



15th May 2023

Subject: Management's Discussion and Analysis
Financial Performance of the year 2023 (ending 31-Mar-2023)

To: President
The Stock Exchange of Thailand

SABUY Technology Public Company Limited ("the Company") and its subsidiaries ("the Group") would like to provide the Management Discussion and Analysis of quarter 1 of the year 2023 (ending 31-Mar-2023) as follows.

Significant Changes in 2023

In 2023, the Company expanded several business synergies and entered various partnerships by continuous investment and joint investment to fulfill and strengthen SABUY's Ecosystem and customer's needs. The Group categorized main businesses into **6 pillars** which are **1. Connex, 2. Enterprise & Life, 3. Payments & Wallet, 4. Financial Inclusion, 5. InnoTainment and 6. Venture** in conjunction with significant investments in propelling business growth. The Company has made significant investments that have resulted in the growth of businesses, the details of the changes in Q1 2023 are as follows:

Enterprise & Life

The Company invested in S2Smart Company Limited ("**S2SMART**") which provides a human resources procurement service in the central region, with aim of creating strong and comprehensive business synergies. This investment will utilize strengths of SABUY Outsourcing to build a solid foundation for future investments.

Payments & Wallet

According to Bank of Thailand (BoT), PFS has been granted permission to collaborate with Counter Service to install ATM/CDM machines in front of convenience stores nationwide for 500 machines in first phase, Siam Commercial Bank is the owner of this machines under a contract. The Company has installed and launched 3 machines as follows: 1. Kittichai Villa 3, Nong Chok, Bangkok 2. Mitrpracha 2, Pak kret, Nonthaburi, and 3. Khun Naii market, Krathum Baen, Samut Sakhon and expected to install and launch 97 machines within July 2023. The Company currently has 400 machines awaiting installation plans from the Bank of Thailand (BoT). Once the plans are received, the Company will proceed with the next phase of installation.

InnoTainment

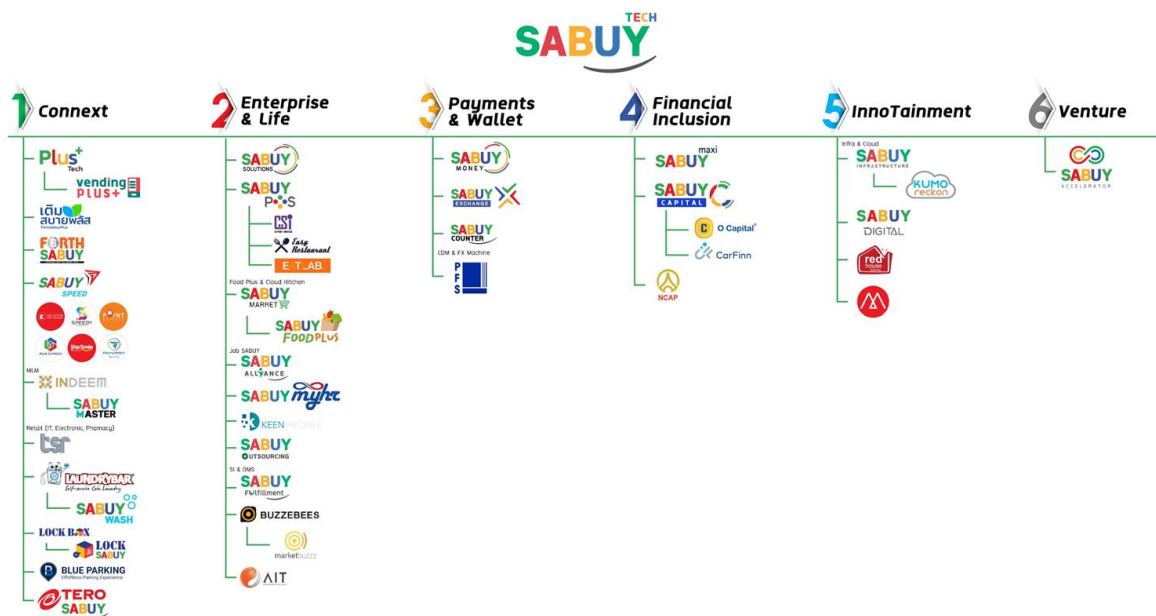
The Company has increased its investment in Asphere Innovations Public Company Limited ("**AS**") to 24.90% by recognizing the opportunities for revenue and profit growth, as well as the potential of the



