



NCL International Logistics Public Company Limited



# ANNUAL REPORT 2022

[ Form 56-1 One Report ]



# Table of Contents

Vision, Mission, Goal, and Strategy	I
Message from the Board of Director	II - V
Member of the Board of Director	V

## **Part 1 Nature of business and operating performance**

---

1. Company Structure and Nature Of Business	2
2. Risk Management	43
3. Sustainable Development for Business	47
4. Management Discussion and Analysis	58
5. General information and Other Significant Information	73

## **Part 2 Corporate governance**

---

6. Corporate Governance Policy	77
7. Corporate Governance Structure and Significant Information of the Board of Director, Sub-Committees, Management, Employees, and Others	116
8. Corporate Governance Report	136
9. Internal Control and Other Related Transactions	155

## **Part 3 Financial Report**

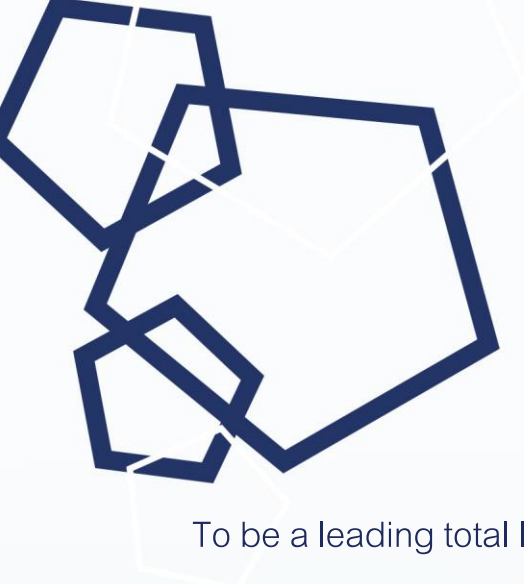
---

## **Part 4 Certifies the Correctness and Completeness**

---

Attachment 1 Details of Board of Directors, Executives and Company Secretary	244
Attachment 2 Details of Directors of Subsidiaries and Associated Companies	269
Attachment 3 Details about the Head of the Internal Audit and the Supervisor of the Company	272
Attachment 4 Properties for Business Operation and Detail about the Asset Appraisal items	275
Attachment 5 Corporate Governance Policy and Guideline and the Business Ethics	288
Attachment 6 The Audit Committee's Report	342





## Vision

To be a leading total logistics provider to international standard that is the first and best choice for the customers and its partners.

## Mission

The Company's mission is to operate a comprehensive logistics service business with personnel who were expertise and service to customers with sincerity as well as creating the network of trade partners and international offices efficiently.

## Goal

To be a professional company that helps reduce logistics costs to maximize efficiency and customer satisfaction.

## Strategies

To provide personnel with expertise which offer the customers a comprehensive range of services, including consultation about planning related to, and the provision of, the most suitable transport methods, management that allows the customers to forward their freight on time with the lowest cost, by expanding their own branch offices in target countries and working with effective partners in abroad to be able to distribute products to destinations in various countries around the world.











# Message from the Board of Directors

In 2022, the COVID-19 pandemic started to improve, resulting in the domestic economy beginning to recover. Meanwhile, the global economy has slowed down due to the conflict between Russia and Ukraine, causing an economic downturn for Russia by the Western Hemisphere. Additionally, China continues to implement its Zero COVID policy, and all of these factors have led to a slowdown in production and transportation. Thailand has also been affected by this slowdown, so it is considered another challenge for the Company to plan business operations and evaluate the situation closely, in order to prepare to promptly adapt to the fluctuating circumstances in order to achieve the business objectives as planned. The Company's Board of Directors, executives, and staff in all departments have fulfilled their duties to the best of their abilities.

In 2022, the Company had a total revenue of 1,938.9 million baht, a slight increase compared to the previous year. This was due to the slowdown of the economy caused by the aforementioned factors. Additionally, the freight charges decreased due to the easing of the container shortage problem, and the demand for product transportation decreased. Nevertheless, revenue from the sales of dialysis solutions continued to increase by 14.2 million baht compared to 2021, as a result of the price adjustment of the dialysis solutions in terms of cost and expenses, which increased by 8 percent compared to the previous year. The main reason for this was the increase in expenses related to professional consulting services for the purpose of business expansion.

Furthermore, the Company continues to adhere to the policy of expanding its business in line with the Company's vision and mission to be a leader in providing full-service logistics and has expanded its business in the Non-Logistics sector to reduce the risk of relying solely on logistics business. Additionally, there has been a restructuring of internal management to accommodate the Company's business expansion.

Furthermore, the Company places great importance on conducting business in conjunction with organizational development towards sustainable growth, with a focus on operating in the areas of economics, society, and the environment, under the practice of international standards and good corporate governance principles. Through conducting business with honesty, fairness, transparency, and accountability, the Company supports efforts to combat corruption and operates with respect for human rights. The Company also promotes awareness and encourages all board members, executives, and employees within the organization to do so while considering the impact on the environment, society, and all stakeholders.

Finally, on behalf of the Board of Directors, executives, employees, and subsidiaries, we would like to express our gratitude to all shareholders and stakeholders for your continuous support and encouragement toward the Company's operations and business development. The Company will continue to operate under good corporate governance and efficiently and effectively manage customer service to develop and grow sustainably with stability and resilience.



Mr. Kittu Phuathavornskul  
President



Mom Rajawong Chirakom Kitiyakara  
Chairman



Mr. Pongthep Vichaikul  
Chief Executive Officer



# Board of Directors



**Mom Rajawong Chirakom Kitiyakara**

Chairman / Independent Director



**Mr. Phongpun Kongkumnerd**

Chairman of the Audit Committee / Independent Director



**Mr. Somchai Kuvijitsuwan**

Audit Committee / Independent Director



**Admiral Surapong Amnucksoradeja**

Audit Committee / Independent Director



**Ms. Chanyapat Wiphatthanananthakul**

Audit Committee / Independent Director



**Mr. Kitti Phuathavornskul**

Director / Executive Committee / President



**Mr. Pongthep Vichaikul**

Director / Executive Committee



**Ms. Pornthip Sae-Lim**

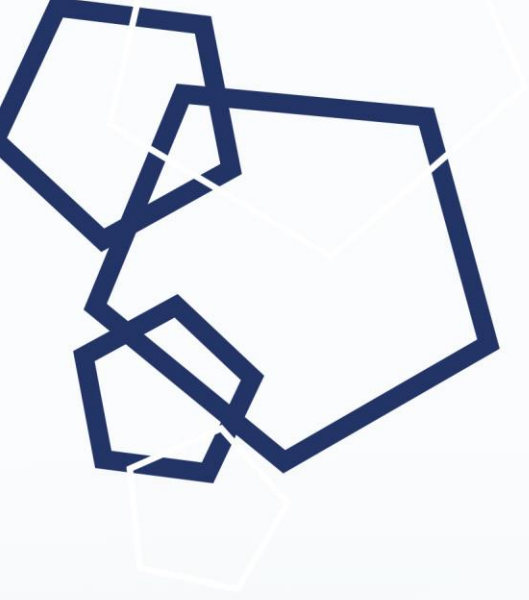
Director / Executive Committee



**Mrs. Ravipa Koekkaivan**

Director / Executive Committee





# Part 1

Nature of Business and Operating Performance



# 1. COMPANY STRUCTURE AND NATURE OF BUSINESS

---

## 1.1 Policy and Business Overview

### Company History

NCL International Logistics Public Company Limited (“Company” or “NCL”) is a one-stop service logistics solution provider. Established by Mr. Kittu Phuathavornskul, NCL International Logistics PCL Group was aimed to engage in international freight forwarding services. This Group was comprised of NCL International Logistics Public Company Limited (formerly known as “Regional First Jubilee Co., Ltd.”), founded in 1994; VP International Logistics (Thailand) Co., Ltd. (VP); and Unitrans Global Co., Limited (UNI).

The Company started international freight forwarding services in 1994, which were operated under VP International Logistics (Thailand) Co., Ltd. (VP). It started LCL (Less than container load) freight forwarding for the route: Thailand - Americas and expanded routes to Asia and Europe in 1996 and 2000, respectively.

To restructure the management within the Group and eliminate potential conflicts of interest, VP ceased its operation in 2009 and in 2011, staff who founded UNI sold UNI shares to Mr. Phuathavornskul, the Company’s major shareholder. Later, Mr. Phuathavornskul sold all UNI shares to external parties; however, UNI still utilized the Company’s buildings for its business operations and relied on the Company in terms of documentation and accounting and financial management. However, at present, VP and UNI have been registered to cancel the Company. Therefore, only the Company that still operates in the business is NCL International Logistics Company Limited.

Since its inception, the Company has grown steadily and has been able to provide both LCL and FCL services and has acted as a customs broker and goods issuance agent. Growing continuously in the international freight forwarding business, in 2011, the Company invested in domestic freight forwarding services by purchasing tractor heads and trailer trucks to ensure service continuity. The first route established was the southern route and expanded to the East and Bangkok.

The Company had been converted from “Company Limited” to Public Company Limited” and Registered in the Market of Alternative Investment (MAI) on November 11, 2014. Being well-established for over 30 years, it presently has a registered capital of 134.53 million Baht which paid up registered capital of 132.06 million Baht, which 528.23 million ordinary shares with a par value of 0.25 Baht per share



As of 31 December 2022, the Company has subsidiaries, associated companies, and companies in which the subsidiaries hold shares. ("Group"), a total of 6 companies, providing transport, sea and air freight forwarding services, which cover full-container load (FCL), less-than-container load (LCL) and door-to-door load delivery. In addition, it serves as a customs broker, shipper owned containers (SOC) and engages in warehousing and domestic freight forwarding using tractor head and trailer truck, shipping agency. The Company have 2 subsidiaries to operating in other business, one of them operating in the business of producing dialysis fluid and selling related equipment and another operating in procurement. Moreover, the associate has operated in marketing services for variations.

1. Grace Waters Med Co., Ltd.	("Subsidiary"):	In Thailand	NCL holds shares	52.80 %
2. NCL Inter Logistics (S) Pte. Ltd. ("NCL(S)")	("Subsidiary"):	In Singapore	NCL holds shares	100 %
2.1 NCL International Logistics USA Inc.	("Subsidiary"):	In USA	NCL(S) holds shares	100 %
2.2 LG Container Line Pte. Ltd.	("Subsidiary"):	In Singapore	NCL(S) holds shares	100 %
3. Golden Supply Co., Ltd.	("Subsidiary")	In Thailand	NCL(S) holds shares	100 %
4. Cheese Digital Network Co., Ltd.	("Associate")	In Thailand	NCL(S) holds shares	25 %

### 1.1.1 Vision, Mission, Goal and Strategies in Operation

The Board of Directors has set vision, mission, goals and strategies of the Company which is annually reviewed to provide coverage and clear indications of direction, goals, and reflect on the identity of the Company, as well as to keep pace with the dynamics of the business that moving fast forward by being efficiently and effectively for the benefit of the Company and the Shareholders as a whole.

#### Vision

To be a leading total logistics provider to international standard that is the first and best choice for the customers and its partners.

#### Mission

The Company's mission is to operate a comprehensive logistics service business with personnel who were expertise and service to customers with sincerity as well as creating the network of trade partners and international offices efficiently.

#### Goal

To be a professional Company that helps reduce logistics costs to maximize efficiency and customer satisfaction.

#### Strategies

To provide personnel with expertise which offer the customers a comprehensive range of services, including consultation about planning related to, and the provision of, the most suitable transport

methods, management that allows the customers to forward their freight on time with the lowest cost, by expanding their own branch offices in target countries and working with effective partners in abroad to be able to distribute products to destinations in various countries around the world.

The Board of Directors has set vision, mission, goals, and strategies of the Company which is annually reviewed to provide coverage and clear indications of direction, goals, and reflect on the identity of the Company, as well as to keep pace with the dynamics of the business that moving fast forward by being efficiently and effectively for the benefit of the Company and the Shareholders as a whole.

## 1.1.2 Transition and Milestone Development

### 2022

- |          |   |
|----------|---|
| February | <ul style="list-style-type: none"> <li>● Investment in digital marketing services business by means of entire business transfer of BOB Holding Company Limited ("BOB") which include all assets, debts, liabilities, and all obligations of BOB at the present or in the future on the transferring date. In this regard, BOB does not have any debts and the only assets are ordinary shares of Cheese Digital Network Company Limited, a Company operating digital marketing service business, in the amount of 125,000 shares, or equivalent to 25.00 percent of the total issued and paid-up shares on the transferring date</li> <li>● The Company was decreased of the Company's registered capital of THB 8,250,000.00 from the existing registered capital of THB 124,788,062.00 to THB 116,538,062.00 by cancelling 33,000,000 unissued registered ordinary shares with a par value of THB 0.25 per share</li> <li>● The Company was increased of the Company's registered capital of THB 18,129,669.00 from the existing registered capital of THB 116,538,062.00 to THB 134,667,731.00 by issuing 72,518,676 newly issued ordinary shares, with a par value of THB 0.25 per share</li> </ul> |
| March    | <ul style="list-style-type: none"> <li>● The Company liquidated Suwan Bio Farm Co., Ltd. that operating in support for research and development of planting, extraction, distribution and development of herbal products from plants, for medical and commercial. The Company holds amount of 10,200 shares or 51% of total shares.</li> </ul>  |
| April    | <ul style="list-style-type: none"> <li>● The Company disposed investment in Zim (Thailand) Co., Ltd. "ZIM Thailand" which the Company holds 51 percent to Zim Integrated Shipping Services Limited with a value THB 5,100,000</li> </ul>  |



- August
- The Company was established new subsidiary “Golden Supply Co., Ltd.” in registered capital of THB 10,000,000 , which engaged in procurement and fulfillment services

## 2021

- July
- The Company was increased of the Company's registered capital in the amount of 11,250,000 Baht, divided into 45,000,000 ordinary shares, with a par value of 0.25 Baht per share, from the original registered capital of 113,538,062 Baht to the new registered capital of 124,788,062 Baht. The objective was for support liquidated in the Company's operations and/or to support the Company's business expansion and investment in the future.

- August
- The Company had amendment of the terms of the joint venture agreement with Zim Integrated Shipping Service Ltd. ("ZIM") (Israel) to represent the sole air freight service in Thailand. The revisions are made in respect of compensation. The service advisory fee increased at least 45%, resulting in an increase in revenue in this segment that has a positive impact on the Company as well as investors.

- September
- The Company collaborated with Eureka Design Public Company Limited to establish a joint venture Company with a registered capital of 20,000,000 Baht. In terms of growing, extracting, and selling hemp, cannabis for medical and commercial purposes in Kasetsart University.

## 2020

- January
- According to the spread of coronavirus disease in many countries around the world and the number of infected people is continually increasing, causing the Company to slow down the economy and affects most businesses and industries the above situation has a direct impact on the logistics business activities of the Group. It provides a full range of logistics services by land, air, and sea with a wide range of trading partners, partners, customers, and subsidiary offices in many countries.

In this regard, the Company and subsidiaries in the United States (A subsidiary hold 100%) and Indonesia (A subsidiary Company entered into a convertible loan agreement), etc. The government issued measures to prohibit people from leaving the area and travel to places that are vulnerable to infection unnecessarily, resulting in the Company cannot work normally. The Company has been assigned that employee can work from home so that the work can still be performed efficiently under such circumstances.

- |          |  |
|----------|--|
| February | <ul style="list-style-type: none"> <li>● The Company was increased the capital in subsidiary NCL Inter Logistics (S) Pte., Ltd. for USD 0.77 million or equivalent to 25 million Baht for expansion of operations of overseas subsidiaries.</li> </ul>   |
| April    | <ul style="list-style-type: none"> <li>● The Company transferred additional investment in NCL Inter Logistics (S) Pte. Ltd. of 1.09 million shares at a par value of SGD 1, totaling SGD 1.09 million or equivalent to the amount of 25 million Baht for business operation. The registration of the capital increase was completed on September 16, 2020, resulting in SGD 4 million of paid-up capitals.</li> </ul>  |
| May      | <ul style="list-style-type: none"> <li>● The Company decreased in the Company's registered share capital of 33,375,123 Baht from 146,913,185 Baht to 113,538,062 Baht through the decrease of 133,500,490 registered ordinary shares with a par value 0.25 Baht per share, which is the remaining shares from the issuance and offering of warrants No. 2 (NCL-W2) and No. 3 (NCL-W3), which were expired on 29 June 2018 and on December 6, 2019, respectively.</li> <li>● The Company was closed of NCL Inter Logistics Vietnam Company Limited, a subsidiary in Vietnam. It holds shares through NCL Inter Logistics (S) Pte. Ltd. due to significant losses and increased operating expenses. In addition, the situation of the epidemic of coronavirus infection in 2019, which affects the transportation of goods, contributes to a significant decrease in the Company's revenue. Therefore, the said Company should be closed. Before it gets more affected for the benefit of the Company and the shareholders in the future Currently in the process of registering the dissolution of the business.</li> </ul> |
| June     | <ul style="list-style-type: none"> <li>● The Company decided to temporarily ceased operations 2 subsidiaries in China, Qingdao National Container Line Co., Ltd. and Ningbo NCL Inter Logistics Co., Ltd., were decided to halt recognition of losses due to the impact of the epidemic situation. Coronavirus Disease 2019 in China.</li> </ul>   |
| July     | <ul style="list-style-type: none"> <li>● The Company has transferred an additional investment of SGD 0.35 million or equivalent to 7.90 million Baht, resulting in as of December 31, 2020, NCL Inter Logistics (S) Pte. Ltd. has a registered and paid-up capital amounted of SGD 4.32 million.</li> <li>● NCL Inter Logistics (S) Pte. Ltd. has transferred an additional investment of SGD 0.35 million as a result, as of December 31, 2020, LG Container Line Pte. Ltd. has a registered and paid-up capital amounted of SGD 2.69 million.</li> </ul>   |

- August
- NCL Inter Logistics (S) Pte. Ltd. disposed entire investment in PT.NCL INTER LOGISTIK INDONESIA, a subsidiary with an interest through control by NCL Inter Logistics (S) Pte. Ltd. at a total cost of USD 60,000 to another shareholder of the subsidiary. On 31 August 2020, NCL Inter Logistics (S) Pte. Ltd. entered into a share purchase agreement with such a shareholder, and as a result, PT.NCL INTER LOGISTIK INDONESIA has ended as a subsidiary of the Company as from such date.

### 1.1.3 Funding Objective

#### Fund of the sale of common shares offered to private placement (PP)

In 2022, the Company was issue and offering of newly issued ordinary shares of the Company to the private placement in a total amount of 250,189,432.35 Baht the detail are as follows:

Objective	Plan for use	Amount of received (Baht)	Balance (Baht)
Pay for the transfer of business from BOB Holding Co., Ltd.	Pay for the transfer of business from BOB Holding Co., Ltd.	250,189,432.35	0

## 1.2 Nature of the Business

NCL International Logistics Public Company Limited, subsidiaries and associates ("The Group") operates the business management of logistics service provider and produces and sells dialysis solution for kidney disease patients with an artificial kidney and distributing medical supplies for use in hemodialysis group.

### 1.2.1 The Company's Revenue Structure

The Company's revenue structure, classified by services, as shown in the Company's consolidated and separate financial statements is as follows:

Description	2020		2021		2022	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>1. Revenue from services</b>						
<b>1.1 International freight transport</b>						
1.1.1 Sea freight	733.57	79.98	1,580.96	82.71	1,671.48	86.21
1.1.2 Air freight	40.76	4.44	140.72	7.31	18.17	0.94
1.1.3 Other services	0.04	0.01	0.05	0.01	0.05	0.01
<b>Total revenues from international freight transport services</b>	<b>774.37</b>	<b>84.43</b>	<b>1,721.73</b>	<b>89.49</b>	<b>1,689.70</b>	<b>87.15</b>
<b>1.2 Domestic freight transport by trucks <sup>1)</sup></b>	<b>6.24</b>	<b>0.68</b>	<b>45.02</b>	<b>2.34</b>	<b>109.44</b>	<b>5.64</b>
<b>1.3 Other services in Thailand <sup>2)</sup></b>	<b>-</b>	<b>-</b>	<b>35.72</b>	<b>1.85</b>	<b>-</b>	<b>-</b>
<b>Total revenues from the services</b>	<b>780.61</b>	<b>85.11</b>	<b>1,802.47</b>	<b>93.68</b>	<b>1,799.14</b>	<b>92.79</b>
<b>2. Revenue from the sale of hemodialysis and durable products <sup>3)</sup></b>	<b>103.34</b>	<b>11.27</b>	<b>90.33</b>	<b>4.70</b>	<b>104.45</b>	<b>5.39</b>
Other revenues <sup>4)</sup>	32.94	3.59	31.10	1.62	35.33	1.82
Gain on disposal of investment in subsidiaries	0.27	0.03	-	-	-	-
<b>Total revenues</b>	<b>917.16</b>	<b>100.00</b>	<b>1,923.90</b>	<b>100.00</b>	<b>1,938.92</b>	<b>100.00</b>

Note 1) Revenue from domestic transportation by hauling truck-towing



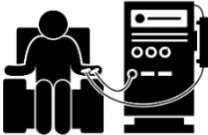

2) Revenues from other domestic services includes recommending, consulting, managing and supporting medical equipment sale operation.

3) Revenues from dialysis solution and medical supplies was caused by Grace Waters Med Co., Ltd. (the subsidiary) since 1 March 2018.

4) Other revenue includes consulting fee revenue, rental income, gain (loss) on foreign exchange and interest income, etc.



## 1.2.2 Nature of Products and Services

			
International transport management services	Domestic transport services	Produce and sell hemodialysis products	Invest in digital business
Provide planning, management and offering solutions to customers with international shipping needs	Domestic transport services with tractor heads and trailer trucks	Production and distribution of hemodialysis for kidney disease and related equipment	Invest in a Company that specialized in digital marketing and information technology development

### 1. Logistics Service Provider

Which includes planning, management and offering solutions to customers. In order to ensure that the process of moving the product of the customer from the source to the destination with the shortest time and the lowest cost. The nature of services rendered by the Company is divided into two major groups: international freight transport and domestic freight transport. The details of the two individual service groups are as follows:

1.1 International transport management services the services deal with managing the flow of goods from the loading point to export from Thailand to destinations in over 180 countries, covering all the major trade routes across the world, as well as managing the flow of goods transported from other countries to the unloading point in Thailand. The Company renders both sea and air freight services. The Company has no freighters; however, to serve its customers it can arrange to use them as well as containers from freight operators, i.e., shipping lines or airlines. Furthermore, the Company coordinates its services with its trade partners in different countries to manage the flow of goods from ports or airports in these countries to its local destinations. Income earned from the services constitutes the Company's major revenue. The Company's international freight transport services can be divided according to the following transport modes:

1.1.1 International sea freight transport: Currently, the Company renders sea freight transport services across five continents, namely Europe, America, Asia, Australia, and Africa, which cover main ports of major trade areas in over 180 countries. Sea freight transport can be divided into three types as follows:

- Full Container Load (FCL): which is suitable for customers with a large quantity of goods in hand, where it is economical to rent a whole container solely for their goods without having to share the container with other customers. The Company will find different sizes of containers according to the needs of the customer, provide shipping lines in line with the Customer's schedule and requirements, and serve as a customs broker and goods issuance agent.
- Less than Container Load (LCL): which is suitable for customers with fewer goods for transit, the quantity of which is not economical to warrant the renting of a whole container solely for their goods. The Company will gather goods from individual customers and allocate loading space in the reserved container, and then it will calculate the space and place the goods suitably for their types and requirements of each customer. This is to ensure that each customer's goods are put in the same container safely and are delivered on time at the lowest cost. However, since the majority of the customers are operators rendering freight transport services as the Company, they have the abilities to handle their own customs documentation on their own.
- Shipper Owned Container (SOC): The Company will provide the empty containers for customers to contain their own goods, not necessary to wait for the containers from the shipping agents. In some shipping agents who have no containers to service their customers, the Company will be provided the containers for their customers

1.1.2 International air freight transport: This is a fast mode of transport, which takes a shorter time to transport goods to destinations compared to sea freight transport. However, as it bears a higher cost, it is suitable for transporting perishable or temperature-sensitive goods, such as fresh fruits and vegetables, goods with that are high value or need special care, e.g., gems and gold, as well as goods with a low weight and quantity that require fast delivery, e.g., documents and printed materials. The Company finds an airline according to the customer's schedule and requirements and serves as a customs broker and a goods issuance agent. Currently, the Company can provide air shipment services to over 180 countries. Since November 2019, the Company had been appointed as an agent for Israel Airlines resulting in the increasing revenue from international air transportation.

1.1.3 Other services: The Company provides services concerning customs formalities and relevant documentation and serves as a goods issuance agent. The services require experts in customs formalities and regulations pertaining to importation and exportation so that the customers can comply with relevant laws in each country and receive or send goods on time.



International Freight Transport and Containers

Log Freight

1.2 Domestic transport services in the year 2011, the Company started rendering domestic freight transport services by tractor heads and trailer trucks in order to (1) extend its range of services for its existing customers using the Company's international transport services and (2) to expand its business using its expertise in logistics services to serve customers that need freight forwarding in the country. In 2022, the Company has 66 tractor heads and 99 trailer trucks. The trailers trucks are available in both skeleton frame, which are used for carrying containers, and flatbed, which are for carrying containers or cargo directly. The Company forwards goods enroute from factories to loading points for exportation, from the loading points for importation into factories or other destinations in the country, and from origins to destinations in different countries, as required by customers. The Company's existing service points are as follows:

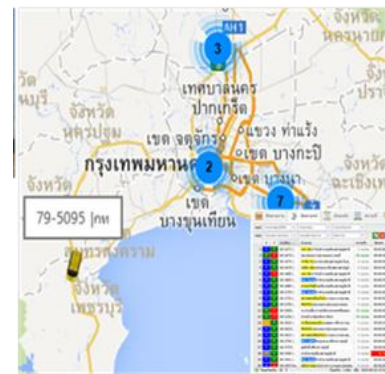
- **Service point in Hat Yai:** This service point is situated in Had Yai district, Songkhla
- **Service point in Surat Thani:** This service point is situated in Phunphin district, Surat Thani, which offers both short and long-distance transport service. The short-distance transport takes not over one day, which involves delivering goods from factories in Surat Thani to ports or railway stations within the same province or to ports in the southern region, such as the Phuket Port. The long-distance transport takes more than one day, which involves delivering goods from factories in Surat Thani to Bangkok or other provinces and sending goods from destination provinces or nearby provinces back to the southern provinces.
- **Service point in Laem Chabang, Chonburi:** This service point is situated in Sriracha district, Chonburi. Currently, there are short-distance transport services as delivering

empty containers to pick up products, goods from Laem Chabang warehouse to Laem Chabang port and Khlong Toei pier and long-distance transport service is to pick up products, goods from the central and eastern provinces to Laem Chabang port and Khlong Toei pier.

- **Service point in Lat Krabang:** This service point is situated in Rom Klao bus terminal, Lat Krabang district, Bangkok. Currently, there are short and long-distance transport services as transportation from Klong Toei port, Sahathai port, BMT port in Samut Prakan province to the central, southern and northeast.



Tractor Heads and Trailer Trucks



GPS Tracking

Alternatives for operators: the case when the exporter/importer operates shipment on his/her own and the case when the exporter/importer uses NCL's logistics services

### Case 1 : The exporter/ importer operates shipment on his/her own



### Case 2 : The exporter/importer allows NCL to operate shipment



**1.3 Other services in Thailand:** Grace Water Made Company Limited ("GWM") is a subsidiary with knowledgeable, expertise and experienced in marketing and sales about medical diagnostic equipment and reagents. Hence, all personnel can provide sales support in many ways such as product promotion, coordination, providing advice and solutions also closing sales and product distribution according to serve customers' needs.

## **2. Other Business**

### **2.1 Produce and sell hemodialysis products for kidney disease patients with hemodialysis machines and distribute medical products for use in hemodialysis units**

The production and distribution of hemodialysis solution for kidney disease patients with hemodialysis machines and distribution of medical product for use in hemodialysis units under the operation of Grace Water Med Company Limited ("GWM") which was established on August 8, 2016, in which the Company invested in GWM total percentage of 44.44 as associated Company. Later, on March 1, 2018, the Company purchased additional shares in GWM from another shareholder with a total shareholding ratio of 52.80%, resulting in GWM changing from associated Company to subsidiary.

### **2.2 Invest in digital business**

On January 31, 2022, the Extraordinary General Meeting of Shareholders of NCL International Logistics Public Company Limited resolved to approve the investment in a business that operates Digital Marketing Services business by holding a proportion of percent which divided into 3 types of business service. 1. Digital content gateway service provider is a service provider of digital content support service in Thailand with a comprehensive platform for managing content, news, information, and entertainment. The services provide the transition of various new technologies and continuously expansion of services to meet all lifestyle in digital era. 2. Project based digital solution which provides various development system services especially in information technology system related to network connection of mobile operators, digital content services and ability in developing system to handle large amount of data. Mostly, this Company always trusted by large enterprise, government, and private agency to develop large networks, digital content management, online marketing platforms, and other technology systems such as advertising and public relations via mobile phones, delivery of electronics coupons (E-coupon) via SMS 3. Digital Agency is an online media and advertising business which provide services in online advertising placement to entrepreneurs and marketing platforms developers for most effective advertisements and public relations to products and services with having private corporation , government and SME as primary target audiences.

### 1.2.3 Market and Competition

The competitive strategy of the main business is to provide transportation management services as follows.

#### Personnel with expertise and commitment to services

Providing international transport services requires an understanding about exportation and importation related regulations and laws of different countries. Because the regulations and laws vary to countries, the Company provides staff with expertise in international transport business to serve the customers. It has two licensed staff members that are customs specialists, who provide advisors for other staff in different departments to ensure the compliance with relevant regulations and laws. This makes the customers feel confident that the Company will comply with relevant regulations and laws, that it will receive or deliver goods on time, and reduce potential errors.

In addition to the personnel possessing expertise in relevant regulations and laws, the Company has staff members equipped with adequate experience in the international transport business who have worked for the Company for at least five years. Thus, they are able to give advice based upon their real work experience, such as advice on the reservation of sea freight during low export volumes or proper placement of goods from different customers in the same container to optimize the space being used to reduce transport costs of the customers.

In addition to supporting and developing personnel to equip them with expertise in their responsibilities, the Company aims to instill work values in them – having commitment and integrity to serve the customers. The Company believes that the work values approach is a key factor that enables it to serve customers efficiently and to build good relationships with them.

#### Development of service quality

Being aware of the importance of logistics management because the logistics cost is the customers' major cost, the Company is committed to continuous optimization of the service process. In terms of international transport services, the Company has developed the Freight Log system, an IT system that links to the customer database to manage documents required for the importation and exportation within the shortest time. This allows the Company to prepare the bill of lading and delivery order, which are important documents required for goods issuance, within one day. In addition, the Company's staff can check the status of documentation of the client via the intranet, which connects to the central network, which allows them to render services for the customers without restrictions related to workplace.

As for domestic transport services, the Company has utilized a global positioning system (GPS) for tractor heads in order to track their location and speed in real time. This enables the Company to plan

transport routes and track the delivery status for the customers. Moreover, the Company Obtained the safety standard ISO 9001: 2015 to increase confidence in our customer service standard for land transport by tractor. The Company certified ISO 9001:2015 safety standards to increase customer confidence in service standards for land transportation services by tractor heads and trailer trucks as well.

#### Full range of services

The Company is committed to serving as a total logistics provider. Its services include planning and providing transport methods that are suitable for the customers' goods and requirements and comply with laws and regulations in different countries; sourcing and booking sea or ship freight at the lowest cost; loading goods in containers safely with optimized use of space; managing customs clearance and relevant documents to ensure that the Customers will send or receive goods on time; and following up and coordinating with overseas business partners for goods transport and distribution to destinations in different countries. Its trade partners are in more than 180 countries worldwide.

#### Creating business partners

The Company's continual development of its service system and its 30-year-long business has resulted in the Company being trusted by other local small-scale transport operators to serve their customers. Small-scale operators with a limited range of services can offer a more comprehensive range of services to their own customers by using the Company's services. As a result, the Company is considered to be the center of consolidation for small-scale entrepreneurs. For the Company, these small-scale operators are regarded as its business partners that refer business activities from retail customers across the country to the Company.

The Company is also seeking business partners who are logistics providers in different countries to serve as its agents that can coordinate the services in different countries. Currently, the Company has 80 business partners in 30 countries, which allows the Company to serve clients from Thailand to destinations in more than 180 countries worldwide. Moreover, the Company's business partners share information about market opportunities for target customers to allow for the expansion of the customer base. The Company can also expand its customer base by coordinating services for its business partners' clients residing in Thailand.

#### The investment in opening an office to manage the transportation services in Thailand

As the Company has gained trust from overseas operators, the Company anticipates the opportunity to expand transportation services from abroad to other countries by opening an office in a foreign country which has executives and local teams that have experience in doing business in that country, causing the group to gain more income from overseas activities.

### Potential for cost management

Since the start of its business, the Company has been able to build its local and foreign trade partners' confidence in its services, which has resulted in the Company continually growing and expanding its customer base. The Company's consistent transport volume helps it to negotiate with its trade partners, such as shipping lines and airlines, about booking schedules for the delivery of freight on ships or planes as required by the customers. Also, this allows the Company to negotiate about the management of freight charges, which is the major cost of its services. Furthermore, having business partners in various countries allows the Company to share information about cost management for services in different countries to maximize its benefits.

In 2022, the situation of the Coronavirus disease starting in 2019 (COVID-19) outbreak improved after a severe outbreak in 2020–2021. The key factor was that the public received widespread vaccination, which led to the country's economy beginning to recover. The driving force of the economy in 2022 came mainly from domestic consumption, investment, and domestic tourism to compensate for the slowdown in exports due to the global economic situation.

However, the Company has developed a business management strategy under the uncertainty that may arise from various factors such as a sluggish economy, fluctuation of exchange rates, fluctuation of oil prices which is a transportation cost, and new regulations and policies related to the Company's business operations.

Strategic business management as mentioned above, some cases may not meet the target set by the Company due to factors such as the economic slowdown, oil prices which are the cost of transportation. New regulations and policies that are relevant to the business of the Company and Situation of the epidemic of Coronavirus disease starting in 2019 (COVID-19). However, if the problem occurs, the Company will immediately take corrective action with customers to continue the business. Finally, if the Company believes that its business operations are not in line with its goals, the Company will have to consider the decision whether or not to stop or continue its business in order to limit the scope of damage to a limited extent, such as the case of stopping freight from the port of Ranong to Myanmar which the Company invested in March 2015 and ceased operations in July 2015. In such cases, the Company encounters problems due to uncertainties and changes policies in removing cargo from port and checking container which affect the operations and goals of the Company, to make this point as the freight transport hub to Myanmar or closure Stop operation, and sell foreign investments in 2020 due to the coronavirus epidemic situation 2019.



## Characteristics of Customers and Target Customers

### International Freight Transport Management Services

1. The operator of exporter and importer These are factories that produce products (Manufacturer), including traders and distributors, etc., for example, rice traders, rubber, tire, and consumer goods, etc. These customers usually have enough freight to rent a container for their own containers. These customers usually use FCL, SOC transport services.
2. The operator of freight forwarder These customers are entrepreneurs, providing transportation management services. as well as the Group. But their volume of shipping containers is not enough to rent the entire cabinet.

### Domestic Freight Transport

Target customers of this business are entrepreneurs in various industries and businesses as well as manufacturer, or trader, distributor that transports goods to destinations in the country, for example, rice traders, rubber producers, beverage distributors, construction material traders etc.

Since the Company's customers are widespread across 2,000 to 3,000 businesses, both in the agricultural and industrial sectors, including logistics service providers, the Company therefore does not rely on any customer for more than 30% of its revenue from service each year. By year 2021 and 2022, does not have the Company provided services to customers more than 15 percent of revenues.

## Sale and Sale channels

The Group uses both direct and indirect distribution channels. Direct sales channels include direct contact with customers through our marketing and website staff. [www.nclthailand.com](http://www.nclthailand.com) of the Company. The Group is divided into 3 sections according to customers' groups to keep up with the news and provide services that can respond to the needs of each group of customers as much as possible, including the Freight Forwarding Department (FF), the Non-Vessel Operating Common Carrier Department (NVOCC), and the Truck Department (Truck). The marketing and sales staff will be responsible for contacting both target customers by phone and an appointment to present the service.

The Group's indirect distribution channels are based on the recommendations of its existing customers, and from the introduction of our trading partners, which include the Company's agents. They are the operators in the domestic transportation business. These agents will act as coordinators in the shipping management services in their respective countries. On the other hand, they will recommend or assign to the Group as a customer care agent in the management of transport services in Thailand. At

present, the Company has established a memorandum of understanding with about 80 agents around the world. The introduction of these new clients is the key distribution channel of the Group.

In addition to the direct and indirect distribution channels mentioned above, the Group also has a channel for public relations, allowing its partners and clients to become acquainted with the group, both domestically and internationally, including Association of Thai Chamber of Commerce, the Customs Broker and Transportation Association of Thailand, Association of Freight and Logistics as well.

### Industry's landscape and outlook

The significant growth of the logistics industry in Thailand are due to several factors. These factors include the world economic recovery after the easing of the Coronavirus disease starting in 2019 (COVID-19) pandemic situation, the reopening of the lockdowns in several countries, the expansion of consumer spending after the demands of the products had been halted due to the country's lockdown. As a result, all of this has a direct impact on the huge quantities of products, which are transported across the continents, both by sea and by air.

