

Sun Vending Technology Public Company Limited

Management Discussion and Analysis

For the three month period ended 31 March 2026

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 15 distribution branches divided into 13 main branches and 2 sub-branches covering service areas in 30 provinces. As of 31 March 2026, the Company had 19,285 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 three month period ended 31 March 2026 consisted of: (1) Revenue from sale of products via vending machines accounted for 96.90%; (2) Revenue from vending machine sales accounted for 1.92%; (3) Revenue from advertisement services on vending machines accounted for 0.38%; and (4) Service income and other income accounted for 0.80%.

Summary of financial performance for the three month period ended 31 March 2026

For the three month period ended 31 March 2026, the Company had a total revenue of Baht 746.62 million, increased by Baht 82.46 million or 12.42 percent from the previous year. This was mainly due to increase in revenue from selling goods via vending machines resulting from expansion of vending machines in various locations continuously. At the end of Quarter 1'2026, the Company has net increased the number of vending machines by 968 units or 5.28 percent when compared to the end of Quarter 1'2025. Average revenue/machine/day for the three month period ended 31 March 2026 was at Baht 420, which was increased from 400 Baht/machine/day in the previous year. This is because the higher revenues of vending machines located in industrial factories from good economic for export industries this period. This was resulted to some factories in automobile manufacturing factories, and electronic parts factories increasing in workers and working shifts. For sales/machine/day in other segments such as department stores, hotels, universities, and hospitals, etc. were increased from previous period as well.

The Company's net profit for the three month period ended 31 March 2026 was Baht 31.22 million, or an increase from the previous period by 29.33 percent. This was mainly because in this period the Company had higher revenues by 12.42 percent from increasing the number of vending machines to provide services and increasing in sales per machine per day as well. In addition, revenues from selling vending machines were increased. This is resulted to cover the fixed selling and distribution expenses in this period. In addition, there was no interest expenses in this period.

Statement of income	For the three month period ended 31 March 2025		For the three month period ended 31 March 2026	
	MBaht	%	MBaht	%
Revenues				
Sales	656.92	98.91	737.79	98.82
Other income	7.24	1.09	8.83	1.18
Total revenues	664.16	100.00	746.62	100.00
Expenses				
Cost of sales	(429.17)	(64.62)	(485.06)	(64.97)
Selling and distribution expenses	(187.42)	(28.22)	(202.45)	(27.12)
Administrative expenses	(17.48)	(2.63)	(20.18)	(2.70)
Other expenses	(0.05)	(0.01)	(0.03)	(0.00)
Financial costs	(0.28)	(0.04)	(0.09)	(0.01)
Total expenses	(634.40)	(95.52)	(707.81)	(94.80)
Profit before income tax expenses	29.76	4.48	38.81	5.20
Income tax expense	(5.62)	(0.85)	(7.59)	(1.02)
Net profit for the period	24.14	3.63	31.22	4.18

Revenues

The Company's total revenues for the three month period ended 31 March 2026, were amounted to Baht 746.62 million, which revenue structure can be summarised as follows:

Revenue Structure	For the three month period ended 31 March 2025		For the three month period ended 31 March 2026	
	MBaht	%	MBaht	%
1. Revenue from selling goods via vending machines	653.05	98.33	723.50	96.91
2. Revenue from selling vending machines	3.87	0.58	14.29	1.91
3. Revenue from advertising space on vending machines ⁽¹⁾	3.06	0.46	2.83	0.38
4. Service income ⁽¹⁾	2.69	0.41	3.54	0.47
Total revenues from sales and services	662.67	99.78	744.16	99.67
Other income ⁽¹⁾	1.49	0.22	2.46	0.33
Total revenues	664.16	100.00	746.62	100.00

Note ⁽¹⁾ Included under other income in the financial statement.

Revenues from sales and services

Revenues from sales and services for the three month period ended 31 March 2026, were amounted to Baht 744.16 million or 99.67 percent of total revenues. This growth increased by 12.30 percent when compared to the previous period. This growth corresponded with service area expansions by locating more units of vending machines in services in order to increase 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 three month period ended 31 March 2026, were at Baht 723.50 million, or increased by 10.79 percent from the previous period. Each year, the Company has plans to expand service areas by locating vending machines at various service facilities to increase service coverage to consumers, and boost an opportunity of sales growth. The Company plan to continue locating more units of vending machines in service. In Quarter 1'2026, the Company has net increased the number of vending machines by 274 units or 1.44 percent from the end of year 2025, or net increased the number of vending machines by 968 units or 5.28 percent when compared to the end of Quarter 1'2025. As of 31 March 2026, Company had a total of 19,285 vending machines in service.