บริษัท สบาย เทคโนโลยี จำกัด (มหาชน)
230 ถนนบางขุนเทียน-ชายทะเล แขวงแสมดำ
เขตบางขุนเทียน กรุงเทพมหานคร 10150

Ecosystem network, including an integration of payment gateway systems, loyalty programs, and infrastructure with online gaming businesses to create new products using the SABUY Ecosystem. Additionally, the Company is also preparing to proceed "Tender Offer" which is scheduled at Extraordinary General Meeting in first week of June, this will increase proportion of its investment and further business cooperation.

The Company invested in NIPA Technology Company Limited ("**NIPA**"), a provider of cloud systems and digital marketing agency services. The Company recognizes the necessity of supporting SABUY Ecosystem from future expansion and investment in providing technology services to Thai people and expanding to Southeast Asia region. This collaboration will provide high-quality cloud infrastructure particularly SABUY Digital and SABUY Infrastructure, which both engage in online services platform.



It can be seen that the Company continues to expand business in many areas, both horizontally and vertically to strengthen the Ecosystem to meet consumer expectations by expanding new pillars such as InnoTainment to reach a wider range of consumer lifestyles as well.

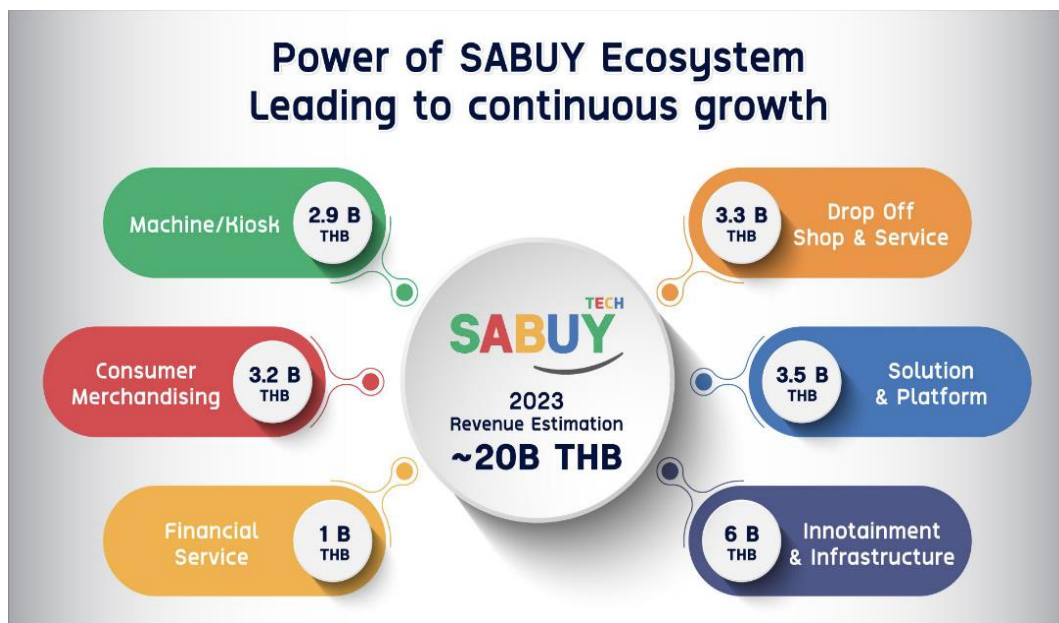
Strategy and Objective for 2023 under the “Overseas Aspiration” Concept

In 2022, the Company strengthened the Ecosystem by investing and collaborating with various partners such as SBNEXT, Asphere, SPEED (Drop-off group), LOVLS, BZB and others that are diverse and different in their business along with established subsidiaries. After joining the SABUY Ecosystem, the Group is able to widely reach the targeted users/customers while effectively implementing cost control.