When considering the international trade data of Thailand from the Center for Information and Technology and Communications, Office of the Permanent Secretary, Ministry of Commerce, with cooperation by the Customs Department, it appears that in 2022, the total trade value, which includes both import and export, is at 20.6 trillion Baht, with a growth rate of more than 21 %. This consists of an export value of 9.9 trillion Baht, with a growth rate of 16% and an import value of 10.6 trillion Baht, with a growth rate of 25 %. The main trading partners are the China, United States, Japan, Malaysia and Vietnam. This is due to the ability to control the situation of the spread of Coronavirus disease starting in 2019 (COVID-19) well, along with the continuously growing demand of the products by the developed countries. The main exports of Thailand are still machineries, industrial products and agricultural products, due to the longstanding ability of Thailand to produce agricultural products.

Because the spread of the Coronavirus disease starting in 2019 (COVID-19) situation has affected the economy and the people's lifestyle, this leads to several changes to support the New Normal. The consumer behavior has adjusted to focus more on online trading. Controlling measures on international travel, as well as the imports and the exports of products, all of which place more importance on the public health measures and risk management. As a result, this causes the digital technology to have an increasing role in collecting and connecting data. The strategy of the business operations has to be adjusted in order to conform to the fast-changing market demand. However, driving the development of the logistics system of Thailand amid the world economic situation are still high risk and high uncertainties. Therefore, this would require cooperation from all parties, that is, agencies of the government sector, private sector and academic sector, in order to develop and drive

the logistics system for it to be able to support the stable and sustainable growth of the economy. There are several factors which are important to the strengthening of the competitiveness and the continuous growth of the logistics business. The logistics business has continued to grow since 2005, when the Office of the National Economic and Social Development Council prepared the First Thailand Logistics Development Plan and it still has a continuous growth trend in the future. These supporting factors, both domestically and internationally, of the logistics business are as follows:

- The government sector places importance on the development and the promotion of the logistics as indicated in the Third Thailand Logistics Development Plan (2017-2021), which is the latest development plan, with a total budget of 8.09 billion Baht. The said plan focuses on supporting a transport modal shift to a more efficient transportation mode, encourage a transport mode shift and multimodal transportation, building of the logistics networks based on the strategic routes and connectivity with the neighboring countries, development of the facilities and the logistics service center and development of the areas of the border cities in order to support transportation and the necessary logistics. The logistics promotion and strategic development plan consists of 3 main strategies, which are Strategy 1: Supply Chain Enhancement, that is, to create a value chain in agriculture, both in terms of strengthening the agricultural institutions, integrated elimination of unnecessary waste of agricultural products, as well as create value added items in tourism, creating a supply chain network and connectivity, creating data connectivity in the electronic format and utilization of e-commerce, establishment of the consulting center for Thai investors in foreign countries to provide entrepreneurs with an important information source for decision-making in the overseas logistics service business operations, Strategy 2: Development of Infrastructure and Facilities, that is, support a transport modal shift and an environmental friendly development in order to increase the efficiency of the network utilization for maximum benefit and obtain worthwhile investment by giving main importance to the development of railways. As for the development of roads, importance should be placed upon connectivity with the neighboring countries and important economic zones of the country, as well as the development of the NSW system to be completed quickly and can then be linked with the Port Community System, both at Lamchabang Port, Bangkok Port and the Suvarnabhumi airport in the future. In addition, agencies, related to the issuance of the permits/import-export certifications, should give priority to changing the format of issuing such permits/certifications to be in the electronic format, throughout its entire process and should be able to support the electronic applications of the Single Window Entry. As for the agencies related to the international trade and the international transport, these agencies should speed up their operations by issuing concrete measures to promote and support Thai entrepreneurs to be more convenient in operating their international trade businesses, especially for the group of countries comprising Cambodia, Lao PDR, Myanmar and Vietnam (CLMV) and

China. Strategy 3: Development of Logistics Supporting Factors, that is, to give priority to the establishment of skilled labor standards in logistics services to be completed quickly, the research and development of logistics technologies and innovations with an emphasis on the development of innovations to replace the import of required equipment in the logistics operations, the development of packaging for important exported agricultural products in order to reduce the damage during the transport and creates the value added of the product. Strategy 7: Development of Infrastructure and Logistics System

- Regional Comprehensive Economic Partnership (RCEP) enters into force on 1 January 2022 and is another instrument which helps Thailand to be part of the global supply chain in Asia, with its strength as the largest integrated production base in the world. This makes the regional investment to be more attractive. RCEP will help to facilitate trade for its members and eliminate import tax for 39,366 Thai products and by reducing the import tax to 0% immediately for 29,891 items.

In 2022, the import and export of Thai products have had continuous growth trend from having better adjustments and coping with the spread of the Coronavirus disease starting in 2019 (COVID-19), along with a more comprehensive vaccination system in several countries. All of these have resulted in having a more convenient transportation system. In addition, the delay problem of supply chain transportation has been geared towards the direction of good recovery and there is a trend for the increase in demand of some groups of products such as agricultural product and electronic products. These will be the major variables in driving the transportation industry in 2022

During 2022 – 2024, the volume of maritime transport of goods has the tendency to grow according to the economic recovery of many countries around the world. The increased demands will have a positive impact on the demand for cargo ships, containers and will likewise cause the sea freight to remain high in 2022 before gradually adjusting downward in 2023-2024. The positive factors are from the following variables.

- IMF expects the world economy to grow at the rate of 4.9%, 3.6% and 3.4% in 2022, 2023, and 2024, respectively. Meanwhile, UNCTAD expects the volume of global maritime trade to grow at the rate of 3.2%, 2.4% and 2.3% for the same time period, respectively.
- Strict control of the spread of the Coronavirus disease starting in 2019 (COVID-19) affects the delayed delivery of the new cargo ships to the market. BIMCO expects that the supply of container ship to grow at the average of 3.2% per year, whereas the demand of the bulk carrier to have the average growth rate of 2.9% per year. The new fleet of the carrier will gradually enter the market starting from 2023 onwards.



- Strict management of ports around the world in order to control the spread of the Coronavirus disease starting in 2019 (COVID-19) intermittently may affect the delayed customs clearance of the goods at the port. Meanwhile, there is still continuous demand for the product. This will cause the sea freight to remain in good shape, even though it may gradually adjust downward in 2023-2024
- Thailand was hosting of APEC No. 33 held on 17 November 2022, that's the important opportunity to promote policy and direction to development the countries in Asia Pacific in multidimensional.
- The APEC Meeting was encouraged the economics of Thailand especially the traveling and tourism.
- Thailand was push on the free trade and economic integration for provincial part in the APEC Meeting.

The demand to rent the warehouse area has a tendency to expand continuously average on 5.3% per year for the next 3 years. The supporting factors are as 1. manufacturing and trading recovered in line with the direction of the economy in Thailand. 2. Accelerating investment in macro project both of Government's project and private sector is expected to continue growing that Supporting to use inventory storage and distribution center. 3. The continued growth of online business.

- Supply conditions for the period of the next 3 years: it is expected that there will be an increase in warehouse area for lease average expansion of 5.5% per year. with the supporting factors from the progress made in the area development of industrial estates or industrial parks, duty free zones and different warehouse farms of large real estate and industrial parks entrepreneur group. This will result in having a newly integrated modern warehouse format to support the production innovations, trade and investment that use digital technology. Majority of them are located in the area of BMR, EEC, regional hubs and border provinces that have convenient transportation routes and can connect with the downtown of different cities in the region, as well as the trade gateway of the neighboring countries, including the southern China. However, some businesses have invested in building their own warehouses rather than in leasing them. Thus, this has resulted in a careful expansion of the area during the period in which there is still high warehouse supply available. The demand for warehouse lease areas is higher than the supply, which results in having an increased rate of leasable warehouse area of 85.8%.

## Competition is divided into international transport services and domestic transport services

### International transport services

According to the membership record of the Customs Broker and Transport Association of Thailand, the number of other Thai operators in the logistics service sector that do similar businesses as the Company was 1,525 operators. 1,191 are in the central region, 123 in the eastern region, 28 in the western region, 28 in the northern region, 52 in the northeastern region, and 102 in the southern region. Most of them are small-scale operators that render less-than-container load (LCL) transport or only a few services. Rather than being competitors, these operators are the Company's trade partners that refer business activities from customers across the country to the Company. The number of large-scale operators in Thailand with similar target customers to the Company was approximately 25 operators, 15 are Thai operators and the other 10 are foreign ones and subsidiaries. However, the management has estimated that competition among Thai operators will not be very intense because the logistics market is huge and tends to grow continuously. Therefore, operators do not only compete in offering services to customers, but also exchange information or cooperate with one another to serve their customers.

### Domestic transport services

According to the Department of Land Transport as at September 30, 2022, the number of non-regular trucks accumulated across the country was 397,122, that increased by 5.57% as the same period of last year, can be separated as the Center was 93,078 (23.44% of non-regular trucks accumulated) in the middle of Thailand was 73,327 (18.46% of non-regular trucks accumulated) the most of truck is Samut Prakan Province and the least truck is Ang Thong Province, Northeast Thailand was 53,126 (13.38% of non-regular trucks accumulated) the most of truck is Nakhon Ratchasima Province and the least truck is Amnat Charoen Province, East of Thailand was 61,536 (15.50% of non-regular trucks accumulated) the most of truck is Chonburi Province and the least truck is Trad Province, North of Thailand was 42,042 (10.59% of non-regular trucks accumulated) the most of truck is Nakhon Sawan Province and the least truck is Mae Hong Son Province, Western of Thailand was 45,548 (11.47% of non-regular trucks accumulated) the most of truck is Nakhon Pathom Province and the least truck is Samut Songkhram Province, South of Thailand was 28,465 (7.17% of non-regular trucks accumulated) the most of truck is Songkha Province and the least truck is Phang-nga Province.

The Company's management has foreseen that the overall competition in tractor head transport business is not very fierce, but only periodical. At the same time, operators can become trade partners. Any operator whose workload exceeds its service capacity may subcontract the excess workload to other operators.

With the utilization of a GPS system for planning and controlling its service quality, alongside its care about continual development of driver standards through both training and incentives to drive safely and save fuel, the Company is confident that it will have adequate potential for business competition and expansion in the future.

In addition, the Company's advantage of being an international logistics provider enables it to provide full-cycle services encompassing international and local transport activities in a One-Stop-Service manner. Consequently, customers can receive a full variety of logistics services from the Company. And in 2020, the Company is also certified to the safety standard ISO 9001: 2015 to increase confidence in the service standard for customers for land transport by the tractor.

Due to the Coronavirus disease starting in 2019 (COVID-19), Logistics Business Competition and Outlook As mentioned above, although the Company will be affected. As a result, the operating result for the year 2021 has a net profit below the set target. But the situation will gradually improve in the next two years and will resume expansion due to the continued monetary and fiscal stimulus packages by countries and the gradual introduction of the Coronavirus disease starting in 2019 (COVID-19) vaccination. To the world population and the Coronavirus disease starting in 2019 (COVID-19) situation continues to improve. In addition, the business in Thailand's logistics group is growing steadily every year, which is a great opportunity for the Company. That will generate good performance in the future.

#### Laws related to business operations

Currently, Thailand has no law governing the provision of specialized logistics services. But there are several laws pertaining to each activity of logistics services, such as: The Civil and Commercial Code, Sea Act B.E. 2534 (1991), Multimodal Transport Act B.E. 2550 (2007), Rail and Highway Management Act B.E. 2464 (1921), Land Transport Act B.E. 2522 (1979), Land Traffic Act B.E. 2522 (1979), Thai Vessels Act B.E. 2481 (1938), The Navigation in Thai Waters Act B.E. 2456 (1913) and Thailand Air Navigation Act B.E. 2497 (1954), etc. For important laws related to the core business of the Company are as follows:

##### Sea Act B.E. 2534 (1991)

The Sea Act is an act that applies to sea transport from one place of the Kingdom to another outside the Kingdom. By virtue of such act, the carrier is not liable in case of loss, damage or late delivery, as a result of force majeure, sea accidents, war, or any other cause under Chapter 5, Section 52 of this Act. This includes non-liability in the event of damage caused by the sender's fault, or due to its own condition.

In case the carrier is liable, this Act restricts the liability of the carrier for only 10,000 Baht per transport unit, or 30 Baht per kilogram of net weight of that whichever amount is more. But it must not exceed its price. (See more details in Chapter 6, Section 58-61).

#### The Civil and Commercial Code

The Civil Code is a private law on rights, duties and relationships between private and the law is the law governing the rights and obligations of the parties with respect to the legal, economic and trade regulations concerning trade between individuals or businesses. For the domestic transportation business of the Company, the law requires the Company to be liable in the event of loss or damage to the goods, or late delivery, unless proven otherwise by force majeure, or due to its own condition, or the sender's fault. (See details in sections 420 and 616)

To prevent the risk of domestic transportation service, the Company has purchased cargo insurance, truck insurance, and accident insurance, which has a higher value of insurance sum than the damage that may occur.

In the area of customs clearance services, which the Company is authorized by the customer to represent the customs clearance. The Company is not personally liable to third parties because the Company is a customer representative. Therefore, the person who authorized the Company shall have the obligation to a third-party agent in all that is done within the scope of the authorization. (See Section 820 for more details)

### Service Sourcing

#### Service Sourcing and Sources

##### International Transport services

In providing international freight services, the Company must procure air or sea freight from transport operators to provide services to the customers and requested partners in foreign countries to coordinate the services. The sources of such services are as follows:

##### Sea or air freight

Sea or air freight charges are the Company' major international transport costs, which represent approximately 80-85 percent of its total international transport costs. The Company mainly procures sea or air freight from domestic operators, which accounts for 70-75 percent of its total freight charge costs. The cost will be paid directly to the transport operator in Thai Baht. Each year, the Company procures sea and air freight from over 300 transport operators. Since the Company

consistently books freight on ships or airplanes, it is able to negotiate with service providers about determining freight charges 15-30 days in advance.

In the case that the Company has to provide transport services in other countries, the Company will ask its agent partners to handle the services. Thus, the freight cost for the overseas services provided by the agents will be paid in foreign currency. In such cases, its partner agents will bill the freight charge and fees for all services that the partner agents provide. The freight charges paid in foreign currency constitute about 20-25 percent of the Company's total freight charges.

#### **Agents**

As for services in foreign countries, such as shipping freight from ports in foreign countries to destinations in different countries, the Company will contact agents that are its trade partners to help handle the services. The Company's agents are transport operators in foreign countries, who will coordinate transport services in the country where they oversee the service delivery and serve as service fee collectors for the Company in the case a customer specifies that a service fee shall be borne by a recipient residing overseas. Currently, the Company has entered into business agreements with about 80 agents, who are ready to serve customers in over 180 countries across the world (See more information in the Agency Agreement under Section 5.2: Major Contracts/Agreements). Payment of freight charges and service fees of these agents will be made in foreign currency.

#### **Domestic transport business**

As for transport services in Thailand, the Company has 93 tractor heads and 101 trailer trucks. The major cost of the transport services is fuel, which accounts for 40-45 percent of the total domestic transport service costs. This is followed by the transport cost, which involves the cost of sub-contracting other tractor heads-trailer truck operators, which represents 5 percent of the total domestic transport service costs; and the cost of salaries and allowances for drivers, which accounts for 15-20 percent of the total domestic transport service costs. The Company's vehicle and service costs stem from the following:

##### **Tractor heads and trailer trucks**

The group sourced its tractor heads and trailer trucks by purchasing directly from truck manufacturers. In the case of used vehicles, the Company examines their conditions and service life prior to purchasing them. All the tractor heads of the Company have insurance and goods insurance, with the sum insured that is higher than potential damage.

##### **Fuel**

As for management of risks from the fluctuation of the prices of diesel, the main fuel, the Company set the service charges under a sliding scale, whereby the service charges vary according



to fuel prices. However, because the prices of diesel are regulated by the Ministry of Energy, its price volatility is relatively low. In 2022, the price of diesel stayed consistently at 29-34 Baht per liter.

#### Subcontractors for tractor heads and trailer trucks

The costs associated with subcontracting tractor head and trailer truck operators arise when the Company's vehicles are not sufficient for the customers' demand, or when it is not cost-effective for the Company to operate on its own. In such cases, the Company will subcontract the work to its trade partners.

Because the Company has diverse trade partners, the cost of services for an individual partner in each year did not exceed 20 percent of the Company's total service costs. For the year 2021 and 2022, The Group of Company don't have to use any partner in excess of 10% of the total cost of services.

### 1.2.4 Properties for business operation

#### Main properties for business operation

As of 31 December 2022, the consortium has main properties for business operation according to the consolidated financial statement as follows:

#### Land and building

The consortium has lands and building with value of 22.97 million Baht as follows:

Description	Ownership	Book value (Million Baht)	Obligation
1. Land and premises of NCL Office No. 56/9,10 Soi Somdej Phrachaotaksin 12/1, Somdej Phrachaotaksin Road, Bukkhalo Sub- district, Thonburi District, Bangkok 10600			Land and premises are mortgaged as collateral for overdraft, promissory notes and amount of foreign currency exchange in amount of 170 million Baht
- Land and improvements	Owner	6.29	
- Office building and improvements	Owner	2.11	
2. Counter service office at a service point in Bangkok Port (Loading yard 45 Rai, Port Authority of Thailand, Khlong Toei Sub- district, Khlong Toei District, Bangkok			
- Office Building	Owner	0.52	None
3. Office Building at warehouse No.14 ICD Road, Khlong Sam Prawet Sub-district, Lat Krabang District, Bangkok			
- Office Building	Owner	0.46	None

Description	Ownership	Book value (Million Baht)	Obligation
4. Factory and office building of Grace Water Med Co., Ltd (subsidiary) No. 13/7 Village No. 8, Bang Muang- Bang Khulad Road, Bang Muang Sub-district, Bang Yai District, Nonthaburi Province 11140			
- Factory building	Owner	12.41	None
5. Office building improvements of NCL Inter Logistic(s) Pte. Ltd. 8 Burn Road, #10-08 Trivex Singapore 369977			
- Office building improvements	Owner	0.80	None
6. Office building improvements of NCL International Logistics USA Inc. 7372 Walnut AVE., Suite W, Buena Park, CA 90620			
- Office building improvements	Owner	0.14	None
7. Office building improvements of LG Container Line Pte. Ltd. 8 Burn Road, #10-07 Trivex Singapore 369977			
- Office building improvements	Owner	0.24	None
Total		22.97	

#### Investment Properties

As of 31 December 2022, investment properties are lands and buildings for rent in the amount of 69.23 million Baht as follow:

Description	Ownership	Book value (Million Baht)	Obligation
1. Land and premises No. 56/15 Soi Somdejprachaotaksin 12/1 Somdejprachaotaksin Road. Khwang Bukkhalo, Khet Thon Buri, Bangkok 10600			Land and premises are mortgaged as collateral for overdraft, promissory notes, and amount of foreign currency exchange in amount of 280 million Baht
- Land and improvements	Owner	45.92	
- Office building and improvements	Owner	13.72	
2. Land and premises No. 2/4 Tapi Charoen Road, Tha Kham Sub-district, Phunphin District, Suratthani Province			Land and premises are mortgaged as collateral for overdraft, promissory notes, and amount of foreign currency exchange in amount of 170.44 million Baht
- Land and improvements	Owner	5.39	
- Office building and improvements	Owner	4.20	
รวม		69.23	

The consortium has made insurance for possible risks incurred with properties of the consortium including furniture, decorations, equipment, tools and office supplies with sum insured of 81.99 million Baht and 150,000 Singapore dollar. This insurance covers loss/ damages of properties with direct cause from risks of all kinds due to external factors such as fire, strike, explosion, water disaster (excluding flood), smokes, disasters to vehicle, aircraft and accidents from other external factors not identified in the policy.

#### Vehicle

The Group has vehicles consisting of tractor-trailers, pickup trucks, and other vehicles in the amount of 117.29 million Baht in equipment, 112.22 million Baht in property, plant and equipment and 5.07 million Baht of rights to use assets (because it is a purchase under a finance lease) as follows:

Description	Quantity (vehicle)	Book value (Million Baht)	Ownership characteristics
1. Truck			
- Tractor	44	72.64	Owned
	21	20.62	Owned, have a bank guarantee obligation
- Trailer	86	18.70	Owned
	13	3.27	Owned, have a bank guarantee obligation
- Pick-up truck	10	1.04	Owned
2. Other vehicles	1	0.99	They are bound with rental agreement
	2	0.03	Owned
Total		117.29	

#### Office supply

The Group has a total of 71.09 million Baht in equipment, 42.22 million Baht in property, plant and equipment and 28.87 million Baht of rights to use assets (because it is a purchase under a finance lease)

Description	Quantity (vehicle)	Book value (Million Baht)	Ownership characteristics
● Container			
size 20 feet	500	28.86	They are bound with rental agreement
size 40 feet	100	23.01	Owned
● Computer		19.22	Owned
Air-conditioner			
Decorations			
Office tools			
Others			
Total		71.09	

## Important Contract Summary

### Important lease agreement as of 31 December 2022

Description	Signatory	Duration	Details
1. Service point: Khlong Toei Port, Port Authority of Thailand Khlong Toei Sub-district, Khlong Toei District, Bangkok	Port Authority of Thailand	3 year (1 Feb 2020 – 31 Jan 2023)	<p><u>Leased properties</u></p> <p>Space in loading yard 45 rai amount 26.5 square wah</p> <p><u>Rental rate</u></p> <p>Fixed rate of 3,180 Baht/ month</p> <p><u>Agreement renewal</u></p> <p>The agreement is valid until the tenant cannot pay rental for two consecutive months or the tenant desires to return the leased space</p> <p><u>Agreement termination</u></p> <p>The tenant made a prior written notice to the landlord at least 1 month.</p>
2. 2 <sup>nd</sup> branch office No. 373 Niphat Songkhro Road Hat Yai Sub-district, Hat Yai District, Songkhla	Mr. Kittipol Thitapipatkul	3 years (1 Feb 2022 – 1 Feb 2025)	<p><u>Leased property</u></p> <p>3-floor building</p> <p><u>Rental rate</u></p> <p>15,790 Baht/ month</p> <p><u>Agreement renewal</u></p> <p>-No-</p> <p><u>Agreement termination</u></p> <p>1.When it is due</p> <p>2.When the tenant fails to comply with conditions.</p>
3. Document warehouse No. 59,61, Soi Charoen Nakhon 24, Charoen Nakhon Road, Banglamphu Lang Sub-district, Khlongsan District, Bangkok	Miss Waraporn Kittayanurak	1 years (1 Aug 2022 – 31 Jul 2023)	<p><u>Leased property</u></p> <p>Building</p> <p><u>Rental rate</u></p> <p>Fixed rental at 7,895 Baht/ month</p> <p><u>Agreement renewal</u></p> <p>-No-</p> <p><u>Agreement termination</u></p> <p>-No-</p>

Description	Signatory	Duration	Details
4. Car parking space No. 99/1, Soi Somdej Phrachaotaksin 14, Bukkhalo Sub-district, Thonburi District, Bangkok	Mr. Ruj Thongwut	2 year (1 Sep 2022 – 31 Aug 2024)	<u>Leased property</u> Space for car parking <u>Rental Rate</u> Fixed rental rate at 15,790 Baht/ month <u>Agreement Renewal</u> -No- <u>Agreement Termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions.
5. Space in JJ mall No.588, Kamphaengphet 2, Chatuchak District, Bangkok <u>Remark Initially</u> , the Company rented such space to be delivery service point for retails, but the Company ceased such service in 2010 and sublet the space to others	JJ MALL CO., LTD	20 years (1 Jan 2007- 31 Dec 2026)	<u>Leased property</u> Space in shopping mall <u>Rental rate</u> Pay rental of 2,616,300 Baht on the agreement date and pay rental rate for 2,617 Baht/ months. Service rate in following years will be informed by the provider in the future. As of 31 December 2021, the service rate is 4,463.10 Baht/month. <u>Agreement Renewal</u> -No- <u>Agreement termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions
6. Ruam Klao Bus Terminal Platform area for loading and unloading goods No.5 Area 700 square meters and Platform 5, 75 square meters	Department of Land Transport	1 year (1 Oct 2022 – 30 Sep 2023)	<u>Leased property</u> Cargo handling platform and building platform <u>Rental rate</u> 78,675 Baht / Month

Description	Signatory	Duration	Details
			<u>Agreement renewal</u> Submit a renewal request at least 2 months before the expiration data. <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions 3. When the tenant notifies at least 60 days in advance
7. Warehouse No.3 Area 7,000 square meters	Department of Land Transport	1 year (1 Oct 2022 – 30 Sep 2023)	<u>Leased property</u> Cargo handling platform and building platform <u>Rental rate</u> 122,000 Baht / Month <u>Agreement renewal</u> Submit a renewal request at least 2 months before the expiration data. <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions 3. When the tenant notifies at least 60 days in advance
8. Service point in Chonburi 2 rai of land, title deed 152342, Bueng Subdistrict, Si Racha District, Chonburi Province.	Mr. Pratum Sawasdee	1 year (1 Nov. 2022 – 31 Jan. 2023)	<u>Leased property</u> Land <u>Rental rate</u> 21,053 Baht / Month <u>Agreement renewal</u> The contract is binding until the tenant does not pay the rent. <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant notifies at least 1 month in advance



Description	Signatory	Duration	Details
9. Factory land of Grace Water Med Co., Ltd No. 13/7, Village No.8, Bang Muang-Bang Khulad Road, Bang Muang Sub- district, Bang Yai District, Nonthaburi Province 11140	Miss Pinrak Prasitsirikul	1 Jan 2021 - 31 Dec 2023	<u>Leased property</u> Land for office and factory building <u>Rental rate</u> rental rate 100,000 Baht/ month <u>Agreement renewal</u> -No- <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions
10. Office building of Grace Water Med Co., Ltd No. 13/7, Village No. 8, Bang Muang- Bang Khulad Road, Bang Muang Sub-district, Bang Yai District, Nonthaburi Province 11140	Grace and Glamor (Thailand) Co., Ltd	1 Jan 2021 - 31 Dec 2023	<u>Leased property</u> 2-floor office building <u>Rental rate</u> rental rate 50,000 Baht/month <u>Agreement renewal</u> -No- <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions
11. Dialysis machine for testing hemodialysis	Mr. Jare Tuipan	1 Mar 2021 - 28 Feb 2023	<u>Leased property</u> Dialysis machine <u>Rental rate</u> 7,000 Baht/ month <u>Agreement renewal</u> -No- <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions
12. Office space of NCL Inter Logistic(s) Pte., Ltd. 8 Burn Road, #10-08 Trivex Singapore 369977	SCAN RENT (S) PTE LTD	1 Jan 2023 - 31 Dec 2024	<u>Leased property</u> Office space <u>Rental rate</u> 5,750 Singapore Dollar/ month

Description	Signatory	Duration	Details
			<u>Agreement renewal</u> -No- <u>Agreement termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions
13. Office space of NCL International Logistics USA Inc. No.7372 Walnut Ave., Suite w, Buena Park, CA 90620	MIKAN PROPERTIES, L.P.	1 Apr 2021 - 31 Mar 2024	<u>Leased property</u> Office space <u>Rental rate</u> 1 <sup>st</sup> year: rental is 1,733 Singapore Dollar/month 2 <sup>nd</sup> year: rental is 1,785 Singapore dollar/month 3 <sup>rd</sup> year: rental is 1,839 Singapore dollar/month <u>Agreement renewal</u> -No- <u>Agreement termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions
14. Office space of LG CONTAINER LINES PTE., LTD, 8 Burn Road, #10-07 Trivex Singapore 369977	JIT POH INVESTMENT PTE LTD	1 Jan 2023 - 31 Dec 2023	<u>Leased property</u> Office space <u>Rental rate</u> 2,645 (SGD) / month <u>Agreement renewal</u> No <u>Agreement termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions

#### Agency agreement summary

The Company made an agency agreement with an agent to be a coordinator in providing transport service in jurisdiction each agent takes care of for the Company. The agreement contains following subject matters.

- The Company and agents will coordinate in providing transport services for each other.
- The Company and agents will jointly determine remuneration and service costs in writing before each transport.
- The agents shall not discharge or deliver the products to a recipient until payment is made or a damage guarantee is received from a bank.
- The agents shall inform the Company immediately if they are unable to deliver the products or the products are rejected.
- The agents shall inform the Company of problems with products such as damages or untimely arrival at a destination etc. and shall be responsible for investigations of causes.
- The agreement term is one year, and it will be automatically renewed if either party does not request termination.
- Agreement termination requires prior written notice at least 30 days.
- The agreement will be immediately terminated if either party fails to comply with provisions herein.

#### Investments and Policies in Subsidiaries and Associates

The Company has investments in subsidiaries and associates as shown in specific financial statement of the Company according to capital price method. As of 31 December 2022, the Company has net investment value of 376.81 million Baht accounted for 31.77 % of total assets in specific financial statement of the Company with following details.

Company Name	Registered Capital (Million)	Paid up Share Capital (Million)	Proportion of Shares	Net investment value (Million Baht)
<b><u>Investments in subsidiaries which the Company directly holds</u></b>				
1. NCL Inter Logistic(s) Pte.Ltd. Business of providing logistics management services in Singapore	SGD 4.33	SGD 4.33	100%	101.33
2. Grace Waters Med Co., Ltd. Manufactures and distributes dialysis-related equipment.	THB 40.00	THB 40.00	52.80%	22.79

3. Golden Supply Co., Ltd. Procurement	THB 10.00	THB 2.50	100.00%	2.50
<b>Investments in associated companies</b>				
1. Cheese Digital Network Co.,Ltd.	THB 50.00	THB 50.00	25.00%	250.19
Total				376.81

NCL Inter Logistic(S) Pte., Ltd. has invested in various subsidiaries as follows:

Company Name	Registered Capital (Million)	Paid up Share Capital (Million)	Proportion of Shares	Net investment value (Million)
<b>Subsidiary held by NCL Inter Logistic(s) Pte., Ltd.</b>				
1. NCL International Logistics USA Inc. providing logistics management services in USA	USD 0.13	USD 0.13	100%	USD 0.13
2. Qingdao National Container Line Co., Ltd. providing logistics management services in China	CNY 5.0	CNY 0.8	100%	CNY 0.8
3. LG Container Line Pte.Ltd. operate business as a principal office in providing logistics services in Singapore	SGD 2.34 And USD 0.25	SGD 2.34 And USD 0.25	100%	SGD 2.34 And USD 0.25
4. Ningbo NCL Inter Logistics Co.,Ltd. providing logistics management services in China	CNY 5.0	CNY 1.4	100%	CNY 1.4
5. NCL Inter Logistics Vietnam Co.,Ltd. providing logistics management services in Vietnam	VND 2,500	VND 2,500	49%	VND 1,225
6. NCL International Logistics Private Limited providing logistics management services in India	INR 5.0	INR 0.3	100%	INR 0.3

Nevertheless, the consortium has a policy to invest through subsidiaries and associates by considering investments in relation with businesses of the consortium focused on long-term investment. The board of director will jointly consider the investment policy by recognizing necessity, suitability and benefit of the consortium, and shareholders that can create good returns in the investment. The consortium has a policy to invest in sufficient proportion to take part in managing and defining trends of such business. It may consider investments in different forms properly as a major shareholder in the companies in which it invests and/or joint shareholder to be agreed in a shareholder's agreement.

The Company has governance policy of the subsidiaries and associates as follows:

#### Investment and Governance Police of Subsidiaries and Associates

1. Investment in other companies include joint venture to set up a new Company and buying shares in other companies. The Company has a policy to coinvest with other investors that have transparent business operation and corporate governance.

2. Businesses in which the Company will invest must be supportive and beneficial Company's business vertically and horizontally to create equilibrium of the Company.
3. Businesses in which the Company will invest shall be analyzed in terms of basic business factors, business trend as well as return rate evaluation and future risk prediction.
4. Investment shall not cause problems to liquidity of the Company and subsidiaries.
5. The Company will invest at sufficient proportion to take part in managing and defining business operation regulations of a Company to be invested in.
6. The Company will review investment in subsidiaries and associates properly and in accordance with business condition of the Company in each period.
7. The investment shall be approved by the board of director or general meetings of the Company according to the article of association and related laws to be in accordance with a notice of Capital Market Supervisory Board associated with principles of providing significant particulars within scope of obtainment or distribution of properties and a notice of Stock of Exchange Commission on disclosure of data and practices of listed companies about property obtainment B.E. 2547
8. The Company will supervise a Company in which it invests by sending representatives to be a director of subsidiaries and/or associates by proportion of shareholding. The Company's representatives must be free from conflict of interest of the subsidiaries and/or associates in which the Company invests, and they shall supervise the subsidiaries and/or associates to comply with specified regulations and principles in the Company's article of association and applicable laws about business operation of the subsidiaries and/or associates.

It is valid from 13 December 2016 and onwards.

#### 1.2.5 Works that have not yet been delivered.

- None -

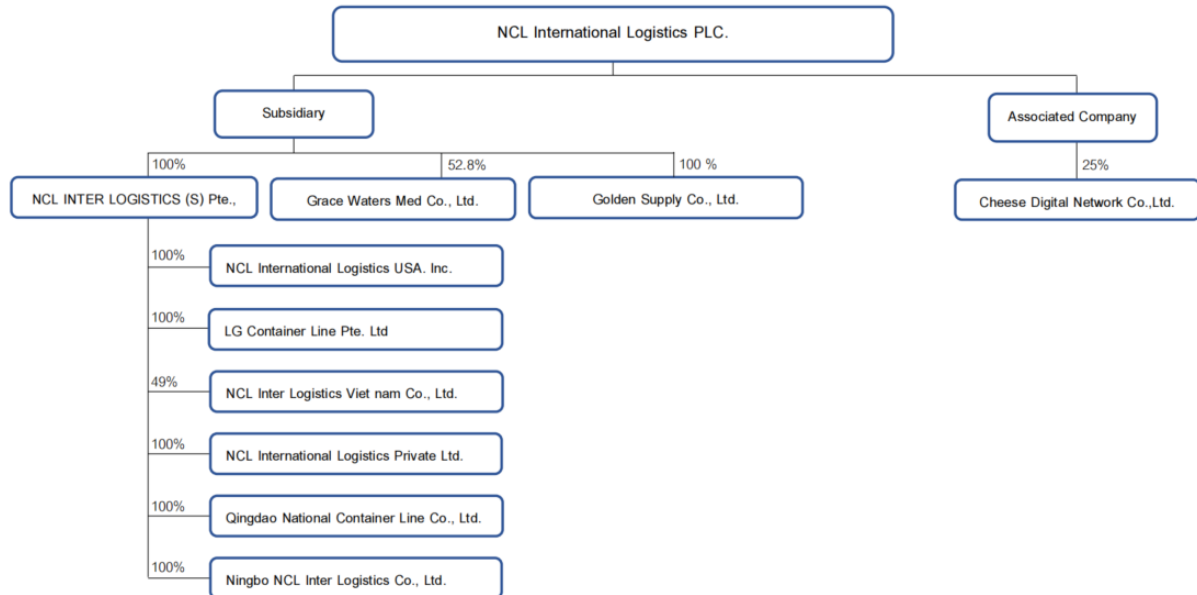
#### 1.2.6 Environmental Impact

In the international transportation business of that group of companies There is no working procedure that affects the environment. For operating in the domestic transportation business with a tractor-trailer truck Of the Company under the law on land transport Which defines A vehicle for renewal of registration and tax payment must be inspected by an employee or from a licensed car condition examination center. To receive a vehicle inspection certificate, which is a document required for registration or renewal of registration and tax payment. In which to inspect the vehicle condition It covers wheel performance, electrical system, noise level, general condition, engine system. And pollution from vehicle exhaust. Such as black smoke, carbon monoxide content, hydrocarbons, nitrate oxides. And toxin particles Which past the truck of the Company Able to pass the vehicle inspection and has been renewed as scheduled every year.

## 1.3 The Company Group's Shareholding Structure

### 1.3.1 The Company Group's Shareholding Structure

As of December 31,2022, the Company Group's Shareholder Structure consisted of the following



\*NCL Inter Logistics Viet Nam Co., Ltd., NCL International Logistics Private Ltd., Qingdao National Container Line Co., Ltd., Ningbo NCL Inter Logistics Co., Ltd. Is in the process of closing the Company

The Company has subsidiary and joint venture and holds shares by a subsidiary (“NCL Group”) engaged a logistics provider for land transport, sea and air freight forwarding services, which cover full-container load (FCL), less-than-container load (LCL) and door-to-door load delivery. In addition, it serves as a customs broker, shipper owned containers (SOC) and engages in warehousing and domestic freight forwarding using tractor head and trailer truck, shipping agency and air freight totally 8 subsidiaries and 3 subsidiaries in other business as production dialysis and selling equipment involved dialysis, provides digital content support systems through telecommunication channels and operates procurement and fulfillment businesses. The Company has subsidiary and joint venture and holds shares by a subsidiary are 11 companies as details below:

#### 1. NCL International Logistics Public Company Limited

NCL International Logistics Public Company Limited (“Company” or “NCL”) is a Logistics Solution Provider to register in the Market of Alternative Investment (MAI) on November 11,2014. Being well-established for over 30 years, it presently has a registered capital of 134.67 million Baht, which comprises 538.67 million ordinary shares as the paid-up capital 132.06 million shares, which paid-up stock 528.23 million shares with a par value of 0.25 Baht per share.



## 2. NCL INTER LOGISTICS (S) PTE., LTD. ("NCL(S)")

NCL INTER LOGISTICS (S) PTE. LTD. ("NCL(S)"), which was established on 25 November 2014 with registered capital of SGD 500,000. For the year 2017 – 2020 the Company was increased the investment for business operation in amount of SGD 3.8 million, resulting in as of December 31, 2022, NCL Inter Logistics (S) Pte., Ltd. has a registered and paid-up capital of SGD 4.32 million. The Company currently holds 100% of the shares.

