
Cash paid for interest expenses	(6,988,019)	(6,918,964)
Cash paid for corporate income tax	(13,516,184)	(10,944,870)
<b>Net cash flows from operating activities</b>	<b>111,427,865</b>	<b>89,699,174</b>

The accompanying notes are an integral part of the financial statements.

Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)  
Cash flow statement (continued)  
For the year ended 31 December 2021

	(Unit: Baht)	
	2021	2020
<b>Cash flows from investing activities</b>		
Decrease in restricted bank deposits	-	200,000
Cash received from disposal of other current financial assets	-	1,082,533
Cash paid for purchases of other non-current financial assets	(12,971,059)	(30,918,942)
Cash received from disposal of other non-current financial assets	11,591,339	33,035,386
Dividends from other non-current financial assets	1,043,251	1,702,042
Cash paid for purchases of buildings and equipment	(142,646,773)	(136,024,012)
Cash received from sales of equipment	437,934	2,101,437
Payments of lease liabilities	(867,721)	-
Cash paid for purchases of intangible assets	(7,526,654)	(3,207,533)
Cash received from disposal of intangible assets	-	44,166
<b>Net cash flows used in investing activities</b>	<b>(150,939,683)</b>	<b>(131,984,923)</b>
<b>Cash flows from financing activities</b>		
Increase (decrease) in bank overdraft and short-term loans from financial institutions	(120,136,603)	35,136,603
Cash received from short-term loans from related party	50,000,000	140,000,000
Repayments of short-term loans from related parties	(100,000,000)	(90,000,000)
Cash received from long-term loan	150,000,000	-
Repayments of long-term loan	(150,000,000)	-
Repayments of lease liabilities	(7,517,696)	(6,343,640)
Proceeds from increase in share capital	544,439,275	-
Dividends paid	(81,000,000)	(45,000,000)
<b>Net cash flows from financing activities</b>	<b>285,784,976</b>	<b>33,792,963</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>246,273,158</b>	<b>(8,492,786)</b>
Cash and cash equivalents at beginning of year	54,392,243	62,885,029
<b>Cash and cash equivalents at end of year</b>	<b>300,665,401</b>	<b>54,392,243</b>

The accompanying notes are an integral part of the financial statements.



Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)  
Cash flow statement (continued)  
For the year ended 31 December 2021

	(Unit: Baht)	
	2021	2020
Supplemental cash flows information		
Non-cash transactions:		
Increase in fair value of financial assets	(9,693,092)	(19,152,365)
Increase (decrease) in payables for construction and purchase of equipment	(2,657,090)	2,171,601
Increase (decrease) in payables for purchase of intangible assets	(180,937)	30,067
Transfers of inventories to equipment	77,582,272	79,127,824
Transfers of equipment to inventories	(201,680)	-
Transfer equipment to intangible assets	874,208	-
Actuarial gain	-	(4,953,192)
Acquisitions of vehicles under lease agreements	4,782,747	-
Decrease in dividend receivable	-	210,960

The accompanying notes are an integral part of the financial statements.

Sun Vending Technology Public Company Limited  
(Formerly known as “SUN108 Company Limited”)

Notes to financial statements

For the year ended 31 December 2021

**1. General information**

Sun Vending Technology Public Company Limited (“the Company”) is a limited company incorporated and domiciled in Thailand. The Company is principally engaged in selling products in the vending machine, and selling vending machine. The registered office of the Company is at No. 414/25 Soi Pattanakarn 1, Bangpongpan, Yannawa, Bangkok and the Company has 12 branches.

On 22 March 2021, the Annual General Meeting of the Company’s shareholders for 2021 approved the Company to convert into a public limited company. The Company registered its conversion with the Ministry of Commerce on 2 April 2021 and changed the Company’s name to “Sun Vending Technology Public Company Limited”.

The Stock Exchange of Thailand approved the Company’s ordinary shares as listed securities, with trading permitted on 5 October 2021, as described in Note 21 to the financial statements.

**2. Basis of preparation**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

**3. New financial reporting standards**

**3.1 Financial reporting standards that became effective in the current year**

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements.

### 3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

### 4. Changes in accounting estimation

In the first quarter of 2021, the Company changed the estimated useful lives of part of groups of equipment from 5 years to 8 years. The management of the Company believed that the new estimated useful lives are more appropriate because they correspond to the expected future economic benefit from using such assets.

The change in the estimated useful lives of equipment was recognised prospectively and so no retrospective adjustment was made to the financial statements for the year ended 31 December 2020.

The amounts of adjustment affecting the statement of financial position as of 31 December 2021 and the statements of comprehensive income for the year then ended are summarised as follows.

	(Unit: Thousand Baht)
	<b>As at 31 December 2021</b>
<b>Statement of financial position</b>	
Increase in property, buildings and equipment	31,664
Increase in unappropriated retained earnings	31,664

	(Unit: Thousand Baht)
	<b>For the year ended 31 December 2021</b>
<b>Statements of comprehensive income</b>	
<b>Profit or loss:</b>	
Decrease in selling and distribution expenses	31,664
Increase in profit for the year	31,664
Increase in basic earnings per share (Baht/share)	0.06

## 5. Significant accounting policies

### 5.1 Revenue and expense recognition

#### Sales of goods

*Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.*

#### Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### Finance cost

*Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.*

#### Dividends income

Dividends are recognised when the right to receive the dividends is established.

### 5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### 5.3 Inventories

Finished goods are valued at the lower of cost under the average method and net realisable value.

Finished goods and work in process of vending machine are valued at the lower of cost under the average method and net realisable value. The cost includes all production costs and attributable factory overheads.

Spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

### 5.4 Property, buildings and equipment/Depreciation

Land and improvements is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives as follow:

Buildings and improvements	20 years
Equipment	3 - 8 years
Furniture and fixtures	5 years

Office equipment 3 - 5 years

Motor vehicles 5 and 8 years

Depreciation is included in determining income. No depreciation is provided on land and improvements, and assets under installation/construction.

## 5.5 Intangible assets

Intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Computer software 5 and 10 years

### **Research and development / Internally generated intangible assets**

Research expenditure is recognised as an expense as incurred.

Development expenditure is recognised as an asset when the Company can demonstrate all of the following:

- The expenditure attributable to its development can be measured reliably and feasibility in technical and financial.
  - The Company intends to and has the ability to complete the development for the purpose of using.
- Development costs previously recognised as an expense are not recognised as an asset in a subsequent year.

Development costs are amortised as expenses in the income statement on a straight-line basis over the economic useful life for 10 years.

## 5.6 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **The Company as a lessee**

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the

amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings and improvements	2 - 4 years
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Vehicles	2 years
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If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### **5.7 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

### **5.8 Foreign currencies**

The financial statements are presented in Baht, which is also the Company's functional currency. Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the

transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of the reporting period.

Gains and losses on exchange are included in determining income.

## 5.9 Employee benefits

### Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

### Post-employment benefits

#### *Defined contribution plans*

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

#### *Defined benefit plans*

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law and regulation defined by the Company. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

## 5.10 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## 5.11 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

### Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## 5.12 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

#### ***Financial assets at amortised cost***

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Company can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.



### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **5.13 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value

using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for Companyings of various customer segments with similar credit risks. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### **Property, building and equipment/Depreciation**

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of the buildings and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, buildings and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 7. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

The relationships between the Company and its related parties are summarised below.

Related parties	Relationship
Chokchaipibul Company Limited	Common shareholders and directors
Chokwatana Co.,Ltd.	Common shareholders and directors
Suncolour O.A. Co.,Ltd.	Common shareholders and directors
Tsuruha (Thailand) Co.,Ltd.	Common shareholders and directors
Danone (Thailand) Co.,Ltd.	Common shareholders and directors
Sahapat Properties Co.,Ltd.	Common shareholders and directors
Thai Cubic Technology Co.,Ltd.	Common shareholders and directors
Thai President Foods Public Company Limited	Common shareholders and directors
Navavej International Public Company Limited	Common shareholders and directors
Lion Corporation (Thailand) Limited	Common shareholders and directors
Saha Pathanapibul Public Company Limited	Common shareholders and directors
Saha Pathana Inter-Holding Public Company Limited	Common shareholders and directors
Saha Lawson Co.,Ltd.	Common shareholders and directors
International Laboratories Co.,Ltd.	Common shareholders and directors
S & J International Enterprises Public Company Limited	Common shareholders and directors
Kewpie (Thailand) Co.,Ltd.	Common shareholders
TPCS Public Company Limited	Common shareholders
Thai Wacoal Public Company Limited	Common shareholders
Tiger Distribution & Logistic Co., Ltd.	Common shareholders
Newcity (Bangkok) Public Company Limited	Common shareholders
New Plus Knitting Public Company Limited	Common shareholders
Boutique Newcity Public Company Limited	Common shareholders
President Bakery Public Company Limited	Common shareholders
H & B Intertex Co.,Ltd.	Common shareholders
I.C.C. International Public Company Limited	Common shareholders
Related Person	Shareholder

Significant business transactions are summarised as follows:

	(Unit: Thousand Baht)		
	2564	2563	Pricing policy
<b>Transactions with related companies</b>			
Purchases of goods	114,653	214,208	Cost plus margin
Rental expenses	1,763	1,915	Contract price
Service expenses	661	737	Contract price
Interest expenses	316	1,349	3.25 percent per annum
Utility expenses	1,095	1,143	Actual cost
Other expenses	6	33	Actual cost
Sales of goods	1,061	5,696	Market price or approximate market price
Other income	-	47	Actual cost
Dividends income	30	30	As declared
Rental income	7,660	7,342	Contract price
Warehouse management income	-	24,582	Contract price
Service income	22	3,119	Contract price
Purchases of intangible assets	-	614	Contract price
<b>Transactions with a related person</b>			
Interest expenses	422	893	4.0 - 5.0 percent per annum

As at 31 December 2021 and 2020, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)	
	2021	2020
<b>Trade and other receivables - related parties (Note 9)</b>		
Related companies	653	646
<b>Trade and other payables - related parties (Note 17)</b>		
Related companies	21,461	20,235

#### Short-term loans from related parties

As at 31 December 2021 and 2020, the balance of loans between the Company and those related parties and the movements are as follows:

(Unit: Thousand Baht)

		Balance as at	Increase	Decrease	Balance as at
Loans from	Repayment	31/12/2020	during the year	during the year	31/12/2021
Related company	Within 3 months	-	50,000	(50,000)	-
Related person	At call	50,000	-	(50,000)	-
Total		50,000	50,000	(100,000)	-

Directors and management's benefits

During the year ended 31 December 2021 and 2020, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	2021	2020
Short-term employee benefits	18,736	17,575
Post-employment benefits	1,136	1,115
Total	19,872	18,690

**8. Cash and cash equivalents**

(Unit: Thousand Baht)

	2021	2020
Cash	17,632	41,592
Bank deposits	283,033	12,800
Total	300,665	54,392

As at 31 December 2021, bank deposits in saving accounts and fixed deposits carried interests between 0.05 and 0.125 percent per annum (2020: between 0.05 and 0.25 percent per annum).