When considering average revenue/machine/day of vending machines, average revenue/machine/day for the three month period ended 31 March 2026, was at Baht 420, which was increased from 400 Baht/machine/day in the previous period. This is because the higher revenues of vending machines located in industrial factories from good economic for export industries this period. This was resulted to some factories in automobile manufacturing factories, and electronic parts factories increasing in workers and working shifts. For sales/machine/day in other segments such as department stores, hotels, universities, and hospitals, etc. were increased from previous period as well.

The Company's top service locations (approximately 70 percent of all vending machines) are located in industrial factories such as automobile assembly factories, automobile parts manufacturing factories, textile factories, electronic parts factories, etc., followed by logistic facilities, office building, department stores, and hotel.

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, bus station and condominiums, etc., in order to adapt with changes in consumer lifestyles in the New Normal such as workers and condominium residents in cities turning to travel by public transportation for speed, and expansions of retail store business in gas station, etc.

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 also appointed by a top manufacturer of vending machines from China as a sole distributor of vending machines in Thailand. Vending machines are sold with right to customers. The Company's revenue from vending machine sales for the three month period ended 31 March 2026, was at Baht 14.29 million, or 1.92 percent of total revenues, which increased by Baht

10.42 million, or 269.33 percent when compared to the previous period. This was mainly because many vending machines were sold to the main customer in this period, and the number of other customers was increased as well.

3. Revenue from advertising space on vending machines This revenue is from service fees for displaying advertisement media on vending machines for the customers' products by mean of 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 three month period ended 31 March 2026, was at Baht 2.83 million, or 0.38 percent of total revenues. This revenue was decreased by Baht 0.23 million, or 7.42 percent when compared to the previous period due to the decrease in the number of advertisement customers.

4. Service income This revenue is revenue from coin exchange services for retail business entrepreneur, revenue from vending machine after-sale services, and revenue from renting of vending machines. Due to a nature of the Company's main business involves selling products via vending machines, most of the Company's revenue are in the form of banknotes and coins from customers who purchases 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 three month period ended 31 March 2026 was Baht 3.54 million, or 0.47 percent of total revenues, which increased by Baht 0.84 million, or 31.33 percent when compared to the previous period. This is due mainly to increases in service income for vending machine system, and vending machine transportation services.

Other income

Other income consisted of product listing fees from product owners, dividend income, interest income, and gains from sales of assets, etc. Other income for the three month period ended 31 March 2026, was amounted to Baht 2.46 million, or 0.33 percent of total revenues, which increased by Baht 0.97 million, or 65.17 percent when compared to the previous period. This is due mainly to increases in office rental income and revenue from insurance claim of assets.

Cost of sales

Cost of sales for the three month period ended 31 March 2026, was amounted to Baht 485.06 million, or 64.97 percent of total revenues. The main cost of sales was the cost of products for sale via vending machines at 98.50 percent of total costs, followed by the cost of vending machines for sale at 1.50 percent of total costs. The Company's cost structure and gross profit can be summarised as follows:

Cost structure	For the three month period ended 31 March 2025		For the three month period ended 31 March 2026	
	MBaht	%	MBaht	%
1. Cost of goods sold via vending machine	427.18	99.54	477.78	98.50
2. Cost of vending machine sold	1.99	0.46	7.28	1.50
Total cost of sales	429.17	100.00	485.06	100.00

Gross profit	For the three month period ended 31 March 2025		For the three month period ended 31 March 2026	
	MBaht	%	MBaht	%
1. Gross profit from goods sold via vending machine	225.87	34.59	245.72	33.96
2. Gross profit from vending machine sold	1.88	48.56	7.01	49.08
Total gross profit	227.75	34.67	252.73	34.26

The Company's costs of goods sold via vending machines for the three month period ended 31 March 2026, was accounted for 66.04 percent of revenue from selling goods via vending machines or a gross profit margin of 33.96 percent. The gross profit margin was slightly decreased from the previous period of 34.59 percent. 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 for the three month period ended 31 March 2026, were accounted for 50.92 percent of revenue from vending machine sales or a gross profit margin of 49.08 percent, which increased from 48.56 percent in previous period. The main reason is due to many number of second-hand vending machines sold to the customers in this period which had more gross profit than the new vending machine.