2.1 **NCL International Logistics USA Inc.** (Registered in the United States of America) established on February 23, 2018 to provide international freight forwarder with paid-up registered capital amount of USD 130,000. NCL Inter Logistics (S) Pte., Ltd. a subsidiary of the Company holds shares in proportion of 100 percent.

2.2 **Qingdao National Container Line Co., Ltd** (Registered in China) established on May 18, 2018 to provide international freight forwarder with registered capital of CNY 5,000,000 with the paid-up capital CNY 750,433. NCL Inter Logistics (S) Pte., Ltd. a subsidiary of the Company holds shares in proportion of 100 percent. (Currently, the Company temporarily ceased operations to stop recognizing the loss. Due to the impact of the coronavirus outbreak situation in China)

2.3 **Ningbo NCL Inter Logistics Co., Ltd.** (Registered in China) established on November 30, 2018, to provide international freight forwarder with registered capital of CNY 5,000,000 with the paid-up capital CNY 1,364,030. Ningbo NCL Inter Logistics Co., Ltd. a subsidiary of the Company holds shares in proportion of 100 percent. (Currently, the Company temporarily ceased operations to stop recognizing the loss. Due to the impact of the coronavirus outbreak situation in China)

2.4 **LG Container Line Pte., Ltd.** (Registered in Singapore) established on July 27, 2018 to provide international freight forwarder as of December 31, 2022, LG Container Line Pte. Ltd. has a registered and paid-up capital of SGD 2.69 million by NCL Inter Logistics (S) Pte. Ltd., a subsidiary of the Company holds 100% of the shares.

2.5 **NCL Inter Logistics Viet nam Company Limited** (Registered in Vietnam) established on July 17, 2018. VND 2,500,000,000 has registered and paid-up capital by NCL Inter Logistics (S) Pte. Ltd., a subsidiary of the Company holds 49% of the shares.

On May 13, 2020, the meeting of the Board of Directors approved the closure of NCL Inter Logistics Vietnam Company Limited due to significant losses and increased operating expenses. In addition, the situation of the epidemic of coronavirus infection in 2019, which affects the transportation of goods, contributes to a significant decrease in the Company's revenue. Therefore, the said Company should be closed before it gets more affected for the benefit of the Company and the shareholders in the future. Currently in the process of registering the dissolution of the business.

2.6 **NCL International Logistics Private Limited** (Registered in India) established on February 22, 2019 with registered capital of INR 5,000,000 (USD 70,000) with the paid-up capital share amount of INR 286,000 (USD 4,086 and has yet operated. A subsidiary of the Company holds shares in proportion of 100 percent.

**3. Grace Waters Med Co., Ltd. ("GWM")**

Grace Waters Med Co., Ltd. (The "Subsidiary "or "GWM") was established on August 8, 2016 with registered capital of 5 Million Baht, on September 23, 2016 the Company invested to purchase ordinary shares in the amount of 8 Million Baht by holds in proportion of 44.4%, which is an associated of the Company and on July 27, 2017 GWM has increased the registered capital of 40 Million THB. GWM manufactures and distributes dialysis related equipment. By this investment, the Company foresees that it can add value to the Company in the future as well as to diversify the risk to encourage Company a return of stability and growth in the future. And in the year 2018, the Company purchased shares from a shareholder of 3,340 shares, that the Company holds shares in proportion of 52.80 percent which subsidiary of the Company

**4. Golden Supply Co., Ltd. ("GDS")**

Golden Supply Co., Ltd. ("GDS") (the "Subsidiary") was established on August 8, 2022, with registered capital of 10 million Baht by providing digital content support systems through telecommunication channels. The Company holds shares in proportion of 100 percent.

**5. Cheese Digital Network Co.,Ltd. ("CDN")**

Cheese Digital Network Co.,Ltd. ("CDN") (The " Associated Company") was established on July 8, 2004, with registered capital of 50 million Baht by providing digital content support systems through telecommunication channels. The Company holds shares in proportion of 25 percent.

**1.3.2 Person who may have a conflict**

- None –

**1.3.3 Relationship with the major shareholder's business group**

To prevent conflicts of interest that may occur from the major shareholder, including Mr. Kittu Phuathavornskul, running businesses that overlap with the Company, the said major shareholder, therefore, entered into an agreement with the Company not to operate the same business as the Company, which includes the business of providing international transportation management services and domestic transportation services as well as other businesses of the Company in the future. The shareholder shall not take any action that is in competition with the Company's business or become a partner in any Company or ordinary partnership

or a partner with unlimited liability in a limited partnership or a director or contractor or have controlling power in any business that operates in the same condition and in competition with business of the Company and its subsidiaries (if any), whether for one's own benefit or for benefit of others. If the major shareholder sees future business opportunity, he shall consider the Company to be the operator of such business. This contract is binding until Mr Kittu Phuathavornskul, including related parties according to definition in the Notification of the Securities and Exchange Commission No. KorJor. 17/2551, hold total shares of less than 10% of the Company's paid-up capital and none of them are executives or directors of the Company.

#### Summary of contract

Contract Name:	Non-compete agreement
Contract date:	28 August 2014
Contractual parties between:	NCL International Logistics Public Company Limited ( " Company" or "NCL") and Mr. Kittu Phuathavornskul
Terms and Conditions:	<ul style="list-style-type: none"> <li>● The major shareholder shall not operate in the same business as the Company including not to take any action that is in competition with the Company's business or become a partner in any Company or ordinary partnership or a partner with unlimited liability in a limited partnership or a director or contractor or have controlling power in any business that operates in the same condition and in competition with business of the Company and its subsidiaries (if any).</li> <li>● The major shareholder acknowledges that this contract is binding also on related parties according to definition in the Notification of the Securities and Exchange Commission No. KorJor. 17/2008</li> <li>● If the major shareholder commits an offense or fails to comply with any regulations which may cause damage to the Company or lose business opportunities, the major shareholder is eligible for a fine at the rate of 100,000 Baht per day. If the occurred damage is worth more than 100,000 Baht, the Company, whereby an independent director as representative of minority shareholders, shall proceed to file additional claims under the law.</li> <li>● The contract is effective from the date of contract signing until the major shareholder and related parties hold total shares of less than 10% of the Company's paid-up capital and none of them are executives or directors of the Company.</li> </ul>

### 1.3.4 Securities Information and Shareholder

#### Shareholders

The Company's 10 major Shareholders, as of March 14, 2023, are as follows:

	Shareholders	Number of Shares	Percentage
1.	<u>Vichaikul Family</u>		
	Mr. Pongthep Vichaikul	62,404,245	11.81
	Mrs. Pranee Vichaikul	5,527,700	1.05
	<b>Total</b>	<b>67,931,945</b>	<b>12.86</b>
2.	<u>Phuathavornskul Family</u>		
	Mr. Kitti Phuathavornskul	60,066,974	11.37
	Mr. Wisit Prasitsirikul	4,187,154	0.79
	Miss Yingrak Phuathavornskul	264,400	0.05
	Mr. Suradet Phuathavornskul	214,000	0.05
	Ms. Fahsai Phuathavornskul	100,000	0.02
	<b>Total</b>	<b>64,832,528</b>	<b>12.27</b>
3.	Mr. Danai Praditsuwan	11,430,000	2.16
4.	Mrs. Siriluk Dejdumrong	10,787,300	2.04
5.	Mr. Teeraphan Hempassorn	9,000,000	1.70
6.	MR. Patr Bhalakula	8,275,100	1.57
7.	MR. Weerawat Burapapattanapong	8,030,900	1.52
8.	Mrs. Laor Tangkaravakoon	7,700,000	1.46
9.	MR. Surasak Udomsilp	7,080,000	1.34
10.	Thai NVDR Company Limited	6,630,155	1.26
11.	Other Shareholders	326,536,065	61.82
	<b>Total</b>	<b>528,233,993</b>	<b>100.00</b>

Information from: The Thailand Securities Depository Co., Ltd. (TSD)

## 1.4 Paid-up Registered Capital

### 1.4.1 Ordinary Share

As of December 31, 2022, the Company's registered capital of 134.67 million Baht divided into the ordinary shares 538.67 million Baht as the par value 0.25 Baht per share and paid-up registered capital of 132.06 million Baht, which comprises of 528.23 million ordinary shares with a par value of 0.25 Baht per share

### 1.4.2 Other types of shares with rights or conditions different from ordinary shares

- None -

### 1.4.3 The Company's shares or convertible securities are underlying securities for issuing mutual funds for foreign investors

- None -

## 1.5 Issuance of Other Securities

### 1.5.1 Convertible securities

- None -

### 1.5.2 Debt Securities

- None -

## 1.6 Dividend Payment Policy

The Company's dividend payment policy is to pay at least 50 percent of its net profit after the deduction of all reserves. Dividend payments must not adversely affect the Company's operations, financial position, liquidity, business expansion, necessity, future suitability, or other factors relevant to the Company's administration, as determined by the Board of Directors deems, and must yield maximum benefits to the shareholders.

The subsidiaries will consider paying dividends based on the net profit after the deduction of the corporate income tax each year. However, this will depend on the investment plan and other suitability considerations. The subsidiaries may pay interim dividends to their shareholders from time to time.

However, the Board of Directors' resolution considering dividend payment must be presented to the shareholders' meeting for approval, except for interim dividend payment. The Board of Directors has the power to approve the operation when it is considered that the Company has sufficient profit to pay without any impact on the Company's operations and report to the shareholders' meeting in the next meeting.

However, in 2022 there is no dividend payment.

## 2. Risk Management

---

### 2.1 Risk Management Policy and Plan

The Company realizes the importance of good management and organizational management. To drive the organization to grow and expand the business with stability. Have a stable financial position and create appropriate returns to the shareholders. The Board of Directors has appointed the Risk Management Committee, consisting of an Audit Committee, an independent committee and an executive. The Company has established a policy to comply with anti-corruption laws by setting the anti-corruption guidelines in the Company's Code of Business Ethics under the heading "Policy on Receiving, Giving Gift and Return" "Policy on anti-corruption and bribery". "Entertainment Policy" and "Policy on Donations for Charitable Causes and Financial Contributions to External Organizations" The Company is currently preparing to join the Thai Private Sector Collective Action Against Corruption: CAC by reviewing its policies and practices to combat corporate corruption and assessing the risks associated with internal corruption

### 2.2 Risk Factors for the Company's Business Operation

#### 2.2.1 Risk for the Company's Business Operation

##### Risk from Exchange Rate Fluctuations

To serve customers in foreign countries, the Company has partners that are freight forwarders in different countries. These partners act as the Company's agents that coordinate service work in foreign countries, receive service fees from customers in destination countries, and pay for service costs incurred in foreign countries, e.g. vessel freight charge, air freight charge, transportation charge, or paperwork charge for protocol in foreign countries. Therefore, the Company's revenue and expenses are denominated in foreign currencies from countries where the services are rendered. In 2021 and 2022, the Company's revenue in foreign currencies was 241.21 million Baht and 239.81 million Baht, The Company's service costs in foreign currencies were equal to 228.08 million Baht and 111.82 million Baht.

The Company may be exposed to the risk of fluctuations in foreign exchange rates from income and costs in foreign currency, the revenue service from foreign currency. If the Baht is appreciated, it would reflect to the decreased of revenue and if the cost is foreign currency; if the Baht is depreciated, it would reflect to high cost. Therefore, fluctuations in foreign exchange rates will affect the financial position and operating results of the Company. The Company have income and cost in foreign currency which can prevent the risk from partial natural hedge. The Company will closely always monitor news and exchange rate movements. To assess the situation and find a way to prevent foreign exchange risk. In the past, the exchange rate impact was not considered significant to the overall turnover of the Company.



To reduce the risks from fluctuations in exchange rates, The Company has diminished the risks from the fluctuations by opening a foreign currency deposit account (FCD). Furthermore, the Company has launched a policy to reduce such risks by entering forward contracts, which are entered into at the discretion of the management and conform to the policy approved by the Board of Directors, no. 2/2014, dated June 30, 2014. The Company's cap in the forward contracts with financial institutions is 127 million Baht.

The Company has no policy concerning speculation about the exchange rates.

#### **Risk from Personnel Dependency**

An international freight forwarding business requires an understanding about regulations on exportation or importation and laws in different countries, as well as an understanding about forms and conditions concerning the proper protocols for international payment. This is to ensure that the customers will be able to comply with relevant regulations and deliver or receive goods on time. As for a domestic freight forwarding business, it requires drivers who possess specialized skills and can comply with the Company's regulations. Accordingly, the Company is vulnerable to personnel shortages if it expands its business or fails to find replacements for resigning personnel immediately.

Recognizing the importance of its personnel, the Company has focused on personnel development and incentives. The Company has formulated a plan for job advancement for its employees and provided them with reasonable compensation according to their expertise. Thus, the turnover in major departments is low, and the average working years of employees in the Department of Freight Forwarding (FF) and the Department of Non-vessel Operating Common Carrier (NVOCC) is at least five years, and the average working years of the management is at least 20 years.

Also, the Company has introduced IT systems into its business. For example, the IT systems include Log Freight, which is a system that links clients' databases for managing documents required for customs protocol and importation and exportation, as well as the Global Positioning System (GPS), which tracks the status of freight deliveries by tractor heads and trailer trucks. These systems are utilized to facilitate its personnel in terms of customer services and reduce the number of personnel required for different processes within the Company.

The Company continues to focus on the development and implementation of new information systems to use continuously. To increase convenience for employees and increase work efficiency.

#### **Risks from Major Dependency**

The Company's clients are distributed throughout different sectors, including the agricultural, industrial, and logistics sectors. Thus, the Company does not depend on clients for more than 30 percent of its revenue from services rendered each year. In year 2021 and 2022, there was only one customer for which the Company provided services representing over 15 percent of its service revenue.

However, the Company has a policy to reduce risks from dependency on customers – the policy to expand to new customers to distribute the Company's customer base and create more business opportunities for the Company's services.

### **Risk of Change in Business Regulations**

As the Company runs an international freight forwarding business, which involves regulations applicable to exporting or importing and laws in different countries, it will face risks if it fails to comply with any changes in regulations. Such non-compliance could result in its failure to handle deliveries as demanded by customers and potential financial damage from fines.

However, the Company has prepared its personnel with expertise in international freight forwarding to serve its customers and to offer advice to employees working in different departments. The Company has assigned personnel to study relevant information about, and monitor, the enforcement of trade regulations and measures of different countries; follow relevant news; contact government agencies; and gather information from operators that are the Company's partners in foreign countries. This information will be delivered to relevant departments in the Company to ensure their compliance with customs-related regulations and laws. The departments will receive relevant information continuously and adequately so that they can give proper advice to clients to ensure the client's compliance with regulations. In the past, the Company has never been sued or received a damage claim for non-compliance with such laws or regulations.

### **Risk from Investment Aboard**

The Company may be exposed to the investment and business operations in foreign countries, due to business practices in unfamiliar countries, such as culture, society, politics, law, regulation. With policies and plans to expand overseas, the Company may face greater competition from its competitors. Because there are many foreign companies that provide similar services.

The Company rely great importance to the analysis of risks in various areas for consideration of investment decisions which must be a major shareholder who can control and have the power to make decisions in companies that invested. The Company will be considered to find local executives and teams that have previous business experience in that country to reduce the risk of the Company that has no experience in such business operations in the country that have decided to invest.

### **Risk from Major Shareholders' Influence on Administration Policies**

As of 31 December 2022, the Company's major shareholder, the Vichaikul Family, owns shares representing 12.86 percent of the total number of shares sold by the Company. Mr. Pongthep Vichaikul serves as the Company's Group Chief Executive Officer (CEO) and Director and is the authorized signatory. This major shareholder has the authority to manage and control votes for almost all major resolutions, including the appointment of directors or other resolutions that need a majority of votes at the shareholders' meeting. An

exception is resolutions concerning legal matters or the Company's regulations that need three-fourths of the votes of the total number of shares that attend the meeting and have the right to vote, e.g., capital increases and decreases. Accordingly, other shareholders that attend the meeting and have the right to vote are not able to gather enough votes to check and balance the major shareholder's administration.

### Liquidity Risk

Due to the abnormal situation of the COVID-19 pandemic, there is a risk to financial liquidity. This is because customers of the Company are paying for services more slowly than usual, resulting in slower revenue for the Company. Therefore, the Company lacks the liquidity to manage various aspects of the business. As a result, the Company needs an appropriate management plan to ensure sufficient working capital and maximize operational efficiency.

### The Risk from Changes in Government Policies, Laws, Regulations, and Rules

The Company operates both domestically and internationally, adhering to the laws and policies of the government strictly. Therefore, any changes in policies, laws, or regulations related to business operations may affect the Company's business, image, competitiveness, and sustainable growth. However, the Company has been monitoring and adapting to changing situations to maximize benefits.

## 2.2.2 Investment Risk of Securities Holder

Nonetheless, the Company's management structure is composed of a total of 6 committees, namely the Board of Directors, Executive Committee, Audit Committee, Risk Management Committee, Corporate Governance Committee and Nomination and Remuneration Committee. Because the roles of the respective committees are clearly delineated, the Company's work systems are equipped with a good standard and are easy to audit. Also, the structure of the Board of Directors consists of 5 independent directors out of 9 directors. As for the Audit Committee, it comprises 4 independent directors, each of whom has expertise. As such, they can audit the Company's performance with greater transparency and balance the power regarding to this matters for consideration in the shareholders' meetings to some extent. Furthermore, the Company has a regulation to handle the case of transactions related to Directors, the major shareholder or people authorized to control the business, as well as people that may have a conflict of interest. This regulation states that these people shall have no authority to approve the transactions, which can reduce potential risks.

## 2.2.3 Investment Risk of Foreign Securities (In case the issuer is a foreign Company)

- None -

### 3. Sustainable Development for business

---

#### 3.1 Sustainability Management Policy and Goals

NCL is committed to developing the Company to be a leader in providing total logistics services. It will be the first and best choice for our customers and partners. The Company focuses on quality and efficient work, which is the cornerstone of the Company's sustainable growth, and affiliates with a focus on the economy, society, and environment which is under the international code of practice which has set the following guidelines:

##### Economic and Corporate Governance Dimension

1. Conducting a full-service logistics business with knowledgeable and skilled personnel who provide genuine customer service, under good corporate governance principles, while considering the economic, social, and environmental impacts.
2. Conducting business with honesty and integrity, adhering to laws and commercial regulations, promoting clear and transparent internal management that can be audited, supporting anti-corruption efforts, and preventing seeking personal benefits and abusing power, in order to create the maximum benefit that is fair to all stakeholders.
3. Promote the practice of human rights principles, with consideration for the dignity of human beings, their rights, freedoms, and equality, of individuals protected by the Constitution of the Kingdom of Thailand and relevant international laws, including respecting local customs and traditions, at the Company or subsidiary level.
4. Emphasize improving and developing work processes and services throughout the value chain based on the principles of quality management throughout the organization to create a quality mindset among personnel in the organization, resulting in creating value for customers and generating long-term growth.
5. Committed to comprehensive and all-around risk management, in order to prevent and mitigate losses or impacts that may occur to the Company, community, society, and environment.
6. Promote innovation with social and environmental responsibility, in order to increase efficiency and effectiveness, as well as creating value for the organization and stakeholders.

##### Societal Dimension

7. Manage human resources with fairness, equality, and justice according to human rights principles and labor laws. Place importance on developing workforce capabilities and promoting happiness at work, which will lead to efficient organizational performance.

8. Promote understanding and adherence to business ethics among executives and employees, in order to achieve business objectives and benefit all stakeholders involved.
9. Conduct business with responsibility towards society and stakeholders, which will lead to the growth and development of both the Company and the community, and contribute to an improved quality of life.

#### Environmental Dimension

10. Promote and support efficient use of resources, including reducing and controlling the social and environmental impacts resulting from the operations of the Company, its subsidiaries, and relevant trading partners.
11. Raise awareness of and prioritize occupational safety, health, and environmental conditions for employees, trading partners, customers, and visitors to prevent loss of life and assets, as well as injuries or illnesses resulting from work.
12. Communicate and ensure understanding with the Board of Directors, executives, employees, partners, and stakeholders to raise awareness of environmental concerns.

## 3.2 Managing the impact on stakeholders

### 3.2.1 Business Value Chain

NCL International Logistics Public Company Limited and its subsidiaries operate with responsibility in accordance with good governance principles. Considering the economic social and environmental impacts to drive the organization to sustain development and to enhance this operation to its stakeholders. With the aim of driving and encouraging cooperation in sustainable business operations at the same time, the Company considers the relationship of key stakeholders in activities related to business operations from upstream to downstream to reflect that the Company is committed to create value for goods and services to meet the expectation of all major stakeholders.

#### Stakeholder identification and Impact Issues



#### Inbound Logistics

- Finding a partner or trade partners to increase effective work abroad to be able to increase the potential working in destinations in countries around the world.
- Acquisition of alliances or business partners that will affect the strengths and opportunities of the Company to become a leading logistics provider in the world's major trade routes.
- Finding specialists to enhance the potential in customer service such as Government Agencies (Customs) for domestic and international route.
- Increasing the Company's revenue from becoming a leading logistics service provider to be more integrated by expanding its warehouse business, inland transportation in domestic and neighboring countries.

#### Operations

- Facilitate transportation and price comparison process to customers, as well as coordinate with the shipping agent so that customers receive the lowest transportation costs.
- Employees are trained to have knowledge and potential to work in each sector to ensure effective customer service.
- The Company constantly improves the work system of employees to respond the new technologies.

#### Outbound Logistics

- The Company has an office building for customers to contact and to facilitate customers in receiving and providing services.
- The Company has several contact channels for customers to facilitate and access operational information promptly.

#### Marketing and Sales

- Employees survey market price in the same industrial business to quote customers at the lowest prices or according to customer satisfaction
- The Company has amendment customer contact channels information are always up to date for communication and public relations purposes through various channels to cover as much as possible

#### Customer Services

- There are agencies that gathering customer feedbacks to improve the Company operation and performance.
- Customer needs are surveyed to further develop the operating system.
- There is a department that accept customer complaints and feedback to consider and take corrective action in the relevant departments.



### 3.2.2 Stakeholder Analysis of the Business Value Chain

Analysis of the needs of the Company's stakeholders help the Company understand the needs and the expectations of the stakeholders and enable the Company to develop services, as well as defining activities that can meet the needs of each group of stakeholders closely.

The Company recognizes the importance of all stakeholder groups whether it is the internal and external stakeholders such as shareholders, employees, executives of the Company and subsidiaries. Creditors, partners, customers, investors, communities, government agencies and other organizations related to the Company and affect the Company's business operations. Therefore, the Company has established guidelines and engagements with stakeholders to demonstrate that the Company commit to create service value to meet the expectations of all stakeholders.

#### Stakeholder Analysis Table on the Business Value Chain

Stakeholders	Stakeholders Expectations	Key Action and Engagements
Suppliers	<ul style="list-style-type: none"> <li>● The Company has a stable and reliable financial position</li> <li>● The Company complies with the payment agreement</li> <li>● Perform tasks according to the specified conditions</li> <li>● Fair price of services</li> <li>● Maintaining confidential information of customers</li> </ul>	<ul style="list-style-type: none"> <li>● Provide efficient, reliable, and professional services and solutions to all customers</li> <li>● On time payment</li> <li>● Follow terms and conditions</li> <li>● Treat partners fairly</li> <li>● There are various communication channels for customers</li> </ul>
Customers	<ul style="list-style-type: none"> <li>● Professional service at the lowest price</li> <li>● Solving problems well</li> <li>● Comply with agreement or contract</li> <li>● Safely deliver products to destinations</li> <li>● Get thorough and reliable information</li> </ul>	<ul style="list-style-type: none"> <li>● Provide professional, efficient, reliable service</li> <li>● Provide advice and assistance to customers</li> <li>● Comply with the terms of contact</li> <li>● Prepare customer satisfaction questionnaires and feedbacks</li> <li>● The details and information are clearly discussed with the customers</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>● Business growth and sustainability</li> <li>● Receive profit sharing in term of dividend</li> <li>● Good corporate governance</li> <li>● Equal treatment of shareholders</li> <li>● There are channels to monitor the Company's operations</li> <li>● Able to provide suggestions to the Company</li> <li>● Easy accessibility to Management of the Company</li> </ul>	<ul style="list-style-type: none"> <li>● Build and maintain image and increase the Company's sustainable value</li> <li>● Strictly follow the dividend payment policy as specified</li> <li>● Disclose relevant information transparently and accurately</li> <li>● Regularly communicate with investors and answer questions and doubts</li> <li>● There are communication channels between shareholders, executives and directors</li> <li>● Ensure the shareholder meetings effectively</li> </ul>
Employees	<ul style="list-style-type: none"> <li>● Appropriate compensation and benefit</li> <li>● Career stability and advancement</li> <li>● Knowledge development and competency enhancement</li> <li>● Fair, non-discriminatory practices</li> <li>● Employee acceptance and appreciation in value</li> <li>● Security and safety at work</li> <li>● Accept employees' opinions</li> </ul>	<ul style="list-style-type: none"> <li>● Consider reviewing returns welfare and benefits to remain competitive with industry standards</li> <li>● Develop and encourage employees to have knowledge and self-improvement to increase productivity</li> <li>● Treat all employees fairly and equally</li> <li>● There is a channel to listen to employee comments, problems and suggestions</li> <li>● Provide safety at work</li> <li>● Bring employee feedback to plan and implement improvements</li> </ul>

Stakeholders	Stakeholders Expectations	Key Action and Engagements
Investors	<ul style="list-style-type: none"> <li>● Provide profit or return on investment</li> <li>● Business growth and sustainability</li> <li>● Risk Management</li> <li>● There are channels to monitor the Company's operations</li> </ul>	<ul style="list-style-type: none"> <li>● Disclose information through the SET regularly</li> <li>● There are various channels to communicate with executives</li> <li>● Meetings are hold with investors regularly, as well as discussions and answers to inquiries</li> <li>● There are publications available for investors to download</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>● Comply with the terms and contracts strictly</li> <li>● Ability to repay debts and punctual payment</li> <li>● Fair returns on loans and service fees</li> <li>● Transparent information sharing</li> </ul>	<ul style="list-style-type: none"> <li>● Comply with the terms of contracts with the objectives of using the borrowed funds</li> <li>● Arrange meetings for information exchange regularly</li> <li>● Prepare financial and annual operating reports</li> <li>● Promptly respond to any queries</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>● Compliance with relevant laws, rules and regulations</li> <li>● Good corporate governance and transparency</li> <li>● Conduct business for legal law and related guidelines</li> <li>● Clearly communicate to employees about rules and guidelines</li> </ul>	<ul style="list-style-type: none"> <li>● Periodic internal assessment of regulatory compliance</li> <li>● Summary of regulations and convey to employees and to comply with the enforcement regulations</li> <li>● Regular disclosures information through SET</li> <li>● Regular participation in meetings and activities</li> </ul>
Community, Society and Environment	<ul style="list-style-type: none"> <li>● Conduct business ethically along with participation in social and environmental responsibility</li> <li>● Support and participate in social events</li> <li>● Requite to the community and society</li> <li>● Environment Protection</li> </ul>	<ul style="list-style-type: none"> <li>● Instill awareness of social and environmental responsibility for employees through the activities</li> <li>● Develop an operating system with regarding to environmental impact</li> <li>● Implement appropriate measures to</li> <li>● Encourage executives and employees to work for the common good and participate in social activities continuously</li> </ul>

### 3.3 Sustainability management in the social and environmental dimensions

NCL International Logistics Plc. is committed to operating businesses that are beneficial to the economy society and environmental. The policy to conduct business with social and environmental responsibility under the 8 principles as follows:

- 1. Good Corporate Governance:** The Company will operate its business in accordance with relevant laws and regulations, transparency, disclosure of important information and audit. The Company will comply with the good corporate governance policy, considering the benefits with all stakeholders.
- 2. Operating business with fairness:** The Company will promote free trade, avoid potential conflicts of interest and infringe on intellectual property rights, and promote social responsibility in the business chain at all stages.
- 3. Anti-Corruption:** The Company has the policy to support anti-corruption both inside and outside the organization for transparency and accountability. It also cooperates with various organizations to fight against corruption and encourages employees to be aware of the anti-corruption.
- 4. Human Right and Employee Treatment:** The Company supports and respects the protection of human rights by ensuring equal and fair treatment of employees by providing welfare, safety, and hygiene in the

workplace, as well as promoting learning and development of personnel to enhance Professional work. The Company will support the development of the work system and encourage its employees to participate in direct and indirect social benefits.

5. **Company's responsibility on consumer:** The Company will develop services that do not harm consumers and impact the environment by maintaining quality to meet or exceed consumer expectations under fair conditions. It will provide information about products and services that are accurate, adequate, without exaggeration, and keeping the confidentiality of clients and not used it to their own interests or those involving wrongfully.
6. **Environment and Safety:** The Company will undertake risk and environmental impact analysis and safety in all business processes. It also uses resources efficiently and energy- saving in accordance with international principles.
7. **Participation in Community and Society:** The Company will undertake risk and environmental impact analysis and safety in all business processes. It also uses resources efficiently and energy-saving in accordance with international principles.
8. **Develop and Disseminate Innovation from CSR:** The Company shall promote the creation and promotion of co- creation of all stakeholders in the development of innovation that balances values and worth of the community, society, and the environment, along with sustainable business growth.

## Policies and Practices to the Environment

The Company aims to operate and expand its business based on environmental responsibility by promoting, preventing, and mitigating environmental impacts in accordance with relevant practices, regulations, laws, and international standards. The Company has set frameworks and guidelines for its practices as follows:

1. Conduct the business in accordance with laws, regulations and environmental policy by considering to the impact on natural resources and environment. Review and evaluate the performance result regularly.
2. Create a corporate culture and raise awareness for employees at all levels to collaborate and responsible in environmental management, efficient and sustainable use of resources.
3. Knowledge enhancement and training employees on the environment.
4. Promote environmental management system. This includes the use of resources, the cost of treatment and rehabilitation, the replacement of surveillance and the protection of the impact on natural resources and the environment.
5. Select the business partners who run the business with environment friendly.

## Environment Management

The Company is aware of the impact of business operations that are transmitted to the environment, although in the business of the Company does not directly affect the environment but in order to comply with sustainable business which must take into account the environmental, social and corporate governance of the business. The Company has guidelines on environmental practices and encourages employees to follow them regularly, for example, having regular maintenance and repairs to the Company's vehicles, walking instead of using the elevator, campaign for the use of two-sided paper and reduce to use of paper in the work process, turn off and turn on electricity and air conditioner for a period of time, campaigning to use water economically and there is enough drinking water to serve the staff to reduce to uses plastic bottles. And in 2022, the Company began collecting statistics on electricity, water, and fuel consumption related to its business operations to assess the Company's carbon footprint. This will enable the Company to establish directions and goals for its operations, reducing environmental impact in the future.

## Sustainability Management - Social Dimensions

The Company is committed to complying with laws, regulations, and policies related to social management. It sets policies and guidelines that may affect society and all stakeholders and communicates these policies and guidelines to the board, executives, and employees, who are responsible for implementing them as follows:

### Human rights and Employees treatment

The Company respects human rights within and outside the organization. The Company treats its business partners and those who deal with business entities irrespective of race, religion, or other factors that would lead to a serious disregard for human rights. Within the organization, the Company equally treats its employees, contract workers and without discrimination, gender, race, religion, or anything else that would bring disunity and inequality. The practices per the employee are according to the Code of Business Ethics, while the Code of Conduct is the guidance of the work of all employees. It is considered a practice in the Ethics Guide as a part of the "Employee Rules and Regulations" which the employees have to comply with. The Company has undertaken to clarify the Code of Business Conduct for all employees to be acknowledged when they join the Company. The Company has implemented according to the guideline as follows:

1. The Company provides opportunities for employees at all levels to express their opinions in order to listen to problems and suggestions for working and living together. by enable them to report directly to the management. In case the employee has a complaint.

2. The Company has clear procedures and process for the complaint. The Company will find a way to terminate the complaint quickly and fairly to limit the problem for not expanding the scope to a broader scope.
3. The Company has developed an employee satisfaction assessment form to reflect the Company's attention and sincerity to its employees in improving, developing and moving forward together. If employees have any doubts or comments, the Company, by the relevant management, will consider and communicate with the staff quickly.
4. The Company encourages employees to make progress on the basis of their knowledge and ability, with a minimum training plan for each employee. It aims to strengthen the organization and to increase the potential of employees, such as knowledge of services, good corporate governance, business ethics, and anti-corruption etc.
5. The Company has provided channels of complaints and report inappropriate work practices in accordance with the Company's Code of Business Ethics. It is a recommendation or complaint about work to the Board of Directors to oversee all aspects and sustainability in the organization, including the protection of employees from harassment or punishment from his/her complaint ( Whistleblower Policy) , to take care of all parties and create sustainability in the organization, can inform the clues of offenses (Whistle Blowing), which is in accordance with the policy and guidelines for reporting whistleblowing and measures to protect the whistle blower with details as follows.
6. The Company has policies and guidelines on the appropriate remuneration and welfare of employees. The remuneration paid to employees, such as salaries, annual bonuses, salary adjustments, promotion, must be consistent with the performance of each employee and the Company's performance. Employees are also provided with welfare benefits such as the establishment of a provident fund, the provision of annual health checks, and the provision of a healthy working environment. Accident insurance is also provided to employees, drivers, messengers and / or those who are at risk of accidents at work to ensure that when unexpected accidents happen the employees will be taken care of.
7. The Company has focused on the importance of human resources by providing good physical health by arranging health checks for employees and executives on an annual basis.

The Company places great importance on all its employees, so it has increased channels of communication between executives and all employees through the intranet, which is a means of communication and engagement within the organization. The Company will notify employees of Company news, announcements, and activities through this channel to involve them. In addition, the Company has added social media channels to communicate with individuals outside the organization, such as Facebook, LinkedIn, and the Company's website. Knowledge about the logistics business, which is the main business of the Company, has been provided through these channels.

### Anti-Corruption

The Company has established a policy to comply with anti-corruption laws by setting the anti-corruption guidelines in the Company's Code of Business Ethics under the heading "Policy on Receiving, Giving Gift and Return" "Policy on anti-corruption and bribery". "Entertainment Policy" and "Policy on Donations for Charitable Causes and Financial Contributions to External Organizations" The Company's employees have been informed and implemented since July 20, 2013.

The Company is currently preparing to join the Thai Private Sector Collective Action Against Corruption: CAC by reviewing its policies and practices to combat corporate corruption and assessing the risks associated with internal corruption.

### Company's responsibility on consumer

The Company recognizes the importance of being responsible to stakeholders in the business chain, including shareholders, customers, partners, and business competitors. The Code of Business Ethics and the Code of Conduct has been adopted as the guideline for the Company's operations with the following principles of customer responsibility.

- Delivering quality products and services as agreed at fair prices.
- Providing accurate, adequate, and up-to-date information to customers about their businesses and services, without exaggeration, misleading customers about the quality of the service.
- Be courteous, efficient, and trustworthy to customers, and provide a process system that addresses customer complaints about the quality and security of the service.
- Keeping the confidentiality of clients and not used it for personal interest or those involving wrongfully.
- The Company has set the vision, mission, and business goals of the Company, effective from July 18, 2013. To emphasize that employees must set equal pricing of products and services for their customers by offering the best and most appropriate logistics solutions to each customer and building an effective alliance network to grow together with our customers and partners.

### **Activities for social and environmental benefits**

The Company continuously promotes and supports social and environmental activities. In particular, supporting for education and cultivating virtue for the youth, which will grow into a major force in the country in the future, Religious Support to maintain virtue Ethics in Thai society Including health, hygiene, etc.



## Donation to relieve the suffering during the epidemic of the coronavirus disease starting in 2019 (COVID-19)

Due to the spread of the coronavirus disease starting in 2019 (COVID-19), the Company would like to be a part of the society by joining with business partners to donate medical equipment necessities to encourage the suffering in the society.





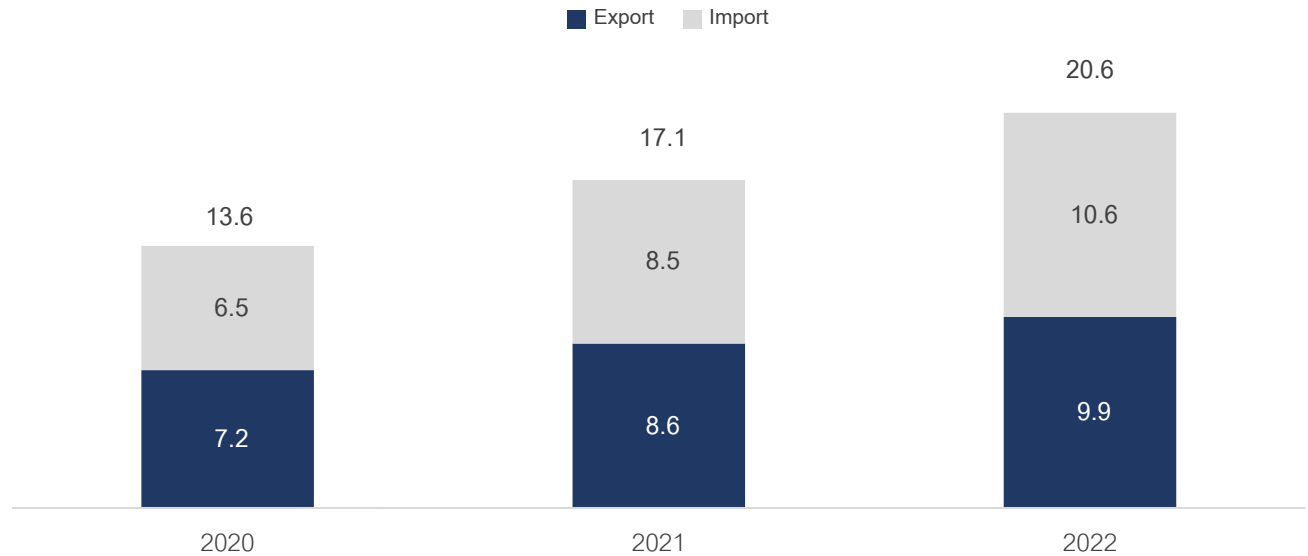
Due to the epidemic of the coronavirus disease starting in 2019 (COVID-19), in 2021 until the middle of 2022 The Company recognizes the importance of health and COVID-19 patients' health, so the Company and Rung Tawan Nursing Care Co. Ltd. jointly set up and establish a community isolation project to provide assistance to COVID-19 patients by constructing a standard negative-pressure room in order to prevent spreading virus nearby areas. This project does not charge any expense to the COVID-19 patients until the Ministry of Public Health announced the cancellation of the coronavirus disease starting in 2019 (COVID-19) from being a dangerous contagious disease.