**9. Trade and other receivables**

(Unit: Thousand Baht)

	2021	2020
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	3,608	3,124
Past due		
Up to 3 months	22	51
3 - 6 months	30	-
6 - 12 months	3	-
Total trade receivables	3,663	3,175

	(Unit: Thousand Baht)	
	2021	2020
<u>Other receivables</u>		
Other receivables - related party	648	642
Other receivables - unrelated party	20,601	16,677
Accrued income - related party	5	4
Accrued income - unrelated party	595	2,408
Total other receivables	21,849	19,731
Total	25,512	22,906

#### 10. Inventories

	(Unit: Thousand Baht)					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	89,141	85,165	-	-	89,141	85,165
Work in process	-	-	-	-	-	-
Spare parts	46,495	21,701	(159)	(37)	46,336	21,664
Supplies	3,129	4,373	-	-	3,129	4,373
Total	138,765	111,239	(159)	(37)	138,606	111,202

#### 11. Restricted bank deposits

Bank deposits were pledged with the banks to secured credit facilities for issuance of bank guarantees.

#### 12. Other non-current financial assets

	(Unit: Thousand Baht)	
	2021	2020
<u>Equity instruments designated at FVOCI</u>		
Quoted equity investments	20,203	15,420
Non-listed equity instruments	25,748	18,277
<b>Total other non-current financial assets</b>	<b>45,951</b>	<b>33,697</b>
 <b>Cash received from sale of investments for the year</b>	 <b>11,591</b>	 <b>33,035</b>

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Company considers these investments to be strategic in nature.

As at 31 December 2021 and 2020, investments in equity instruments of non-listed companies represented investments in ordinary shares of 2 related companies.

During the year 2021, the Company sold its equity interest as this investment no longer coincides with the Company's investment strategy. The fair value on the date of sale was Baht 11.6 million (2020: Baht 33.0 million) and the accumulated gain recognised in other comprehensive income of Baht 1.2 million (2020: accumulated loss Baht 10.6 million) was transferred to retained earnings. The Company received dividends in the amount of Baht 0.04 million (2020: Baht 1.1 million).

In addition, in 2021, the Company received dividends from equity instruments designated at FVOCI, which still existed at the reporting date, in the amount of Baht 1.0 million (2020: Baht 0.4 million).

### 13. Property, buildings and equipment

(Unit: Thousand Baht)

	Land and improvements	Buildings and improvements	Equipment	Furniture, fixtures and office equipment	Vehicles	Assets under installation and construction	Total
<b>Cost</b>							
1 January 2020	204,811	115,864	779,050	68,144	192,430	71,527	1,431,826
Additions	-	299	3,246	3,591	7,648	123,393	138,177
Disposals/Write-off	-	-	(36,207)	(2,582)	(1,594)	-	(40,383)
Transfers from inventories	-	-	45,127	196	-	33,805	79,128
Transfers in (out)	-	48,298	113,469	3,250	-	(165,017)	-
31 December 2020	204,811	164,461	904,685	72,599	198,484	63,708	1,608,748
Additions	-	1,992	3,316	4,062	26,529	104,093	139,992
Disposals/Write-off	-	-	(28,838)	-	(2,822)	-	(31,660)
Transfers from inventories	-	-	24,642	24	-	52,916	77,582
Transfer to inventories	-	-	(2,576)	-	-	-	(2,576)
Transfer to intangible assets	-	-	-	-	-	(874)	(874)
Transfers in (out)	-	9,694	136,873	3,528	-	(150,095)	-
31 December 2021	204,811	176,147	1,038,102	80,213	222,191	69,748	1,791,212
<b>Accumulated depreciation</b>							
1 January 2020	-	38,478	439,941	47,823	132,602	-	658,844
Depreciation for the year	-	7,226	119,931	10,454	18,793	-	156,404
Depreciation on disposals/write-off	-	-	(35,930)	(1,837)	(1,593)	-	(39,360)
31 December 2020	-	45,704	523,942	56,440	149,802	-	775,888
Depreciation for the year	-	7,987	101,102	11,125	16,884	-	137,098
Depreciation on disposals/write-off	-	-	(28,701)	-	(2,813)	-	(31,514)
Depreciation on transfer to inventories	-	-	(2,374)	-	-	-	(2,374)
31 December 2021	-	53,691	593,969	67,565	163,873	-	879,098
<b>Net book value</b>							
31 December 2020	204,811	118,757	380,743	16,159	48,682	63,708	832,860
31 December 2021	204,811	122,456	444,133	12,648	58,318	69,748	912,114
<b>Depreciation for the year</b>							
2020 (Baht 8.7 million included in manufacturing cost, and the balance in selling and administrative expenses)							156,404
2021 (Baht 8.6 million included in manufacturing cost, and the balance in selling and administrative expenses)							137,098

As at 31 December 2021, certain items of buildings and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 502.9 million (2020: Baht 424.2 million).

As at 31 December 2021, the Company has pledged land and structures thereon amounted to Baht 147 million as collateral to secure long-term loan from a financial institution (2020: Nil).

#### 14. Intangible assets

	(Unit: Thousand Baht)		
	Computer software	Internally generated intangible assets	Total
As at 31 December 2021			
Cost	11,605	5,589	17,194
Less: Accumulated amortisation	(2,782)	(108)	(2,890)
Net book value	8,823	5,481	14,304
As at 31 December 2020			
Cost	8,974	-	8,974
Less: Accumulated amortisation	(1,720)	-	(1,720)
Net book value	7,254	-	7,254

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)	
	2021	2020
Net book value at beginning of year	7,254	4,745
Acquisition during the year	2,631	3,237
Increase from internally generating	4,715	-
Transfer from property, buildings and equipment	874	-
Write-off	-	(44)
Amortisation for the year	(1,170)	(684)
Net book value at end of year	14,304	7,254



## 15. Operating result of discontinued operation

On 23 March 2020, the Annual General Meeting of Shareholders of the Company approved the operation cessation of the distribution center and transportation business services on 31 March 2020 and the transfer of employees, employee benefit obligation and equipment of the Company in this segment to a related company on 1 April 2020.

As at the date of operation cessation of the distribution center and transportation business services, assets classified as held for sale amounted to Baht 0.8 million and liabilities directly related to non-current assets classified as held for sale amounted to Baht 17.0 million. As at 31 December 2020, the Company disposed all assets classified as held for sale and paid liabilities directly related to non-current assets classified as held for sale.

Discontinued operation which was presented in the statement of comprehensive income for the year ended 31 December 2020 was as follows:

(Unit: Thousand Baht)	
<b>Revenues</b>	
Sales	75,767
Services income	34,878
Other income	3,424
<b>Total revenues</b>	<u>114,069</u>
<b>Expenses</b>	
Cost of sales	70,778
Cost of services	23,420
Selling and distribution expenses	4,098
Administrative expenses	3,485
<b>Total expenses</b>	<u>101,781</u>
<b>Profit before finance cost and income tax expense</b>	<u>12,288</u>
Finance cost	(276)
<b>Profit before income tax expense</b>	<u>12,012</u>
Income tax expense	(2,405)
<b>Profit from discontinued operation for the year</b>	<u><u>9,607</u></u>

The Company did not present separate cash flows from the discontinued operation since the Company was unable to clearly distinguish these cash flows.

16. Bank overdraft and short-term loans from financial institutions.

(Unit: Thousand Baht)

	Interest rates (percent per annum)	2021	2020
Bank overdraft	5.88	-	9,325
Short-term loans	4.25 - 5.25	-	110,812
Total		-	120,137

17. Trade and other payables

(Unit: Thousand Baht)

	2021	2020
Trade accounts payable - unrelated parties	222,001	198,144
Trade accounts payable - related parties	21,254	19,748
Other payables - unrelated parties	7,232	10,245
Other payables - related parties	25	27
Accrued expenses - unrelated parties	41,482	39,010
Accrued expenses - related parties	162	250
Unearned revenues - unrelated parties	2,181	3,346
Unearned revenues - related parties	20	210
Total	294,357	270,980

18. Long-term loan

Movements of the long-term loan account during the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	2021	2020
Beginning balance	-	-
Additional borrowing	150,000	-
Repayments	(150,000)	-
Ending balance	-	-

This loan carried interest at MLR - 2.00 percent per annum.

As at 31 December 2021, the Company had long-term credit facilities which have not yet been draw down amounting to Bath 260 million (2020: Nil). The loan was secured by the mortgage of land and structures thereon.

The loan agreement contained covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreement.

## 19. Leases

### 19.1 The Company as a lessee

The Company has lease contracts for operating assets which generally have lease terms between 2 - 4 years.

#### a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)		
	Buildings and improvements	Vehicles	Total
1 January 2020	-	-	-
Adjustments of right-of-use assets due to			
TFRS16 adoption	5,341	5,546	10,887
Transfer from property, buildings and			
equipment	-	2,858	2,858
Additions	2,956	-	2,956
Write-off - net book value	-	(269)	(269)
Depreciation for the year	(2,670)	(3,028)	(5,698)
31 December 2020	5,627	5,107	10,734
Additions - at cost	-	5,650	5,650
Additional from lease modification	1,370	-	1,370
Decrease from reduction of rental fee	-	(135)	(135)
Write-off - net book value	(166)	-	(166)
Depreciation for the year	(2,813)	(3,408)	(6,221)
31 December 2021	4,018	7,214	11,232

#### b) Lease liabilities

	(Unit: Thousand Baht)	
	2021	2020
Lease payments	8,803	10,102
Less: Deferred interest expenses	(379)	(339)
Total	8,424	9,763
Less: Portion due within one year	(4,374)	(6,194)
Lease liabilities - net of current portion	4,050	3,569

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)	
	2021	2020
Balance at beginning of year	9,763	13,037
Additions	4,783	2,956
Additional from lease modification	1,327	-
Accretion of interest	391	385
Repayments	(7,518)	(6,344)
Decrease from reduction of rental fee	(153)	-
Decrease from lease cancellation	(169)	(271)
Balance at end of year	8,424	9,763

A maturity analysis of lease payments is disclosed in Note 31.1 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	2021	2020
Depreciation expense of right-of-use assets	6,221	5,698
Interest expense on lease liabilities	391	385
Expense relating to short-term leases	-	57
Expense relating to leases of low-value assets	150	73

**d) Others**

The Company had total cash outflows for leases for the year ended 31 December 2021 of Baht 7.7 million (2020: Baht 6.5 million), including the cash outflow related to short-term lease and leases of low-value assets.

