



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

(-Translation-)

10 November 2020

Subject Management Discussion and Analysis

Financial Performance for the nine month period ended 30 September 2020

To President

The Stock Exchange of Thailand

Sabuy Technology Public Company Limited (“the Company”) provides Management Discussion and Analysis for the nine-month period ended 30 September 2020 as follows

Financial Performance for the nine-month period ended 30 September 2020

Item	For the period ended					
	30 September 2019		30 September 2020		Change	
	THB mm	%	THB mm	%	THB mm	%
Sale revenue	244.90	26.41	398.87	35.69	153.97	62.87
Service revenue	639.36	68.94	678.11	60.67	38.75	6.06
Other revenue	43.16	4.65	40.72	3.64	(2.43)	(5.64)
Total revenue	927.42	100.00	1,117.70	100.00	190.28	20.52
Gross profit	373.29	40.25	455.27	40.73	81.98	21.96
Total expenses	364.60	39.31	429.05	38.39	64.45	17.68
Net profit	51.85	5.59	66.94	5.99	15.10	29.12
Net profit (Parent Co.)	52.11	5.62	70.26	6.29	18.15	34.83

Item	Unit	9 Months 2019	9 Months 2020
Gross profit margin	%	42.21	42.27
Net profit margin	%	5.59	5.99
Earnings per share (EPS)	THB/share	0.06	0.08

Revenue

Sale and service revenue of the Company for the nine month period ended 30 September 2020 rose by THB 197.72 million or 21.79 percent from the same period of the preceding year due to increase in revenue of the vending machine business whereby number of the Company’s vending machines rose from 2,612 as at 30 September 2019 to 5,783 as at 30 September 2020. Meanwhile, revenue from service also rose by 6.06 percent from the same period of the preceding year, in accordance with an increase in service volume and the number of top-up machines.

Gross Profit

Consolidated gross profit for the first 9 months of 2020 was THB 455.27 million, or 21.96 percent growth from the same period of the preceding year due mainly to an increase in gross profit from sale revenue attributable to a high-margin vending machine business. The gross profit margin for the first 9 months of 2020 was 42.27%, a decrease from the same period of the preceding year which was 42.21% due to a drop in revenue and gross profit from leasing interest.

Net Profit

The Company's net profit for the 9-month period ended 30 September 2020, amounted to THB 66.94 million, an increase from the same period of year 2019 in the amount of THB 51.85 million or equivalent to 29.12 percent growth. Such increase in net profit was in accordance with the growth of gross profit and together with the cost management for administrative expenses, resulting in an excellent Company's financial performance.

Financial Performance for the quarter 3/2020

Item	For the period ended					
	30 September 2019		30 September 2020		Change	
	THB mm	%	THB mm	%	THB mm	%
Sale revenue	91.91	27.46	155.09	38.96	63.18	68.74
Service revenue	230.98	69.01	234.18	58.82	3.20	1.38
Other revenue	11.83	3.54	8.85	2.22	(2.98)	(25.18)
Total revenue	334.73	100.00	398.13	100.00	63.40	18.94
Gross profit	145.09	43.35	162.58	40.84	17.49	12.05
Total expenses	112.43	33.59	150.76	37.87	38.33	34.09
Net profit	44.49	13.29	20.67	5.19	(23.82)	(53.54)
Net profit (Parent Co.)	44.26	13.22	22.54	5.66	(21.72)	(49.07)
Item	Unit	9 Months 2019		9 Months 2020		
Gross profit margin	%	44.94		41.77		
Net profit margin	%	13.29		5.19		
Earnings per share (EPS)	THB/share	0.05		0.02		

Revenue

Sale and service revenue of the Company for the quarter 3/2020 ended 30 September 2020 rose by THB 66.38 million or 20.56 percent from the same period of the preceding year due to increase in revenue of the vending machine business which grew by 68.74 percent. Meanwhile, revenue from service also rose by 1.38 percent from the same period of the preceding year.