## 4. Management's Discussion and Analysis (MD&A)

### 4.1 Analysis of Operations and Financial status

The value of Export, Import and total trade for 2020-2022 (Trillion Baht)



2022 is the year of recovery from the COVID-19 epidemic and is likely to return to normalcy more quickly. Along with the recovery of foreign tourists traveling to Thailand, an increase of 2,500 percent compared to 2021 is helping to support the Thai economy. However, the global economy is still faced with geopolitical conflicts that have caused food shortages and increased food prices. A chip shortage has hit the electronics industry, as well as higher energy prices. As a result, the average annual inflation rate in Thailand rose to 6.08 percent, the highest in 24 years, resulting in a decrease in consumer demand for goods.

However, the trade value continues to grow continuously compared to the previous year, with a total trade value in 2022 of about 20 million Baht. Export to important markets such as the United States and China has been continuously shrinking due to the decrease in demand from trading partner countries, which is consistent with the slowdown of the global trade economy. The Ministry of Commerce has aggressively and deeply promoted exports by carrying out important activities, including 1) solving border trade obstacles, 2) promoting trade relations by developing a Strategic Economic Cooperation Agreement (SECA) with Australia, and 3) studying consumer behavior to plan market penetration to increase opportunities for trade and exports.

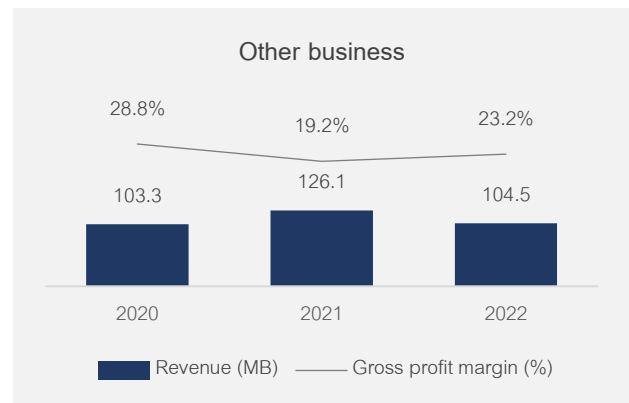
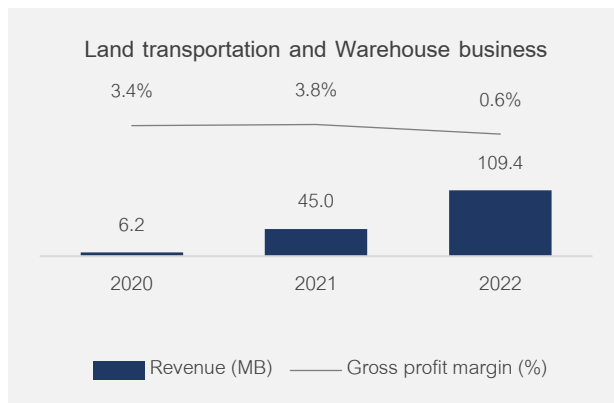
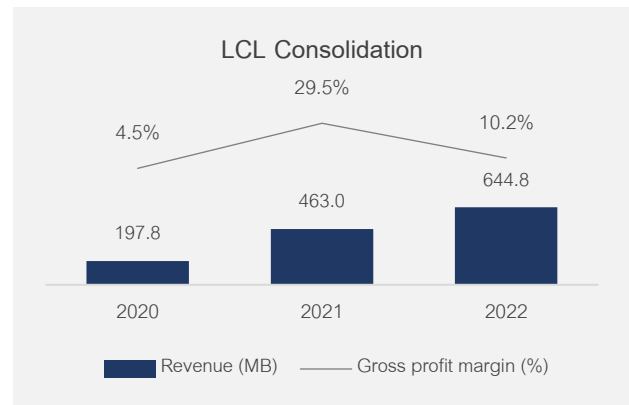
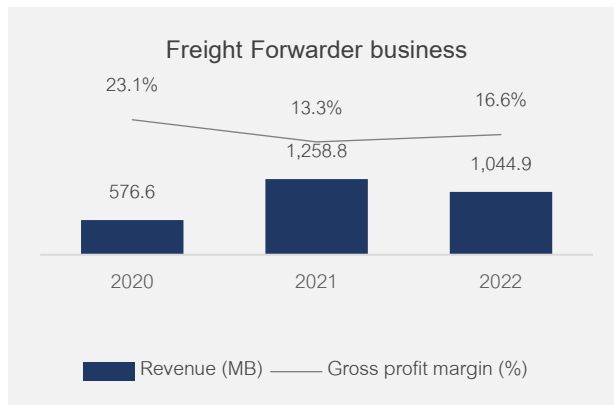
In terms of export trends, the Ministry of Commerce estimates that the global economic slowdown is a major factor that directly affects Thailand's exports in 2023, especially the economies of major trading partners and the Eurozone, which have slowed down due to a weakened purchasing power. However, China's opening up the country and easing COVID-19 measures are positive factors for Thailand's exports. In addition, the ship charter rates are trending towards normalcy.

### The overview on Company performance

Income statement (Million Baht)	2020	2021	2022	%YOY
<b>Revenue</b>				
Service income	780.8	1,802.5	1,799.1	0%
Sales income	103.2	90.3	104.5	16%
Other income	33.2	31.1	35.3	14%
<b>Total revenues</b>	<b>917.2</b>	<b>1,923.9</b>	<b>1,938.9</b>	<b>1%</b>
<b>Expenses</b>				
Cost of services	638.2	1,496.2	1,559.6	4%
Cost of sales	73.4	66.6	80.2	20%
Selling and distribution expenses	31.2	33.4	43.8	31%
Administrative expenses	190.1	193.2	245.8	25%
<b>Total expenses</b>	<b>932.9</b>	<b>1,789.5</b>	<b>1,929.4</b>	<b>8%</b>
<b>Profit from operating activities</b>	<b>(15.8)</b>	<b>134.4</b>	<b>9.5</b>	<b>-93%</b>
Share of gain on investment in associate	1.6	2.6	3.8	44%
Finance income	7.8	4.6	1.5	-68%
Finance cost	13.1	12.2	13.5	11%
<b>Profit before income tax expense</b>	<b>(19.4)</b>	<b>129.4</b>	<b>1.3</b>	<b>-99%</b>
Income tax expense	4.8	16.7	7.2	-57%
<b>Profit (loss) for the period</b>	<b>(24.2)</b>	<b>112.7</b>	<b>(5.9)</b>	<b>-105%</b>
Non-controlling interest of the subsidiaries	(1.8)	(1.6)	(0.7)	-56%
<b>Profit (loss) attributable to equity holders</b>	<b>(26.1)</b>	<b>111.1</b>	<b>(6.6)</b>	<b>-106%</b>

In 2022, the company report total revenue 1,938.9 million Baht, increase of 1%, slight grow compared to the previous year. Service revenue decreased by 3.4 million Baht compared to the previous year. Product demand fell due to the economic slowdown caused by geopolitical issue. In addition, the container shortage problem has been resolved led to the freight cost to decline. Sales income increased by 14.2 million Baht in 2021 due to an increase in the selling price of dialysis products. Due to the improved situation of Coronavirus disease starting 2019 (COVID-19), patients can receive dialysis services normally. Total costs and expenses amounted to 1,929.4 million Baht, an increase of 8% compared to the previous year. The main reason was an increase in administrative expenses of 52.6 million Baht due to refinance fees and professional advisory fees for the year 2022, as a result the company had a net loss of 5.9 million baht, a decrease of 105% from the same period last year.

For the period of 2022, the Company incurred a net loss of 5.9 million Baht, a decrease of 105 percent from the same period last year, due to the COVID-19 situation easing and the measures to reopen cities in various countries resulting in an increase in the volume of shipping and shipping containers, which led to a decrease in ship charter rates throughout the year. The initial profit decreased by 89.18 million Baht due to its subsidiaries buying ship charter rates in advance at prices higher than the market, resulting in higher costs than revenue.



**Freight forwarder business** generated 1,044.9 million Baht in revenue or 57% of total revenue. This revenue decreased by 213.9 million Baht or 17% compared to the previous year and decreased by 38.0% compared to the previous quarter. This was due to decreased of freight rates and shorter shipping lines compared to the previous quarter. However, the integrated logistics business is still the main revenue for the company and the Company has a strategy to expand the new customer base to increase revenue and gross profit.

**LCL's consolidation business** for the year 2022 total revenue of 644.8 million Baht, or 34% of total revenue, increased 181.8 million Baht or 39.0% compared to the previous year, due to has ended the contract to use some of the container space in the container service business in quarter 4, thus increasing the gross profit.

**The land transportation and warehouse service business** for the year 2022 total revenue of 109.4 million Baht or 6% of the total revenue, increased by 64.4 million Baht or 143% compared to the previous year from the increasing number of tractor customers And there are more project customers in the warehouse business.

**Other businesses** (the sale of dialysis solutions, in which the company holds 52.8% of shares of **Grace Water Med**) had total revenue in 2022 was 104.5 million baht or 5% of the main income, decreased of 21.6 million baht or 17% compared to the previous year, because the cost of raw materials increasing and was high price competition.

## Source of capital

As of 31 December 2022, Group's short-term loans were as follows.

1. Of 40 million baht overdraft credit facility, as of 31 December 2022 remaining unused credit loan of 24 million Baht, the company have not drawn this amount to serve as internal working capital.
2. Of 370 million Baht promissory notes, the balance was 91 million Baht to serve as the Company internal working capital and to expand business. The loan shall be provided by promissory notes of required amount for a period of 3-4 months.

As of December 31, 2022, the Company has long-term loans from banks totaling 135.63 million Baht.

Although the Company will borrow money from Grace Water Maid Co., Ltd., a subsidiary Company, for 10 million Baht for business operation. Even though the granting of the loan is not under the shareholding proportion, the Company receives a return in the form of interest at the rate of 5% per year, which is more than the cost of financing. Moreover, the Company also considers the appropriateness of the loan to expand the subsidiary's business. This will bring good returns to the Company in the future as well.

### Condition of loan agreement

For the long-term loan from financial institution, the Company has obligation to maintain the following condition:

1. The debt to equity shall not be more than 2.0 times and 3.2 times
2. The debt servicing coverage ratio is not less than 1.5 times

However, as of December 31, 2022, the Company still maintains this ratio and can pay debts and comply with the major borrowing conditions according to the contract. In addition, additional sources of funds can be obtained if the expansion is carried out or additional projects.

## Financial Ratios

At the end of 2020, 2021 and 2022, the Company has liquidity ratios of 0.86 times, 1.20 times and 1.22 times respectively, which can be seen that the liquidity ratio in 2022 has greatly increased from 2020 and 2021 with a liquidity ratio of more than 1 times because the group of companies has a much better turnover And there is money from the capital increase during the year to have cash in circulation. and trade accounts receivable from operations increased. and has increased current liabilities but increased at a smaller percentage than the increase in current assets which was caused by an increase in trade accounts payable due to the increased performance

Key Capital Management Objectives of the Company is to provide an appropriate capital structure to support the Company's operations and to enhance the shareholding value for shareholders. As of December 31, 2022, the Group has a debt-to-equity ratio of 1.01 times. In addition, the Group The working capital ratio is 1.22 times. The Group uses bank deposits amounting to Baht 111.63 million to secure credit facilities received from the bank as the management considers that capital management can be more flexible.

The Company had average collection periods of 77 days, 52 days, and 55 days for the years 2020, 2021 and 2022, respectively. The increase in average collection periods in 2020 and 2021 was a result of the situation improved of Coronavirus disease starting 2019 (COVID - 19). The Company has set the average period of not more than 90 days. In the year 2022, the Group has better collection period of 55 days due to accounts receivable in relation to Israel Airlines which able to collect debts on time as scheduled. the credit schedule of only 15-30 days, the average debt collection in 2022 is better from the previous year.

The Company has average repayment periods of account payables of 32 - 43 days and can repay various liabilities. including repaying the loan within the specified time by taking money from normal operations However, the Company still has additional credit facilities that can be used. The Company considers the cost of borrowing. and find other sources of funds considering the best interests of the shareholders

Debt to equity ratio at the end of 2020, 2021 and 2022 were 1.74 times, 1.42 times and 1.01 times respectively. In 2022, was a decrease in the ratio from 2021 because the Company was increased capital of 241.33 million Baht from the issued and paid-up capital, the debt-to-equity ratio decreased.

Return on equity at the end of 2020, 2021 and 2022 were 9.67%, 33.24% and 33.24%, respectively, because the net loss in 2020 was 26.07 million Baht, but in 2021, the net profit was 111.08 million Baht and Year 2022 has a net profit of 6.63 million Baht.

## 4.2 Factors that might affect financial position and operating performance

- The spread of COVID-19 is still the main factor which needs to be closely observed because there still exists the vulnerable condition of the supply chain, either due to the shortage of materials, equipment and processed goods, which are transported through the logistics system, the limitation of the transport routes, labor shortage due to the disease infection or quarantine of the person at risk of infection, accessibility restrictions to the origin of the production source for some areas due to the outbreak of the infection. Even though many countries have returned to being reopened with an unprecedented high volume of product demand causing a significant positive effect on the transportation industry group in the past year, but there remain continuous risks from the variants of the COVID-19, which will be a variable that can put pressure on the overall economic growth.

- The war which occurred in the beginning of 2022 affected the global economic expansion and have impacted Thailand. From the data of the TTB Analytics, it was found that in 2021 Thailand imported crude oil from Russia with the value of 26,000 million Baht, which accounted for 5% of the total import of crude oil. As for Ukraine, Thailand imports wheat and soybeans from Ukraine to be used for animal feed. In 2021, Thailand imported wheat from Ukraine with the value of 4,200 million Baht, which accounted for 10% of Thailand's total import of wheat. The unrest situation between the two countries has the possibility of continuing to intensify and spread widely, becoming a regional conflict. Therefore, there is the possibility that the impact on trade will expand its scope to the countries in the European region and will affect in Thailand, as well. In addition, there is a problem that product prices will tend to rise due to the shortage problem. This may result in the price of several products to increase significantly, either the agricultural products, industrial products, and energy products. In addition, this can also cause the global oil price to increase and will have a direct effect on the domestic cost of living of the people with its tendency to rise.
- Regarding the export promotional plan of 2022, the Ministry of Commerce continues to organize export promotion activities from the previous year, which will (1) strengthen the potentials of the export entrepreneurs and promote the export approach through mixed format between online and offline (hybrid format) (2) arrange for online trade negotiations (OBM) and cooperate with online platforms, both domestically and internationally, organize promotional sales activities of Thai products (3) promote the image of Thailand (Trust Thailand) through public relations as well as products of Thai brands to be widely accepted through the logo of Thailand Trust Mark (T Mark) to build confidence for Thai products, especially food products (4) penetrate the market of secondary cities with the goal of expanding the trade and investment values and gaining access to consumers in the areas to increase the market share of Thai products. MOUs or Mini FTAs with cities and counties of the targeted country have been signed, and (5) expedite the pending FTA negotiations such as Thai-Pakistan, Thai-Turkey, Thai-Sri Lanka. Furthermore, there are additional export promotion activities in 2022, such as (1) market penetration of the secondary city in Hainan city, in which the Top Thai Brand project will be organized, that is, the world-renowned brands of Thailand will be displayed in the exhibitions of the Hainan Expo, (2) Additional FTA negotiations such as Thailand-EU, Thailand-EFTA, Thailand-United Kingdom, Thailand-Eurasia Economic Union, and ASEAN-Canada, (3) Development of export entrepreneurs in the Young Exporter from Local to Global Project, etc. All of these will help to increase the trade opportunities of the Thai exporters and enable Thailand to achieve its export target for this year.
- Regional Comprehensive Economic Partnership (RCEP) has previously entered into force on 1 January 2022. RCEP is the 14<sup>th</sup> Free Trade Agreement (FTA) of Thailand, with 15 membership countries, a total population of 2,300 million people (30.2% of the world total population). Its total



GDP has the value of 28.5 trillion USD (33.6% of the world GDP) and total trade value of 10.7 trillion USD (30.3% of the world trade value). All of these make the RCEP to be the largest regional comprehensive economic partnership. Based on this fact, RCEP will enable the international trade of the members to be more convenient and help to promote the increase of market interests among the members. Based on the data from the Kasikorn Research Center, it was found that Thailand's for becoming a member of the RCEP, Thailand can reap benefit in 3 main areas, which are:

- Tax reduction in some groups of products, even though originally Thailand will have FTA negotiations (Free Trade Area) with some ASEAN countries. However, for some groups of products which are sensitive and highly sensitive, there is still the imposition of taxes. Under the membership of the RCEP, majority of said products have reduced tax rates of 0% immediately or for some items, there will be a gradual reduction in steps, such as pineapples, plastic pellets, which will receive more tax benefits than the original trade agreement, etc.
- Opportunity expansion of the immediate products or products which are produced and used as raw materials in the next step of the production. Immediate products of Thailand which are attached to the production chains of the countries in which there have not been FTA with Thailand, such as China, Japan, South Korea, and New Zealand. These immediate products could further expand, such as certain types of chemical products which is exported to South Korea.
- Positive impact on investment. As Thailand enters the global production chain, this creates an opportunity for Thailand to receive a large sum of capital under the cooperation framework such as RCEP. The RCEP enables Thailand to be part of the production chain of Asia and creates an opportunity for Thailand to earn additional investment capital to top off the production. This will help drive the manufacturing industry of Thailand in the future, such as assembly of printed circuits or automobiles. However, this opening up of the country will also make Thailand face more competition, such as from Vietnam. Therefore, the government sector may have to be involved in supporting Thailand to be able to step into the future production, such as provide incentives to attract pro-active investment, etc.

## 4.3 Key financial information

### Audit report summary

- Auditor's report for the Company's financial statements and the consolidated financial statements of the Company and its subsidiaries for the year 2020 audited by Ms. Orawan Techwattanasirikul. Certified Public Accountant Registration No. 4807 from EY Office Company Limited has expressed an unqualified opinion. That the above financial statements Show the consolidated and separate financial position of the Company as of December 31, 2020, consolidated and separate operating results, and total cash and separate cash flows. For the year ended the same Company, It is correct as it should, in essence, under generally accepted accounting principles, and has information and events focused on:
  - The impact of the current situation of the COVID-19 epidemic still affects many businesses and industries Including the logistics business activities of the group of companies which have a significant impact on the financial position. The Group's current and future results of operations and cash flows During the current year, the Group's management decided to liquidate a subsidiary in Vietnam and temporarily suspend the operation of two subsidiaries in China to stop recognizing losses and assess the situation. The dissolution of the business is to one shareholder of the subsidiary to adjust the group management structure to be more efficient. The temporary cessation of the operations and the disposition of investment of a subsidiary does not have any material impact on the financial position of the Group. This is because the income proportion of the four subsidiaries for the year ended December 31, 2020, is 27 million Baht or 3% of the total revenues of the group of companies. And assess the financial impact on the value of the asset. Provisions and ongoing contingent liabilities Management uses estimates and judgments on various issues when circumstances change.
- Auditor's report for the Company's financial statements and the consolidated financial statements of the Company and its subsidiaries for the year 2021 audited by Ms. Orawan Techwattanasirikul. Certified Public Accountant Registration No. 4807 from EY Office Company Limited has expressed an unqualified opinion. That the above financial statements Show the consolidated and separate financial position of the Company as of December 31, 2021, consolidated and separate operating results, and total cash and separate cash flows. For the year ended the same Company, It is correct as it should, in essence, under generally accepted accounting principles.
- Auditor's report for the Company's financial statements and the consolidated financial statements of the Company and its subsidiaries for the year 2022 audited by Ms. Orawan Techwattanasirikul. Certified Public Accountant Registration No. 4807 from EY Office Company Limited has expressed

an unqualified opinion. That the above financial statements Show the consolidated and separate financial position of the Company as of December 31, 2022, consolidated and separate operating results, and total cash and separate cash flows. For the year ended the same Company, It is correct as it should, in essence, under generally accepted accounting principles, and has information and events focused on:

- The investment in associate. On 3 February 2022, the Company paid the compensation by transferring the Company's ordinary shares totaling value of Baht 250.2 million to sellers to acquire of 125,000 shares with a par value of Baht 100 each, equivalent to 25% of the issued and paid-up share capital of Cheese Digital Network Company Limited ("associate Company"), which engaged in provision of digital marketing services. The Company proceeded with measuring the fair value of identifiable assets and liabilities assumed at the acquisition date. This valuation was completed in November 2022.

## Statement of financial position

As of 31 December 2020, 31 December 2021, and 31 December 2022

Unit: Million Baht	Consolidate financial statement						Separate financial statement					
	2020		2021		2022		2020		2021		2022	
	MB	%	MB	%	MB	%	MB	%	MB	%	MB	%
<b>Asset</b>												
<u>Current Assets</u>												
Cash and Cash equivalents	50.42	6.65	147.78	14.04	249.21	18.36	11.71	1.76	72.36	8.34	174.64	14.73
Trade and other receivables - related parties	6.58	0.87	13.28	1.26	5.26	0.39	7.81	1.18	15.48	1.78	10.83	0.91
Trade and other receivables - other parties	205.68	27.15	382.81	36.37	247.12	18.21	96.93	14.61	213.55	24.60	111.27	9.38
Loan to a subsidiary	-	-	-	-	-	-	-	-	-	-	20.29	1.71
Receivable from disposal of investment due within one year	40.40	5.33	38.72	3.68	19.06	1.40	40.40	6.09	38.72	4.46	19.06	1.61
Inventories	4.34	0.57	9.08	0.86	6.07	0.45	-	-	-	-	-	-
Other current assets	4.83	0.64	10.14	0.96	75.98	5.60	4.45	0.67	4.21	0.48	71.28	6.01
<b>Total current assets</b>	<b>312.25</b>	<b>41.21</b>	<b>601.80</b>	<b>57.18</b>	<b>602.70</b>	<b>44.41</b>	<b>161.30</b>	<b>24.31</b>	<b>344.32</b>	<b>39.66</b>	<b>407.37</b>	<b>34.35</b>
<u>Non-current assets</u>												
Deposit pledged as collateral	96.52	12.74	97.22	9.24	111.63	8.22	87.33	13.16	87.58	10.09	101.62	8.57
Investments in associated companies	6.80	0.90	7.95	0.76	250.96	18.49	5.10	0.77	5.10	0.59	250.19	21.10
Investments in subsidiaries	-	-	-	-	-	-	124.12	18.71	134.32	15.47	126.62	10.68
Accounts receivable from sales of investments – due within one year	39.26	5.18	-	-	-	-	39.26	5.92	-	-	-	-
Long-term loan to a subsidiary	-	-	-	-	-	-	20.00	3.01	20.00	2.30	-	-
Investment properties	71.12	9.39	69.79	6.63	69.23	5.10	71.12	10.72	69.79	8.04	69.23	5.84
Property, plant, and equipment	121.40	16.02	178.83	16.99	177.42	13.07	87.73	13.22	148.13	17.06	148.74	12.54
Right-of-use assets	61.89	8.17	50.55	4.80	84.85	6.25	46.56	7.02	40.01	4.61	48.50	4.09
Intangible assets	24.35	3.21	26.83	2.55	25.79	1.90	0.95	0.14	2.90	0.33	2.92	0.25
Goodwill	2.25	0.30	2.25	0.21	2.25	0.17	-	-	-	-	-	-
Withholding tax deducted at source	14.08	1.86	10.19	0.97	3.11	0.23	14.08	2.12	10.19	1.17	3.11	0.26
Deferred tax assets	5.84	0.77	5.26	0.50	7.23	0.53	4.50	0.68	4.32	0.50	5.96	0.50
Other non-current assets	1.93	0.25	1.84	0.17	22.04	1.62	1.46	0.22	1.41	0.16	21.63	1.82
<b>Total non-current assets</b>	<b>445.44</b>	<b>58.79</b>	<b>450.73</b>	<b>42.82</b>	<b>754.51</b>	<b>55.59</b>	<b>502.21</b>	<b>75.69</b>	<b>523.76</b>	<b>60.34</b>	<b>778.52</b>	<b>65.65</b>
<b>Total assets</b>	<b>757.69</b>	<b>100.00</b>	<b>1,052.53</b>	<b>100.00</b>	<b>1,357.21</b>	<b>100.00</b>	<b>663.51</b>	<b>100.00</b>	<b>868.08</b>	<b>100.00</b>	<b>1,185.89</b>	<b>100.00</b>

Unit: Million Baht	Consolidate financial statement						Separate financial statement					
	2020		2021		2022		2020		2021		2022	
	MB	%	MB	%	MB	%	MB	%	MB	%	MB	%
<b>Liabilities and shareholders' equity</b>												
<u>Current liabilities</u>												
Bank overdrafts and short-term loans from banks	190.54	25.15	195.01	18.53	294.86	21.73	165.48	24.94	190.00	21.89	266.17	22.45
Trade and other payables - related parties	0.43	0.06	3.76	0.36	0.15	0.01	1.56	0.24	12.11	1.40	3.29	0.28
Trade and other payables - other parties	126.19	16.65	239.16	22.72	137.22	10.11	50.07	7.55	123.21	14.19	56.84	4.79
Finance lease liabilities within one year	21.78	2.87	16.12	1.53	23.90	1.76	10.29	1.55	8.77	1.01	11.35	0.96
Long-term loans due within one year	15.15	2.00	24.42	2.32	28.32	2.09	15.15	2.28	24.42	2.81	28.32	2.39
Other current liabilities	9.09	1.20	22.85	2.17	9.45	0.70	5.38	0.81	7.35	0.85	5.18	0.44
<b>Total current liabilities</b>	<b>363.17</b>	<b>47.93</b>	<b>501.34</b>	<b>47.63</b>	<b>493.90</b>	<b>36.39</b>	<b>247.94</b>	<b>37.37</b>	<b>365.86</b>	<b>42.15</b>	<b>371.15</b>	<b>31.30</b>
<u>Non-current liabilities</u>												
Liabilities under finance lease agreements - net of current portion	38.69	5.11	30.42	2.89	53.44	3.94	33.82	5.10	26.26	3.03	29.18	2.46
Long-term loans, net of current portion	63.14	8.33	68.65	6.52	107.21	7.90	63.14	9.52	68.65	7.91	107.21	9.04
Long-term loans from persons related to the director	-	-	-	-	10.00	0.74	-	-	-	-	-	-
Reserve for long-term employee benefits	13.04	1.72	15.52	1.47	14.89	1.10	12.36	1.86	15.17	1.75	14.36	1.21
Deferred income tax liabilities	0.30	0.04	0.29	0.03	0.37	0.03	-	-	-	-	-	-
Other non-current liabilities	2.52	0.33	1.14	0.11	0.90	0.07	2.52	0.38	1.14	0.13	0.90	0.08
<b>Total non-current liabilities</b>	<b>17.68</b>	<b>15.53</b>	<b>116.02</b>	<b>11.02</b>	<b>186.81</b>	<b>13.76</b>	<b>111.84</b>	<b>16.86</b>	<b>111.23</b>	<b>12.81</b>	<b>151.65</b>	<b>12.79</b>
<b>Total liabilities</b>	<b>480.86</b>	<b>63.46</b>	<b>617.36</b>	<b>58.65</b>	<b>680.71</b>	<b>50.16</b>	<b>359.78</b>	<b>54.22</b>	<b>477.09</b>	<b>54.96</b>	<b>522.80</b>	<b>44.09</b>
<u>Shareholders' equity</u>												
Share capital												
Issued and fully paid-up capital	113.54	14.98	116.54	11.07	132.06	9.73	113.54	17.11	116.54	13.42	132.06	11.14
Premium on ordinary shares	170.63	22.52	207.83	19.75	436.86	32.19	170.63	25.72	207.83	23.94	436.86	36.84
Accumulated profit (loss)												
Appropriated - legal reserve	11.35	1.50	12.48	1.19	13.21	0.97	11.35	1.71	12.48	1.44	13.21	1.11
Unallocated	(36.08)	(4.76)	73.90	7.02	66.54	4.90	8.21	1.24	54.15	6.24	80.96	6.83
Other components of shareholders' equity	(4.73)	(0.62)	2.92	0.28	5.60	0.41	-	-	-	-	-	-
Non-controlling interests of subsidiaries	22.11	2.92	21.51	2.04	22.23	1.64	-	-	-	-	-	-
<b>Total shareholders' equity</b>	<b>276.83</b>	<b>36.54</b>	<b>435.17</b>	<b>41.35</b>	<b>676.50</b>	<b>49.84</b>	<b>303.73</b>	<b>45.78</b>	<b>390.99</b>	<b>45.04</b>	<b>663.09</b>	<b>55.91</b>
<b>Total liabilities and shareholders' equity</b>	<b>757.69</b>	<b>100.00</b>	<b>1,052.53</b>	<b>100.00</b>	<b>1,357.21</b>	<b>100.00</b>	<b>663.51</b>	<b>100.00</b>	<b>868.08</b>	<b>100.00</b>	<b>1,185.89</b>	<b>100.00</b>

# Statement of Comprehensive income

For the year end 31 December 2020, 31 December 2021, and 31 December 2022

Unit: Million Baht	Consolidate financial statement						Separate financial statement					
	2020		2021		2022		2020		2021		2022	
	MB	%	MB	%	MB	%	MB	%	MB	%	MB	%
<b>Revenue and cost</b>												
Revenue from services	780.76	88.33	1,802.47	95.23	1,799.14	94.51	544.18	100.00	1,225.97	100.00	1,106.07	100.00
Revenue from sale	103.18	11.67	90.33	4.77	104.45	5.49	-	-	-	-	-	-
Cost of services	(638.24)	(72.20)	(1,496.20)	(79.05)	(1,559.57)	(81.93)	(431.85)	(79.36)	(1,044.40)	(85.19)	(899.72)	(81.34)
Cost of Sales	(73.37)	(8.30)	(66.65)	(3.52)	(80.22)	(4.21)	-	-	-	-	-	-
<b>Gross profit</b>	<b>172.34</b>	<b>19.50</b>	<b>329.96</b>	<b>17.43</b>	<b>263.80</b>	<b>13.86</b>	<b>112.33</b>	<b>20.64</b>	<b>181.57</b>	<b>14.81</b>	<b>206.35</b>	<b>18.66</b>
Other revenue	33.21	3.76	31.09	1.64	35.33	1.86	30.07	5.53	37.70	3.08	33.58	3.04
Selling expense	(31.19)	(3.53)	(33.45)	(1.77)	(43.82)	(2.30)	(16.69)	(3.07)	(22.18)	(1.81)	(31.89)	(2.88)
Administrative expenses	(190.11)	(21.51)	(193.25)	(10.21)	(245.76)	(12.91)	(112.60)	(20.69)	(133.97)	(10.93)	(165.34)	(14.95)
<b>Operating profit</b>	<b>(15.75)</b>	<b>(1.78)</b>	<b>134.35</b>	<b>7.10</b>	<b>9.55</b>	<b>0.50</b>	<b>13.11</b>	<b>2.41</b>	<b>63.13</b>	<b>5.15</b>	<b>42.70</b>	<b>3.86</b>
Finance income	7.84	0.89	4.62	0.24	1.48	0.08	8.45	1.55	5.57	0.45	2.25	0.20
Finance costs	(13.06)	(1.48)	(12.21)	(0.65)	(13.50)	(0.71)	(10.72)	(1.97)	(10.90)	(0.89)	(11.11)	(1.00)
Share of profit from investments in associates	1.57	0.18	2.65	0.14	3.81	0.20	-	-	-	-	-	-
<b>Profit (loss) before income tax</b>	<b>(19.40)</b>	<b>(2.19)</b>	<b>129.41</b>	<b>6.84</b>	<b>1.34</b>	<b>0.07</b>	<b>10.85</b>	<b>1.99</b>	<b>57.80</b>	<b>4.71</b>	<b>33.84</b>	<b>3.06</b>
income tax	(4.83)	(0.55)	(16.68)	(0.88)	(7.25)	(0.38)	(2.47)	(0.45)	(10.74)	(0.88)	(6.30)	(0.57)
<b>Profit (loss) for the year</b>	<b>(24.23)</b>	<b>(2.74)</b>	<b>112.73</b>	<b>5.96</b>	<b>(5.91)</b>	<b>(0.31)</b>	<b>8.38</b>	<b>1.54</b>	<b>47.06</b>	<b>3.84</b>	<b>27.54</b>	<b>2.49</b>
Other comprehensive income (loss)	(0.53)	(0.06)	7.67	0.41	2.69	0.14	(0.16)	(0.03)	-	-	-	-
<b>Total comprehensive income (loss) for the year</b>	<b>(24.76)</b>	<b>(2.80)</b>	<b>120.40</b>	<b>6.36</b>	<b>(3.22)</b>	<b>(0.17)</b>	<b>8.22</b>	<b>1.51</b>	<b>47.06</b>	<b>3.84</b>	<b>27.54</b>	<b>2.49</b>
<b>Loss sharing</b>												
Equity holders of the parent Company	(26.07)		111.08		(6.63)		8.38		47.06		27.54	
Attributable to non-controlling interests	1.84		1.65		0.72		-		-		-	
	<b>(24.23)</b>		<b>112.73</b>		<b>(5.91)</b>		<b>-</b>		<b>47.06</b>		<b>27.54</b>	
<b>Sharing of total comprehensive loss</b>												
Equity holders of the parent Company	(26.60)		118.74		(3.94)		8.22		47.06		27.54	
Attributable to non-controlling interests	1.84		1.65		0.72		-		-		-	
	<b>(24.76)</b>		<b>120.40</b>		<b>(3.22)</b>		<b>8.22</b>		<b>47.06</b>		<b>27.54</b>	
Basic earnings (loss) per share attributable to the Company	(0.057)		0.244		(0.013)		0.018		0.103		0.053	
Weighted average number of ordinary shares (Unit: shares)	454.15		466.15		528.23		454.15		466.15		528.23	

**Statement of Comprehensive income**  
**For the year end 31 December 2020, 31 December 2021, and 31 December 2022**

Unit: Million Baht	Consolidate			Separate		
	2020	2021	2022	2020	2021	2022
<b>Cash flows from operating activities</b>						
Profit (loss) before tax	(19.40)	129.41	1.34	10.85	57.80	33.84
Adjustments to reconcile profit (loss) before tax						
Bad debt and allowance for expected credit loss (reversal)	0.71	1.92	13.16	(2.03)	3.72	12.63
Written-off withholding tax deducted at source	0.15	0.13	0.09	0.15	0.13	0.09
(Profit) loss from unrealized exchange rates	(0.04)	(0.53)	1.33	0.27	(0.37)	2.30
(Gain) loss from property disposal	0.67	(0.08)	0.09	0.67	(0.08)	0.09
Gain on cancellation of lease agreement	-	(0.06)	(0.13)	-	(0.06)	(0.13)
Loss from equipment building and computer software	0.67	0.23	0.01	-	0.23	0.01
Reversal of allowance for impairment loss	-	-	(2.11)	-	-	(2.11)
Depreciation and amortization	34.96	39.43	45.13	16.25	20.20	26.27
Bad debt written-off	-	1.72	-	-	1.72	-
Amortization for transaction cost	0.09	0.12	0.17	0.09	0.12	0.17
Allowance for diminution in value of inventories	0.01	0.01	0.04	-	-	-
Deferred prepaid rental	0.13	0.13	0.10	0.13	0.13	0.10
Long-term employee benefit expenses (reversal)	3.30	2.95	(0.33)	3.00	2.81	(0.52)
Loss on disposal of investment in associate	-	-	4.18	-	-	-
Gain on disposal of investment in subsidiary	(0.27)	-	-	-	-	-
Share of profit on investment in associate	(1.57)	(2.65)	(3.81)	-	-	-
Unrealized (gain) loss on exchange	-	-	-	(1.03)	(4.03)	(1.71)
Dividend income	(7.84)	(4.62)	(1.48)	(8.45)	(5.57)	(2.25)
Finance income	13.06	12.21	13.50	10.72	10.90	11.11
<b>Profit from operating activities before changes in operating assets and liabilities</b>	<b>24.63</b>	<b>180.32</b>	<b>71.28</b>	<b>30.62</b>	<b>87.65</b>	<b>79.89</b>
Trade and other receivables	75.84	(187.08)	132.58	29.44	(129.40)	96.34
Inventories	(1.11)	(4.74)	2.96	-	-	-
Other assets	3.11	(5.35)	(86.14)	3.08	0.16	(87.37)
Trade and other payables	(67.02)	115.87	(111.28)	(28.38)	78.09	(76.02)
Other liabilities	2.65	11.06	(13.64)	(0.35)	(0.74)	(2.42)
<b>Cash flows from operating activities</b>	<b>38.10</b>	<b>110.07</b>	<b>(4.24)</b>	<b>34.41</b>	<b>35.75</b>	<b>10.42</b>
Cash received for interest	0.89	0.33	1.36	0.76	0.27	1.45
Cash received for income tax	5.05	3.76	10.09	5.05	3.76	10.09
Cash paid for employee benefits	(1.00)	(0.44)	(0.30)	(1.00)	-	(0.30)
Cash paid for corporate income tax	(8.49)	(14.73)	(12.33)	(5.49)	(9.22)	(11.04)
<b>Net cash flows from operating activities</b>	<b>35.55</b>	<b>98.99</b>	<b>(5.42)</b>	<b>34.73</b>	<b>30.56</b>	<b>10.62</b>