In 2023, the Company aims to expand its customer base into the ASEAN region under the Overseas Aspiration concept. Initially, the Company has collaborated with GHIL and CollectCo to increase market share, along with exploring the opportunities to create business alliances and synergy at regional level in the “Distributor and System Integrator” sectors. Additionally, cross-selling opportunities will occur between companies to create a strong foundation of revenue and implement cost management effectively to unlock the full potential of SABUY’s Ecosystem.

For 2023, the Company has set a revenue target at THB 20,000 million with continuous growth in every business, the details are as follows:

- Machine/Kiosk Business ~ THB 2,900 million
- Consumer Merchandising Business ~ THB 3,200 million
- Drop-Off Shop & Service Business ~ THB 3,300 million
- Solution & Platform Business ~ THB 3,500 million
- Financial Service Business ~ THB 1,000 million
- Innotainment & Infrastructure Business ~ THB 6,000 million





Financial Performance for Q1/2023 (ending 31-Mar-2023)

| | Q1'22 | Q1'23 | Change |
|---|--------------|----------------|---------------|
| | THB mm | THBmm | Y-on-Y |
| Revenue from rendering service | 388.9 | 668.1 | 71.8% |
| Revenue from sales of goods | 267.1 | 1,674.8 | 527.0% |
| Revenue from Rendering of Contract and interest income from installment sales | 79.1 | 136.6 | 72.8% |
| Other income | 100.4 | 54.2 | -46.0% |
| Total Revenue | 835.4 | 2,533.7 | 203.3% |
| Gross profit | 225.8 | 578.0 | 156.0% |
| Total Expenses | 165.4 | 518.9 | 213.8% |
| Net Income from Equity Instruments | | 148.4 | |
| Net profit | 119.6 | 213.2 | 78.3% |
| Net profit of parent | 107.3 | 167.0 | 55.6% |
| Gross profit | % | 30.7% | 23.3% |
| Net profit | % | 8.9% | 8.4% |
| Earning per shares ¹ | Baht | 0.09 | 0.10 |

Note: 1. Calculated from no. of shares of 1,741.7 million shares as of 31 March 2023.

Revenue

Total Revenue of the Company for the Q1/2023 (ending 31-Mar-2023) was THB 2,533.7 million, representing an increase of THB 1698.3 million or 203.3% from the same period last year.

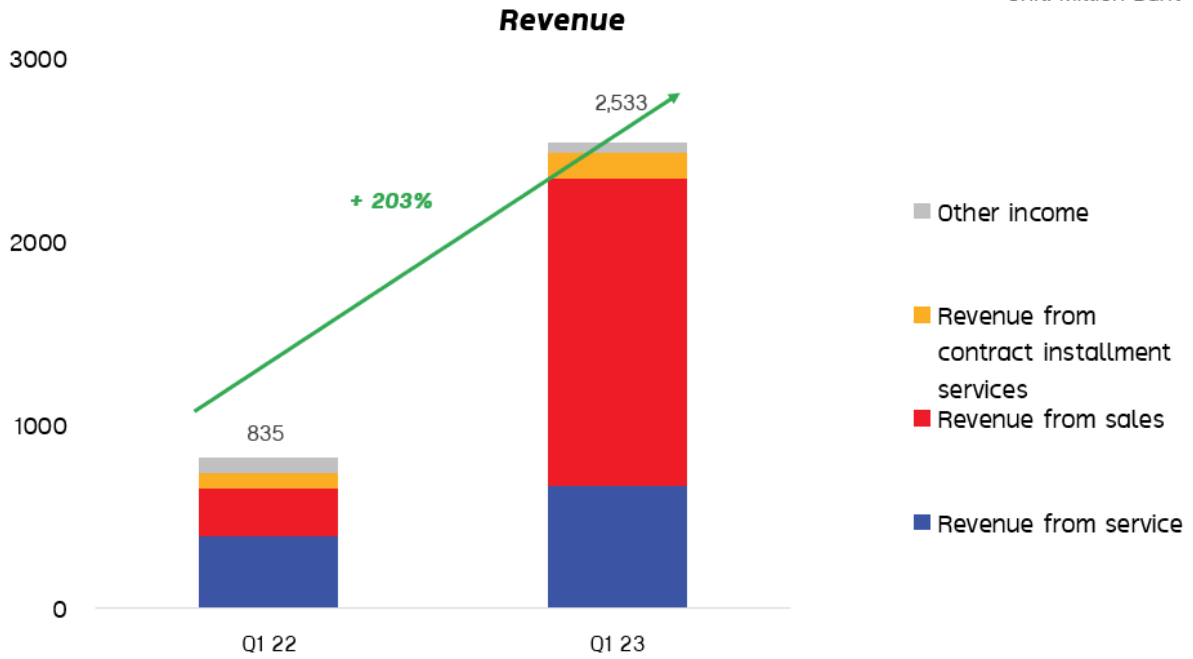
Significant changes start at the beginning of 2022 and continue until Q1/2023, due mainly to the group's revenue which generating from 16 main companies (previously only 6 main companies). Revenue is generated by Vending Plus, SABUY Market Plus, SBNEXT, SABUY SPEED, SABUY Alliances, iSoftel, BZB and LOVLS. All of these companies have a strong growth potential which will contribute more to the group's revenue in the foreseeable future. In addition, a total of THB 2,533.7 million, 52% of which are generated by the company's existing business including SABUY Tech, Plus Tech, Vending Plus, SABUY Solutions, and SPEED, and others. The remaining revenues for 2022 came from new businesses and investments. As a result, the collaboration and investment in the previous year are responding to the Company's visions and growth.