**20. Provision for long-term employee benefits**

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)	
	2021	2020
Provision for long-term employee benefits		
at beginning of year	18,614	27,922
Included in profit or loss:		
Current service cost	3,877	3,444

		(Unit: Thousand Baht)	
		2021	2020
Interest cost		225	315
Past service costs		-	(4,652)
Included in other comprehensive income:			
Actuarial loss (gain) arising from			
Demographic assumptions changes		-	388
Financial assumptions changes		-	(758)
Experience adjustments		-	(4,583)
Benefits paid during the year		(1,006)	(3,462)
<b>Provision for long-term employee benefits</b>			
<b>at end of year</b>		<b>21,710</b>	<b>18,614</b>

The Company expects to pay Baht 0.3 million of long-term employee benefits during the next year (2020: Baht 1.0 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 6.3 years (2020: 6.3 years).

Significant actuarial assumptions are summarised below:

		(Unit: percent per annum)	
		2021	2020
Discount rate		1.23	1.23
Salary increase rate		4.00	4.00
Turnover rates		0.00 - 37.00	0.00 - 37.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

		(Unit: Million Baht)			
		2021		2020	
		Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate		(1.3)	1.5	(1.2)	1.3
Salary increase rate		1.8	(1.6)	1.3	(1.2)
Turnover rates		(1.5)	0.7	(1.3)	0.6

## 21. Share capital

On 22 March 2021, the Annual General Meeting of the Company's shareholders passed resolutions for the followings:

- a) Increasing of the registered share capital from Baht 450 million (45 million ordinary shares of Baht 10 each) to Baht 500 million (50 million ordinary shares of Baht 10 each), through the issuance of 5 million additional ordinary shares with a par value of Baht 10 each, for offering to its existing shareholders at Baht 10 per share. The Company received share subscription on 31 March 2021 and registered an increase of its share capital with the Ministry of Commerce on 31 March 2021.
- b) The change in the par value of the ordinary shares from Baht 10 per share to Baht 1 per share, resulting in an increase in number of the ordinary shares from 50 million shares to 500 million shares. The Company registered the change in the par value of the share with the Ministry of commerce on 2 April 2021.
- c) Increasing of the registered share capital from Baht 500 million (500 million ordinary shares of Baht 1 each) to Baht 700 million (700 million ordinary shares of Baht 1 each) as a purpose for initial public offering. The Company registered an increase of its share capital with the Ministry of Commerce on 2 April 2021.

Subsequently, on 11 August 2021, the Board of Director Meeting passed resolution approving details of the allocation of not more than 200 million additional shares with a par value of Baht 1 each, which was approved by the Annual General Meeting of the Company's shareholders on 22 March 2021, for the initial public offering. The details are as follows:

- a) Allocation of not more than 30 million additional shares at a par value of Baht 1 each, which is not more than 15 percent of shares offered in the initial public offering, to the patrons of the Company appeared on the names list and in accordance with the specified conditions, at the offering price equal to the initial public offering price. In case there are shares remaining from the allocation in item a), the Company will allocate the remaining shares to the persons in item b).
- b) Allocation of not more than 20 million additional shares at a par value of Baht 1 each to the directors, executives and employees of the Company, at the offering price equal to the initial public offering price. However, when combined with the shares remaining from the allocation in item a), it shall not exceed 25 percent of shares offered in the initial public offering. In case there are shares remaining from the allocation in item b), the Company will allocate the remaining shares to the initial public offering in item c).
- c) Allocation of not more than 150 million additional shares and the shares remaining from the allocation to directors, executives and employees of the Company according to item b) at a par value of Baht 1 each for the initial public offering.

From 22 to 27 September 2021, the Company offered additional ordinary shares to the public, patrons of the Company, directors, executives and employees of the Company totaling 200 million shares at a par value of Baht 1 each at the offering price of Baht 2.54 each, totaling Baht 508 million. The Company received full payment of the share subscription and registered the change of its issued and paid-up share

capital from Baht 500 million (500 million ordinary shares with a par value of Baht 1 each) to Baht 700 million (700 million ordinary shares with a par value of Baht 1 each) with the Ministry of Commerce on 28 September 2021. The Stock Exchange of Thailand approved the 700 million ordinary shares with a par value of Baht 1 each as listed securities, with trading permitted on 5 October 2021.

The Company incurred expenses relating to the additional share offering amounted to Baht 14 million (net of income tax), and these expenses were recorded as a deduction against share premium in the shareholders' equity.

## 22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 23. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	2021	2020
Salaries and wages and other employee benefits	217,539	203,686
Depreciation and amortisation	144,488	162,785
Installations expense of rending machines	92,226	72,750
Repair and maintenance expenses	42,874	42,894

## 24. Income tax

Income tax expense for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)	
	2021	2020
<b>Continuing operation</b>		
<b>Current income tax:</b>		
Current income tax charge	10,824	7,183
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	5,702	(54)
<b>Income tax expense reported in profit or loss</b>	<b>16,526</b>	<b>7,129</b>
<b>Discontinued operation</b>		
<b>Current income tax:</b>		
Current income tax charge	-	1,577
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-	828
<b>Income tax expense reported in profit or loss</b>	<b>-</b>	<b>2,405</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)	
	2021	2020
<b>Continuing operation</b>		
Deferred tax on gain from the changes in value of equity investments designated at fair value through other comprehensive income	(1,939)	(2,316)
Deferred tax on actuarial gain	-	(991)
<b>Total</b>	<b>(1,939)</b>	<b>(3,307)</b>

	(Unit: Thousand Baht)	
	2021	2020
<b>Discontinued operation</b>		
Deferred tax on reversal loss on actuarial	-	(71)
<b>Total</b>	<b>-</b>	<b>(71)</b>

The amounts of current tax and deferred tax that recognised directly in equity for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)	
	2021	2020
<b>Current income tax:</b>		
Current income tax on transaction costs for issued share capital	(3,390)	-
<b>Total</b>	<b>(3,390)</b>	<b>-</b>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)	
	2021	2020
<b>Continuing operation</b>		
Accounting profit before tax from continuing operation	83,213	62,688
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	16,643	12,534
Effects of:		



(Unit: Thousand Baht)

	2021	2020
Tax exempted income	(84)	(31)
Non-deductible expenses	395	1,263
Additional expense deductions allowed	(428)	(6,637)
Income tax expense reported in profit or loss	16,526	7,129
<b>Discontinued operation</b>		
Accounting profit before tax from discontinued operation	-	12,012
Applicable tax rate	-	20%
Accounting profit before tax multiplied by income tax rate	-	2,402
Effects of:		
Non-deductible expenses	-	3
Income tax expense reported in profit or loss	-	2,405

As at 31 December 2021 and 2020, the components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	2021	2020
<b>Deferred tax assets</b>		
Allowance for diminution in value of inventories	32	8
Decrease in fair value of quoted equity investment	-	249
Provision for long-term employee benefits	4,748	4,128
Lease liabilities	809	1,666
Total	5,589	6,051
<b>Deferred tax liabilities</b>		
Increase in fair value of quoted equity investments	(195)	-
Increase in fair value of non-listed equity investments	(4,789)	(3,295)
Right-of-use	(804)	(1,647)
Actuarial gain	(406)	(406)
Depreciation	(6,333)	-
Total	(12,527)	(5,348)
Deferred tax assets (liabilities) - net	(6,938)	703

## 25. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The Company adjusted the number of ordinary shares of the previous year, presented herein as comparative purpose, for earnings per share calculation purpose as a result of the change in the par value, as if such change in the par value had occurred at the beginning of the reporting period.

The following presentation sets forth the computation of basic earnings per share:

	2021	2020
		(Restated)
<b>Earnings per share from continuing operating</b>		
Profit for the year (Thousand Baht)	66,687	55,539
Weighted average number of ordinary shares (Thousand shares)	539,863	450,000
Earnings per share (Baht/share)	0.12	0.12
<b>Earnings per share from discontinued operation</b>		
Profit for the year (Thousand Baht)	-	9,607
Weighted average number of ordinary shares (Thousand shares)	-	450,000
Earnings per share (Baht/share)	-	0.02

## 26. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company is organised into business units based on its products and services and have three reportable segments as follows:

- Selling products in the vending machines
- Selling vending machines
- Distribution center services (Discontinued operation since 31 March 2020)

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

However, the Company financing activities include finance cost, finance income and income taxes are managed on a company basis and are not allocated to operating segments.

The following tables present revenue and profit information regarding the Company's operating segments for the years ended 31 December 2021 and 2020 as follows:

(Unit: Thousand Baht)

	Selling products in the vending machines		Selling vending machines		Total	
	2021	2020	2021	2020	2021	2020
Revenue from external customers	1,922,864	1,725,983	18,284	16,420	1,941,148	1,742,403
Gross profit of segments	629,682	573,711	9,106	7,855	638,788	581,566
Unallocated income and expenses:						
Other income					22,174	24,960
Depreciation and amortisation					(134,691)	(148,837)
Selling and distribution expenses					(376,931)	(329,131)
Administrative expenses					(58,909)	(58,726)
Finance cost					(6,997)	(7,080)
Other expenses					(221)	(84)
Profit before income tax expense					83,213	62,668
Income tax expense					(16,526)	(7,129)
Profit from continuing operation for the year					66,687	55,539
Profit from discontinued operation for the year					-	9,607
Profit for the year					66,687	65,146

#### Geographic information

The Company operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to the geographical reportable segments.