Unit: Million Baht	Consolidate			Separate		
	2020	2021	2022	2020	2021	2022
<b>Cash flows from investing activities</b>						
Cash paid for acquisition of equipment	(5.07)	(28.43)	(5.88)	(1.93)	(27.44)	(4.24)
Cash paid for acquisition of investment property	-	-	(0.79)	-	-	(0.79)
Proceeds from disposal of equipment	0.94	0.34	1.47	0.94	0.34	1.47
Cash paid for acquisition of intangible assets	(0.12)	(1.99)	(0.06)	-	(1.99)	(0.06)
Cash received from disposal on intangible assets	1.70	-	2.11	1.70	-	2.11
Increase in long-term loan to related party	-	-	-	(20.00)	-	-
Increase in investment in subsidiaries	-	-	-	(32.90)	(5.00)	(2.50)
Short-term loans to related parties increase	-	-	-	-	-	(1.46)
Cash received from liquidation in subsidiary	-	-	-	-	-	5.16
Cash decreased from disposal of investments in subsidiary	(0.60)	-	-	-	1.00	0.82
Cash received from disposal of investment in associate	-	-	5.10	-	-	5.10
Cash received from disposal of investments	-	-	1.41	-	-	1.41
Cash received from interest income	-	-	-	0.74	1.00	0.82
Cash received from dividend in subsidiary	-	-	-	-	2.53	-
Cash received from dividend in associate	1.03	1.49	1.71	1.03	1.49	1.71
Increase in restricted bank deposits	-	(0.70)	(14.40)	-	(0.25)	(14.04)
<b>Net cash received (used) from investing activities</b>	<b>(2.12)</b>	<b>(29.29)</b>	<b>(9.33)</b>	<b>(50.42)</b>	<b>(29.32)</b>	<b>(5.31)</b>
<b>Cash flows from financing activities</b>						
Increase (decrease) in overdrafts and short-term loan from bank	(37.65)	4.47	99.85	(35.79)	24.52	76.17
Increase in short-term loans from persons relative with directors	-	-	10	-	-	-
Decrease in short-term loans from related parties	(20.00)	-	-	-	-	-
Cash received from long-term loans from banks	89.72	30.00	69.26	89.72	30.00	69.26
Cash paid for long-term loans from banks	(11.52)	(15.35)	(26.97)	(11.52)	(15.35)	(26.97)
Cash paid for lease liabilities	(21.50)	(23.19)	(24.23)	(9.66)	(9.45)	(10.58)
Interest paid	(13.22)	(11.82)	(13.30)	(10.75)	(10.51)	(10.91)
Cash received from share capital	-	40.20	-	-	40.20	-
Dividend paid to non-controlling interest in subsidiary	-	(2.27)	-	-	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>(23.73)</b>	<b>22.04</b>	<b>114.61</b>	<b>13.25</b>	<b>59.41</b>	<b>96.97</b>
Increase (decrease) in translation adjustments	(0.32)	5.51	1.68	-	-	-
Increase (decrease) in effect of changes in exchange rate on cash	0.18	0.10	(0.10)	-	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>9.56</b>	<b>97.36</b>	<b>101.43</b>	<b>(2.44)</b>	<b>60.65</b>	<b>102.28</b>
Cash and cash equivalents at beginning of year	40.86	50.43	147.78	14.15	11.71	72.36
<b>Cash and cash equivalents at end of year</b>	<b>50.42</b>	<b>147.78</b>	<b>249.21</b>	<b>11.71</b>	<b>72.36</b>	<b>174.64</b>



### Financial Ratio

Financial ratio	Consolidate			Separate		
	2020	2021	2022	2020	2021	2022
<b>Liquidity ratio</b>						
Liquidity ratio (Times)	0.86	1.20	1.22	0.65	0.94	1.10
Quick ratio (times)	0.85	1.18	1.21	0.65	0.94	1.10
Cash flow ratio (times)	0.09	0.20	(0.01)	0.13	0.08	0.03
Accounts receivable turnover ratio (times)	4.74	7.09	6.62	6.46	9.09	7.96
Average collection period (days)	76.94	51.51	55.11	56.48	40.14	45.83
Accounts payable turnover ratio (times)	8.46	11.27	10.82	10.08	14.08	12.15
Average payment period (days)	43.15	32.39	33.73	36.22	25.93	30.03
Cash cycle (days)	33.78	19.13	21.38	20.26	18.33	15.80
<b>Ratios for profitability</b>						
Gross profit margin (%)	19.50	17.43	13.86	20.64	14.81	18.66
Profit rate (loss) from operations (%)	(1.60)	7.24	0.70	2.41	5.15	3.86
Cash to profitability ratio (loss) (%)	(250.71)	72.26	(40.59)	264.87	48.41	24.87
Net profit margin (%)	(2.95)	5.87	(0.35)	1.54	3.84	2.49
Return on equity (%)	(9.67)	33.24	(1.24)	2.78	13.55	5.23
<b>Ratio showing operational efficiency</b>						
Return on assets (%)	(3.32)	12.27	(0.55)	1.29	6.15	2.68
Return on fixed assets (%)	6.72	106.48	23.53	20.84	57.03	36.25
Asset turnover (times)	1.17	2.13	1.61	0.89	1.65	1.11
<b>Financial Policy Analysis Ratio</b>						
Debt to equity ratio (times)	1.74	1.42	1.01	1.18	1.22	0.79
Interest coverage ratio (times)	(0.53)	12.23	1.30	2.00	6.30	4.05
Obligation capability ratio (times)	0.97	2.11	0.12	1.76	0.94	0.43
Dividend payment rate (%)	0.00	0.00	-	0.00	0.00	-

## 5. General Information and Other Important Information

### 5.1 General Information

#### Company Information

Company	:	NCL International Logistics Public Company Limited
Symbol	:	NCL
Registered No.	:	0107556000434
Type of Business	:	Logistics Solution Provider
Registered Capital	:	134,667,731.00 Baht
Paid-up Capital	:	132,058,498.25 Baht
No. of common stock	:	528,233,993 Units
Par Value	:	0.25 Baht
Head Office	:	56/9-10 SoiSomdetphrachaotaksin 12/1 Somdetphrachaotaksin Road, Bukkalo, Thonburi Bangkok 10600
Telephone	:	02-4737300
Fax	:	02-4737374
Website	:	<a href="http://www.nclthailand.com">www.nclthailand.com</a>
Company Secretary	:	Telephone: 02-4737300 Ext.300 Email : atcharaporn.y@nclthailand.com
Investor Relations	:	Telephone: 02-4737300 ต่อ 300 Email : IR@nclthailand.com

#### Reference

Ordinary Share Registrar	:	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Telephone: 02-009-9000 Fax: 02-009-9991
Auditor	:	EY Company Limited 33 <sup>rd</sup> Floor Lake Ratchada Office Complex, 193/136-137, Ratchadapisek Road, Klongtoey, Klongtoey, Bangkok 10110 Telephone: 02-264-9090 Fax: 02-264-0789 – 90

Legal Advisor : Thanasap Law Office Company Limited  
143/2 Soi Wat Suwankiri, Boromratchonnane Road, Arun  
Amarin, Bangkoknoi, Bangkok 10700  
Telephone: 02-434-3132  
Fax: 02-434-3133  
: Jugkrid and Associates Law Office Company Limited  
89 room 1507, 15<sup>th</sup> Floor AIA Capital Center Ratchadapisek  
Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400  
Telephone: 081-000-0828

## Details of the entity which the Company holds 10 percent and more

### Subsidiary

1. NCL INTER LOGISTICS (S) PTE. LTD.  
8 Burn Road, # 10-08 Trivex, Singapore 369977
2. Grace Water Med CO., LTD.  
13/7 MOO.8 Bang muang-Bangulad Road, Bangmuang, Bangyai, Nonthaburi
3. Golden Supply CO., LTD.  
56/9 Soi Somdetphrachaotaksin 12/1 Somdetphrachaotaksin Road, Bukkalo, Thonburi Bangkok 10600

### Associated Company

4. Cheese Digital Network CO., LTD.  
2521/55-56 Ladprao Road, Khlong Chaokhun Sing, Wang Thong Lang Bangkok 10310

### Held by NCL INTER LOGISTICS (S) PTE. LTD. (Subsidiary)

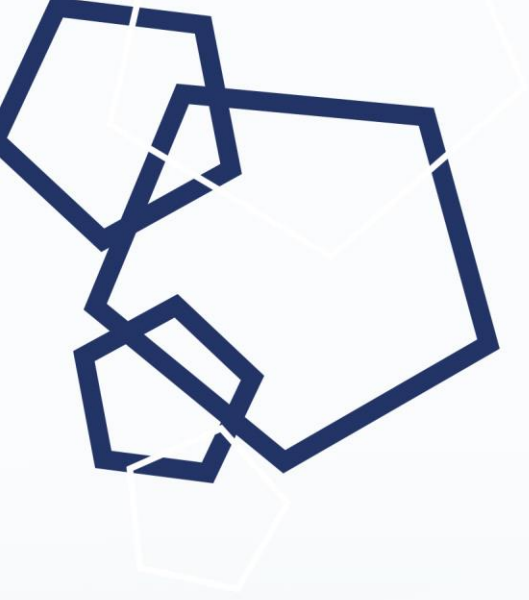
5. NCL International Logistics USA Inc.  
7372 Walnut Ave., Suite W, Buena Park, CA 90620
6. Qingdao National Container Line Co., Ltd.  
Room No.2118, Floor 21, No.9 Fu zhou nan Road, Shinan District 266000
7. Ningbo NCL Inter Logistics Co., Ltd.  
Room 1203, 12th Floor, 50th Dalai Street, Haishu District, Ningbo City, Zhejiang Province 315000
8. LG Container Line Pte. Ltd.  
8 Burn Road, # 10-07 Trivex, Singapore 369977
9. NCL Inter Logistics Vietnam Company Limited  
96-98 Dao Duy Anh, Ward 9, Phu Nhuan District, Ho Chi Minh City, Vietnam
10. NCL International Logistics Private Limited  
504, Mangla Tower, Off.P.K. Road, Mulund West, MUMBAI, Mumbai City, Maharashtra, India, 400080

## 5.2 Other Important Information

- None -

## 5.3 Legal Disputes

On 31<sup>st</sup> December, 2022, the Company and the Group did not have any legal case or dispute that might adversely affect the assets of the Company and the Group which was higher than 5 percent of the shareholders' equity and affected the business operations of the Company and the Group significantly. This included the cases which did not arise from normal business operations of the Company and the Group.



# Part 2

## Corporate Governance



## 6. Corporate Governance

---

NCL International Logistics Public Company Limited ("the Company") realizes the importance of good corporate governance which is important and necessary to help the Company achieve our corporate commitment in becoming a leading efficient organization equipped with good corporate governance and management excellence. In addition, good corporate governance is also a critical success factor to the Company's continuous business growth and stability which shall impact the confidence of shareholders, investors and all relevant parties as well as long-term business value of the Company.

### 6.1 Corporate Governance Policy and Guideline

The Board of Directors has set up the Good Corporate Governance Policy of the Company in accordance with the Good Corporate Governance Principles for Listed Companies of the Stock Exchange of Thailand, with the Corporate Governance Policy and the Business Ethics and Operational Guideline. In writing, The Board of Directors is the driven and regulates the implementation in work process, executives and employees are strictly complied and held on to practice since 2014 and has been distributed on the Company's website to inform the shareholders, investors, interested person and related parties.

The Company had determined that the corporate governance policy need to be reviewed annually or at least once a year. In 2021, there was a review made through the Board of Directors Meeting No. 2/2022 on February 24, 2022, performing a manual update corporate governance policy by additional policies and practices covering all 5 policies, as follow:

1. The Rights of Shareholders
2. The Equitable treatment of Shareholders
3. Role of Stakeholders
4. Disclosure of Information and Transparency
5. Responsibility of the Board

Therefore, the Board of Directors has established the Good Corporate Governance policy to all directors, executives and employees to follow the guidelines as below:

- 1) The Board, management and employees will perform their duties with full effort and responsibility to maximum the benefits of the Company. They will reply on Good Governance Policy, Business Ethic as the way to operate.
- 2) The Board has a role with the management to determine vision, strategies, policy, and business goal of the Company to cover the planning of management and proper business operation.

- 3) The Board, management and Employees must perform their duties responsibly, prudently, earnestly, and honestly in accordance with the relevant laws, Company Articles and Notifications
- 4) The Board, Management and employees will treat all stakeholders with fairness and will examine, control, and prevent any action or decision that will lead to any conflicts.
- 5) The Board, management and employees will perform their duties with honesty, fairness, and transparency.
- 6) An internal control system shall be installed, and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
- 7) Treat employees with fairness, awareness, promotion and cultivation of virtue ethics, coupled with the development of the potential of continue personal.
- 8) Execute important information disclosure on finances and on-finance matter with creditability and punctuality so that shareholders, investors, and stakeholders of the Company can access such information with fairness, appropriate and thorough.
- 9) Implement anti-fraud policy, corruption, including ongoing control.
- 10) Complete the business with social responsibility, community, and the environment, including all stakeholders, which leads to sustainable development.

Include a review of the Code of Business conduct and Practices to all directors, executives and employees of the Company and the subsidiaries to be held as a practice guideline. Additional information on misconduct and fraud, violation or non-compliance, whistle blowing and protection measures and fairness to data providers, reporters, complainants, or collaborators in reporting such information.

#### **6.1.1 The Board of Director's Policy and Guideline**

The Board of Directors consists of experts with knowledge, capability and experiences that are beneficial to the running of the Company and have independence in making decision for the maximum benefit of the Company and shareholders. The Board of Directors participates in formulating the policy, corporate overview, consider the business plan and annual budget of the Company, by assigning the management to present, and the Board of Directors shares opinions and discusses with the management. This is to create mutual agreement as well as to supervise the management to carry out the business according to the business plan and specified budget in an efficient manner. Moreover, the Board of Directors also supervises the procedures for assessing adequacy of the internal control system, financial reporting and performance monitoring on a regular basis.

## Board of Directors' structure

The Company requires at least one-third, but not less than 3 members of the total number of the Board of Directors must be Independent Directors acting as agents of the minority shareholders scope in order to perform the auditing and balance management of the Company to be accurate and fair, and enhance the shareholders' trust and value.

Furthermore, the Board of Directors promote diversity in the structure of the Board of Director to have experts from diversified fields fully equipped with experiences, knowledge, expertise that are beneficial to the business running, adhering to morale and integrity, regardless of gender, race, religion, age, professional skills or other specific qualifications.

The current Board of Directors consists of 8 members, 4 executive directors and 4 non-executive directors along with the Audit Committee which consists of 3 independent directors, which accounts for more than one-third of the total number of directors. Such board structure allows for balance in voting in the consideration of matters. The Board of Directors also appoints Committees to supervise the Company's business, as follows:

The Company's management structure is composed of a Board of Directors, and 5 committees, namely the Executive Committee, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, and Corporate Governance Committee

The Board of Directors has appointed Company Secretary having the duties and responsibilities in accordance with the Securities and Exchange Act. However, the Company may recruit other sub-committees to perform their assigned tasks to alleviate the administrative burden of the Board of Directors in the future.

## The Board of Director's diversity policy

The Board of Directors is realized to the benefits of the diversity of the Board of Directors and considers that it is one of the important factors in increasing the efficiency of making decision and performance of the Board of Directors.

However, diversity is not just limited to gender but also includes age, educational background, professional experience skills and knowledge. Therefore, the selection and appointment of the Company's directors will be based on knowledge, capability and the selection criteria which considering benefits of diversity as well.

## The Audit Committee's Office Term

At each Annual General Meeting of Shareholders, one-third of the directors or the number nearest to one-third if the number is not a multiple of three must retire from office. Retiring directors may be re-elected in the Annual General Meeting.



For the Audit Committee, each member is in charge for a period of 3 years. A member of the Audit Committee whose term is ended due to the maturity of term according to the Company's regulations may be appointed again. If a position in the Audit Committee is vacant due to a reason other than the end of term, the Board of Directors shall appoint a qualified person to become a member of the Audit Committee so as to ensure the complete set of the committee as specified by the Board of Directors. The person who is newly appointed will have the term length equal to the remaining term of the member of the Audit Committee he/she replaces.

Besides, the Company has specified the qualification of the person who shall be an appropriate independent director in accordance with the characteristics of the Company. The independence of the independent director must be in accordance with the rules prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Company requires an independent director to hold a term of office not exceeding 9 years from the date of appointment at first time. If the Company is required to appoint an independent director to assume the position onward, the board be able to do but should be the reasonable consideration and clarification of the necessity.

And to clarify the responsibilities, the Company has set the clear duties of the Chairman and the director to protect the unlimited power in any person. And to separate the person who assume the position as the Chairman out of the person who assume the position as Managing Director and appointed the Independent Directors as the Chairman. In the year 2021, not have any independent director hold a term more than 9 years.

### **Roles of Chairman of the Board of Directors**

The Chairman of the Board is responsible for the leadership of the Board. He is also the Chairman of the Board of Directors and the shareholders' meeting. The Chairman of the Board of Directors is responsible to the Board of Directors for management in accordance with the guidelines and policies of the Board of Directors.

### **Scope of Duties and Responsibilities of the Committees**

The Company requires the Board of Directors to comply with the code of best practice in accordance with the guidelines of the SET. The directors must understand and recognize their roles, duties, and responsibilities, and perform their duties in accordance with the law, the Company's objectives and the Articles of Association, shareholders' resolutions, the charter of the Board of Directors, and the Company's corporate governance policy with integrity and honesty, with priority given to the best interests of the Company and its shareholders. The Board of Directors determines the policies, business goals, business plans, and the budget of the Company, and governs the management division to ensure compliance with the policies, plans, and budget specified with efficiency and effectiveness, for the best interests of the Company and its shareholders.

## Board of Directors' Meeting

The Board of Directors' meeting follow the regulations, laws related to public limited Company, and regulations of the Stock Exchange of Thailand. Special meetings are arranged if necessary. The meetings are held at least 6 times a year. In order to effectively monitor the operations of the Company and the Audit Committee has a meeting at least 4 times a year. The Company secretary prepares the annual meeting calendar to the Board of Directors in advance, within November yearly. To supporting the directors to allocate their schedule time and schedule of meeting in advance, which is not include special occasions of the meetings. When the Company will send an invitation letter with the meeting agenda and meeting documents as attachments to the directors no less than 7 days before the date of the meeting so that the directors have time to study the information adequately before attending the meeting. Except in the case of an emergency to protect the rights and interests of the Company, the meeting will be notified by other means and then set the date for an earlier meeting. The directors of two or more persons may request the Chairman of the Board of Directors to call a meeting of the Board of Directors. In cases where two or more directors request, the Chairman shall set the date of the meeting within 14 days from the requesting date.

At Board Meetings, not less than two-third (2/3) of the total number of directors shall be present at the meeting so that the quorum of the Board of Directors will be available for the Board to vote. All committee members must attend at least 75% of the board meeting which are held in the whole year and an average rate not less than 80% of all committee meetings during the year round. The Company shall maintain the minutes of meetings and keep the said documents receiving the confirmation from the Board of Directors for future examine by the Board or related party.

All this, the committee has set a policy that non-executive directors should have the opportunity to meet among themselves as appropriate or at least once a year without executive directors or management participated in the meeting. To discuss various issues, both regarding the Company's business such as management strategies, sustainable growth guidelines or other matters of interest and report the result of the meeting to the Managing Director. In the year 2021, the meeting was held on 1 December 2021.

## Remuneration for the Board of Directors and Executives

The Company has determined remuneration for the directors and executives at an appropriate level, which is sufficient to retain competent directors and executives. While it avoids paying excessive remuneration, it remains the rate at the level comparable to companies in the same group of industry. Factors to be considered include experience, obligations, appraisal and scope of roles and responsibilities. The remuneration payment of the directors must be approved by the Company's shareholders. For remuneration of executives, it will be in accordance with principles and policies as determined by the Company's Board of Directors in which the consideration will be made based on duties, responsibilities, performance of each executive, and operational performance of the Company.

## Report of the Board of Directors

The Board of Directors is responsible for the financial report preparation including the Company's financial statements, the consolidated financial statements of the Company and subsidiaries and financial information memorandum as shown in annual report. The financial statements are prepared based on generally accepted accounting standard. The Company applies proper and acceptable accounting standard and complies with such standard regularly. The Company is very careful to prepare and manage sufficient information to disclose in the notes of financial statements.

## Self-evaluation of the Board of Director

The Board has evaluated their performance every year with three formats 1) person 2) team 3) sub-team and CEO for the Board to assess the outcome, the problems, and the obstacles during the previous year in order to fix and increase efficiency. The evaluation as a team and as a sub-team will be based on the protocols suggested by the Stock Exchange of Thailand, leading to properly changes of the Company. With this, the assessment as referred to 6 topics:

- 1) The structure and qualifications of the Board of Directors
- 2) Duty and responsibility of the Board of Directors
- 3) The Board of Directors' meeting
- 4) Performance of Directors
- 5) Relationships with the management
- 6) Self-development of Directors and management development

## Development of Directors and Executives

The Company encourages the Board of Directors and the management to attend seminar courses that are beneficial to their functions. Courses that the Board of Directors should attend at least are courses arranged by the Thai Institute of Directors (IOD) namely Directors Certification Program courses from related supervisory agencies on a regular and constant basis. The Board of Directors has assigned the Company's secretary to be a coordinator with directors to inform training courses so that directors can bring in knowledge and experiences to continuously develop the Company.

## The Orientation of new Directors

The Board of Directors has set an orientation for newly appointed directors by assigning the Company secretary to prepare Company information, annual report, business overview, shareholding structure, organizational structure, director's guide and meeting schedule and other necessary information. In order to create knowledge and understanding in business and various operations of the Company to inform new directors about roles and responsibilities of the directors' corporate governance policies and practices, in order to prepare the directors to perform their duties.

## **Policy on re-positioning to the Board position, managing director, and executives in other Company**

Corresponding to the good corporate governance and the suggestion from the Stock Exchange of Thailand, the Board has determined the policy on limiting the number of the re-positioning to the Board of other companies that are registered in the Stock Exchange of Thailand to be no more than 5 companies. All current Board members are within this limit.

Also, the Board determines the managing directors and Managements to take the positions in other Company as necessary in a way that it will not affect the duties and the responsibilities of the Company. There also requires approval from the Board or the one in charge first.

## **Succession Plan**

To ensure that the Company shall have continuity in administration, the Board of Directors sees the necessity and importance of position succession of the high-level executives, the Company has made a position succession plan in support of the positions from division directors upwards. Replacement persons are identified. In case no persons who can replace instantly, the Company has arranged a personnel development system for preparing persons in subordinate positions along with external selection. This is to ensure confidence in investors, organizations as well as employees that the business running of the Company shall be succeeded in good time.

## **Report of Conflicts of Interests**

The Board has determined the protocol in reporting of conflicts of interests of the Board and Managements for transparency to problem that will lead to benefit conflicts as the followings:

- The Board or Managements including family members that are associated or are the shareholders must report the conflict of interest to the Company by each member must report the information since the day he or she started.
- The Board determines the evaluation of the conflicts of interests in every year.
- The Board or Managements have the duties to report the stock holding of the Company. If any changes, they must report to the Stock Exchange Commissioner within 3 days after changes.
- The Board assigns the Corporate Secretary to record the report of conflicts of interests.

## **Nomination and Selection of Directors and Management**

### **Nomination and Selection of Independent Directors**

The Nomination and Remuneration Committee has responsibilities to make primary recommendations to the nomination and selection process for independent directors who must possess the qualifications as stipulated by the Company and in accordance with The Securities and Exchange Commission Announcements or The Stock Exchange of Thailand Notifications. The Board of Directors will be considered to select independent directors

from experts who have work experienced and other suitability combined to create diversity in the structure, considering from the necessary skills that are lacking as well as the strategy of the Company that will be continued. After that it will be presented to the shareholder's meeting to be appointed as the Company's director and experiences and propose to the Annual General Meeting for nomination as directors of the Company.

There must be at least three independent directors, and not less than one-third of the Board size with the following qualifications:

1. Holding not more than one percent of the total voting shares of the Company, a subsidiary, an affiliate, other associate Company, a major shareholder, or a controlling person, including shares held by related persons.
2. Neither being nor used to take part in management, or being an employee, staff member, advisor receiving a regular salary, or controlling person of the Company, a subsidiary, an affiliate, other associate Company, a major shareholder, or a controlling person in the past two years unless the foregoing relationship has ended not less than two years. The above prohibited characters exclude the independent director who is a government employee or consultant who is major shareholders or controlling person of the Company.
3. Not being a close relative by birth or by legal registration as a parent, a spouse, a brother or sister, a son or daughter of management, a controlling person, a shareholder or a person nominated as management or a controlling person of the Company or its subsidiary
4. Neither having nor used to involve in a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in such a way that will obstruct his independent judgment including not being a major shareholder or a controlling person of the person who has a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person unless the foregoing relationship has ended not less than two years, a business relationship includes a normal cause of business transaction, a rent or lease of property, a transaction related to assets, service, providing or receiving financial support such as borrowing, lending, guaranteeing, or assignment resulting in the Company or other party being in debt obligation of more than three per cent of net tangible assets of the Company of twenty million Baht, whichever is lower. The calculation of debt obligation shall be in accordance with the calculation of value of related party transaction specified by the Capital Market Supervisory Board's Announcement of Related Party Transaction including debt obligation one year prior to the date that business relationship starts.
5. Neither being nor used to be an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person of the Company and not being a shareholder holding major portion in an audit office of an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in the past two years.
6. Neither being nor used to be a provider of professional service such as legal or financial services and receives a professional fee of more than two million Baht per year from the Company, a subsidiary, an

affiliate, a major shareholder, or a controlling person and not being a major shareholder or a partner of such a provider of professional service in the past two years.

7. Not being a director representing another director of the Company, a major shareholder, or a shareholder related to a major shareholder.
8. Not being in a business substantially the same and compete with the Company, or a subsidiary, or not being a principal partner in a business partnership or being a director involving in management, employee, staff member, advisor receiving a regular salary, or holds of shares with voting right more than one per cent of total number of voting right of other Company that engages in a business substantially the same and compete with the Company and its subsidiary.
9. Be able to express an independent opinion with respect to the operation of the Company.

The Board of Director contains 4 independent members, which are the persons with knowledge or competency and truly have the freedom to operate such as no business connection to the Company, no connect to other influences that might affect the independent performance.

### **Terms of Independent Director**

The Board determines the independent Director to be in position for 3 years and will circulate and retire as 1 in 3 of the entire team accordingly. When the term comes, the committee could be presented to the Annual General Meeting of Shareholders to continue as the Board and to come back in the position. The independent committee will in the position for no longer than 3 terms or 9 years starting from the day of accepting the position. In addition, the board of directors should clearly state a policy that independent directors who have served on the Board beyond nine years from the date of their first appointment should be subject to particularly rigorous review of their continued independence. In 2021, no independent committee stays more than 9 years.

### **Nomination of Directors and Management**

In selecting experts to take up a position of directors who complete the term, or in other cases, to propose to the Company in selecting persons who are nominated to be candidates to the meeting of shareholders for approval, the Company has a procedure to select experts from their expertise, visions, leadership, morale, transparent work background and ability to express opinions independently. The composition of the Company's directors and the selection, appointment, or removal from the position of a director of the Company has been determined in the regulations of the Company which can be concluded as follows:

- 1) The Board of Directors consists of at least 5 directors of which not less than half of the total directors must reside in Thailand. And the Company's directors must have qualifications as required by law.

- 2) The meeting of shareholders is responsible for electing directors according to the following rules and methods:
  - (1) Each shareholder has 1 vote for 1 share.
  - (2) Each shareholder may use all his/her votes under (1) to elect one person or more persons to be directors but cannot divide the votes to any person to any extent.
  - (3) Persons receiving the highest number of votes in descending order shall be elected as directors equal to the number of directors to have or to be elected at that time. In the event that the persons who are elected in descending order have equal votes, the number of directors is more than the number of directors required to have The chairman of the meeting shall have a casting vote.
- 3) In every Annual General Meeting of shareholders, the terms of one-third (1/3) of the current number of the Directors will be ended. If the number of Directors could not be divided into three proportions, the number of Directors whose terms will be ended will be the closet number to the one-third proportion. Directors whose terms are ended in the first and the second years after the registration of the Company will be decided by drawing lots. For the consecutive years, the Directors who are in the positions the longest will be removed. However, those Directors who are removed may be elected to fill the positions again.
- 4) In addition to the end of the term. Directors will vacate when
  - Death
  - Resign
  - Be without qualifications or process of the characteristics prohibited under Act and the related Notification
  - The shareholders' meeting passed a resolution to leave
  - The court has issued an order
- 5) In voting for any director to retire before the expiration of the term Must hold a vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote. and holding shares in aggregate not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.
- 6) Any director who wishes to resign from the position must submit a resignation letter to the Company. The resignation will be effective from the date the resignation letter reaches the Company.
- 7) If the director's position becomes vacant for reasons other than the expiration of the term The committee shall select qualified persons. and does not have any prohibited characteristics under the law on public limited companies and the law on securities and exchange to become a



replacement director in the next Board of Directors' meeting unless the remaining term of that director is less than two months. The person who is appointed as a replacement director will be in the position of director only for the remaining term of the director he replaces.

The Board must allow the shareholders to present a name with qualifications to become a Board member. In 2022, no name was nominated by shareholders.

### **Nomination and Appointment of the Audit Committee**

The Audit Committee of the Company must be the Company's director who is appointed from the Board of Directors and have qualifications as specified by the securities law and the Stock Exchange of Thailand. The Audit Committee must contain no less than 3 persons and at least 1 director must have knowledge on accounting and finance.

### **Nomination and Appointment of the Risk Management Committee**

The Risk Management Committee is appointed by the Board of Directors to define and implement strategies for overall risk management. In addition, the Risk Management Committee is responsible for developing and reviewing management systems and risk management in line with the policy consistently. One of the Risk Management Committee shall be appointed to be the chairman of the Risk Management Committee by the Boards of Directors. He/she shall have the qualifications required by the Securities Laws and the Stock Exchange of Thailand, including regulations and / or regulations of the Stock Exchange of Thailand.

### **Nomination and Appointment of the Nomination and Remuneration Committee**

The Board of Directors shall nominate the Nomination and Remuneration Committee by election from the number of independent directors and executives as deemed appropriate to be independent to nominate directors and determine remuneration which is suitable for the Company. One of the Nomination and Remuneration Committee shall be appointed to be the chairman of the Nomination and Remuneration Committee by the Boards of Directors. He/she shall have the qualifications required by the Securities Laws and the Stock Exchange of Thailand, including regulations and / or regulations of the Stock Exchange of Thailand.

### **Nomination and Appointment of the Corporate Governance Committee**

The Board of Directors proposes the appointment of the Corporate Governance Committee by election from an independent committee Certain amount as it deems appropriate but must not less than 3 people to help support the Board of Directors in formulating policies and laying down criteria for strengthening policies and laying down criteria for strengthening the Company to have concrete standards and practices in corporate governance to cover the entire organization with transparency, credibility, and accountability, build confidence

for shareholders and stakeholders and the Board of Directors has appointed a member of the Good Corporate Governance Committee to be the Chairman of the Good Corporate Governance Committee with qualifications as required by the Securities and Exchange Act of Thailand, including notifications, regulations and / or regulations of the Stock Exchange of Thailand.

### **Nomination and Appointment of the Executives Committee**

The Board of Directors is responsible for proposing the appointment of the Executives Committee by electing from Directors and/or a certain number of Management as it sees appropriate and the Board of Directors will appoint one of the members of the Executives Committee to be the chairman of the Executives Committee.

### **Nomination and Appointment of Chief Executive Officer**

The Executive Committee will nominate the qualified delegates with proper knowledge, capabilities and experiences for the position of Chief Executive Officer for the Nomination and Remuneration Committee and Board of Directors' approval.

### **Corporate Governance of the Subsidiaries, Joint Venture and Other Joint Venture**

The Company has always put great emphasis on good governance policy in line with business operation. The Company has also set up a policy to supervise its subsidiaries, affiliated companies and other associated companies for the purpose of overseeing those companies. The Board of Directors has a regulatory mechanism that regulates, manages, and is responsible for the operations of its subsidiaries, associated companies and other affiliates in order to maintain the interests of the Company's investment, including:

- Sending of a person to represent the Company as a director of the invested Company in proportion to the shareholding. The Company's representative shall be a person without any conflict of interest with the business of such subsidiary, associated or other associated Company.
- The Company's representative will oversee that its subsidiaries, associates and other affiliates comply with the rules and regulations set forth in the Company's regulations and the laws governing the conduct of business. In addition, the Company's representative must ensure that the subsidiary has the regulations governing connected transactions, the acquisition or disposition of assets or other important transactions of such Company shall be complete and accurate, and apply the rules related to disclosure and the above transaction in the same manner as the Company's criteria.
- Supervision of disclosure of financial status and operating results, including important transactions to be consistent with the rules of the Company, and to keep the records and accounting records of the

Company so that the Company can review and collect the consolidated financial statements in a timely manner.

## Investment and Governance Police of Subsidiaries and Associates

1. Investment in other companies include joint venture to set up a new Company and buying shares in other companies. The Company has a policy to coin vest with other investors that have transparent business operation and corporate governance.
2. Businesses in which the Company will invest must be supportive and beneficial Company's business vertically and horizontally to create equilibrium of the Company.
3. Businesses in which the Company will invest shall be analyzed in terms of basic business factors, business trend as well as return rate evaluation and future risk prediction.
4. Investment shall not cause problems to liquidity of the Company and subsidiaries.
5. The Company will invest at sufficient proportion to take part in managing and defining business operation regulations of a Company to be invested in.
6. The Company will review investment in subsidiaries and associates properly and in accordance with business condition of the Company in each period.
7. The investment shall be approved by the board of director or general meeting of the Company according to the article of association and related laws to be in accordance with a notice of Capital Market Supervisory Board associated with principles of providing significant particulars within scope of obtainment or distribution of properties and a notice of Stock of Exchange Commission on disclosure of data and practices of listed companies about property obtainment B.E. 2547.
8. The Company will supervise a Company in which it invests by sending representatives to be a director of subsidiaries and/or associates by proportion of shareholding. The Company's representatives must be free from conflict of interest of the subsidiaries and/or associates in which the Company invests and they shall supervise the subsidiaries and/or associates to comply with specified regulations and principles in the Company's article of association and applicable laws about business operation of the subsidiaries and/or associates.

It is valid from 13 December 2016 and onwards.

### 6.1.2 The Rights of Shareholders Policy and Guidelines

#### Shareholder Rights

The Company is aware of the importance of the rights of the shareholders and no action is taken to restrict or violate or deprive of the rights of the shareholders. The Company is responsible for the fair treatment of shareholders including encourages its shareholders to exercise their rights by the basic rights of all shareholders, either domestic or foreign both major shareholders, minor shareholders or institutional

shareholders such as the right to buy, sell, or transfer shares, share in the profit of the Company, obtain relevant and adequate information on the Company in a timely manner and on a regular basis, participate and vote in shareholder meetings to elect or remove members of the board, appoint the external auditor, and make decisions on any transactions that affects the Company, such as dividend payment, amendments to the Company's articles of association or bylaws, capital increases or decreases, or the approval of extraordinary transactions.

Beside the basic rights mentioned above. The Company also conducts in various matters to facilitate the exercise of shareholders' equities. The Annual General Meeting of shareholders is determined to be held every year within 4 months after the ending of the accounting year of the Company. In case of urgency that there is a need to consider a special agenda that may affect or relate to the benefits of the shareholders and is required an approval from shareholders, the Extraordinary General Meeting of shareholders can then be called upon on a case-by-case basis.

- 1) Give an opportunity for shareholders to propose agenda items and nominate persons to be elected as directors of the Company in advance for at least 30 days. The Company has set the criteria for the right of shareholders to propose the agenda item and / or to nominate persons to be elected as directors in the Annual General Meeting of Shareholders for the year 2021 by the announcement and dissemination of the regulations and procedures through the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and published on the Company's website ([www.nclthailand.com](http://www.nclthailand.com)).
- 2) Invitation letter to the Annual General Meeting of shareholders is prepared and sent to every type of shareholders including institutional shareholders, together with the details of meeting agendas; important and necessary information for the shareholder's consideration; all types of letters of power of attorney namely Form A, Form B, and Form C as determined by the Ministry of Commerce; and indicating how to authorize clearly by indicating location, date, time and a map of the meeting venue. In the meeting invitation letter, details of documents that shareholders need to present in the meeting to preserve the right in attending the meeting will be given. The letter will be sent to shareholders at least 7 days and in case of acquisition / disposition of assets or connected transaction or request for delisting Securities offering to directors and employees. The offering of newly issued shares at low price to private placement, capital increase or reduction must be sent to the shareholders together with the relevant of full information before the meeting not less than 14 days in advance of the meeting date so that shareholders will receive sufficient, accurate, complete, and transparent information in making a decision to cast a vote. In addition, the letter will be announced in the newspapers in Thai for 3 consecutive days before the meeting date at least 3 days. Moreover, the Company determines to distribute a complete book of the general annual meeting and the documents about the meeting on the website in Thai version for at least 30 days prior to the meeting day and in English version for at least 7 days prior. The shareholders can then use the information to make a decision for voting with

completeness and honesty. The provided documents are intended for the shareholders to be prepared before attending the meeting. The Company also broadcasts this news via the channel of SET that the Company has distributed the meeting book and related documents on the Company website.