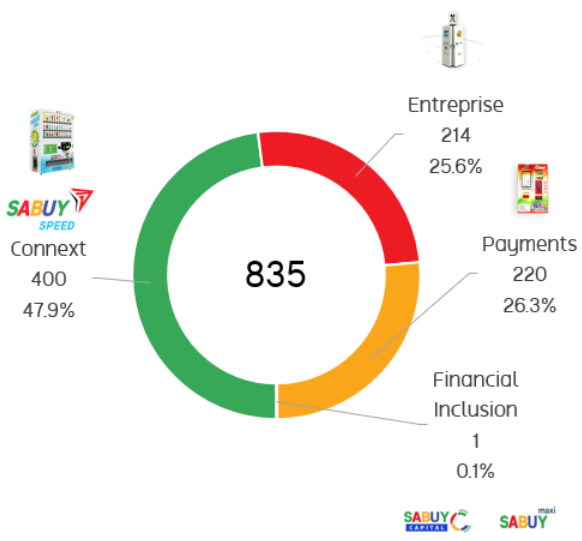
The details of revenue are as follows:

1. Revenue from rendering service for Q1/2023 was THB 668.1 million, with an increase of THB 279.3 million or 71.8% from the same period last year. This was due mainly to rapid revenue growth of SABUY SPEED. As of 31 March 2023, the Company had approximately 19,500 drop-off locations countrywide under SABUY SPEED management; ShipSmile, The Letter Post, M Point Express, Paypost, and Speedy Express. By the end of 2022, the Company had 16,143 branches, with an increase of 3,357 branches. Additionally, there was an increase in revenue recognition from the human resource management business under SABUY Alliance Company Limited which the Company invested in Q2/2022, and the recognition of revenue from BZB's CRM system, which SABUY engages in management activities in Q4/2022.
2. Revenue from sales of goods for Q1/2023 was THB 1,674.8 million, with an increase of THB 1,407.7 million or 527.0% from the same period last year. This was due mainly to the vending machines, under Vending Plus, the Company has recognized higher revenue in this quarter because of an increase in vending machine sales. As of 31 March 2023, the Company has sales of vending machines approximately 9,200 machines which exclude Forth Vending and petrol dispensers. If those machines are included, there will be around 13,000 machines. Besides, there was also an increase in revenue recognition from plastic cards under PTECH with significant growth compared with the same period last year, and the increase in sales of SABUY Market Plus. Besides, there was also an increase in revenue recognition from business investment in 2022 such as sales of water purifiers and electrical appliances from SBNEXT as well as sales of goods from the loyalty program and privilege platform under BZB.
3. Revenue from Rendering of Contract and interest income from installment sales for Q1/2023 was 136.6 million, representing an increase of THB 57.6 million or 72.8% from the same period last year. This was due mainly to an increase in the revenue of interest income from lending, as well as sales of water purifiers and electrical appliances in installments from the investment in SBNEXT and LOVLS in the year 2022.