#### Major customers

For the years 2021 and 2020, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

## 27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company contribute to the fund monthly at rates of 3 - 5 percent of basic salary and employees pay contributions to the fund monthly at rates of 5 - 15 percent of basic salary. The fund, which is managed by CIMB - Principal Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to Baht 6.0 million (2020: Baht 5.3 million) were recognised as expenses.

## 28. Dividends paid

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
<u>2021</u>			
Final dividends for 2020	Annual General Meeting of the shareholders on 22 March 2021	81,000	1.8
<u>2020</u>			
Final dividends for 2019	Annual General Meeting of the shareholders on 23 March 2020	45,000	1

## 29. Commitments and contingent liabilities

### 29.1 Operating lease commitments and service commitments

The Company has entered into several lease agreements in respect of the building, equipment (each contract has low value or short-term), service and consulting agreements. The terms of the agreements are generally between 1 and 4 years.

Future minimum lease payments required under these non-cancellable operating leases contracts, and fees were as follows.

(Unit: Million Baht)

	As at 31 December	
	2021	2020
Payable:		
In up to 1 year	3.3	6.3
In over 1 and up to 4 years	0.7	0.4

### 29.2 Commitment in respect of vending machine installation agreements

The Company entered into agreements and committed to conditions related to vending machine installation with several parties. As at 31 December 2021, the Company had commitment on paying considerations to counterparties at agreed rates and under agreed conditions. Certain agreements have specified the termination period for which the Company commits to pay considerations as at 31 December 2021 totaling Baht 1.3 million (2020: Baht 1.9 million).

In addition, certain agreements have stipulated consideration rates but have not specified termination periods (which can be terminated by either party). The Company therefore commits to pay considerations under the agreements until such agreements are terminated. Considerations for the installations expense of vending machines in 2021 amounted to Baht 87.1 million (2020: Baht 57.0 million).

### 29.3 Capital commitments

As at 31 December 2021, the Company had commitments of Baht 41.8 million, USD 0.1 million, Yen 6.9 million and CNY 0.9 million in relation to acquisitions of equipment (2020: Baht 41.8 million and CNY 2.3 million), and commitments of Baht 164.2 million in relation to office construction agreements (2020: Baht

6.8 million), and Baht 0.3 million for development of software for vending machines (2020: Baht 0.3 million).

#### 29.4 Commitments in respect of vending machines distribution agreements

The Company entered into vending machines distribution agreements with 2 vending machine distributors to be their distributor in Thailand. The Company is obliged to buy vending machines at the minimum number as stipulated in the agreements. The term of agreements will end in January and May 2022.

#### 29.5 Bank guarantees

As at 31 December 2021 and 2020, there was outstanding bank guarantee of Baht 9,000 issued by bank to guarantee the use of space rental agreement.

#### 30. Fair value hierarchy

As at 31 December 2021 and 2020, the Company had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

2021				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Other non-current financial assets	20.2	-	25.8	46.0

(Unit: Million Baht)

2020				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Other non-current financial assets	15.4	-	18.3	33.7

#### 31. Financial instruments

##### 31.1 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, trade and other receivables, restricted bank deposits, other non-current financial assets, bank overdraft and short-term loans from financial institutions, short-term loans from related parties, trade and other payables and long-term loan. The financial risks associated with these financial instruments and how they are managed is described below.

## **Credit risk**

The Company is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

### ***Trade receivables***

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year.

### ***Financial instruments and cash deposits***

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings.

## **Market risk**

The Company has price risk relating to purchase price of goods and materials. The Company closely monitors changes in their prices to support purchasing plans.

### ***Foreign currency risk***

The Company's exposure to foreign currency risk relates primarily to trade payables which are denominated in foreign currency.

As at 31 December 2021 and 2020, the balances of financial liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial liabilities		Average exchange rate	
	2021	2020	2021	2020
	(Million)	(Million)	(Baht per 1 foreign currency unit)	(Baht per 1 foreign currency unit)
US Dollar	0.01	0.01	33.4199	30.0371

### Interest rate risk

As at 31 December 2021 and 2020, the Company's exposure to interest rate risk relates primarily to its financial assets and liabilities. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate as follow:

(Unit: Million Baht)

2021					
	Fixed interest rates			Floating interest rate	Effective interest rates
	Within 1 year	1-5 years	Over 5 years		
					(% per annum)
<u>Financial assets</u>					
Cash and cash equivalent	-	-	-	283	0.05 - 0.125
Restricted bank deposits	-	-	-	0.01	0.25
<u>Financial liabilities</u>					
Lease liabilities	4.4	4.0	-	-	2.19 - 3.72

(Unit: Million Baht)

2020					
	Fixed interest rates			Floating interest rate	Effective interest rates
	Within 1 year	1-5 years	Over 5 years		
					(% per annum)
<u>Financial assets</u>					
Cash and cash equivalent	-	-	-	12.8	0.05 - 0.25
Restricted bank deposits	-	-	-	0.01	0.25
<u>Financial liabilities</u>					
Short-term loans from financial institutions	120.1	-	-	-	4.25 - 5.25
Short-term loans from related parties	50.0	-	-	-	4.00
Lease liabilities	6.2	3.6	-	-	3.60 - 3.72

### Liquidity risk

The Company manages the risk of a shortage of liquidity through the use of bank overdraft and short-term loans from financial institutions, short-term loans from related parties, long-term loan and lease contracts. The liquidity risk is to be low since the Company is able to access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	2021		
	Less than 1 year	1 to 4 years	Total
<u>Financial liabilities</u>			
Trade and other payables	294,357	-	294,357
Lease liabilities	4,616	4,187	8,803
Total	298,973	4,187	303,159

(Unit: Thousand Baht)

	2020		
	Less than 1 year	1 to 4 years	Total
<u>Financial liabilities</u>			
Bank overdraft and short-term loans from financial institutions	120,137	-	120,137
Short-term loans from related parties	50,000	-	50,000
Trade and other payables	270,980	-	270,980
Lease liabilities	6,459	3,643	10,102
Total	447,576	3,643	451,219

### 31.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

## 32. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2021, the Company's debt-to-equity ratio was 0.29:1 (2020: 0.78:1).



**33. Event after the reporting period**

On 23 February 2022, the Board of Director Meeting passed a resolution to propose to the Annual General Meeting of the Company's shareholders for approval dividends payment of Baht 28.0 million (Baht 0.04 per share) from net profit for the year 2021.

**34. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2022.

## Part 4

### Data Authentication for 56-1 One Report Submissions of Companies

The Company has carefully reviewed the information in this annual registration statement/annual report. The Company hereby certifies that such information is correct, complete, not false, not misleading, or missing information that should be required. In addition, the Company hereby certifies that

(1) The financial statements and financial information summarized in the annual registration statement/annual report presents accurate and complete information in all material respects regarding the financial position, operating results, and cash flows of the Company and its subsidiaries.

(2) The Company has established a good information disclosure system in order to ensure that the Company has disclosed the important information of the Company and its subsidiaries correctly and completely as well as to control and supervise the implementation of the system.

(3) The Company has set up a good internal control system and has supervised to ensure compliance with such system. In addition, The Company has informed the internal control system assessment information of the latest available date to the Company's auditors and Audit Committees, which covers deficiencies and significant changes in the internal control system, including wrongful acts that may affect the preparation of the Company's and subsidiaries' financial reports.

In this regard, as evidence that all documents are the same set of documents that the Company has verified, The company has assigned Ms. Pattarawadee Chotithamnawee to sign this document on every page. If any documents do not have the signature of Ms. Pattarawadee Chotithamnawee, the Company will assume that such information is not that which has been verified as mentioned above.

Name	Position	Signature
1. Mrs. Apassara Panupattana	Company Director / Director authorized to sign on behalf of the Company	
2. Mr. Pitsnu Chokwatana	Company Director / Director authorized to sign on behalf of the Company	

Attorney	Position	Signature
Ms. Patrawadee Chotithamnawee	Deputy Director of Accounting and Finance	

## Attachment 1

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Details of Directors, Executives, Persons with Controlling Authority, Person who is assigned the highest responsibility in accounting and finance, Person assigned to take responsibility directly in the supervision of accounting and company secretary

## 1. Details of Directors and Executives

### 1. Details of Directors

#### Chairman of the Board

**Name-Surname** Dr. Suvit Thaniyavarn

**Type of Director**

- Chairman of the Board
- Independent Director

**Age** 67 years old      **Nationality** Thai

**Address** No. 3689 Soi Yothin Phatthana 11, Intersection 7, Khlong Chan Sub-district, Bang Kapi District, Bangkok 10240

#### **Educational Background**

- Ph.D., Economics, University of Illinois at Urbana -Champaign, USA.
- Master's degree in Economics, University of Illinois at Urbana-Champaign, USA.
- Bachelor of Economics, Thammasat University

#### **Director Training Programs**

- Director Certification Program, Class 244/2017 Thai Institute of Directors Association
- Passed BNCP 1/2017 Thai Institute of Directors Association

#### **Current Position at SVT**

- Chairman of the Board
- Independent Director

#### **Work Experience (Current - Past 5 years)**

- Year 2018 - Present: Chairman of the Board of Directors of S. Kitchai Enterprise Plc.
- Year 2014–Present: Chairman of the Audit Committee of Big Camera Corporation Plc.
- Year 2016 - Present: Chairman of the Board of Directors of EO Life Made Co., Ltd.
- Year 2003–Present: Chairman of the Board of Directors of EO Solution Co., Ltd

#### **Positions at Other Listed Companies**

- Chairman of the Board of Directors of S. Kitchai Enterprise Plc.
- Chairman of the Audit Committee of Big Camera Corporation Plc.

#### **Position at other companies (non-listed company)**

- Chairman of the Board of Directors of EO Life Made Co., Ltd.
- Chairman of the Board of Directors of EO Solution Co., Ltd.



#### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No director/executive position at other companies that may cause conflicts of interest to the Company

#### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

No relationship with the management or major shareholders/minor shareholders of the Company.

#### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.146 %

#### **Different Special Interests**

No different special interests.

#### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

#### **Meeting Attendance in 2021**

Board of Directors' meetings: attended 5 out of 6 times



## Company Director

**Name-Surname** Mr. Boonchai Chokwatana

**Type of Director** Company Director

**Age** 74 years old **Nationality** Thai

**Address** No. 2/1 Soi Saimit, Bang Chak Sub-district, Phra Khanong District, Bangkok 10260

### Educational Background

- Bachelor of Business Administration, Wisconsin State University at Superior, USA
- Bachelor of Arts (Political Science), Ramkhamhaeng University
- Honorary Doctorate degree in Arts, Rajamangala University of Technology Phra Nakhon
- Honorary Doctorate Degree in Communication Arts, Naresuan University
- Honorary Doctorate Degree in Business Administration, Mahasarakham University
- Honorary Doctorate Degree in Logistics Management, Suan Sunandha Rajabhat University

### Director Training Programs

- Director Accreditation Program, Class 3/2003, Thai Institute of Directors Association
- Director Certification Program, Class 68/2005, Thai Institute of Directors Association

**Current Position at SVT** Company Director

### Work Experience (Current - Past 5 years)

- Year 2017 - Apr. 2021 Chairman of the Board of Directors Sunvending Technology Plc.
  - Year 2012 - Present Director, Saha Pathana Inter Holding PCL.
  - Year 1972 - Present Chairman of the Board of Directors / Chairman of Executive Committee Saha Pathanapibul Plc.
  - Year 2011 - Present Director, Thai President Foods Plc.
  - Year 1970 - Present Chairman of the Board of Directors Far East Famine DDB Plc.
  - Year 2019 - Present Independent Director, Muang Thai Insurance PCL.
  - Year 2013 - Present Chairman of the Board of Directors, Saha Lawson Co., Ltd.
  - Year 2011 - Present Director, Ruam Issara Co., Ltd.
  - Year 2000 - Present Chairman of Executive Committee Thipwarinwattana Co., Ltd.
  - Year 1996 - Present Chairman of the Board Integrated Co., Ltd. communication
  - Year 1993 - Present Director, Lion (Thailand) Co., Ltd.
- Director in 16 other non-listed companies Positions at Other Listed Companies
- ### Positions at Other Listed Companies
- Director of Saha Pathana Inter Holding Plc.
  - Chairman of the Board /Chairman of the Executive Committee Saha Pathanapibul Plc.
  - Director of Thai President Foods Plc.
  - Chairman of the Board of Directors of Far East Famine DDB Plc.
  - Independent Director of Muang Thai Insurance Plc.

### Position at other companies (non-listed company)

- Chairman, Saha Lawson Co., Ltd.
- Director, Ruam Issara Co., Ltd.
- Chairman of Executive Committee Thipwarinwattana Co., Ltd.
- Chairman Integrated Co., Ltd. communication
- Director, Lion (Thailand) Co., Ltd.

Being a director in other 16 non-listed companies

Total positions in other 21 non-listed companies

### Holding a Director/Executive Position at Other Companies

#### That May Cause Conflicts of Interest to the Company

Chairman of the Board of Directors of Saha Lawson Co., Ltd.

### Relationship with the Management or Major

#### Shareholder/Minor Shareholder of the Company

Holding the position of a company director and major shareholder of SVT

### Company Securities Holding / Company Shares

Shareholding in SVT: 2.347 %

### Different Special Interests

No different special interests.

### Legal Disputes in the Past 10 Years

No legal disputes in the past 10 years

### Meeting Attendance in 2021

Board of Directors' meetings: attended 6 out of 6 times



**Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

- Director of Saha Lawson Co., Ltd.
- Director of Tsuruha Co., Ltd.

**Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Holding the position of a Director, Executive, and Major Shareholder of SVT

**Company Securities Holding / Company Shares**

Shareholding in SVT: 2.812 %

**Different Special Interests**

No different special interests.

**Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

**Meeting Attendance in 2021**

- Board of Directors' meetings: attended 6 out of 6 times
- Nomination and Remuneration Committee's meetings: attended 4 out of 4 times

**Company Director**

**Name-Surname** Mr. Vathit Chokwatana

**Type of Director**

- Company Director / Director authorized to sign on behalf of the Company

**Age** 58 years old      **Nationality** Thai

**Address** No. 3 Soi Ramkhamhaeng 118 Intersection 19, Saphan Sung Sub-district, Saphan Sung District, Bangkok 10240

**Educational Background**

- Master of Business Administration, Assumption University
- Bachelor of Electronic Engineer, San Francisco State University, California USA

**Director Training Programs**

- Director Accreditation Program, Class 75/2008, Thai Institute of Directors Association
- Director Certification Program, Class 251/2017, Thai Institute of Directors Association
- Risk Management Program for Corporate Leader (RCL), Class 4/2016
- Capital Market College Institute Executive Program, Class 21/2015

**Current Position at SVT**

- Company Director / Director authorized to sign on behalf of the Company
- Executive Chairman
- Member of the Nomination and Remuneration Committee

**Work Experience (Current - Past 5 years)**

- Year 2008–Present: Director of Saha Pathanapibul Plc.
- Year 2015–Present: Director of Thai President Foods Plc.
- Year 2012–Present: Director of Saha Lawson Co., Ltd.
- Year 2015–Present: Director of Tsuruha Co., Ltd.
- Year 1992 - Present: Director of Thai Cubic Technology Co., Ltd.
- Director of other 15 non-listed companies

**Positions at Other Listed Companies**

- Director of Saha Pathanapibul Plc.
- Director of Thai President Foods Plc.

**Position at other companies (non-listed company)**

- Director of Saha Lawson Co., Ltd.
- Director of Tsuruha Co., Ltd.
- Director of Thai Cubic Technology Co., Ltd.
- Director of other 15 non-listed companies



**Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**  
Holding the position of a Director, Executive, and Major Shareholder of SVT

**Company Securities Holding / Company Shares**

Shareholding in SVT: 0.889%

**Different Special Interests**

No different special interests.

**Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

**Meeting Attendance in 2021**

- Board of Directors' meetings: attended 6 out of 6 times
- Risk Management Committee's meetings: attended 3 out of 3 times

**Remark:** Appointed as the Managing Director on behalf of Mrs. Apassara Panupattana according to the resolution of the Board of Directors Meeting No. 1/2022, held on February 23 2022 with effective from 1 March, 2022

**Company Director**

**Name-Surname** Mr. Pitsnu Chokwatana

**Type of Director**

Company Director / Director authorized to sign on behalf of the Company

**Age** 56 years old      **Nationality** Thai

**Address** No. 15 Soi Ramkhamhaeng 118, Saphan Sung Subdistrict, Saphan Sung District, Bangkok 10240

**Educational Background**

Bachelor of Engineering, SF State University, USA

**Director Training Programs**

Accreditation Program (DAP) Class 151/2018 from the Thai Institute of Directors Association

**Current Position at SVT**

- Company Director / Director authorized to sign on behalf of the Company
- Executive Director
- Managing Director
- Acting Senior Deputy Director, Production Division

**Work Experience (Current - Past 5 years)**

- Year 2017 - February 2022 Senior Deputy Director of Production of Sun Vending Technology Plc.
- Year 2015–Present: Director of Top Trend Manufacturing Co., Ltd.
- Year 2012–Present: Director of Thai Cubic Technology Co., Ltd.
- Year 2012–Present: Director of Ekasuwan Co., Ltd.

**Positions at Other Listed Companies**

No holding of positions in other listed companies

**Position at other companies (non-listed company)**

- Director of Top Trend Manufacturing Co., Ltd.
- Director of Thai Cubic Technology Co., Ltd.
- Director of Ekasuwan Co., Ltd.

**Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.



**Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Holding the position of a Director, Executive and Shareholder in the top 10 major shareholders of SVT

**Company Securities Holding / Company Shares**

Shareholding in SVT: 1.068%

**Different Special Interests**

No different special interests.

**Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

**Meeting Attendance in 2021**

- Board of Directors' meetings: attended 4 out of 6 times
- Risk Management Committee's meetings: attended 1 out of 3 times

**Remark:** resigned from Executive Director and Managing Director positions on February 28, 2022.

**Company Director**

**Name-Surname** Mrs. Apassara Panupattana

**Type of Director**

Company Director / Director authorized to sign on behalf of the Company

**Age** 66 years old      **Nationality** Thai

**Address** No. 97/252, Moo 8, On Nut-Ladkrabang Road, Racha Thewa Sub-district, Bang Phli District, Samut Prakan Province 10540

**Educational Background**

Vocational Certificate in Accounting, Chao Phraya Commercial Technology College

**Director Training Programs**

Accreditation Program (DAP) Class 151/2018 from the Thai Institute of Directors Association

**Current Position at SVT**

- Company Director / Director authorized to sign on behalf of the Company
- Risk Management Committee

**Work Experience (Current - Past 5 years)**

- Year 2018 – 28 February 2022 : Director / Executive Director / Managing Director / Deputy Director of Vending Operations and Services of SUN Vending Technology Plc.
- Year 2014 – Year 2018: Senior Deputy Director of Operation and Vending Services of Sun 108 Company Limited

**Positions at Other Listed Companies**

No holding of positions in other listed companies

**Position at other companies (non-listed company)**

No holding of any positions in a company other than listed companies

**Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.



## **Company Director**

**Name-Surname** Mr. Krittinai Lertsitthisak

### **Type of Director**

- Company Director
- Chairman of the Audit Committee / Independent Director

**Age** 49 years old      **Nationality** Thai

**Address** No. 74 Phutthamonthon Sai 2 Road, Soi 21, Sala Thammasop Sub-district, Thawi Watthana District, Bangkok 10170

### **Educational Background**

Bachelor of Business Administration in Finance and Banking, Assumption University.

### **Director Training Programs**

- Director Accreditation Program (DAP) Class 163/2019 from the Association of Thai Institute of Directors
- Advanced Audit Committee Program (AACP) Class 36/2020 from the Thai Institute of Directors Association

### **Current Position at SVT**

- Company Director
- Chairman of the Audit Committee / Independent Director
- Member of the Nomination and Remuneration Committee
- Risk Management Committee

### **Work Experience (Current - Past 5 years)**

- Year 2019– Present: Director of Box 24 Co., Ltd.
- Year 2019– Present: Accounting Consultant of BK Krut Studio Co., Ltd.
- Year 2018– Present: Accounting Consultant of Sukthip Sawat Business and Law Co., Ltd.
- Year 2017– Present: Accounting and Financial Advisor of Sanprasert Law Office Co., Ltd.
- Year 2018 – Year 2020: Accounting and Financial Advisor of Khaosan Holding Co., Ltd.
- Year 2017 - Year 2020: Accounting Consultant of Silom Village Trade Center Co., Ltd.

