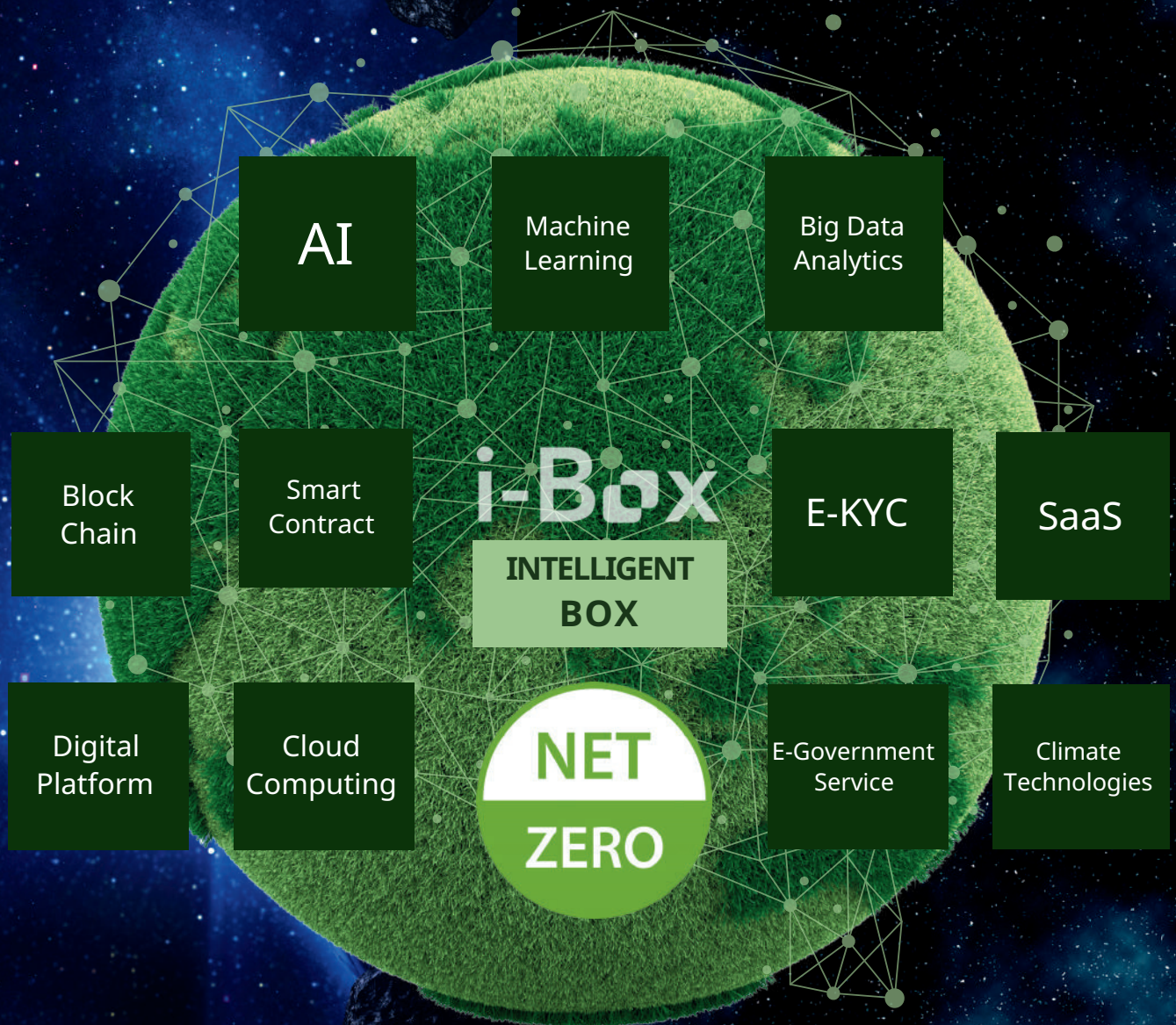


SUSTAINABLE TECHNOLOGY ONE REPORT 2023



NETbay®

WWW.NETBAY.CO.TH



VISION

To bring innovation and transformation to every business at every level from individual to ecosystem.

MISSION

To enable and empower everyone to do business better, faster, and cheaper so that they can reach their full potential and thrive. No matter what business they are in.

VALUES

1

Impact

Create long-term positive impact – At Netbay, we are the agency of change and a catalyst for transformation. We want to ensure that our actions have lasting-positive impact to our customers, partners, employees, and everyone in the society. Do the right thing.

2

Customer-centric

Customer-Centric – Our mission is to enable and empower all businesses. We put our customers first, and at the core of our business. Customer success is our number one priority so we aspire to provide them with the best products and services those meet and exceed their needs.

3

Innovation

Innovation – Innovation starts with the right mindset – a willingness to make things better and do things differently. We strive to empower our employees and partners to act innovatively in every aspect. As an innovative technology company, we aim to deliver innovation to our clients.

4

Excellence

Commitment to Excellence – Great just isn't good enough. Excellence in the little things always adds up to excellence at the bigger thing.

5

Integrity

Integrity at every parts of life – Uphold the highest standard of integrity in every decision we made. Make the right choices over and over again, especially when no one is looking.

6

Fairness

Fairness for all – Be fair to your customers, partners, and teammates. We focus on building a long-lasting trust. At Netbay, we promote an environment where we cherish open, honest, and collaborative environment. Win together.

Contents

Part 1

Business Operation and Operating Results

1. Company General Information	5
2. Corporate Structure & Business Operations	8
3. Review of Risk Management	43
4. Driving Business for Sustainability	46
5. Management Discussion and Analysis	51
Legal Dispute	60

Part 2

Corporate Governance

6. Corporate Governance Principle	62
7. Governance Structure and Key Data on The Board of Directors, Specific Committees, Management, Employees and Others	77
8. Internal Control and Related Party Transactions	96

Part 3

Financial Statements

Financial Status and Operating Results	102
Independent Auditor's Report	111
Financial Statements	116

Part 4

Certification of Information

Certification of the Correctness of Information	163
---	-----

Attachments

Attachments 1	165
Board of Directors Biographies	
Attachments 2	178
Directors of the Subsidiary and Related Companies	
Attachments 3	179
Details of Chief Internal Auditors	
Attachments 4	180
The Audit Committee Report	





Message from the Chairman of the Board and the Chief Executive Officer

Netbay Public Company Limited. As we enter our 20th year of operations, Netbay continues to focus on innovative technology, an objective that has been clearly defined from the moment of our inception.

With the country moving towards a more digitalized economy. Netbay prides itself on being the first vertically and horizontally integrated technology company in Thailand. By inventing, designing, and developing innovative technology, from upstream (that is customers) Midstream (is the central Gateway system that we provide services). Downstream (i.e. linking with all sectors, including the government sector private business sector financial institution sector), we have set up our own digital platform, offering Software-as-a-Service (SaaS) that enables electronic data exchange between government agencies, private businesses and financial institutions. This B2B and B2G platform acts as a one-stop shop service, making us an Omni Channel Connectivity Gateway. Instead of buying software from abroad, our company has developed its own software to provide comprehensive services, and consequently, we enjoy lower costs.

Our business strategy is different from other technology industries in the market. Unlike our competitors who operate more as system integrators (SI), our revenue stream is recurring with our business model focus on “Pay Per Use and Pay Per Transaction.”

Netbay, has designed its business (Business Model & Strategy) on a strong and sustainable foundation based on;

TeamWork - Knowledge - Experience - Technology
Better - Faster - Cheaper - System
4 S : Speed - Slim - Smart - Sustainable
4 I : Innovation - Information - Integration - InterExchange

Teamwork : Create an organizational culture that emphasizes teamwork.

Knowledge : Create business and innovation knowledge.

Experience : Build expertise and expertise from experience.

Technology : Creating importance in the digital world.

Better : Customers use good quality software that is easy to use and reliable.

Faster : Customers can use it immediately without having to waste of time waiting for development.

Cheaper : Customers don't have to set a high budget, just pay according to actual use.

System : (Central Gateway System) Customers use the most secure Gateway according to international standards such as ISO 27001, ISO 27701 (PDPA), SOC 2 certification.

4S

Speed : Fast software development.

Slim : (organization has low costs) an appropriate number of personnel.

Smart : Work quickly and efficiently.

Sustainable : Develop sustainable business growth.

4I

Innovation : Creating our own innovations.

Information : Data that can be analyzed for benefits.

Integration : Integration of data within the organization.

InterExchange : Links to exchange information between internal and external organizations.

As a result, Netbay has the expertise to develop Digital Platform, e-Logistics, e-Business Service, e-Payment, AI-Chat GPT, Bigdata Analytics, Cloud Computing, Mobility, IOT, Block Chain, Smart Contract, iBox (Intelligent Box), etc., with a proven track record as well. It has been accepted by both the government and private business sectors.

Green Economy :

We are confident that with Netbay's knowledge, experience, innovation, technology and team, customers will receive technology that is consistent with reducing global warming and extreme weather conditions.

As Chairman of the Board and Chief Executive Officer of Netbay Public Company Limited, we are confident that, in this age of digital and green economies, Netbay's business will contribute to building a future of stability and sustainability. On this occasion, we would like to thank all our customers, shareholders and benefactors who have continued to support us and to place their trust in our company.



Part 1

Business Operation
and Operating Results

General and important information

Company General Information

Company Name:	Netbay Public Company Limited
Registration Number:	0107557000101
Type of Business:	Electronic Transaction Services (e-Business)
Registered Capital:	200,000,000 Baht 200,000,000 Ordinary Shares Par Value : 1 Baht per Share
Paid-Up Capital:	200,000,000 Baht 200,000,000 Ordinary Shares Par Value : 1 Baht per Share
Preferred Stock:	none
Company Registration Date:	November 19, 2004
Conversion Date to Public Limited Company	April 22, 2014
First Trading Date in MAI:	June 16, 2016
Main Office:	719/5, 8-9 Rama 6 Road Wangmai Pathumwan, Bangkok 10330
Telephone Number:	02-620-1800
Fax Number:	02-612-3051
Website:	http://www.netbay.co.th

Office of the Company Secretary	
Telephone Number:	02-620-1800 #1112
Fax Number:	02-612-3051
E-mail Address:	corporatesecretary@netbay.co.th

Investor Relations	
Telephone Number:	02-620-1800 #1110
Fax Number:	02-612-3514
Email Address:	IR@netbay.co.th

References	
Registrar:	Thailand Securities Depository Company Ltd.
Address:	The Stock Exchange of Thailand 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400
Telephone Number:	02-009-9999
Fax Number:	02-009-9991

Auditor:

EY Company Limited
 Ms. Pimjai Manitkajohnkit, Certified Public Accountant,
 License No. 4521 or,
 Ms. Rosaporn Decharkom, Certified Public Accountant,
 License No. 5659 or,
 Ms. Wilaiporn Chaowiwatkul, Certified Public Accountant,
 License No. 9309 or,
 Mrs. Nummon Kerdmongkhonchai, Certified Public Accountant,
 License No. 8368

Main Office Address:

EY Company Limited
 Floor 33rd Lake Rajada Office Complex
 193/136-137 Ratchadaphisek Road, Klong Toei, Bangkok 10110

Telephone Number:

02-264-0777

Fax Number:

02-264-0789-90

General Information of Juristic Persons in which the Company Holds 10% or more Shares (Subsidiary)

Company Name:

Cloud Creation Company Limited

Registration Number:

0105554030865

Type of Business:

Electronic Service and Development

Registered Capital:

50,000,000 Baht
 50,000,000 Ordinary Shares
 Par Value: 100 Baht per Share

Paid-Up Capital:

50,000,000 Baht
 50,000,000 Ordinary Shares
 Par Value: 100 Baht per Share

Preferred Stock:

none

Company Registration Date:

March 2, 2011

Proportion of Shares Held:

Netbay Public Company Limited 100%

Main Office:

719/5 Rama 6 Road Wangmai Pathumwan, Bangkok 10330

Telephone Number:

02-219-5558

Fax Number:

02-612-3513

References:
Auditors:

EY Company Limited
 Ms. Pimjai Manitkajohnkit, Certified Public Accountant,
 License No. 4521 or,
 Ms. Rosaporn Decharkom, Certified Public Accountant,
 License No. 5659 or,
 Ms. Wilaiporn Chaowiwatkul, Certified Public Accountant,
 License No. 9309 or,
 Mrs. Nummon Kerdmongkhonchai, Certified Public Accountant,
 License No. 8368

Main Office Address: EY Company Limited
Floor 33rd Lake Rajada Office Complex
193/136-137 Ratchadaphisek Road, Klong Toei, Bangkok 10110

Telephone Number: 02-264-0777

Fax Number: 02-264-0789-90

Company Name: Fynnet Ventures Company Limited

Registration Number: 0105562201002

Type of Business: Electronic Service and Development

Registered Capital: 15,000,000 Baht
15,000,000 Ordinary Shares
Par Value: 10 Baht per Share

Paid-Up Capital: 15,000,000 Baht
15,000,000 Ordinary Shares
Par Value: 10 Baht per Share

Preferred Stock: none

Company Registration Date: December 2, 2019

Proportion of Shares Held: Netbay Public Company Limited 100%

Main Office: 719/5 Rama 6 Road Wangmai Pathumwan, Bangkok 10330

Telephone Number: 02-620-1800

Fax Number: -

References:

Auditors: Mrs. Nummon Kerdmongkhonchai, Certified Public Accountant,
License No. 8368

Main Office Address: EY Company Limited
Floor 33rd Lake Rajada Office Complex
193/136-137 Ratchadaphisek Road, Klong Toei, Bangkok 10110

Telephone Number: 02-264-0777

Fax Number: 02-264-0789-90

Email Address: corporatesecretary@netbay.co.th

Corporate Structure & Business Operations



Policy and Business Overview

Netbay Public Company Limited (“NETbay”) was established on November 19, 2004 with a registered capital of 10 million Baht, under a joint venture between a group of shareholders and the executives of Software Link Company Limited (“Software Link”), an electronic transactions software development company (e-Business) and Internet Thailand Public Company Limited (“INET”), Thailand’s first internet service provider. NETbay conducts business on inventing, creating and developing various Digital Business Technology Platforms and e-Business Services Applications in order to provide comprehensive e-Business Services between Business-to-Government (B2G) and Business-to-Business (B2B).

Since its establishment in 2004 with a registered capital of 10 million Baht, NETbay has continuously increased its capital by utilizing dividends from net profits until the company has paid up capital of 160 million Baht. On April 22, 2014, the Company offered 40,000,000 additional shares and registered in the Market for Alternative Investment (MAI) on June 16, 2016. As a result, the Company has registered capital of 200

million Baht and 200 million Baht paid up capital.

In addition, NETbay also holds Cloud Creation Company Limited’s shares (“Cloud Creation”) at a percentage of 100% of the total registered and paid up shares in order to support the service of e-Business Services group. Cloud Creation engages in the businesses of providing Customer Due Diligence (CDD Gateway) and Electronic Transaction Reporting Gateway (ETR Gateway) and Cloud Creation is the owner of Private Cloud Computing System.

The Company is primarily engaged in the invention, creation and development of various Digital Business Technology Platforms for Digital Business Service transactions and provides comprehensive Software as a Service (SaaS) for Business-to-Government (B2G), Business-to-Business (B2B) and Business-to-Consumer (B2C) Groups. The operators who use the Company’s electronic transaction services will obtain optimum benefits from the Company’s services according to the Company’s vision which is “Better, Faster, Cheaper”. In return, the Company will collect service charges on each transaction or a monthly fee.

The Company offers comprehensive Software as a Service (SaaS) to various agencies. The services cover Data Center, the Disaster Recovery Center, the operating software system that support electronic transaction system (Platform as a Service) which was developed by the Company, electronic transaction systems, networking systems and the protection of information, etc. This is an important part which enables various agencies to access information technology system services without needing a high investment budget (Cheaper), having working systems that can be used quickly (Faster), without wasting time and increasing effectiveness and reducing complications (Better) for agencies to procure, design, develop, install and maintain working systems.

The company's services are important business tools for various industries, including e-Logistics Community group, that enable the customer's corporate working systems to be carried out effectively, quickly, connecting to one another, reducing manpower which bears high cost and subject to human error. It is a service that could reduce the customers' logistical costs and be able to build competitive capabilities for customers and Thailand. The electronic transaction systems that the Company has developed and offered to customers are essential for the effective and legal business operations of the customers. As a result, the Company regularly earns recurring revenue from providing continuous services. In addition to this, the Company does not have to bear Carrying Cost of Inventory and the distribution costs for the Company's products to customers.

The Corporate e-Business services is Digital Business Services

Digital Business Services

NETbay is a provider of electronic transactions between Business-to-Government (B2G) and Business-to-Business (B2B) groups. The Digital Business Services will provide services to the targeted customer group, starting from the e-Logistics Community, in the form of an optional main service between e-Customs Paperless or e-Express services. The main service users of e-Logistics Community are import-export service providers, shipping companies, freight forwarders, shipping line agents, air transport operators and others, as well as able to use e-Payment service on the same platform. Customs e-Payment will also be provided as an additional service to facilitate the customer. In addition, the Company provides e-Manifest, a paperless report for imports/ exports system. The main users of this are terminal operators, shipping lines operators, shipping line agents and land transport operators who are responsible for reporting inventory to the customs department. This Service Group also offers e-Manifest (marine) paperless report and goods control paperless report through Port Authority of Thailand (Bangkok and Leamchabang) to link data between government and business sectors.

In addition, the company also acts as electronic data interchange provider for electronic transaction reporting and electronic data interchange provider for audit report services, a service that provides customers facts to financial institutions, banks, life insurance companies, non-life insurance companies, securities companies, asset management companies, finance companies, etc. This includes businesses that have a responsibility to comply with the laws and the notifications of the Anti-Money Laundering Office (AMLO) by sending electronic mail to the AMLO Office, as well as the

process of verifying the identity of customers who have made transactions. Moreover, company provides electronics bank guarantee data interchange service between banks and Comptroller General's Department (e-GP Portal service).

Goal & Policies

The company aims to be leader of software developer & e-Business one-stop service, with a combination of technology and customer satisfaction including, to be a part of IT infrastructure of Thailand improving efficiency of logistical operations, stable and sustainable competitiveness of Thailand. Moreover, the company give an attention to a transparency, monitoring all operations significantly, as well as, ethical stakeholder management.

Transition and Milestone Development over the Past Five Years

In 2019

• January

Netbay has provided Cloud Drive Service for Normal Declaration and e-Express with DHL Express (Thailand) Company Limited (DHL), a project to develop and connect Cloud Drive for Normal Declaration and e-Express with DHL's core logistics system in order to DHL's customers and business partners able to manually check export declaration information and urgent declaration, as well as able to check and print declaration information in Real Time, which can be used anywhere, anytime and any devices.

• May

Netbay has provided a Transit to Air service with DHL Express (Thailand) Company Limited (DHL), an automated Air Manifest transmission system from DHL to Terminal Operator (TMO), enable TMO deliver the data directly to the

Customs Department electronically in the Real time.

• July

Netbay has provided e-AWB system service with Thai Airways International Public Company Limited, in order to the export entrepreneurs able to enter the Air Way bill information through the said system by themselves and submit the information to the Thai Airways system in electronic format, including receiving a reply transmission status as well as able to print Air Waybill.

• August

- Netbay has provided Draft on Cloud service with DHL Express (Thailand) Company Limited (DHL), a project to develop and connect between ShippingNet, Draft on Cloud and DHL's core logistics systems in order to enable customers and business partners manually check import declaration information, including confirming the information back to DHL before DHL sends the information to the Customs Department, as well as able to check and print the aforementioned bill in Real Time, which can be used anywhere, anytime and any devices.
- Netbay has provided an electronic Import Declaration, Export Declaration and License Per Invoice (LPI) and LPI electronic service system with Siam Nistran Company Limited in order to enable Siam Nistran submit information and perform customs clearance to their customers accurately in accordance with the regulations of the Customs Department, which can be used anywhere, anytime and any devices. In addition, Netbay has made a connection to the Honda Group's backyard system, so that Siam Nistrans able automatically send responses to the Customs Department

status information to the Honda Group's backyard systems.

- **September**

- Netbay has expanded the service to support rapidly growth rate of Lazada Express Company Limited (LEL), which is part of the Lazada Group, the largest online shopping mall in Southeast Asia, operating in the Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam, and submit e-Express information to the Customs Department to show evidence of goods declaration, as well as paying tax on goods imported to Thailand in accordance with the regulations of the Customs Department including the full automatic day and time response of data back to the LEL back-end system. Netbay is the developer of the connection between the e-Express system and the LEL main system as well as being a gateway service provider that LEL uses to submit and receive data with Customs Department in order to enable the system handle the increasing of data transmission.
- Netbay has provided e-Customs System Interface with Back-end System with SCG International Corporation Company Limited (SCGI), a Siam Cement Group subsidiary (SCG), this project is SCGI's large project and this is continuation of the 2017 Bright & Shine project of SCG Logistics Management Company Limited (SCGL) to connect with SCGI's Finance system. As a result, SCGI's finance department can receive information electronically and continue to operate accurately and quickly.

- **December**

- Netbay was selected by Thai Connectivity Terminal Company Limited (TCT), a private port, to develop a linkage system for Goods Transition information between TCT and

Customs Department in order to enable TCT receive electronic information of goods export from the entrepreneurs accurately in accordance with the regulations of the Customs Department, as well as providing electronic responses to the entrepreneurs as well.

In 2020

- **February**

- Netbay and affiliates have passed international certification for Information Security Management Systems (ISMS), ISO/IEC 27001:2013, raising the confidence of Cloud Computing and security in CDD Gateway and ETR Gateway (3D Cone-Beam Computed Tomography) from BSI Group (Thailand) Company Limited which is an internationally accredited institution, it is another milestone for the company as a leader in technology innovation for business in the digital age, as well as a center electronic connectivity across multiple channels (Innovative Digital Business Technology Platform & Omni Channel Connectivity Gateway) in order to build confidence in the service and focus on the management of stable and security of information systems and the electronic linking confidently.

- **March**

- Netbay has been appoint as the first Service Provider of the Customs Department name is InvoiceChain, which is Cloud base system based on ISO27001, ISO27701 certified infrastructure and ETDA audited. Electronic data transmission InvoiceChain is provided in Software-as-a-Service with monthly service charge, able to instantly connected to the operator's accounting system or ERP via the internet. In addition, InvoiceChain covers the entire process of creating e-Tax Invoice, starting with preparation of information according to the specified standards, Submission of

information to the purchaser of the product and store data files, this cover all procedures and regulations of the Customs Department.

- Netbay is accredited for information systems for service providers of electronic information in accordance with the Information Security Standards for service providers of the preparation, delivery and storage of electronic information (Koh Mor Tor Aor. 21-2562), this standard covers the security of information systems of service providers of the Customs Department. Netbay is officially appointed as the Service Provider of the Customs Department able to provide as a representative of entrepreneurs in delivering E-Tax Invoice & E-Receipt.

The Service Provider that Netbay provides services as one of the three channels to deliver information to the Customs Department in addition to the Web Upload channel that entrepreneurs have to prepare electronic data and upload to the Customs Department by themselves, or Host-to-Host that entrepreneurs have to use a high investment budget, but the service provider channel, Netbay is responsible for delivering data directly to the E-Tax Invoice & E-Receipt system of the Customs Department, and there is a process to verify the completeness of the information before delivery, along with informing the results of delivery immediately once the information has been successfully logged in to the system. Thus, E-Tax Invoice & E-Receipt system helps entrepreneurs to reduce time and cost of management even more.

• April

Netbay has provides the service of the Import and Export declaration information system, License Per Invoice (LPI), Transit/Transshipment as an electronic model with Nippon Express (Thailand) Company Limited in order to able to send information and perform customs

clearance for their own customers in accordance with the regulations of the Thailand Customs Department which can be used anywhere, anytime and any devices.

• May

- Netbay cooperates with the National Science and Technology Development Agency (NSTDA), UHostNet and the Ministry of Public Health in the development and launched the “Medical Devices Demand-Supply Matching for COVID-19” system in order to increase channels for receiving donations and matching needs of the donor recipient which are hospital or nursing home, and donors such as the general public, foundations, or juristic persons to donate medical devices meet the real needs.
- Netbay and affiliated company also donate smart robots for medicine brand HAPYbot (New Model V.2020) for 10 hospitals which are Kanchanaphisek Medical Center Faculty of Medicine Siriraj, Faculty of Tropical Medicine, Faculty of medicine Ramathibodi Hospital, Maharaj Nakorn Chiang Mai Hospital, Faculty of Medicine at Chulalongkorn University, Bamrasnaradura Infectious Diseases, Chulabhorn Hospital, Yingo Hospital, Srinagarin Hospital and Songklanagarind Hospital. The objective is to support the work of healthcare workers and reduce the risk of exposure and infection such as it enables doctors and patients to communicate through robots, help guide the freedom of movement, medicines / vaccine transport and medical supplies, etc.

• October

- Netbay signed the Confirmation of Goods service agreement to Red Bull Liquor Trading (1992) Company Limited, Kamphaeng Phet branch, in order to Red Bull liquor to be able to receive, transmit and perform customs clearance for their customers in accordance with the

regulations of the Thailand Customs Department which can be used anywhere, anytime and any devices.

- Netbay has expanded the Cloud Computing system in order to support the vast growth rate of Lazada Express Company Limited (LEL), it is part of Lazada Group, the largest online shopping mall in Southeast Asia, operates in Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam and delivers express delivery information (e-Express) to the Thailand Customs Department to provide evidence of declaration of goods, as well as paying taxes on goods imported into Thailand according to the Thailand Customs Department's regulations, including the full automatic date and time response of data back to the Back-end System of LEL. Netbay developed the connection between the express delivery system and the LEL core system, it is also a gateway service provider that LEL uses to send and receive data with the Thai Customs Department in order to enable the system to support the increasing traffic volume.

• November

- Netbay has signed a contract to develop a system for sending information to the warehouse in the Eastern Economic Corridor project (EEC) with E-WTP Digital Services (Thailand) Company Limited which is a subsidiary of Alibaba Group. By such system will send the information of the declaration via the Netbay's gateway and transfer the information to the system of the Customs Department.
- Netbay has developed e-Customs System Interface with Order Management System (OMS) for SCG Logistics Management Company Limited (SCGL) which is a subsidiary of Siam Cement (Siam Cement Group-SCG). This project is a large project and is a continuation

of Bright & Shine Project 2017 of the SCGL in order to connect SCGL's Order Management system to the Customs Department's transportation system.

- Netbay has developed e-Customs System Interface with Back-end system for UTAC Thai Company Limited which is a large Importer & Exporter in Thailand by connecting UTAC's backyard system to the transportation system via Netbay's gateway and forwarded to the customs system.
- Netbay has developed Electronic Financial Management System for the Thai Chamber of Commerce and Board of Trade of Thailand, it aims to develop payment systems and provide more channels to support a wide variety of financial transactions in order to increase the flexibility of serving members and support the implementation of government policies in the preparation and delivery of e-Tax Invoice and e-Receipt.
- In November, Netbay received the Asia's 200 Best Under A Billion 2020 award from Forbes magazine, which is one of the Thai companies to be selected for the award, selected from 18,000 Public Companies with incomes above US \$ 10 million but not more than US \$ billion in Asia for 2020, then the 200 best qualified companies were selected by the criteria which are having good income and profit for at least the past 3 years, strong average return per share over the past 5 years, having a low debt burden, and strong governance. In addition, there are also qualitative criteria such as except companies that have problems with governance, dubious accounting system, companies that create environmental problems or concerns, companies with management problems or legal problems, etc.

• December

- Netbay has signed a contract to provide the Import & Export declaration information transmission system, License Per Invoice (LPI), Payment of Rubber Replanting Fund (ORRAF) as an electronic for CEVA Logistics (Thailand) Company Limited, in order to able to send information and perform customs clearance for their own customers in accordance with the regulations of the Thailand Customs Department which can be used anywhere, anytime and any devices.
- Netbay has provides an electronic Import & Export declaration services for Nitsu Logistic (Thailand) Company Limited, in order to able to send information and perform customs clearance for their own customers in accordance with the regulations of the Thailand Customs Department which can be used anywhere, anytime and any devices.
- Netbay is awarded the ISO / IEC 27701: 2019, Privacy Information Management certification, | which is the first accredited and internationally recognized institution with the Accreditation, this is a Thai national organization that has been registered internationally, both in the process of operations and with personnel meeting the international criteria recognized by ANAB (ANSI-ASQ National Accreditation Board) in order to ensure a new level of confidence for customers and service users that their information is secured under an efficient management system that has been certified to international standards in accordance with the company's policy that focuses on continuous improvement.

In 2021

• February

Netbay has launched an e-Express service for car on the Netbay Cloud Computing Solution as an extension of the service after the e-Express service for air freight, which is the express import-export system (e-Express), and e-Commerce products so that freight forwarders can send information to the Customs Department and do customs clearance for their customers properly per the regulations of the Customs Department. At all Thai customs checkpoints across the country, this service can be used anywhere, anytime, and on any device on the Netbay Cloud Computing Solution.

• March

- Netbay has signed a contract with Smart Alert Company Limited to provide e-Express service by cars. Smart Alert is the country's first customs clearance e-Express service by cars. Smart Alerts can support, send data, and perform customs formalities for their customers properly, following the regulations of the Thai Customs Department. For this service, Smart Alert chooses to use the service on Netbay's Cloud Computing, which can be used anywhere, anytime, and on any device.

• April

- Netbay has been selected by Airports of Thailand Ground Service Company Limited (AOTGA) to be a consultant for the establishment of procedures, including system testing, for requesting electronic data transmission with the Customs Department properly following the regulations of the Thai Customs Department.

- Netbay signed a memorandum of agreement with Thailand Post Distribution Company Limited and Cloud Communication Company Limited to jointly develop and provide integrated logistics services for parcel delivery with the origin, or destination, being a warehouse within the Suvarnabhumi Airport area, using the resources and networks of the three parties to benefit together most efficiently and effectively.
- Netbay signed a Memorandum of Understanding with the Institute of Defense Technology to jointly research and develop innovative digital business technology platforms and omni channel connectivity gateways, including the invention, creation, and development of innovative technology for businesses in the digital era.
- Netbay has been a service provider for delivering e-Tax invoices and e-Receipts to the Revenue Department and customers of the Thai Chamber of Commerce and the Thai Chamber of Commerce Committee.
- **May**
 - Netbay has opened an electronic export declaration system with Thai Granlux International Rice Company Limited. It is a subsidiary of the Asia Golden Rice Group, and it is the country's major exporter of rice and agricultural products, which enables Thai Granlux International Rice to properly submit its customs information and clear the rules of the Thai Customs Department.
 - Netbay has signed a contract with e-WTP Digital Services (Thailand) Limited, a subsidiary of the Alibaba Group, to become an e-Seal Web Service provider, through which the system will receive and send information electronically sealed keys for cargo containers to be stored in warehouses in the Eastern Economic Corridor (EEC). The system will send data via Netbay's lease line to the system of the Customs Department.
 - Netbay has signed a contract with Airports of Thailand Ground Service Company Limited (AOTGA) to be an electronic data transmission service provider for aircraft account reporting, cross-border clearance, and import clearance permits. The system will send data through the Netbay gateway, and the Netbay gateway will send such data to the system of the Customs Department.
 - Netbay has connected the system for sending and receiving data for the customs declaration from the Customs Department to develop the transfer of aircraft transfer information from Thai Airways International Public Company Limited to the Customs Department automatically. This system will help facilitate THAI staff's having to send corrections in a manual format, which can transmit data in real-time and reduce errors from work.
 - Netbay has been selected by Ocean Network Express (Thailand) to provide e-Tax invoices and e-Receipts to the Revenue Department and its trade partners to enhance electronic transactions in the digital era. This is necessary to eliminate all paper documents, which are considered slow and resource-consuming processes. It can also reduce personnel risks from meeting and touching, which is an important factor in reducing the current COVID-19 pandemic.
 - Netbay signed a contract with Thai TradeNet Company Limited to provide services to link and receive the electronic customs payment information and place a guarantee for tax payments with the Customs Department via an electronic system.

• July

Netbay provided an electronic data transmission system for import declaration, export declaration, transit/transshipment with Penanshin Shipping (Thailand) Company Limited in order for Penanshin Shipping (Thailand) Company Limited to correctly submit information and complete customs formalities in accordance with Thai Customs Department regulations. The system can be used at anywhere, anytime and on any devices.

• August

Netbay has signed a contract with I-Three Innovative Services Company Limited to improve and migrate the cargo-permit exchange system for the Port of Bangkok so that the Port Authority of Thailand and the Customs Department can receive, send, link, and exchange electronic data with the Customs Department.

• September

- Netbay continued to be selected by Thai Airways International Public Company Limited as the e-AWB service provider after the original contract expired in August.
- Netbay has opened the service of the e-Express system by aircraft (Express waybill) to customers of S.F. Express Company Limited, a Chinese multinational transport and logistics company. It is an e-Express system and e-Commerce product. It is an electronic product data delivery system that allows CS.F. Express to send information and complete customs formalities to their customers in accordance with Thai Customs Department regulations on Netbay Cloud Computing. The system can be used at anywhere, anytime and on any devices.
- Netbay has signed a contract with Somdet Chao Phraya Institute of Psychiatry to provide robotic rental services to medical personnel and other related systems, as standard, to assist

in the provision of services to psychiatric and neuropsychiatric patients, as well as the prevention of COVID-19 infection during personnel operations.

• November

- Netbay has extended the development of e-Customs System Interface with Order Management System (OMS) for SCG Logistics Management Company Limited ("SCGL"), a subsidiary of Siam Cement Group (SCG). This project is a grand project of SCGL and is a continuation of SCGL's 2017 Bright & Shine project. Moreover, it is an extension of the e-Customs System Interface with Order Management System (OMS) project in the first project to be one single system and to digitally transform the system to connect the Order Management system of SCGL to the customs declaration system.
- Netbay developed an e-Manifest System Interface in conjunction with a back-end system for Ocean Network Express (Thailand) Company Limited ("ONE"), a major sea liner in Thailand. It connects the ONE back-end system to the e-Manifest system and then forwards to the Customs Department's system via the Netbay gateway.
- Netbay signed a Memorandum of Understanding with the Institute of Defense Technology on a research and development project on unmanned aircraft systems technology for military and civilian drugs and medical supplies transportation to study and pilot aircraft. It is an unmanned vehicle for military and civilian drugs and medical supplies transportation; and aims in the future to implement integration with artificial intelligence technology for drug and medical supply missions covering parenteral nutrition, medical devices, blood and blood components,

supplement products, and other products and services provided by the Department of Defense health care facilities and other government and private sectors to lead the defense industry (transportation of drugs and medical supplies).

- **December**

- Netbay has improved its e-Cargo permit system and has developed a system for aircraft agents across the country who are Netbay customers to use the service to make sure that users get the best service, the system has added technological safeguards to protect them.
- Netbay has been selected by Kintetsu World Express (Thailand) Company Limited as a service provider of e-Tax invoices and e-Receipt, thereby helping operators reduce time and the cost of administrative expenses.
- Netbay has launched an electronic railway e-Manifest data transmission system as a follow-up to e-Manifest by Air, e-Manifest by Ship, and e-Manifest by Vehicle. To enable cargo operators to report railway vehicles to the Customs Department and perform customs formalities for their customers properly following the rules and regulations of the Thai Customs Department. All customs across the country and Netbay are the only service provider that offers this service on Cloud Computing Solution, which can be used by operators anywhere, anytime, and on any device.
- Netbay has signed a contract with Bangkok Terminal Logistics Company Limited to provide e-Manifest railway services by Bangkok Terminal Logistics is the first operator in the country to perform customs clearance on railway e-Manifest. The service can support Bangkok Terminal Logistics to receive information and do customs formalities for their customers properly following the regulations of the Thai Customs Department. This service Bangkok

Terminal Logistics selected to use Netbay's Cloud Computing service that can be used anywhere, anytime, and on any device.

- Cloud Creation signed a contract with Professional Computer Company Limited to provide care and maintenance services for the preparation and delivery of electronic tax invoices and electronic receipts to the Revenue Department.

In 2022

- **April**

Netbay received international certification from the Cloud Security Alliance (CSA) - Security, Trust & Assurance Registry (STAR) for its cloud security standards. This certification enhances the effectiveness of Netbay's security measures, ensuring data protection and accessibility on the cloud for its leading service providers, while also increasing user confidence.

- **May**

- Netbay signed an agreement with Thai Trade Network Co., Ltd. to provide electronic payment and data exchange services and place a guarantee for customs duty taxes.
- Netbay signed an agreement with Trans Northern Co., Ltd. to offer customers the correct customs procedures according to the rules of Customs Department for importing and exporting goods through electronic documentation, including Import and Export Declarations.
- Netbay signed an agreement with Worldwide Logistics Services (Thailand) Co., Ltd. to provide customers with accurate customs procedures according to the rules of Customs Department for importing and exporting goods through electronic documentation, including Import and Export Declarations.