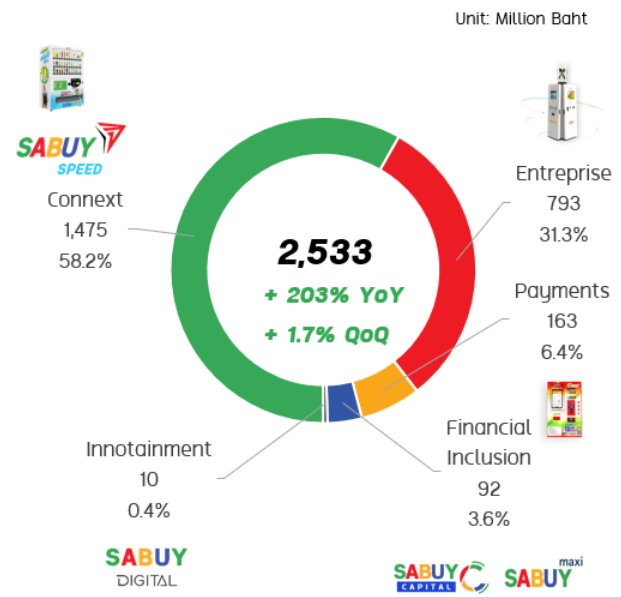
The Company still has a strong revenue structure, despite declined in revenue in an overall. The Company total revenue increased compared to Q4/2022 for THB 42.1 million or 1.7%. In Q1/2023, without new subsidiaries added to the group, the Company will restructure its comprehensive sales structure to align with the 7 SMART business plans, reflecting substantial SABUY's revenue growth potential and ready to become a regional player.