- 3) Shareholders will be informed in case there are additional agendas in the meeting. For an urgent case regarding the preserving of rights or benefits of the Company, a meeting invitation letter will be sent in advance no less than 7 days before the meeting date, while relevant information of the meeting agendas will be publicized on the website in advance before sending the documents.
- 4) Providing convenient channel in receiving news for shareholders by posting news and details through Company website, especially shareholders' meeting invitation letter which should be post prior to the meeting date for shareholders to conveniently and have sufficient time to study information relating to the meeting. Hard copies of information relating to the shareholders' meeting is nonetheless delivered to shareholders.
- 5) The Company will not take any actions that are considered limiting the rights of attendance of shareholders. Every shareholder has to right to attend the meeting of shareholders throughout the length of the meeting.
- 6) If a shareholder cannot attend the meeting, the Company allows the shareholders to appoint an independent director or any person to attend on their behalf with the power of attorney in any form which has been sent by the Company together with the invitation letter. The Proxies are legitimate has the right to attend and vote in the same manner as all shareholders. The Company has proposed the list of independent directors in the proxy form as an alternative to the shareholders to be an opportunity to appoint any independent director.
- 7) Chairman of the meeting shall inform the shareholders of rules of the meeting and voting procedures. All shareholders shall be treated equally in expressing their opinion and raising questions in the meeting. Directors and relevant management team members shall attend the shareholders' meeting to provide responses to any inquiry raised at the meeting. Time shall be allotted appropriately.
- 8) In counting votes, the Company will arrange an independent outsider to count or examine the vote counts in ordinary and extra Annual General Meetings, for example the auditor, the legal division or shareholders who are selected and approved from the meeting, etc. The vote counts will be available to present to the meeting and will be recorded in the minutes of the meeting.
- 9) Shareholders are given the right to attend the meeting of shareholders after the meeting has been declared open and have the right to cast a vote in the agenda in-between consideration that has not been voted.
- 10) The Company has indicated the interests of directors in the invitation letter to the meeting of shareholders. And in the meeting of shareholders, if any director has an interest or is related in any of the agendas, the chairman of the meeting will inform the meeting attendants in advance before

considering the agenda. The director with an interest to that agenda will not attend the meeting and be refrained from casting a vote in such an agenda.

- 11) The Company shall disclose the resolutions and voting results of each agenda item at the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders within the meeting date or no later than 9.00 am on the next business day through the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and published on the Company's website ([www.nclthailand.com](http://www.nclthailand.com)) within the same day.
- 12) Record the minutes of meetings with complete, accurate, timely, transparent and record down significant issues in the minutes of meeting for shareholders to review. Moreover, the Company shall present minutes of meeting on Company website for shareholders to consider as well as hand in the said minutes of meeting to The Stock Exchange of Thailand within 14 days commencing from that of shareholders' meeting.
- 13) Right of shareholders regarding dividends and share of profits the Company has announced the dividend payment policy. The reasons and information for the dividend payment or non-payment are disclosed in the Annual Report and Form 56-1 (the details, please see the dividend payment policy) and the Company's website. ([www.nclthailand.com](http://www.nclthailand.com))
- 14) The Right to Consider Directors' Remuneration: Nomination and Remuneration Committee are responsible for the consideration of the form and criteria of the remuneration of each director which considered from the business type, size of the business and the responsibilities of the Board, compared with other listed companies in the Stock Exchange of Thailand which has market capitalization. In similar size, the Company has proposed the remuneration as a meeting allowance, a commission of the director and proposed to the shareholders' meeting to be considered in every year. Thus, the details of Directors' Remuneration appear on the Annual Report (One Report) under "Directors and Management Remuneration"
- 15) The appointment of a certified auditor and the approval of the audit fee: The Audit committee selects and sets auditor fee to propose to Board of Directors and shareholder's meeting. The proposed auditors have been under the Audit Committee's consideration on basis of qualification, quality, efficiency, not related to or concerned to the Company, and appropriate remuneration.

In year 2022, the Company held the 2022 Annual General Meeting (AGM) on April 20, 2022, at 10.00 a.m. broadcasting live via electronic media at NCL Meeting's room 56/9-10 Soi Somdejprajaothaksin 12/1, Somdejprajaothaksin Road, Bukkalo, Thonburi, Bangkok 10600 The meeting was attended by 9 directors. However, Chairman, Managing Director, and Chairman of every subcommittee attended the meeting including Chief Financial Officer, Corporate Secretary, Auditor were also in attendance to answer questions of the shareholders. The Company designated Thailand Securities Depository Co., Ltd., its share registrar, to circulate an invitation letter to shareholders. The letter was also posted at <http://www.nclthailand.com> 30 days prior to the meeting date. The Minutes of the 2022 AGM were

posted on the website 14 days after the meeting. The Company allowed minority shareholders to propose agenda items and to nominate qualified candidates as directors and how to propose through the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and published on the Company's website ([www.nclthailand.com](http://www.nclthailand.com)). The shareholders can propose such rules from November 12, 2021 to December 30, 2021. Therefore, on the closing date, there is no shareholder proposed the matter. Beside, to register for the meeting, the Company provides facilities for shareholders; the staff and computer systems are adequate and appropriate. Participants are registered with the barcode system and printed out the voting card of each term to the shareholders or their granted proxy.



Picture of the 2022 Annual General Meeting (AGM) on April 20, 2022, broadcasting live via electronic media

### The Equitable treatment of Shareholders

The Company has a policy to emphasize equal and fair treatment of the shareholders including those with management positions, non-executive shareholders, local shareholders and foreign shareholders, major shareholders or minority shareholders and to ensure that the shareholders be able to trust that the Company's Board of Directors and management shall use their money to maximize the long-term benefits of all shareholders appropriately as the follow guidelines.

- 1) The Company gives importance to every shareholder by giving an opportunity to shareholders to exercise their right in raising an additional agenda to be added to the meeting and in nominating for an expert to be elected as a Company's director at least 30 days in advance of the Annual General Meeting of shareholders. In addition, the Company will publicize the rules of such execution of the right through channels of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) as well as clearly inform the

consideration rules in accepting the proposed agenda by publicizing on the Company's website ([www.nclthailand.com](http://www.nclthailand.com)) since November 12, 2021, to December 30, 2021.

- 2) Conduct and facilitate the shareholders on the date of the meeting equally and not to do any act that restricts or abuses or deprives the shareholders' rights. Provide the reception staff with sufficient information to check and register the attendance records. The Company uses the barcode system to register improve the potential of rapidity and be prepared the stamps in case the shareholder has a proxy to attend the meeting with no expenses. In addition, the Company has prepared the meeting area in sufficiently sized to accommodate the number of shareholders, convenience to travel and located in Bangkok.
- 3) In the shareholders' meeting, the shareholders will consider and vote on their agenda without changing of any important information. The shareholders' meeting shall be preceded according to the agenda item as stated in the notice of the meeting and the agenda could not have added without prior notice to the shareholders to provide the opportunity to shareholders to study the information before deciding to vote.
- 4) In the case that a shareholder cannot attend the meeting, the Company shall provide convenience and allow the shareholder to appoint at least 1 independent director or any other person to attend on their behalf with the power of attorney in any form which has been sent by the Company together with the invitation letter.
- 5) The Company stipulates the duty for Independent Director to take care of the minority shareholders as minority shareholders can give suggestions, and comments to Independent Director who shall consider action as appropriated in each case. The directors shall carry out to verify the facts and find out an appropriate corrective action. For suggestion essentially affecting stakeholders as a whole or the Company's business conduct, it shall be proposed to the shareholder meeting for its consideration of inclusion thereof as agenda therein.
- 6) Updated information will be disclosed through the Company's website so that shareholders can receive important changing news of the Company including information required to be disclosed by relevant regulations. After dis-closure to the Stock Market, such information can be disclosed on the Company's website both in Thai and English. and allow the communication channels between the Company and the shareholders on the Company website so that the shareholders can ask questions and receive fair information.
- 7) Educating directors and executives about the duty to report their securities holding to SEC pursuant to Section 59 of the Securities and Exchange Act B.E.2535. The Board shall regularly inform any information and regulations of the SEC and the Stock Exchange of Thailand to the Board of Directors and the executives upon it has been notified thereof from such agency.



- 8) The Company stipulates protection measures on insider trading of person related to Directors, Executive, employee, and person employed by the Company including spouse and children who are minors and related to the information. The Board also imposed penalty clause on disclosure of the Company's information or exploit the Company's information for personal gain and such regulations shall be declared and abided by the directors, executives, employees accordingly.

The Company has established a policy to use the Company's internal information and policy to prevent conflicts of interest as the following details.

### Insider Information Usage Policy

The Company establishes a policy to keep and protect the use of internal information in a written manner and to notify such practices to all persons in the Company and the way to take care of directors and the management in using of internal information of the Company which is not yet disclose to the public use for personal gain as follows:

1. Directors, executives and employees of the Company and its subsidiaries are required to maintain confidentiality of information within the Company and subsidiaries.
2. Directors, executives and employees of the Company and its subsidiaries shall not expose confidential information of the Company and its subsidiaries to disclose or seek benefits for themselves or for the benefit of any other person, whether directly or indirectly. Also, whether they receive compensation or not.
3. Educate the board of directors, executives, and senior management in the accounting or finance department at the managerial level or higher. About the duty to prepare and submit reports on the holding of securities in the Company, his spouse, and children underage. To the Office of the Securities and Exchange Commission under Section 59 and Penalties under the Securities and Exchange Act BE 2535 (as amended).
4. Directors and Executives of the Company include spouse and minor children are prepared and disclosed the report on securities holding and the report on the change of the Company's securities holding to the Office of the Securities and Exchange Commission under Section 59 and the Penal Code under Section 275 of the Securities and Exchange Act BE 2535 (including the additional revision) and submit a copy of this report to the Company on the same day that was sent the report to the Securities and Exchange Commission.
5. The directors, executives, employees, and its subsidiaries of the Company are prohibited (including spouse and minor children) who receive significant internal information that affects the change of the Company's securities trading prices within 30 days prior to such disclosure or disclosure to the public. And within 24 hours after the internal information of the Company has

disclosed to the public. Any person who involved with the internal information must not disclose that information to others until the information is provided to the SET. Penalties for violations of the above rules. The Company treated this action as guilty of misconduct in accordance with the Company's Articles of Association and will be considered the punishment such as verbal warning, warning letter, remit punishment as well as termination of employment by dismissal or deposition depends on the case.

6. The directors, executives and employees of the Company are prohibited to use internal information of the Company which can effect of the change in the price of securities of the Company which has not yet been disclosed to the public which it has knowledge by their position or such status and used to buy or sell or offer to buy or offer to sell or to persuade others to buy or sell shares or other securities of the Company (if any), whether directly or indirectly and whether this is done for the benefit of themselves or others, or to bring such facts out, to disclose to others to do so, whether they receive benefits or not.
7. Directors and executives including the executive level position in accounting or finance or equivalent level manager are required to submit the list of their first securities holding and report on changes of securities holding including those of their spouses and minor children, as well as related persons. The submission and report shall be conducted and submitted within 30 days from the date of appointment to the position of a director or executive and within 3 working days from the date of buying, selling, transferring or receiving the transfer of the securities, submit it to the Office of the Securities and Exchange Commission (SEC) and send a copy to the Company secretary to acknowledges every time of the change to prepare a report to the board of meeting acknowledge in every quarter.
8. Specified that the Directors and Executives including those who assume the position as executive in accounting or finance, equivalent to department manager or equivalent. (According to the definition of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand), it is required to report at least one business day before trading to the Company Secretary for reporting to the Board.

### **The Conflict-of-Interest Policy**

The Board of Directors sets policies on conflict prevention on the principle that any decision in conducting business activities must be done for the best interests of the Company and should be avoided any act that can cause the conflicts of interest, determined that any participant or stakeholder in the transaction must notify the Company of its relationship or interest in the transaction, aforementioned, must not participate in the decision-making process, or no authority to approve such transactions. The Company has set the policies and practice guideline as below:

1. Director, executive and employee are required to disclose upon arising of any situation believable as a cause for conflict of interest.
2. Avoid making transactions with directors that may cause a conflict of interest with the Company. In case of emergency, the transaction must be proposed to Audit Committee for consideration prior to approval from the Executive Committee or Board of Directors (Depending on case), in accordance with the principles of corporate governance and ensure compliance with the rules of the Stock Exchange of Thailand and Commission on Securities and the Stock Exchange.
3. Directors and executives who have a significant interest in a manner are prohibited to give an opinion freely and abstain from taking part in the meeting agenda. The directors and executives are required to inform the stakeholders before the agenda, the minutes of meeting should be recorded.
4. Has set up the clear and transparent structure no cross-shareholdings with major shareholders, to avoid conflicts of interest to any one party and disclose the shareholding structure of the Company and its subsidiaries in the annual report.
5. The Company complies with the policy on conflict of interest and business ethics, whereby directors, executives, and all employees as well as employees in the subsidiaries are required to strictly comply with such policy. The Company provides information to better understand the practices of employees throughout the Company.

### **Role of Stakeholders**

The Company recognizes the importance of rights of every stakeholder including shareholders, customers, trading partners, counterparts or creditors, Company's employees, and the society. The Company should set a clear policy on fair treatment for each stakeholder in accordance with the laws or mutual agreements. To ensure that such rights are protected and treated fairly and equally. Thus, the Company has set the Business Ethics or Code of Conduct as a guideline for dealing with each stakeholder, as well as the community society and the environment for sustainable development; anti-fraud and corruption, no violate intellectual property including respect for human rights. Any actions that can be considered in violation of stakeholders' legal rights should be prohibited.

### **Policies and Guidelines for Shareholders**

The Company operates business by taking into consideration the long term grown of the Company as well as provision of good return to the shareholders. The Company operates business transparency by putting in place an efficiency internal control system and has strictly prohibited performing any acts in the nature that may cause conflict of interest with the Company. The disclosed information must be accurate, sufficient, and timely.

1. The ownership rights of shareholders are equitably and respected.
2. Operations are undertaken in accordance with the principles of good corporate governance, which will foster the trust and confidence of shareholders and eventually lead to sustainable growth.
3. The Company's businesses are continually advanced to ensure proper returns to shareholders.
4. Significant information which affects or potentially affects shareholders' interests shall be disclosed, whether reports made pursuant to the accounting period or situation reports, pursuant to the relevant laws and notifications. However, no action shall be taken to restrict shareholders access to Company information.
5. A Report of the Board of Directors' responsibility for the financial statements in the annual report shall be prepared.
6. Minority shareholders shall be given an opportunity to propose matter for inclusion in the meeting agenda and/or to nominate persons for election as Company Directors in the Annual General Meeting of Shareholders.
7. Shareholders are given an opportunity to submit questions relevant to the meeting prior to the shareholders' meeting.
8. Shareholders' meeting notices in both Thai and English are published on the Company website at least 30 days prior to the shareholders' meeting day as information for shareholders and to enable the study of information prior to meetings.
9. Shareholders' meeting shall be facilitated. The date, time, venue and procedure must not pose an obstacle to the shareholders' attendance of the meeting. Shareholders who are not able to attend in person must have the opportunity to grant a proxy to other persons to attend the meeting and vote on their behaves.
10. Conflicts of interests must be dealt with prudently, rationally and information must be fully disclosed.
11. The Company's interests and assets shall be safeguarded as a reasonable person would safeguard his/her property. Wrongful interests, whether obtained by director or indirect means, shall be eliminated.

## Policies and Guidelines for Customers

The Company realizes that customer satisfaction and confidence are key factors which contribute to the Company's sustainable success. The following policies and guidelines have been prescribed in this regard:

1. The Company operates the business of manufacturing, product distribution and services which are safe for consumers and environmentally friendly.

2. Businesses are operated with commitment to develop goods and services, introduce new innovations and add value to goods and service in order to continually meet the demands if customers along with the disclosure of necessary information for decision-making without concealment or distortion of facts.
3. Businesses are operated in earnest; honest and fair values and no action is taken that would violate the rights of customers. The confidentiality of customer trade secrets is maintained and not exploited for wrongful personal gains or for the gains of others.
4. The Company does not demand, receive, or consent to the director or indirect receipt of properties or other dishonest benefits from customers.
5. The Company adheres to trade agreements. In the case where adherence is not possible, the customer would be notified in advance to jointly find a remedy and prevent loss.
6. The Company provides communication channels to enable customers to file complaints to the Company. Complaints are processed with care and dealt with fairly.

## Policies and Guidelines for Partners

The Company treats trading partners equitably and takes into account mutual interests by prescribing the following policies and guidelines:

1. The Company has the policies on treating business partner and all creditors fairly, does not take advantage of business partner and shall not defraud partners or creditors as well as stringently observe contracts, agreements, and conditions given to creditors or partners. The Company is focused on developing and maintaining sustainable relationships with its business partners.
2. The Company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards and friendliness to the environment. Trading partners are treated based on fair competition, equality, and mutual respect.
3. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
4. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and service are jointly undertaken to promote mutual growth.
5. The Company adheres to trade agreements and makes proper representations of data. If an agreement cannot be complied with, the Company will expeditiously engage in early negotiations with trading partners to reach a mutual remedy and loss prevention solution.
6. The Company does not demand, receive, or consent to the receipt of properties or any other benefits outside trade agreements.

## Policies and Guidelines for Competitors

1. The Company encourages the policy to promote the free and fair competition conforming to the rules of good competition. The Company shall define the practice under framework of good competitive roles and laws and avoid defamation of competitors as well as in strict adherence to established ethics.
2. The Company will not damage the reputation of its trade competitors.

## Policies and Guidelines for Creditors

1. All creditor groups shall be treated equitably and fairly.
2. Contracts and items will be strictly adhered to.
3. Operations will be administered to ensure the confidence of creditors on the Company's financial standing and credit rating.
4. Financial standings shall be accurately and timely disclosed.
5. In the event of an inability to comply with a particular term, the creditor will be forthwith notified in advance in order to enable a joint solution for remedy and loss prevention.

## Policies and Guidelines for Employees

The Company also realizes that the employees are one of the important resources to develop the growth of the organization so should be treated equally and fairly as well as focuses on developing employees' potential, knowledge, and competency.

1. Human dignity and fundamental rights of employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.
2. Employees are treated in accordance with the provisions of law, regulations and articles governing the Company's operations.
3. Employment equality is promoted. There is no discrimination on the grounds of gender, skin color, race, religion, age, disability or other status that is not directly related to the works.
4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout, strengthen career security and offer opportunities for advancements pursuant to each person's potential.
5. Employees participation in the determination of the Company's direction and development are promoted and listen to opinions and suggestions from every level of employees on a fair and equal basis.
6. Encourage and encourage the provision of additional training to all employees. It is in line with the Company's policies, problems, visions, missions, and strategies. Annually for example, the potential for work. The importance of the environment.

7. Provide training, public relations Corporate Governance, Business Ethics, and anti-corruption to all employees to acknowledge and strictly follow.
8. Give a fair return which appropriate to their knowledge, ability, responsibility, and performance including the compensation in accord with the Company's performance in both short and long term.
9. Appropriate welfare and benefits are given to employees, e.g., employee welfare policy medical expenses 10 serious diseases, provident fund etc.
10. Channel are provided for employees to communicate suggestions and complaints pertaining to work. These suggestions are considered, and remedies will be determined in the interest of all parties and in view of the creation of good working relations.
11. Employees of all levels are encouraged to participate in social responsibility activities.
12. Facilities necessary for work operations are provided and working conditions are maintained with due regard to safety and occupational hygiene as a means of promoting and raising the quality of lives of employees.

### **Policies and Guidelines for Financial Assistance**

The Company has a policy not to provide financial assistance to any other Company which is not a subsidiary of the Company.

Regarding to process transactions between the Company and a subsidiary in the form of providing financial assistance, the Board of Directors has determined guidelines of processing transactions each other in the form of financial assistance in regulations for approval and operations approved by the Board of Directors themselves.

### **Policies and Guidelines under Human Rights**

The Company has a policy to treat each other under human rights. It is the ethics and code of business conduct should respect in the dignity of everyone, independence, privacy, legal and human rights, and the interests of the stakeholders. The decision of the management should be impartial and treat everyone without prejudice and no discrimination against gender, class, or racism.

By directors, executives and employees including employees in subsidiaries that must be strictly adhered to by all parties. It is as part of the discipline of work, which must consider human dignity, freedom, and equality of individuals. The Company does not do and promote of human rights violations. The Company and its subsidiaries are not related to the organizations or individuals that violate human rights, in all cases, the Company has complied with the basic principles of human rights.

## Human Rights Policy

The group of companies are committed to conducting business responsibly by adhering to principles of transparency, accountability, ethical standards, and respect for human rights, alongside good governance practices that ensure equal treatment for all stakeholders. To support compliance with human rights principles, we have established a policy on human rights, which is guided by the United Nations Guiding Principles on Business and Human Rights (UNGP). The policy is aimed at ensuring sustainable development and ensuring that the Company conducts its business without violating human rights.

### Perimeters

This policy applies to the business operations of NCL International Logistics Co., Ltd. and its subsidiaries, as well as trading partners and business associates, in order to be applied in business operations and to promote respect for human rights among those involved in the Company's supply chain.

### Definition

"Human rights" means the inherent dignity of the human person, as well as the fundamental rights and freedoms that have existed since birth and the equal treatment that should not be discriminated against on grounds of race, religion, gender, skin color, language, ethnicity, or any other status in accordance with the laws of each country.

### Human Rights Policy

The Board of Directors, executives, and employees of the Company must be aware of and give importance to respecting human rights, which should be adhered to in accordance with the Company's human rights policy as follows:

1. Treating everyone equally according to human rights principles, without discrimination.
2. Avoid actions that violate human rights.
3. Support and promote the principles of human rights.
4. Communicate, disseminate knowledge, and promote understanding among all stakeholders, while providing support to trading partners and business associates to ensure their participation in business operations while respecting and adhering to the principles of human rights.

### Guidelines for Practice

1. Support, promote, and respect human rights with dignity for everyone and equal treatment for all employees, partners, and stakeholders of the organization without discrimination on the basis of physical appearance, religion, race, nationality, gender, language, age, social status, culture, customs, or any other factors.
2. Exercise caution and avoid actions that violate human rights directly or indirectly toward all stakeholders.
3. Support employees to exercise their rights as citizens with fairness according to the constitution and laws.



4. Communicate, disseminate knowledge, promote understanding, provide guidance, and provide any other support to all employees in the Company, as well as joint venture partners, to ensure that business is conducted with integrity and ethics, respect for human rights, and treat everyone in accordance with the principles of human rights policy. This includes not using child labor below the age specified by law or using forced labor within the Company or within the Company's supply chain.
5. Monitor and uphold human rights, not neglect or remain indifferent when encountering actions that violate human rights related to the Company. Report to superiors or notify the designated complaint channel.

### Personal Information Protection Policy

The Company recognizes and respects the privacy of personal information. Therefore, the Company has published a Personal information protection policy to control the collection, use and disclosure of personal information of the Company to oversee the operating process of the collection, use and disclosure of personal information of the Company.

1. Scope, this policy is enforced to all personal information collected by the Company for the purpose of offering the Company's products and services to any parties. In this policy, "Personal information" refers to the information related to a person that allows such person to be identified whether directly or indirectly, but it does not include information about the deceased.
2. Giving Consent, the Company shall collect, use, and disclose personal information only with your consent. The consent can be made either electronically or in writing. Nevertheless, personal information may be collected, used, or disclosed without having consent of the individual in the following situations:
  - 2.1 When the Company collects personal information for conducting research or collect statistical data.
  - 2.2 When the Company is required to prevent danger which may happen to the individual, third party or cause damage to the said individual's property.
  - 2.3 When that personal information has been revealed to the public.
  - 2.4 When the company complies with the relevant laws, rules and regulations.
3. Collection of Personal Information, the Company may collect the Personal Information and only for the duration necessary for the purposes specified in this policy. However, the personal information shall be collected in an appropriate way and in accordance with the law.
4. The Use of Personal Information, the Company shall not use your personal information for any purpose other than as specified in this policy or as *determined* by law. In this regard, the Company is aware of providing knowledge to employees in the organization to manage such personal information. For example, access to personal information created and not cause loss or destroy, modify, revise, leakage and others and shall manage security measures appropriately. In addition,

the Company shall continuously conduct to review and improve necessary measures for the safety of data storage.

5. Disclosure of Personal Information, the Company shall not sell or distribute personal information of employees to third parties or any other organization. The personal information shall be disclosed only if you request and give consent to the Company to proceed. Otherwise, the disclosure of that information is as permitted or required by law. For example, the disclosure of information under the order of the government officials authorized by law, according to judicial order or the subpoena.

In the case that the Company has developed and maintained the work system of the Company effectively, the Company shall enter into an agreement with a third party to operate. The third party must accept the Personal Confidentiality Agreement as well.

6. Storage of Personal Information, the Company shall collect personal information for a period as necessary to achieve the objectives as specified in this policy or in accordance with relevant laws and regulations. In this regard, when the Company considers that it is no longer necessary to use the information, the Company shall take appropriate actions to securely delete or destroy personal information from the system.
7. Access of Personal Information, you may request access to your personal information in order to correct, change or delete personal information provided to the Company by submitting a written application letter to [www.nclthailand.com](http://www.nclthailand.com). To prevent unlawful possession of personal information or the change of personal information processed by third parties, the Company shall ask for personal information to confirm the identity of such person before processing as request. In this regard, the Company shall response to every inquiry within a reasonable time. However, the Company may reject the inquiry in certain situations. For instance, the case of the said information refers to another individual or cannot be disclosed due to legal or security reasons.
8. The right to choose, you have the right to decide how that personal information will be collected, used, and disclosed, including opting out of Privacy settings and unsubscribing from email or certain letters.
9. Security, the Company has implemented measures to control and maintain the security of information systems appropriately to protect the personal information. Although the Company takes the best effort to provide the security protection of the information on the website and computer programs, however, we cannot guarantee that the internet data transmission and control will be 100% secured. If you find that the use of the Company's services is not secure enough, please notify the Company immediately by sending details via the website by clicking on "Contact Us" button.

## Policies and Practices to Respect for Intellectual Property and Copyright

Company adheres to and respects the intellectual property and copyright as follow:

1. The Company must not take any actions that violate the intellectual property rights of others or competitors.
2. Executives, managers, and employees must not seek a competitor's trade secrets or specifications of competitors by unlawful ways e.g., illegal theft, espionage, or violation of an agreement not to disclose information of a competitor, whether from customers or other parties. It also includes trade secrets of the Company, for example, a business plan and technical innovation, which Company's employees have a duty to keep it confidential. It must not be distributed to third parties, whether they are competitors or not.
3. The Company recognizes the importance of intellectual property and copyright. The Company only allows employees to use the software defined and installed by the Company. The programs are copyrighted and legally prohibited from installing or downloading copyrighted music, movies, games, etc. that are not legitimate. The Information Technology department is responsible for oversight and checking individuals' computers regularly. Internal Audit is also responsible to conduct a random check again so that employees understand the importance of such matters.

## Policies and Guidelines on Compensation and Benefit

1. The Company will employ and allow all employees to progress in jobs and works with fairness.
2. The Company will offer various compensation in comparable amount to other business in same category according to the position, experience, degrees, and qualification of the employees. Based on the performance of the Company. It will depend on the evaluation and competency assessment to measure the success the work of the employees as well.
3. The Company will provide the fair and proper compensation according to knowledge, responsibility, and the out-come of each employee.
4. The Company offers benefits for basic needs of the employees such as provident fund, annual physical examination, uniforms, various compensation in case 10 serious diseases, and training to increase professional skills.

## Employee Complaint Channels

The Company determines the time for the employee to report the incident in the wrong way, discipline, and law. It can be sent as a sealed letter to the Managing Director or send by email to the Managing Director at [pongthep@nclthailand.com](mailto:pongthep@nclthailand.com)

The information provided by the informer will be seriously responded and the reporter will not suffer any loss due to the reporting of the complaint in good faith. Employee disclosures are always kept confidential.

However, for the complaint, the complainant should collect the information carefully and realize to the accuracy of the information disclosed.

## Policies and Guidelines for Hygiene and Safety and Workplace Environment

The Company always realizes that the employees are the key to the Company's success. We strive to meet the safety, hygiene, and environmental standards. The Company has set the guidelines for prevention and control of workplace hazards, safety, hygiene, and workplace environment which is the duty and responsibility of all employees to cooperate in the surveillance and surveillance of the work environment in a safe condition.

1. Compliance with standards to ensure safety in health and work environment for all employees.
2. Compliance with safety laws and regulations. Health and Environment of the country where the Company enters the business.
3. The Company always supports the regular improvement of work conditions and safety environment.
4. All employees must consider to their own safety; colleagues include the Company's assets as importantly at all work times.
5. All employees must maintain cleanliness and orderliness of their work area.
6. All employees have the right to offer feedback on improving their work conditions and their workplace and the environment of the Company for the improvement.
7. The Company support and promotes participation in various security activities that will stimulate employee awareness such as training, incentives, public relations safety, and good hygiene.
8. Promote knowledge about hygiene, safety at all levels, it also supports the way and implementation of environmental protection measures in accordance with the laws of the industry.
9. The executives at all levels must be a good role model and can encourage employees to work in a safe way.

Accident and injuries statistics from the year 2022

Number of all employees (People)	Employees injuries (People)						
	Total	Died	Infirm	Some dismemberment	Less than 3 days oof work	More than 3 days off work	No day off
158	-	-	-	-	-	-	-

## Policies and Practice Guidelines for Community and Society

The Company runs its business regarding to its duties and responsibilities to the nation, community and society and local traditions to preserve the goodness in society and the public.

1. Do not run the business that affect to the social and not violate the rights of other people that living in that community and society.
2. Encourage of the conscious mind to the responsibility to the community and society in the Company and employees at all levels continuously.
3. To define the measurement in prevention and the solution of the impact on communities and society because of the Company's operations.
4. Promoting cultural preservation and local traditions.
5. Cooperate with various agencies in community development.
6. Support the activities that cause public interest.
7. Create a good relationship between the Company and the community based on accuracy, transparency, and fairness.

## Policies and Practice Guidelines to the Environment

1. Conduct the business in accordance with laws, regulations, and environmental policy by considering to the impact on natural resources and environment. Review and evaluate the performance result regularly.
2. Create a corporate culture and raise awareness for employees at all levels to collaborate and responsible in environmental management, efficient and sustainable use of resource.
3. Knowledge enhancement and training employees on the environment.
4. Promote environmental management system. This includes the use of resources, the cost of treatment and rehabilitation, the replacement of surveillance and the protection of the impact on natural resources and the environment.
5. Select the business partners who run the business with environmentally friendly.

## Policies and Guidelines for Effective Use of Resources

The Board recognizes and promotes a conscious effort to use resources efficiently in the organization. To encourage the staff for the conscious mind and together save the usage of energy resources such as walking up and down the stairs instead of using the elevator, use two-sided paper, reduce paper usage in work process. Turn off and turn on the electricity and air conditioning when necessary and close the air conditioning during

the lunch break, use water economically, provide the water dispenser adequately to reduce the purchase of drinking water using plastic bottles.

## Sustainable Management Policy

The Company is committed to developing the Company to become a leader in providing comprehensive logistics services to meet international standards. It aims to be the first and best choice for customers and partners of the Company by emphasizing high-quality and efficient work, which is a fundamental basis for the sustainable growth of the Company and its subsidiaries. The Company focuses on conducting operations in the economic, social, and environmental sectors while adhering to international standards and good corporate governance principles. This policy is as follows:

### Economic and Corporate Governance Dimension

1. Conducting a full-service logistics business with knowledgeable and skilled personnel who provide genuine customer service, under good corporate governance principles, while considering the economic, social, and environmental impacts.
2. Conducting business with honesty and integrity, adhering to laws and commercial regulations, promoting clear and transparent internal management that can be audited, supporting anti-corruption efforts, and preventing seeking personal benefits and abusing power, in order to create the maximum benefit that is fair to all stakeholders.
3. Promote the practice of human rights principles, with consideration for the dignity of human beings, their rights, freedoms, and equality, of individuals protected by the Constitution of the Kingdom of Thailand and relevant international laws, including respecting local customs and traditions, at the Company or subsidiary level.
4. Emphasize improving and developing work processes and services throughout the value chain based on the principles of quality management throughout the organization to create a quality mindset among personnel in the organization, resulting in creating value for customers and generating long-term growth.
5. Committed to comprehensive and all-around risk management, in order to prevent and minimize losses or impacts that may occur to the group of companies, communities, society, and the environment.
6. Promote innovation with social and environmental responsibility, in order to increase efficiency and effectiveness, as well as creating value for the organization and stakeholders.

#### Societal Dimension

7. Manage human resources with fairness, equality, and justice according to human rights principles and labor laws. Place importance on developing workforce capabilities and promoting happiness at work, which will lead to efficient organizational performance.
8. Promote understanding and adherence to business ethics among executives and employees, in order to achieve business objectives and benefit all stakeholders involved.
9. Conduct business with responsibility towards society and stakeholders, which will lead to the growth and development of both the Company and the community, and contribute to an improved quality of life.

#### Environmental Dimension

10. Promote and support efficient use of resources, including reducing and controlling the social and environmental impacts resulting from the operations of the Company, its subsidiaries, and relevant trading partners.
11. Raise awareness of and prioritize occupational safety, health, and environmental conditions for employees, trading partners, customers, and visitors to prevent loss of life and assets, as well as injuries or illnesses resulting from work.
12. Communicate and ensure understanding with the Board of Directors, executives, employees, partners, and stakeholders to raise awareness of environmental concerns.

### **Guidelines for Prevention of Involvement in Corruption**

The Company is committed to running its business using good corporate governance principles. The Company takes responsibility for society, the environment, and all stakeholders, and it has formulated policies towards the compliance with anti-corruption laws. Also, it has defined the anti-corruption guidelines in the Company's Business Code under the headings "Policy on Receiving and Giving Gifts and Recompenses" "Policy on Prevention of Corruption and Bribery" "Entertainment Policy" and "Policy on Donations for Charitable Causes and Financial Contributions to External Organizations" which are outlined as follows:

#### Policy on Receiving and Giving Gifts and Recompenses

- Executives and employees are prohibited from asking for any benefit from partners or those who do business with the Company.
- Executives and employees are prohibited from offering any benefit to any other third parties or partners in any attempt to persuade them to commit an unlawful action.

#### Policy on Prevention of Corruption and Bribery

- Receiving or giving property, or any other benefit that may produce motivation to make an unlawful decision, must be done correctly and straightforwardly, and it must be ensured that the actions will not lead to any criticism of, or a bad reputation to, the Company. What the Directors have received must be kept in the office or distributed to the employees.
- Procurements must conform to the procedures set forth in the Company's regulations and they should be fair for stakeholders. The decisions on procurements must take into account the reasonableness of prices, quality and services to receive, and transparent auditability.
- As for transactions with the government sector, the Company shall avoid any actions that may persuade the government sector or government officers to take wrongful or improper actions. However, building a good mutual relationship or taking any actions within a proper extent and customary practices are acceptable, e.g., extending congratulations or giving a bouquet for special occasions.

#### Entertainment Policy

1. The Company does not have an entertainment policy for external individuals or entities doing business or contacting the Company, including both private and public organizations, in order to avoid practices that may be construed as bribery. However, entertainment may be provided on special occasions in accordance with social norms, budgetary considerations, appropriateness of the occasion, as well as customs and traditions to maintain good business relationships without expecting anything in return.
2. Executives and employees are prohibited from providing entertainment that could create a conflict of interest, such as providing entertainment during ongoing bidding processes. Entertainment that is provided as a form of compensation may involve hidden actions intended to provide assistance or benefits.
3. Executives and employees are prohibited from providing entertainment that contradicts the policies of trading partners, the government, or stakeholders.
4. Executives and employees are prohibited from providing entertainment with the intention of seeking benefits or influencing business decisions.
5. Executives and employees are prohibited from providing entertainment that violates the Company's policies, rules, or relevant laws and regulations.
6. The expense reimbursement for entertainment shall be conducted in accordance with the Company's operating manual.

#### Policy on Donations for Charitable Causes and Financial Contributions to External Organizations

- Donations and support provided to any organization must take into consideration the credibility of the organization and must be legally established.



- Operations must be conducted transparently and in the name of the Company, following the Company's policies and in compliance with the law.
- Donations and support must not be given to any officer or individual in a personal capacity unless the details are specified in a request letter and there is clear and written evidence of support provided.
- Follow-up or verification should be conducted to ensure that donations or financial support are not being used as a means of avoiding bribery. Donations or financial support should have a purpose, to promote the Company's image, business, and public relations, and can be done in various forms such as supporting cultural events, social and environmental activities, education and sports events, etc.
- The expense reimbursement for donations shall be conducted in accordance with the Company's operating manual.

#### Penalty

The Company has authorized the CEO, Deputy CEO or supervisors in each department to consider and take disciplinary actions on employees who have committed wrong actions or fail to comply with the Company's regulations. The disciplinary actions are imposed according to the severity of the offense, ranging from a verbal warning to suspension or dismissal.

The policy was approved at the Board of Directors' Meeting, no. 1/2013, and notification was given to the employees on July 18, 2013.