- Netbay developed an e-Customs System Interface with Back-End System for SCG Distribution Company Limited, a subsidiary of Siam Cement Group-SCG. This involved connecting SAP's back-end system of SCGDIST with Netbay's gateway to send shipping documentation to the Thai Customs Department.
- Cloud Customs signed an agreement with Speedy Customs Co., Ltd. in May 2022 to provide management services for the Free Zone at Suvarnabhumi Airport (AOT-FDMS) and support operations for managing the Free Zone area. The service also includes providing access to individuals, legal entities, entrepreneurs, and employees of authorized operators within the Free Zone area of Suvarnabhumi Airport, as well as relevant government agency personnel responsible for importing and exporting goods.

• June

- Netbay signed a contract with a bank to provide maintenance service for the e-Guarantee system, which links data between business operators, banks, and the Customs Department to facilitate the import and export processes in Thailand.
- Netbay signed a contract with Jas Forwarding Worldwide (Thailand) Co., Ltd., a provider of transportation and storage services, to offer electronic Import Declaration and Export Declaration services. This enables Jas Forwarding Worldwide (Thailand) to submit accurate and timely Customs declarations for its clients in compliance with Thai Customs regulations.
- Netbay signed a contract with FM Global Logistics Co., Ltd., a provider of transportation and storage services, to offer electronic services for Import Declaration, Export Declaration, Car Manifest, Restricted Goods Permit

Message, and Vehicle Entry Reporting. This allows FM Global Logistics Co., Ltd. to submit accurate and timely Customs declarations for its clients in compliance with Thai Customs regulations.

- Cloud Creation signed an investment contract with Thailand Post Co., Ltd., and SBC Consortium to develop and provide a complete electronic document management system. As a private sector partner and a member of the SBC Consortium, Cloud Creation will play a significant role in the project.

• August

Netbay has signed a partnership agreement with K.D.Express Co., Ltd. to provide e-Express delivery service by car. K.D.Express is a major operator at Mukdahan Customs, enabling them to provide accurate customs information and procedures to their customers in compliance with Thai Customs regulations. Netbay chose to use Cloud Computing for this service, allowing it to be accessible from anywhere, anytime, and on any device.

• September

- Netbay has signed a contract with Somdet Chao Phraya Institute of Psychiatry to provide robotic rental services to medical personnel and other related systems, as standard, to assist in the provision of services to psychiatric and neuropsychiatric patients, as well as the prevention of COVID-19 infection during personnel operations.
- Netbay signed an agreement with the Islamic Bank of Thailand to provide a system for connecting electronic guarantees for transactions between banks and the Central Accounting Bureau through the e-GP Portal Service.
- Netbay was selected by Thai Post to develop an online postcard system for predicting the results of the 2022 World Cup. This is part

of Thai Post's comprehensive electronic document management system development project that allows the general public to purchase online postcards to predict the results of the 2022 World Cup through the application on their smartphones.

- Netbay signed a partnership agreement with Knowledge Discovery Co., Ltd, a software development company, to develop a system for air cargo accounting data exchange with inventory management software. This system will exchange air cargo accounting data with the inventory management program of Airport of Thailand Ground Handling (AOTGA).
- Netbay was chosen to develop the Data Interface Application for Import system for Cargill Siam Co., Ltd, a member of the Cargill group of companies in Thailand that produces and supplies food, agriculture, finance, and global industry products and services. This system will connect with the back-end system of Cargill Siam and transfer electronic shipping documents to the Thai Customs Department automatically and accurately in compliance with Thai Customs regulations.

• October

- Netbay has signed a contract with Standard Chartered Bank (Thai) to provide computer system connectivity for the e-Customs Payment Service Gateway in order to facilitate the payment of customs duties between the bank and the Customs Department.
- Netbay has provided Cloud Computing services to SCG Logistics Management Co., Ltd. (SCGL), a subsidiary of Siam Cement Group-SCG, to support business growth in e-Logistics. This includes sending electronic customs documents to the Thai Customs Department in accordance with the regulations of the Customs Department, and developing

a connection between the customs document transmission system and the main system of SCGL. Netbay is also the gateway provider used by SCGL to send and receive data with the Thai Customs Department, allowing users to access the service from anywhere, anytime, and on any device.

- Netbay has partnered with Advanced Wireless Network Co., Ltd. (AWN), a subsidiary of Advance Info Service Plc. (AIS), to develop and/or source computer programs and cloud computing systems for the IBOX E Document Workflow service to be provided to users.

• November

- Netbay has signed a partnership agreement with the Port Authority of Thailand to provide a data exchange system for ship reports and shipping account reports through the National Single Window (NSW) Submitted Once system. Netbay also provides a data exchange system for shipping release orders and container invoices with Bangkok Port and Laem Chabang Port.
- Netbay has partnered with Somluk Import & Logistics Co., Ltd. to provide e-Express car services. Somluk Import & Logistics Co., Ltd. is a major operator in customs clearance procedures for e-Express car services at the Nakhon Phanom Customs checkpoint. This enables Somluk Import & Logistics Co., Ltd. to deliver data and perform customs procedures for their customers accurately, in accordance with the regulations of the Thai Customs Department. Somluk Import & Logistics Co., Ltd. chose to use Netbay's Cloud Computing service, which is available anywhere, anytime and on any device.
- Netbay has partnered with Somluk Import & Logistics Co., Ltd. to provide e-Express car services. Somluk Import & Logistics Co., Ltd. is a major operator in customs clearance

procedures for e-Express car services at the Nakhon Phanom Customs checkpoint. This enables Somluk Import & Logistics Co., Ltd. to deliver data and perform customs procedures for their customers accurately, in accordance with the regulations of the Thai Customs Department. Somluk Import & Logistics Co., Ltd. chose to use Netbay's Cloud Computing service, which is available anywhere, anytime and on any device.

- Cloud Creation signed a contract with Professional Computer Company Limited to provide care and maintenance services for the preparation and delivery of electronic tax invoices and electronic receipts to the Revenue Department.

In 2023

• January

Cloud Creation Company Limited has signed the Free Zone management system contract with Pro Inside Company Limited in a project to hire a private sector to operate and supervise products at the Free Zone at Suvarnabhumi Airport. The project is divided into 2 phases: Phase 1, system construction and installation work along with project management throughout the contract period, and Phase 2, system service and maintenance work for a period of 5 years.

• March

- Netbay signed an employment contract with the Thai Chamber of Commerce to provide care and maintenance services for the Thaifex trade show information management system.
- Netbay signed an employment contract with the Thai Chamber of Commerce and Board of Trade of Thailand to provide services for receiving and sending information from the electronic

certificate system, being a service provider for both the application and gateway parts of the electronic Certificate of Origin issuance system and electronic product standard certification on Netbay's Cloud Computing system.

- Netbay signed an employment contract with the Thai Chamber of Commerce and Board of Trade of Thailand to provide services for preparing, delivering, and archiving tax invoices and invoice chains. The information is prepared in accordance with the Revenue Department and signed digitally to deliver into the Revenue Department's system.
- Netbay has developed a Cargo Inspection System with barcode scanners for TLM Import (Thailand) Co., Ltd., an automobile e-Express service provider through e-Express custom clearance at the Nongkhai customs. Thus, TLM Import (Thailand) Co., Ltd. can perform urgent customs clearance more quickly and efficiently, as well as support the further growth of the automobile e-Express system.

• April

Netbay signed an employment contract with the Export-Import Bank of Thailand to be a service provider for improving the e-Guarantee system, which connects information between business entrepreneurs, banks, and the Customs Department to solve the End of Support (EOS) problem of the operating system.

• May

- Netbay signed a contract with the Export-Import Bank of Thailand to provide maintenance services for the e-Guarantee system, connecting information between entrepreneurs, banks, and the Customs Department.
- Netbay signed a contract with WICE Logistics Public Co., Ltd. and launched the electronic

Import Declaration and Export Declaration system so that Wise Logistics Public Co., Ltd. can send information and complete customs clearance to its customers correctly according to the regulations of the Thai Customs Department.

• July

- Netbay signed a contract with Thai Airways International Public Co., Ltd. to be a service provider for electronic goods data transmission for the Customs Department in Thailand in the warehouse service department and postal goods (DX) for normal warehouses and urgent warehouse, for use in the warehouse and DX department
- Netbay signed a contract with Islamic Bank of Thailand to provide system services and connecting transaction information of electronic Letter of Guarantee issuance between banks and the Comptroller General's Department through e-GP Portal Service.
- Netbay signed a confidentiality agreement with Betterway International Co., Ltd. to be a joint partner in providing services to prepare and submit electronic tax invoice and electronic receipts (e-Tax Invoice and e-Receipt)
- Netbay signed a contract with World Air Logistic Co., Ltd. and launched the urgent electronic Import Declaration and Export Declaration system so that World Air Logistic Co., Ltd. can send information and complete customs clearance to its customers correctly according to the regulations of the Thai Customs Department. For this service, World Air Logistic Co., Ltd. chose to use Netbay's Cloud Computing system, which can be used anywhere, anytime and any devices.

• August

Netbay signed a contract with Sumisho Global Logistics (Thailand) Co., Ltd. and launched the electronic Import Declaration and Export Declaration system so that Sumisho Global Logistics (Thailand) Co., Ltd. can send information and complete customs clearance to its customers correctly according to the regulations of the Thai Customs Department. For this service, Sumisho Global Logistics (Thailand) Co., Ltd. chose to use Netbay's Cloud Computing system, which can be used anywhere, anytime and any devices.

• September

- Netbay signed a contract with the Bank of Ayutthaya Public Co., Ltd. to provide care and maintenance services for e-Customs Guarantee.
- Netbay signed a contract with Suzuyo (Thailand) Co., Ltd. and launched the electronic Import Declaration and Export Declaration system so that Suzuyo (Thailand) Co., Ltd. can send information and complete customs clearance to its customers correctly according to the regulations of the Thai Customs Department.

• October

- Cloud Creation Co., Ltd. signed a contract with Professional Computer Co., Ltd. to provide services for monitoring and maintenance of the electronic tax invoice and receipt information preparation and delivery system for the Revenue Department.
- Netbay signed a confidentiality agreement with Bon Kongngern Kongthong Co., Ltd. to be a joint partner in providing services to prepare and submit e-Tax Invoice and e-Receipt

- Netbay signed a contract with Transpo Logistics Co., Ltd. and launched the electronic Import Declaration and Export Declaration system so that Transpo Logistics Co., Ltd. can send information and complete customs clearance to its customers correctly according to the regulations of the Thai Customs Department.

• November

Netbay signed a contract for renting information exchange system with Port Authority of Thailand to provide the ship report and inventory information exchange service through National Single Window (NSW) which is Submitted Once, ship delivery order information exchange system, and containerslip information exchange system with Bangkok Port and Laemchabang Port.

• December

- Netbay has been certified with SOC 2 Type II (Service Organization Controls 2 Type II), under Service CDD Gateway, i-Box, Cloud infrastructure, controlled and followed strict procedures continuously and consistently so that customers' information is protected from unauthorized illegal access to data or misuse. This process includes safety inspection, vulnerability testing, and encryption services.
- Netbay signed an employment contract with Chanel (Thailand) Co., Ltd. to prepare, deliver, and archive tax invoices and invoice chains in accordance with work processes and information connection with various system of Chanel (Thailand) and in accordance with the Revenue Department, signed digitally to deliver into the Revenue Department's system.
- Netbay launched a system for preparing e-Single Entry Form NSW of Department of Disease Control by preparing a software to apply for Certificate of Origin and Origin of Disease-Free Food, facilitating issuance of Origin of Disease-Free certificate and e-receipt for e-Logistics entrepreneurs.

The Nature of Business

Revenue Structure

The Company's revenue structure over a period of 3 years and are described as follows (2021-2023).

Revenue Structure	Consolidated Financial Statement						
	2021		2022		2023		
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage	Revenue Growth
Digital Business Services	400.46	100.0	457.19	100%	487.38	100%	7%

Products and Services

The Company is primarily operate in the invention, creation and development of Digital Business Technology Platforms for Digital Business Service transactions and provides comprehensive Software as a Service (SaaS) for Business-to-Government (B2G), Business-to-Business (B2B) and Business-to-Consumer (B2C) Groups. Thus the entrepreneurs who use the Company's electronic transaction services will obtain optimum benefits from the Company's services according to the Company's vision which is "Better, Faster, Cheaper". The Company will collect service charges on each transaction (pay per transection) or a monthly fee.

The Company offers comprehensive Software as a Service (SaaS) to various agencies. The services cover Data Center, the Disaster Recovery Center, the operating software system that support electronic transaction system (Platform as a Service) which was developed by the Company, electronic transaction systems, networking systems and the protection of information, etc. This is an important part which enables various agencies to access information technology system services without needing a high investment budget (Cheaper), having working systems that can be used quickly (Faster), without wasting time and increasing effectiveness and reducing complications

(Better) for agencies to procure, design, develop, install and maintain working systems.

The company's services are a business tools for various industries, including e-Logistics Community group, that enable the customer's corporate working systems to be carried out effectively, quickly, connecting to one another, reducing manpower which bears high cost and subject to human error. It is a service that could reduce the customers' logistical costs and be able to build competitive capabilities for customers and Thailand.

Due to the electronic transaction systems that the Company has developed and offered to customers are essential for the effective and legal business operations of the customers. As a result, the Company regularly earns recurring revenue from providing continuous services. In addition, the Company does not have to bear Carrying Cost of Inventory and the distribution costs for the Company's products to customers.

1. Digital Business Services

The Company is a provider of electronic transactions between Business-to-Government (B2G) and Business-to-Business (B2B) groups. The Digital Business Services will provide services to the targeted customer group, starting from the e-Logistics

Community, in the form of an optional main service between e-Customs Paperless or e-Express services. The main service users of e-Logistics Community are import-export service providers, shipping companies, freight forwarders, shipping line agents, air transport operators and others, as well as able to use e-Payment service on the same platform. Customs e-Payment will also be provided as an additional service to facilitate the customer. In addition, the Company provides e-Manifest, a paperless report for imports/ exports system. The main users of this are Airlines, Terminal Operators, Shipping Lines Operators, Shipping Line Agents and Land Transport Operators who are responsible for reporting inventory to the customs department. This Service Group also offers e-Manifest (marine) paperless report and goods control paperless report via Port Authority of Thailand (Bangkok and Leamchabang) to link data between government and business sectors.

In addition, the Company provides services to financial institutions, banks, life insurance companies, non-life insurance, securities companies, asset management companies, finance companies, etc., which providing services as electronic data interchange provider for electronic transaction reporting and electronic data interchange provider for audit report services, a service that providers customers facts to financial institutions including businesses that have responsibility to comply with the laws and the notification of the Anti-Money Laundering Office (AMLO) by sending electronic mail to the AMLO office, as well as the process of verifying the identity of customers who have made transactions. Furthermore, the Company provides electronics bank guarantee data interchange services between banks and Comptroller General's Department (e-GP Portal service).

1.1 E-Customs Paperless Services

The Company provides a services as a connector to the customs' computer system (e-Customs Gateway) via the National Single Window network (NSW) which is a central system of information linking integrated between 36 government agencies, business sectors, both domestic and international. To provide services and facilitate one-stop import, export and logistics which importers, exporters, shipping and transport operators able to send electronic information without having to fill in duplicate information, thus to reduce errors and work without added value resulting to reduce the cost of administration management and use of various resources throughout the international trade process. In addition, the Company is a provider the Value Added Network Services (VANs).

Establishing the Country's National Single Window (NSW) by the Council of Ministers' resolution held on December 6, 2005 which approved the Custom Department to be the primary agency for implementing the NSW system establishment, to comply with the ASEAN agreement for the establishment of ASEAN Single Window (ASW). The entrepreneurs will get the advantage from using the Custom's electronic service as a wireless document via NSW system such as

1. Reduce the steps, number of data items, resubmitted documents, number of trips and transaction costs, as well as to increase the rapidity trade transactions of both the private sector and providing services from the government sector, including facilitating importers and exporters or agents to be able to deliver information and documents to various government agencies in type of Single Window Entry. According to historical statistics, 25,000 documents are used by importers and exporters per day, 40 forms

total, and 60-70% of the duplicate submission of each document in all departments dealing with import and export.

2. Immediately issue a letter of approval / certificates (if the documents are correct and complete) with only one set of document for export-import, there is only one submission - exchange - transmission of data via the National Single Window System (NSW) and information is exchanged between business and connected with NSW system. Most importantly, the development of the e-Trade Finance Supply Chain system will result in a reduction in logistics costs by at least 0.5% of the value of imported-exported goods or total not less than 28,500 million baht per year.

The Company provides e-Customs paperless services, both e-Import and e-Export system. The users can create and submit all types of declaration form in electronic format together with electronic signature (Digital Signature) of the signature holder via the Company's operating system, which easily use and uncomplicated enter the Custom's computer system electronically according to the Custom's standards instead of preparing, submitting, receiving documents and signing on paper which allows importers-exporters to pass customs clearance much faster. In addition, the procedure can be performed more comfortably and reduce costs, in order that the Company will collect service fees from users according to the number and / or size of documents

e-Customs paperless services reduces the procedures and release time of the goods, enabling importers and exporters to declare customs clearance in a very short time and the data collection for statistics can be performed in a fast and accurate time, both e-Import and e-Export. According to the World Bank's Ease of Doing Business 2017 report, Thailand was ranked

26th out of 190 countries and the development of the e-Customs paperless system in Thailand is categorized as a country that has developed an electronic information exchange system to facilitate international trade (Trading across Borders).

Distribution Channel

The Company's e-Trade Financial Supply Chain can divide into 2 groups of major customers which are a group of Company's direct customers and a group of companies that is an information system developer and provides electronic data interchange (Value Added Network Services: VANs). A group of Company's direct customers consist of Importer / Exporter, Freight Forwarders, Express Couriers, Customs Brokers, Shipping Agents, Airlines, Airlines Agents, Shipping Line Operators, Shipping Line Agents or Land Transport Operators (Terminal Operators).

Providing services via VANs, which is an important channel to serve as the Company's e-Customs Gateway. The Company currently has partners in the VANs business group, who have a relatively high market share has introduced more customers turn to the Company's e-Customs Gateway service, resulting to the number of transactions transmitted between the company and Customs' e-Customs system was the highest among the three e-Customs Gateway providers, with the company's marketing department acting to coordinate with partners in VANs.

For the Company's direct customers, the Company has appointed an Account Executive to take care of current customers of the company together with the CRM staff and is also responsible for introducing the services of the company for new target groups or those who are interested in turning to the services of the company.

Competition in the Industry

The Executives estimates that the level of competition in the industry is moderate due to there are few competitors in the industry. The company's strength is the company currently has the highest market share and is the only provider to offer both e-Customs Gateway and VANs. Moreover, users of customs clearance service place importance on the stability of the system, price and ease of use without complicated, thus the Company has therefore focused on developing a system that is stable, easy to use including set reasonable price for the service, the company believes that, it will be able to maintain leadership in e-Customs Paperless service.

1.2 Customs E-Payment Services

Currently, Importers and Shipping Agent can pay tax to the Customs Department in 2 channels which are:

- (1) At the checkout counter at the Customs Department's revenue collection unit, which can be made in cash, cashier's check, tax card (tax only) or bank guarantee.
- (2) Customs e-Payment services.

The Company provides Customs e-Payment services, linking with the bank's Computer system and the Customs Departments' computer system to receive and transmit electronic data between the Bank and the Customs Department. Tax payment via bank by direct debit method whereby the bank has been assigned by the Customs Department to act as an agent for payment of customs duty and / or insuring the customs duty to the Customs Department from the Importers, Exporters or Shipping Agents which has registered with the Customs Department to use the Customs e-Payment services. The bank will notify the Customs Department of receiving payment information from such person as well as receiving and sending any other information related to the Customs Department via the Company's computer system.

The benefits of tax payment by direct debit can be summarized are as follows:

1. It is more convenient and faster than using cash and cashier's checks including reduce the cost of transportation to buy a cashier's check and take the cashier's check to pay at the Customs Department.
2. Reducing the risk of tax payment by cash and not able to purchase a cashier's check due to the closure of the bank.
3. Can request to take the goods out of the Customs Department in a short time and receive a receipt at the Customs House.
4. There is a security system support. (CA: Certificate Authority)
5. Receive tax payment number immediately after paying with e-payment system.
6. Provides data transmission service 24 hours a day, 7 days a week. Making the customs clearance process can be carried out continuously.
7. Able to examine the tax payment status via the information system.

At present, the banks that are connected to the tax payment system which are Kasikorn Bank, Krung Thai Bank, Deutsche Bank and Standard Chartered Bank.

Distribution Channels

For the Company's direct customers, the Company has appointed an Account Executive to take care of current customers of the company together with the CRM staff and is also responsible for introducing the services of the company for new target groups or those who are interested in turning to the services of the company.

Competition in the Industry

The Executives estimates that the level of competition in the industry is low due to the number of banks that will join the service do not increase. In addition, Customs e-Payment customers are more concerned

with choosing a bank to provide service than a service company, thus the Company has a major bank that provide more coverage than any other service provider.

1.3 E-Manifest Service

The Company provides e-Manifest service to report goods in / out, the main users of this are Airlines, Airlines Agents, Terminal Operators, Shipping Lines Operators, Shipping Lines Agents, Land Transport Operators able to use the information system that the company developed for various entrepreneurs submit vehicle and goods accounts in electronic format to the Customs Department and / or the Port Authority of Thailand via the Company's computer system, including receiving of the Customs response from the Customs Department's computer system. The Company's e-Manifest service divided in to 3 types which are sea e-Manifest, air e-Manifest, car e-Manifest

The report of e-Manifest service contains the main information that must be submitted to the Customs Department's computer system, which can be summarized are as follows:

1. Vehicle report information in - out by specifying date and time that the vehicle entering or exiting the indicated port.
2. Goods account information of that vehicle.
3. Account information for each bill of lading.

Since the official of e-Customs system in 2007 until now, the Company is the only one service provider the Air e-Manifest for all Airlines or Airline Agents operating at all international airports in Thailand. Due to the company has personnel who have a good understanding of the air cargo reporting system, in addition experience and technical knowledge in developing efficient, stable, fast and responsive work systems to urgent needs and continuity in the air cargo business.

Furthermore, the Company has also developed Sea e-Manifest and Car e-Manifest system and provide services to international ships or Shipping Lines Agents, as well as the world's major Freight Forwarders, which deliver goods from neighboring countries to other countries widely in this region

The Customs Department, as an outpost and responsible for collecting taxes, promoting international trade and protecting society, requires a level of control and facilitation for the appropriate movement of persons and goods which must facilitate and speed up customs procedures by reform the Customs clearance system to reduce trade cost caused by obsolescence and inefficiency as well as to enhance the control of goods along the border by establishing a control system that is practically appropriate. In 2010, the Company joined a sub-working group to coordinate and monitor the implementation of the Customs Tracking System (Tracking System) or the Customs Department's RFID system which the Company has developed new products and services to support such projects for entrepreneurs transport by car. The new products at that time were divided into the Car Manifest system and the RFID system for inter-Customs transportation resulting to the entrepreneurs will be more convenient and quick to pass customs clearance, increase the safety of goods transported and able to set the delivery time for customers much more accurately, it also increases the efficiency of customs clearance in customs control and security..

Distribution Channels

For the Company's direct customers, the Company has appointed an Account Executive to take care of current customers of the company together with the CRM staff and is also responsible for introducing the services of the company for new target groups or those who are interested in turning to the services of the company.

Competition in the Industry

The Company is the only one service provider the Air e-Manifest. The Executives estimates that the level of competition in the industry is low due to the number of services providers do not increase and Customs e-Manifest customers are more concerned with stability of the service system, knowledge and expertise of the system development team, the Company has a proven track record of being accepted by a group of entrepreneurs and team of engineers to supervise the system in order to be able to provide services at a competitive level.

1.4 E-Express

The problems posed by the threat of international terrorism are ongoing making all countries more alert to the matter, resulting to slowdown development of economic, commercial and social. The Customs Department needed to increase control over export and shipping channels, as well as cracking down on illegal actions for safety purposes (In addition to the control of import only) by the implementation of international customs standard tools such as advance submission of commercial information, risk management, registration of licensed entrepreneurs to use of information technology and computer systems in customs and increasing cooperation with the business sector etc. The Customs Department must ensure that appropriate control roles are not mitigated according to efforts to increase trade facilitation.

Due to the Company's major customers are the world's leading Express Couriers which needs to have an electronic trading information system in advance and efficient exchange of other information with the Customs Department for electronic customs clearance for urgent goods. The Company has therefore developed e-Express services to serves these Customers in customs clearance

in order to reduce the procedure and period of goods release, as a result, Importers - Exporters can perform customs clearance in a short time.

The Company will collect service fees from users according to the amount and size of the information used in the transfer to the Customs Department and the Bank system.

Benefits to the private sector: Receive convenient and fast service, which is the heart of the entrepreneurs' performance because it is a KPI (Key Performance Indicator) that entrepreneurs have committed to their customers who are importers - exporters. In addition, entrepreneurs can send information via the e-Express system twenty-four seven and reduce the use of documents as well as tax payments can also be made via the company's e-Payment system, which makes it possible to reduce direct contact with the authorities and preparing checks to be used for tax payment that occur as well.

Benefits to the government sector: Able to increase the efficiency of the service to be more convenient and faster and the role of appropriate control will not be reduced because the Customs Department will receive the information electronically in advance of arrival or export, reduce the burden of document storage, reduce the cost of operating personnel. As well as being able to reduce the operating process in unnecessary steps because it uses the export certification system automatically by matching the information of the freight bill with the flight, and the import-export of urgent information is accurate, safe, can be used as a database for agencies such as the Ministry of Finance, Ministry of Commerce for further use in the economic development of the country.

Distribution Channels

For the Company's direct customers, the Company has appointed an Account Executive to take care of current customers of the company together with the CRM staff and is also responsible for introducing the services of the company for new target groups or those who are interested in turning to the services of the company.

Competition in the Industry

The Executives estimates that the level of competition in the industry is low due to the constant number of Express Couriers and Customs e-Express customers are more concerned with stability of the service system, knowledge and expertise of the system development team, the Company has a team with knowledge and experience in the express delivery business as well and has a proven track record of entrepreneurs and a team of engineers to supervise the system in order to be able to provide services at a competitive level.

Digital Business Services Pricing Policy Related to E-Logistics Community

The Company has a policy to set prices for the Digital Business Services related to e-Logistics Community according to the number of electronic transactions transmitted via the Company's Gateway (Transaction Base).

Target Customers of Digital Business Services Group Related to E-Logistics Community

The Company divided major customer into 2 groups which are as follows:

- 1) A group of Company's direct customer which consist of:
 - Importers - Exporters
 - Freight Forwarders, Express Couriers, Customs Brokers and Shipping Agents.
 - Airlines, Airline Agents, Shipping Lines Operators, Shipping Line Agents, Terminal

Operators, Transport Operator receive-deliver goods by land and Service Counter for paperless electronic customs clearance.

- 2) A group of companies that is an information system developer and provides electronic data interchange (Value Added Network Services: VANs) to entrepreneurs by relies on the company's network in connection with the Customs Department's computer system, in which case the company receives revenue from VANs as the company acts as an e-Customs Gateway.

1.5 ETR Gateway (Electronic Transaction Reporting Gateway)

As the Office of the Anti-Money Laundering Office (AMLO) issued a ministerial announcement, the bank has to verify the identity of the customer who performs the transaction which effective from 25 August, 2011 onwards. The various commercial banks, it is imperative to ask for cooperation for all customers who do cash transactions with banks, must present proof of identity to the bank at all times, by showing ID card or driving license or other identification evidence issued by the government, whereby the customer must be present when entering the transaction with the amount reaching the following criteria:

- Cash transactions worth two million Baht or more.
- Real estate transactions worth five million Baht or more.
- Cash transactions that are money transfers or electronic payments worth one hundred thousand Baht or more.
- Transactions that are money transfers or electronic direct debit worth seven hundred thousand Baht or more.
- Bill payment transactions with cash worth seven hundred thousand Baht or more.

In addition to the identity of the customer who performs the transaction, the bank must report the transaction to AMLO for transactions that are subject to the conditions of this ministerial regulation. Netbay Public Company Limited and Cloud Creation Company Limited have passed the examinations for their qualifications as a data management service provider to submit transaction reports via electronic media. (for Financial Institutions) according to the conditions set by AMLO on July 14, 2011.

Since then, Cloud Creation Company Limited (a subsidiary of the Company) has launched an electronic transaction reporting service for all Thai and foreign banks operating in Thailand total 36 banks for the bank can deliver electronic reports as required to AMLO Office. This service is beneficial for banks to comply with the law and save time, cost and paper usage for preparing reports and submitting reports to AMLO, the AMLO Office will receive the information electronically for efficient processing to prevent the criminal from using the financial institution as a money laundering tool.

Pricing Policy of ETR Gateway Service

The Company has a policy to set the service price for the ETR Gateway service as a monthly fee, which the company calculates based on the average data transmission volume of the customer groups.

Target Customers of ETR Gateway Service

All Thai and foreign banks which operate in Thailand.

Distribution Channels

For the Company's direct customers, the Company has appointed an Account Executive to take care of current customers of the company together with the CRM staff and is also responsible for introducing the services of the company for new target groups or those who are interested in turning to the services of the company.

Competition in the Industry

The company is an ETR Gateway (Electronic Transaction Reporting Gateway) service provider for financial institutions in Thailand that provides a complete range of services by developing various software systems for financial institution including provide services to link the system to relevant agencies. The Executives estimates that the level of competition in the industry is low due to there are no competitors and the service fees charged by banks are at a reasonable rate, making it difficult for other operators to compete. In addition, banks have been using the services continuously from the Company's information system service which is stable and safe, thus making banks Satisfied and there is no need to seek a new provider.

1.6 e-Single Entry Form NSW

The Company is a service provider to prepare information of e-Single Entry Form NSW to request permission to import or export goods from 8 government agencies, including the Department of Agriculture, Department of Livestock Development, Department of Industrial Works, Department of Fisheries, Food and Drug Administration, Department of Energy, Office of Atoms for Peace Business and the Department of Military Industry with the following related agencies:

1. License Per Invoice "LPI": software for import license with Food and Drug Administration
2. DMF License Request: software for requesting license for premature goods to exempt from duties importing goods for petroleum business operations with the Department of Natural Fuels
3. e-CESS or Rubber License Request Message : software for requesting a customs clearance permit and payment slip before exporting rubber outside the kingdom to the Rubber Authority of Thailand

4. Pink Form: software for requesting Certificate of Origin and Origin of Disease-Free Food Department of Disease Control, facilitating issuance of Origin of Disease-Free certificate and e-receipt

Sales Channels

For the direct customers group of the Company, Account Executive is tasked with taking care of customers in the current Company, jointly with RM officer. They are also responsible for providing recommendation for the Company's services to new target groups or interested individual to use the Company's services.

Competition Status in the Industry

The Company is a service provider of e-Single Entry Form NSW. The executives have assessed that the level of competition in the industry is in the middle level, since the Company has the most market shares and provides two services combined: e-Customs Paperless and e-Single Entry Form NSW, facilitating, saving time and cost of e-Logistics entrepreneurs greatly. Moreover, the Company has knowledgeable personnel, with expertise in system development, as well as advice on this aspect, with achievement accepted by entrepreneur groups.

1.7 CDD Gateway (Customer Due Diligence Gateway)

Financial institutions and professionals conducting advice or being an advisor for any transactions related to investment or capital movement under the Securities Law and non-financial Stock Exchanges under the Anti-Money Laundering Law, and electronic payment professionals under the law governing electronic payment service businesses must establish a customer acceptance policy, customer money laundering risk management is required conduct a factual investigation

about the customer at the beginning of the first transaction, it must be reviewed periodically until the end of the process when the account is closed or the relationship with the customer is terminated.

The specified operators must comply with the Anti-Money Laundering Law and Combating the Financing of Terrorism (AML/CFT). From August 21, 2012 onwards, all operators must comply with the law (AML / CFT) in its entirety, the Company directors with relevant authority will be punished under the law in acting on behalf of the company, which imposes both civil and criminal penalties.

To ensure legal compliance in customer auditing with various databases, the security and reliability of transaction reporting and data handling are of the same standard. AMLO has issued recommendations for service providers to develop and provide services to support the investigation of customers who must have qualifications in various fields and has an information system capable of operating in accordance with the procedures established by the AMLO Office. Thus, the Company passed the qualification inspection of service system features (POC: Proof of Concept), service and virtual testing which can be launched from September 14, 2012.

Pricing Policy of CDD Gateway Service

The Company has a policy to set the service price for the CDD Gateway service as a monthly fee, which depends on the customer's usage and number of users as small, medium, large and will limit the number of electronic transactions as agreed, if the amount of use is more than the specified amount, the Company will charge the excess service according to the actual usage.

Target Customers of ETR Gateway Service

The Company divided major customer into 6 groups which are as follows:

1. Various Commercial Banks such as Thai Commercial Banks, Retail Bank, Commercial Bank that is a subsidiary of a Foreign Bank, Foreign Bank branches.
2. A group of insurance business which can be divided into 2 main categories: Life Insurance business and Non-Life Insurance business.
3. A group of companies operating securities business.
4. A group of companies operating in credit service business.
5. A group of asset management companies
6. A group of derivatives business

Currently, the Company has provided all business groups according to the target, the Executives sees that the company still has an opportunity to expand the market due to the number of companies that have not yet entered the service is at least 200 companies as well as there is also an opportunity to expand the market to 3 more customer groups, which are requirements to the regulations of the AMLO Office. Reporting financial transactions, which are not the current target customers of the Company which are as follows:

7. A group of currency exchange business.
8. A group of gold business
9. Other business such as a group of asset management business, a group of cash card and others.

Moreover, the Company also has additional service opportunities to the existing customer base in the event of future additional legislation.

Distribution Channels

For the Company's direct customers, the Company has appointed an Account Executive to take care of current customers of the company together with the CRM staff and is also responsible for introducing the services of the company for new target groups or those who are interested in turning to the services of the company.

Competition in the Industry

The company is a CDD Gateway (Customer Due Diligence Gateway) service provider which provides a complete range of services by developing various software systems for customers in various business groups, as well as providing services to link the system to relevant departments and provide a database that customers need to perform audits. The Executives estimates that the level of competition in the industry is low due to the service provider must have experience in the service and relevant legal knowledge, the users are more concerned with stability, speedy service, as well as high security. The company has developed and prepared a stable information system including personnel with knowledge and experience to fully support this service in order to be able to service and meet the needs of the users according to international standards.

1.8 E-Tax Invoice & E-Receipt

The Company provides e-Tax Invoice & e-Receipt services according to the standards of the Revenue Department and ETDA by being appointed as the Service Provider of the Revenue Department is the first under the name InvoiceChain.

VAT registrants who are responsible for issuing tax invoices to purchaser can use InvoiceChain service to produce tax invoices or receipts in a legally supported electronic format, replacing the printing, deliver and store tax invoices in completely paper forms.

InvoiceChain is a cloud-based system based on an ISO27001, ISO27701 certified infrastructure and ETDA validated for electronic data delivery. InvoiceChain provides Software-as-a-Service for monthly fee, able to connect to the operator's accounting system or ERP via the internet immediately. In addition, InvoiceChain covers the entire process of creating e-tax invoice, starting with the preparation of information according to the specified standards, submission of information to the purchaser of the product and store data files which covers all procedures and regulations of the Revenue Department.

Distribution Channels

The Company has appointed an Account Executive to offer services to customers by offering services to Netbay's existing customers and offering services to new customers through digital marketing channels. There are also distribution channels through partner companies that provide accounting and ERP services for both Thai and foreign nationals.

Competition in the Industry

E-Tax Invoice & E-Receipt is getting more and more attention from entrepreneurs, originally only large operators have used e-Tax Invoice & e-Receipt. In 2020, the Company has been contacted by a large number of small and medium-sized companies, and some have started using InvoiceChain with Netbay, indicating that InvoiceChain is not just for large operators, but a necessity for businesses from small to large. In addition, tax incentives from the Revenue Department are another factor that encourages entrepreneurs to be more interested in the e-Tax Invoice & e-Receipt system.

Competition in the e-Tax Invoice & e-Receipt service market is likely to increase due to the increasing number of service providers, in which there are 13 companies in Thailand that are Service Provider, Netbay is the first company to be appointed by the Revenue Department. In addition, there are other companies that offer e-Tax Invoice services without being a Service Provider, due to it is a system that has a public standard set by government agencies, it is not difficult to access the system development approach.

InvoiceChain has the strength of providing Software-as-a-Service which is a popular business model in this era, due to entrepreneurs using InvoiceChain do not have to invest on installing a computer system themselves. In addition, InvoiceChain's capabilities cover the e-Tax Invoice process starting with preparation, delivery and storage, especially the information is delivered to the Revenue Department via the Service Provider channel is more reliable than other channels and is also convenient for delivering a large amount of information. Furthermore, InvoiceChain is installed on an ISO27001 ISO27701 certified infrastructure and ETDA-verified for data delivery, make entrepreneurs have a good view on InvoiceChain that can be accessed without the need for high investment, instead, they receive a service that is of a high international standard.