Q1 2022



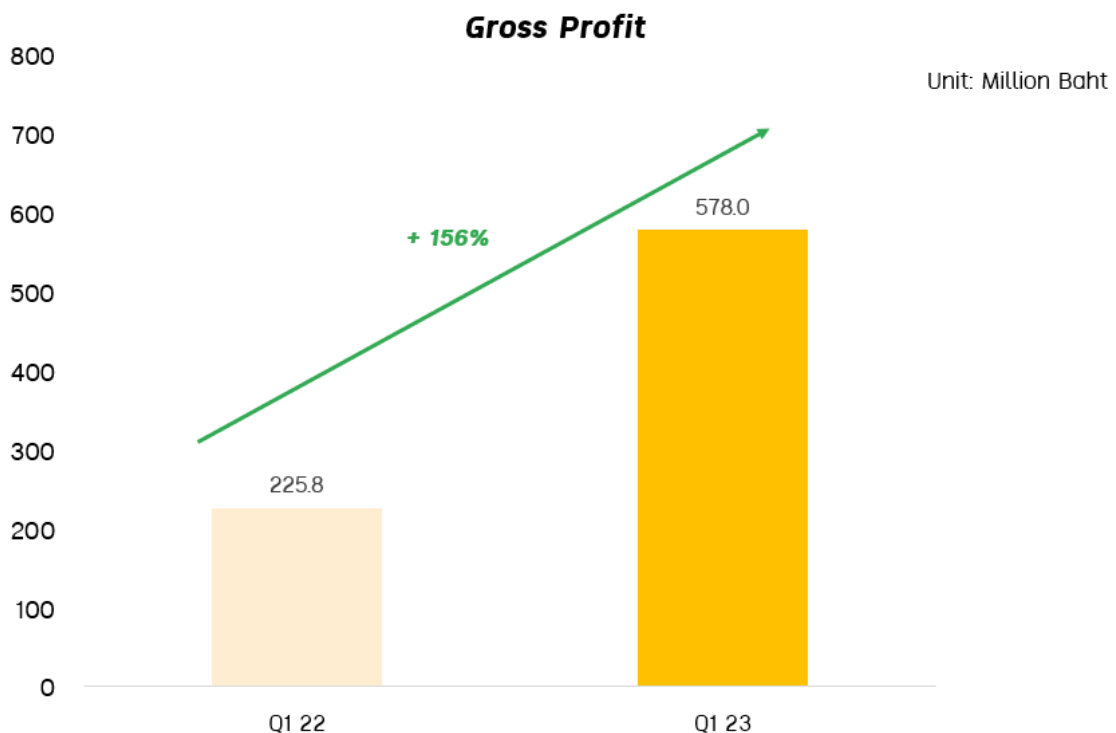
Q1 2023



Gross profit

The consolidated gross profit for Q1/2023 (ending 31-Mar-2023) was THB 578.0 million, with an increase of THB 352.2 million or 156.0% from the same period last year. Resulting from price management of goods and services to maintain and increase customer base. However, the Company was able to manage costs well in line with the expansion of the business group that increased in 2023.

The Company has a gross profit margin for Q1/2023 at 23.3%, decreased from 30.7% from the same period last year. Resulting from price management of goods and services to maintain and increase customer base. Also, the Company invested in the human resource management services business in 2022, and subsidiaries in the group including SBNEXT, BZB, etc. which has lower gross margins than the existing business.



Selling and Administration (SG&A) Expenses

SG&A expenses for Q1/2023 (ending 31-Mar-2023) totaled THB 518.9 million, an increase of THB 353.6 million or 213.8% from the same period last year due to the recognition of expenses from business consolidation, namely attaining management authority in SBNEXT, investing in SPEED group, SABUY Alliance, iSoftel group, BZB and LOVLS. In addition, the Company has recognized increased expenses from building



and expanding of the Company's foundation including Marketing, Financial Advisory, and Legal expense as well as cost of hiring additional expert executives and employees to facilitate expanding of business operations. The Company also incurred higher interest expenses from long-term and short-term loans as well as an issuance of debenture to support business expansion. Additionally, the Company invested in SINGER around 4.9% in the middle of the quarter. However, the bankruptcy of Silicon Valley Bank, it severely affected the Stock Exchange Thailand (SET), especially in the financial business group, the Company sold its shares to remaining about 0.5%, resulting in a loss from investment in SINGER of THB 38.0 million, which was included in operating expenses. If excluded, the Company expenses should be only THB 481.0 million or 190% increase from Q1/2022 and a decrease of 8% from Q4/2022. The Company foresees that administrative expenses rose to the amount of THB 273.5 million (THB 235.6 million, excluding a loss of THB 38.0 million) which noticeable increased from the same period last year due mainly to, the integration of subsidiaries has not fully consolidated. Therefore, the Company will strictly manage expenses, starting from Q2-Q3/2023, this expense will be deducted by THB 45.0 - 50.0 million per quarter.

| Expense Description | Amount (Million Baht) |
|---|--------------------------|
| Recurring Expenses in Q12023 | |
| Marketing Expenses | 10.0 |
| Advisory Expenses in Group (Investment and Legal) | 12.0 |
| Expenses for Acquisitions New Business | 10.0 |
| Additional Salary for managements and staff from new businesses | 13.0 |
| ESOP and Warrant | 14.0 |
| A loss of an investment in SINGER | 38.0 |
| Incremental Interest Expenses for supporting business expansion | 70.0 |
| Total recurring expenses for business expansion in Q1/2023 | 167.0 |



Net Profit

The Company's net profit for Q1/2023 (ending 31-Mar-2023) totaled THB 167.0 million, an increase of THB 59.7 million or 55.6%. According to the Company profit analysis, if net profit of parent in Q1/2023 is deducted by the gain on measurement of investment valuation of THB 118.7 million (after tax) and adding back the realized loss from the investment in SINGER at the amount of THB 38.0 million and adding back with recurring expenses for other business expansion of THB 129.0 million, the normalized net profit for business operations in Q1/2023 is THB 215.3 million as a result of the business integration and improvement of the Group such as SBNEXT, which SABUY just engaged in management activities at the end of July 2022, SABUY SPEED which is grouping various Drop-off businesses together and strengthen with SABUY Ecosystem, and BZB which has a strong net profit in Q1/2023 from SABUY Group's management activities as well as the merger of LOVLS business in the Financial Inclusion group.