#### **Participation in Thailand's Private Sector Collective Action against Corruption - CAC**

The Company aims to operate its businesses with honesty and transparency in compliance with laws related to anti-bribery and anti-corruption and with the good corporate governance policy of the Company because organizational corruption is a risk to the sustainable growth of business operations. The Company is aware of anti-corruption in every form without exception and shall not participate in corruption either directly or indirectly. Every director, executive, and employee of the Company shall adhere to and comply with the anti-corruption policy.

The Company is currently preparing to join the Thai Private Sector Collective Action Against Corruption: CAC by reviewing its policies and practices to combat corporate corruption and assessing the risks associated with internal corruption.

#### **Disclosure of Information and Transparency**

The Board of Directors recognizes the importance of disclosure of information, both financial and non-financial, that is accurate, complete, and transparent as stipulated by the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as other material information that may affect the price of the Company's securities that influences the decision-making process of its investors and stakeholders. This is to ensure that all shareholders can access to the Company's information equally. After the Company has registered and became publicly listed in the Stock Exchange of Thailand, proposed the IPO shares in this time. Information on the Company is disseminated to the shareholders, investors, and public through the channels of the SET and the Company's website.

## Financial Report

The Board of Directors recognizes the responsibility of the accurate, complete, and reasonable quarter and annual financial statements and its subsidiaries under the recognized certified standard with the choice of appropriate accounting policy and practice on regular basis. Sufficient explanations to the financial statements are also inclusive in the annual report. The Company's Board of Directors intentionally maintains effective internal control system to ensure accurate and complete accounting information record with sufficiency to secure asset and realize weak points. This will prevent the Company from any important malpractice or misconduct. The Company Board of Directors has appointed the Audit Committee to take a responsibility for matters concerning quality of financial report and internal control system. The Audit Committee shall report the minutes to the Board of Directors every minute's meeting. The Company has established a dedicated Investor Relations to provide accurate, complete, and accurate information and correspondence to shareholders, analysts, and other relevant authorities.

## Whistle Blowing Policy and Practice and Whistleblower Protection Measures

The Company is committed to maintaining a well-founded corporate practice. This is in line with the principles of good corporate governance for all stakeholders as stated in the Corporate Governance Policy and Business Ethics Guide. This policy has been set up as a mechanism and gives the rights to employees and stakeholders. Thus, the Board of Directors has set the channels for communication with the Board of Directors by mail or email to provide a channel of information and instructions for ordering a process-based review for complaints related to illegal activity, accuracy of financial reports, defective internal control system, offense or unethical behavior of the executives and employees. The Company will keep the information from this report confidentially and the reporters are protected by the Company.

### Policy Scope

This policy is set up to encourage all employees and stakeholders to disclose information that indicates violations of the Company's laws, regulations, and ethics.

- Corruption.
- Fraud, Misappropriation, Theft.
- Corruption actions to benefit themselves and others.
- Corruption actions to benefit themselves and others Intentionally causing damage or loss to the Company.
- Clear violation of business ethics.
- Support for violating the law, regulations and business ethics including concealing or assist to conceal such actions.

## Keeping Confidential Information

This policy is designed to ensure that employees and stakeholders are fully aware of their complaints, and that reporters will not suffer due to the reporting of complaints in good faith. Employee disclosures are always kept confidential. However, the complaint and the complainant should collect the information carefully and the information disclosed should be accurate.

## False Allegations

If any employee or stakeholders deliberately makes a complaint with false allegations or malicious intent to the complainant, the Company will consider the complaint to be a violation of business ethics. Beside, the Company will conduct the investigation to consider the punishment according to the Company's regulations.

By clues, complaints and recommendations will be considered and implemented as appropriate. It shall be considering and take appropriate action case by case, without disclose the name of the whistle-blowers and also records as the confidentiality complaint. There are measures to protect the whistle-blowers to ensure that the whistle-blowers and the complainant will not be affected by such clues and complaints. If the Company is required to disclose that information, the Company will only disclose the necessary information, to considerate of the important of safety and the damage of the complainant and the whistle-blowers at most.

## Channel for Complaints

Register letter

The Board of Directors

NCL INTERNATIONAL LOGISTICS PUBLIC COMPANY LIMITED

56/9-10 SoiTaksin 12/1, Taksin Road, Bukkaloo, Thonburi, Bangkok 10600

The Company secretary is responsible for accepting documents sent to the Board of Directors and submitting them to sub-committees or related directors and summarizing all recommendations and issues for submission to the Board of Directors on a basis of quarterly except documents sent to the audit committee, which will be sent directly to the audit committee.

## Channel for contact to the Company

	Email	Phone
The Board of Directors	<a href="mailto:management@nclthailand.com">management@nclthailand.com</a>	-
Corporate Secretary	<a href="mailto:atcharaporn.y@nclthailand.com">atcharaporn.y@nclthailand.com</a>	02-4737300 # 300
Investor Relations	<a href="mailto:IR@nclthailand.com">IR@nclthailand.com</a>	02-4737300 # 300
Website	<a href="http://www.nclthailand.com/GoodGovernance/">www.nclthailand.com /Good Governance/</a>	-
<a href="#">Channel for Complaints</a>		

In 2022, there was no report from any stakeholders to The Board of Directors. However, the Company always promoted to all stakeholders to be more aware of such channels.

## 6.2 Business Ethics

The Company encourages directors, executives, and employees to operate and make decisions on the Company's business in a transparent, straightforward manner adhere to the law, held on virtue and ethics. The Business Ethics Handbook has been prepared as a part of the Corporate Governance Policy. It is a guideline and standard for the performance of directors, executives and all employees in the organization strictly follow, including continuous supervision. The "Corporate Governance Policy" and the "Business Ethics Handbook" are posted on the Company's website ([www.nclthailand.com](http://www.nclthailand.com)) to communicate with outsiders and within the organization to the directors, executives and employees of the Company acknowledged to properly implementation.



QR CODE Download "Corporate Governance Policy" and "Guideline and the business ethics"

## 6.3 Major changes and developments of the policy Practices and corporate governance systems in the past year

NCL International Logistics Public Company Limited ("the Company") realizes the importance of good corporate governance, and cooperate in the implementation of rules and regulations with various relevant agencies, such as the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC), Thai Listed Association (TLCA), Thai Investors Association Thai Institute of Directors Association (IOD), Thai Private Sector Collective Action Coalition Against Corruption (CAC) Project, etc., including because we have always believed that building confidence or a good performance alone may not be enough to be a good listed Company, but the Company must be able to adapt to suit the changing business conditions and have a good relationship with the people around in all aspects of the business so that the Company can grow and survive, have a good long-term performance, trustworthy for shareholders, and the people around. It is beneficial to create sustainable value for the business that meets the expectations of both the business sector, investors, as well as the capital market, and society as a whole.

The Company has reviewed the corporate governance policy to be consistent and in line with the good corporate governance principles. For CG Code 2017 listed companies through the Board of Directors annually. In the past year, the Company has reviewed things such as good corporate governance policy, Business Ethics Manual Charter of various policy committees, etc.

In the previous year, the Company has been evaluated by the agency related as follows:

1. Results of the evaluation of the "Assessment of the quality of conducting the Annual General Meeting of Shareholders" project for the year 2022 organized by the Thai Investors Association which has been assigned by the Commission Securities and Exchange Commission (SEC), where the Company receives a score of 100 percent (the Company has received 100 percent assessment results for the sixth consecutive year since 2017).
2. The evaluation results of the "Corporate Governance Survey of Thai Listed Companies" project, (CGR) 2022, organized by the Thai Institute of Directors Association (IOD), received a 92% rating score, which is excellent. (The Company has received the evaluation results from 92 percent which is excellent for the fifth consecutive year since 2018).

The Company has introduced recommendations for the development of corporate governance under the CGR projects in various categories to improve and develop corporate governance of the Company to raise the standards of corporate governance of the Company to be even better..

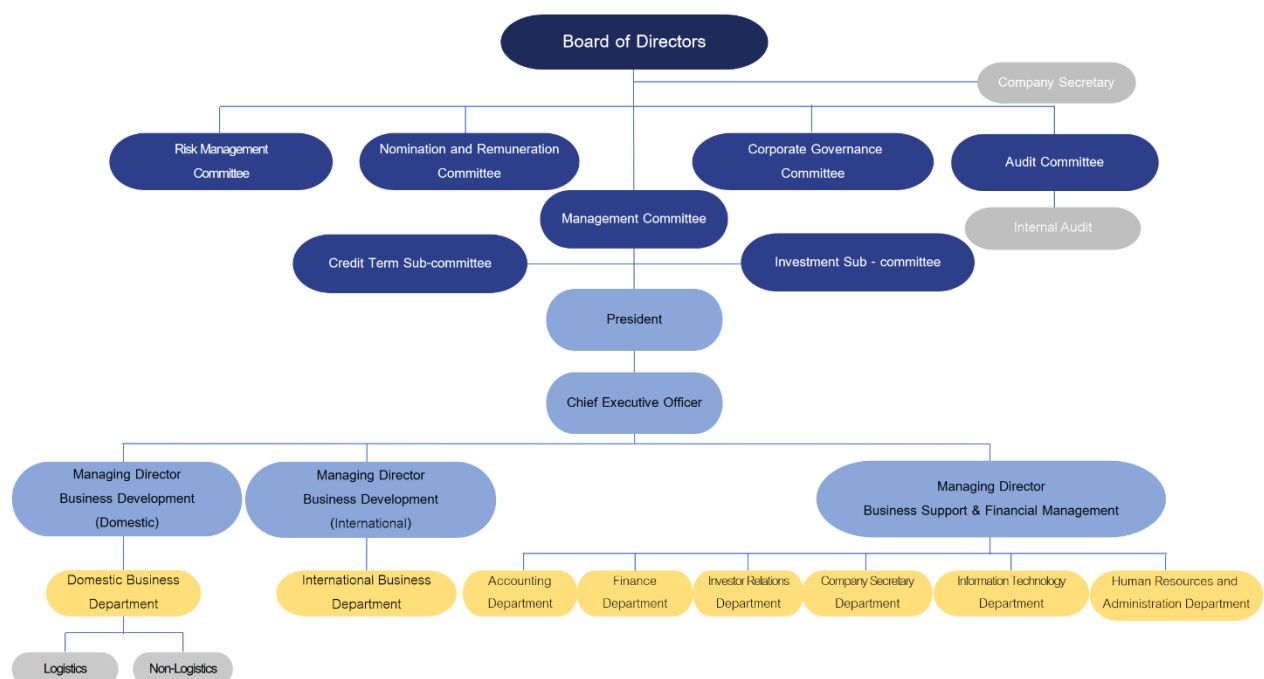
## 7. Corporate Governance Structure and Important Information about The Board of Director, Sub-committees, Management Employees and Others

### 7.1 Management Structure

The Company's management structure is comprised of a board and five committees, namely the Board of Directors, Executive Committee, the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Good Corporate Governance. The Company's management structure is comprised of a board and five committees, namely the Board of Directors, Executive Committee, the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Good Corporate Governance Committee.

The Company's Board of Directors and management are composed of qualified people whose qualifications meet the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. They have performed their duties with integrity and have protected the shareholders' interest. Furthermore, they have operated within the framework of accepted business ethics, have considered all stakeholders' interests, and have provided a trustworthy accounting system, financial reports, and account reviews.

The Management Structure of the Company (as of December 31, 2022) are as follows



(As of December 31, 2022)

## 7.2 Board of Director Information

### Board of Director

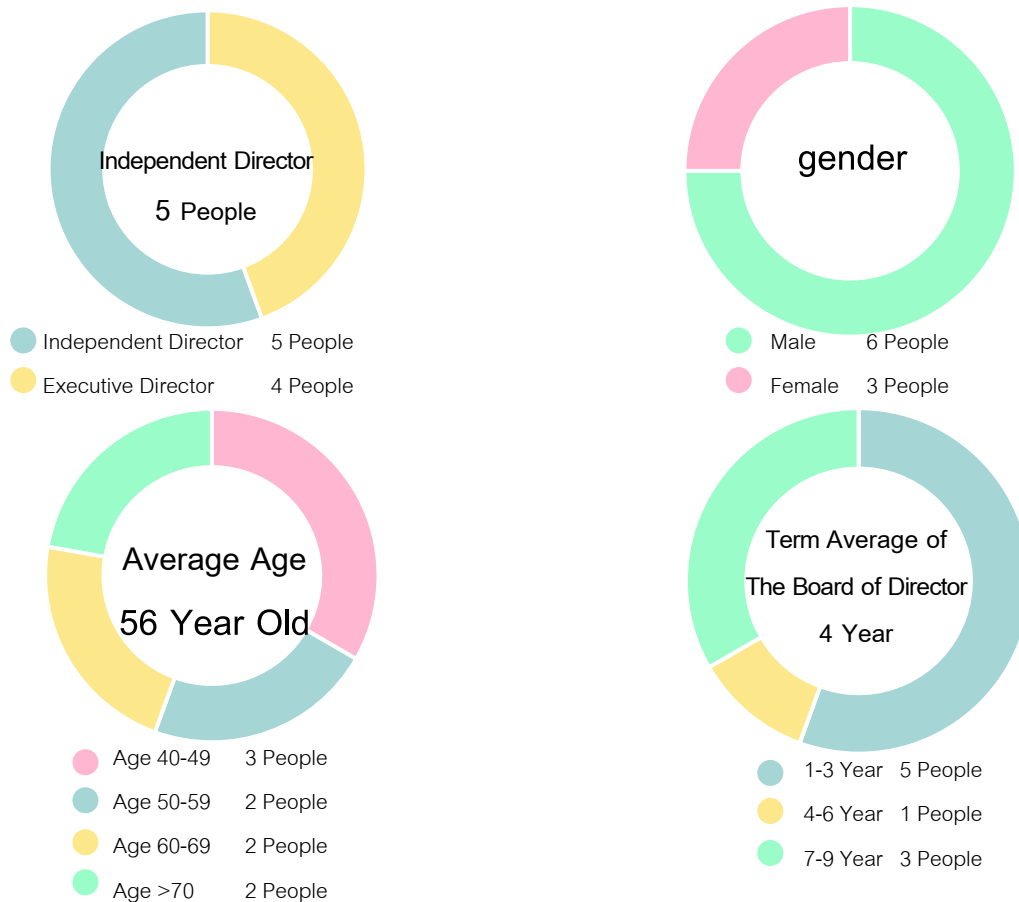
As of December 31, 2022 the Company's Board of Directors was composed of the following eight people.

ชื่อ – สกุล		ตำแหน่ง	ประเภทกรรมการ	วันที่เข้ารับตำแหน่ง
1. General Porpol	Maneerin	Director	Independent Director	Retired
		Chairman of the Board of Directors		20 April 2022 <sup>1</sup>
Mom Rajawong Chirakom	Kitiyakara	Director	Independent Director	20 April 2022 <sup>1</sup>
		Chairman of the Board of Directors		
2. Mr. Pongpun	Kongkumnerd	Director	Independent Director	4 February 2013
		Chairman of Audit Committee		16 August 2021
		Chairman of Nomination and Remuneration Committee		
		Risk Management Committee		
		Corporate Governance Committee		
3. Ms. Chanyapat	Wiphatthanananthakul	Director	Independent Director	1 March 2019
		Audit Committee		
		Chairman of Corporate Governance Committee		
		Risk Management Committee		
4. Adm. Surapong	Amnucksoradeja	Director	Independent Director	16 August 2021
		Audit Committee		
		Chairman of Risk Management Committee		24 February 2022 <sup>2</sup>
		Corporate Governance Committee		
5. Mr. Somchai	Kuvijitsuwan	Director	Independent Director	24 February 2022 <sup>2</sup>
		Audit Committee		
		Risk Management Committee		
		Nomination and Remuneration Committee		
6. Mr. Kitt	Phuathavornskul	Director	Executive Director	4 February 2013
		Executive Committee		Authorized Signing Director
		Risk Management Committee		
7. Ms. Pornthip	Sae-Lim	Director	Executive Director	13 August 2014
		Executive Committee		Authorized Signing Director
		Risk Management Committee		
8. Mr.Pongthep	Vichaikul	Director	Executive Director	27 July 2021
		Executive Committee		Authorized Signing Director
		Risk Management Committee Nomination and Remuneration Committee		26 April 2022 <sup>3</sup>
				2 August 2021
9. Mr.Channarong	Sontiuschara	Director	Executive Director	12 November 2021 <sup>4</sup>
		Executive Committee		resignation
		Risk Management Committee		30 November 2022
Mrs. Ravipa	Koekkaivan	Director	Executive Director	22 February 2023 <sup>4</sup>
		Executive Committee		Authorized Signing Director
		Risk Management Committee		
		Corporate Governance Committee		

Miss. Atcharaporn Yotha served as the Secretary of the Board of Directors and Company Secretary.

- Remark:
- <sup>1</sup> The Annual General Meeting of Shareholder 2022 held on April 20, 2022 approved to appointment of Mom Rajawong Chirakom Kitiyakara to be the Company's Director, Chairman of the Board of Directors to replacing General Porpol Maneerin, effective from April 20, 2022 onwards.
  - <sup>2</sup> The Board of Director's Meeting No. 2/2022 held on February 24, 2022 approved the appointment of Mr. Somchai Kuvijitsuwan to be the Company's Director, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Ms. Chanyapat Wiphatthanananthakul to be the Chairman of Corporate Governance Committee and Adm. Surapong Annucksoradeja to be the Chairman of Risk Management Committee, effective from February 24, 2022 onwards.
  - <sup>3</sup> The Management Committee's Meeting No. 4/2022 held on April 26, 2022 Approved the appointment of Mr. Pongthep Vichaikul to be the Chairman of the Executive Committee effective from April 26, 2022 onwards.
  - <sup>4</sup> The Board of Director's Meeting No. 1/2023 held on February 22, 2023 Approved the appointment of Mrs. Ravipa Koekkaivan to be the Company's Director, Executive Committee, Risk Management Committee, Corporate Governance Committee , to replace Mr.Channarong Sontiuschara , effective from February 22, 2023 onwards.

In the year 2022, the proportion of directors are as follows:



\*\*\* Independent director means a person who can give opinions independently and under the relevant rules have all the qualifications required by law.

### Directors who were authorized to bind the Company

The directors who were authorized to bind the Company included Mr. Kitti Phuathavornskul, Mr. Pongthep Vichaikul ,Ms. Pornthip Sae-Lim,and Mrs. Ravipa Koekkaivan. Two of them signed together and stamped the Company's seal.



## Roles and Responsibilities of the Board of Director

The Board of Director has been deputed to take a responsibility to manage the Company in accordance with objectives, articles of association, and resolutions of shareholders' meeting. The Board of Directors Charter as follows:

1. The Board of Directors is responsible for determining the Company's vision and mission. To lead executives and employees' operations to approach the same goal and direction. Also consider, review and approve the Company's vision, mission strategy, goals and Company's business directions annually. Including reviewing an important policy to be appropriate and consistent with business operations in accordance with good corporate governance principles such as corporate governance policy and anti-corruption policy.
2. Monitor and ensure that the Company's strategy is in practice. In every quarter, the Board of Directors will monitor the performance of the management team which specifying a report on the results of operations and Company performance especially in term of financial goals and various plans in order to get along with the strategy planned.
3. Perform the duty in the most professional manner to comply with all laws, the Company's objectives, articles of association and shareholder's resolutions as well as to preserve the Company's benefit and interests.
4. The Board of Directors shall manage to have a shareholders' meeting as annual general meeting within four months after the end of the Company's accounting period.
5. Board of Directors meetings are required minimum once of each quarter.
6. Prepare a balance sheet and a profit and loss statement of the Company as of the end of the accounting period and to propose such reports which are audited by the external auditor to the shareholder's meeting for their consideration and approval.
7. Set goals, procedures, policies, plans and budgets of the Company, to govern the administration of the management to be in compliance with the specified policies.
8. Evaluate the operation and ensure that the plan and budget are followed. The Board of Directors also shall take the role of determining business strategies, policies, plans, and budgets.
9. Determine and approve other function which related to the Company which shall be provided maximum benefit to the Company.
10. Scrutinizes the transactions required to be submitted for shareholders' approvals in the shareholders' meetings, with main session in the Annual General Meeting as follows:
  - Consider the Board of Director's reports showing the Company's performances which will be proposed to the meeting.
  - Consider and approve the financial statements.
  - Consider profit appropriation.

- Nominate new directors to replace the retiring directors, the auditor and determine the auditor's remunerations.
  - Consider the transaction with possible conflicts of interest which must be approved by shareholders.
  - Other matters.
11. Acknowledge the importance of the Audit Committee or internal audit's report including audit and consult with other sections of the Company. Also take responsibility to set the solution.
  12. Consider the organization structure, to nominate the management and other Committee as appropriate including considering the appropriateness of an appointment of the Company secretary in accordance with the SEC rule.
  13. The Board of Directors shall neither engage in the business of the same nature as the Company that might compete with the Company, nor a partner in the partnership, unlimited-liability partner in limited partnership, or director of another Company limited or public Company limited that engages in the business of the same nature as the Company that might compete with the Company, unless informing to the shareholders' meeting prior to the appointment.
  14. Ensure management's accountability to shareholders and preserve their rights and interests. Report financial data and other information to shareholders, stakeholders and investors correctly in accordance with the laws.
  15. The Board of Directors shall authorize one or many of director(s) or any other person to perform the duties on behalf of the Board of Directors under the Board of Directors' supervision or delegate such persons to have authorities and over the period the Board of Directors deems appropriate where the Board of Directors can revoke or alter such delegation of authorities as they deem appropriate.
  16. Consider a performance evaluation of the Company's Board of Directors and other Committees approved the risk management policy and have an effective management system including overseeing an arrangement of an effective procedure for an assessment of the Company's executives' duty performance.
  17. If there are any laws, rules or the Company's roles which have been set up for distinct scopes of authority for the Board of Directors, the Board of Directors shall operate under those laws, rules or the Company's roles. In case the Board of Directors' action due to their interest or gain/ loss in accordance with the regulations of the SEC and/ or related laws, the authorities shall be ineffective.
  18. Authorization of duty and responsibility of the executive committee shall not constitute authorization or sub-authorization that enable the person authorized by the executive committee to approve a transaction in which they or other persons likely with a conflict (as defined by the notifications of the Capital Market Supervisory Board, the SET, or relevant organizations) have an interest or any other conflict of interest with the Company, subsidiary, and/or related Company unless it is the transaction in the nature of normal

course of business operation in accordance with the notifications of the Capital Market Supervisory Board, the SET, and/or relevant organizations.

- The transactions that are required by law to receive the Shareholders' Meeting approval.
  - The transactions that might lead to any conflict of interests as well as are required by laws and/or regulations of the Stock Exchange of Thailand to receive the Shareholders' Meeting approval.
19. The transactions as specified below shall be approved by the Board of Directors' Meeting and the Shareholders' Meeting with not less than three-fourth of the voting right of the shareholders who are present at the meeting and have the right to vote.
- The transactions that are required by law to receive the Shareholders' Meeting approval.
  - The transactions that might lead to any conflict of interests as well as are required by laws and/or regulations of the Stock Exchange of Thailand to receive the Shareholders' Meeting approval.
20. The transactions as specified below shall be approved by the Board of Directors' Meeting and the Shareholders' Meeting with not less than three-fourth of the voting right of the shareholders who are present at the meeting and have the right to vote
- Disposition or transfer of the part or the whole of the Company to others.
  - Acquisition of the part or the whole of others.
  - Engage in, amend or cancel the rental agreement of the whole or any significant business of the Company, to assign others to manage the Company and to merge the Company with others with a purpose of profit sharing.
  - Revision of the memorandum of association.
  - To increase, decrease, issue debentures, to merge and to liquidate the Company.
  - Perform any other activities those are required by securities laws or regulations of the Stock Exchange of Thailand to have the approval of the Board of Directors' Meeting and the Shareholders' Meeting with such voting condition.

However, such appointment does not include the authority to approve the transactions that such directors and/or their related persons have the conflict of interests with the Company or its subsidiary.

In addition, the board of directors shall have the duty and responsibility to govern the Company to comply with the laws related to the securities and the stock exchange including the undertaking of the connected transaction and the acquisition and disposition of major assets as per the rules and regulations of the stock exchange of Thailand and other relevant laws.

## 7.3 Information about Committees

### 7.3.1 Committees

The Company's management structure comprises 6 of Board such as Board of Directors, Executive Committee, Audit Committee, Risk Management Committee, Corporate Governance Committee and Nomination and Remuneration Committee.

#### (1) The Audit Committee

The Board of Directors appointed the Audit Committee to assist the Board of Directors in reviewing the quality and reliability of the accounting system, the audit system, the internal control system, and the financial report process.

As of December 31, 2022, the Audit Committee consisted of three people, as follows:

	Name	Position	Type of Director
1.	Mr. Pongpun Kongkumnerd	Chairman of the Audit Committee	Independent Director
2.	Ms. Chanyapat Wiphatthanananthakul	The Audit Committee	Independent Director
3.	Adm. Surapong Amnucksoradeja	The Audit Committee	Independent Director
4.	Mr. Somchai Kuvijitsuwan <sup>1</sup>	The Audit Committee	Independent Director

Miss. Atcharaporn Yotha served as the Secretary of the Audit Committee.

**Remarks** <sup>1</sup> The Board of Director's Meeting No. 2/2022 held on February 24, 2022 approved the appointment of Mr. Somchai Kuvijitsuwan to be the Audit Committee, effective from February 24, 2022 onwards.

- The Audit Committee: The Company's audit Committee (Independent Director), consisting of 4 members, is appointed to perform specific tasks and propose matters to the Board of Directors for consideration and acknowledgement. The audit Committee's rights and duties are specified in the audit Committee charter. At least one audit Committee member shall possess sufficient knowledge and experience in accounting to be able to inspect the credibility of the Company's financial statements.
- The audit committee with knowledge and experience in reviewing the financial statements of the Company is
  1. Mr.Pongpun Kongkumnerd

The Audit Committee has knowledge and experience related to the Company's business is

  1. Mr.Pongpun Kongkumnerd

#### Roles and Responsibilities of the Audit Committee

The Board of Directors has been deputed to take Roles and Responsibilities of the Audit Committee. The Audit Committee Charter as follows:

1. Review to ensure proper financial reporting and adequate disclosure by coordinating with an auditor from outside, with the management being responsible for producing financial reports

both quarterly and annually. The Audit Committee might suggest the auditor to review or audit any transactions deemed necessary and important during an audit.

2. Review the Company's internal control system and internal audit system to ensure that they are suitable and effective, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit as well as to approve the appointment, transfer, termination of the head of the internal audit unit or other agencies
3. Review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
4. Consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
5. Review the Connected Transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the Exchange's regulations and are reasonable and for the highest benefit of the Company.
6. Prepare, and to disclose in the Company's annual report, an Audit Committee's Report which will be signed by the Audit Committee's Chairman and consist of at least the following information:
  1. an opinion on the accuracy, completeness and creditability of the Company's financial report,
  2. an opinion on the adequacy of the Company's internal control system,
  3. an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
  4. an opinion on the suitability of an auditor,
  5. an opinion on the transactions that may lead to conflicts of interests,
  6. the number of the audit committee meetings, and the attendance of such meetings by each committee member,
  7. an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
  8. other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
7. Perform any other act as required by law or as delegated by the Board of Directors.
8. Reporting the findings or suspicious transactions or any of the following acts such as a transaction which causes a conflict of interest; any fraud, irregularity, or material defect in an

internal control system; or an infringement of the law on securities and exchange, the Stock Exchange of Thailand's regulations, or any law relating to the Company's business which may materially affect the Company's financial condition and operating results to the Board of Directors for rectification within the period of time that the Audit Committee thinks fit. If the Company's Board of Directors or Management fails to make a rectification within the period of time under the first paragraph, any Audit Committee member may report on the transaction or act under the first paragraph to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

## (2) The Risk Management Committee

As of December 31, 2022, the Risk Management Committee was composed of the following 8 people:

	Name		Position	Type of Director
1	Adm. Surapong	Amankasoradej <sup>2</sup>	The Risk Management Committee	Independent Director
2	Ms. Chanyapat	Wiphatthanananthakul	The Risk Management Committee	Independent Director
3	Mr. Pongpun	Kongkumnerd	Chairman of the Risk Management Committee	Independent Director
4	Mr. Somchai	Kuvijitsuwan <sup>1</sup>	The Risk Management Committee	Independent Director
5	Mr. Kitt	Phuathavornskul	The Risk Management Committee	Executive Director
6	Ms. Pornthip	Sae-Lim	The Risk Management Committee	Executive Director
7	Mr.Pongthep	Vichaikul <sup>1</sup>	The Risk Management Committee	Executive Director
8	Mr.Channarong	Sontiuschara <sup>3</sup>	The Risk Management Committee	Executive Director
	Mrs. Ravipa	Koekkaivan <sup>2</sup>	The Risk Management Committee	Executive Director

Miss. Atcharaporn Yotha served as the Secretary of the Risk Management Committee.

**Remark:** <sup>1</sup> The Board of Director's Meeting No. 2/2022 held on February 24, 2022. Approved the appointment of Adm. Surapong Amnakasoradeja to be the Chairman of the Risk Management Committee and appointed Mr. Somchai Kuvijitsuwan to be the Risk Management Committee effective from February 24, 2022 onwards.

<sup>2</sup>The Board of Director's Meeting No. 1/2023 held on February 22, 2023. Approved the appointment of Mrs. Ravipa Koekkaivan to be the Risk Management Committee, replacing Mr.Channarong Sontiuschara who was resigned effective from February 24, 2022 onwards.

### Roles and Responsibilities of Risk Management Committee

The Board of Directors has been deputed to take Roles and Responsibilities of the Risk Management Committee. The Risk Management Committee Charter as follows:

1. Support the Board of Directors in setting risk management policy and acceptable risk level,
2. Establish risk management profile to align with the Risk Management Policy, following the compliance, review the effectiveness of risk management profile,
3. Consider and review risk management report and performing to ensure that the Company's risk management is adequate and appropriate, can be managed in acceptable level and is performed,

4. Continuously coordinate with the audit committee through the knowledge and information exchange about the risks and internal control which shall affect or may affect to the Company.
5. Decision and provide guidance on the key issues which shall arise in the risk management procedure.
6. Report the operating performance of the Risk Management Committee to the Audit Committee to acknowledge and/or to regularly consider quarter.

### (3) The Nomination and Remuneration Committee

As of December 31, 2022, the Nomination and Remuneration Committee consisted of the following 5 people:

	Name		Position	Type of Director
1.	Mr. Pongpun	Kongkumnerd	Chairman of the Nomination and Remuneration Committee	Independent Director
2.	Ms. Chanyapat	Wiphatthanant hakul	The Nomination and Remuneration Committee	Independent Director
3.	Adm. Surapong	Amnucksoradeja	The Nomination and Remuneration Committee	Independent Director
4.	Mr. Somchai	Kuvijitsuwan <sup>1</sup>	The Nomination and Remuneration Committee	Independent Director
5.	Mr.Pongthep	Vichaikul1	The Nomination and Remuneration Committee	Executive Director

Miss. Atcharaporn Yotha the Secretary of the Nomination and Remuneration Committee.

**Remark :** <sup>1</sup>The Board of Director's Meeting No. 2/2022 held on February 24, 2022 Approved the appointment of Mr. Somchai Kuvijitsuwan to be the Nomination and Remuneration Committee, effective from February 24, 2022 onwards.

#### Roles and Responsibilities of Nomination and Remuneration Committee

The Board of Directors has been deputed to take Roles and Responsibilities of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee Charter as follows:

##### Nomination

1. Setting guidelines and policies in nominating Board of Directors and other sub-committee members by considering what would be the appropriate number, structure and composition of members, and outlining necessary directors' qualifications,
2. Proposing these ideas for approval by the Board of Directors and/or Shareholders' Meeting as appropriate.
3. Searching, selecting, and proposing appropriate persons to assume the position of the Company's directors whose terms have expired and/or became vacant, including newly appointed director.
4. Executing other tasks related to nominations as assigned by the Board of Directors.
5. Evaluating the performance of the top management and reporting to the Board of Directors for their consent.

## Remuneration

1. Preparing guidelines and policies in determining the Board of Directors and other sub-committees' remuneration and proposing it to the Board of Directors and/or Shareholders' Meeting for approval as appropriate.
2. Determining necessary and appropriate monetary and non-monetary remuneration, for individual members of the Board of Directors by taking into consideration each director's duties and responsibilities, performance, and comparisons against similar businesses, and the benefits expected in return from each director. The report will be submitted to the Board of Directors for consent and to the Shareholders' Meeting for approval.
3. Taking responsibility to support the Board of Directors and being responsible for explaining and answering any questions regarding the Board of Directors' remuneration in the Shareholders' Meeting.
4. Reporting policies and principles/reasons in determining the remuneration of directors and management according to the SET guidelines by disclosing them in the Company's annual information disclosure (56-1 One Report).
5. Being responsible for any other tasks related to the remuneration as assigned by the Board of Directors. The management team and other units have to report or present the information relating to the NRC in order to support the operation of the NRC to achieve their assigned tasks.

## (4) The Corporate Governance Committee

As of December 31, 2022, the Corporate Governance Committee consisted of the following 4 people:

	Name	Position	Type of Director
1.	Ms.Chanyapat Wiphatthanananthakul <sup>1</sup>	Chairman of The Corporate Governance Committee	Independent Director
2.	Adm. Surapong Amnucksoradeja	The Corporate Governance Committee	Independent Director
3.	Mr.Pongpun Kongkumnerd	The Corporate Governance Committee	Independent Director
4.	Mrs. Ravipa Koekkaivan <sup>2</sup>	The Corporate Governance Committee	Executive Director

Miss. Atcharaporn Yotha the Secretary of the Corporate Governance Committee.

**Remark:** <sup>1</sup> The Board of Director's Meeting No. 2/2022 held on February 24, 2022. Approved the appointment of Ms.Chanyapat Wiphatthanananthakul to be the Chairman of Corporate Governance Committee, effective from February 24, 2022 onwards:

<sup>2</sup> The Board of Director's meeting No. 1/2023 held on February 22, 2023 approved to appointing Mrs. Ravipa Koekkaivan to be the Corporate Governance Committee, effective from February 22, 2023 onwards:



**Governance Committee has the scope of duties and responsibilities as follows:**

The Board of Directors has been deputed to take Roles and Responsibilities of the Governance Committee. The Governance Committee Charter as follows:

1. Supervised the Company to operate and complied with the principles of good corporate governance in accordance with the determined policy of the directors' board.
2. Considering and approving work plans for activities promoting good corporate governance with the objective of maintaining standards and developing good corporate governance as well as creating good corporate governance to be a corporate culture by regularly communicating with the directors, executives and employees regarding good corporate governance.
3. Supervised the performance of directors and management to comply with good corporate governance principles of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
4. Overseeing operations and activities on social and environmental responsibility
5. Determining guidelines for reporting on compliance with the principles of good corporate governance in the annual report.
6. To consider and approve the dissemination and public relations of the corporate governance of the Company and information disclosure policy of the Company to the public in wide space, including the improvement of the dissemination of good corporate governance information on the Company's website.
7. Establish a system to receive complaints from stakeholders in the case of good corporate governance and business ethics of directors, executives and employees.
8. Regularly review the principles of good corporate governance of the Company by comparing with the international practices and recommendations of the Supervisory Institute or related departments to the Board of Directors.
9. Review current business ethics of the Company, appropriate with the Company's business and in accordance with the guidelines of the Stock Exchange of Thailand.
10. Review and update every committee's charter and submit it to the board for approval.
11. Perform other duties as assigned by the Board of Directors.

## (5) The Executive Committee

As of December 31, 2022, the Executive Committee consisted of the following 4 people:

	Name		Position	Type of Director
1.	Mr.Pongthep	Vichaikul <sup>1</sup>	Chairman of the Executive Committee	Executive Director
2.	Mr. Kittti	Phuathavornskul	The Executive Committee	Executive Director
3.	Ms. Pornthip	Sae-Lim	The Executive Committee	Executive Director
4.	Mr. Channarong	Sontiuschara <sup>2</sup>	The Executive Committee	Executive Director
	Mrs. Ravipa	Koekkaivan <sup>2</sup>	The Executive Committee	Executive Director

Miss. Atcharaporn Yotha the Secretary of the Executive Committee.

**Remark** <sup>1</sup> The Management Committee's Meeting No. 4/2022 held on April 26, 2022 Approved the appointment of Mr. Pongthep Vichaikul to be the Chairman of the Executive Committee effective from April 26, 2022 onwards.

<sup>2</sup> The Board of Director's Meeting No. 1/2023 held on February 22, 2023 Approved the appointment of Mrs. Ravipa Koekkaivan to be the Executive Committee to replace Mr.Channarong Sontiuschara , effective from February 22, 2023 onwards.

### Roles and Responsibilities of the Executive Committee

The Board of Directors has been deputed to take the roles and responsibilities in performing the overall management of the Company. The Executive Committee also creates policies, budgeted business plan, management structure, rules and regulations and authority of the Company in accordance with the current economic situation and submits to the Board of Directors for approval and audit. In this regard, the Executive Committee Charter as follows:

1. Operating and managing business according to the policies and reporting the Company's performance to the Board of Directors.
2. Setting and preparing the Company's business strategies, policies, business plans and budget structure to the Board of Directors for approval.Setting an appropriate approval authority limit for each executive, categorizing the roles and responsibilities which may cause fraudulent, controlling the practice according to the rules and procedures, and submitting to the Board of Directors for approval.
3. Considering the organizational structure for the approval of the Board of Directors.
4. Managing the overall human resources management including remuneration structure, recruitment process, transfer procedures, dismissal, punishment and reward of employees.
5. Considering and permitting the financial operations with commercial banks or financial institutions as approved by the Board of Directors. Such transactions include opening and closing bank accounts, borrowing and lending funds, financing funds, pledging, mortgaging, guaranteeing, buying and selling as well as signing the proprietary right of the land.