However, the company estimates that the level of competition in the industry is rising, but not fierce. E-Tax Invoice & E-Receipt industry is for all VAT registrants in the country, but since e-Tax Invoice has not been enforced by law. Therefore, most entrepreneurs believe that there is no need to start using e-Tax Invoice & e-Receipt.

Marketing and Competition

Company's Competitive Strategy

1) System Stability

Due to the electronic transactions developed by the company are parts of the business operations of the Company's customers, it is therefore imperative to make the system stable, ready to use, and able to provide the service system continuously at all times, as well as to be able to use the server's resources efficiently. In addition to Supplier selection or technology that has been tested and used is accepted, therefore the company attaches great importance to the development of the potential of the personnel within the company to have knowledge, expertise and innovative ideas to design and provide a system of hardware, software and quality personnel to create the stability of the service system in all sectors.

Throughout the years of operation, the Company has continuously improved Infrastructure, both researching, providing equipment and technology that are recognized with the determination to be a Technology Leader including the development of the company's personnel to be ready to support the maintenance of the infrastructure by themselves in order to develop a quality system to deliver excellent service to customers. One example of the investments that the company has made is that in 2011 the company was one of the first leaders in the deployment and implementation of Private Cloud Computing in Thailand, which is a technology that Gartner Inc. ranked No. 1 on Top 10 Strategic Technologies for 2011. Subsequently, after completing the installation and commissioning of the system, the new infrastructure was used in the service of the Company and continued to achieve satisfactory success with this new system. The Company has provided a back-up infrastructure

for all systems developed by the Company to support problems arising from a failure, interruption or failure of any device or server, a server with the same feature can be replaced immediately (HA: High Availability) which installed within the same processing center where the company uses. In addition, the company has installed a backup system at different processing centers (DRC: Disaster Recovery Center) to accommodate the cases where the processing center in each location cannot service the entire processing center due to fire, communication systems cannot be used in the entire building, etc.

The Company realizes the importance of conducting business continuity in order to ensure the highest level of confidence and satisfaction of service users by developing measures and a supporting plan called Business Continuity Plan (BCP) for staff and the engineers involved use it as a guideline for the BCP disaster recovery operations.

2) Safety Usage

The company has invested in equipment and safety protection systems both in physical and work systems to assure service users in terms of safety. Moreover, many of the Company's services are subject to the supervision and Bank of Thailand's regulations, therefore the Company has to perform the work in accordance with the standards and can be examined in order to meet the internationally recognized standards and operating regulations.

In addition to the supervision by the government agencies involved, the Company users which many multinational companies have measures to supervise service providers according to the standards set by the respective agencies, so it is imperative that the Company complies with the

service contract with that agency, both in the setting of standards for the stability of the service and methods to maintain the standard according to the specified criteria. Especially, safety usage by some agencies has sent officers to audit the system of the company's services from time to time and / or routine.

As for the transmission of data between various departments, the data users are encrypted (Encryption) and electronic signature (Digital Signature) to increase the security of the data in accordance with the Electronic Transactions Act B.E. 2544 (2001) as well as able to identify the owner of the signature and able to show that the owner of the signature certifies the message in the electronic data as their own and that the agency or the recipient of the information can verify that the information has been modified during transmission of that information. This measure will help to ensure the internationally recognized information security standard.

Data Center Security Control System are as follows:

1. Access Control System is a system to control access to the buildings and control areas (Computer room area) which permission must be requested by email in advance. Accessing to the area must exchange cards, make history and request permission in each area of the machine room according to the type of work requested and must have staff at the center which inspect the operation and sign the work after completing the work in each time asking for permission to access the area.

2. CCTV & Digital Video Recorder is a closed circuit camera system and recording the camera with digital system in real time by installing cameras in every computer's rooms and entrance-exit to various important areas and others which able to examine immediately or be checked back.
3. Burglar Alarm System is an external intrusion detection system by Infrared Sensor, Motion Sensor and Door Contact Sensor which is when there is an incident of intrusion from someone outside the fence entering the area, from outside the building to the inside of the building and from outside the machine room entering without requesting for permission. The Sensor will detect it, which can prevent intrusion events
4. Management of security emergencies in the event of third-party intrusions and unauthorized entry into the area without permission, sensor system will work and make alarms, which can detect and prevent intrusion when the alarm signal from the security system. The system operator along with the company's security personnel will investigate the incident.

3) Service

The company has provided personnel to serve the relevant departments and users in various forms by divided the working team according to the service, which either directly contact with the user or provide the service via phone or email such as Network Operation Center Team (NOC), Customer Support or Call Center Agent Team, Technical Team, Customer Relationship Management Team (CRM), Database Team and Trainer Team. These teams will provide a variety of services are as follows:

1. The company has provided a computer system engineer with knowledge and experience in a variety of fields to perform System Monitoring and maintenance of computer systems and networks twenty-four seven. These officers will contact and coordinate with relevant people as soon as they encounter problems and will notify (Alert) to relevant persons via SMS and / or email. In the event that the problem is caused by the company's computer system, the staff will fix the problem immediately and have a plan including ongoing service measures (BCP: Business Continuity Plan).
2. In the event that the Company receives a request or is necessary, the Company will dispatch a computer system engineer or customer relations officer to work at the user's office to provide advice on the use, installation of work system, problem solving from the user's information system, problems arising from using the services of the company or according to the purpose requested by the service users. In addition, the Company has assigned CRM staff members to continuously visit the Company's users to provide advice, answer inquiries, and collect feedback in order to improve the service even further.
3. Users able choose to contact our Customer Service Officer via telephone, which the Company provides twenty-four seven for some services such as e-Trade Finance Supply Chain etc. The Company's customer service staff will provide solutions and advice through telephone conversations or conducting Remote Login to the user's information system, which will allow the user to know how to use or solve problems via the user's computer screen, is operated by the company staff.

4. The company has set up a training room with necessary equipment to conduct effective training and trained staff with good product knowledge to provide training services to new users or new employees of existing users. In the event that the user is inconvenient to attend the training at the Company, the training staff can be guided at the user's place of business depending on the number of trainees.

4) System Development

As the company has arranged to have a CRM team staff that will regularly visit the users of the company, which is a way for the Company to be aware of new needs from users and to send such information to the Company's computer engineering team to develop products and services continuously for better respond to needs' customer and provide services In addition, it is a process related to the mission of the Company with the intention of delivering products and services that maximize customer satisfaction in terms of efficiency, speed and reduction in operating costs.

In addition to listening the recommendations from users directly, the Company also has a team that will keep tabs on news related to electronic transactions the company has served and invent methods or innovations which will add value to the products or that service (Value Added Services), including the application of other related electronic transaction services and for additional benefits to the service users.

After the Company's computer engineering team has developed the working system, the Company also has another the Company's computer engineering team who will perform quality checks (QA: Quality Assurance) of the developed work system that can be processed correctly according

to the needs of the users / agencies relevant and complete according to the company's standards. In addition, the training staff will improve the user manual according to the revised or developed system after having passed the quality inspection to be sure. Therefore, this new system is delivered to the service users with an appointment and advance notice for the user to be informed and prepared.

5) Marketing

The strength of the Company's service is the service charge according to the number of transactions (Per Transaction) causing the Company has Recurring Income. The company's marketing team is involved in the development of the company's products and services starting with the design to the end of the development process and ready to deliver the services to the users and be a strategist plans for offering services to users as well as setting the pricing model, service fees and discounts (if any).

The marketing department is also responsible for monitoring the progress of the services it offers in order to develop products and services which is an extension of the existing services in order to develop the benefits and maximum satisfaction to the users.

6) Investment

The company plans to consider the high-priced electronic equipment rentals instead of purchasing them, this will reduce investment costs and increase the flexibility to modify the device according to technology changes. In addition, the Company has invested in providing software which it is not developed by ourselves in order to improve the quality of service to the customers such as customer satisfaction survey software. However, in order to maintain the quality of the company's

service standards. In some cases, it may be necessary to purchase certain equipment or systems if the Company is unable to provide a quality system provider or the ability to provide service according to the company's standards.

Providing a Product or Service

Procurement of products

In term of new service, the Company has a Business Development Unit and a Project Management Team with experience in various fields of business, have vision and ability to coordinate and manage projects to research and introduce new products and services to the Executives to make recommendations. Once it has been approved, a team will be organized to study more details and offer this new service to relevant parties before proceeding with detailed design and development of the service system, it will adhere to the business model of the company in presenting products as a service. In addition, the company plans to consider high-priced electronic equipment rentals instead of purchasing, thereby reducing investment costs and increasing the flexibility to adapt the equipment as technology changes.

From the results, the Company's business experience model and the success that the company has presented to various departments from the past to the present, it is important to build confidence, trust in the organization and reputation of the company resulting to a variety of departments to visit and seek advice from Company Executives in developing electronic transactional systems to be utilized in their respective work which is another channel for the company to develop new transaction systems to benefit those departments in business operations as well as providing services to the private sector is one of the driving forces to use more information systems in the country and affect economy and competitiveness of the country.

For the e-Business aspect, there is still emphasis on the development of the iBox platform, divided into modules that have been further developed as follows:

1. As for the feature invoice chain (e-tax invoice), in addition to the feature of preparing, delivering, and archiving, the feature request full tax invoice (short invoice issued in full) has been added and feature e-tax/e-form for branch sales staff to issue tax invoices to customers. Both are features that came out in response to the government's policy, "Shop Dee Mee Kuen", as well as a feature that will be released in Q1, Tourist TAX Refund, a feature that old customers have requested. The product development team thinks that the Thai tourism market is recovering even though Chinese tourists have not yet returned, but they deem that there are other groups came to replace them, such as tourists from India.
2. Platform iBox has released a sub-product called Doc2Sign, which is a product that makes document signing easier. The product supports electronic signatures for both Sections 9, 26 and 28, depending on the customer's choice. The development team took the original e-signature in iBox and developed it to have even more features. The created documents can be used to define the workflow for signing and checking documents. There is easy tracking of document status when documents go through the platform. iBox helps users index documents for ease of searching in the future. The customer will enter data to index themselves or have the document OCR system help with automatic indexing. They can also archive documents to Onedrive, Google Drive or Amazon S3, or purchase the iBox service and have the iBox store them. For Doc2Sign's target group, initially it will

be government agencies to be in line with the electronic government operations policy. The first group will start with the Sub-district Administrative Organization and Provincial Administrative Organization.

3. E-contract in the Doc2Sign feature can be applied to make E-contract sub-products. The development team is rushing to test the connection with the Revenue Department in creating e-duty stamps to facilitate contract making and providing various notification services in case the contract expires and must be renewed. If the contract requires identity verification, it can be used with iBox's e-KYC feature for organizations with many contracted service parties. This allows customers to reduce the cost of using services to hire people to bring documents for customers to sign.

As for the e-logistic aspect,

1. For Program ShippingNet, additional features have been developed for requesting origin of disease-free food certificates from the Department of Disease Control (PINK FORM) for entrepreneurs who export food products to sell abroad via electronic means. This new feature does not have a lot of transactions in using it, but it is a feature that draws people who have never used the Company's services to use the service more because it must be used in conjunction with the goods declaration program. Customers who do not want to have to use two programs interchangeably can choose a program that has complete features as the main program. As a result, the Company has increased transactions of goods declarations as well. In addition, the Company also has

additional service, AutoMail AutoReport, for facilitating customers in sending various status documents, various reports resulting from the operation of the ShippingNet program, sending information to the customer's customers, or executives automatically according to various statuses that occur during the making of goods declarations as specified by the customer, as well as issuing Cloud Drive to help customers store information on declarations and related documents in the long term to comply with the requirements of the Customs Department, stating that they must be kept for the Customs Department to inspect for a period of 5 years. Such additional features are currently being tested in order to cross-sell with existing customers.

Company Service Procurement Process

1. The Company will keep up with the news of the Customs Department and other government agencies as well as business entities about online transaction (e-Business) needs or plans to find opportunities to expand the Company's online business.
2. The company collects the needs of government agencies regarding online service from government agencies, service users and others concerned.
3. Computer engineers team to develop electronic transaction system according to the needs of government agencies, business sectors, service users and other relevant persons.
4. The computer engineer team tested the connection of the electronic transaction system developed by the Company with the information system of the government agency. In case of there is an error, the computer engineer team will correct the electronic transaction system to be satisfied with all relevant parts.
5. The team to prepare the hardware system, operating software and the infrastructure that will support the electronic transaction system that has been developed to be able to handle the volume of transactions that will occur efficiently.
6. The computer engineer team installs the electronic transaction system to provide services to customers by providing training to customers and arranging staff to advise and solve problems for customers.
7. The computer engineer team together with the marketing department assesses the response from customers, and develop an additional electronic transaction system in order to meet the customer needs.

Assets Used in Business Operations

Fixed Asset

As at December 31, 2023, items and net book value after deducting accumulated depreciation of the fixed assets used in the Company's business operation as shown in the Company's financial statements are as follows:

Details	Net Book Value (mil. Baht)	Type of Proprietary	Any Obligation
Office equipment, Computer equipment and Equipment for Signaling and Communication Systems	34.68	Owner	None
Intangible Assets	4.71	Owner	None
Total	39.39		

Property Insurance Agreement

As at December 31, 2023, the Company has insured for the main operating assets of the Company which are buildings (including the foundation) furniture, fixtures, appliances, electrical equipment signal and communication system and computer system which can be summarized are as follows

Type of insurance	Coverage (mil. Baht)	Period	The insured
Fire Insurance 719/8-9, Praram 6 Road Wang Mai, Patumwan, Bangkok	8.0	May 30, 2023 - May 30, 2024	The Company
Fire Insurance 719/5, Praram 6 Road Wang Mai, Patumwan, Bangkok	4.2	May 30, 2023 - May 30, 2024	The Company

Work not yet delivered

- None -

Investment Structure of the Company and Subsidiary

Investment Policy in Subsidiaries and Associates

The Company has a policy to invest in businesses that are related to the Company's business in order to increase the Company's long-term competitiveness. However, in the management of subsidiaries or associated companies, the company will appoint a representative of the company to be the director of the company in an appropriate proportion in order to supervise the operation of that company in the appropriate direction and make the most of the benefits for the company. In addition, the request for investment approval of the company must be in accordance with the notification of the Capital Market Supervisory Board and the notification of the Stock Exchange of Thailand as well as the relevant rules and regulations.

Shareholding Structure

Netbay Public Company Limited

As of December 31, 2022, the Company's top 10 shareholders are as follows.

Shareholders's Name	umber of share	Percentage
1. Mr. Pichit Viwatrujirapong	100,099,990	50.050
2. Thai Life Insurance Public Company Limited	5,330,300	2.665
3. N.C.B. TRUST LIMITED-NORGES BANK 1	4,315,700	2.158
4. Thai NVDR Company Limited	3,427,220	1.714
5. นายพดล ตัณศลารักษ์	3,040,000	1.520
6. นายวิษณุ เมฆาภิรักษ์	2,970,000	1.485
7. นายอนุรักษ์ บุญแสวง	2,188,000	1.094
8. นายสุภชัย จงจิตรรักษา	1,669,200	0.835
9. นางชนัญญารักษ์ เพ็ชรรัตน์	1,411,800	0.706
10. นายบัณฑิต เจนใจ	1,210,000	0.605
Other shareholders	74,337,790	37.168
Total	200,000,000	100.00

The list of shareholders will be in Thai and English together. depending on the input data

Securities and Shareholders Information

Securities

As at December 31, 2023, the Company has registers capital of 200 million Baht and paid-up capital of 200 million Baht divided into 200,000,000 common stocks with a par value of 1.00 baht. On June 16, 2016, the Company registered in the Market for Alternative Investment (MAI).

Share Transfer Restrictions

The Company's shares can be transferred without restrictions, with the transfer of shares must not cause the Company's foreign shareholding to exceed 49% of the total paid-up shares of the Company as required by law. Currently, the law does not limit foreign ownership interests for e-business.

The Company's Subsidiary

Cloud Creation Company Limited

As of December 31, 2023, the list of Cloud Creation Company Limited shareholders was summarized below.

Shareholders's Name	Number of share	Percentage
1. Netbay Public Company Limited	499,998	100
2. Mr. Pichit Viwatrujirapong	1	0
3. Ms. Manie Chantarawaranyoo	1	0

Fynnet Venture Company Limited

As of December 31, 2023, the list of Fynnet Venture Company Limited shareholders was summarized below.

Shareholders's Name	Number of share	Percentage
1. Netbay Public Company Limited	1,499,998	100
2. Mrs. Kobkanjana Veerapongpradit	1	0
3. Mrs. Sutarin Wongsongcha	1	0

Dividend Policy

Dividend Policy of the Company and its Subsidiaries

The Company and its subsidiaries have a policy to pay dividends at the rate of no less than 40% of the net profit after corporate income tax. However, the rate of dividend payment may vary depending on liquidity, investment plans and business plans, as well as the terms and conditions of contracts. The resolution of the board of directors to approve the dividend payment must be proposed for approval at the shareholders' meeting, except for interim dividend payments. The board of directors is authorized to approve the interim dividend payment and it will be reported to the shareholders' meeting at the next meeting.

Three years Comparison of Dividend Paid

Year	2021	2022	2023
Net profit per share (baht)	0.83	0.85	0.90
Dividend per share (baht)	0.7945	0.8162	0.8983
Payout ratio (%)*	99.99	99.99	99.99

Remark: * The calculation of the dividend payment ratio to net profit is dividends are divided by the net profit for the period used to calculate the dividend.

Risk Management

Review of Risk Management

The Audit Committee has reviewed the Company's risk management results to ensure that the management team has undertaken risk management activities to the appropriate operational level and the identification of risk factors is complete and adequate along with providing suggestions for further improvement. In 2023, there are no issues or need to be improved in this matter.

Risk Factors

In conducting the Company's business, risk factors that the Company believes may significantly affect the Company's financial status and its performance include:

Risk from the Business of the Company

1. Competition Risk

The Company has its strengths as the Company is the only comprehensive service provider that connects to customs' computer system with the Gateway computer system and provides electronic data interchange (VANS) for logistics customers. This gives the Company a competitive edge. Moreover, the Company is the only operator that developed its own Digital Business Technology Platform without having to bear software license or maintenance fees. This platform can be further developed and applied for many other industry groups. In addition, the Company has marketing strategies that aim at maintaining its existing customer base and consistently expands a new customer base. Besides this, the Company has set reasonable pricing, which makes it difficult for new competitors to gain the Company's market share. The Company also focuses on developing products that are easy to use with stable data interchange.

The Company continues to develop innovative products and services consistently. Presently, the Digital Business Technology Platform (iBox) has been developed by adding more features to support and connect with new services from government agency that also comply with Laws in Thailand.

2. Risk from the Company's Revenue Comes from the Provision of Electronic Customs Clearance Paperless Services

At present, the Company's main revenue comes from various channels and documents such as e-Customs Paperless service. Any change in this revenue will have a significant impact on the financial position and the performance of the Company.

Nonetheless, e-customs clearance services are also likely to grow significantly from Logistics Community group and in the future due to a tendency for rising volume of imports and exports as a result of economic expansion and the opening of the ASEAN Economic Community (AEC). The Company is the leading service provider company rendering e-custom services with policies to maintain existing customers' base and continually expand its customer's base. This can be seen from the market share of the data interchange which indicates the Company to be in leading position. Currently, the Company has policies to significantly increase the proportion of other types of service revenue such as sales revenue from the CDD Gateway service, Digital Business Services, various channels and documents, and income from the iBox Platform that began to grow more Since the end of 2013, due to the momentum of the Revenue Department's policy, Shop Dee Mee Khuen and the release of the new feature Doc2Sign, income from other sources has increased significantly, This would prevent the potential risk of

the majority of revenue coming mainly from e-Customs Paperless services.

3. Risk of Dependence on Personnel

The business of the Company is an information technology business which is based on the knowledge, ability and expertise of personnel who understand the problems and processes of transactions in order to develop systems that meet the demands of the market. The Company also relies on a team of computer engineers, especially those with more than 3 years of experience in developing computer programs. The loss of these individuals will adversely affect the Company's operations and its competitiveness. Due to an awareness of such risks, the Company continually emphasizes the importance of human resources development. The Company's work is a team-based, allowing the team members to be able to fill in for one another.

The Company also organizes training courses to continually educate its personnel. The Company has a policy to provide competitive level of remuneration to its employees and to motivate employees to work with the Company for a long period of time. In addition to this, the Company also has a cooperative program with educational institutions to co-host cooperative education. This allows students to learn through practical work. The Company also provides opportunities for students to join the Company as a trainee and they are eligible for full-time employment after graduation. The Company has recruiting computer engineering team continuously to suit the organization, The company also has Business Partners to add in areas with different expertise. and support similar expertise in manpower.

4. Risk from Changes to Government Policies

The Company's services rely on government policies that support electronic transactions in various forms, such as e-Custom Paperless services for customs and

the ETR Gateway, the Electronic Transaction Reporting Gateway for the Anti-Money Laundering Office. As a result, changes in government policies may affect the Company's performance. However, presently, the public and private sectors have a policy to support electronic transactions which are convenient, reduce operating costs, reduce the risk of lost documents, and are secure. The government places an importance on the prevention of money laundering. Moreover, the government will notify of such changes before adopting a new policy. The Company will have time to adjust its operating plans to align with any new government policies.

5. Risk from the Stability of the Service System

The stability of the customer service system is one of the important factors that customers consider when they choose a service provider. The Company's service is an important part of the customer's business system and this requires continuous use all the time. Thus, if the Company's service system does not work properly due to various reasons such as faulty processing, connection failures, hardware failures or the inability of the system to accommodate a large number of concurrent users, this will affect the reliability of the Company's services and will affect its financial position and the results of the Company's operations. The Company has entered into a customer service agreement with a guarantee of system availability. The Company is willing to reimburse service charges with the value not exceeding the customer's credit limit of service usage in case the Company's system was not functioning.

The Company focuses on the importance to these factors and as a result the Company takes concise actions to ensure that the Company's service system is stable and able to support the needs of customers with a backup system ready to work immediately when the main system is not available. The system will be

tested to ensure that it works properly before opening for service. There is also a team of engineers that monitor the system 24 hours. The Company's policy has made the Company's system available at least 99.5 percent of the time. The Company is also certified with ISO 27001:2013 and the part of structure of the basic computer system (Cloud Computing) and the service system (Service), which is the latest international standard in providing information technology services, which is the international standard for information technology services.

6. Risk of Technological Change

The information technology business is a fast-changing business because various technologies that are used in product development are always changing. Both programs and electronic devices have changed. At present, the major programs that the Company uses to provide major sales revenue are the Company's own developed programs which were invented by the Company.

If a Company is unable improve its services to keep pace with changing technology, it may cause the Company to lose its ability to compete and that affects its financial position and the Company's operational results. Other than that, the rapid change of technology will also affect different electronic materials of the Company. For example, computer networks may not be able to support new devices. This may result in the Company having to supply various electronic devices.

However, the Company has always focused on keeping up with technology. As a result, the Company has a policy to regularly organize training about programs or other new technologies. The Company also adopts new innovative technology to help with product development in order to meet the need of customers even more. The Company has a team of consultants and external experts who provide knowledge and advice on services and system development to meet the needs of customers under the right technology. In addition to this, in considering the investment in the Company's computer systems and equipment, at present, the Company has a policy to lease Private Cloud Computing and other network systems instead of purchasing. However, in order to maintain quality standards for the Company's services, in some cases, the Company may need to purchase certain equipment or systems if the Company cannot obtain a quality service provider or is unable to deliver services at the standards that the Company requires

7. Risk from the profit uncertainty from new business operations

In order to pay a good reward to partner, the company must expand the business and invest in new technology businesses such as joint ventures, opening companies, innovating blockchain technology, and others. However, the success of new business depends on many factors. Including the market conditions, service behavior, laws, rules, records, political situation and the economy. Some of these factors are out of control.

Driving Business for Sustainability



The company has established a sustainability management policy and goal to reflect the business development intention that takes into account environmental, social and corporate governance issues. It consists of the following details.

Policy and Guidelines on Corporate Social Responsibility

The company has a policy to operate with social responsibility and take into account all stakeholders of the Company such as employees, business partners, shareholders, society and government in order to create sustainability in business and can grow to be accepted in society, that is, to be an organization that generates profits for shareholders effectively, taking into account the benefits and operational impacts business with those who are involved with the Company.

The Company has operating policy with a focus on social responsibility which can be divided into 5 main guidelines are as follows:

1. Corporate Governance

The Company is committed to conducting business with honesty and fairness by strictly and transparently complying with the rules and regulations related to the business operation which giving importance to the benefits and impacts of the operations of the organization on stakeholders with the operation of the company.

The Company places great emphasis on implementing the principles of good governance as a guideline for the Company's business operations. The Company has established a corporate governance policy with principles and practices consistent with the Good Corporate Governance Principles for the 2012 listed companies of the Stock Exchange of Thailand.

2. Fair Employment Practices

The Company values employees as an extremely important resource of the Company, it has a policy to treat employees fairly with equal in terms of compensation, opportunity for advancement, working environment. We also emphasize on employee development so that our employees can grow and compete in the ever-changing market environment as well as the company has set the regulations related to the care of employees in accordance with the relevant rules such as labor laws in order to ensure that the Company's employees are treated appropriately.

3. Customer Responsibility

The company places great emphasis on customer service and has improved the services and hearing the business needs of customers, in order to provide the services of the company to respond to the needs of the customers the best as well as the company also has a system for suggestions / complaints / inquiries about the service of the company by providing the customer service team to ensure the Company's services to customers go smoothly, and suggestions, complaints are used to improve the Company's service development. In addition, the Company also provides training for the company's customers to able to understand the use of the company.

4. Corporate Social Responsibility (CSR)

The company supports activities or projects to reward and benefit society as well as cooperate with various departments in social development, focusing on the development of educational and technology projects that are in line with the nature of the Company's business operations.

During the rapidly of epidemic situation of COVID-19 in 2020 effecting to the production of medical equipment for the prevention and treatment of diseases not enough

production capacity. The company has therefore collaborated with the National Science and Technology Development Agency (NSTDA), UHostNet and Ministry of Public Health to develop and open the system service "Medical Devices Demand-Supply Matching for COVID-19", in order to be coordinator to collect information on needs from hospitals and nursing homes who want to receive donations of medical equipment, and coordinate to the person who wishes to donate either on behalf of an individual or a juristic person to provide demand and quantity of goods connect with each other in a timely and efficient manner via the website URL: mds4covid19.in.th (Medical Devices System for COVID-19) which meet the matching of donation agencies and those who want to donate medical equipment. In the future, this platform can be used for other crisis situations such as emerging infectious diseases - recurrent disease or various disasters that occur in the country, to increase the channels for receiving donations and matching the needs of donors which are hospital or nursing home and donors such as citizens, foundations, or legal entities to donate medical devices can really meet the needs.

Not only this, Netbay and affiliated company also donate smart robots for medicine brand HAPYbot (New Model V.2020) for 10 hospitals which are Kanchanaphisek Medical Center Faculty of Medicine Siriraj, Faculty of Tropical Medicine, Faculty of medicine Ramathibodi Hospital, Maharaj Nakorn Chiang Mai Hospital, Faculty of Medicine at Chulalongkorn University, Bamrasnaradura Infectious Diseases, Chulabhorn Hospital, Yingo Hospital, Srinagarin Hospital and Songklanagarind Hospital. The objective is to support the work of healthcare workers and reduce the risk of exposure and infection such as it enables doctors and patients to communicate through robots, help guide the freedom of movement, medicines / vaccine transport and medical supplies, etc.

5. Focusing on Environmental Issues

The company realizes the importance of operating a business that is environmentally friendly by developing a working system that emphasizes the efficient use of resources, reducing the use of unnecessary resources and there are measures to support energy saving in terms of work processes and the selection of energy-efficient and environmentally friendly electronic devices.

The Company's service model, which is electronic service, is one of the Company's intentions to develop services that will reduce the work processes in the customer organization as well as reducing the use of unnecessary resources such as the shift from paper document transmission to electronic transmission has a long-term positive effect on the organization and the environment.

However, the company is in the process of setting up energy and environmental conservation policies and plans as part of the business operations starting with procurement and delivery of services as well as to sets a target to reduce the amount of greenhouse gas emissions from business operations within a period of 3-5 years.

In addition, the Company places great emphasis on mitigating the greenhouse gas problem, finding that the activities of the businesses with the highest amount of greenhouse gas emissions are the use of electricity from air conditioning in the office. Therefore, the company has continuously implemented air conditioning maintenance measures in accordance with the energy conservation plan to help reduce the potential greenhouse gas problem, this is to create credibility of information to investors, shareholders and related parties including to have a standard that can compare the Company's performance each year, the company is in the process of conducting a review

from a certified auditor who is registered by the TGO or equivalent. The company expects to disclose to investors, shareholders and related persons within 1-2 years from now.

Social Responsibility in the Company's Business Processes

The current economic conditions are fiercely competitive both domestic and overseas. The application of new innovations and electronic technologies to assist in corporate management will increase the opportunities for business expansion more efficiently and sustainably, which the company is considered to be one of the leading companies that initiate the introduction of technology into the management of data connection and transmission between the Customs Department and the Importer-Exporter and Transboundary of Thailand, which is considered one of the leading companies who play a major role in the supply chain, imports and exports to helps the business operator using the Company's electronic transaction system to get the most benefits from the service according to the Company's vision; "Better Faster Cheaper" means to increase work efficiency and reduce the complexity of agencies in procuring work systems or system design, development, installation and maintenance (Better) has a system that can be used in a short time, do not waste time (Faster) and make agencies able to access information system services without needing to have a high investment budget (Cheaper). Therefore, the company's service is an important logistics tool that helps the customers' internal work systems to be efficient, fast and connected, preserving the environment by reducing paper consumption as well as reducing the use of human resources that are costly and error-prone, it is considered a service that contributes to reducing logistics costs for customers and helps to build the competitiveness of customers and Thailand.

The company's service is a key factor in promoting the National Single Window system, it was established in 1998 and is a system of electronic data interconnection or Electronic Data Interchange (EDI) between departments involved in the process of importing, exporting goods in order to facilitate operators in the license check and various certificates electronic. The company has been an integral part of helping the Customs Department to continually develop customs processes, upgrade it to the Paperless Customs (e-Customs) system and operate nationwide since July 2008 until now (Resource: Thailand Customs Department).

The company also provides services that support the Anti-Money Laundering Commission (AMLO) in the process of verifying the identity of customers who perform financial transactions which is an important part of the audit process to be accurate, convenient, quick and cost-effective for the customer according to the Company's service vision. Such a rigorous investigation also allows relevant entities to promptly deny or terminate transactions with terrorists knowing that the transactors may have committed misconduct in connection with the underlying misconduct or offense money laundering or terrorist financing bases, as well as help to promptly track down criminals who want to fraud through the fast monitoring system, helping to create a system to prevent terrorism financially more tightly resulting to makes people in society less likely to corrupt and reduces the risk of social financial institutions becoming a tool of the criminal money laundering process in society.

The company has developed an electronic payment service system for Thailand Financial Institutions in Thailand to replace cash and check payments. As a result, the payment system is more accurate, secure, fast, and reduces the cost of managing cash in the country and is more efficient as well as it also

simplifies the billing process of the business operators reduce the risk of accepting cash or check payments, the entrepreneur able to give greater importance to the operation of their own business. In this regard, customers who buy goods or use services can get more convenience in paying for goods and services.

Past customers' business operations involve high volumes of paperwork and paper is the primary material for many documents. Hence, the use of paper in large quantities has led to deforestation as a staple in the production of paper for high-volume applications due to the forest is a very important natural resource for the ecological environment around the world. Changing the way customers operate from paper for documenting and recording to electronic data transmission, they significantly reduce their paper consumption, as well as it also allows for faster transmission of data, increased efficiency in work, reducing errors in filling out documents and continuing to use the information in the documents and thus lower operating costs.

The changing the form of delivery of consignment information from document form to electronic form helps to be transparent, it is recorded as evidence in the system and can be examined. Resulting to reduce the problem of corruption that occurred in the past, government agencies can collect taxes properly and help to make Thailand's import-export system more reliable. In this regard, it also supports the country's growth to become a regional trade center by facilitating those involved in the import-export system such as Importers, Exporters, Customs Brokers and Transport Operator, it will facilitate trading in the international economy even more and make the Thailand's economy grow.

Business operations of the company increase the employment of people and the ability to work with the company, therefore employment helps these

employees of the company earn more income can be used to spend on daily living for both personal and family causing more economic activity and the Thailand's economy grow. In this regard, the company provides training for employees to prepare them in the use of computer programs before starting work and regularly organize training of the Company's employees to keep them knowledgeable in information technology at all times in order to be applied to work in the company for better efficiency. In addition, regular employee training also helps them develop their own knowledge and competence in information technology to become knowledgeable about changes in new technology and be able to apply them to their daily life and work duties always.

Anti-Corruption Policy

The Company has great emphasis on anti-corruption by announcing guidelines for operating in accordance with the anti-corruption policy in order to ensure that the company has a policy of defining responsibilities, guidelines and appropriate operational requirements to prevent corruption in all business activities of the company, and ensure that business decisions and actions that may be subject to corruption risks are carefully considered and acted upon. The details are as follows:

Guidelines for the Implementation of the Anti-Corruption Policy

1. Directors, executives and employees of the Company and the subsidiaries are prohibited from conducting or accepting or supporting corruption in any form, directly or indirectly, covering all affiliated companies, including contractors or other relevant subcontractors and require regular reviews of the implementation of this anti-corruption policy, as well as reviewing the operational guidelines in accordance with the policy, regulations, requirements, rules, announcements, laws and business changes.

2. Anti-Corruption Standards are part of business operations and the responsibility of the Board of Directors, executives, supervisors, employees of all levels of the Company, supplier or subcontractor who will participate in expressing opinions on the practices in order to achieve anti-corruption actions in accordance with the established policies
3. The Company develops anti-corruption measures in accordance with the relevant laws including moral practice by conducting a risk assessment in activities involved or at risk of fraud and corruption and compiling a guideline for the relevant parties.
4. The Company does not engage in or support bribery in any form and in any activity under supervision, including control of charitable donations, donations to political activists, business gift giving and supporting activities are transparent and not intended to influence public or private officials to take inappropriate action.
5. The Company has regularly set up appropriate internal controls to prevent employees from improper conduct, especially in sales, marketing and purchasing work.
6. The Company provides anti-corruption knowledge to the Board of Directors, executives and employees in order to promote honesty and responsible in the performance of duties and responsibilities, as well as to communicate the company's commitment.
7. The Company provides a mechanism for reporting financial status that is transparent and accurate.
8. The Company promotes various communication channels to enable employees and stakeholders to report suspicious whistleblowers while ensuring that the whistleblower is protected without being punished, transfer which is unfair or bullying in any way including the appointment of persons to examine and follow up on every clue that has been reported to.

Management Discussion and Analysis

(A) Performance Analysis

Overview of the Company's Previous Performance

The Company engages in the business of inventing, creating, and developing a Digital Business Technology Platform and e - Business Services Application to provide comprehensive online transactions (e - Business) services. Its revenue from service for the fiscal year ended on December 31, 2023, was THB 487.38 million, an increase of THB 30.19 million or 6.60% compared to 2022, due to the improving economic situation. In 2023, the Company recognized revenue based on the percentage completion of the Total Document Handling (TDH) project provided to Thailand Post Company Limited, which has been delivered in the third quarter of 2023.

The cost of service for 2023 was THB 102.06 million, an increase of THB 5.04 million or 5.20% from 2022. The main cost of service is budget for programmers. The overall cost of service increased due to the Company's normal practice of adjusting employee salaries once a year in July, along with adjusting the salary base of employees based on industry standards.

The services and administrative expenses for the fiscal year 2023 amounted to 167.28 million baht, an increase of 17.75 million baht or 11.87% compared to the previous year. The proportion of service and administrative expenses to revenue from services increased to 34.32% from 32.71% in the previous year due to the growth of income.

The Company's earnings before depreciation and amortization, financial expenses, and corporate income tax for the fiscal year 2023 was 241.34 million baht, an increase of 12.66 million baht or 5.54% compared to the previous year.

The net profit for the fiscal year ending December 31, 2023, and 2022 was 180.29 million baht and 169.74 million baht respectively, representing an increase of 6.22% or 10.55 million baht from the previous year. The net profit continued to grow due to the Company's ability to maintain revenue growth and efficiently manage the cost of service costs and administrative expenses.

The Company's continuous operational performance has enabled it to maintain a strong financial position and consistently distribute dividends to shareholders. Furthermore, the Company has a strong capital structure, with a debt - to - equity ratio of 0.40 and 0.37 as of December 31, 2023, and 2022 respectively.

Revenue from Services

The revenue from services provided by the group of companies for the fiscal years ending December 31, 2021, December 31, 2022, and December 31, 2023, is detailed below:

	Consolidated financial statements for the year ended		Consolidated financial statements for the year ended		Consolidated financial statements for the year ended	
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Revenue from Services	400.46	100.00	457.19	100.00	487.38	100.00

The revenue from services for the fiscal year ending December 31, 2023, was 487.38 million baht, an increase of 30.19 million baht compared to 2022, representing an increase of 6.60%. The revenue grew due to the improving economic conditions and in the first to third quarter, the Company recognized revenue according to the completion stage of the Total Document Handling (TDH) project provided to Thailand Post Company Limited, which has been delivered in the third quarter of 2023.