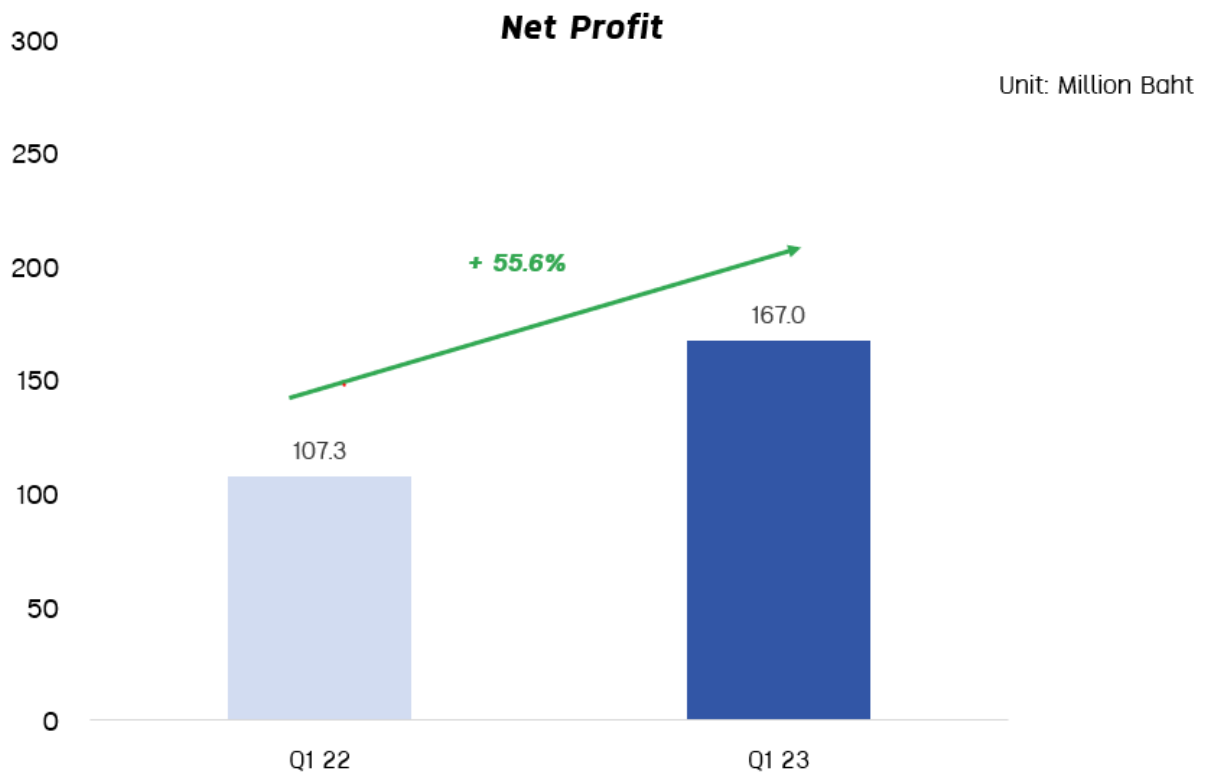
The Company's share of profit (loss) of JV and associate for Q1/2023 (ending 31-Mar-2023) totaled THB 39.0 million. This was due mainly to an investment in DOU, AS and AIT at the shareholding percentage of 40.0, 24.8 and 17.8 respectively.