Gross Profit

Consolidated gross profit for the quarter 3/2020 was THB 162.58 million compare to the same period of the preceding year of THB 145.09 million, an increase of 12.05 percent. Such increase was attributable to increase in revenue from the vending machine business and from contract-based service of which recognizes revenue from selling the top-up machine over the period of 5 years. Meanwhile, gross profit from service slightly declined, concurrently with the present economic condition that the top-up machine users are affected by the Covid-19 pandemic.

Net Profit

The Company's net profit for the quarter 3/2020 was THB 20.67 million, a decrease from the same period of the preceding year which was THB 44.49 million. Such decrease was due to a higher administrative cost compared to the same period of the preceding year, which resulting from an increase in expenses, in order to support business expansion, that in accordance with an increase in service volume.

Statement of Financial Position

Item	For the period ended						
	31 December 2019		30 September 2020		Change		
	THB mm	%	THB mm	%	THB mm	%	
Total assets	2,261.07	100.00	2,435.08	100.00	174.01	7.70	
Total liabilities	807.29	35.70	1,213.12	49.82	405.83	50.27	
Total shareholders' equity	1,453.78	64.30	1,221.96	50.18	(231.82)	(15.95)	
Equity belonging to shareholders of parent	1,418.80	62.75	1,169.60	48.03	(249.20)	(17.56)	
Item	Unit	2018		2019			
Current ratio	x	0.76		0.56			
Debt-to-equity ratio	x	0.56		0.99			

Total Assets

Total assets as of September 30, 2020 increased by 174.01 million baht or equivalent to 7.70 percent from 31 December 2019 due to the use of the financial reporting standard for lease (TFRS16), resulting in the record leasehold rights of vending machine installation area, lease agreement of vehicle, lease agreement and the sales and lease back contract with the financial institution.

Total Liabilities

Total liabilities as of 30 September 2020 increased by 405.83 million baht or 50.27 percent from 31 December 2019 due to an increase in short-term and long-term loans from financial institutions to support the operations of Company and subsidiaries and the payment of dividends according to the resolution of the Board of Directors' meeting in June and September 2020

Shareholders' Equity

Shareholders' equity as of September 30, 2020 decreased by 231.82 million baht or 15.95 percent from as of December 31, 2019 due to dividend payment in July and September 2020 in the amount of 322.34 million baht

Interim Dividend Payment

The Company's meeting of board of directors no. 4/2020 which was held on 19 June 2020 considered and approved an interim dividend payment from the Company's retained earnings at the rate of THB 0.023 per share, with total payment amount of THB 20.42 million. This payment was made in July 2020. Later the meeting of board of directors no. 6/2020 which was held on 3 September 2020 considered and approved an interim dividend payment from the Company's retained earnings at the rate of THB 0.34 per share, with total payment amount of THB 301.91 million. The payment was made in September 2020. The meeting also approved short-term loans from financial institutions for the amount of THB 250 million to finance the Company's working capital requirements, support its business operations and payment of interim dividend as previously discussed.

Analysis of Key Financial Ratios

Current Ratio

The current ratio as of September 30, 2020 decreased from 31 December 2019 due to the Company's dividend payment. As a result, the cash flow decreased and short-term liabilities increased. However, if dividends were not considered, the Company still had positive net cash flows from operating activities.

Debt-to-equity ratio

Debt to equity ratio as of 30 September 2020 increased from 31 December 2019 due to an increase in short-term and long-term loans from financial institutions to support the Company's operations and the payment of dividends according to the resolution of the Board of Directors meeting in June and September 2020 and a decrease in equity from this dividend payment

Please be informed accordingly

Yours sincerely,

-Mr. Chookiat Rujjanapornpajee-

Mr. Chookiat Rujjanapornpajee
Chief Executive Officer
Sabuy Technology Public Company Limited