Cost of Services

Regarding the cost of sales for the fiscal year ending December 31, 2021, December 31, 2022, and December 31, 2023, the details are as follows:

	Consolidated financial statements for the year ended		Consolidated financial statements for the year ended		Consolidated financial statements for the year ended	
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Programmer cost	36.45	9.10	54.20	11.86	55.83	11.45
Cloud system rental cost	5.73	1.43	4.01	0.88	4.26	0.87
License fee cost	18.84	4.71	20.13	4.40	21.45	4.40
Depreciation and amortization	10.34	2.58	9.22	2.01	10.76	2.21
Others	6.74	1.68	9.45	2.07	9.76	2.01
Cost of Services	78.10	19.50	97.01	21.22	102.06	20.94

Remark ¹ The percentage is calculated on the revenue from the services.

The main service costs of the Company are programmer cost, which is salary and other benefits of programmers. For the year ending December 31, 2023, the Company had service costs of 102.06 million baht, an increase of 5.04 million baht, or 5.20%, from 2022. The service costs increased due to the adjustment of employee salaries, which the Company typically increases once a year in July, along with salary adjustments according to normal business practices. Other than salary adjustment,

there were License Fee, license cost for software copyright that the Company use for Digital Business Services operation. The software copyright license is paid to a company with no connection to the Company. License fees have also increased in proportion to the increased revenue. Depreciation and amortization has increased from the increase of assets throughout the year. There is no significant difference in Cloud service expenses and other expenses

Gross profit

The gross profit and gross margin of the group of companies for the fiscal year ended December 31, 2021, December 31, 2022, and December 31, 2023 are as follows:

	Consolidated financial statements for the year ended		Consolidated financial statements for the year ended		Consolidated financial statements for the year ended	
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	Gross profit margin	Million Baht	Gross profit margin	Million Baht	Gross profit margin
		(Percentage)		(Percentage)		(Percentage)
Gross profit	322.36	80.50	360.18	78.78	385.32	79.06

From 2021 to 2023, the Company controlled the cost of services and set service prices to be in line with the cost. This can be seen from the steady gross profit ratio of 78 percent to 81 percent of revenue.

Financial Income and Other Income

Other income and financial income of the group of companies for the fiscal year ended December 31, 2022, and December 31, 2023, amounted to 4.21 million baht and 7.48 million baht, respectively. The significant other income includes interest received from the Company's deposits, interest income, and dividends from short - term and long - term investments.

Servicing Expenses

The servicing expenses provided by the group of companies for the fiscal year ended December 31, 2021, December 31, 2022, and December 31, 2023, are detailed as follows:

	Consolidated financial statements for the year ended		Consolidated financial statements for the year ended		Consolidated financial statements for the year ended	
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Salary and Employee Welfares	52.76	13.18	58.74	12.85	60.65	12.44
Promotion Expenses and Others	0.86	0.21	1.36	0.30	2.50	0.52
Servicing Expenses	53.62	13.39	60.10	13.15	63.15	12.96

Remark ¹The percentage is calculated on the revenue from the services.

For the year 2023, the cost of services provided by the Company was 63.15 million baht, an increase of 3.05 million baht compared to 2022, representing an increased rate of 5.07%. Employee salaries and benefits increased in line with the Company's regular salary adjustment policy. Sales promotion expenses and other expenses increased following the increased income.

Administrative Expenses

The administrative expenses of the group of companies for the fiscal year ended December 31, 2021, December 31, 2022, and December 31, 2023, are detailed as follows

	Consolidated financial statements for the year ended		Consolidated financial statements for the year ended		Consolidated financial statements for the year ended	
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Salary, Employee Welfares, and Director Remuneration	61.76	15.42	59.26	12.96	74.10	15.20
Office Expenses and Utility Costs	6.73	1.68	7.11	1.55	9.18	1.88
Audit Fee	1.81	0.45	1.74	0.38	1.96	0.40
Depreciation and amortization	4.22	1.05	3.60	0.79	4.36	0.89
Other Expenses	10.20	2.56	17.72	3.88	14.54	2.98
Administrative Expenses	84.72	21.16	89.43	19.56	104.14	21.36

Remark ¹ The percentage is calculated on the revenue from the services.

In 2023, the Company's administrative expenses were 104.14 million baht, an increase of 14.70 million baht compared to the previous year, representing a 16.44% increase. Employee salaries and benefits and director remuneration increased due to the Company's regular salary adjustment policy.

Depreciation and amortization has increased from the increase of assets throughout the year. There was no significant difference in office and public utility expenses, audit fees, and other expenses.

Financial Cost

The Company did not enter into any agreements or transactions that incurred financial costs in 2022 and 2023, but financial costs in the Company's profit and loss statement occurred due to the adoption of new accounting standards in 2020, which required the recording of office building rent and co - location rental fees for network equipment in accordance with TFRS 16.

Tax Expenses

The corporate income tax of the group of companies for the fiscal year ending on December 31, 2022, and December 31, 2023, amounted to 44.76 million baht and 44.69 million baht respectively, and the effective tax rate was 20.87% and 19.86% of the pre - tax income, respectively.

Net Profit

The net profit of the Company for the fiscal year ending on December 31, 2022, and December 31, 2023, amounted to 169.74 million baht and 180.29 million baht, respectively. The net profit of the Company increased by 10.56 million baht, or 6.22%, from 2022. The net profit of 2023 continued to grow because the Company was able to maintain revenue growth from its services and efficiently manage costs and expenses.

Financial Position

Assets

The Company's core business is a product developer for electronic transactions causing the Company's core operating assets to consist of trade accounts receivable from providing services to customers. The customer service hardware devices are saved as devices, and software is recorded as intangible assets.

The total assets of the Company as of December 31, 2022, and December 31, 2023, amounted to 684.03 million baht and 725.39 million baht, respectively. The main assets of the Company consisted of cash and cash equivalents, including current financial assets (temporary investments), and non - current financial assets (long - term investments).

Other Current Financial Assets (Formerly as Current Investments)

As of December 31, 2022, and December 31, 2023, the Company had current investments with a value of 295.41 million baht and 291.26 million baht, respectively. The value of these current investments was in line with the Company's policy of investing the remaining cash from operations to generate appropriate returns. The policy for managing the excess liquidity of the Company allows it to invest in bank deposits, government and state enterprise debt securities funds, debt securities funds, as well as equity securities funds (not exceeding 10.00% of the value of invested assets).

Trade and Other Receivables

The Company's trade receivables can be classified by overdue payments as follows:

	Consolidated financial statements as at	Consolidated financial statements as at	Consolidated financial statements as at
	December 31, 2021	December 31, 2022	December 31, 2023
	Million Baht	Million Baht	Million Baht
<u>Trade Accounts Receivables - Related Party</u>			
Aged on the Basis of Due Dates			
Not Yet Due	-	-	-
Past Due: Up to 3 Months	-	-	-
Total Accounts Receivables - Related Parties	-	-	-
<u>Accounts Receivables - Unrelated Parties</u>			
Aged on the Basis of Due Dates			
Not Yet Due	38.50	86.81	97.53
Past Due			
Up to 3 Months	13.66	24.24	9.80
3 - 6 Months	0.19	0.52	2.49
6 - 12 Months	-	-	-
More Than 12 Months	9.97	9.97	9.96
Total Accounts Receivables - Non - Related Parties	62.32	121.54	119.78
Less: Allowance for Expected Credit Losses	(4.98)	(4.98)	(4.98)
Total Accounts Receivables - Net Unrelated Parties	57.34	116.56	114.80
<u>Other Receivables</u>			
Accrued Income - Unrelated Parties	4.20	3.92	3.24
Other Receivables	0.30	-	-
Total Other Receivables	4.50	3.92	3.24
Trade and Other Receivables	61.84	120.48	118.04

The trade accounts receivable - unrelated to the Company as of December 31, 2022, and December 31, 2023, amounted to 116.56 and 114.80 million baht, respectively.

The average debt collection period of the Company in 2022 and 2023 was 68 and 85 days, respectively. The average debt collection period for 2022 was normal due to the Company providing trade credit terms to

customers for approximately 30 to 60 days. In 2023, the average debt collection period is high due to the pending payment of project works. It is observed that the Company has never encountered any problem of default payment from customers in the past, as seen from the low trade receivables that are more than 3 months old, except for the outstanding debt of Thai Airways International Public Company Limited, which faced a court order for business rehabilitation. On June

15, 2021, the court approved the rehabilitation plan. Nevertheless, the Company reserved an allowance for doubtful accounts of 4.98 million baht in the financial statements.

Other receivables of the Company as of December 31, 2022, and December 31, 2023, were 3.92 and 3.24 million baht, respectively. The majority of other receivables were accrued income.

Restricted Bank Deposits

The restricted bank deposits as of December 31, 2022, and December 31, 2023, were 10.22 and 9.54 million baht, respectively. The deposits were savings account and fixed deposits that the Company and its subsidiaries had placed with the bank as collateral for guarantees issued to customers.

Other Non – Current Financial Assets (Formerly as Other Long – Term Investments)

As of December 31, 2022, and December 31, 2023, the Company had a long – term investment value of 150.69 and 167.19 million baht, respectively, which was the amount invested by the Company in government and private sector debt securities in accordance with the Company's policy to invest surplus funds in appropriate returns.

Equipment

The main equipment list of the Company consists of computer equipment, signal, and communication equipment.

On December 31, 2022, and December 31, 2023, the Company had equipment worth 26.95 million baht and 34.68 million baht, respectively. In 2022, the Company's equipment value increased by 7.73 million baht (net of depreciation) compared to the previous year.

On December 31, 2022, and December 31, 2023, the Company's non – current assets were 198.52 million baht, equivalent to 29.02% of total assets, and 223.01 million baht, equivalent to 30.74% of total assets, respectively. It can be said that the proportion of non – current assets of the Company is relatively small compared to the total assets of the Company, due to the nature of the Company's business, which is developing electronic transaction products and offering them to users in the form of services Software as a Service (SaaS).

(B) Source of Funds

Suitability of the Capital Structure

As of December 31, 2022, and December 31, 2023, the Company's debt – to – equity ratio was 0.37 and 0.40, respectively, indicating the Company's strong financial position. Currently, the Company does not have interest – bearing debt. However, the financial cost shown in the financial statements is accounted for under the TFRS16 accounting standard.

Liabilities

As of December 31, 2022, and December 31, 2023, the Company's total liabilities were 183.06 million baht and 206.46 million baht, respectively. Currently, the Company's main liabilities consist of trade payables, other payables, accrued expenses, and prepaid income.

Trade and Other Payables

The trade accounts payables and other payables as of December 31, 2022, and December 31, 2023, amounted to THB 8.48 million and THB 13.97 million, respectively, with trade payables amounting to THB 2.25 million and THB 5.12 million, respectively.

Accrued expenses

The accrued expenses as of December 31, 2022, and December 31, 2023, amounted to THB 65.18 million and THB 76.12 million, respectively, with the majority of the accrued expenses being related to unpaid employee and director bonuses.

Unearned Income

As of December 31, 2022, and December 31, 2023, the unearned income was 43.51 million baht and 34.69 million baht, respectively. Unearned income represents annual payments for services.

In addition, as of December 31, 2022, and December 31, 2023, the Company had other current liabilities of 36.56 million baht and 32.65 million baht, respectively. The significant current liabilities include corporate income tax payable, undue output vat, and other taxes that are due within one year.

Lease liabilities

Lease liabilities presented in the financial statements resulting from accounting records in accordance with the TFRS16 accounting standard that is applicable in 2020.

Shareholder's Equity

On December 31, 2022, and December 31, 2023, the Company's shareholders' equity was 500.97 million baht and 518.93 million baht, respectively. The value of the Company's shareholders' equity at 2023 increased by 17.96 million baht as a result of the Company's performance.

The Company consistently provides profits to its shareholders and regularly distributes dividends to them. The Company paid dividends to its shareholders on December 31, 2022 and December 31, 2023, amounting to 158.90 million baht and 163.24 million baht, respectively.

The Company's dividend payment in the future will be in accordance with the Company's and its subsidiaries' dividend payment policy, which stipulates that the Company will pay dividends at a rate of not less than 40 percent of the net profit after corporate income tax of the separate financial statements and after the legal reserve. The dividend payment rate may change depending on liquidity, investment plans, and the Company's operational plans.

The Company consistently creates good returns for its shareholders, with a return rate of 34.54% and 35.36% for the years 2022 and 2023, respectively. The return rate is calculated as a percentage of the net profit to the average shareholder value (average between the initial and final shareholder values).

Liquidity Analyzation

Cash flows from Operating Activities

The Company's cash flow comes from its operations, with cash flow generated in the fiscal years ending December 31, 2022 and December 31, 2023, amounting to 149.98 million baht and 196.70 million baht, respectively. The cash flow is calculated as a percentage of profit at 70.76% and 89.14%, respectively, reflecting the strength of the Company's cash flow from its operations.

Cash flows from Investing Activities

The Company manages its cash flow by investing excess cash in current investments that yield higher returns than bank deposits. In the fiscal year ending December 31, 2022, the Company had a cash flow from investment activities of 7.47 million baht, and on December 31, 2023, the Company had a cash flow from investment activities of 9.37 million baht.

For the year 2023, the Company had a cash flow from investment activities of 9.37 million baht, which consisted of cash paid for purchase financial assets amounting to 413.96 million baht, an increase in restricted bank deposits of 0.68 million baht, cash paid for purchase equipment of 0.51 million baht, cash paid for purchase of intangible assets of 2.47 million baht, cash received from the sale of financial assets of 402.73 million baht, and interest received of 4.16 million baht.

For the year 2022, the Company had a cash flow from investment activities of 7.47 million baht, which consisted of cash paid for purchase financial assets amounting to 457.05 million baht, an increase in restricted bank deposits of 0.45 million baht, cash paid for purchase equipment of 13.71 million baht, cash paid for purchase of intangible assets of 2.07 million baht, cash received from the sale of financial assets of 477.93 million baht, and interest received of 2.82 million baht.

Cash Flow from Financing Activities

In the year 2023, the Company had a cash flow used in financing activities of 167.22 million baht, which consisted of dividend payments to shareholders of 163.24 million baht and finance costs arising from the recognition of leases under TFRS 16 of 3.98 million baht.

In the year 2022, the Company had a cash flow used in financing activities of 162.11 million baht, which consisted of dividend payments to shareholders of 158.90 million baht and finance costs arising from the recognition of leases under TFRS 16 of 3.21 million baht.

Analysis of Key Financial Ratios

Liquidity Ratio

As of December 31, 2022 and December 31, 2023, the Company had a current ratio of 3.10 and 3.04, respectively, indicating a higher level of financial liquidity than 1.00.

Profitability Ratio

In the fiscal years 2022 and 2023, the Company maintained a gross margin of 78.78% and 79.06% respectively. The Company has been able to consistently maintain a gross margin of approximately 78% or higher, indicating its ability to price its services in line with the Company's service costs.

Operating Efficiency Ratio

In 2022 and 2023, the Company had a return on assets of 25.65% and 25.58% respectively. Changes in the return on assets during each period varied depending on net profit and the total asset value. (The return on assets was calculated according to the standards of the Securities and Exchange Commission, using the net profit and average asset values at the beginning and end of each period. This calculation method differs from that used by the Stock Exchange of Thailand, which calculates the return on assets using pre - tax profit and income tax.)

Financial Ratio

The Company had a debt-to-equity ratio of 0.37 and 0.40 as of December 31, 2022 and December 31, 2023, respectively. The low level of the debt - to - equity ratio indicates the strong financial position of the Company. In both 2022 and 2023, the Company had no interest - bearing debt. Financial costs reflected in the financial statements arose from the accounting standard TFRS16, which was enforced in 2020.

Legal Dispute



As at December 31, 2023, the Company has no legal dispute which may affect the Company more than 5% of the shareholders' equity and there is no dispute that may materially affect the Company's business operation.



Part 2

Corporate Governance

Corporate Governance Principle

Corporate Governance Principle

The Company place great emphasis on applying the corporate governance principle as a guideline for the Company's business operations. Therefore, the Company has established the corporate governance policy with principles and practices consistent with the good corporate governance principles for listed companies 2012 of the SET.

1. Sub-committees

As of December 31, 2023, Netbay Public Company Limited's management structure was comprised of the board of directors and 3 subcommittees. The subcommittees are the audit committee, the nomination and remuneration committee and the executive committee as follows;

1.1 The Scope of Authority, Duties and Responsibilities of the Board of Directors

Duties of the board of directors are as follows.

1. To perform the duties in accordance with laws, objectives and regulations of the Company and the resolutions of the Shareholders' meeting with honesty and to protect the benefits of the Company.
2. Consider the details and approve the vision, business strategy, policies, goals, guidelines, and the Company's operational plans as prepared by management and presented to the board of directors.
3. To oversee the management and performance of management or any person entrusted with such duties in order to comply with the policies set forth by the board of directors.
4. Continually monitor the performance of the Company in order to be in compliance with the operational plans and the Company's budget.
5. To manage management in order to have an accounting system, financial reporting and reliable auditing and to ensure that there was adequate and appropriate internal control systems.
6. Review the risk management process and risk management policies and follow-up on the results of risk management.
7. To consider the acquisition or disposal of assets, investments and any actions taken in order that they are in compliance with laws, notices, rules and any relevant regulations.
8. To consider and approve the Company's connected transactions in order that they are in accordance with the laws, notices, rules and any relevant regulations.
9. Prevent any conflicts of interest between the Company's stakeholders.
10. Consider various matters by taking into account the interests of the shareholders and stakeholders of the Company fairly. Directors must notify the Company without delay if they have a stake in the contract. For transactions in which directors or any person has any possible conflicts of interest, directors who are stakeholders do not have the right to vote for the approval of that transaction.
11. Provide written policies on good corporate governance in accordance with the corporate governance principle. Review the Company's corporate governance policies to ensure that the Company is responsible to all its stakeholders fairly.
12. If necessary, get professional advice from outside organizations in order to make the correct decision.

13. Consider the appointment of Chief Executive Officer and the subcommittees. For example, the audit committee, the executive committee, etc. To determine the powers and responsibilities of the Chief Executive Officer and the subsidiary' board of directors' in order to monitor management systems and internal control systems as set forth in the policies.
14. Consider the appointment of the Company Secretary in order to ensure that the board of directors and the Company complies with any laws, announcements, rules and regulations.
15. Consider changing the scope of authority and responsibilities of the audit committee, the executive committee, the nomination and remuneration committee and the Chief Executive Officer as deemed appropriate and necessary.
16. Evaluate the performance of the board of directors. The board of directors will evaluate their performance on an annual basis and consider ways to improve the board's performance in order to be more effective.

Therefore, the board of directors must not delegate authority or responsibilities to the board of directors and/or any authorized person to approve transactions in which the board or any individual that may have a conflict of interest (as defined in the notifications of the Securities and Exchange Commission and the notifications of the Capital Market Advisory Board) or may have a stake or any kind of benefit in any way or have any other conflict of interest with the Company, other than the approved transactions that are done in accordance with the policies and regulations of the meeting of shareholders or the board of directors' consideration for approval.

1.2 The Scope of Authority and the Responsibilities of the Audit Committee

1. To review the accuracy and adequacy of the Company's financial reports.
2. To review the Company's internal control systems and internal audit systems to ensure that they are suitable and effective. To consider the independence of the internal audit unit. To approve the appointment, transfer or termination of the chief of the internal audit unit or any other unit responsible for the internal audit. This includes the hiring or termination of an internal audit firm or any other entity responsible for internal auditing.
3. To review the Company's compliance to laws regarding securities and the stock exchange and the requirements of the stock exchange and laws relating to the business of the Company.
4. To consider, select and nominate an independent person to be the Company's auditor. To propose the remuneration of that person as well as attend meetings with the auditors without management present at least once a year.
5. To consider connected transactions or transactions that may have conflicts of interest in order to be in compliance with the laws and regulations of the stock exchange and to ensure that these transactions are reasonable and for the greatest benefit of the Company.
6. To prepare the audit committee's report and disclose the report in the Company's annual report. This must be signed by the chairman of the audit committee. The audit committee's report must have at least the following information:
 - Opinions on the accuracy, completeness, reliability and reliability of the Company's financial report.
 - Opinions on the adequacy of the Company's internal control systems.

- Opinions regarding the compliance with the Securities and Exchange Act, the Stock Exchange Act or any laws relating to the business of the Company.
 - Opinions about the suitability of the auditor.
 - Opinions regarding transactions that may have a conflict of interest.
 - The amount of audit committee meetings and each audit committee member's meeting attendance.
 - Comments or overall observations by the audit committee from their operations.
 - Other agendas item that shareholders and general investors should know under the scope of duties and responsibilities assigned by the board of directors.
7. To perform any other act assigned by the board of directors with the approval of the audit committee.
 8. In regards to the performance of duties of the audit committee, if the audit committee finds or suspects that the following transactions or actions have occurred which have a significant impact on the Company's financial status and results of operations, the audit committee will report to the board of directors to get corrective actions within the time that the audit committee deems appropriate.
 - Conflicts of Interest
 - Fraud or there is something wrong or there are significant deficiencies in internal controls.
 - Violations of the Securities and Exchange Act and the Stock Exchange Act or any laws relating to the business of the Company.
 9. In regards to the performance of duties, the audit committee may seek independent opinions from any other professional advisor if deemed necessary at the expense of the Company.
 10. In practice of the scope of authority and responsibilities, the audit committee shall have the power to invite management, executives or any

relevant employees to report, give opinions, attend meetings or submit relevant and necessary documents.

Therefore, the board has the power to change the scope of authority and the responsibilities of the audit committee as it deems appropriate and necessary.

1.3 The Scope of Authority and Responsibilities of the Nomination and Remuneration Committee

The Recruitment of Directors and Senior Executives

1. Establish regulations and recruitment procedures for the Company's directors, subcommittees or senior executive directors and determine the qualifications needed to hold the position.
2. Consider recruitment and selection of qualified people in order to be the Company's directors, subcommittees, executive directors or senior executives. Consider the recruitment of qualified people who have various skills, experiences, professions, expertise and specific capabilities that are beneficial to the business operations of the Company to be proposes to the board of directors or the shareholders' meeting as the case may be.
3. Consider a succession plan for the Company's senior executives to be proposed for the consideration of the board of directors.
4. Perform other duties assigned by the board of directors.

Consideration and Determination of Remuneration

1. Define regulations, guidelines and methods regarding remuneration payment that are necessary and appropriate for the appointed Company's directors, subcommittees, executive directors or senior executives to be proposed for the consideration of approval by the board of directors or the shareholders' meeting as the case may be.

Therefore, the method of payment may be in different manners or forms such as meeting allowances, salaries, bonuses, or any other monetary or non-monetary benefit.

2. Determine the remuneration for directors, subcommittees, executive directors or senior executives by considering the appropriate remuneration in accordance with the duties and responsibilities as well as the performance when compared to other companies and industries of the business or a business of similar size in order to be proposed to the board of directors for the approval.
3. Regularly review, study, and follow-up on changes and trends in the remuneration of the Company's directors, subcommittees, executive directors or senior executives in order to propose a suitable remuneration policy and be able to compete with other companies that conduct the same business or are in the same industry. It can also compete with other listed companies in the Stock Exchange market who conduct the same business.
4. Report the progress and performance to the board of directors as well as clarify and answer question about defining and paying the remuneration of the company directors, subcommittees, executive director or senior executives on behalf of the board of directors to the shareholders' meeting at the Annual General Meeting of Shareholders or Extraordinary Shareholders' Meeting (if any).

5. Report policies, principles and rationale regarding the determination of remuneration for directors, subcommittees, executive directors or senior executives by disclosing information in the annual disclosure statement (Form 56-1).
6. Review, revise and propose amendments to the nomination and remuneration committee charter to the board of directors (if any) to ensure that the charter is appropriate and always up to date.
7. Perform other duties as assigned by the board of directors.

1.4 Scope of Authority, Duties and Responsibilities of the Executive Committee

1. Manage and operate the business of the Company in accordance with the business objectives of the Company. The operations and the management of the Company must align with the policies, guidelines and operational plans set forth by the board of directors.
2. Define vision, business strategies, policies, goals, and operational plans that are appropriate and consistent with the economic and competitive environment in order to be proposed to the board of directors for approval.
3. Monitor the implementation of policies and the Company's management guidelines which were approved by the board of directors effectively.
4. Consider the approval of transactions in accordance with the limits specified in the operating hierarchy and the authority to approve transactions involving third parties as follows ;

Transaction details	Approval authority Of the Executive Committee
Approval of disposal of company assets.	not exceed 20,000,000 Baht
Approval of asset procurement or reimbursed expenses for the normal operation of the company such as transportation expense, accommodation expense, meals expense, hospitality expenses, traditional gifts expense, purchasing assets (except investment assets), office supplies, job visits, training seminars or similar expenses.	not exceed 20,000,000 Baht
Approval of donation or support (per item)	not exceed 1,500,000 Baht
Approval of investment / Capital Expenditure in type of movable property related to information technology (except transactions relating to connected transactions and the acquisition or disposition of assets according to the criteria of the Stock Exchange of Thailand or the SEC).	not exceed 20,000,000 Baht
Approval of investment / Capital Expenditure in type of movable property other than information technology and not an investment or financial instruments for liquidity or money management to manage excess liquidity.	not exceed 20,000,000 Baht

5. Perform any other actions assigned by the board of directors.

Therefore, the board of directors must not delegate authority or responsibilities to the board of directors and/or any authorized person to approve transactions in which the board or any individual that may have a conflict of interest (as defined in the notifications of the Securities and Exchange Commission and the notifications of the Capital Market Advisory Board) or may have a stake or any kind of benefit in any way or have any other conflict of interest with the Company, other than the approved transactions of normal business activities and ordinary trading conditions.

1.5 The Scope of Authority, Duties and Responsibilities of Chief Executive Officer

1. Manage, operate and perform routine tasks as usual of the Company for the benefit of the company and in accordance with the policies, strategies and operating plans of the company which assigned by the Board of Directors and / or the resolution of the shareholders' meeting.
2. Establish vision, business strategies, policies, goals and operation plan propose to the Board of Directors for approval and responsible for reporting the progress of the Company's operations to the Board of Directors.

3. Define and adjust the management structure and Company's management in accordance with the Company's operating policy and competitive conditions of the industry.
4. Having authority to engage, appoint, transfer, discharge, disemploy and set remuneration for employees at levels lower than the Managing Director and propose to the Board of Directors who has the authorities to amend the regulations and other regarding the operations of the Company to comply with the Company's policy.
5. Consider and approve transactions in accordance with the limits specified in the operating hierarchy and the authority to approve transactions involving third parties which can be summarized as follows:

Transaction Details	Approval Authority Of the Chief Executive Officer
Approval of disposal of company assets.	not exceed 10,000,000 Baht
Approval of asset procurement or reimbursed expenses for the normal operation of the company such as transportation expense, accommodation expense, meals expense, hospitality expenses, traditional gifts expense, purchasing assets (except investment assets), office supplies, job visits, training seminars or similar expenses.	not exceed 10,000,000 Baht
Approval of donation or support (per item)	not exceed 1,000,000 Baht
Cash advance	not exceed 1,000,000 Baht
Approval of petty cash disbursement	not exceed 5,000 Baht
Approval of investment / Capital Expenditure in type of movable property related to information technology (except transactions relating to connected transactions and the acquisition or disposition of assets according to the criteria of the Stock Exchange of Thailand or the SEC).	not exceed 10,000,000 Baht
Approval of investment / Capital Expenditure in type of movable property other than information technology and not an investment or financial instruments for liquidity or money management to manage excess liquidity.	not exceed 10,000,000 Baht

6. Consider and approve of writing off bad debts from balance sheets according to the principles of The Revenue Department.
7. Consider and approve the rental or rent of real estate for short term (up to 3 years).
8. Consider to investing or selling securities, financial instruments or assets held as securities and financial instruments for liquidity or money management to manage excess liquidity.
9. The Authority to approve the appointment of asset management companies shall be with the Board of Directors.
9. Consider and approve the connected transactions which are normal trade conditions such as trading of goods according to the market price and provide the same commercial conditions as general customers under the policy approved by the Board of Directors.

10. Performs any other acts as assigned by the Board of Directors.

Therefore, the Chief Executive Officer must not delegate authority or responsibilities to the Chief Executive Officer and / or any authorized person to approve transactions in which the Chief Executive Officer or any individual that may have a conflict of interest (as defined in the notifications of the Securities and Exchange Commission and the notifications of the Capital Market Advisory Board) or may have a stake or any kind of benefit in any way or have any other conflict of interest with the Company, other than the approved transactions of normal business activities and ordinary trading conditions.

2 The Recruitment of Independent Directors

2.1 The Qualifications of Independent Directors

The board of directors determines the qualifications of independent directors in accordance with the requirements of the Stock Exchange of Thailand. The qualifications of independent directors are as follows.

1. They must not hold more than one percent of the total voting shares of the Company, its parent company, its subsidiaries, affiliated companies, major shareholders or controlling persons of the Company. This includes shareholding of any person involved with the independent director.
2. They must not be or have been a director who was involved with management, staff, employees, consultants who receive a regular salary, or any controlling authority of the Company, its parent company, its subsidiaries, affiliated companies, subsidiaries, major shareholders or a controlling person of the Company unless they have ceased to have such characteristics for no less than two years before the date of requested permission to the Office of the Stock Exchange of

Thailand. Such prohibited characteristics do not include the case in which independent directors were former officials or consultants of government agencies which are major shareholders or a controlling authority of the Company.

3. They must not be a person who has blood relations or have a binding legal registration such as a parent, spouse, sibling or child. This includes the spouse of a child of other directors, executives, major shareholders, controlling persons or anyone who is nominated as a director, manager or a controlling person of the Company or its subsidiaries.
4. They must never have or have had any business relationship with the Company, parent company, subsidiaries, associated company, major shareholders or a controlling authority of the Company in such a way as to impede the exercise of independent judgment. This includes neither being nor ever been a significant shareholder or a controlling person who has business relationships with the Company, parent company, subsidiaries, associated companies, major shareholders or a controlling authority of the Company unless those characteristics have ceased for no less than two years before the date of submission for permission to the office, or providing or receiving financial assistance by accepting or giving loans, being a guarantor, or giving assets as a liability guarantee and includes other similar circumstances that has resulted in the Company or any party owing a debt to another party from three percent of the Company's net tangible assets or valued at twenty million Baht or more, whichever is lower. Therefore, the calculation of such indebtedness shall be in accordance with the calculation method of connected transactions according to the notifications of the Capital Market Supervisory Board regarding connected transaction mutatis mutandis. However,

- in considering such indebtedness, it shall include the debt incurred during the year prior to the date of having a business relationship with the same person.
5. They must not be or have been the auditor of the Company, its parent company, subsidiaries, associated companies, major shareholders or a controlling person of the Company and not be a significant shareholder or a controlling authority or partner of an auditing company that hold the position of auditors in the Company, its parent company, subsidiaries, associate companies, major shareholders or the controlling person of the Company unless these characteristics have ceased for no less than two years before the date of submission for permission from the Office.
 6. They must not be or never have been a professional service provider. This includes serving as a legal or financial advisor which receives service fees greater than two million Baht per year from the Company, its parent company, subsidiaries, associate companies, major shareholders or a controlling authority of the Company and be a significant shareholder, controlling authority or partner of that professional service provider unless these characteristics have ceased for no less than two years before the date of submission for permission from the Office.
 7. They must not be a director appointed to represent the Company's directors, major shareholders or shareholders who are related to major shareholders.
 8. They do not engage in the same business conditions and are not a significant competitor to the business of the Company or its subsidiaries. They are not a significant partner in partnership or a director who is involved in the management of employees, staff, or consultants who receive a regular salary or hold more than one percent of the total voting shares of other companies that conduct the same business and is a significant

competitor to the business of the Company or its subsidiaries.

9. There is no other characteristic that makes it impossible to express independent opinions about the Company's operations.

2.2 Recruitment of the Audit Committee

The board of directors is comprised of at least 3 audit committee members. The board of directors will select independent directors to serve on the audit committee and consideration of approval will be proposes to the board of directors or the shareholders' meeting. Therefore, the audit committee shall have the scope of duties and responsibilities as specified in the notifications of the Stock Exchange of Thailand regarding the qualifications and scope of work for the audit committee.

The Term for Holding a Position on the Audit Committee

Audit committee members shall serve 3 year terms except when stepping down from the position in order to be in compliance with the Company's Articles of Association. An audit committee member who steps down by rotation may be re-elected. In the case that a position on the audit committee is vacant for any reason other than for the expiration of the term, the board of directors shall appoint a qualified person to be on the audit committee so that the number of audit committee will be complete as prescribed by the board of directors. The person who replaces the audit committee member will hold the position for the remainder of the term of the audit committee member they replaced.

2.3 Recruitment of the Nomination and Remuneration Committee

The nomination and remuneration committee consists of at least three directors. Half of the total number of directors shall be independent directors. The board of directors or shareholders will appoint directors or executives to serve on the nomination and

remuneration committee. Therefore, the scope of duties and responsibilities of the nomination and remuneration committee will be in accordance with the charter of the nomination and remuneration committee as approved by the board of directors.

The Term for Holding a Position on the Nomination and Remuneration Committee

The nomination and remuneration Committee has terms in which a person can hold a position for 3 years and retire by rotation of the position of directors. Other than retiring by rotation, the nomination and remuneration committee will be released from their position due to (1) death (2) resignation or termination of employment (3) disqualification or have prohibited characteristics in accordance with the law or charter and (4) the meeting of the board of directors made a resolution to terminate. In the case that the position of the nomination and remuneration committee is vacant because someone stepped down by rotation, the board of directors shall select a qualified person to be the replacement for the retired director. The replacement on the nomination and remuneration committee shall serve for the remainder of the term of the person they replaced.

2.4 Director Recruitment

When selecting a person to be a director or an executive of the Company, the board of directors that hold the position during that time will select a suitable person by considering the appropriate qualifications and make sure they are aligned with the Company's strategies and operational plans. The person must be qualified in terms of knowledge, ability, experience, dedication, and the person appointed to be a director or executive of the Company must be fully qualified under Section 68, Public Company Act BE 2535 (as amended) and the notifications of the Board of Governors of the Stock Exchange of Thailand and the relevant Capital Market Supervisory Board. The appointment of directors and

management of the Company has to be approved by the board of directors and/or the shareholders' meeting (as the case may be).

The Term of the Board of Directors

At every annual General Meeting of Shareholders, one third of the directors shall retire. If the number of directors cannot be divided equally into three parts, then the number of directors that are retiring will be rounded to number nearest one-third in the first year. In the second year, after registering the conversion of a limited company to a public limited company, a lottery method shall be used. In the following years, the longest tenured directors shall leave their office. However, directors who have retired by rotation may be re-elected.

The Term for Holding a Position on Executive Committee

Executive committee members hold the position for a 3 years term. Retired executive committee members may be re-elected. In the case that the position of executive director is vacant due to any reasons other than the expiration of a term, the board of directors shall appoint a qualified person to be executive director in order to complete the amount of executive directors as set by the board of directors. The person who replaced the executive director will be in the position only for the remainder of the term of the executive committee member he or she replaces.

3. Supervision of the Operations of Subsidiary and Associates

The Company will send qualified, knowledgeable, and experienced persons who are suitable for the business of the subsidiary to be a director or executive in proportion to its shareholding in the subsidiary to ensure that the operations are in the right direction. In addition to this, representatives of the Company are responsible for closely monitoring the business of the subsidiary, the financial status report, and the

performance of the subsidiary or associated company to the board of directors.

4. The Use of Internal Information and Conflicts of Interest

The Company has a policy to prevent directors and executives from using inside information for their own benefit or the benefit of others in the wrong way.

- 1) The Company requires the protection of the Company's information. By requiring information agencies not to disclose information to unrelated entities or individuals.
- 2) Company executives who have been informed of the material information and financial information of the Company who can change the securities price. The information must not be exploited prior to public disclosure. By prohibiting executives from trading securities of the Company for a period of one month before the financial statements or material information is disclosed to the public.
- 3) When the Company's securities are listed on the Stock Exchange of Thailand, the Company requires directors and executives to report their holdings in the Company pursuant to Section 59 in order to comply with the Notification of the Office of the Securities and Exchange Commission

regarding the preparation and disclosure of securities holders. The number of securities that the management must report must include the holding of management, spouses and minor children, whether directly or indirectly. Married and underage children are the owners of such securities, such as being held by other persons in the form of a nominee or holding through a private fund

- 4) The Company has imposed disciplinary measures for the benefit of the Company's internal information disclosure which may cause damage to the Company by considering punishment as appropriate for each case, whether verbal admonition, proclamation is a letter of probation or even termination of employment due to dismissal, release or leave. The punishment will be determined by the intent of the action and the seriousness of the offense.

