**Sabuy Technology Public Company Limited**

**and its Subsidiaries**

Financial statements for the year ended

31 December 2021

and

Independent Auditor’s Report

Independent Auditor’s Report

To the Shareholders of Sabuy Technology Public Company Limited

*Opinion*

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

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

*Basis for Opinion*

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

*Emphasis of Matter*

I draw attention to note 4, during the year ended 31 December 2021, the Group has acquired two businesses and has engaged independent appraisers to determine the fair value of the identifiable assets acquired and liabilities assumed from the business acquisitions. As at the reporting date, the reviews have not yet been completed therefore the determination of the fair value and the allocation of the purchase price was determined provisionally and is subject to potential amendment. My opinion is not modified in respect of this matter.

*Key Audit Matters*

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

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| **Valuation of installment accounts receivable** | |
| Refer to Notes 3(g) and 8 | |
| **The key audit matter** | **How the matter was addressed in the audit** |
| The Company’s installment accounts receivable are material to the financial statements which are measured at outstanding receivables less unearned interest income and expected credit losses. The Company has overdue installment accounts receivable from customers which give rise to collectible uncertainty due to the risk of default in payment.  The Company has a credit policy including analysis of the credit history of installment accounts receivable, the current and future market environment and customer-specific conditions for setting up expected credit losses to reflect the collectible amount of installment accounts receivable.  The estimation of expected credit losses involves significant management judgment and the materiality of the transactions, I considered this matter as a key audit matter. | The audit procedures included:   * obtaining an understanding of credit policy and evaluating the design, implementation of key internal controls over the measurement of expected credit losses on installment accounts receivable, including categorisation of installment accounts receivable aging by risk characteristics, aging analysis review, forward-looking, management overlay and estimation of allowance for expected credit losses; * testing the historical default data by assessing categorisation of installment accounts receivable aging with management analysis report, the Company’s historical experience and comparing with actual results; * testing the default data by assessing the categorisation in the installment accounts receivable aging report by comparing a sample with the relevant underlying documents and inspecting, on a sample basis, cash receipts from debtors subsequent after the reporting period; * evaluating the reasonableness of the economic factors used by management in the models to adjust losses rate based on current economic conditions and forward-looking information by comparing them to relevant market information; * assessing overall data and assumptions used in management estimation whether the assumptions used in making the accounting estimate are reasonable, including interdependent and internally consistent for that accounting estimate; * testing the calculation of expected credit losses on installment accounts receivable; * consideration of the adequacy of the financial statements disclosures in accordance with Thai Financial Reporting Standards. |

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| **Valuation of asset for service and equipment (top-up machines)** | |
| Refer to Notes 3(i), 13 and 14 | |
| **The key audit matter** | **How the matter was addressed in the audit** |
| The Company provides rendering of services through top-up machines. At 31 December 2021, the net book value of top-up machines was the material amount of total assets in the financial statements.  From the change of market situation and technology and more of use of mobile phone in the business, there is a risk that the top-up machines may be presented at book value higher than the recoverable amount and the top-up machines may be impaired.  The consideration of impairment of top-up machines requires assumptions and significant management judgment and the materiality of the transactions, I considered this matter as a key audit matter. | The audit procedures included:   * understanding the Company’s procedures to determine the identification of impairment indicators, the policies and procedures that the management applied for the estimation of the recoverable amount of top-up machines; * evaluating the controls design and implementation regarding asset for service and equipment (top-up machines) and estimation of the recoverable amount of top-up machines; * considering the appropriateness of the key assumptions used in the estimation of recoverable amount by reference to internally and externally derived sources, operation plan and taking into account the historical trend and evaluating the sensitivity of key assumptions; * testing the accuracy of the calculation of the recoverable amount of top-up machines; * consideration of the adequacy of the financial statements disclosures in accordance with Thai Financial Reporting Standards. |

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| **Business acquisitions** | |
| Refer to Notes 3(a), 4, 16 and 17 | |
| **The key audit matter** | **How the matter was addressed in the audit** |
| During the year 2021, the Group acquired two businesses with the consideration transferred totaling Baht 2,068.02 million. The Group engaged independent valuers to determine fair value of identifiable assets acquired and liabilities assumed which includes intangible assets amounting to Baht 64.57 million. The Group recognised the difference between fair value and the consideration transferred as goodwill of Baht 1,228.51 million in the consolidated statement of financial position as at 31 December 2021.  Due to complexity in accounting for business combination, significant judgment required in determining the fair value of identifiable assets acquired and liabilities assumed and the materiality of the transactions, I considered this matter as a key audit matter. | The audit procedures included:   * inquiring the management regarding the nature and objectives of the acquisitions as well as reading the sale and purchase agreement and other relevant documents to understand the important terms and conditions of the transactions; * evaluating appropriateness of the identification of identifiable assets acquired and liabilities assumed and consideration transferred of the Group; * evaluating the competence, capabilities and independence of the independent valuers of the Group; * evaluating appropriateness of the assumptions and valuation approach used in determining fair value of identifiable assets acquired and liabilities assumed; * involving KPMG valuation specialist to evaluate the financial parameters applied to the discount rate, identification of the intangible assets, valuation methodology used and tested calculation; * involving expert engaged by KPMG to evaluate appropriateness of the fair value of property, plant and equipment; and * consideration of the adequacy of the financial statements disclosures in accordance with Thai Financial Reporting Standards. |

*Other Information*

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

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

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

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

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

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

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

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

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

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

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

* Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s and the Company’s internal control.
* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
* Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s and the Company’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
* Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
* Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

(Watchara Pattarapitak)

Certified Public Accountant

Registration No. 6669

KPMG Phoomchai Audit Ltd.

Bangkok

21 February 2022