### **Positions at Other Listed Companies**

No holding of positions in other listed companies

### **Position at other companies (non-listed company)**

- Director of Box 24 Co., Ltd.
- Accounting Consultant of BK Krut Studio Co., Ltd.
- Accounting Consultant of Sukthip Sawat Business and Law Co., Ltd.
- Accounting and Financial Advisor of Sanprasert Law Office Co., Ltd.



### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.

### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Does not have relationship with the management or major shareholders/minor shareholders of the Company.

### **Company Securities Holding / Company Shares**

No holding of securities of the Company / shareholding of the Company

### **Different Special Interests**

No different special interests.

### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

### **Meeting Attendance in 2021**

- Board of Directors' meetings: attended 6 out of 6 times
- Audit Committee' meetings: attended 6 out of 6 times
- Risk Management Committee' meetings: attended 3 out of 3 times
- Member of the Nomination and Remuneration Committee' meetings: attended 2 out of 2 times

## **Company Director**

**Name-Surname** Mr. Jark Chulakiet

**Type of Director**

- Company Director
- Audit Committee / Independent Director

**Age** 44 years old      **Nationality** Thai

**Address** No. 3 Soi Pradipat 3, Pradipat Road, Phayathai, Phayathai, Bangkok 10400

### **Educational Background**

- Master's degree, Academy of Art University, San Francisco, USA
- Bachelor's degree, Faculty of Fine Arts, Department of Interior Design, Rangsit University

### **Director Training Programs**

- Director Accreditation Program (DAP) Class 163/2019 from Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP) Class 36/2020 from Thai Institute of Directors Association

### **Current Position at SVT**

- Company Director
- Audit Committee / Independent Director
- Chairman of the Nomination and Remuneration Committee

### **Work Experience (Current - Past 5 years)**

Year 2005–Present: Director/Executive Director of Define Studio Co., Ltd.

### **Positions at Other Listed Companies**

No holding of positions in other listed companies

### **Position at other companies (non-listed company)**

Director/Executive Director of Define Studio Co., Ltd.

### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.



### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Does not have relationship with the management or major shareholders/minor shareholders of the Company.

### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.057%

### **Different Special Interests**

No different special interests.

### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

### **Meeting Attendance in 2021**

- Board of Directors' meetings: attended 6 out of 6 times
- Audit Committee' meetings: attended 6 out of 6 times
- Nomination and Remuneration Committee attended 4 out of 4 times

## **Company Director**

**Name-Surname** Mr. Nattapon Dejvitak

**Type of Director** Company Director

**Age** 50 years old      **Nationality** Thai

**Address** No. 22/2 Soi Indramara 1, Suthisarn Winitchai Road,  
Samsen Nai Sub-district, Phayathai District, Bangkok 10400

### **Educational Background**

- Master of Business Administration, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Master of Art, Commerce (International Trade Policy), Fukuoka University, Japan
- Diploma in Project Management, University of California Berkeley, San Francisco, USA

### **Director Training Programs**

- Director Accreditation Program (DAP) Class 165/2019 from the Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP) Class 37/2020 from the Thai Institute of Directors Association

### **Current Position at SVT**

- Company Director
- Chairman of the Risk Management Committee

### **Work Experience (Current - Past 5 years)**

- Jan 2021–Present: Deputy Managing Director of Saha Pathanapibul Plc.
- Present: Director of GMP (Thailand) Co., Ltd.
- Present: Director of L-Tac Technology Co., Ltd.
- Year 2019–Feb 2021: Audit Committee Member of Sun 108 Co., Ltd.
- Year 2010 – Year 2020: Executive Vice President of Loxley Plc.

### **Positions at Other Listed Companies**

Deputy Managing Director of Saha Pathanapibul Plc.

### **Position at other companies (non-listed company)**

- Director of GMP (Thailand) Co., Ltd.
- Director of L-Tac Technology Co., Ltd.

### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.



### **Relationship with the Management or Major**

#### **Shareholder/Minor Shareholder of the Company**

Does not have relationship with the management or major shareholders/minor shareholders of the Company.

#### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.143%

#### **Different Special Interests**

No different special interests.

#### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

#### **Meeting Attendance in 2021**

- Board of Directors' meetings: attended 5 out of 6 times
- The Risk Committee' meetings: attended 3 out of 3 times
- Nomination Committee' meetings: attended 2 out of 2 times

## **Company Director**

**Name-Surname** Mrs. Teerada Ambhanwong

**Type of Director** Company Director

**Age** 51 years old      **Nationality** Thai

**Address** No. 109/28 Soi Phahonyothin 14, Samsen Nai Subdistrict,  
Phayathai District, Bangkok 10400

### **Educational Background**

- Master of Business Administration in Marketing, Sasin Institute of Business Administration, Chulalongkorn University
- Bachelor of Science, Majority in Marketing, the State University of New York, Fashion Institute of Technology Campus

### **Director Training Programs**

- Director Accreditation Program, Class 3/2003, Thai Institute of Directors Association
- Director Certification Program, Class 51/2004, Thai Institute of Directors Association

### **Current Position at SVT**

- Company Director

### **Work Experience (Current - Past 5 years)**

- Year 2017–Present: Director and Chief Executive Officer of O.C.C. Plc.
- Year 1999–Present: Director of People's Garment Plc.
- Year 1999–Present: Director, S&J International Enterprise Plc.
- Year 2006–Present: Director of Saha Asia Pacific Co., Ltd.
- Year 2004–Present: Director of Shiseido Professional (Thailand) Co., Ltd.
- Year 2003– Present Director, Hlanpu Co., Ltd.
- Year 2003–Present: Director of 4 non-listed companies

### **Positions at Other Listed Companies**

- Director and Chief Executive Officer of O.C.C. Plc.
- Director of People's Garment Plc.
- Director, S&J International Enterprise Plc.

### **Position at other companies (non-listed company)**

- Director, United Asia Pacific Co., Ltd.
- Director of Shiseido Professional (Thailand) Co., Ltd.
- Director, Hlanpu Co., Ltd.
- Director of other 4 non-listed companies



### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.

### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Holding the position of a director and shareholder of SVT

### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.100%

### **Different Special Interests**

No different special interests.

### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

### **Meeting Attendance in 2021**

Board of Directors' meetings: attended 6 out of 6 times

## Company Director

**Name-Surname** Dr. Somjin Sornphaisan

### **Type of Director**

- Company Director
- Audit Committee
- Independent Director

**Age** 59 years old      **Nationality** Thai

**Address** No. 69/67, Moo 6, Chomthong Sub-district, Chom Thong District, Bangkok 10150

### **Educational Background**

- Ph.D. in Finance, Thammasat University (Joint DBA with Chulalongkorn University and NIDA)
- Master of Science in Japanese Business Studies, Chaminade University of Honolulu by Fujitsu Asian Scholarship Program (MSJBS)
- Master of Business Administration, Thammasat University (MBA)
- Bachelor of Engineering, Chulalongkorn University (Industrial Engineering)

### **Director Training Programs**

- Executive Program, Capital Market Academy (CMA) Class 3
- Chartered Financial Analyst (CFA)
- Certified Financial Planner (CFP™)
- Corporate Governance for Capital Market Intermediaries (CGI 4/2015)

### **Current Position at SVT**

- Company Director
- Audit Committee
- Independent Director

### **Work Experience (Current - Past 5 years)**

- Since 2021: Chairman of the Investment Committee of Social Security Office (SSO)
- Since 2020: Vice President of Thai Financial Planners Association (TFPA)
- Year 2019 – Year 2021: Vice Chairman and Chairman of the Audit Committee of Thai Bond Market Association (Thai BMA)
- Year 2015 – Year 2021: Director and Disciplinary Sub-committee of The Futures Exchange (Thailand) Plc. (TFEX)
- Year 2018 – Year 2020: Member of the Committee of Personnel Discipline in Capital Market Business, The Office of the Securities and Exchange Commission (SEC)
- Year 2009 – Year 2020: Managing Director of TMB Asset Management Company Limited
- Year 2006 – Year 2019: Director of Association of Investment Management Companies (Holding the position of President of the Association from 2012-2014) AIMC
- Year 2004 – Year 2019: Independent Director and Audit Committee Member of Thai Ha Plc.



### **Positions at Other Listed Companies**

Independent Director and Audit Committee Member of Biosign Animal Health Plc.

### **Position at other companies (non-listed company)**

Appeal Sub-committee of the Clearing House (Thailand) Co., Ltd. (TCH)

### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.

### **Relationship with the Management or Major**

#### **Shareholder/Minor Shareholder of the Company**

Does not have relationship with the management or major shareholders/minor shareholders of the Company.

### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.003%

### **Different Special Interests**

No different special interests.

### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

### **Meeting Attendance in 2021**

No meeting attendance in 2021

**Remarks:** Board of Directors' meeting No. 1/2022, held on February 23, 2022 was resolved the approval of the appointment of Dr. Somjin Sornphaisan as a replacement of Mr. Pansak Statsatien, who has resigned from the position.

## 2. Details of Non - Directors Executive

### Executive Director

**Name-Surname** Mr. Kanes Atthaphaisalkul

**Age** 39 years old      **Nationality** Thai

**Address** No. 204/192 Soi Anaman Ngam Charoen 31,  
Tha Kham Sub-district, Bang Khun Thian District,  
Bangkok 10150

### **Educational Background**

Bachelor of Human Resource Management, Faculty  
of Business Administration, Thonburi Rajabhat  
University

### **Current Position at SVT**

- Executive Director
- Deputy Director of Marketing

### **Work Experience (Current - Past 5 years)**

- Year 2014 – Year 2021: Sale Expansion Service  
Manager of SUN Vending Technology PCL
- Year 2011 – Year 2014: Customer Relations Officer  
of Sun 108 Co., Ltd.
- Year 2008 – Year 2011: Administrative Officer of  
Sun 108 Co., Ltd.

### **Positions at Other Listed Companies**

No holding of positions in other listed companies

### **Position at other companies (non-listed company)**

No holding of any positions in a company other than  
listed companies

### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in  
other companies that may cause conflicts of interest  
to the Company.



### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Holding the position of management and  
shareholder in SVT

### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.143%

### **Different Special Interests**

No different special interests.

### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years



### Executive Director

**Name-Surname** Mrs. Jirada Nantanawongsa

**Age** 48 years old      **Nationality** Thai

**Address** No. 25/98 Silom City Resort, Soi Silom 3 (Pipat), Silom Road, Sathorn Sub-district, Bang Rak District, Bangkok 10500

### **Educational Background**

Bachelor's degree, Faculty of Political Science, Department of Sociology and Anthropology, Chulalongkorn University

### **Current Position at SVT**

- Executive Director
- Deputy Director of Business Facilitation

### **Work Experience (Current - Past 5 years)**

- Year 2019–Present: Deputy Director of Business Facilitation of Sun Vending Technology PCL
- Year 2018 – Year 2019: AVP HR-Business Unit 4 Chanwanich Co.,Ltd.
- Year 2014 – Year 2017: Senior Manager Human Resource Department of Thanachart Bank Group

### **Positions at Other Listed Companies**

No holding of positions in other listed companies

### **Position at other companies (non-listed company)**

No holding of any positions in a company other than listed companies

### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.

**Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**  
Holding the position of management and shareholder in SVT

**Company Securities Holding / Company Shares**  
Shareholding in SVT: 0.064%

**Different Special Interests**  
No different special interests.

**Legal Disputes in the Past 10 Years**  
No legal disputes in the past 10 years



### **Executive Director**

**Name-Surname** Mr. Surachet Panupatthana

**Age** 32 years old      **Nationality** Thai

**Address** No. 97/252, Perfect Place Village, Sukhumvit 77, Soi Ladkrabang 20/3, On Nut-Ladkrabang Road, Racha Thewa Sub-district, Bang Phli District, Samut Prakan Province 10540

### **Educational Background**

- Master of Engineering, Field of Telecommunication, King Mongkut's Institute of Technology Ladkrabang
- Bachelor of Engineering, Field of Telecommunication, King Mongkut's Institute of Technology

### **Current Position at SVT**

- Executive Director
- Deputy Director of R&D Information Technology

### **Work Experience (Current - Past 5 years)**

- Year 2019 – April 2021: Assistant Deputy Director of R&D Information Technology of Sun Vending Technology Plc.
- Year 2011 – Year 2019: Senior Network Telecommunications Engineer of True Corporation Plc.

### **Positions at Other Listed Companies**

No holding of positions in other listed companies

### **Position at other companies (non-listed company)**

No holding of any positions in a company other than listed companies

### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.



**Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**  
Holding the position of management and shareholder in the top 10 major shareholders of SVT

**Company Securities Holding / Company Shares**  
Shareholding in SVT: 0.057%

### **Different Special Interests**

No different special interests.

### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years



### **Executive Director**

**Name-Surname** Mr. Wipob Jenjirayut

**Age** 48 years old      **Nationality** Thai

**Address** No. 99/698, Village No. 1, Sisa Chorakhe Noi  
Sub-district, Bang Sao Thong District, Samut Prakan  
Province 10540

### **Educational Background**

Bachelor of Architecture, Rangsit University

### **Current Position at SVT**

- Executive Director
- Deputy Director of Operations and Vending Services

### **Work Experience (Current - Past 5 years)**

- Year 2018–28 February 2022 : Assistant Senior Vice President of Operations and Vending Services of Sun Vending Technology PLC
- Year 2015–2017: Master Group Corporation (Asia) Co., Ltd. BMW Millennium Auto (Rama 4) Body & Paint Manager

### **Positions at Other Listed Companies**

No holding of positions in other listed companies

### **Position at other companies (non-listed company)**

No holding of any positions in a company other than listed companies

### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.

### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Holding the position of management and shareholder in SVT



### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.021%

### **Different Special Interests**

No different special interests.

### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

**Remark** Appointed as Executive Director and Deputy Director of Operations and Vending Service in replace of Mrs. Apassara Panupattana according to the resolution of the Board of Directors' meeting No. 1/2565 held on February 23, 2022 with effective from 1 March, 2022

### 3. Details of the persons who is assigned the highest responsibility in accounting and finance

#### Executive Director / Deputy Director of Accounting and Finance (CFO)

**Name-Surname** Ms. Pattarawadee Chotithamnawee

#### **Type of Director**

- Executive Director
- Risk Management Committee

**Age** 43 years old      **Nationality** Thai

**Address** 97/56 Moo 8, Perfect Place Village, On Nut-Ladkrabang Road, Racha Thewa Sub-district  
Bang Phli District, Samut Prakan Province 10540

#### **Educational Background**

Bachelor of Business Administration, Field of Accounting,  
Assumption University

#### **Training**

CFO Orientation Course for new IPOs, Class 5, Capital  
Market Knowledge Development Center, The Stock  
Exchange of Thailand

#### **Current Position at SVT**

- Executive Director
- Risk Management Committee
- Deputy Director of Accounting and Finance (CFO)

#### **Work Experience (Current - Past 5 years)**

Year 2000– Year 2018: Director of Auditing Division  
PricewaterhouseCoopers ABAS Co.,Ltd.

#### **Positions at Other Listed Companies**

No holding of positions in other listed companies

#### **Position at other companies (non-listed company)**

No holding of any positions in a company other than  
listed companies

#### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other  
companies that may cause conflicts of interest to the  
Company.



#### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Holding the position of management and  
shareholder in SVT

#### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.029%

#### **Different Special Interests**

No different special interests.

#### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

#### **Meeting Attendance in 2021**

Risk Management Committee' meetings: attended  
3 out of 3 times

#### 4. Details of the person who is directly responsible for the supervision of accounting



##### Chief Accountant

**Name-Surname** Mrs. Naparat Yenchomchuen

**Age** 51 years old      **Nationality** Thai

**Address** No. 234/70, Thepharak Sub-district, Mueang District, Samut Prakan Province 10270

##### **Educational Background**

Bachelor of Accounting, Siam University

##### **Current Position at SVT**

Chief Accountant

##### **Work Experience (Current - Past 5 years)**

- Year 2019 – Present: Chief Accountant of SUN Vending Technology PLC
- Year 2008- Year 2019: Assistant Accounting Manager of SUN Vending Technology PLC

##### **Positions at Other Listed Companies**

No holding of positions in other listed companies

##### **Position at other companies (non-listed company)**

No holding of any positions in a company other than listed companies

##### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.

##### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Holding the position of a shareholder in SVT

##### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.028%

##### **Different Special Interests**

No different special interests.

##### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

## 5. Company Secretary Details

### Company Secretary

**Name-Surname** Ms. Supa Piyakornthaweerung

**Age** 54 years old      **Nationality** Thai

**Address** No. 484, Ladprao - Wang Hin Road, Lat Phrao  
Sub-district, Lat Phrao District, Bangkok 10230

### **Educational Background**

Bachelor of Accounting, Krirk University

### **Training**

Company Secretary Course, Class 90/2018 from Thai  
Listed Companies Association

### **Current Position at SVT**

Company Secretary

### **Work Experience (Current - Past 5 years)**

- Year 2019 - Present: Company Secretary of SUN Vending Technology PLC
- Year 2009 - Year 2019: Finance Manager of SUN Vending Technology PLC

### **Positions at Other Listed Companies**

No holding of positions in other listed companies

### **Position at other companies (non-listed company)**

No holding of any positions in a company other than listed companies

### **Holding a Director/Executive Position at Other Companies That May Cause Conflicts of Interest to the Company**

No holding of any director/executive positions in other companies that may cause conflicts of interest to the Company.

### **Relationship with the Management or Major Shareholder/Minor Shareholder of the Company**

Holding the position of Executive and Shareholder in the top 10 major shareholders of SVT



### **Company Securities Holding / Company Shares**

Shareholding in SVT: 0.466%

### **Different Special Interests**

No different special interests.

### **Legal Disputes in the Past 10 Years**

No legal disputes in the past 10 years

## Attachment 2

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### Details of the Directors of the Subsidiary

- At present, SVT does not have any subsidiaries. -

## Attachment 3

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### Details of the Head of Internal Audit

## Details of the Head of Internal Audit

Details about the Company's Internal Audit Supervisor and Supervisor committee Has approved the hiring of an audit company within Dharmniti Internal Audit Company Limited to be the company's internal auditor from 2019 to present with the details of the audit supervisor by 2021 as follows:

Chief of internal audit	
Name-Surname	Ms. Ruetaichanoke Supapong
Age	38 years old
Nationality	Thai
Educational Background	Bachelor of Humanities and Social Sciences, Marketing, Burapha University
Training history	<ul style="list-style-type: none"> <li>- Pre-CIA Program</li> <li>- CIA Part II Training Program</li> <li>- COSO 2013 curriculum, theory and practice</li> <li>- Course of internal control guidelines for companies preparing to be listed on the stock exchange</li> <li>- International Standards for the Professional Practice of Internal Auditing</li> <li>- IT Audit Course</li> <li>- Corruption Investigation Course</li> <li>- Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)</li> <li>- Project for maintaining and improving the quality of the organization's internal audit work</li> <li>- Asian Confederation of Institutes of Internal Auditors conference 2018</li> <li>- Internal Audit Comprehensive : IAC</li> </ul>
Certificate	Certified Professional Internal Audit of Thailand (CPIAT)
Work Experience	<ul style="list-style-type: none"> <li>- Jun 2016 -Present: Executive Director Manager of Dharmniti Internal Audit Company Limited</li> <li>- 2011-2016 Assistant Manager of Dharmniti Auditing Company Limited</li> <li>- 2009-2010 Senior Internal Auditor of Dharmniti Auditing Company Limited</li> <li>- 2007-2008 Internal Auditor of Dharmniti Auditing Company Limited</li> </ul>

## Attachment 4

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Assets used in business operations and details of property appraisals



## Assets used in business operations and details of property appraisals

Assets used in business operations and details of the appraisal items can be found in the details of the report, Part 3, financial statements No.13 Page No. 127

## Attachment 5

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Corporate Governance Policy and Practice (Full Version)  
and Business Ethics (Full Version)

## Corporate Governance Policy and Practice (Full Version) and Business Ethics (Full Version)

1. Corporate Governance Policy  
<https://www.sunvending.co.th/storage/downloads/corporate-governance/corporate-governance-policy/20211101-svt-corporate-governance-policy-th.pdf>
2. Business ethics  
<https://www.sunvending.co.th/storage/downloads/corporate-governance/code-of-conduct/20211101-svt-code-of-conduct-th.pdf>
3. Anti-Corruption and Corruption Policy  
<https://www.sunvending.co.th/storage/downloads/corporate-governance/anti-bribery-and-corruption/2021101-svt-anti-corruption-policy-th.pdf>
4. Complaints and Whistleblowing Policy  
<https://www.sunvending.co.th/storage/downloads/corporate-governance/anti-bribery-and-corruption/2021101-svt-whistleblowing-form-th.pdf>
5. Charter of the various committees of the Company  
<https://www.sunvending.co.th/th/corporate-governance/charters-board-and-subcommittee>

## Attachment 6

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### Subcommittees report

## Report from the Audit Committee

The Audit Committee of SUN Vending Technology Public Company Limited consists of 3 independent directors who do not participate in the management of the company, all of whom are fully qualified in accordance with the regulations of the Stock Exchange of Thailand and the Stock Exchange of Thailand, and were appointed by the Board of Directors as follows:

- |                  |               |                                 |
|------------------|---------------|---------------------------------|
| 1. Mr. Krittinai | Lertsitthisak | Chairman of the Audit Committee |
| 2. Mr. Jark      | Chulakiet     | Audit Committee                 |
| 3. Mr. Pansak    | Statsatien    | Audit Committee                 |

All Audit Committees are knowledgeable, competent, and experienced and perform according to their duties assigned with diligence and sufficient independence under the Charter of the Audit Committee. Last year, there were 3 meetings of the Audit Committee and 1 meeting with the auditor without the participation of the management. The key operations were summarized as follows.