5. Auditor Fees

In the past three years, the Company paid audit fees and other auditor fees which include audit fees for the compliance with the condition of the investment promotion certificate to the auditors as the following details.

Netbay Public Company Limited

(Unit: Baht)

Financial Statement	Auditor	Auditor Fees	Other Auditor Fees
For the year ended December 31, 2021	Ey Office Co., Ltd.	1,050,000	70,000
For the year ended December 31, 2022	Ey Office Co., Ltd.	1,050,000	n/a
For the year ended December 31, 2023	Ey Office Co., Ltd.	1,100,000	n/a

Could Creation Company Limited

(Unit: Baht)

Financial Statement	Auditor	Auditor Fees	Other Auditor Fees
For the year ended December 31, 2021	Ey Office Co., Ltd.	550,000	n/a
For the year ended December 31, 2022	Ey Office Co., Ltd.	550,000	n/a
For the year ended December 31, 2023	Ey Office Co., Ltd.	580,000	n/a

Fynnet Venture Company Limited

(Unit: Baht)

Financial Statement	Auditor	Auditor Fees	Other Auditor Fees
For the year ended December 31, 2021	Ey Office Co., Ltd.	100,000	n/a
For the year ended December 31, 2022	Ey Office Co., Ltd.	100,000	n/a
For the year ended December 31, 2023	Ey Office Co., Ltd.	100,000	n/a

6 Corporate Governance Principles

The Company focused on adopting corporate governance principles as a guideline for its business operations. Therefore, the Company set up the corporate governance policy that have principles and practice guidelines that are in line with the good corporate governance principles for companies listed on the Stock Exchange of Thailand (SET) in 2012.

The corporate governance policies of the Company are divided into the following 5 categories.

Section 1 : The Rights of Shareholders

The Company places an importance on shareholders' rights. The Company encourages shareholders to exercise their rights. The fundamental rights of shareholders include the trading or transferring of

shares, profit sharing, receiving sufficient information, attending meetings to exercise their right to vote at the shareholders' meeting in order to appoint or remove directors, appoint auditors and other matters that affect the Company such as dividend allocation, determining or amending the Articles of Association and Memorandum of Association, reducing or increasing capital, and the approval of special items, etc. The Company has a policy to carry out various matters in order to encourage and facilitate shareholders to exercise their rights as follows.

- The Company will send a meeting invitation letter and the supporting documents to all shareholders at least 7 days in advance or according to the requirement by the law and the notifications. The meeting invitation letter will specify the date, time, place, including

the Company's Articles of Association relating to the meeting of shareholders and the agenda. Each agenda item has indications and reasons along with the opinions of the board of directors, and the proxy form as prescribed by the Ministry of Commerce. The Company offered the names of independent directors which could be authorized to attend the meeting as a proxy on behalf of the shareholder in the case that shareholders unable to attend the meeting in person. In addition to this, the Company will disseminate important information about the shareholders' meeting through the website of the Stock Exchange of Thailand and the Company's website prior to the meeting.

- Before conducting the meeting, the Company will inform the meeting about the criteria for voting and votes counting at the meeting. When information is given according to the meeting's agenda items. The chairman of the meeting will allocate appropriate time for the shareholders to express their opinions and ask the Company questions. The directors and the executives who are involved in the matter attend the meeting in order to answer inquiries and listen to comments and suggestions from shareholders. The Company will give opportunity for shareholders to send their questions in advance prior to the meeting.
- In the case that there are many agenda items such as appointing directors, the Company will make a resolution to each item.
- After the shareholders' meeting, the Company shall prepare the complete and accurate minutes of the meeting. The voting procedures, questions, answers and voting results for each agenda item, including voting agreement, vote for disagreement and abstain votes. Names of directors who attended the meeting

and those who are absent will be recorded. Therefore, the Company will report the resolutions result on the Stock Exchange of Thailand website within the same day of the meeting or at the latest by 9.00 am on the next business day. The Company shall send the minutes of shareholders' meeting to the Stock Exchange of Thailand within 14 days and disseminated the minutes of shareholders' meeting on the Company's website.

Section 2 : Equitable Treatment of Shareholders

The Company will treat all shareholders equitably. This includes shareholders that are executives, and non-executive shareholders including foreign shareholders. The Company has the following operational policies.

- The Company will prepare the meeting invitation letter in English, every part, and publish it together with the meeting invitation letter in Thai.
- The Company will conduct the shareholders' meeting according to the order of agenda items specified in the meeting invitation letter. The Company will not add any unnecessary agenda items that were not notified in advance. Especially important agenda items that shareholders require more time to study the information before making any decisions.
- The Company will provide opportunities for minor shareholders to nominate candidates for director positions by submitting information of the nominated person with the letter of consent to the chairman of the board of directors in compliance with the Company's requirements.
- The Company will encourage shareholders to use ballots on every agenda item. The ballots will be collected at the shareholders' meeting for vote counting. The Company will keep the ballot papers in order to be transparent and verifiable.

- The Company emphasizes the importance of accurate, complete and timely disclosure of information to all shareholders equally through the website of the Stock Exchange of Thailand and the Company's website.
 - The Company has a preventative policy in the case that directors and executives using inside information for personal gain or give it to the wrongdoer.
 - The Company has a policy for directors who have a stake in any agenda items to abstain from the meeting and the consideration for such agenda.
2. The Company has a responsibility to encourage shareholders to exercise their rights in various matters at the general meeting of shareholders. This includes the right to nominate persons to be directors and the right to express opinions and ask questions related to the agenda items, etc.
 3. The Company must abstain from any act of violation or deprivation of shareholders' rights. This includes not sending information or important documents prior to the meeting of shareholders and adding important agenda items or changing important information without informing shareholders in advance, etc.

Section 3 : Role of Stakeholders

The Company emphasizes the importance of the rights of all stakeholders. This includes customers, employees, business partners, shareholders, investors, creditors and the communities in which the Company located. It also includes other stakeholders, such as competitors and independent auditors, etc. The Company will treat these stakeholders fairly believing that good relationships with all stakeholders will enable the Company to grow sustainably.

Shareholders

1. The Company is responsible for encouraging its shareholders to exercise their rights. The fundamental rights of shareholders include trading or transferring shares, acquiring profit sharing, receiving sufficient information, attending the shareholders' meeting to exercise the right to vote in order to appoint or remove directors, appointing auditors, and other matters that affect the Company such as dividend allocation, determining or amending the Articles of Association and Memorandum of Association, reducing or increasing capital, and approving extraordinary agenda items etc.

Employee

1. The Company provides fair remuneration to its employees based on the performance of the employee. The Company will measure the performance of its employees fairly in accordance with the Company's guidelines.
2. The Company has policies to develop its personnel by organizing training program to employees and executives. The Company also sends its employees and executives to be trained with outside agencies on work related issues.
3. The Company is responsible for maintaining a hygienic working environment, help to work effectively and secure the lives and property of employees.
4. The Company is responsible for maintaining employee's privacy. The Company will not disclose employee personal information such as salaries or medical history to outsiders unless the Company is obligated to disclose such information in accordance with any applicable laws and regulations.

Customers

1. The Company is responsible for building good relationships and long-term cooperation with customers based on the principles of honesty.
2. The Company focuses on creating satisfaction and the utmost confidence to customers. The Company will provide services and quality products that are safe for consumers in accordance with the requirements given to customers and adhere strictly to the terms and conditions given to customers.

Business Partners and Account Payable

1. The Company considers the equality, fairness and faithfulness in conducting business by strictly comply with the laws and the regulations that have been established together.
2. The Company will adhere business code of conduct by not calling, nor receiving, or paying any dishonest benefits in operating business with its business partners.

Business Competitors

1. The Company has a policy to support and promote free and fair trade.
2. The Company will treat its competitors according to the laws and adhere to good business practices. The Company will not destroy the reputation of its competitors by allegation, false accusation without truths or any other acts that are unfair to the competition.

Government Agencies

1. The Company must comply with the regulations and any laws related to the Company's operations.
2. The Company focuses on the importance transparency and honesty in dealing with transactions with officials and government agencies The Company has a policy to combat

the various forms of government official bribery in a manner that accommodate or give any benefits to the Company.

The Environment, Society and the Community

1. The Company has a policy to conduct its business with responsibility for the environment and to conserve natural resources. This includes promoting energy efficiency.
2. The Company has a policy to conduct business with regard for the quality of life of society and community. The Company will strictly comply with any regulations and laws. In addition to this, stakeholders can inquire about company information or complaints regarding different matters through the Company's audit committee. Complaints can be made by mail and sent to the office of the company secretary at the Company's address or complaints can be sent by email to corporatesecretary@netbay.co.th. Information regarding complaints will be kept confidential. The audit committee will examine the information and propose solutions report them to the board of directors.

Section 4: Disclosure and Transparency

The Company attaches importance to the disclosure of accurate, complete, timely and transparent information so that shareholders and stakeholders have equal and reliable information. The Company regularly updates its information on the Company's website. The Company has a policy to disclose important information to the public, such as its vision and mission, the nature of business, a list of directors and management, financial statements, financial position reports, risk factors and policies regarding risk management. It also includes the management of various risk, direct and indirect shareholdings of directors, major shareholders and top management, auditor fees and other auditor fees, and the remuneration of the board and management, etc.

In addition to this, the Company is in the process of establishing an Investor Relations Unit to provide Company information to its shareholders, investors, securities analysts and the general public.

Section 5: Responsibilities of the Board

As at December 31, 2023, the management structure of the Company consisted of three committees and subcommittees. These committees included the audit committee, the nomination and remuneration committee, and the executive board which oversees the Company for the long-term benefits of the Company and its overall shareholders.

Board structure

The board of directors consists of directors who have knowledge, ability and experience. The board considers important issues related to the management of the Company. All directors are free to express their opinions at the meeting and freedom to vote on various agenda items and to supervise the operations of the Company properly, effectively and transparently.

As of December 31, 2023, the board of directors consists of 7 directors and 4 independent directors. At least one-third of the directors must be independent directors and have no less than three independent directors. The independent directors should not have any prohibited characteristics that do not follow the announcement of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

Roles, Duties and Responsibilities of the Board

The board of directors is responsible for considering and approving important matters such as the vision and mission, strategies, financial targets, risks, plans and budgets, and supervising and effectively and efficiently managing the operation of the policies and plans by the board of directors. The board of directors uses judgment and prudence in making decisions and acts

responsibly and honestly for the long-term benefit of the Company.

Remuneration of the Directors and Executives

The Company has clearly determined the directors' remuneration in accordance with the Notification of the Office of the Securities and Exchange Commission (SEC). The remuneration must be approved by the Annual General Meeting (AGM) every year. In the case that the directors are assigned more duties and responsibilities such as being a member of the Audit Committee, etc., they will receive more compensation for these duties and responsibilities as assigned by the Company. Remuneration of management is linked to the Company's performance and the performance of each individual executive on an annual basis.

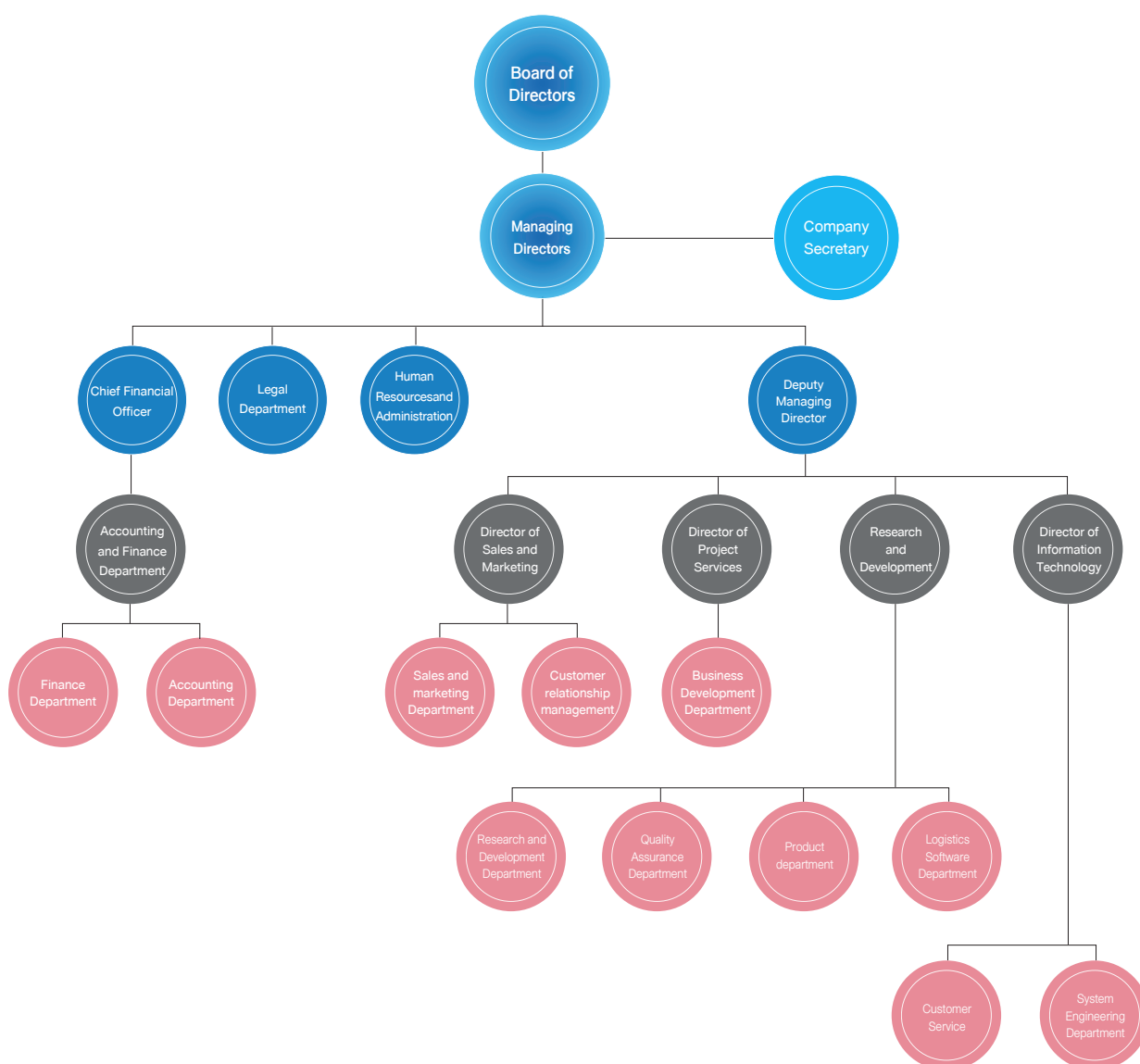
Board of Directors' Meetings

The Company's board of directors' meeting emphasized the importance of monitoring and certifying quarterly performance and reports from the audit committee for the consideration of the executive board regarding the greatest benefit to the Company, as well as reporting the Company's operational risk. Each board of directors' meeting will have a secretary to the board of directors organize the meeting's agenda items. The secretary will deliver the meeting's documents to the board of directors at least 7 days prior to the meeting. This includes the meeting records by recording suggestions and comments from each subcommittee, the board of directors, the audit committee and the executive Committee. In regards to the overall picture, the Company has recorded the minutes of the meeting and sent the report to the board of directors on an individual basis as deemed appropriate. The minutes of the board of directors' meetings have been kept in a systematic manner and are available for the board of directors, the Company and any relevant people to check out.

Governance Structure and Key Data on The Board of Directors, Specific Committees, Management, Employees and Others

Management Structure

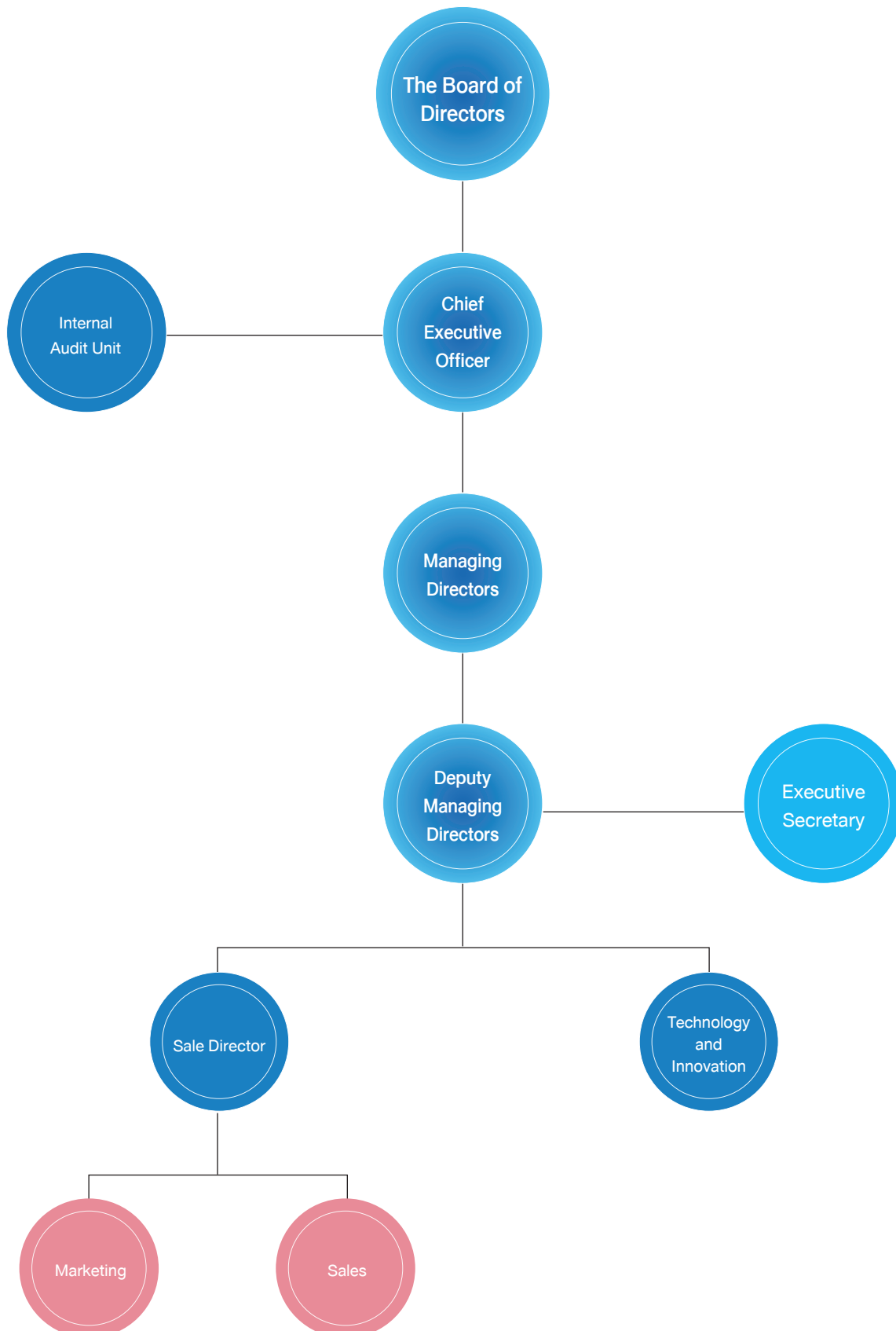
As of December 31, 2023, Netbay Public Company Limited's management structure was comprised of the board of directors and 3 subcommittees. The subcommittees are the audit committee, the nomination and remuneration committee and the executive committee as follows.



Remark : The Internal Audit Unit will work directly with the Audit Committee by coordinating with the independent internal control appraisal company that the Company signed contract of employment. The internal audit unit will report the operational results and give recommendations to the Chief Executive Officer to acknowledge.

Management Structure of the Company's Subsidiary

As of December 31, 2023, the management structure of Cloud Creation Company Limited was as follows.



The Board of Directors

As of December 31, 2023, the board of directors was comprised of the following 7 directors.

Name, Last Name	Position
1. Mr. Pairash Thajchayapong	Chairman
2. Mr. Pichit Viwatrujirapong	Vice Chairman and Chief Executive Officer
3. Mr. Vichit Yanamorn	Director/Independent Director/Audit Committee Member/ Nomination and Remuneration Committee Member
4. Mr. Suvit Arunanondchai	Director/ Independent Director/Chairman of the Audit Committee
5. Mrs. Suwipa Wanansathop	Director/Independent Director/Audit Committee Member/Chairman of the Nomination and Remuneration Committee
6. Mrs. Kobkanjana Veerapongpradit	Director/ Nomination and Remuneration Committee Member
7. Ms. Somsri Rachdapornkul	Independent Director Audit committee

Directors who have Authority to Sign on Behalf of the Company

Mr. Pichit Viwatrujirapong and Mrs. Kobkanjana Veerapongpradit are directors who have the authority to sign on behalf of the Company. Two directors must sign their names and affix it with the Company's seal.

The Company Secretary

Ms. Chittima Kumwiengchan is the Company Secretary.

The Board of Directors' Meeting

Meeting attendance for the board of directors for 2023 is as follows.

Name - Surname	No. of Meeting/ Total Meeting of the year
1. Mr. Pairash Thajchayapong	4/4
2. Mr. Pichit Viwatrujirapong	4/4
3. Mr. Vichit Yanamorn	4/4
4. Mr. Suvit Arunanondchai	4/4
5. Mrs. Suwipa Wanansathop	4/4
6. Mrs. Kobkanjana Veerapongpradit	4/4
7. Ms. Somsri Rachdapornkul	4/4

The Scope of Authority, Duties and Responsibilities of the Board of Directors

Duties of the board of directors are as follows.

1. To perform the duties in accordance with laws, objectives and regulations of the Company and the resolutions of the Shareholders' meeting with honesty and to protect the benefits of the Company.
2. Consider the details and approve the vision, business strategy, policies, goals, guidelines, and the Company's operational plans as prepared by management and presented to the board of directors.
3. To oversee the management and performance of management or any person entrusted with such duties in order to comply with the policies set forth by the board of directors.
4. Continually monitor the performance of the Company in order to be in compliance with the operational plans and the Company's budget.
5. To manage management in order to have an accounting system, financial reporting and reliable auditing and to ensure that there was adequate and appropriate internal control systems.
6. Review the risk management process and risk management policies and follow-up on the results of risk management.
7. To consider the acquisition or disposal of assets, investments and any actions taken in order that they are in compliance with laws, notices, rules and any relevant regulations.
8. To consider and approve the Company's connected transactions in order that they are in accordance with the laws, notices, rules and any relevant regulations.
9. Prevent any conflicts of interest between the Company's stakeholders.
10. Consider various matters by taking into account the interests of the shareholders and stakeholders of the Company fairly. Directors must notify the Company without delay if they have a stake in the contract. For transactions in which directors or any person has any possible conflicts of interest, directors who are stakeholders do not have the right to vote for the approval of that transaction.
11. Provide written policies on good corporate governance in accordance with the corporate governance principle. Review the Company's corporate governance policies to ensure that the Company is responsible to all its stakeholders fairly.
12. If necessary, get professional advice from outside organizations in order to make the correct decision.
13. Consider the appointment of Chief Executive Officer and the subcommittees. For example, the audit committee, the executive committee, etc. To determine the powers and responsibilities of the Chief Executive Officer and the subsidiary's board of directors in order to monitor management systems and internal control systems as set forth in the policies.
14. Consider the appointment of the Company Secretary in order to ensure that the board of directors and the Company complies with any laws, announcements, rules and regulations.
15. Consider changing the scope of authority and responsibilities of the audit committee, the executive committee, the nomination and remuneration committee and the Chief Executive Officer as deemed appropriate and necessary.
16. Evaluate the performance of the board of directors. The board of directors will evaluate their performance on an annual basis and consider ways to improve the board's performance in order to be more effective.

Therefore, the board of directors must not delegate authority or responsibilities to the board of directors and/or any authorized person to approve transactions in which the board or any individual that may have a conflict of interest (as defined in the notifications of the Securities and Exchange Commission and the notifications of the Capital Market Advisory Board) or may have a stake or any kind of benefit in any way or have any other conflict of interest with the Company, other than the approved transactions that are done in accordance with the policies and regulations of the meeting of shareholders or the board of directors' consideration for approval.

Director Recruitment

When selecting a person to be a director or an executive of the Company, the board of directors that hold the position during that time will select a suitable person by considering the appropriate qualifications and make sure they are aligned with the Company's strategies and operational plans. The person must be qualified in terms of knowledge, ability, experience, dedication, and the person appointed to be a director or executive of the Company must be fully qualified under Section 68, Public Company Act B.E. 2535 (as amended) and the notifications of the Board of Governors of the Stock Exchange of Thailand and the relevant Capital Market Supervisory Board. The appointment of directors and management of the Company has to be approved by the board of directors and/or the shareholders' meeting (as the case may be).

The Term of the Board of Directors

At every annual General Meeting of Shareholders, one third of the directors shall retire. If the number of directors cannot be divided equally into three parts, then the number of directors that are retiring will be rounded to number nearest one-third in the first year. In the second year, after registering the conversion of a limited company to a public limited company, a lottery method shall be used. In the following years, the longest tenured directors shall leave their office. However, directors who have retired by rotation may be re-elected.

The Meeting of the Board of Directors

1. The board of directors shall have a meeting at least once every three months. The board of directors' meeting shall be held in the locality where the Company's head office is located or at any location that chairman or the appointed chairman determines.
2. The board of directors shall elect one director to be the chairman. In the case where the board deems it appropriate to elect one or more directors to be a vice chairman and a managing director, the position shall be held for a period as agreed upon by the board.
3. The meeting of the board of directors will be called when the chairman of the board of directors calls a meeting or if two or more directors request a meeting of the board of directors. The chairman shall appoint the date of the meeting within fourteen days of receiving the request to meet.
4. When calling a meeting of the board of directors, the chairman or the authorized person shall send a notice of the meeting to the directors no less than seven days prior to the meeting date, except in urgent cases to maintain the benefits of the Company. The meeting will be notified through other means and the meeting date may be earlier than that.
5. At the board of directors meetings, at least half of the total number of directors needs to be present at the meeting in order to constitute a quorum.

In the case that the chairman is not present at the meeting or is unable to perform the duty, the vice chairman shall act on behalf of the chairman. If the vice chairman is not present at the meeting or is unable to perform the duty or the vice chairman position is vacant, the board of directors may appoint one of the directors present at the meeting to be chairman of the meeting. Decisions at the meeting shall be taken by a majority of votes.

Each director has one vote except a director who has a stake in that matter. Then he or she has no right to vote on that matter. If there is a tied vote, the chairman of the meeting shall have the deciding vote.

Changes in Securities Held by the Board of Directors of Netbay Public Company Limited as of December 31, 2023

Name	Netbay Public Company Limited			
	Number of Shares (Ordinary Shares)			
	Personal Shares	Increase (Decrease) in the Number of Shares during the Year	Spouse Children	Increase (De- crease) in the Number of Shares during the Year
1. Mr. Pairash Thajchayapong	-	-	-	-
2. Mr. Pichit Viwatrujirapong	100,099,990	-	-	-
3. Mrs. Suwipa Wanasathop	-	-	-	-
4. Mr. Vichit Yanamorn	-	-	-	-
5. Mr. Suvit Arunanondchai	-	-	-	-
6. Mrs. Kobkanjana Veerapongpradit	-	-	-	-
7. Ms. Somsri Rachdapornkul	-	-	-	-

Changes in Securities Held by the Company's Board of Directors' for Subsidiaries as of December 31, 2023

Name	Cloud Creation Company Limited			
	Number of Shares (Ordinary Shares)			
	Personal Shares	Increase (Decrease) in the Number of Shares during the Year	Spouse Children	Increase (De- crease) in the Number of Shares during the Year
1. Mr. Pairash Thajchayapong	-	-	-	-
2. Mr. Pichit Viwatrujirapong	1	-	-	-
3. Mrs. Suwipa Wanasathop	-	-	-	-
4. Mr. Vichit Yanamorn	-	-	-	-
5. Mr. Suvit Arunanondchai	-	-	-	-
6. Mrs. Kobkanjana Veerapongpradit	-	-	-	-
7. Ms. Somsri Rachdapornkul	-	-	-	-

Changes in Securities Held by the Company's Board of Directors' for Subsidiaries as of December 31, 2023

Name	Fynnet Venture Company Limited			
	Number of Shares (Ordinary Shares)			
	Personal Shares	Increase (Decrease) in the Number of Shares during the Year	Spouse Children	Increase (De-crease) in the Number of Shares during the Year
1. Mr. Pairash Thajchayapong	-	-	-	-
2. Mr. Pichit Viwatrujirapong	-	-	-	-
3. Mrs. Suwipa Wanasathop	-	-	-	-
4. Mr. Vichit Yanamorn	-	-	-	-
5. Mr. Suvit Arunanondchai	-	-	-	-
6. Mrs. Kobkanjana Veerapongpradit	1	-	-	-
7. Ms. Somsri Rachdapornkul	-	-	-	-

The Audit Committee

The board of audit committee was comprised of 3 independent directors who served on the audit committee as follows.

Name-Last name	Position
1. Mr. Suvit Arunanondchai	Chairman of the Audit Committee
2. Mr. Vichit Yanamorn (Holding a Position until November 2023)	Audit Committee Member
3. Mrs. Suwipa Wnasathop	Audit Committee Member
4. Ms. Somsri Rachdapornkul (Holding a Position form November 2023)	Audit Committee Member

Mr. Vichit Yanamorn and Ms. Somsri Rachdapornkul are audit committee member who has sufficient knowledge and experience to review the reliability of the financial statements. Ms. Chittima Kumwiengchan is the secretary of the audit committee.

The Meetings of the Audit Committee

The attendance for meetings of the audit committee for the year 2023 was as follows.

Name-Last name	Number of Times Attended a Meeting/Total Number of Meetings
1. Mr. Suvit Arunanondchai	4/4
2. Mr. Vichit Yanamorn	2/4 (Holds the position until November 2023.)
3. Mrs. Suwipa Wanasathop	4/4
4. Ms. Somsri Rachdapornkul	1/4 (Holds the position since November 2023.)

The Scope of Authority and the Responsibilities of the Audit Committee

- To review the accuracy and adequacy of the Company's financial reports.
- To review the Company's internal control systems and internal audit systems to ensure that they are suitable and effective. To consider the independence of the internal audit unit. To approve the appointment, transfer or termination of the chief of the internal audit unit or any other unit responsible for the internal audit. This includes the hiring or termination of an internal audit firm or any other entity responsible for internal auditing.
- To review the Company's compliance to laws regarding securities and the stock exchange and the requirements of the stock exchange and laws relating to the business of the Company.
- To consider, select and nominate an independent person to be the Company's auditor. To propose the remuneration of that person as well as attend meetings with the auditors without management present at least once a year.
- To consider connected transactions or transactions that may have conflicts of interest in order to be in compliance with the laws and regulations of the stock exchange and to ensure that these transactions are reasonable and for the greatest benefit of the Company.
- To prepare the audit committee's report and disclose the report in the Company's annual report. This must be signed by the chairman of the audit committee. The audit committee's report must have at least the following information:
 - Opinions on the accuracy, completeness, reliability and reliability of the Company's financial report.
 - Opinions on the adequacy of the Company's internal control systems.
 - Opinions regarding the compliance with the Securities and Exchange Act, the Stock Exchange Act or any laws relating to the business of the Company.
 - Opinions about the suitability of the auditor.
 - Opinions regarding transactions that may have a conflict of interest.
 - The amount of audit committee meetings and each audit committee member's meeting attendance.
 - Comments or overall observations by the audit committee from their operations.
 - Other agendas item that shareholders and general investors should know under the scope of duties and responsibilities assigned by the board of directors.

7. To perform any other act assigned by the board of directors with the approval of the audit committee.
8. In regards to the performance of duties of the audit committee, if the audit committee finds or suspects that the following transactions or actions have occurred which have a significant impact on the Company's financial status and results of operations, the audit committee will report to the board of directors to get corrective actions within the time that the audit committee deems appropriate.
 - 1) Conflicts of Interest
 - 2) Fraud or there is something wrong or there are significant deficiencies in internal controls.
 - 3) Violations of the Securities and Exchange Act and the Stock Exchange Act or any laws relating to the business of the Company.
9. In regards to the performance of duties, the audit committee may seek independent opinions from any other professional advisor if deemed necessary at the expense of the Company.
10. In practice of the scope of authority and responsibilities, the audit committee shall have the power to invite management, executives or any relevant employees to report, give opinions, attend meetings or submit relevant and necessary documents.

Therefore, the board has the power to change the scope of authority and the responsibilities of the audit committee as it deems appropriate and necessary.

Recruitment of the Audit Committee

The board of directors is comprised of at least 3 audit committee members. The board of directors will select independent directors to serve on the audit committee and consideration of approval will be proposed to the board of directors or the shareholders' meeting. Therefore, the audit committee shall have

the scope of duties and responsibilities as specified in the notifications of the Stock Exchange of Thailand regarding the qualifications and scope of work for the audit committee.

The Term for Holding a Position on the Audit Committee

Audit committee members shall serve 3 year terms except when stepping down from the position in order to be in compliance with the Company's Articles of Association. An audit committee member who steps down by rotation may be re-elected. In the case that a position on the audit committee is vacant for any reason other than for the expiration of the term, the board of directors shall appoint a qualified person to be on the audit committee so that the number of audit committee will be complete as prescribed by the board of directors. The person who replaces the audit committee member will hold the position for the remainder of the term of the audit committee member they replaced.

The Audit Committee Meeting

1. There should be at least 4 meetings per year. Management, executives, relevant employees or auditors may be invited to attend the meeting in order to give opinions or submit documents and information that is relevant or necessary.
2. At every audit committee meeting, a quorum must consist of no less than two thirds of the total number of audit committee members holding a position at that time in order to be considered as a quorum.
3. Audit committee members who have a stake in the consideration of any matter will abstain from voting on such matters. The audit committee has the right to vote. Each member has one vote. Resolutions are made by a majority vote. The secretary of the audit committee does not have the right to vote. In case of a tied vote, the chairman of the meeting shall have the deciding vote.
4. The Company's auditors shall meet at least once a year without management present.

The Recruitment of Independent Directors

The Qualifications of Independent Directors

The board of directors determines the qualifications of independent directors in accordance with the requirements of the Stock Exchange of Thailand. The qualifications of independent directors are as follows.

1. They must not hold more than one percent of the total voting shares of the Company, its parent company, its subsidiaries, affiliated companies, major shareholders or controlling persons of the Company. This includes shareholding of any person involved with the independent director.
2. They must not be or have been a director who was involved with management, staff, employees, consultants who receive a regular salary, or any controlling authority of the Company, its parent company, its subsidiaries, affiliated companies, subsidiaries, major shareholders or a controlling person of the Company unless they have ceased to have such characteristics for no less than two years before the date of requested permission to the Office of the Stock Exchange of Thailand. Such prohibited characteristics do not include the case in which independent directors were former officials or consultants of government agencies which are major shareholders or a controlling authority of the Company.
3. They must not be a person who has blood relations or have a binding legal registration such as a parent, spouse, sibling or child. This includes the spouse of a child of other directors, executives, major shareholders, controlling persons or anyone who is nominated as a director, manager or a controlling person of the Company or its subsidiaries.
4. They must never have or have had any business relationship with the Company, parent company, subsidiaries, associated company, major shareholders or a controlling authority of the Company in such a way as to impede the

exercise of independent judgment. This includes neither being nor ever been a significant shareholder or a controlling person who has business relationships with the Company, parent company, subsidiaries, associated companies, major shareholders or a controlling authority of the Company unless those characteristics have ceased for no less than two years before the date of submission for permission to the office, or providing or receiving financial assistance by accepting or giving loans, being a guarantor, or giving assets as a liability guarantee and includes other similar circumstances that has resulted in the Company or any party owing a debt to another party from three percent of the Company's net tangible assets or valued at twenty million Baht or more, whichever is lower. Therefore, the calculation of such indebtedness shall be in accordance with the calculation method of connected transactions according to the notifications of the Capital Market Supervisory Board regarding connected transaction mutatis mutandis. However, in considering such indebtedness, it shall include the debt incurred during the year prior to the date of having a business relationship with the same person.

5. They must not be or have been the auditor of the Company, its parent company, subsidiaries, associated companies, major shareholders or a controlling person of the Company and not be a significant shareholder or a controlling authority or partner of an auditing company that hold the position of auditors in the Company, its parent company, subsidiaries, associate companies, major shareholders or the controlling person of the Company unless these characteristics have ceased for no less than two years before the date of submission for permission from the Office.

6. They must not be or never have been a professional service provider. This includes serving as a legal or financial advisor which receives service fees greater than two million Baht per year from the Company, its parent company, subsidiaries, associate companies, major shareholders or a controlling authority of the Company and be a significant shareholder, controlling authority or partner of that professional service provider unless these characteristics have ceased for no less than two years before the date of submission for permission from the Office.
7. They must not be a director appointed to represent the Company's directors, major shareholders or shareholders who are related to major shareholders.
8. They do not engage in the same business conditions and are not a significant competitor to the business of the Company or its subsidiaries. They are not a significant partner in partnership or a director who is involved in the management of employees, staff, or consultants who receive a regular salary or hold more than one percent of the total voting shares of other companies that conduct the same business and is a significant competitor to the business of the Company or its subsidiaries.
9. There is no other characteristic that makes it impossible to express independent opinions about the Company's operations.