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 34 percent.

Selling and distribution expense

Selling and distribution expenses for the three month period ended 31 March 2026, were amounted to Baht 202.45 million, or 27.12 percent of total revenues. The Company's major selling and distribution expenses consisted of: (1) expenses related to route operator, and sales and marketing employees in terms of salaries, bonus, commissions and other benefits, etc., which accounted for 35.15 percent of total selling and distribution expenses; (2) depreciation expense accounted for 26.18 percent of total selling and distribution expenses; and (3) location fees for vending machine service area accounted for 19.44 percent of total selling and distribution expenses.

Major selling and distribution expense	For the three month period ended 31 March 2025		For the three month period ended 31 March 2026	
	MBaht	%	MBaht	%
Staff costs	63.78	34.03	71.17	35.15
Depreciation expenses	47.92	25.57	53.00	26.18
Location fees	35.31	18.84	39.35	19.44

Selling and distribution expenses for the three month period ended 31 March 2026, increased by Baht 15.02 million or 8.02 percent from the previous period. This is mainly due to increase in location fees for vending machine in service areas location resulting from expansions of service areas into open spaces, higher competition and a higher number of vending machines in service which increased from Baht 35.31 million to Baht 39.35 million, or increased by Baht 4.04 million, or 11.43 percent. This location fee for vending machine service areas was accounted for 19.44 percent of selling and distribution expenses, which increased from the previous period at 18.84 percent of selling and distribution expenses. Depreciation expenses increased from Baht 47.92 million to Baht 53.00 million, or increased by Baht 5.08 million, or 10.61 percent, because the Company invested in more number of vending machines in service by 968 units in the Quarter 1'2026 compared to the previous period. This also includes an increase in the number of Smart vending machines, resulting to increase in the depreciation expense. This depreciation expense was at 26.18 percent of selling and distribution expenses which increased from the previous period at 25.57 percent of selling and distribution expenses.

Administrative expenses

Administrative expenses for the three month period ended 31 March 2026, were amounted to Baht 20.18 million, or 2.70 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 54.99 percent of administrative expenses; (2) Consultation fees and directors' remuneration at 15.94 percent of administrative expenses; (3) Depreciation expenses at 13.49 percent of administrative expenses.

Major administrative expenses	For the three month period ended 31 March 2025		For the three month period ended 31 March 2026	
	MBaht	%	MBaht	%
Staff cost	9.54	54.58	11.10	54.99
Consultant fee and directors' remuneration	1.93	11.06	3.22	15.94
Depreciation expense	2.83	16.21	2.72	13.49

Administrative expenses for the three month period ended 31 March 2026, increased from the previous period by Baht 2.70 million, or 15.42 percent. This is mainly due to increases in staff cost from annual salary adjustment, and directors' remuneration.

Financial costs

Financial costs for the three month period ended 31 March 2026, were at Baht 0.09 million, or 0.01 percent of total revenues, which decreased by Baht 0.19 million from the previous period. In 2025, the Company had short-term borrowings from financial institutions in the form of promissory notes. However, in 2026, the Company did not have any short-term borrowings from financial institutions.

Net profit

The Company's net profit for the three month period ended 31 March 2026, was Baht 31.22 million, or net profit margin of 4.18 percent which increased from the previous period. This was mainly due to higher revenue from increasing the number of vending machines to provide services, and increasing in sales per machine per day as well. In addition, revenues from selling vending machines were increased. This is resulted to cover the fixed selling and distribution expenses in this period. In addition, there was no interest expenses in this period.

Analysis of Financial Position

Assets

The Company had total assets at the end of year 2025 and as at 31 March 2026, at Baht 1,844.74 million and Baht 1,866.92 million, respectively. Changes in assets can be summarised as follows:

1. Cash and cash equivalent as at 31 March 2026, were at Baht 247.49 million which increased from year 2025 by Baht 48.78 million. This was mainly due to cash flows received from operating activities by Baht 95.39 million and offset with cash flows used in investing activities by Baht 45.22 million.
2. Inventories as at 31 March 2026, were at Baht 160.99 million which decreased from year 2025 by Baht 32.42 million. This is mainly due to many inventories in warehouse sold in this period.