### 1. Review financial reports

The Audit Committee reviewed the 2021 financial statements by meeting with the auditors and related executives to inquire and listen to clarifications in order to ensure that the process of preparing the financial statements of the company and disclosure of important information is accurate, complete, and reliable with the opinion that the financial statements prepared are correct and complete in the disclosure of information and according to the accounting standards.

### 2. Review the internal control system.

The Audit Committee has made the Company hire an external internal-auditor, Dharmniti Internal Audit Company Limited, to review the assessment of the Company's internal control system by considering the work of the internal auditors in order to ensure the Company's internal control processes and reduce risks that may arise.

### 3. Review the Risk management.

The Audit Committee has reviewed and assessed the efficiency of the Company's risk management process. The Company's Risk Management Committee has been established to consider and give suggestions on important risks, including proposing a risk management plan and following up on risk management results that will affect the company's goals and strategies.

### 4. Review the compliance with the required laws.

The Audit Committee has reviewed the Company's operations and come to the opinion that the company has complied with the law and related terms in accordance with the law on securities and exchange regulations of the Stock Exchange of Thailand, as well as laws related to business operations.

### 5. Review connected transactions or transactions that may have conflicts of interest.

The Audit Committee has reviewed and commented on the connected transactions or transactions that may have conflicts of interest of the Company to consider whether the reporting was carried out in reasonable conditions and the information is disclosed correctly and completely, as well as the interests of stakeholders.

6. Supervise the internal audit work.

The Internal Audit Committee has reviewed the internal audit to assess its effectiveness by considering the principles of inspection, focusing on the level of risk of the business, the annual internal audit plan, information from audit reports, and following-up, and giving recommendations for improving the efficiency and effectiveness of audit operations.

7. Review fraud prevention and investigation

The Audit Committee has reviewed the fraud investigation as well as measures and established guidelines for preventing fraud that may occur in various systems by requiring the Company to receive complaints, whistleblowing, and protect whistleblowers and the people involved in the operation, as well as establish a policy to prevent corruption.

8. Consider selection and appoint the auditor of the year 2021

The Audit Committee has considered the selection of auditors based on knowledge and ability that meet the requirements of the Stock Exchange of Thailand, Independency, reputation, and reasonable compensation. The Audit Committee has proposed an auditor from EY Office Company Limited to the Board of Directors, which was approved to be the Company's auditor by the Annual General Meeting of Shareholders of the year 2021.

The Audit Committee has considered that in the past year, the Board of Directors and the management of the Company have performed missions that demonstrates their intention to develop good management in accordance with the guidelines for good corporate governance principles.



(Mr. Krittinai Lertsitthisak)  
Chairman of the Audit Committee

## Report from the Risk Management Committee

SUN Vending Technology Public Company Limited realizes the importance of risk management. In the present situation, risks can arise at any time. The risk management is the cornerstone of business management. The risk management process, including risk identification and risk assessment as well as overseeing and reviewing the work of the working group, monitoring and evaluating risk management results to report the assessment of risks that occur to Audit Committee and Board of Directors is on a regular basis.

The Risk Management Committee of the year 2021 has performed its duties in overseeing and managing the Company's risks. Two meetings have been held in the past year for annual risk planning, monitoring the effects of risk plans for corrective action, analyzing risks in various fields, acknowledging the report from the working group, following up on remedial issues, and making initial assessments in order to keep up and comply with the current situation as well as encourage the development of risk management to be continuously effective.

In this regard, the Risk Management Committee has strictly followed the procedures and processes under the principles of good corporate governance in order to ensure that the risk management supports the company in achieving business goals, which will bring the maximum benefit to the Company and shareholders.



(Mr. Nattapon Dejvitak)

Chairman of the Risk Management Committee

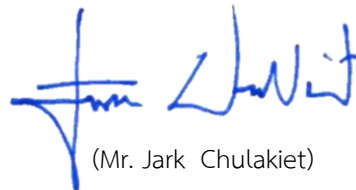
## Report from the Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 3 qualified persons, who have been appointed by the Board of Directors, as follows:

1. Mr. Jark Chulakiet Chairman of the Nomination and Remuneration Committee
2. Mr. Krittinai Lertsitthisak Member of Nomination and Remuneration Committee
3. Mr. Vathit Chokwatana Member of Nomination and Remuneration Committee

The Nomination and Remuneration Committee have duties and responsibilities in recruiting people who are suitable for the characteristics of the business of the organization to hold positions of Directors and high-ranking executives as well as considering the form and criteria for payment of remuneration for Directors and high-ranking executives in order to comply with the principles of good corporate governance.

The Nomination and Remuneration Committee aims to perform duties by using criteria for recruiting, selecting, and nominating persons with knowledge, abilities, and experience that are beneficial to the Company and the characteristics of the business, as well as being able to perform duties and devote enough time, including considering the qualifications of the person according to the criteria set by the Company which is in accordance with the Public Limited Company Act, Securities and Exchange Act Articles of Association of the Company to achieve equality, fairness, and transparency in accordance with good management principles and the interests of all shareholders and stakeholders.



(Mr. Jark Chulakiet)

Chairman of the Nomination and Remuneration Committee



## Appendix A

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A comparison of vending machine and commercial refrigerator energy consumption

## A comparison of vending machine and commercial refrigerator energy consumption

According to a technical report “Ecodesign for Commercial Refrigeration” from the EU’s Joint Research Centre (JRC), the energy consumption of a vertical refrigerator is 12.3 kWh/day.m<sup>2</sup> [1] in order to maintain the temperature in the range of -1 oC to 5 oC, which is in the same conditions as vending machine refrigeration. In addition, the National Appliance and Equipment Energy Efficiency (NAEEE) Program demonstrated that the glass fronted vending machines consume 10 to 30% more than the closed front vending machines, which have a greater can capacity and were tested at a much higher ambient temperatures (since they are designed to operate outdoors) [2]. The results showed that a glass front machine with 405 can capacity consumes 5.4 – 6.4 kWh/day (testing temperature was 23.9 oC), while a closed front machine with 471 can capacity consumes only 4.9 kWh/day despite a higher testing temperature (32.2 oC). These reports indicate a vending machine consumes significantly less electricity than a vertical refrigerator.

Furthermore, the Energy Savings Potential for Commercial Refrigeration Equipment report published by the U.S. Department of Energy pointed out that vending machines consume significantly less energy than beverage merchandisers with the same compressor size (425 Watts). Refrigerated Vending Machines consume 2,763 - 3,165 kWh/yr (Compressor accounts for 47% of energy consumption), while One-door Beverage Merchandisers consume 3,923 kWh/yr (Compressor accounts for 43% of energy consumption) [3].

[1] European Commission (2013), Technical Proposals (Draft), Ecodesign for Commercial Refrigeration, Background Document, Version 2, November 2013, pp.69.

[2] National Appliance and Equipment Energy Efficiency (NAEEE) Program (2004). Minimum Energy Performance Standards, Refrigerated Beverage Vending Machines, Nov 2004, pp.18.

[3] Arthur D. Little, Inc (1996). Energy Savings Potential for Commercial Refrigeration Equipment Final Report, Building Equipment Division, Office of Building Technologies, U.S. Department of Energy, June 1996, pp.49, 79.

## Appendix B

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Information related to R-290 refrigerant

### Information related to R-290 refrigerant

As R-290 has a much lower GWP value, replacing conventional refrigerants with R-290 can reduce impacts on the environment. In addition, R-290 consumption is typically less than conventional refrigerants because the amount of R-290 required is only 40 – 55% of R-22. R-290 can also enhance energy efficiency because its freezing point is low and the latent heat of evaporation is larger, which makes the temperature drop faster over time, and the isentropic compression ratio is small, which makes the compressor operate more easily and reduces compressor load, resulting in energy saving of at least 15% as well as a longer life.

Furthermore, most refrigerants are Hydrofluorocarbons. These refrigerants have been proven to be unsuitable for tropical climates, while R-290 is more stable and suitable.

R-290 already had a strong presence in certain regions, especially in Europe. There are 2 reasons behind this: Firstly, the gradual elimination of the substances that cause damage to the ozone layer (such as CFCs and HCFCs), and secondly, the restrictions on refrigerants that contribute to global warming. Therefore, from the environmental point of view, hydrocarbons are excellent options: they do not harm the ozone layer and have a practically zero impact on global warming. When it comes to risks, it is important to be aware of their inflammable properties. If there is a leakage and significant concentration accumulates, R290 may be inflammable, but they do not generate risks of explosion.

Importantly, it is necessary to understand specific properties of R-290 and differences between HCFCs (Hydro chlorofluorocarbons), HFCs (Hydrofluorocarbons), and hydrocarbon-based refrigerants in order to use it properly and safely.

[4] ZheJiang NOF Chemical Co. Ltd. (2022). Refrigerant News, <https://www.frio-flor.com/Advantages-of-R290-refrigerant-over-HFC-Refrigerants-id3780111.html> [Accessed date Feb 12, 2022].

[5] Refrigeration Club (2022). R290 AND R600A, <https://refrigerationclub.com/r290-and-r600a/> [Accessed date Feb 12, 2022].





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