The Nomination Committee and Consideration of Compensation

The nomination and remuneration committee consisted of the following 3 directors.

Name – Last Name	Position
1. Mrs. Suwipa Wanasathop	Chairman of the Nomination and Remuneration Committee
2. Mr. Vichit Yanamorn	Nomination and Remuneration Committee Member
3. Mrs. Kobkanjana Veerapongpradit	Nomination and Remuneration Committee Member

The Meeting of the Board of the Numeration and Remuneration Committee

For 2023, the attendance of meetings for members of the board of the nomination and remuneration committee was as follows.

Name – Last Name	Number of Times Attended a Meeting/ Total Number of Meetings
1. Mrs. Suwipa Wanasathop	1/1
2. Mr. Vichit Yanamorn	1/1
3. Mrs. Kobkanjana Veerapongpradit	1/1

The Scope of Authority and Responsibilities of the Nomination and Remuneration Committee

The Recruitment of Directors and Senior Executives

1. Establish regulations and recruitment procedures for the Company's directors, subcommittees or senior executive directors and determine the qualifications needed to hold the position.
2. Consider recruitment and selection of qualified people in order to be the Company's directors, subcommittees, executive directors or senior executives. Consider the recruitment of qualified people who have various skills, experiences, professions, expertise and specific capabilities that are beneficial to the business operations of the Company to be proposed to the board of directors or the shareholders' meeting as the case may be.
3. Consider a succession plan for the Company's senior executives to be proposed for the consideration of the board of directors.
4. Perform other duties assigned by the board of directors.

Consideration and Determination of Remuneration

1. Define regulations, guidelines and methods regarding remuneration payment that are necessary and appropriate for the appointed Company's directors, subcommittees, executive directors or senior executives to be proposed for the consideration of approval by the board of directors or the shareholders' meeting as the case may be. Therefore, the method of payment may be in different manners or forms such as meeting allowances, salaries, bonuses, or any other monetary or non-monetary benefit.
2. Determine the remuneration for directors, subcommittees, executive directors or senior executives by considering the appropriate remuneration in accordance with the duties and responsibilities as well as the performance when compared to other companies and industries of the

business or a business of similar size in order to be proposed to the board of directors for the approval.

3. Regularly review, study, and follow-up on changes and trends in the remuneration of the Company's directors, subcommittees, executive directors or senior executives in order to propose a suitable remuneration policy and be able to compete with other companies that conduct the same business or are in the same industry. It can also compete with other listed companies in the Stock Exchange market who conduct the same business.
4. Report the progress and performance to the board of directors as well as clarify and answer question about defining and paying the remuneration of the company directors, subcommittees, executive director or senior executives on behalf of the board of directors to the shareholders' meeting at the Annual General Meeting of Shareholders or Extraordinary Shareholders' Meeting (if any).
5. Report policies, principles and rationale regarding the determination of remuneration for directors, subcommittees, executive directors or senior executives by disclosing information in the annual disclosure statement (Form 56-1).
6. Review, revise and propose amendments to the nomination and remuneration committee charter to the board of directors (if any) to ensure that the charter is appropriate and always up to date.
7. Perform other duties as assigned by the board of directors.

Recruitment of the Nomination and Remuneration Committee

The nomination and remuneration committee consists of at least three directors. Half of the total number of directors shall be independent directors. The board of directors or shareholders will appoint directors or executives to serve on the nomination and remuneration committee. Therefore, the scope of duties and responsibilities of

the nomination and remuneration committee will be in accordance with the charter of the nomination and remuneration committee as approved by the board of directors.

The Term for Holding a Position on the Nomination and Remuneration Committee

The nomination and remuneration Committee has terms in which a person can hold a position for 3 years and retire by rotation of the position of directors. Other than retiring by rotation, the nomination and remuneration committee will be released from their position due to (1) death (2) resignation or termination of employment (3) disqualification or have prohibited characteristics in accordance with the law or charter and (4) the meeting of the board of directors made a resolution to terminate. In the case that the position of the nomination and remuneration committee is vacant because someone stepped down by rotation, the board of directors shall select a qualified person to be the replacement for the retired director. The replacement on the nomination and remuneration committee shall serve for the remainder of the term of the person they replaced.

The Meetings of the Nomination and Remuneration Committee

1. The board shall hold a meeting at least once a year at an appropriate time.
2. The chairman of board shall call for a meeting. If at least half the number of directors requested for a meeting, the chairman of the board shall set a meeting date within 30 days from the date the request was received.

3. In the calling for the meeting of the board, the chairman or the secretary of the board shall send a notice of the meeting to directors no less than 7 days prior to the meeting date unless it is an urgent case in order to protect the benefits of the company. Then the meeting will be notified by other means and the date will be set earlier than that.
4. At the board meetings, at least half of the total number of directors must be present at the meeting in order form a quorum. In the case that the Chairman is absent or unable to attend the meeting, the directors present at the meeting shall elect a director to be chairman of the meeting.
5. Every director shall attend every meeting except in the case that there is a necessary event that must be attended. If directors are not able to attend the meeting, the director will inform the chairman in advance.
6. Any committee member that has a stake concerning the matter being considered by the board, they shall abstain from attending and considering such matter. The resolutions of the board shall be made by a majority vote. Each director has a right to vote and each share has one vote. In case of a tied vote, the Chairman of the meeting shall have the deciding vote.
7. The board can invite, call or order management, supervisors or any relevant employees to give opinions and attend the meeting in order for clarification or submit relevant or necessary documents.

The Executive Committee

The Executive Committee consisted of the following 2 executives.

Name – Last Name	Position
1. Mr. Pichit Viwatrujirapong	Chairman of the Executive Committee
2. Mrs. Kobkanjana Veerapongpradit	Executive Committee Member

Scope of Authority, Duties and Responsibilities of the Executive Committee

1. Manage and operate the business of the Company in accordance with the business objectives of the Company. The operations and the management of the Company must align with the policies, guidelines and operational plans set forth by the board of directors.
2. Define vision, business strategies, policies, goals, and operational plans that are appropriate and consistent with the economic and competitive environment in order to be proposed to the board of directors for approval.
3. Monitor the implementation of policies and the Company's management guidelines which were approved by the board of directors effectively.
4. Consider the approval of operational expenses, transportation expenses, travel expenses, stationery expenses, office supply expenses, repair and maintenance expenses, and other expenses which are normal Company expenses and do not exceed 20 million Baht.
5. Consider negotiations and approval of entering into contracts and/or any action related to business operations that does not exceed 20 million Baht.
6. Consider the approval of investments in fixed assets and investments in securities in the market demand (approved by the board of directors in principle) and does not exceed 20 million Baht.

7. Consider approval of writing off bad debts from balance sheets according to the conditions set by the Company and do not exceed 5 million Baht per transaction.
8. Perform any other actions assigned by the board of directors.

Therefore, the board of directors must not delegate authority or responsibilities to the board of directors and/or any authorized person to approve transactions in which the board or any individual that may have a conflict of interest (as defined in the notifications of the Securities and Exchange Commission and the notifications of the Capital Market Advisory Board) or may have a stake or any kind of benefit in any way or have any other conflict of interest with the Company, other than the approved transactions of normal business activities and ordinary trading conditions.

The Term for Holding a Position on Executive Committee

Executive committee members hold the position for a 3 years term. Retired executive committee members may be re-elected. In the case that the position of executive director is vacant due to any reasons other than the expiration of a term, the board of directors shall appoint a qualified person to be executive director in order to complete the amount of executive directors as set by the board of directors. The person who replaced the executive director will be in the position only for the remainder of the term of the executive committee member he or she replaces.

Management

As of December 31, 2023, the Company's management consisted of the following 5 executives.

Name – Last Name	Position
1. Mr. Pichit Viwatrujirapong	Chief Executive Committee
2. Mrs. Kobkanjana Verapongpradit	Managing Director
3. Mr. Kittiwat Surasakphiphat	Deputy Managing Director
4. Mrs. Sutarin Wongsongcha	Chief Financial Officer
5. Ms. Ornrueda Kuumlertluck	Account and Finance Manager

Company Secretary

Ms. Chittima Kumwiengchan is the Company Secretary.

The Scope of Authority and Responsibilities of the Company Secretary

1. Inform the Board of Directors and Exclusives of any laws in regulations related to them.
2. Perform duties in overseeing the activities of the Board of Directors, responsible for organizing the Board of Directors' meetings and shareholders' meetings, record minutes of the Board of Directors' meetings and shareholders' meetings, supervise and coordinate the implementation of the resolution of the said meeting.
3. Keeping important documents are as follows:
 - Register of Directors
 - Notice calling the Board of Directors' meeting, Minutes of the Board of Directors' meeting, Annual Report.
 - Notice of AGM meeting, Minutes of AGM meeting.
4. Keeping conflict of interest' report filed by a Directors or Exclusives.
5. Perform other actions as specified by the Capital Market Supervisory Board.

The Company realizes that the personnel of the Company are important factor in achieved the goals and plans, thus the Company has a policy to develop employees at all levels by provides internal and external training course of information systems, both software and hardware in order to employees are knowledgeable about changing technology, as well as increasing their knowledge, ability and skills to operate effectively and create the best interests of the company.

Remuneration for Directors and Management

The Remuneration of Directors

The Company clearly determined the directors' remuneration in accordance with the notifications of the Office of the Securities and Exchange Commission (SEC). The remuneration must be approved by the Annual General Meeting (AGM). At the Annual General Meeting of Shareholders for the year 2023, the Company approved the remuneration of the board of directors, the audit committee, and the nomination and remuneration committee and will use the remuneration rate from the approval of the 2023 Annual General Meeting of Shareholders until the Shareholders' Meeting resolves otherwise. The details are as follows.

1. Meeting Allowance for Directors : In the Case that Meetings were Attended

Baht/person/time

Position	The Board of Directors	Meeting Allowance
Chairman	Director/ Audit Committee/ Nomination and Remuneration Committee/ other committees which may appointed in 2022	25,000.00
Non-Executive Director	Director/ Audit Committee/ Nomination and Remuneration Committee/ other committees which may appointed in 2022	18,000.00
Chairman/ Executive Director	Director/ Audit Committee/ Nomination and Remuneration Committee/ other committees which may appointed in 2022	none

2. Monthly Remuneration

Baht/person/month

Position	Salary
Chairman of the Board	30,000
Chairman of Audit Committee	25,000
Chairman of Nomination and Remuneration Committee/ Chairman of other committee	20,000
Non-Executive Director	20,000
Chairman/ Executive Director	none

The amount of meeting allowances and monthly remuneration will not exceed 3,500,000 Baht.

3. Directors' Bonus

The Board of Directors, except for executive directors shall receive a bonus not exceeding 5% of the dividend payment distributed to shareholders and the total amount will be arranged by the decision of board of directors. In addition, Directors' Bonus will not exceed 4,500,000 Baht and will be paid in the same month as shareholders' dividend.

Remarks: Monthly remuneration and bonuses for directors will be rendered to each individual director according to the length of time each individual director has held the position and will be paid in the same month as shareholders' dividend.

4. Non-Monetary Remuneration

- none -

Monetary remuneration

Details of the remuneration that directors and subcommittees received in 2023 for the fiscal year ended on December 31, 2023 are as follows.

unit: Baht

Name-Last Name	Meeting Allowance			Monthly Remuneration	Total
	Director	Audit Committee	Nomination Committee		
1. Mr. Pairash Thajchayapong	100,000	-	-	360,000	460,000
2. Mr. Pichit Viwatrujirapong	-	-	-	-	-
3. Mr. Suvit Arunanondchai	172,000	100,000	-	300,000	472,000
4. Mr. Vichit Yanamorn	108,000	36,000	-	240,000	348,000
5. Mrs. Suwipa Wanasathop	144,000	72,000	-	240,000	384,000
6. Mrs. Kobkanjana Veerapongpradit**	-	-	-	-	-
7. Ms. Somsri Rachdapornkul	90,000	18,000	-	240,000	330,000
Total	388,000	226,000	-	1,380,000	1,994,000
		614,000			

Remarks : ¹ Audit Committee ** Nomination and Remuneration Committee

Remuneration for the Company's executives in the form of salaries and bonuses can be summarized as follows.

	For the year ended		
	December 31, 2021	December 31, 2022	December 31, 2023
Number (people)	4	4	5
Remuneration (million Baht)	37.13	38.09	50.91

Employees

Number of employees

employees of the Company and subsidiaries (Excluding executives) as follows.

Department	Number of employees (Person)		
	December 31, 2021	December 31, 2022	December 31, 2023
Finance & Account	5	5	6
Human Resource and Administration	10	13	11
Sales and Marketing	19	25	15
Project Management	3	6	8
Research and Development	34	38	42
System Engineer	29	28	28
Legal	2	2	1
Total	109	101	111

Employee compensation

Compensation for employees of the Company and subsidiaries (Excluding executives) as follows.

Type	Employee compensation (Million Baht)		
	For the year ended December 31, 2021	For the year ended December 31, 2022	For the year ended December 31, 2023
Salary and Other Benefits	79.00	86.39	98.69
Bonus's Employees	29.63	41.51	32.96
Total	108.63	127.90	131.65

Remark: The company has a policy to pay employee bonuses annually. However, in accounting, bonus expenses are recorded on a monthly basis.

The Company has not established any union employees. The company has a policy to treat all employees fairly and the company have a good relationship with employees.

labor dispute

-none-

Human Resource Development Policy

The Company realizes that the personnel of the Company are important factor in achieved the goals and plans, thus the Company has a policy to develop employees at all levels by provides internal and external training course of information systems, both software and hardware in order to employees are knowledgeable about changing technology, as well as increasing their knowledge, ability and skills to operate effectively and create the best interests of the company.

Provident fund

The company has established a provident fund of the company from May 1, 2014, the Company has a policy to encourage the Company's Provident Fund Committee to comply with the Investment Governance Code: "I Code". Due to a provident fund is considered a retirement savings fund for employees, the Company therefore encourages the Provident Fund Committee to select Fund Managers who adhere to the I Code and / or manage investments responsibly, taking into account Environmental, Social and Governance factors (ESG), having good compliance with the investment governance principles, this is because it is an investment strategy that leads to the best interests of fund members, that is, the company's employees over the long term.

Company / Subsidiaries	With / Without PVD	Number of Employees Attending PVD - Dec 31, 2023	Percentage (%)
Netbay Public Company Limited	with	105	95.45
Cloud Creation Company Limited	with	6	100

Internal Control and Related Party Transactions

Related Party Transactions

Related Party transactions between Netbay Public Company Limited (“The Company”)

and its subsidiary, manufacturers or any person that may have had a conflict of interest for the year ended on December 31, 2022 and 2023 are summarized below.

Company/ Person who may have a Conflict of Interest	Relationship	Related Party Transactions	Valued Items (million Baht)		Company/Person who may have a Conflict of Interest
			Year Ended December 31, 2022	Year Ended December 31, 2023	
1. Creation Group Company Limited ("Creation Group")	The Company's 1 affiliated directors are Mr. Pichit Vivatrujirapong	Creation Group pays The Company for office space rental.	0.08	0.08	Creation Group is renting office space From The Company. The rental costs and conditions are the same as other office space rentals in the same area. The board of audit committee reviewed these transactions and is of the opinion that this transaction is a ordinary business transaction and appropriate.
		Accounts receivable	-	- 0.08 (0.08) -	

The Necessity and Appropriateness of Related Party Transactions

Important related party transactions between the Company and other companies or people that many have had a conflict of interest are office rental costs and service fees. The audit committee reviewed these related party transactions, which will be disclosed later, and are of the opinion that the price and conditions for these related party transactions are fair, reasonable and these transactions were for the Company's utmost benefit.

Measures or Steps to Approve Related Party Transaction

The Company's measures or steps to approve related party transactions are stipulated so that related party transactions regarding any person or juristic person that may have a conflict of interest are transparent and benefit the Company. The Company will operate

in accordance with the laws of the Securities and the Stock Exchange in Thailand and operate in accordance with the rules, notices, and regulations of the Office of Securities and Exchange Commission. Therefore, directors, executive directors or stakeholders shall have no part in the approval of transaction items. In the case that the law requires an authorization from the meeting of the board of directors, the Company will require that the audit committee attend the meeting in order to consider and give any necessary opinions for appropriate transactions. The principles for business transactions with ordinary business conditions and business transactions with unordinary business conditions are as follows:

Business Transactions with Ordinary Business Conditions

Ordinary business transactions will first be considered by the board of the audit committee before proposing

them to the board of directors for principle approval. The management team can authorize these transactions if the business conditions are of the same manner that any reasonable person would do if their contract parties were facing the same situation without any influence on negotiation from any director, executive committee member, or relevant person.

Therefore, the Company shall prepare a quarterly report on transactions for proposal at the audit committee meeting and the board of directors meeting.

Business Transactions with Unordinary Business Conditions

Generally, Business transactions with unordinary business conditions must be reviewed and considered by the audit committee to be assessed prior to submission for approval from the meeting of the board of directors and/or the shareholder's meeting. This is in accordance with the laws of Securities and the Stock Exchange of Thailand and the laws, regulations, acts and notices of the Securities and Exchange Commission regarding connected transactions.

In the case that the audit committee is not experienced with the assessment of related party transactions, the Company will appoint an independent expert such as financial advisor, independent expert or property evaluator. They are independent and can give an opinion concerning related party transactions. The opinion of the audit committee and the expert will be used for the board of directors' and/or the shareholders' consideration in order to ensure that the related party transactions will not be used to allocate or transfer benefits between the Company or the Company's shareholders but for the greatest benefit of all its shareholders.

Therefore, the Company will disclose any related party transactions in the annual registration statement and in notes of the financial statements which was assessed or reviewed by the Company's auditor.

Future Trends in Regards to Policies and Related Party Transactions

The Company projected that the Company would continue to have related party transaction with people that may have a conflict of interest in areas like office rental costs, and services fees. These transactions are still necessary for the Company's operations.

Internal Controls and Risk Management

The Board's Opinion Regarding Internal Controls

The Company attaches great importance to having good internal control systems that are in line with the principles of good corporate governance. This includes being transparent, fair, reliable, and having a transparent system of checks and balances that can be verified. This will lead to maximum benefit for shareholders, employees, business partners, the community and all related parties.

At the Board of Directors Meeting No. 2/2023 held on May 11, 2023, the Audit Committee attended the meeting and considered evaluating the adequacy of the Company's internal control system. The Board of Directors is of the opinion that the Company has an adequate and appropriate internal control system in line with the sufficiency assessment form of the internal control system of the office of the Securities and Exchange Commission.

The Audit Committee Report

The Audit Committee of Netbay Company Limited consists of 3 independent directors that are qualified and experienced in accounting, finance, law, science and organizational administration. They performed the duties as assigned by the Board of Directors and according to the regulations of Netbay Company Limited regarding the principles and guidelines of the audit committee which are in accordance with the requirements of the Stock Exchange of Thailand. The policies emphasize the principles of good corporate governance and have a good internal control system.

In 2023, the Audit Committee held 4 meetings that consulted with the audit department, the internal auditors and auditors of relevant subject matters. The following is a summary of their duties:

1. Review of the Financial Statements

The Audit Committee reviewed the quarterly financial statements and the 2023 annual financial statements for Netbay Public Company Limited, including related transaction, transactions that may have conflicts of interest with the management team. Auditors were invited to attend the meeting to consider the quarterly financial statements and the annual financial statements including accuracy and completeness of financial statements, significant accounting items affecting the financial statements, sufficiency and appropriateness of accounting record and scope of audit, disclosure of accurate, complete and adequate information and independent auditor to ensure that the preparation of financial statements is in accordance with legal requirements and accounting standards in accordance with generally accepted accounting principles, it is reliable and timely, including the disclosure of information in the financial statements sufficiently for the benefit of investors or users of the financial statements.

2. Review of Risk Management

The Audit Committee has reviewed the Company's risk management results to ensure that the management team has undertaken risk management activities to the appropriate operational level and the identification of risk factors is complete and adequate along with providing suggestions for further improvement. In 2023, there are no issues or need to be improved in this matter.

3. Review of the Effectiveness of the Internal Control Systems

In 2023, in addition to providing a review of the internal control system for the operation, the Company realizes the importance of good corporate governance and therefore has an audit of internal controls on information technology (IT), this was reviewed by a competent auditor and is independent to the specified scope.

The results of the Company's review of internal controls on information technology (IT) found that, in general, it was consistent with the information system security standard and the relevant requirements for non-financial service providers non-financial institutions (Non-Bank) of the BOT, as well as the requirements related to internal control in information technology (IT) for public companies of the Stock Exchange of Thailand.

However, the Company's internal control in information technology (IT) is in the standard, which can be developed to keep up with the changes of Financial Technology such as organizing the training for relevant officers on building security awareness and information safety (Security Awareness Training) and able implemented effectively, providing network protection equipment (IPS, DDoS Protection) and/or website attack protection device (Web Application Firewall) to apply more applications to be more efficient, etc.

4. Review of Good Corporate Governance

The Audit Committee reviewed the performance in accordance with the established working system. The Company conducts business with virtue and complies with the laws governing securities and exchange, requirements of the Stock Exchange of Thailand as well as other laws related to the business operations of the company, especially regarding connected transactions to ensure that the company has performed in accordance with the business conditions reasonably. In addition, the Audit Committee has assessed the performance of the whole committee and self-assessments in accordance with the best practices of the Stock Exchange of Thailand to build confidence among all stakeholders.

In addition, in order to comply with the principles of good corporate governance (CG) and as a practice, the Board of Directors who is the leader or the most

responsible person of the organization applies to the governance for good business performance in the long term, as well as this is to strengthen the credibility for shareholders and those around them for the benefit of creating sustainable value for the business which meets the expectations of both the business sector, investors, and the capital market and society as a whole. The Board of Directors has organized an annual performance assessment of the Board of Directors, Sub-committees and Individual. In this regard, the Company will disclose the criteria, processes and assessment scores, where assessment results should be used for further development of their duties.

5. The Appointment of Auditors for the Year 2023

The audit committee approved the appointment of EY office Company Limited as Netbay Public Company Limited's auditor for the year 2023. Propose to the Board of Directors for consideration and approval at the 2023 Annual General Meeting of Shareholders to consider appointment and approval of auditors and audit fees.

6. Compliance with Applicable Requirements, Regulations and Laws

The audit committee, in cooperation with the Internal Audit Department, reviewed the business operations so that the Company regularly complied with the Securities and Exchange Act and terms of the Stock Exchange of Thailand and any relevant laws. The audit committee is of the opinion that the Company has legitimate business operations and complies with the terms and conditions set forth.

The Audit Committee has performed the duties and responsibilities outlined in the Audit Committee Charter which is approved by the Board of Directors for their overall performance, review of financial reports, review of risk management, reviewing the effectiveness of the internal control system, review of good corporate

governance, considering the appointment of the auditor and to comply with the requirements, rules and relevant laws by using knowledge, competence, prudence, with sufficient independence for the benefit of all stakeholders equally.

The audit committee is of the opinion that the Company's financial information was accurate, reliable and in line with generally accepted accounting standards. The Company has adequate risk management, has proper internal control systems, has consistent operations in accordance with good corporate governance, and abides by the law and strict business requirements.

Internal Audit

In 2023, the company has appointed outsource internal auditor which is Quantum Point Consulting Co., Ltd. to audit and assess the Company's internal control system. The internal auditor was of the opinion that there was no significant lack of process or lack of control processes that would create a high risk. The internal control systems' result assigned in the year 2023 can be considered appropriate sufficient and effective, the audit findings have been corrected appropriately and in time for events or situations that change according to the recommendations of the internal auditors employed by the Company.



Part 3

Financial Statements

Financial Status and Operating Results



Important Financial Information

A) Independent Auditor's Report

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Financial statement for the year ended 31 December 2021

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Netbay Public Company Limited and its subsidiary and of Netbay Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Financial statement for the year ended 31 December 2022

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Netbay Public Company Limited and its subsidiary and of Netbay Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Nummon Kerdmongkhonchai

Certified Public Accountant (Thailand) No. 8368

EY Office Limited

Financial statement for the year ended 31 December 2023

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Netbay Public Company Limited and its subsidiary and of Netbay Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

B) Summary of financial statements

Statement of financial position

	Consolidated financial statements 31 Dec 2021		Consolidated financial statements 31 Dec 2022		Consolidated financial statements 31 Dec 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Current assets						
Cash and cash equivalents	66.46	10.39	61.82	9.04	82.15	11.32
Other current financial assets	345.99	54.09	295.41	43.19	291.26	40.15
Trade and other receivables	61.84	9.67	120.48	17.61	118.04	16.27
Other current assets	4.72	0.74	7.80	1.14	10.93	1.51
Total current assets	479.01	74.89	485.51	70.98	502.38	69.25
Non-current assets						
Restricted bank deposits	9.77	1.53	10.22	1.49	9.54	1.32
Investment in joint venture	-	-	-	-	-	-
Other non-current financial assets	122.59	19.18	150.69	22.03	167.19	23.05
Building and Equipment	16.84	2.63	26.95	3.94	34.68	4.78
Intangible assets	3.23	0.50	3.94	0.58	4.71	0.65
Deferred tax assets	6.96	1.09	5.50	0.80	5.31	0.73
Other non-current assets	1.15	0.18	1.22	0.18	1.58	0.22
Total non-current assets	160.56	25.11	198.52	29.02	223.01	30.75
Total assets	639.57	100.00	684.03	100.00	725.39	100.00

	Consolidated financial statements 31 Dec 2021		Consolidated financial statements 31 Dec 2022		Consolidated financial statements 31 Dec 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Current liabilities						
Trade and other payables	8.65	1.35	8.48	1.24	13.98	1.93
Accrued expenses	48.68	7.61	65.18	9.53	76.12	10.49
Unearned income	44.41	6.94	43.51	6.36	34.69	4.78
Current portion of long-term lease liabilities	0.58	0.09	3.09	0.45	7.66	1.06
Other current liabilities	24.12	3.77	36.56	5.35	32.65	4.50
Total current liabilities	126.44	19.76	156.82	22.93	165.10	22.76
Non-current liabilities						
Provision for long-term employee benefits	30.71	4.80	22.44	3.28	22.31	3.08
Long-term lease liabilities, net of current portion	-	-	3.52	0.51	18.58	2.56
Other non-current liabilities	0.46	0.07	0.28	0.04	0.47	0.06
Total non-current liabilities	31.17	4.87	26.24	3.83	41.36	5.70
Total liabilities	157.61	24.63	183.06	26.76	206.46	28.46
Shareholders' equity						
Share capital - registered	200.00	-	200.00	-	200.00	-
Share capital - Issued and paid up	200.00	31.27	200.00	29.24	200.00	27.57
Share premium	115.34	18.03	115.34	16.86	115.34	15.90
Share discount on business combination under common control	(76.85)	(12.01)	(76.85)	(11.23)	(76.85)	(10.59)
Retained earnings						
Appropriated -statutory reserve						
- The Company	20.00	3.13	20.00	2.92	20.00	2.76
- Subsidiary	5.00	0.78	5.00	0.73	5.00	0.69
Unappropriated	216.15	33.80	237.26	34.69	254.79	35.12
Other components of shareholders' equity	2.32	0.37	0.22	0.03	0.65	0.09
Total shareholders' equity	481.96	75.37	500.97	73.24	518.93	71.54
Total liabilities and shareholders' equity	639.57	100.00	684.03	100.00	725.39	100.00

Statement of comprehensive income

	Consolidated financial statements 31 Dec 2021		Consolidated financial statements 31 Dec 2022		Consolidated financial statements 31 Dec 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue	400.46	100.00	457.19	100.00	487.38	100.00
Cost of services	(78.10)	(19.50)	(97.01)	(21.22)	(102.06)	(20.94)
Gross profit	322.36	80.50	360.18	78.78	385.32	79.06
Other income	2.54	0.64	1.31	0.29	2.88	0.59
Profit before operating expenses	324.90	80.66	361.49	79.07	388.20	79.65
Servicing expense	(53.62)	(13.39)	(60.10)	(13.15)	(63.15)	(12.96)
Administrative expenses	(84.72)	(21.16)	(89.43)	(19.56)	(104.14)	(21.37)
Cumulative gains on reclassification of financial assets out of fair value through other comprehensive income	0.57	0.14	(0.25)	(0.05)	(0.12)	(0.02)
Operating Profit	187.13	46.73	211.71	46.31	220.79	45.30
Share of loss from investment in joint ventures	(0.03)	(0.01)	-	-	-	-
Finance income	2.96	0.74	3.14	0.69	4.73	0.97
Finance cost	(0.13)	(0.03)	(0.35)	(0.08)	(0.54)	(0.11)
Profit before income tax expenses	189.94	47.43	214.50	46.92	224.98	46.16
Income tax expenses	(24.37)	(6.09)	(44.76)	(9.79)	(44.69)	(9.17)
Profit for the year	165.56	41.34	169.74	37.13	180.29	36.99

Statement of cash flows

	Consolidated financial statements 31 Dec 2021	Consolidated financial statements 31 Dec 2022	Consolidated financial statements 31 Dec 2023
	Million Baht	Million Baht	Million Baht
Cash flows from operating activities			
Profit before tax	189.94	214.50	224.98
Adjustments to reconcile profit before tax			
Finance income	(2.96)	(3.15)	(4.73)
Gain on sales of investments	-	-	-
Unrealised loss on change in value of financial assets at fair value through profit or loss	-	-	-
Loss on fair value adjustments of financial instruments	-	0.07	(1.39)
Amortisation of discount (premium) on debt securities	0.71	0.28	(0.65)
Share of loss from investment in joint venture	0.03	-	-
Impairment loss (reversal) on financial assets	-	-	-
Depreciation and amortization	14.74	13.83	15.82
Finance cost	0.13	0.35	0.53
Gain from sale of financial asset	-	-	0.02
Write-off withholding tax	0.70	-	-
Provision for long-term employee benefits	4.60	3.15	2.93
Gain on sales of debt instruments at fair value through other comprehensive income	(1.09)	(0.43)	(0.68)
Profit from operating activities before changes in operating assets and liabilities	206.80	228.60	236.83
Operating assets (Increase) decrease			
Trade and other receivables	3.73	(58.64)	2.44
Prepaid expenses	0.88	(0.18)	0.96
Other current assets	(0.02)	(2.73)	(3.72)
Other non-current assets	-	(0.08)	(0.36)
Operating liabilities increase (decrease)			
Trade and other payables	2.96	(0.12)	5.53
Accrued expenses	3.92	16.50	10.95
Unearned income	(2.62)	(0.90)	(8.82)
Other current liabilities	(0.54)	7.95	2.36
Other non-current liabilities	(0.05)	(0.18)	0.19
Cash flows from operating activities	215.06	190.22	246.37
Cash received from interest	0.04	0.05	0.13
Cash paid for income tax	(10.57)	(40.28)	(49.57)
Net cash flows from operating activities	204.53	149.99	196.93
Cash flows from investing activities			
Cash received from sales of financial assets	357.77	477.93	402.73
Cash paid for purchase of financial assets	(397.65)	(457.05)	(413.96)
Decrease (increase) in restricted bank deposit	(0.57)	(0.45)	0.68
Increase in payable from purchase of financial assets	1.84	-	-
Increase in receivable from sales of financial assets	(0.16)	-	-
Cash received from interest income	3.02	2.82	4.16
Cash paid for investment in joint ventures	-	-	-
Cash increase from change in status of investment from joint venture to subsidiary	5.41	-	-
Cash paid for acquisitions of equipment	(0.21)	(13.71)	(0.51)
Cash paid for purchase of intangible assets	(0.01)	(2.07)	(2.47)
Net cash flows from (used in) investing activities	(30.58)	7.47	(9.37)
Cash flows from financing activities			
Payment of lease liabilities	(3.51)	(3.21)	(3.98)
Dividends paid	(156.38)	(158.90)	(163.24)
Net cash flows used in financing activities	(159.89)	(162.11)	(167.22)
Net increase (decrease) in cash equivalents	14.06	(4.65)	20.34
Cash and cash equivalents at the beginning of the year	52.40	66.46	61.81
Cash and cash equivalents at end of the year	66.46	61.81	82.15

Supplemental cash flows information

Non-cash items consist of

Gains (losses) on debt investments designated at fair value through other comprehensive income	(1.50)	(1.47)	0.13
Gains (losses) on investments in equity designated at fair value through other comprehensive income	1.62	(1.12)	0.42
Transfer other non-current financial assets to other current financial assets	20.86	44.85	19.57
Payable from purchase of financial assets	0.55	0.24	-
Receivable from selling of financial assets	(0.16)	0.07	-
Actuarial gains (losses)	6.99	11.42	3.06
Purchase of equipment by recording as liabilities	0.08	0.03	-
Increase in right-of-use assets and lease liabilities	-	8.89	21.38

Financial ratio

	Units	Consolidated financial statements 31 Dec 2021	Consolidated financial statements 31 Dec 2022	Consolidated financial statements 31 Dec 2023
Liquidity Ratio				
Current ratio	Times	3.79	3.10	3.04
Quick ratio	Times	1.01	1.16	1.21
Cash flow ratio	Times	1.73	1.06	1.22
Account receivable turnover	Times	6.76	5.26	4.21
Receivable days outstanding	Days	53.28	68.46	85.45
Account payable turnover	Times	28.56	40.05	27.70
Average payment period	Days	12.61	8.99	13.00
Profitability Ratio				
Gross profit margin	%	80.05	78.78	79.06
Operating profit margin	%	46.59	46.36	45.33
Other profit margin	%	0.63	0.29	0.59
Cash ratio to profitability	%	109.63	70.76	89.14
Net profit margin	%	41.08	37.02	36.78
Return on equity ⁽¹⁾	%	34.97	34.54	35.36
Efficiency Ratio				
Return on asset ⁽²⁾	%	26.51	25.65	25.58
Return on fixed asset	%	765.49	838.35	636.50
Asset rotation rate	Times	0.65	0.69	0.70
Financial Ratio				
Debt to equity	Times	0.33	0.37	0.40
Interest payout ratio ⁽³⁾	Times	N/A	N/A	N/A

Remark:

⁽¹⁾ Calculated by using the average of total shareholders' equity

⁽²⁾ Calculated by using net profit and the average of total assets

⁽³⁾ The Company has had none of interest-bearing debts thus there is no of financial expenses for the year ended 31 December 2021, 2022 and 2023

Proportion of income from management in 2023

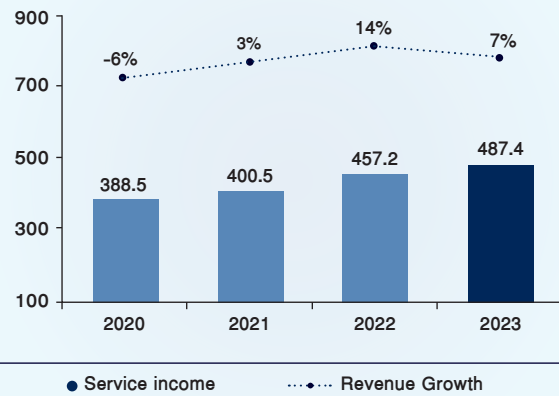


100%
Digital Business Services

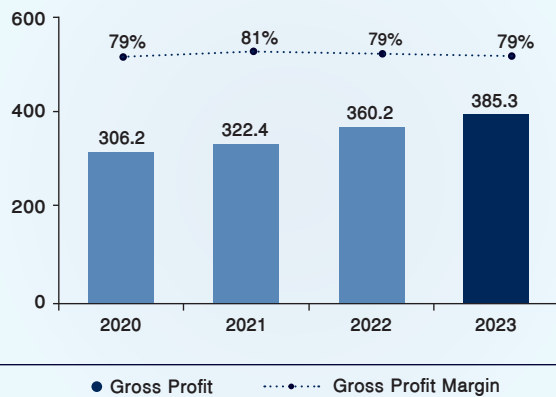


0%
Digital Transformation Services Projects

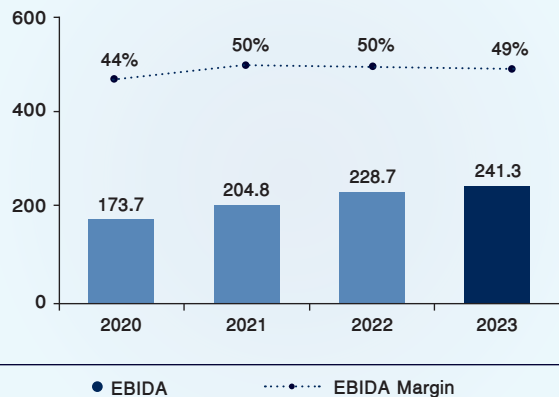
Service income (Million Baht)



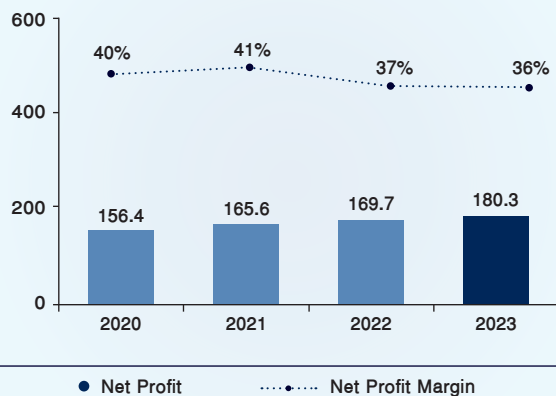
Gross Profit (Million Baht)



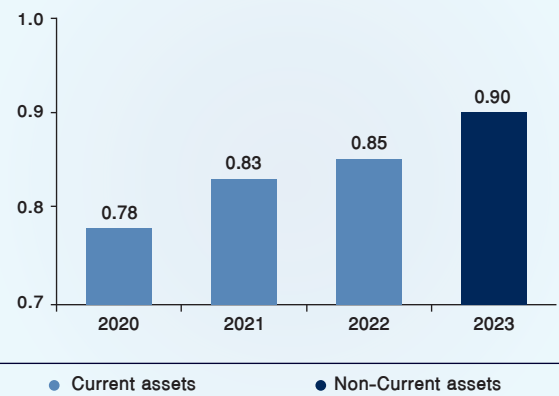
EBITDA (Million Baht)



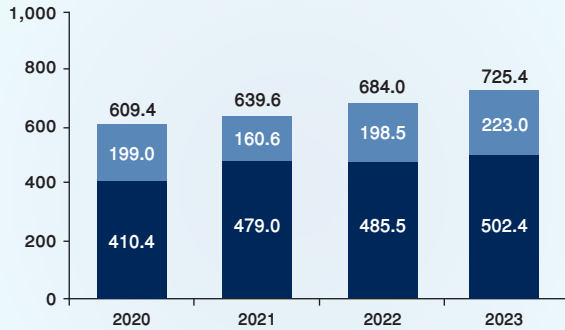
Net Profit (Million Baht)



Earnings per share (Baht/share)

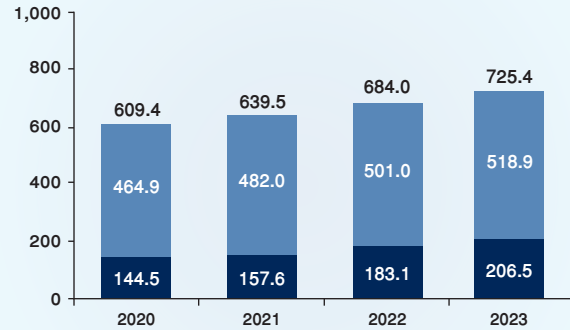


Assets (Unit: Million Baht)



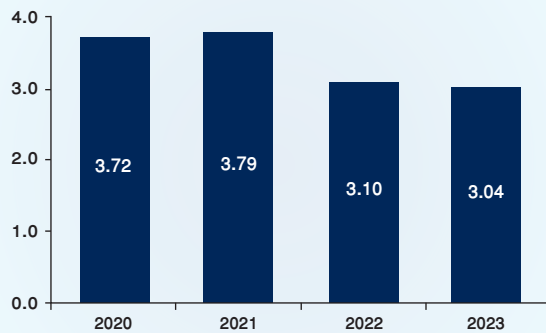
■ Current assets ■ Non-Current assets

Liabilities and Shareholders' equity (Million Baht)

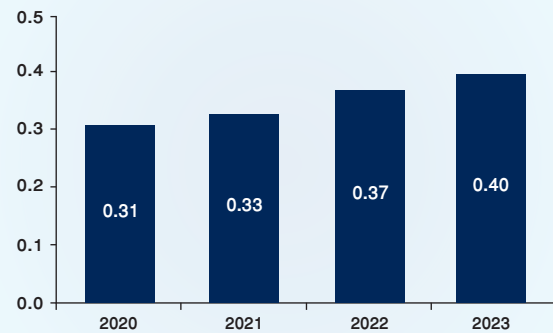


■ Liabilities ■ Shareholder's equity

Current ratio (Times)



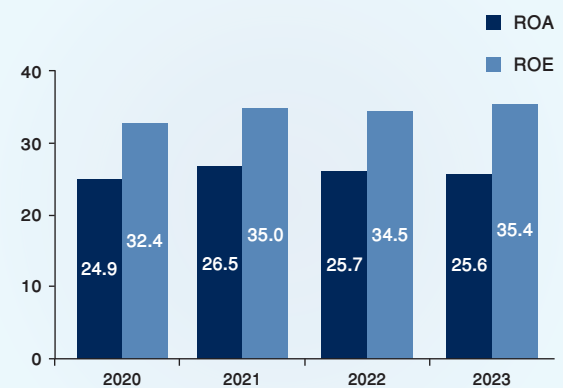
Debt to Equity ratio (Times)



Dividends per share (Baht/share)



Return on Asset (ROA) / Return on Equity (ROE)
(Percent)



Independent Auditor's Report

To the Shareholders of Netbay Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Netbay Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Netbay Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Netbay Public Company Limited and its subsidiaries and of Netbay Public Company Limited as at 31 December 2023, their 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 Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 are described below.