Liabilities

The Company had total liabilities at the end of year 2025 and as at 31 March 2026, at Baht 497.49 million and Baht 485.59 million, respectively. Changes in liabilities can be summarised as follows:

1. Trade and other payables as at 31 March 2026, were at Baht 403.75 million which decreased from year 2025 by Baht 20.51 million. This is mainly due to payments made to trade payables, and accrued bonus expenses paid to staff in this period.

Shareholders' equity

Shareholders' equity as at 31 March 2026, was at Baht 1,381.33 million accounting for 73.99% of total liabilities and shareholders' equity. This was increased from the end of year 2025 by Baht 34.07 million because of increases in operating profit for the three month period ended 31 March 2026 amounting to Baht 31.22 million.

Liquidity

1. Cash flow liquidity

Net cash flows from operating activities for the three month period ended 31 March 2026, were amounted to Baht 95.39 million which increased from the previous period by Baht 6.68 million. The main reason is the increase in operating profit and cash receipt from trade receivables and more inventories sold.

Net cash flows used in investing activities for the three month period ended 31 March 2026, were amounted to Baht 45.22 million. The Company invested in equipment amounting to Baht 46.63 million which consist of investing in vending machines including electronic parts for smart vending machines and vehicles.

Net cash flows used in financing activities for the three month period ended 31 March 2026, were amounted to Baht 1.40 million. The Company has payments of lease liabilities amounting to Baht 1.40 million.

2. Liquidity ratio and cash cycle

As at 31 March 2026, the Company had liquidity ratio at 1.05 times which increased from year 2025 which had at 1.00 times. This is due to increase in current assets from cash and cash equivalents.

From considering cash cycle for the three month period ended 31 March 2026 and 2025, at (30) days and (28) days, respectively, the Company had negative cash cycle, because the Company can collection before debt payment. This is because main revenues are cash sales that the customer has to pay when purchasing goods via vending machines.

Summary of Sustainability Performance

The Company is committed to sustainable growth. In the fast-changing business world, sustainability is not just a concept but a core principle that balances economic, social, and environmental factors. The Company recognize our responsibility to create a positive impact on the world and society while ensuring transparency, ethical business practices, and consideration for future generations.

The Company is committed to reducing our environmental footprint by utilizing clean energy, optimizing resource management, and lowering carbon footprint. At the same time, the Company strive to enhance the well-being of our employees, communities, and stakeholders through fair labor practices, workplace safety, and meaningful social initiatives.

Over the past year, the Company has implemented a project to improve production processes and reduce greenhouse gas emissions by adopting more environmentally friendly refrigerants in vending machines. Refrigerants are considered greenhouse gases capable of trapping heat, with a Global Warming Potential (GWP) ranging from hundreds to thousands, depending on their potential to contribute to global warming. Therefore, selecting appropriate refrigeration technologies and refrigerants is crucial for reducing greenhouse gas emissions. Recognizing this importance, the Company has started replacing refrigerants in automatic product dispensers from R-12 and R-22 to R-134a, with GWPs of 10,900, 1,810, and 1,430, respectively. Furthermore, the Company has transitioned to using refrigerants R-600a, R290, and R1234YF, with significantly lower GWPs of approximately 3.3, 3 and <1, respectively, in order to increase the proportion of environmentally friendly refrigerants used in business operations.

In 2025, the Company conducted a verification of its organizational greenhouse gas (GHG) emissions data, which was calculated in accordance with the Guidelines for Preparing Greenhouse Gas Emissions Reports for Listed Companies. These guidelines were developed through a collaboration between the Securities and Exchange Commission (SEC), The Stock Exchange of Thailand (SET), and the Thailand Greenhouse Gas Management Organization (Public Organization). The Company's total calculated GHG emissions amounted to 5,892 tons of carbon dioxide equivalent (tCO₂e), categorized as follows:

- Scope 1 : 3,854 tCO₂e
- Scope 2 : 1,424 tCO₂e
- Scope 3 : 614 tCO₂e

GHG emissions in year 2025 decreased by 413 tCO₂e from year 2024. For more details on sustainability management in other key areas, please refer to the 56-1 One Report under the section "Business Sustainability Development."