However, despite the Company's continued profitability, revenue growth remained unsatisfied, and expenses continued to increase. Therefore, the Company will drive better operating results in proactive methods as follows:

1. Driving revenue growth by continuously increasing significant income in all products, distribution channels, and exploring new markets. Sales agents will be restructured with a holistic approach and provide more solutions based on the 7SMART concept, which will generate higher profits than selling individual products.
2. Similarly, the Company has tightly reduced expenses in all areas as it has observed the increasing cost and redundancies. Some areas or types of expense may have slipped out of control. So, the Company will promptly address these issues before it becomes a significant concern in the future.
3. Restructuring the Group by consolidating and improving the efficiency by using SBNEXT, PTECH and AS as the core of three main businesses: Connex, Enterprise & Life and InnoTainment. Some parts of the business, SABUY SPEED, may be sold to partners to increase its value as well as some businesses which cannot synergize with SABUY Ecosystem effectively. The Company has hired consultants to give advice on restructuring plans since the beginning of last year and is preparing for the shareholders' meeting at the end of Q2/2023 or Q3/2023.

Net Profit after recurring expenses for business operations (Core Profit)

| | Q1'23 THB (mm) |
|--|-------------------|
| Net Profit of Parent | 167.0 |
| Gain on Measurement of Investment (After Tax) | (118.7) |
| Recurring expenses for business expansion | 167.0 |
| Net Profit after recurring expenses for business operations | 215.3 |





Statement of financial position at the end of 31-Mar-2023

| Description | For the period as of | | | |
|--|----------------------|-------------|---------|-------|
| | 31 Dec 2022 | 31 Mar 2023 | Change | |
| | THB mm | THB mm | THB mm | % |
| Total Assets | 19,265.4 | 21,466.9 | 2,201.5 | 11.4% |
| Total Liabilities | 7,315.9 | 8,361.1 | 1,045.2 | 14.3% |
| Total shareholders and equity | 11,949.5 | 13,105.8 | 1,156.3 | 9.7% |
| Equity of Parent | 9,496.3 | 10,170.0 | 673.7 | 7.1% |
| Current Ratio (Time) | 0.92 | 1.13 | | |
| Debt to Equity Ratio (Time) | 0.61 | 0.64 | | |
| Interest Bearing Debt to Equity (Time) | 0.48 | 0.51 | | |

Total Assets

Total assets as of 31-Mar-2023 increased by THB 2,201.5 million or 11.4% from 31-Dec-2022 resulting from

1. Acquisition of additional investment in AS THB 271.6 million, THB IFGM 45.0 million, and increasing the measurement of investment in NAKON THB 146.5 million.
2. Cash flow and cash equivalents increased by THB 735.5 million from business operations.
3. Other assets from business consolidation

Total Liabilities

Total liabilities as of 31-Mar-2023 increased by THB 1,045.2 million or 14.3% from 31-Dec-2022 resulting from an increase of debenture to support the Group's expansion and other liabilities that increased from business consolidation.

Shareholders' Equity

Shareholders' equity as of 31-Mar-2023 solidly increased more than twice by THB 1,156.3 million or 9.7% due to

1. Issuing and offering of warrants (SABUY-W1 and SABUY-W2) to existing shareholders and exercised conversion rights increased by THB 678.5 million.
2. Increase of non-controlling interests from business consolidation in 2022.



บริษัท สมาย เทคโนโลยี จำกัด (มหาชน)
230 ถนนบางขุนเทียน-ชายทะเล แขวงแสมดำ
เขตบางขุนเทียน กรุงเทพมหานคร 10150

Analysis of Key Financial Ratios

Current Ratio

The current ratio as of 31-Mar-2023 slightly increased to 1.13x, from 31-Dec-2022 at 0.9x.

Debt-To-Equity Ratio

The debt-to-equity ratio as of 31-Mar-2023 is 0.64x, from 31-Dec-2022 at 0.61x resulting from an increase of liabilities from issuance of debentures and loans from financial institutions to support business expansion.

Interest Bearing Debt to Equity

The Interest-Bearing Debt to Equity as of 31-Mar-2023 increased to 0.51x, from 31-Dec-2022 at 0.48x resulting from issuing debenture and loans from financial institutions to support expansion of business structures.

Please be informed accordingly.

Your Sincerely,

(Mr. Chookiat Rujanapornpajee)

Group Chief Executive Office