Service revenue recognition

I identified service revenue recognition to be an area of significant risk, as service revenue that the Group recognise in each period forms a significant portion of the Group's total revenue. I have therefore focused on the audit of the occurrence and timing of revenue recognition.

I have examined on the Group's revenue recognition as follows:

- Assessing and tested of the Group's IT system and its significant internal controls with respect to the revenue cycle by making inquiries of responsible persons, gaining an understanding of the controls and selecting samples to test the operation of the designed controls.
- On a sampling basis, examining supporting documents for actual service transactions occurring during the year and near the end of the accounting period.
- Reviewing of credit notes that the Group issued after the period-end.
- Performing analytical procedures of disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly 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 Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group 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 Group, 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 Group'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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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 Group'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 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 Group 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.

- 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 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.

Nummon Kerdmongkhonchai

Certified Public Accountant (Thailand) No. 8368

EY Office Limited

Bangkok: 22 February 2024

Statement of financial position

Netbay Public Company Limited and its subsidiaries
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	6	82,152,765	61,814,637	54,154,487	34,944,687
Trade and other receivables	7, 8	118,036,310	120,479,617	112,986,984	115,794,387
Prepaid expenses		1,866,533	2,823,495	1,458,762	1,284,910
Other current financial assets	9	291,256,615	295,412,771	220,335,055	213,227,534
Other current assets		9,069,432	4,978,826	3,853,062	1,166,627
Total current assets		502,381,655	485,509,346	392,788,350	366,418,145
Non-current assets					
Restricted bank deposits	10	9,539,204	10,220,993	3,267,172	3,973,371
Other non-current financial assets	11	167,195,054	150,692,326	133,120,450	119,113,891
Investment in subsidiaries	12	-	-	63,019,786	63,019,786
Building and equipment	13, 16	34,677,015	26,945,985	34,294,849	24,251,065
Intangible assets	14	4,710,248	3,935,086	4,188,138	3,317,621
Deferred tax assets	22	5,309,077	5,503,214	5,211,610	5,435,988
Other non-current assets		1,583,149	1,226,748	1,424,750	939,800
Total non-current assets		223,013,747	198,524,352	244,526,755	220,051,522
Total assets		725,395,402	684,033,698	637,315,105	586,469,667

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Netbay Public Company Limited and its subsidiaries
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	15	13,974,714	8,479,001	9,083,310	6,088,144
Accrued expenses		76,120,955	65,175,650	75,381,580	63,727,400
Unearned income		34,693,739	43,509,220	1,245,850	835,723
Current portion of long-term lease liabilities	16	7,662,290	3,094,359	7,662,290	2,170,656
Other current liabilities	17	32,647,059	36,564,074	24,109,888	27,753,540
Total current liabilities		165,098,757	156,822,304	117,482,918	100,575,463
Non-current liabilities					
Long-term lease liabilities, net of current portion	16	18,579,621	3,523,910	18,579,621	2,383,283
Provision for long-term employee benefits	18	22,312,892	22,444,100	21,707,681	21,967,017
Other non-current liabilities		471,011	275,257	184,400	26,000
Total non-current liabilities		41,363,524	26,243,267	40,471,702	24,376,300
Total liabilities		206,462,281	183,065,571	157,954,620	124,951,763
Shareholders' equity					
Share capital					
Registered					
200,000,000 ordinary shares of Baht 1 each		200,000,000	200,000,000	200,000,000	200,000,000
Issued and paid up					
200,000,000 ordinary shares of Baht 1 each		200,000,000	200,000,000	200,000,000	200,000,000
Share premium		115,341,500	115,341,500	115,341,500	115,341,500
Share discount on business combination					
under common control		(76,851,515)	(76,851,515)	(54,000,000)	(54,000,000)
Retained earnings					
Appropriated - statutory reserve	19				
- The Company		20,000,000	20,000,000	20,000,000	20,000,000
- Subsidiaries		5,000,000	5,000,000	-	-
Unappropriated		254,785,163	237,256,569	197,455,310	180,067,592
Other components of shareholders' equity		657,973	221,573	563,675	108,812
Total shareholders' equity		518,933,121	500,968,127	479,360,485	461,517,904
Total liabilities and shareholders' equity		725,395,402	684,033,698	637,315,105	586,469,667
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income



Netbay Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenue	7, 20	487,382,478	457,191,639	381,481,830	349,887,041
Cost of services	7	(102,057,647)	(97,013,859)	(75,727,676)	(67,549,103)
Gross profit		385,324,831	360,177,780	305,754,154	282,337,938
Dividend income		-	-	37,759,649	28,373,082
Revenue from management fee		-	-	21,600,000	19,200,000
Other income	7	2,877,336	1,309,930	2,437,322	865,034
Profit before operating expenses		388,202,167	361,487,710	367,551,125	330,776,054
Servicing expenses		(63,147,699)	(60,101,992)	(56,702,410)	(52,292,857)
Administrative expenses	7	(104,135,756)	(89,434,261)	(98,961,546)	(81,970,648)
Gains (losses) on sales of FVOCI debt instruments		(122,078)	(247,350)	(86,798)	(186,656)
Operating profit		220,796,634	211,704,107	211,800,371	196,325,893
Finance income		4,725,992	3,147,364	3,521,748	2,345,442
Finance cost		(539,472)	(350,851)	(483,206)	(241,561)
Profit before income tax expenses		224,983,154	214,500,620	214,838,913	198,429,774
Income tax expenses	22	(44,686,772)	(44,761,330)	(35,166,952)	(35,183,411)
Profit for the year		180,296,382	169,739,290	179,671,961	163,246,363

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income (continued)

Netbay Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on changes in value of debt instruments at fair value through other comprehensive income - net of income tax	9, 11, 22	101,920	(1,178,079)	75,183	(885,394)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		101,920	(1,178,079)	75,183	(885,394)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gains - net of income taxes	18, 22	2,448,870	9,134,532	2,438,842	6,767,867
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax	9, 11, 22	(1,643,157)	207,848	(1,104,384)	116,403
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		805,713	9,342,380	1,334,458	6,884,270
Other comprehensive income for the year		907,633	8,164,301	1,409,641	5,998,876
Total comprehensive income for the year		181,204,015	177,903,591	181,081,602	169,245,239
Earnings per share	23				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.90	0.85	0.90	0.82
Weighted average number of ordinary shares (shares)		200,000,000	200,000,000	200,000,000	200,000,000

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

Netbay Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements						
		Issued and paid-up share capital	Share premium	Share discount on business combination under common control	Retained earnings		Other components of shareholders' equity on change in value of financial assets	Total other components of shareholders' equity
					The Company	Subsidiaries		
Balance as at 1 January 2022		200,000,000	115,341,500	(76,851,515)	20,000,000	5,000,000	2,324,175	481,964,456
Profit for the year		-	-	-	-	-	-	169,739,290
Other comprehensive income for the year		-	-	-	-	-	(970,231)	8,164,301
Total comprehensive income for the year		-	-	-	-	-	(970,231)	177,903,591
Dividends paid	26	-	-	-	-	-	-	(158,899,920)
Transfer to retained earnings		-	-	-	-	-	(1,132,371)	-
Balance as at 31 December 2022		200,000,000	115,341,500	(76,851,515)	20,000,000	5,000,000	221,573	500,968,127
Balance as at 1 January 2023		200,000,000	115,341,500	(76,851,515)	20,000,000	5,000,000	221,573	500,968,127
Profit for the year		-	-	-	-	-	-	180,296,382
Other comprehensive income for the year		-	-	-	-	-	(1,541,237)	907,633
Total comprehensive income for the year		-	-	-	-	-	(1,541,237)	181,204,015
Dividends paid	26	-	-	-	-	-	-	(163,239,021)
Transfer to retained earnings		-	-	-	-	-	1,977,637	-
Balance as at 31 December 2023		200,000,000	115,341,500	(76,851,515)	20,000,000	5,000,000	657,973	518,933,121
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

Netbay Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Note	Separate financial statements							
		Issued and paid-up share capital	Share premium	Share discount on business combination under common control	Retained earnings		Other components of shareholder's equity		
					Appropriated	Unappropriated	Share surplus (discount) on change in value of financial assets	Total other components of shareholder's equity	
Balance as at 1 January 2022		200,000,000	115,341,500	(54,000,000)	20,000,000	168,115,559	1,715,526	1,715,526	451,172,585
Profit for the year		-	-	-	-	163,246,363	-	-	163,246,363
Other comprehensive income for the year		-	-	-	-	6,767,867	(768,991)	(768,991)	5,998,876
Total comprehensive income for the year		-	-	-	-	170,014,230	(768,991)	(768,991)	169,245,239
Dividends paid	26	-	-	-	-	(158,899,920)	-	-	(158,899,920)
Transfer to retained earnings		-	-	-	-	837,723	(837,723)	(837,723)	-
Balance as at 31 December 2022		200,000,000	115,341,500	(54,000,000)	20,000,000	180,067,592	108,812	108,812	461,517,904
Balance as at 1 January 2023		200,000,000	115,341,500	(54,000,000)	20,000,000	180,067,592	108,812	108,812	461,517,904
Profit for the year		-	-	-	-	179,671,961	-	-	179,671,961
Other comprehensive income for the year		-	-	-	-	2,438,842	(1,029,201)	(1,029,201)	1,409,641
Total comprehensive income for the year		-	-	-	-	182,110,803	(1,029,201)	(1,029,201)	181,081,602
Dividends paid	26	-	-	-	-	(163,239,021)	-	-	(163,239,021)
Transfer to retained earnings		-	-	-	-	(1,484,064)	1,484,064	1,484,064	-
Balance as at 31 December 2023		200,000,000	115,341,500	(54,000,000)	20,000,000	197,455,310	563,675	563,675	479,360,485
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Statement of cash flows



Netbay Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before tax	224,983,154	214,500,620	214,838,913	198,429,774
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	15,817,382	13,827,972	14,789,408	12,386,548
Provision for long-term employee benefits	2,929,880	3,146,706	2,789,217	3,183,687
Gain on sales of financial assets at fair value through profit or loss and debt instruments at fair value through other comprehensive income	(676,294)	(433,726)	(432,084)	(224,665)
Loss (gain) on fair value adjustments of financial instruments	(1,385,578)	76,324	(1,056,404)	(26,809)
Amortisation of discount (premium) on debt securities	(649,292)	275,126	(476,106)	216,902
Written of equipment for donation	736	-	736	-
Gain on sales of equipment	(1,868)	-	(1,868)	-
Loss on transferring right-of-use assets	-	-	55,822	-
Dividend income	-	-	(37,759,649)	(28,373,082)
Finance income	(4,725,992)	(3,147,364)	(3,521,748)	(2,345,442)
Finance cost	539,472	350,851	483,206	241,561
Profit from operating activities before changes in operating assets and liabilities	236,831,600	228,596,509	189,709,443	183,488,474
Operating assets (increase) decrease				
Trade and other receivables	2,443,307	(58,638,197)	2,807,403	(54,347,853)
Prepaid expenses	956,962	(184,202)	(173,851)	27,913
Other current assets	(3,724,862)	(2,727,827)	(2,392,574)	96,410
Other non-current assets	(356,400)	(75,600)	(484,950)	(75,600)
Operating liabilities increase (decrease)				
Trade and other payables	5,528,017	(121,720)	3,027,470	2,411,273
Accrued expenses	10,945,305	16,501,632	11,654,180	18,808,702
Unearned income	(8,815,481)	(903,605)	410,127	(330,277)
Other current liabilities	2,364,409	7,948,615	1,859,487	4,958,982
Other non-current liabilities	195,754	(181,857)	158,400	-
Cash flows from operating activities	246,368,611	190,213,748	206,575,135	155,038,024
Cash received from interest	129,850	52,108	73,592	22,402
Cash paid for income tax	(49,567,976)	(40,281,448)	(39,300,376)	(31,981,574)
Net cash flows from operating activities	196,930,485	149,984,408	167,348,351	123,078,852

The accompanying notes are an integral part of the financial statements.

Statement of cash flows (continued)

Netbay Public Company Limited and its subsidiaries
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Decrease (increase) in restricted bank deposits	681,789	(450,695)	706,199	(435,261)
Cash paid for purchase of financial assets	(413,962,995)	(457,046,920)	(321,708,350)	(351,715,433)
Cash received from sales of financial assets	402,732,663	477,927,999	301,502,299	373,365,240
Cash received from interest income	4,156,536	2,823,364	3,117,364	2,124,220
Dividend received from subsidiary	-	-	37,759,649	28,373,082
Cash paid for acquisitions of equipment	(506,571)	(13,705,967)	(506,571)	(13,672,067)
Cash paid for purchase of intangible assets	(2,472,237)	(2,072,700)	(2,376,803)	(2,056,700)
Cash received from sales of equipment	1,869	-	1,869	-
Net cash flows from (used in) investing activities	(9,368,946)	7,475,081	18,495,656	35,983,081
Cash flows from financing activities				
Payment of lease liabilities	(3,984,390)	(3,208,391)	(3,395,186)	(2,198,327)
Dividends paid	(163,239,021)	(158,899,920)	(163,239,021)	(158,899,920)
Net cash flows used in financing activities	(167,223,411)	(162,108,311)	(166,634,207)	(161,098,247)
Net increase (decrease) in cash and cash equivalents	20,338,128	(4,648,822)	19,209,800	(2,036,314)
Cash and cash equivalents at beginning of the year	61,814,637	66,463,459	34,944,687	36,981,001
Cash and cash equivalents at end of the year (Note 6)	82,152,765	61,814,637	54,154,487	34,944,687
	-	-	-	-
Supplemental cash flows information				
Non-cash items consists of				
Gain (loss) on debt investments designated at fair value through other comprehensive income	127,400	(1,472,599)	93,979	(1,106,742)
Gain (loss) on investments in equity designated at fair value through other comprehensive income	418,100	(1,124,771)	474,600	(870,767)
Transfer other non-current financial assets to other current financial assets	19,574,156	44,846,613	16,523,514	33,488,291
Payable from purchase of financial assets	-	236,649	-	178,010
Receivable from selling of financial assets	-	73,860	-	36,931
Actuarial gains	3,061,088	11,418,165	3,048,553	8,459,834
Purchase of equipment recorded as liabilities	3,000	35,304	3,000	35,304
Increase in right-of-use assets	21,377,807	8,893,454	22,853,378	6,095,487

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements



Netbay Public Company Limited and its subsidiaries
For the year ended 31 December 2023

1. General information

Netbay Public Company Limited (“the Company”) is incorporated and domiciled in Thailand. It has been engaging in the provision and development of computer software used in transmission of information electronically. The Company’s registered office is located at No. 719/5, 8-9 Rama 6 Road, Wangmai Sub-district, Pathumwan District, Bangkok.

2. Basis of preparation

2.1 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 dated 11 October 2016, 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.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Netbay Public Company Limited (“the Company”) and the following subsidiaries company (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			%	%
Cloud Creation Company Limited	Cloud computing provider	Thailand	100	100
Fynnet Ventures Company Limited	Blockchain Facilitating Global Trade Value Chain	Thailand	100	100

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group company have been eliminated from the consolidated financial statements.

2.3 The separate financial statements of the Company present investments in subsidiaries, under the cost method.

3. New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2023. 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 Group's financial statements.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2024

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 2024. 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 Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

System development service revenue is recognised as income on the basis of percentage of completion. The percentage of completion is based on cost of services rendered to date as a percentage of total cost of services to be rendered as assessed. Allowance for foreseeable loss on projects is recognised in the accounts when the possibility of loss is ascertained.

Maintenance service revenue is recognised as monthly basis on the straight-line method over the term of the contracts.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled receivable” in the statement of financial position. The amounts are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) under the caption of “Unearned income” in the statement of financial position. Unearned income is recognised as revenue when the Group performs under the contracts.

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

Dividends are recognised when the right to receive the dividends is established.

4.2 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.

4.3 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements at cost less provision for impairment (if any).

4.4 Building and equipment and depreciation

Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Office equipment	5 years
Computer equipment and signal system and communication equipment	3 and 5 years
Vehicle	5 years

Depreciation is included in determining income.

4.5 Intangible assets

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:

	<u>Useful lives</u>
Computer software	3 and 5 years
Patents, copyrights or other rights	Not over 10 years

4.6 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.

In addition, related parties include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them a significant influence over the Company, key management personnel, and directors and officers, with authority in the planning and direction of the Company's operations.

4.7 Leases

At inception of contract, the Group 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 Group as a lessee

The Group 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 Group 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 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	3	years
Equipment	5	years

If ownership of the leased asset is transferred to the Group 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.

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group'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.

4.8 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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 reporting period.

Gains and losses on exchange are included in determining income.

4.9 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the equipment, right-of-use asset and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.10 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 Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group contributions are recognised as expenses when incurred.

Defined benefit plans

The Group have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treat 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 post-employment benefits are recognised immediately in other comprehensive income.

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 Group recognised restructuring - related costs.

4.11 Provisions

Provisions are recognised when the Group have 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.

4.12 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 Group 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 Group 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 Group record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.13 Financial instruments

The Group 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 Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group 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 at FVOCI (debt instruments)

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset 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.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group 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.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group'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 Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

Derecognition of financial assets

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 Group has transferred substantially all the risks and rewards of the asset, or the Group 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 Group 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 Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group 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.

4.14 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 Group 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 Group 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 Group 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.

5. 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:

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.

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.

6. Cash and cash equivalents

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Bank deposits	82,153	61,815	54,154	34,945
Total	82,153	61,815	54,154	34,945

As at 31 December 2023, bank deposits in saving accounts carried interests between 0.50% and 0.60% per annum (2022: between 0.20% and 0.35% per annum).

7. Related party transactions

During the years, the Group had significant business transactions with its 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, its subsidiaries and those related parties, are summarised below.

(Unit: Thousand Baht)					
	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transaction with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Management fee	-	-	21,600	19,200	On the basis agreed upon by both parties
Software development fee	-	-	58,650	56,811	On the basis agreed upon by both parties
Dividend income	-	-	37,760	28,373	As declared
Office rental revenue	-	-	198	-	On the basis agreed upon by both parties
Reimbursement receipts	-	-	311	-	On the basis agreed upon by both parties
Reimbursement payment	-	-	676	-	On the basis agreed upon by both parties
<u>Transactions with related companies</u>					
Office rental revenue	78	78	78	78	On the basis agreed upon by both parties

As at 31 December 2023 and 2022, the outstanding balances of the transactions between the Company, its subsidiaries and its related parties and persons can be summarised as follows:

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade and other receivables - related party (Note 8)				
Subsidiaries	-	-	59,645	52,708
Accrued income - related party (Note 8)				
Subsidiaries	-	-	1,500	169
Trade and other payables - related party (Note 15)				
Subsidiaries	-	-	723	-

Directors and management's remuneration

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	55,908	42,254	55,908	42,254
Post-employment benefits	1,552	1,808	1,552	1,808
Total	57,460	44,062	57,460	44,062

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Trade accounts receivable - related party</u>				
Aged on the basis of due dates				
Not yet due	-	-	56,435	49,530
Past due				
Up to 3 months	-	-	3,210	3,178
Total trade accounts receivable - related party	-	-	59,645	52,708
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	97,522	86,815	40,129	32,224
Past due				
Up to 3 months	9,804	24,242	4,247	21,496
3 - 6 months	2,490	522	1,065	522
Over 12 months	9,964	9,964	9,964	9,964
Total	119,780	121,543	55,405	64,206
Less: Allowance for expected credit losses	(4,980)	(4,980)	(4,980)	(4,980)
Total trade accounts receivable - net	114,800	116,563	50,425	59,226
<u>Other receivables</u>				
Accrued income - related parties	-	-	1,500	169
Accrued income - unrelated parties	3,236	3,914	1,417	3,691
Other receivables	-	3	-	-
Total other receivables	3,236	3,917	2,917	3,860
Total trade and other receivables	118,036	120,480	112,987	115,794

9. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Debt instruments at amortised cost</u>				
Fixed deposit	20,000	12,000	14,000	9,000
Total debt instruments at amortised cost	20,000	12,000	14,000	9,000
<u>Debt instruments at FVOCI</u>				
Quoted government	23,083	30,692	16,426	23,247
Corporate bonds	21,006	34,095	15,977	25,197
Total debt instruments at FVOCI - net	44,089	64,787	32,403	48,444
<u>Equity instruments designated at FVOCI</u>				
Listed equity investments	21,570	22,212	16,195	16,622
Total equity instruments designated at FVOCI	21,570	22,212	16,195	16,622
<u>Financial assets at FVTPL</u>				
Open-end fund	205,598	196,414	157,737	139,162
Total financial assets at FVTPL	205,598	196,414	157,737	139,162
Total other current financial assets - net	291,257	295,413	220,335	213,228

Equity instruments designated at FVOCI include listed investments which the Group considers these investments to be investing to manage excess liquidity and gain appropriate returns, but not generated profit from investments.

10. Restricted bank deposits

These restricted bank deposits represent saving and fixed deposits pledged with banks to secure the issuance of bank guarantees to guarantee services rendered to the customers as already described in Note 27.

11. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Debt instruments at amortised cost</u>				
Fixed deposit	6,000	8,000	5,000	6,000
Total debt instrument at amortised cost	6,000	8,000	5,000	6,000
<u>Debt instruments at FVOCI</u>				
Quoted government	20,078	12,908	14,884	9,805
Corporate bonds	117,651	106,901	89,770	80,426
Total debt instruments at FVOCI	137,729	119,809	104,654	90,231
<u>Equity instruments designated at FVOCI</u>				
Non-listed equity investments	23,466	22,883	23,466	22,883
Total equity instruments designated at FVOCI	23,466	22,883	23,466	22,883
Total other non-current financial assets	167,195	150,692	133,120	119,114

Equity instruments designated at FVOCI include non-listed equity instruments which the Group considers to be investing to expand opportunities (synergy) for higher value and long-term return.

12. Investment in subsidiaries

Detail of investment in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend income during the year	
	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)				
Cloud Creation Company Limited	50,000	50,000	100	100	50,000	50,000	37,760	28,373
Fynnet Ventures Company Limited	15,000	15,000	100	100	13,020	13,020	-	-
Total investment in subsidiaries					63,020	63,020	37,760	28,373

13. Building and equipment

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value:				
Building and equipment	10,852	20,556	10,470	19,878
Right-of-use assets (Note 16)	23,825	6,390	23,825	4,373
Total	34,677	26,946	34,295	24,251

Movements of building and equipment for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Office equipment and computer equipment	Signal system and communication equipment	Vehicle	Total
Cost				
1 January 2022	13,149	100,458	-	113,607
Additions	678	9,380	3,602	13,660
Written off	(25)	-	-	(25)
31 December 2022	13,802	109,838	3,602	127,242
Additions	474	-	-	474
Disposals/Written off	(228)	-	-	(228)
31 December 2023	14,048	109,838	3,602	127,488
Accumulated depreciation				
1 January 2022	10,875	86,849	-	97,724
Depreciation for the year	1,061	7,500	426	8,987
Accumulated depreciation for written off assets	(25)	-	-	(25)
31 December 2022	11,911	94,349	426	106,686
Depreciation for the year	920	8,538	720	10,178
Accumulated depreciation for written off assets	(228)	-	-	(228)
31 December 2023	12,603	102,887	1,146	116,636

(Unit: Thousand Baht)

Consolidated financial statements				
	Office equipment and computer equipment	Signal system and communication equipment	Vehicle	Total
Net book value				
31 December 2022	1,891	15,489	3,176	20,556
31 December 2023	1,445	6,951	2,456	10,852
Depreciation for the years				
2022 (Baht 7.6 million included in cost of services, and the balance in administrative expenses)				8,987
2023 (Baht 8.6 million included in cost of services, and the balance in administrative expenses)				10,178

(Unit: Thousand Baht)

Separate financial statements				
	Office equipment and computer equipment	Signal system and communication equipment	Vehicle	Total
Cost				
1 January 2022	11,063	40,981	-	52,044
Additions	644	9,380	3,602	13,626
Written off	(25)	-	-	(25)
31 December 2022	11,682	50,361	3,602	65,645
Additions	474	-	-	474
Disposals/Written off	(228)	-	-	(228)
31 December 2023	11,928	50,361	3,602	65,891
Accumulated depreciation				
1 January 2022	9,806	27,419	-	37,225
Depreciation for the year	684	7,457	426	8,567
Accumulated depreciation on written off assets	(25)	-	-	(25)
31 December 2022	10,465	34,876	426	45,767
Depreciation for the year	628	8,534	720	9,882
Accumulated depreciation for written off assets	(228)	-	-	(228)
31 December 2023	10,865	43,410	1,146	55,421

(Unit: Thousand Baht)

	Separate financial statements			
	Office equipment and computer equipment	Signal system and communication equipment	Vehicle	Total
Net book value				
31 December 2022	1,217	15,485	3,176	19,878
31 December 2023	1,063	6,951	2,456	10,470
Depreciation for the years				
2022 (Baht 7.6 million included in cost of services, and the balance in administrative expenses)				8,567
2023 (Baht 8.6 million included in cost of services, and the balance in administrative expenses)				9,882

As at 31 December 2023, certain equipment items have been but fully depreciated are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 110 million (the Company only: Baht 50 million) (2022: Baht 76 million, the Company only: Baht 16 million).

14. Intangible assets

The net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cost	16,530	14,153	12,558	10,181
<u>Less:</u> Accumulated amortisation	(10,969)	(9,367)	(8,370)	(6,863)
<u>Less:</u> Allowance for impairment loss	(851)	(851)	-	-
Net book value	4,710	3,935	4,188	3,318

A reconciliation of the net book value of intangible assets for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value at beginning of year	3,935	3,236	3,318	2,540
Additions	2,472	2,073	2,377	2,057
Amortisation	(1,697)	(1,374)	(1,507)	(1,279)
Net book value at end of year	4,710	3,935	4,188	3,318

15. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade accounts payable				
- unrelated parties	5,122	2,245	803	764
Trade accounts payable				
- related parties	-	-	723	-
Other payables	8,853	6,234	7,557	5,324
Total trade and other payables	13,975	8,479	9,083	6,088

16. Leases

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 3 - 5 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Buildings	Equipment	Total
1 January 2022	636	328	964
Additions	8,894	-	8,894
Depreciation for the year	(3,140)	(328)	(3,468)
31 December 2022	6,390	-	6,390
Additions	1,072	20,306	21,378
Depreciation for the year	(3,265)	(678)	(3,943)
31 December 2023	4,197	19,628	23,825

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings	Equipment	Total
1 January 2022	490	328	818
Additions	6,096	-	6,096
Depreciation for the year	(2,213)	(328)	(2,541)
31 December 2022	4,373	-	4,373
Additions	2,547	20,306	22,853
Depreciation for the year	(2,723)	(678)	(3,401)
31 December 2023	4,197	19,628	23,825

b) Lease liabilities

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Lease payments	30,046	6,998	30,046	4,810
Less: Deferred interest expenses	(3,804)	(380)	(3,804)	(256)
Total	26,242	6,618	26,242	4,554
Less: Portion due within one year	(7,662)	(3,094)	(7,662)	(2,171)
Lease liabilities - net of current portion	18,580	3,524	18,580	2,383

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Balance at beginning of year	6,618	582	4,554	415
Additions	23,069	8,893	24,600	6,095
Accretion of interest	539	351	483	242
Repayments	(3,984)	(3,208)	(3,395)	(2,198)
Balance at end of year	26,242	6,618	26,242	4,554

A maturity analysis of lease payments is disclosed in Note 29.1 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

			(Unit: Thousand Baht)	
	For the year ended 31 December 2023			
	Consolidated		Separate	
	financial statements		financial statements	
Depreciation expense of right-of-use assets	3,943		3,401	
Interest expense on lease liabilities	539		483	

17. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Withholding tax payables	979	3,200	872	2,923
Corporate income tax payable	15,522	19,875	11,934	15,569
Undue output VAT	12,012	8,516	7,682	7,591
Revenue department payables	4,102	4,698	3,590	1,456
Payable from purchases of securities	-	237	-	178
Other current liabilities	32	38	32	37
Total other current liabilities	32,647	36,564	24,110	27,754

18. 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)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Provision for long-term employee benefits				
at beginning of year	22,444	30,716	21,967	27,243
Included in profit or loss:				
Current service cost	2,410	2,581	2,284	2,633
Interest cost	520	565	505	551
Included in other comprehensive income:				
Actuarial gains arising from				
Demographic assumptions changes	(2,133)	(5,971)	(2,043)	(5,301)
Financial assumptions changes	(840)	(2,136)	(926)	(1,991)
Experience adjustments	(88)	(3,311)	(79)	(1,168)
Provision for long-term employee benefits				
at end of year	22,313	22,444	21,708	21,967

As at 31 December 2023 and 2022, the Group expect not to pay of long-term employee benefits during the next year.

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 7.28 - 15.86 years (the Company only: 7.28 years) (2022: 8.23 - 16.68 years, the Company only: 8.23 years).

Significant actuarial assumptions are summarised below:

	(Unit: % per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Discount rate	2.67 - 3.16	2.91 - 4.03	2.67	2.91
Salary increase rate	5	5 or 10	5	5 or 10
Turnover rate	0 - 19	0 - 23	0 - 17	0 - 14

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

	(Unit: million Baht)			
	2023			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1.36)	1.60	(1.27)	1.50
Salary increase rate	1.61	(1.39)	1.51	(1.30)
Turnover rate	(1.48)	0.74	(1.39)	0.69

	(Unit: million Baht)			
	2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1.47)	1.74	(1.40)	1.66
Salary increase rate	1.75	(1.51)	1.67	(1.43)
Turnover rate	(1.58)	0.79	(1.51)	0.75

19. Statutory reserve

The Company

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% of its net after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered share capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

Subsidiaries

According to the Thai Civil and Commercial Code, the subsidiaries are required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the subsidiaries pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be ended for dividend payment. At present, the statutory reserve has fully been set aside.

20. Revenue from contracts with customers

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Type of goods or service:				
Revenues from Digital business service	487,382	457,192	381,482	349,887
Total revenue from contracts with customers	487,382	457,192	381,482	349,887
Timing of revenue recognition:				
Revenue recognised at a point in time	167,211	169,631	167,211	169,633
Revenue recognised over time	320,171	287,561	214,271	180,254
Total revenue from contracts with customers	487,382	457,192	381,482	349,887

21. Expenses by nature

Expenses by nature consist of significant expenses as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Salary, wages and other employee benefits	184,117	167,801	176,663	157,995
Depreciation and amortisation	15,817	13,828	14,789	12,387
Rental expenses	10,016	8,600	6,133	3,388

22. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge	45,214	45,090	35,666	35,520
Deferred tax:				
Relating to origination and reversal of temporary differences	(527)	(329)	(499)	(337)
Income tax expense reported in profit or loss	<u>44,687</u>	<u>44,761</u>	<u>35,167</u>	<u>35,183</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax on gains (losses) from the change in value of financial assets measured at FVOCI	110	(494)	114	(371)
Deferred tax on actuarial gains	612	2,284	610	1,692
	<u>722</u>	<u>1,790</u>	<u>724</u>	<u>1,321</u>

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	224,983	214,501	214,839	198,430
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	44,997	42,900	42,968	39,686
Effects of:				
Non-deductible expenses	640	1,614	462	824
Additional expense deductions allowed	(289)	(175)	(288)	(74)
Exempt dividend income	-	-	(7,552)	(5,675)
Others	(661)	422	(423)	422
Total	(310)	1,861	(7,801)	(4,503)
Income tax expenses reported in the statement of comprehensive income	44,687	44,761	35,167	35,183

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax assets (liabilities)				
Unrealised fair value gain on investments	(213)	(104)	(189)	(75)
Allowance for expected credit losses	996	996	996	996
Lease	63	122	63	122
Provision for long-term employee benefits	4,463	4,489	4,342	4,393
Total	5,309	5,503	5,212	5,436

As at 31 December 2023 and 2022, the Company has no unused tax losses, on which deferred tax assets have not been recognised.

23. 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 following table sets forth the computation of basic earnings per share:

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Profit for the year (Thousand Baht)	180,296	169,739	179,672	163,246
Weighted average number of ordinary shares (Thousand shares)	200,000	200,000	200,000	200,000
Basic earnings per share (Baht per share)	0.90	0.85	0.90	0.82

24. 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 Group are organised into business units based on its products and services and have two reportable segments as follows:

- The e-Business segment, which develops an e-Business product and presented to the user in the form of services (SaaS: Software As A Service).
- The e-Service segment, which rendered an e-Business service for Business segment to Government (B2G) transaction, and Business segment to Business segment (B2B) transaction.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Group's operating segments for the years ended 31 December 2023 and 2022, respectively.

(Unit: Thousand Baht)

For the year ended 31 December 2023					
	e-Businesses segment	e-Service segment	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	322,832	164,550	487,382	-	487,382
Inter-segment revenue	118,520	676	119,196	(119,196)	-
Interest revenue	3,522	1,204	4,726	-	4,726
Interest expense	(483)	(56)	(539)	-	(539)
Depreciation and amortisation	(14,789)	(1,028)	(15,817)	-	(15,817)
Income tax expense	(35,167)	(9,520)	(44,687)	-	(44,687)
Segment profit	179,672	38,384	218,056	(37,760)	180,296
Segment total assets	637,315	212,968	850,283	(124,888)	725,395
Decrease of non-current assets other than financial instruments and deferred tax assets	11,399	(2,537)	8,863	-	8,863

(Unit: Thousand Baht)

For the year ended 31 December 2022					
	e-Businesses segment	e-Service segment	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	293,074	164,118	457,192	-	457,192
Inter-segment revenue	104,387	-	104,387	(104,387)	-
Interest revenue	2,345	802	3,147	-	3,147
Interest expense	(242)	(109)	(351)	-	(351)
Depreciation and amortisation	(12,387)	(1,441)	(13,828)	-	(13,828)
Income tax expense	(35,183)	(9,578)	(44,761)	-	(44,761)
Segment profit	163,246	34,866	198,112	(28,373)	169,739
Segment total assets	586,470	213,461	799,931	(115,897)	684,034
Decrease of non-current assets other than financial instruments and deferred tax assets	9,468	(11,614)	(2,146)	-	(2,146)

Geographic information

The Group operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers information

For the years 2023 and 2022, the Group have no major customer with revenue of 10% or more of an entity's revenues.

25. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rates of 3% to 15% of basic salary. The fund, which is managed by TISCO Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for year 2023 amounting to approximately Baht 3.9 million (2022: Baht 3.7 million) were recognised as expenses.

26. Dividend payment

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends for 2022	Annual General Meeting of the shareholders on 21 April 2023	163,240	0.8162
Dividends for 2021	Annual General Meeting of the shareholders on 27 April 2022	158,900	0.7945

27. Commitments

Guarantees

As at 31 December 2023, there were outstanding bank guarantees for service rendered the customers of approximately Baht 5.3 million (the Company only: Baht 3.2 million) (2022: Baht 6.2 million, the Company only: Baht 4.3 million) issued by banks on behalf of the Group. The letters of guarantee was pledged by the Company's saving account and term deposit account of the subsidiaries.

Capital commitments

As at 31 December 2023, the Group had capital commitment of approximated Baht 78 million relating to the purchase of cloud computing infrastructure (2022: Nil).

28. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in open-end fund	-	206	-	206
Financial assets measured at FVOCI				
Equity investments	22	-	23	45
Debt investments	-	182	-	182

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in open-end fund	-	196	-	196
Financial assets measured at FVOCI				
Equity investments	22	-	23	45
Debt investments	-	185	-	185

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Debt investments	-	158	-	158
Financial assets measured at FVOCI				
Equity investments	16	-	23	39
Debt investments	-	137	-	137

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Debt investments	-	139	-	139
Financial assets measured at FVOCI				
Equity investments	17	-	23	40
Debt investments	-	139	-	139

29. Financial instruments

29.1 Financial risk management

The Group's financial instruments principally comprise cash and cash equivalents, investments, trade accounts receivable and other receivable and trade payable and other payable. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable and deposits with banks. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade accounts receivable

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade accounts receivable 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 Group classifies customer segments. 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 and not subject to enforcement activity.

Financial instruments and cash deposits

The Group 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 Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group'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 assigned by international credit-rating agencies.

Market risk

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, debentures and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date of this occurs before the maturing date.

(Units: Million Baht)

Consolidated financial statements							
As at 31 December 2023							
Fixed interest rates							Effective interest rate (% per annum)
Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total		
<u>Financial assets</u>							
Cash and cash equivalent	2	-	-	31	49	82	0.38 - 0.60
Trade and other receivables	-	-	-	-	118	118	-
Other current financial assets	64	-	-	-	227	291	0.96 - 3.24
Deposits at bank with restrictions	7	-	-	3	-	10	0.60 - 1.00
Other non-current financial assets	-	143	1	-	23	167	1.76 - 5.05
Total	73	143	1	34	417	668	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	14	14	-
Accrued expenses	-	-	-	-	76	76	-
Other current liabilities	-	-	-	-	33	33	-
Total	-	-	-	-	123	123	

(Units: Million Baht)

Consolidated financial statements

As at 31 December 2022

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalent	4	-	-	29	29	62	0.2 - 0.35
Trade and other receivables	-	-	-	-	120	120	-
Other current financial assets	77	-	-	-	218	295	0.74 - 3.07
Deposits at bank with restrictions	6	-	-	4	-	10	0.35 - 0.45
Other non-current financial assets	-	125	3	-	23	151	0.75 - 5.05
Total	87	125	3	33	390	638	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	8	8	-
Accrued expenses	-	-	-	-	65	65	-
Other current liabilities	-	-	-	-	37	37	-
Total	-	-	-	-	110	110	

(Units: Million Baht)

Separated financial statements

As at 31 December 2023

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalent	2	-	-	24	28	54	0.38 - 0.60
Trade and other receivables	-	-	-	-	113	113	-
Other current financial assets	46	-	-	-	174	220	0.96 - 3.24
Deposits at bank with restrictions	-	-	-	3	-	3	0.60
Other non-current financial assets	-	109	1	-	23	133	1.76 - 5.05
Total	48	109	1	27	338	523	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	9	9	-
Accrued expenses	-	-	-	-	75	75	-
Other current liabilities	-	-	-	-	24	24	-
Total	-	-	-	-	108	108	

(Units: Million Baht)

Separated financial statements							
As at 31 December 2022							
Fixed interest rates							
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
Financial assets							
Cash and cash equivalent	3	-	-	13	19	35	0.2 - 0.33
Trade and other receivables	-	-	-	-	116	116	-
Other current financial assets	57	-	-	-	156	213	0.74 - 3.07
Deposits at bank with restrictions	-	-	-	4	-	4	0.35
Other non-current financial assets	-	94	2	-	23	119	0.75 - 5.05
Total	60	94	2	17	314	487	
Financial liabilities							
Trade and other payables	-	-	-	-	6	6	-
Accrued expenses	-	-	-	-	64	64	-
Other current liabilities	-	-	-	-	28	28	-
Total	-	-	-	-	98	98	

Interest rate sensitivity

As at 31 December 2023 and 2022, there were no significant effect on the profit before tax to a reasonably possible change in interest rates, with all other variables held constant.

Liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2023 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements					
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial liabilities					
Trade and other payables	-	13,975	-	-	13,975
Accrued expenses	-	76,121	-	-	76,121
Lease liabilities	-	9,099	20,947	-	30,046
Other current liabilities	-	32,647	-	-	32,647
Total	-	131,842	20,947	-	152,789

(Unit: Thousand Baht)

	Separated financial statements				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Financial liabilities					
Trade and other payables	-	9,083	-	-	9,083
Accrued expenses	-	75,382	-	-	75,382
Lease liabilities	-	9,099	20,947	-	30,046
Other current liabilities	-	24,110	-	-	24,110
Total	-	117,674	20,947	-	138,621

29.2 Fair values of financial instruments

Since the majority of the Group'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.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, trade and other receivable, trade and other payables, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of debt securities is generally derived from quoted market prices or calculated using the yield curve announced by the Thai Bond Market Association.
- The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

During the current year, there were no transfers within the fair value hierarchy.

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Non-listed equity investments	Market multiples	Forecasted operating results	Forecasted revenue from management financial statements of investee	5% increase (decrease) in forecasted revenue would result in an increase (decrease) in fair value by Baht 1 million

30. 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 2023, the debt-to-equity ratio of the Group was 0.40:1 (the Company only: 0.34:1) (2022: 0.37:1, the Company only: 0.27:1).

31. Events after the reporting period

- 31.1 On 12 January 2024, and 20 February 2024, Mr. Pichit Wiwattanarujirapong, a major shareholder of the Company, sold all of his shares to multiple companies and investors, who are business partners, totaling 100,099,990 shares, or accounting for approximately 50.05% of the registered capital, at a price not exceeding Baht 17 per share, totaling Baht 1,701,699,830. Following the completion of this transaction, the major shareholder structure of the Company has changed, with Ditto (Thailand) Co., Ltd. becoming the Company's current major shareholders holding 24.9% of the shares and Team Consulting and Management Co., Ltd., holding 6.0% of the shares.

Currently, there have been no changes in the control of the Company, business operation policies, and director and management structure.

- 31.2 On 22 February 2024, a meeting of the Company's Board of Directors passed the resolution to propose to the Annual General Meeting of Company's shareholders, which will be held in April 2024, to approve a dividend payment from operating results of the year 2023. The dividend will be paid by cash at the rate of Baht 0.8983 per share or in the total amount not exceeding Baht 179.66 million. The payment of cash dividend shall be made within 21 May 2024.

32. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2024.



Part 4

Certification of
Information

Certification of the Correctness of Information

The Company has carefully reviewed the information in this annual registration statement. The Company hereby certifies that such information is correct, complete, not false, does not mislead the holder or lack of information that should be disclosed in the essence. In addition, the company hereby certifies that

1. The financial statements and financial information that are summarized in the annual registration statement have accurately and completely presented all material information about financial position, performance and cash flow of the Company and subsidiaries.
2. The Company has a good information disclosure system to ensure that the Company has disclosed all material information of the Company and subsidiaries accurately, completely, as well as supervising the implementation of the aforementioned systems.
3. The company has set up a good internal control system and supervised the implementation of the said system. The company has already informed the internal control system assessment information to the Auditor and the Audit Committee of the company, which covers significant deficiencies and changes in the internal control system, including any wrongful actions that may have an impact on the financial reporting of the Company and subsidiaries.

In this regard, as evidence that all documents are the same documents certified by the Company; the Company assigned Ms. Chittima Kumwiengchan who signs this document on every page, if any document does not have the signature of Ms. Chittima Kumwiengchan's signature, the Company will consider it not the information that the Company has certified the accuracy of such information above.

Name	Position	Sign
1. Mr. Pichit Viwatrujirapong	Director	- Pichit Viwatrujirapong -
2. Mrs. Kobkanjana Veerapongpradit	Director	- Kobkanjana Veerapongpradit -
Name of Attorney	Position	Sign
Ms. Chittima Kumwiengchan	Company Secretary	- Chittima Kumwiengchan -



Attachments

Attachment 1

Board of Directors Biographies



Date of Appointment as a Director

- 27 March 2007
(Directorship tenure as of April 2024 is 17 years and 1 months.)

Education

- Honorary Doctorate Degree in Information and Communication Technology, King Mongkut's Institute of Technology Ladkrabang
- Honorary Doctorate Degree in Engineering, Tokai University, Japan
- Ph. D from Cambridge University, United Kingdom
- Bachelor degree, 1st class honor, in Electrical and Electronic Engineering, Imperial College of Science and Technology, London University, United Kingdom
- Obtained the Associate of the City and Guilds Institute (ACGI) of London from Imperial College of Science and Technology, University of London, United Kingdom
- Obtained the Advanced Level General Certificate of Education (GCE A-Level) and the Ordinary Level General Certificate Education (ACE O-Level), Norwich University of the Arts, United Kingdom
- Premedical School at Preparation of Medicine in Faculty of Medical Science, University of Medicine (Mahidol University at present)

Training

- 2009
Director Certification Program, Thai Institute of Directors

Board Member/ Management in other Listed Company

- Honorary Chairman of the Board of Directors of Internet Thailand Public Company Limited

Position in Other Company/ Organization/ Institution

- Senior Advisor at the National Science and Technology Development Agency

5-Year Past Experience

- Senior Official Advisor to the Prime Minister in Science and Technology
- Senior Advisor at the National Science and Technology Development Agency

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)



Mr. Pichit Viwatrujirapong

Age 72 Years Old

Position Director

Vice Chairman

President and Chief Creative Officer

Date of Appointment as a Director

- 19 November 2004
(Directorship tenure as of April 2024 is 19 years and 5 months.)

Education

- Master of Political Science in Political Management, Faculty of Political Science, Ramkhamhaeng University
- Bachelor of Political Science, Faculty of Political Science, Ramkhamhaeng University

Training:

- 2013 Director Accreditation Program, Thai Institute of Directors

Board Member/ Management in other Listed Company

(none)

Position in Other Company/ Organization/ Institution

- December 2019 - Present
Director of Fynnet venture Company Limited
- Since 2011
Chief Executive Officer/ President of Cloud Creation Company Limited
- Since 1983
Chief Executive Officer/ President of Creation Group Company Limited

5-Year Past Experience

- President, The Association of Thai ICT Industry (ATCI)
- Chairman of the Subcommittee on Support and Monitoring Software Project, Software Industry Promotion Agency (Public Organization)
- Advisor to the Technical Committee to support the epidemic situation of COVID-19, National Science and Technology Development Agency (NSTDA)
- Business Advisor, Giga Impact Initiative, National Science and Technology Development Agency (NSTDA)
- Subcommittee, NSTDA Investors' Day, National Science and Technology Development Agency (NSTDA)
- Advisor to the Board, Software Industry Promotion Agency (Public Organization)
- Qualified Advisor, Bangkok
- Subcommittee of Digital Platform Program, the National Competitiveness Enhancement Fund, Office of National Higher Education Science Research and Innovation Policy Council.
- Information Technology Committee, National Blood Centre, Thai Red Cross Society

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: 100,099,990 shares (50.050%)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)



Date of Appointment as a Director

- 12 March 2014
(Directorship tenure as of April 2024 is 10 years and 1 months.)

Education

- Master of Science in Computer and Sciences, University of Iowa, USA
- Bachelor of Commerce in Statistics, Faculty of Commerce and Accounting, Chulalongkorn University.

Training

- 2015
Role of the Nomination and Governance Committee (RNG) Certificate Class 7/2558
Role of the Compensation Committee (RCC) Certificate Class 20/2558
- 2016
Driving Company Success with IT Governance (ITG) Certificate Class 3/2559
- 2007
Audit Committee Program (ACP) Certificate Class 18, Thai Institute Of Directors (IOD)
- 1997
Director Accreditation Program (DAP) Certificate Class 34, Thai Institute Of Directors (IOD)

Board Member/ Management in other Listed Company

- Chairman of the board and Chairman of Audit Committee and Nomination and Remuneration Committee IT City Public Company Limited
- Director, Amorncheewin Company Limited
- Director, Grand UB Company Limited
- Non Executive Director, Risk Management Committee, Nomination Remuneration and Corporate Governance Committee Thanachart Capital Public Company Limited

Position in Other Company/ Organization/ Institution

- Director, Amorncheewin Company Limited
- Director, Grand UB Company Limited

5-Year Past Experience

- 2001-2002
Deputy Chief Executive Manager, Technology and Operation Group, Siam Commercial Bank Public Company Limited

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)



Mr. Suvit Arunanondchai

Age 74 Years Old

Position Independent Director
Chairman of the Audit Committee
(Since May 2021 - Present)

Date of Appointment as a Director

- 12 March 2014
(Directorship tenure as of April 2024 is 10 years and 1 months.)

Education

- Bachelor of Economics, Louisiana Tech University, USA
- Program for Management Development (PMD 49) Harvard Business School, Harvard University, USA

Training

Thai Institute Of Directors (IOD)

- 2018
Strategic Board Master Class SBM 4/2018
Board Nomination and Compensation Program BNCP 5/2018
- 2017
Board Room Success Through Financing & Investment (BFI) 1/2017
Board Matters&Trend (BMT) 3/2017
- 2015
Successful Formulation and Execution of Strategy (SFE)
- 2014
Role of Compensation Committee (RCP)
Advance Audit Committee Program (AACP)
- 2006
Quality Financial Reporting Class 2/2006

- 2005
Audit Committee Program (ACP) Class 4/2005
- 2002
Director Certification Program (DCP) Class 14/2002
Director Diploma Examination (Follow Member)

Stock Exchange of Thailand (SET)

- 2009 Capital Market Academy (CMA8) 2009

Board Member/ Management in other Listed Company

- 2016 - present
Thai Nippon Rubber Industries Public Company Limited,
Independent Director, Audit Committee, Chairman of
Nomination and Remuneration Committee
- 2012 - present
Rachatani Leasing Public Company Limited

Position in Other Company/ Organization/ Institution

(none)

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)



Mrs. Suwipa Wanasathop

Age 62 Years Old

Position Independent Director

Audit Committee

Chairman of the Nomination and Remuneration Committee (Since May 2021 - Present)

Date of Appointment as a Director

- 27 April 2021
(Directorship tenure as of April 2024 is 3 years)

Education

- Bachelor of Arts (B.A.) Class Honors, Thammasat University
- MBA (Marketing), State University of New York at Buffalo, USA
- MA. (International Trade), State University of New York at Buffalo, USA

Training

- Director Accreditation Program (DAP) Certificate Class 147, Thai Institute Of Directors (IOD)
- Senior Management Course Capital Market Academy (CMA) Class 4
- Advanced Master of Management Program, AMM Class 1, GSPA NIDA
- STI Leadership Program: STIL Class 1, NSTDA Academy
- Executive Creative Economy Training Program (EXCET) Class 4, OKMD

Board Member/ Management in other Listed Company
(none)

Position in Other Company/ Organization/ Institution
(none)

5-Year Past Experience

- 2022 to Present
Innovation Director at Mittrphol Sugarcane Research Center Co., Ltd.
- 2018 - 2022
Vice President, National Science and Technology Development Agency (NSTDA),
Deputy Executive Director of Technology Management Center and Thailand Science Park Director
- 2016 - 2018 Vice President of NSTDA and Deputy Executive Director of Technology Management Center (Alliance Development)
- 2010 - 2016
Vice President of NSTDA and Deputy Executive Director of Technology Management Center (Business Development)

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:
(None)



Ms. Somsri Ruchdaponkul

Age 59 Years Old

Position Independent Director

Audit Committee

(Since November 2023 - Present)

Date of Appointment as a Director

- 27 April 2022
(Directorship tenure as of April 2024 is 2 years)

Education

- M.B.A in Accounting, University of The Thai Chamber of Commerce
- Bachelor of Accountancy, Bangkok University

Training

- National Defence Course (NDC) Class 62, Thailand National Defence College
- Tourism Management Program for Executives (TME) Class 3, Tourism Authority of Thailand
- Top Executive Program in Commerce and Trade (TEPCoT) Class 11/2018 Commerce Academy
- Capital Market Academy's Senior Executive Program (CMA) Class 23/2016, Capital Market Academy
- Director Certification Program (DCP) Class 179/2013, Thai Institute of Directors Association (IOD)
- TLCA Executive Development Program (EDP) Class 7/2011, The Stock Exchange of Thailand, Thai Listed Companies Association (TLCA)
- Chief Financial Officer Certification Program Class 10/2009, Thailand Federation of Accounting Professions

Board Member/ Management in other Listed Company

- Director of Minor International Pcl.'s subsidiaries

Position in Other Company/ Organization/ Institution (none)

- Committee of Thai Company Secretary Club, Thai Listed Companies Association
- Committee and the Treasurer of The Golden Triangle Elephant Foundation
- Committee and the Treasurer of The Minor Foundation

5-Year Past Experience

Minor International PCL. 1998 - Present

- Vice President of Corporate Governance & Corporate Secretary
- Vice President of Corporate Finance & Corporate Secretary
- Group Director of Corporate Finance
- Finance Director

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive: (None)



Mrs. Kobkanjana Verapongpradit

Age 56 years old

Position Director

Nomination and Remuneration Committee

Chief Executive Officer

Education

- Masters of Business Administration, National University, San Diego USA
- Bachelor's Degree – Faculty of Communication of Arts, Chulalongkorn University
- Advanced Master of Management, NIDA

Training

- Successful Formulation & Execution of Strategy Course, Thai Institute of Directors (IOD)
- Preparation for Digital Thailand 4.0 : Technology, Security, Law and Regulation for Medium and High Management, Electronics Transaction Development Agency (ETDA)
- Director Certification Program (DCP) Class 248, Thai Institute of Directors (IOD)
- Preparation for Executive Development Program (EDP) Class 2019, Thai Listed Companies Association (TLCA)
- Chief Transformation Officer (CTO) Market for Alternative Investment – MAI

Board Member/ Management in other Listed Company

(none)

Position in Other Company/ Organization/ Institution

- Deputy Managing Director/ President of Cloud Creation Company Limited
- Director of Fynnet Ventures Company Limited

5-Year Past Experience

- 2014 – present
Managing Director
Netbay Public Company Limited
- 2011 – 2014
Deputy Managing Director
Netbay Company Limited
- 2008 – 2011 Deputy Managing Director
IBM (Thailand) Company Limited
- 2004 – 2008
Enterprise Sales Director
Microsoft (Thailand) Company Limited

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)



Miss. Chittima Kumwiengchan

Age 38 years old

Position Corporate

Date of Appointment as a Director

- 27 February 2020

Education

- Bachelor's Degree - Faculty of Communication of Arts, Burapha University

Training

- Company Secretary Program (CSP), organized by Thai Institute of Directors, 2016
- Advanced for Corporate Secretary, organized by The Stock Exchange of Thailand, Jul. 2018

5-Year Past Experience

- 2020 - Present
Corporate Secretary Netbay Public Company Limited
- 2016 - 2018
Corporate Secretary CPT Drives and Power Public Company Limited

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)

Management Biographies



Mr. Pichit Viwatrujirapong

Age 72 Years Old

Position Director

Vice Chairman

President and Chief Creative Officer

Education

- Master of Political Science in Political Management, Faculty of Political Science, Ramkhamhaeng University
- Bachelor of Political Science, Faculty of Political Science, Ramkhamhaeng University

Training:

- 2013 Director Accreditation Program, Thai Institute of Directors

Board Member/ Management in other Listed Company (none)

Position in Other Company/ Organization/ Institution

- December 2019 - Present
Director of Fynnet venture Company Limited
- Since 2011
Chief Executive Officer/ President of Cloud Creation Company Limited
- Since 1983
Chief Executive Officer/ President of Creation Group Company Limited

5-Year Past Experience

- President, The Association of Thai ICT Industry (ATCI)
- Chairman of the Subcommittee on Support and Monitoring Software Project, Software Industry Promotion Agency (Public Organization)

- Advisor to the Technical Committee to support the epidemic situation of COVID-19, National Science and Technology Development Agency (NSTDA)
- Business Advisor, Giga Impact Initiative, National Science and Technology Development Agency (NSTDA)
- Subcommittee, NSTDA Investors' Day, National Science and Technology Development Agency (NSTDA)
- Advisor to the Board, Software Industry Promotion Agency (Public Organization)
- Qualified Advisor, Bangkok
- Subcommittee of Digital Platform Program, the National Competitiveness Enhancement Fund, Office of National Higher Education Science Research and Innovation Policy Council.
- Information Technology Committee, National Blood Centre, Thai Red Cross Society

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: 100,099,990 shares (50.050%)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)



Mrs. Kobkanjana Verapongpradit

Age 56 years old

Position Director

Nomination and Remuneration Committee

Chief Executive Officer

Date of Appointment as a Director

- 11 May 2017
(Directorship tenure as of April 2024 is 6 years and 11 months.)

Education

- Masters of Business Administration, National University, San Diego USA
- Bachelor's Degree – Faculty of Communication of Arts, Chulalongkorn University
- Advanced Master of Management, NIDA

Training

- Successful Formulation & Execution of Strategy Course, Thai Institute of Directors (IOD)
- Preparation for Digital Thailand 4.0 : Technology, Security, Law and Regulation for Medium and High Management, Electronics Transaction Development Agency (ETDA)
- Director Certification Program (DCP) Class 248, Thai Institute of Directors (IOD)
- Preparation for Executive Development Program (EDP) Class 2019, Thai Listed Companies Association (TLCA)
- Chief Transformation Officer (CTO) Market for Alternative Investment – MAI

Board Member/ Management in other Listed Company

(none)

Position in Other Company/ Organization/ Institution

- Deputy Managing Director/ President of Cloud Creation Company Limited
- Director of Fynnet Ventures Company Limited

5-Year Past Experience

- 2014 – present
Managing Director
Netbay Public Company Limited
- 2011 – 2014
Deputy Managing Director
Netbay Company Limited
- 2008 – 2011 Deputy Managing Director
IBM (Thailand) Company Limited
- 2004 – 2008
Enterprise Sales Director
Microsoft (Thailand) Company Limited

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)



Mrs. Sutarin Wongsongcha

Age 48 years old

Position Chief Financial Officer

Education

- Masters of Business Administration, Kasetsart University
- Bachelor's Degree - Commerce and Accounting, Chulalongkorn University

Training

- 2023
TFRSs Update 2023(Chulalongkorn University)
The Art of CFO Leadership 2023 (SET)
- 2022
CFO Refresh #2 The Stock Exchange of Thailand ,
The new CFO 2022 "Driving Business Growth through Mergers & Acquisition"
- 2021
CFO Refresh #2, The Stock Exchange of Thailand
- 2020 IT Governance and Cyber Resilience Program (ITG) ,
Thai Institute Of Directors (IOD)
CFO Refresher SET
- 2019 Boardroom Success through Financing & Investment (BFI), Thai Institute Of Directors (IOD)
CFO in Practice certification program, Federation of Accounting Professions
- 2018
Corporate Governance for Executives (CGE),
Thai Institute Of Directors (IOD)
Refreshment of the role and expectation of a CFO,
Federation of Accounting Professions
CFO focus on financial reporting, Federation of Accounting Professions

- 2017
How to Develop a Risk Management Plan (HRP),
Thai Institute Of Directors (IOD)
Ethical Leadership Program (ELP), Thai Institute Of Directors (IOD)
Board Reporting (BRP), Thai Institute Of Directors (IOD)
Company Reporting (CRP), Thai Institute Of Directors (IOD)
- 2016
Chief Financial Officer Certification Program, Federation of Accounting Professions
- 2015
Strategic CFO in Capital Markets Program, The Stock Exchange of Thailand
Successful Formulation & Execution of Strategy (SFG),
Thai Institute of Directors

Board Member/ Management in other Listed Company
(none)

Position in Other Company/ Organization/ Institution
(none)

- Director Of Fynnet Ventures Company Limited

5-Year Past Experience

- 2013 - 2014
Senior Manager, EY Corporate Services Company Limited
- 1996 - 2011
Manager, EY Company Limited

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:
(None)



Ms. Ornruda Kumlertluck

Age 36 years old

Position Accounting Manager

Education

- Bachelor's Degree - Faculty of Commerce and Accounting, Chulalongkorn University
- Master's Degree - Faculty of Economic Laws, Chulalongkorn University

Training

- 2021
Digital Assets from the accounting and tax Perspectives), EY Company Limited Office
- 2020
TFRS 16 for new lease agreement and TFR 9
- 2019
TFRS 16 for new lease agreement, Transfer Pricing, The Stock Exchange of Thailand
- 2018
TFRS 9, TAS 32, TFRS 7, TFRIC 16 and TFRIC19
- 2017
The Digital Accountant, Federation of Accounting Practices
TFRS 15 for general business, Federation of Accounting Practices
- 2016
TFRS Workshop (TFRS), Federation of Accounting Practices
- 2015
IFRS Update (In-House Training), EY Company Limited Office
IFRS organized for Thailand, Federation of Accounting Professions
Issues with the application of Pack 5 in operations, Federation of Accounting Practices

Board Member/ Management in other Listed Company

(none)

Position in Other Company/ Organization/ Institution

(none)

5-Year Past Experience

- 2011-2015
Senior Auditor Assistant, EY Company Limited Office

Shareholdings (Ordinary Shares) (as at December 31, 2023)

- Held personally: (none)
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)



Mr. Kittiwat Surasakphiphat

Age 43 Years Old

Position Deputy Managing Director

Education

- Master's Degree: Faculty of Information Technology, majoring in Electronic Commerce, King Mongkut's University of Technology Thonburi (2011 - 2014)
- Bachelor's Degree: Faculty of Science, majoring in Computer Science, University of the Thai Chamber of Commerce (2001 - 2004)

Training

- 2023
Financial Statements for Directors (FSD 48/2023), Thai Institute of Directors Association
- 2023
TLCA Executive Development Program (EDP2023), Thai Listed Companies Association

Board Member/ Management in other Listed Company

(none)

Position in Other Company/ Organization/ Institution

(none)

5-Year Past Experience

- Software Development Director, Netbay Co., Ltd.
(June 2019 - January 2023)
- Software Development Manager, Netbay Co., Ltd.
(June 2015 - May 2019)

Shareholdings (Ordinary Shares) (as at December 31, 2022)

- Held personally: 19,600 shares 0.0098
- Held by spouse or minor children: (none)

Family Relationship among Directors and Executive:

(None)

Attachment 2 Directors of the Subsidiary and related companies

Summary of information on the position of directors, executives and controlling persons holding executive positions in subsidiaries or related companies are as follows:

Name	Netbay	Subsidiary Associated Company		Related companies	
		Could Creation Co., Ltd.	Fynnet Ventures Co., Ltd.	Internet Thailand Public Co., Ltd.	Creation Group
1. Prof. Dr. Pairash Thajchayapong	A			A	
2. Mr. Pichit Viwatrujirapong	BD	BD	B		B
3. Mrs. Suwipa Wanasathop	BC				
4. Mr. Vichit Yanamorn	BC				
5. Mr. Suvit Arunanondchai	BC				
6. Mrs. Kobkanjana Veerapongpradit	BD		B		B
7. Ms. Somsri Rachdapornkul	B				
8. Mrs. Sutarin Wongsongcha	D		B		
9. Ms. Ornrueda Kuumlertluck	D				
10. Mr. Kittiwat Surasakphiphat	D				

Remark : A = Chairman of the Board B = Directors C = Audit Committee D = Executives

Attachment 3 Details of Chief Internal Auditors

Currently, the company uses outsource service which is Quantum Point Consulting Company to perform the audit and assessment of internal control systems, The details of person responsible for the internal audit work for each company are as follows:

Ms. Jittinun Ariyaphongphaisan
 Age 40 Years Old
Position Internal Audit Assistant Manager
 Certified Public Accountant of Thailand

Education / Certificate

- Master of Business Administration, University of the Thai Chamber of Commerce
- Bachelor of Accounting, Rajamangala University of Technology Rattanakosin Bophit Phimuk Chakkrawat Campus

Certificates & Degrees

- Certified Professional Internal Audit of Thailand: CPIAT, No. 568
- Certified Public Accountant (CPA) Thailand, No. 10212
- IT Audit for Non-IT Auditor Masterclass Certificate
- Thai Private Sector Collective Action Against Corruption (CAC) SME Certificate: internal auditor

Courses & Trainings

- 37th of Certified Professional Internal Audit of Thailand: CPIAT by Institute of Internal Auditors, Thailand (IIA, Thailand)
- IT Audit for Non-IT Auditor Masterclass (30 hrs.) by National Science and Technology Development Agency (NSTDA)
- Course: Working Paper of Better Corruption Prevention, 1st /2018 by Federation of Accounting Professions, Thailand
- Course: Risk Based Audit by Institute of Internal Auditors, Thailand (IIA, Thailand)
- Course: CIA Review Part I, 1st /2018

Family Relation with Executives

- None -

Shareholding (%)

- None -

At least 5 years of work experience

2015 - Present

- Internal Audit Assistant Manager Quantum Point Consulting Company

2006 - 2015

- Certified Public Accountant of Thailand CT Salmon Advisory and Services Company Limited

Attachment 4 The Audit Committee Report

The audit committee of Netbay Company Limited consists of 3 independent directors that are qualified and experienced in accounting, finance, law, science and organizational administration. They performed the duties as assigned by the board of directors and according to the regulations of Netbay Company Limited regarding the principles and guidelines of the audit committee which are in accordance with the requirements of the Stock Exchange of Thailand. The policies emphasize the principles of good corporate governance and have a good internal control system.

In 2023, the audit committee held 4 meetings that consulted with the audit committee, the internal auditors and auditors of relevant subject matters. The following is a summary of their duties.

1. Review of the Financial Statements

The audit committee reviewed the quarterly financial statements and the financial statements for the year 2023 for Netbay Company Limited. This included transactions that may have potential conflicts of interest with the executives. Auditors were invited to attend quarterly and annual meeting to consider financial statements. The audit committee discussed the accuracy and completeness of the financial statements with the auditor, significant adjustments to accounting transactions that affect the financial statements, the suitability and appropriateness of accounting records and audit scope, the complete and sufficient disclosure of information and the independence of the auditor to ensure that the preparation of the financial statements complies with the requirements of law and accounting standards in accordance with generally accepted accounting principles that are reliable and timely. The disclosures in the financial statements were adequate in order to benefit the investors or users of the financial statements.

2. Review of Risk Management

The audit committee reviewed the risk management results of the Company to ensure that management had conducted appropriate risk management activities at appropriate operational levels. The identified risk factors were complete and sufficient and recommendations were given to make improvements. In 2023, there were no issues or problems that needed to be improved on these matters.

3. Review of the Effectiveness of the Internal Control Systems

In 2023, apart from the review of the internal control systems regarding operations, the Company recognized the importance of good corporate governance. The Company then set up an internal control system for information technology (IT), which was audited by auditors that were competent and independent to the extent prescribed.

The Company's IT internal control audit found that the overall internal control of information technology (IT) that the company has operated on was consistent with the standards for maintaining the security of information systems and met the relevant requirements for the BOT's non-bank financial institutions. This included requirements related to the internal control of information technology (IT) for the public companies listed on the Stock Exchange of Thailand.

However, the Company's internal control of information technology (IT) was at a standard level which could be developed to correspond to and in time of changes to Financial Technology. This included the Security Awareness Training of staff and be able to implement procedures effectively and procure network protection (IPS, DDoS Protection) and/or website protection (Web Application Firewall) to be applied to more applications, etc.

4. Review of Good Corporate Governance

The audit committee reviewed the performance of the assigned work systems. The Company conducted business with morality, complied with the Securities and Exchange Act Terms of the Stock Exchange of Thailand as well as other laws that are related to the business operations of the Company, especially in relation to connected transactions which ensured that the Company has reasonable business conditions. In addition to this, the audit committee evaluated the performance of the audit committee as a whole. The self-assessment was in accordance with good practices of the Stock Exchange of Thailand to ensure the confidence of all related parties.

Moreover, to comply with Corporate Governance code and develops as practice principles for the board of directors, as the leader and governing body of a listed company. It's delineated as the board's roles and responsibilities for the company's long-term sustainable value creation. In this regard, the value created should not only be good for the company but also for its shareholders, stakeholders, the capital market and the society at large. The Company arrange self assessment for Board of Directors, Sub-Committee, and Individual Directors, therefore the company will disclose criteria, procedure, and assessment result and this would be use for further development.

5. The Appointment of Auditors for the Year 2024

The audit committee approved the appointment of EY office Limited as Netbay Public Company Limited's auditor for the year 2024. This was proposed to the board of directors for consideration and approval at the Annual General Meeting of Shareholders for the year 2024. Consideration was made regarding appointments, the approval of auditors and the audit fees.

6. Compliance with Applicable Requirements, Regulations and Laws

The audit committee, in cooperation with the Internal Audit Department, reviewed the business operations so that the Company regularly complied with the Securities and Exchange Act and terms of the Stock Exchange of Thailand and any relevant laws. The audit committee is of the opinion that the Company has legitimate business operations and complies with the terms and conditions set forth.

Based on the self-assessment of the audit committee for the year 2023, the audit committee performed the duties and responsibilities set forth in the Audit Committee Charter approved by the board of directors. The overall performance regarding the financial report review, the risk management review, the review of the effectiveness of the internal control systems, the review of good corporate governance, consideration regarding the appointment of auditors and compliance with relevant regulations, requirements and laws by using knowledge, caution and sufficient independent for the equal benefit of the stakeholders.

The audit committee is of the opinion that the Company's financial information was accurate, reliable and in line with generally accepted accounting standards. The Company has adequate risk management, has proper internal control systems, has consistent operations in accordance with good corporate governance, and abides by the law and strict business requirements.

Yours Sincerely,

- Suvit Arunanondchai -

(Mr. Suvit Arunanondchai)

Chairman of the Audit Committee



INNOVATIVE TECHNOLOGY COMPANY

NETBAY PUBLIC COMPANY LIMITED

719/5, 8-9 RAMA 6 ROAD WANGMAI, PATHUMWAN
BANGKOK 10330 THAILAND
TELEPHONE : +66 (0) 2620 1800
FAX : +66 (0) 2612 3051
CALL CENTER : +66 (0) 2620 1888



WWW.NETBAY.CO.TH