6. Considering and permitting the investment and investment budget as stated in the approval process manual.
7. Considering and permitting each department's operation plan as well as the over-limit requisitions as authorized by the Board of Directors.
8. Considering and permitting the appointment of committees required for the smoothness of the Company's operations.
9. Considering the fundraising for the approval of the Board of Directors.
10. Being responsible for other assignments periodically delegated by the Board of Directors.

The above duties and responsibilities do not give the Executive Committee the authority to approve transactions in which they or any related persons may have any potential conflicts of interest (as defined by The Securities and Exchange Commission or The Stock Exchange of Thailand) with the Company or subsidiaries. All transactions must be approved by the Board of Directors and/or the Annual General Meeting according to the Company's regulations or related laws unless such transactions are the Company's general business transactions.

### 7.3.2 Remuneration for the Board of Directors and the Management

#### Financial Remuneration

##### Board of Directors

The Company considered the formulation of the remuneration policy for the Board in a fair and reasonable manner by taking into account suitability and consistency with the Company's performance and the Board's duties and responsibilities. At the General Meeting of Shareholders for the year 2022, on April 20, 2022, the rates of remuneration for the Board of Directors, the Audit Committee, the Risk Management Committee, the Corporate Governance Committee and the Nomination and Remuneration Committee. were determined as an allowance paid per each meeting, which are as follows:

Position	Remuneration (Baht/person/meeting)
Chairman of the Board of Directors	75,000
Member of Board of Directors	20,000
Chairman of the Audit Committee	30,000
Member of the Audit Committee	10,000
Chairman of the Risk Management Committee	30,000
Member of the Risk Management Committee	10,000
Chairman of the Corporate Governance Committee	10,000

## 7.4 About Management

### 7.4.1 Management

As of December 31, 2022, the Management consisted of the following 6 people:

	Name - Surname		Position
1.	Mr. Kitti	Phuathavornskul	President / Managing Director Business Development (International)
2.	Mr.Pongthep	Vichaikul	Chief Executive Officer
3.	Ms. Pornthip	Sae-Lim	Managing Director Business Development (Domestic)
4.	Mr.Channarong	Sontiuschara	Chief Financial Officer
	Mrs.Ravipa	Koekkaivan <sup>1</sup>	Managing Director Business Support & Financial Management
5.	Mr. Kittisak	Sikkaman	Vice President The Freight Forwarding Department (FF)
6.	Mr.Roi	Levy	Vice President Business Development (International)

**Remark** <sup>2</sup> Mrs. Ravipa Koekkaivan to be the Managing Director Business Support & Financial Management to replace Mr.Channarong Sontiuschara , effective from February 22, 2023 onwards.

#### Managing Director / President

##### Role and Responsibilities of Chief Executive Officer

The Board of Directors Meeting No. 1/2013 on 18 July 2013 resolved that the Chief Executive Officer holds the following roles and responsibilities:

1. Performing all duties in compliance with the related laws by The Securities and Exchange Commission Announcements or The Stock Exchange of Thailand Notifications, Company objectives and articles of association and Board of Directors', Annual General Meeting's and Shareholders' Meeting's resolutions.
2. Managing and operating the business in accordance with the Board of Directors' strategies, plans and its annual budget to ensure the goals are achieved.
3. Implementing mission of the Company in accordance with the budget, business and strategic plans set by the Board of Directors.
4. Managing the overall business operations of the Company in financial, marketing, human resources sections and other departments according to the policies set by the Board of Directors.
5. Being responsible for human resources management such as remuneration structure, recruitment process, transfer procedures, dismissal of employees as well as authorizing the attorney to perform such operations.
6. Allocating reward, salary increase, remuneration and special bonus apart from the usual annual bonus.

7. Negotiating, signing contracts and/or general business transactions within the budgeted plans as authorized by the Board of Directors.
8. Setting rules, regulations, announcements and memorandums for proper and smooth business operations as well as the benefit of the Company.
9. Being responsible for other assignments periodically delegated by the Board of Directors.
10. Arranging the attorney in accordance with the power of attorney and/or the Board of Directors' resolutions. Such arrangement must not authorize the attorney to approve the transactions which may cause direct or indirect damages, leading to personal or others benefits with or without any individual returns (according to The Securities and Exchange Commission Announcements) unless such transactions are in accordance with the policies and regulations of the Board of Directors or Shareholders' Meeting.

In addition, the Board of Directors Meeting No. 4/2013 on 28 October 2013 resolved that the Chief Executive Officer approves the budgeted general business transactions up to five million Baht, other budgeted business assets transactions up to one million Baht and budgeted financial transactions up to one million Baht. For transactions over such authorized amounts, an approval is required from the Executive Committee or the Board of Directors as the case may be. The Chief Executive Officer is also authorized to approve unbudgeted transactions of not more than ten per cent of the approved annual budget.

### **Succession Plan**

To ensure that the Company shall have continuity in administration, the Board of Directors sees the necessity and importance of position succession of the high-level executives, the Company has made a position succession plan in support of the positions from division directors upwards. Replacement persons are identified. In case no persons who can replace instantly, the Company has arranged a personnel development system for preparing persons in subordinate positions along with external selection. This is to ensure confidence in investors, organizations as well as employees that the business running of the Company shall be succeeded in good time.

### **Company Secretary**

At the Board of Directors' meeting, no.5/2021, on August 16, 2021, the Board of Directors resolved to designate Miss Atcharaporn Yotha act as the Company's secretary. The Position holder must be knowledgeable and understands the Company's business and the role of the Company's Secretary, having knowledge of laws, regulations of the office of the Securities and Exchange Commission and the Stock Market of Thailand, as well as having good understanding in corporate governance and code of conduct with the authority of functions as stipulated in the Securities and Exchange Act B.E. 2535 and its amendment (No.4) B.E. 2551 and other operations announced by the Capital Market Supervisory Board.

## 7.4.2 Remuneration for the Management

The Management of the Company receive the compensation as monthly remuneration and bonus which agree well with outcome of the Company. In 2022, the Company paid remuneration of 25.56 million Baht to four management personnel, which is described as follows:

Remuneration	Total (Million Baht/Year)
Financial Remuneration	
- Salary and bonus	22.40
- Other remuneration, e.g., contributions to the Social Security Fund, contributions to the Provident Fund, and commissions.	3.16
Non-Financial Remuneration	None

### Other Benefit

- None –

## 7.5 About Personnel

As of December 31, 2022, the total number of staff (excluding the management) was 158, in 2022, the remuneration that the Company paid for staff was 98.72 million Baht. The remuneration included salaries, bonuses, commissions, contributions to the Social Security Fund, contributions to the Provident Fund, etc. They are described as follows:

Department	Number of Staff
The Freight Forwarding Department (FF)	72
The Non-vessel Operating Common Carrier (NVOCC)	24
The Finance and Accounting Department, the Information Technology Department, and other departments.	62
Total	158

### Major Labor Disputes in the past 3 years.

As of December 31, 2020 the number of employees 134 persons

As of December 31, 2021 the number of employees 147 persons

As of December 31, 2022 the number of employees 158 persons

### Provident Fund

The Company set up the Provident Fund on October 1, 2013 with Thailand Kasikorn Asset Management Co., Ltd., which aimed to boost the morale of its staff and to motivate them to work for the Company in the long run. In 2022, 99 employees are remaining in the provident fund

### Other Remunerations

In addition to remunerations in the form of monthly salary, bonus and the provident fund that the Company pays to its employees, there are other additional welfare payments to the Company's employees as follow:

- Annual health check-up
- Social security fund
- Welfare on assistance
- Welfare on employees' uniforms
- Welfare on compensation for transportation / accommodation / allowances
- Welfare on activities
- Holidays

### Important Disputes on Labor over the last 3 years.

- None –

### Personnel Development Policy

The Company has a policy to develop personnel at all levels on a regular basis to enhance their expertise and the efficiency of their work. The Company has prepared a yearly plan for in-house and outsourced training to improve their working skills in accordance with their responsibilities, which will bring benefits to the overall development for the Company. In the year 2022, the executives and employees attended the training course with outsource organization for 58 topics and Internal Training Courses for 4 topics as follows:

1. Service skills development course
2. Topic of Corporate Good Governance Policy
3. Code of Conduct - Code of Conduct, Basic Knowledge of Stock Exchange
4. Log Freight

The Summarize of Staff Training hours in 2022

Level	Training hours / Person
Executives	125
Employees	16

training, the Company supports employees and the executives to attend the appropriate training courses and effective to development their work capacity which organized by various institutions and in-house training to provide the executives and employees with knowledge, understanding of fundamentals of organization, policy, organization overview to acknowledge and practice properly, including other related development.

## 7.6 Important Information

### 7.6.1 List of Persons Assigned

#### Company Secretary

In order to comply with the Securities and Exchange Act, Sections 89/15 and 89/16, the Board of Directors Meeting No. 5/2021 has resolved to appoint Ms. Atcharaporn Yotha as the Company secretary replacing Ms. Rungarun Bongkotkanok, effective from August 16, 2021 onwards. Details of Attachment 1.

#### Roles and Responsibilities

- Prepare and maintain key documents, including the Board roster, meeting notices, minutes of Board meetings and shareholders' meetings, annual reports, and reports of vested interest.
- Schedule Board meetings and shareholders' meetings under the law and Company regulations. Coordinate conformance to the resolutions of Board and shareholders' meetings.
- Advise and support the performance of directors and the management under the law and relevant regulations.
- Coordinate between the Chairman and the President and chief executive officer together with his management team, which includes coordination between the Company and its shareholders.
- Encourage the directors, management, and employees to conform to corporate governance.
- Perform other lawful tasks and Board-assigned tasks.

#### Accounting Supervisor

The Company assigned Mrs. Kavisara Panitudom Financial Controller to be directly responsible for the supervision of accounting. Please see information of the head of Accounting Supervisor in Attachment 1.

#### Head of Internal Audit

The Audit Committee appointed Act-Plus Consultant Company Limited with Miss Wanna Malueng-non as Managing Director of Act-Plus Consultant Company Limited and the position of accounting, accounting and tax system consultant. Far East Law Firms Limited, with over 20 years of experience as financial advisors and internal auditors, acts as an internal auditor. The Audit Committee has considered the qualifications of the head of the internal audit as it is appropriate to perform the said duties efficiently. Please see information of the head of Internal Audit in Attachment 3.

### 7.6.2 Head of Investor Relations

Investors and related parties can make queries or ask for the Company's information at Mr. Tirawit Disphanurat, Investor Relations Manager, Tel. 0 2473 7300 Ext. 300 or Email address Email: [IR@nclthailand.com](mailto:IR@nclthailand.com)



### 7.6.3 Auditor Fees

The Audit Committee will consider auditors according to the assessment standard of the Company such as independence in working, quality of work, and working standard. The auditors must have qualifications according to The Stock Exchange of Thailand.

They must not relate to the stakeholders of the Company, subsidiary, executives, major shareholder, and associated persons. They must have freedom to Audit and give opinion to the financial statement of the Company.

For the year ended 31 December 2022, the Company paid audit fee of 3.00 million Baht to EY Company Limited. This fee included the service of quarterly and annual audit of the Company but excluded other non-audit services such as photocopy and travelling expenses.

#### Non-Audit Fees

- None -

## 8. Corporate Governance Report

---

### 8.1 Performance of the Board of Directors

#### 8.1.1 Nomination, Development and Performance Assessment of the Board

##### (1) Independent Directors

The Company has a policy to appoint independent directors at least one third of the total number of directors of the Company, but not less than three persons. The qualifications of independent directors are as follows:

- 1) An Independent Director must hold no more than one percent of all the voting shares of the Company, a subsidiary, an affiliate, other associate Company, a major shareholder, or a controlling person, including shares held by related persons.
- 2) Neither being nor used to take part in management, or being an employee, staff member, advisor receiving a regular salary, or controlling person of the Company, a subsidiary, an affiliate, other associate Company, a major shareholder, or a controlling person in the past two years unless the foregoing relationship has ended not less than two years prior. The above prohibited characters exclude the independent director who is a government employee or consultant who is major shareholders or controlling person of the Company.
- 3) Not being a close relative by birth or by legal registration as a parent, a spouse, a brother or sister, a son or daughter of management, a controlling person, a shareholder or a person nominated as management or a controlling person of the Company or its subsidiary.
- 4) Neither having nor used to involve in a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in such a way that will obstruct his independent judgment including not being a major shareholder or a controlling person of the person who has a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person unless the foregoing relationship has ended not less than two years, a business relationship includes a normal cause of business transaction, a rent or lease of property, a transaction related to assets, service, providing or receiving financial support such as borrowing, lending, guaranteeing, or assignment resulting in the Company or other party being in debt obligation of more than three per cent of net tangible assets of the Company of twenty million Baht, whichever is lower. The calculation of debt obligation shall be in accordance with the calculation of value of related party transaction specified by the Capital Market Supervisory Board's Announcement of Related Party Transaction including debt obligation one year prior to the date that business relationship starts.

- 5) Neither being nor used to be an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person of the Company and not being a shareholder holding major portion in an audit office of an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in the past two years.
- 6) Neither being nor used to be a provider of professional service such as legal or financial services and receives a professional fee of more than two million Baht per year from the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person and not being a major shareholder or a partner of such a provider of professional service in the past two years.
- 7) Not being a director representing another director of the Company, a major shareholder, or a shareholder related to a major shareholder.
- 8) Not being in a business substantially the same and compete with the Company, or a subsidiary, or not being a principal partner in a business partnership or being a director involving in management, employee, staff member, advisor receiving a regular salary, or holds of shares with voting right more than one per cent of total number of voting right of other Company that engages in a business substantially the same and compete with the Company and its subsidiary.
- 9) Be able to express an independent opinion with respect to the operation of the Company.

The Board of Director consists 4 independent members, which are the persons with knowledge or competency and truly have the freedom to operate such as no business connection to the Company, no connect to other influences that might affect the independent performance.

## **(2) Nomination of Directors and Management**

In 2022, The Company has nominated and appointed a new director. To replace the former director who resigned / retired by rotation which has been considered by the Nomination and Remuneration Committee, which considers the selection of qualified persons based on expertise, vision, leadership, morality have a transparent work history and able to express their opinions independently. The composition and selection, appointment, removal or retirement of the Company's directors have set out in the Company's articles of association which can be summarized as follows:

- 1) The Board of Directors consists of at least 5 directors of which not less than half of the total directors must reside in Thailand. And the Company's directors must have qualifications as required by law.
- 2) The meeting of shareholders is responsible for electing directors according to the following rules and methods:
  - (1) Each shareholder has 1 vote for 1 share.

- (2) Each shareholder may use all his/her votes under (1) to elect one person or more persons to be directors, but cannot divide the votes to any person to any extent.
- (3) Persons with the highest votes in order respectively will be elected as directors equaling to the number of directors that are supposed to be or to elect in a particular occasion. In case that persons in the second orders have the same number of votes and more than the number of directors that are supposed to be or to select in a particular occasion, the chairman of the meeting shall have the deciding vote.
- 3) In every Annual General Meeting of shareholders, the terms of one-third (1/3) of the current number of the Directors will be ended. If the number of Directors could not be divided into three proportions, the number of Directors whose terms will be ended will be the closet number to the one-third proportion. Directors whose terms are ended in the first and the second years after the registration of the Company will be decided by drawing lots. For the consecutive years, the Directors who are in the positions the longest will be removed. However, those Directors who are removed may be elected to fill the positions again.
- 4) In addition to the end of the term. Directors will vacate when:
- Death.
  - Resign.
  - Be without qualifications or possess of the characteristics prohibited under Act and the related Notification.
  - The decision of the shareholders' meeting to resign.
  - Court order.
- 5) In casting a vote on which Directors whose terms should be ended before seeing out their actual terms, the number of votes must be at least no less than three-fourth of the number of shareholders attending the meeting and having the right to vote, and that the total number of shares must be no less than a half of the number of shares held by the shareholders who attend the meeting and having the right to vote.
- 6) Any director who wishes to resign from the position must submit a resignation letter to the Company. The resignation will be effective from the date the resignation letter reaches the Company.
- 7) In case a director's position is vacant due to other reason than the completion of term, the Board of Directors is to elect a candidate with qualifications according to the Company's regulations in the next meeting except when the Director's term is to be completed in less than two months. The elected Director holds the position until the completion of term of the Director they have replaced.

The Board must allow the shareholders to present a name with qualifications to become a Board member. In 2021, no name was nominated by shareholders.

### **Nomination and Appointment of the Audit Committee**

The Audit Committee of the Company must be the Company's director who is appointed from the Board of Directors and have qualifications as specified by the securities law and the Stock Exchange of Thailand. The Audit Committee must contain no less than 3 persons and at least 1 director must have knowledge on accounting and finance.

### **Nomination and Appointment of the Risk Management Committee**

The Risk Management Committee is appointed by the Board of Directors to define and implement strategies for overall risk management. In addition, the Risk Management Committee is responsible for developing and reviewing management systems and risk management in line with the policy consistently. One of the Risk Management Committee shall be appointed to be the chairman of the Risk Management Committee by the Boards of Directors. He/she shall have the qualifications required by the Securities Laws and the Stock Exchange of Thailand, including regulations and / or regulations of the Stock Exchange of Thailand.

### **Nomination and Appointment of the Nomination and Remuneration Committee**

The Board of Directors shall nominate the Nomination and Remuneration Committee by election from the number of independent directors and executives as deemed appropriate to be independent to nominate directors and determine remuneration which is suitable for the Company. One of the Nomination and Remuneration Committee shall be appointed to be the chairman of the Nomination and Remuneration Committee by the Boards of Directors. He/she shall have the qualifications required by the Securities Laws and the Stock Exchange of Thailand, including regulations and / or regulations of the Stock Exchange of Thailand.

### **Nomination and Appointment of the Corporate Governance Committee**

The Board of Directors proposes the appointment of the Corporate Governance Committee by election from an independent committee Certain amount as it deems appropriate but must not less than 3 people to help support the Board of Directors in formulating policies and laying down criteria for strengthening policies and laying down criteria for strengthening the Company to have concrete standards and practices in corporate governance to cover the entire organization with transparency, credibility, and accountability, build confidence for shareholders and stakeholders and the Board of Directors has appointed a member of the Good Corporate Governance Committee to be the Chairman of the Good Corporate Governance Committee with qualifications as required by the Securities and Exchange Act of Thailand, including notifications, regulations and / or regulations of the Stock Exchange of Thailand.

## **Nomination and Appointment of the Executives Committee**

The Board of Directors is responsible for proposing the appointment of the Executives Committee by electing from Directors and/or a certain number of Management as it sees appropriate and the Board of Directors will appoint one of the members of the Executives Committee to be the chairman of the Executives Committee.

## **Nomination and Appointment of Chief Executive Officer**

The Executive Committee will nominate the qualified delegates with proper knowledge, capabilities and experiences for the position of Chief Executive Officer for the Nomination and Remuneration Committee and Board of Directors' approval.

## **The orientation of new Directors**

The Board of Directors has set an orientation for newly appointed directors by assigning the Company secretary to prepare Company information, annual report, business overview, shareholding structure, organizational structure, director's guide and meeting schedule and other necessary information. In order to create knowledge and understanding in business and various operations of the Company to inform new directors about roles and responsibilities of the directors' corporate governance policies and practices, in order to prepare the directors to perform their duties.

## **Development of Directors and Executives**

The Company encourages the Board of Directors and the management to attend seminar courses that are beneficial to their functions. Courses that the Board of Directors should attend at least are courses arranged by the Thai Institute of Directors (IOD) namely Directors Certification Program courses from related supervisory agencies on a regular and constant basis. The Board of Directors has assigned the Company's secretary to be a coordinator with directors to inform training courses so that directors can bring in knowledge and experiences to continuously develop the Company.

Currently, the Board has 6 persons that attended such trainings by passing the program of Director Certification Program (DCP) or Director Accreditation Program (DAP) by Thai Institute of Directors (IOD).

In 2022, there were directors who participated in trainings to develop knowledge, understandings of role and duty of directors in administering work efficiently as follows:

Directors	Topic	Organization to Provide Training
1. Mr. Pongpun Kongkumnerd	Audit Committee Forum	EY Company Limited
2. Mr. Somchai Kuvijitsuwan	Audit Committee Forum	EY Company Limited
3. Adm. Surapong Amnucksoradeja	<ul style="list-style-type: none"> <li>● Audit Committee Forum</li> <li>● Easy listening</li> </ul>	<ul style="list-style-type: none"> <li>● EY Company Limited</li> <li>● Securities and Exchange Commission (SEC)</li> </ul>
4. Ms. Chanyapat Wiphatthanananthakul	<ul style="list-style-type: none"> <li>● IOD Hot Issue for Director: What directors need to know about digital assets?</li> <li>● Easy listening</li> <li>● Audit Committee Forum:</li> </ul>	<ul style="list-style-type: none"> <li>● EY Company Limited</li> <li>● Securities and Exchange Commission (SEC)</li> <li>● Thai Institute of Directors</li> </ul>
5. Mr. Kitti Phuathavornskul	<ul style="list-style-type: none"> <li>● The Connex Bacth 1</li> <li>● Mission we</li> </ul>	<ul style="list-style-type: none"> <li>● The Connex</li> <li>● Mission we</li> </ul>
6. Mr.Pongthep Vichaikul	<ul style="list-style-type: none"> <li>● Wealth of Wisdom: WOW</li> <li>● The Connex Bacth 2</li> <li>● Mission we</li> </ul>	<ul style="list-style-type: none"> <li>● Nation Group (Thailand) Public Company Limited</li> <li>● The Connex</li> <li>● Mission we</li> </ul>
7. Mr.Channarong Sontiuschara	<ul style="list-style-type: none"> <li>● CFO's Orientation Course (Thai Version)</li> <li>● The NEW CFO 2022 Topic: Driving Business Growth through Mergers &amp; Acquisition: CFO You Can Do</li> </ul>	<ul style="list-style-type: none"> <li>● The Stock Exchange of Thailand</li> <li>● The Stock Exchange of Thailand</li> </ul>

## Succession Plan

In order to ensure that the Company shall have continuity in administration, the Board of Directors sees the necessity and importance of position succession of the high-level executives, the Company has made a position succession plan in support of the positions from division directors upwards. Replacement persons are identified. In case no persons who can replace instantly, the Company has arranged a personnel development system for preparing persons in subordinate positions along with external selection. This is to ensure confidence in investors, organizations as well as employees that the business running of the Company shall be succeeded in good time.

## Assessment of Directors' Performances

The Board has evaluated their performance every year with three formats 1) person 2) team 3) sub-team and CEO for the Board to assess the outcome, the problems, and the obstacles during the previous year in order to fix and increase efficiency. The evaluation as a team and as a sub-team will be based on the protocols

suggested by the Stock Exchange of Thailand, leading to properly changes of the Company. With this, the assessment as referred to 6 topics.

- 1) The structure and qualifications of the Board of Directors.
- 2) Duty and responsibility of the Board of Directors.
- 3) The Board of Directors' meeting.
- 4) Performance of Directors.
- 5) Relationships with the management.
- 6) Self-development of Directors and management development.

## 8.1.2 Meeting attendance and remuneration of individual committees

### (1) Board Meeting

The Company has set a schedule for the Board of Directors' meetings in advance throughout the year. The Company will send the meeting invitation together, the meeting agenda with complete detail to the Board of Directors at least 7 days in advance for the Board of Directors to attend have enough time to study the information before attending the meeting except in case of urgent need to preserve the benefits of the Company will notify the meeting by other methods and the meeting date may be earlier than that. However, two or more directors may request the chairman of the board to call a meeting of the board of directors. In the case of two or more directors requesting the chairman of the board shall determine the meeting date within 14 days from the date of request.

All this, the committee has set a policy that non-executive directors should have the opportunity to meet among themselves as appropriate or at least once a year without executive directors or management participated in the meeting. To discuss various issues, both regarding the Company's business such as management strategies, sustainable growth guidelines or other matters of interest and report the result of the meeting to the Managing Director.

In 2022, the Board of Directors held 10 meetings and there were meetings only Independent Directors without the Executive Director on November 14, 2022



In 2022, the Board of Directors' Meetings and Committees' Meeting as following: -

		Number of Attendance / Number of Meeting					
Name		BOD Meeting	Audit Committee Meeting	Risk Management Committee Meeting	Nomination and Remuneration Committee Meeting	Corporate Governance Committee Meeting	Executive Committee Meeting
1. General Porpol	Maneerin <sup>1</sup>	2/10	-	-	-	-	-
Mom Rajawong Chirakom	Kitiyakara <sup>1</sup>	8/10	-	-	-	-	-
2. Mr. Pongpun	Kongkumnerd	10/10	5/5	9/9	1/1	2/2	-
3. Ms. Chanyapat	Wiphatthananthakul	10/10	5/5	9/9	1/1	2/2	-
4. Adm.Surapong	Amnucksoradeja	10/10	5/5	9/9	1/1	2/2	-
5. Mr. Somchai	Kuvijitsuwan <sup>2</sup>	8/10	4/5	8/9	-	-	-
6. Mr. Kitti	Phuathavornskul	10/10	-	9/9	-	-	12/12
7. Ms. Pornthip	Sae-Lim	10/10	-	9/9	-	-	12/12
8. Mr.Pongthep	Vichaikul	10/10	-	9/9	1/1	-	12/12
9. Mr. Channaronng	Sontiuschara	9/10	-	8/9	-	-	10/12

หมายเหตุ : <sup>1</sup> The Annual General Meeting of Shareholder 2022 held on April 20, 2022 Approved the appointment of Mom Rajawong Chirakom Kitiyakara to be the Company's Director, Chairman of the Board of Directors to replace General Porpol Maneerin, effective from April 20, 2022 onwards.

<sup>2</sup> The Board of Director's Meeting No. 2/2022 held on February 24, 2022 Approved the appointment of Mr. Somchai Kuvijitsuwan to be the Company's Director, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee Ms. Chanyapat Wiphatthananthakul to be the Chairman of Corporate Governance Committee and Adm. Surapong Amnucksoradeja to be the Chairman of Risk Management Committee ,effective from April 20, 2022 onwards.

<sup>3</sup> Mr.Channaronng Sontiuschara effective from February 22, 2023 onwards.

## (2) Remuneration for the Board of Directors and the Management

The Company considered the formulation of the remuneration policy for the Board in a fair and reasonable manner by taking into account suitability and consistency with the Company's performance and the Board's duties and responsibilities. At the General Meeting of Shareholders for the year 2022, on April 20, 2022, the rates of remuneration for the Board of Directors, the Audit Committee, the Risk Management Committee, the Corporate Governance Committee and the Nomination and Remuneration Committee. were determined as an allowance paid per each meeting, which are as follows:

Position	Remuneration (Baht/person/meeting)
Chairman of the Board of Directors	75,000
Member of Board of Directors	20,000
Chairman of the Audit Committee	30,000
Member of the Audit Committee	10,000
Chairman of the Risk Management Committee	30,000
Member of the Risk Management Committee	10,000
Chairman of the Corporate Governance Committee	10,000

The remuneration paid for the directors and committee members for the year 2022 as follows

Renumeration (Baht)						
Name		Director	Audit Committee	Risk Management Committee	Corporate Governance Committee	Total
1. General Porpol	Maneerin	100,000	-	-	-	100,000
2. Mom Rajawong Chirakom	Kitiyakara	600,000	-	-	-	600,000
3. Mr. Pongpun	Kongkumnerd	220,000	120,000	80,000		420,000
4. Ms. Chanyapat	Wiphatthanananthakul	200,000	40,000	80,000	20,000	340,000
5. Adm.Surapong	Amnucksoradeja	200,000	40,000	240,000	-	480,000
6. Mr. Somchai	Kuvijitsuwan	160,000	40,000	80,000	-	280,000
7. Mr. Kitti	Phuathavornskul	160,000	-	80,000	-	240,000
8. Ms. Pornthip	Sae-Lim	160,000	-	80,000	-	240,000
9. Mr.Pongthep	Vichaikul	160,000	-	80,000	-	240,000
10. Mr. Channarong	Sontiuschara	140,000	-	60,000	-	210,000
Total		2,100,000	240,000	780,000	20,000	3,150,000

### 8.1.3 Oversight of the Subsidiaries, Joint Venture and Other Joint Venture

The Company has always put great emphasis on good governance policy in line with business operation. The Company has also set up a policy to supervise its subsidiaries, affiliated companies and other associated companies for the purpose of overseeing those companies. The Board of Directors has a regulatory mechanism that regulates, manages, and is responsible for the operations of its subsidiaries, associated companies and other affiliates in order to maintain the interests of the Company's investment, including:

- Sending of a person to represent the Company as a director of the invested Company in proportion to the shareholding. The Company's representative shall be a person without any conflict of interest with the business of such subsidiary, associated or other associated Company.
- The Company's representative will oversee that its subsidiaries, associates and other affiliates comply with the rules and regulations set forth in the Company's regulations and the laws governing the conduct of business. In addition, the Company's representative must ensure that the subsidiary has the regulations governing connected transactions, the acquisition or disposition of assets or other important transactions of such Company shall be complete and accurate, and apply the rules related to disclosure and the above transaction in the same manner as the Company's criteria.
- Supervision of disclosure of financial status and operating results, including important transactions to be consistent with the rules of the Company, and to keep the records and accounting records of the Company so that the Company can review and collect the consolidated financial statements in a timely manner.

## Investment and Governance Policy of Subsidiaries and Associates

1. Investment in other companies include joint venture to set up a new Company and buying shares in other companies. The Company has a policy to coin vest with other investors that have transparent business operation and corporate governance.
2. Businesses in which the Company will invest must be supportive and beneficial Company's business vertically and horizontally to create equilibrium of the Company.
3. Businesses in which the Company will invest shall be analyzed in terms of basic business factors, business trend as well as return rate evaluation and future risk prediction.
4. Investment shall not cause problems to liquidity of the Company and subsidiaries.
5. The Company will invest at sufficient proportion to take part in managing and defining business operation regulations of a Company to be invested in.
6. The Company will review investment in subsidiaries and associates properly and in accordance with business condition of the Company in each period.
7. The investment shall be approved by the board of director or general meeting of the Company according to the article of association and related laws to be in accordance with a notice of Capital Market Supervisory Board associated with principles of providing significant particulars within scope of obtainment or distribution of properties and a notice of Stock of Exchange Commission on disclosure of data and practices of listed companies about property obtainment B.E. 2547
8. The Company will supervise a Company in which it invests by sending representatives to be a director of subsidiaries and/or associates by proportion of shareholding. The Company's representatives must be free from conflict of interest of the subsidiaries and/or associates in which the Company invests and they shall supervise the subsidiaries and/or associates to comply with specified regulations and principles in the Company's article of association and applicable laws about business operation of the subsidiaries and/or associates.

### 8.1.4 Monitoring to ensure compliance with corporate governance policies and practices

#### 1) Policy

The Board of Directors has set up the Good Corporate Governance Policy of the Company in accordance with the Good Corporate Governance Principles for Listed Companies of the Stock Exchange of Thailand, with the Corporate Governance Policy and the Business Ethics and Operational Guideline. In writing, The Board of Directors is the driven and regulates the implementation in work process, executives and employees are strictly complied and held on to practice since 2014 and has been distributed on the Company's website to inform the shareholders, investors, interested person and related parties.

The Company had determined that the corporate governance policy need to be reviewed annually or at least once a year. In 2021, there was a review made through the Board of Directors Meeting No. 1/2021 on February 23, 2021, performing a manual update corporate governance policy by additional policies and practices covering all 5 policies, as follow:

1. The Rights of Shareholders.
2. The Equitable treatment of Shareholders.
3. Role of Stakeholders.
4. Disclosure of Information and Transparency.
5. Responsibility of the Board.

## **2) Communication**

The Company has communicated to employees and stakeholders to acknowledge the corporate governance principles and the Company's business ethics continuously through various channels. In order to communicate to stakeholders about the intention and standards of the Company's operations as follows:

- Send an e-mail to all employees in the Company to acknowledge the principles of good corporate governance and the Company's business code of conduct after the Board of Directors has reviewed it.
- Announce the principles of good corporate governance and important policies on the Company's website.

## **3) Guidelines**

- All employees were required to undertake a test of the Good Corporate Governance Policy and Business Code of Conduct test to ensure proper understanding of employees.
- Emphasis is placed on the policy of receiving – giving gifts and rewards.
- The Company provides whistle blowing channels for stakeholders of the Company. Complaints can be reported through the Company's website under the topic of good corporate governance.

## 8.2 Report on the Performance of the Audit Committee in the past year

### The Audit Committee's Report

To Shareholders

To Shareholders

The Audit Committee of NCL International Logistics Public Company Limited ("the Company") consists of 4 Independent Directors, in the year 2022 had 5 meetings and the meeting details are as follow;

	Name	Position	Meeting attendance / total (times)
1.	Mr. Pongpun Kongkumnerd <sup>1</sup>	Chairman of the Audit Committee / Independent Director	5/5
2.	Ms. Chanyapat Wiphatthanananthakul	Audit Committee / Independent Director	5/5
3.	Adm. Surapong Amnucksoradeja	Audit Committee / Independent Director	5/5
4.	Mr. Somchai Kuvijitsuwan <sup>2</sup>	Audit Committee / Independent Director	4/5

Remark: <sup>1</sup> The audit committee with knowledge and experience in reviewing the financial statements of the Company

<sup>2</sup> The Board of Director's Meeting No.2/2022 held on 24 February 2022 was approved to appointment Mr. Somchai Kuvijitsuwan to be the Audit Committee effective from 24 February 2022 onward

Below are the highlights of deliberations in 2022:

1. Reviewed the quarterly and annual financial statements of the company with the auditor, Internal Audit, and management. Investigated and commented on repercussions on financial statements to ensure that the financial statements met with generally accepted accounting standards and adequate information disclosure to submission for approval of the Board. The Audit Committee is of opinion that the financial statements are accurate and complete with adequate disclosure of material information.
2. Reviewed the assessment of internal control system to ensure that the internal control and internal audit system were adequate and appropriate, including risk assessment, control activities, information system and communication and operation monitoring. The Committee is confident that there was no material flaw in the internal control system.
3. Reviewed the Company's operation to ensure compliance with the Securities and Exchange Act, rules stipulated by the Stock Exchange of Thailand and laws related to the Company's business.
4. The Audit Committee's meeting No. 1/2022 had considered and recommended the appointment of EY Office Company Limited as the Company's External Auditor and audit fee. The Committee is of opinion that EY Office Company Limited performed their tasks with independence and was qualified to audit the Company's

financial statement to ensure accuracy and reliability with disclosure of material information and proposed to the Board of Director to approve.

5. Reviewed and commented on related party transactions and transactions that may constitute a conflict of interest to ensure complete information disclosure and compliance with rules and regulations stipulated by the Securities and Exchange Commission, the Stock Exchange of Thailand and other regulatory bodies with a view to ensure reasonableness and the Company's best interest. The Committee is confident that related party transactions were reasonable, fair, transparent, free of a material conflict of interest, and in the best interest of the Company.
6. Review of Good Corporate Governance, The Audit Committee reviews compliance with the code of conduct and corporate governance policy, laws on securities and securities exchange and other related laws.
7. Reviewed the performance of the Committee for the year 2022 by way of self-assessment and assessment by the Board. The assessment revealed that the Committee functioned at excellent level.

In 2022, the Audit Committee fulfilled its duties and responsibilities as assign by the Board of Director and be in line with the Audit Committee Charter.



(Mr. Pongpun Kongkumnerd)  
Chairman of the Audit Committee

## 8.3 Report on the performance of other Committees

### Risk Management Committee Report

To Shareholders

The Board of Directors has appointed the Risk Management Committee to serve in the define policies, plans, frameworks, and risk management processes. that may affect the Company's business operations which covers strategic risks financial operations by ensuring that the Company will be able to conduct business under constantly changing environment.

The Risk Management Committee consists of 8 members, details as follows:

	Name		Position	Meeting Attendance / Total (Times)
1.	Adm. Surapong	Amnucksoradeja <sup>1</sup>	Chairman of the Risk Management committee	9/9
2.	Mr. Pongpun	Kongkumnerd	The Risk Management Committee	9/9
3.	Ms. Chanyapat	Wiphatthanananthakul	The Risk Management Committee	9/9
4.	Mr. Somchai	Kuvijitsuwan	The Risk Management Committee	8/9
5.	Mr. Kitt	Phuathavornskul	The Risk Management Committee	9/9
6.	Ms. Pornthip	Sae-Lim	The Risk Management Committee	9/9
7.	Mr.Pongthep	Vichaikul	The Risk Management Committee	9/9
8.	Mr.Channarong	Sontiuschara <sup>2</sup>	The Risk Management Committee	8/9
	Mrs. Ravipa	Koekkaivan <sup>2</sup>		

**Remark:** <sup>1</sup> The Board of Director's Meeting No. 2/2022 held on February 24, 2022 approved the appointment of Adm. Surapong Amnucksoradeja to be the Chairman of Risk Management Committee, effective from February 24, 2022 onwards.

<sup>2</sup> The Board of Director's Meeting No. 1/2023 held on February 22, 2023 Approved the appointment of Mrs. Ravipa Koekkaivan to be the Company's Director, Executive Committee, Risk Management Committee, Corporate Governance Committee , to replace Mr.Channarong Sontiuschara , effective from February 22, 2023 onwards.

In 2022, the Risk Management Committee has performed its duties to the best of its ability. There was a total of 9 meetings of the Risk Management Committee, with the key points being as follows:

1. The consider reviewing and formulating a risk management plan for the year 2025 before submitting it to the Board of Directors' meeting for approval.
2. The consider screening and giving suggestions on new investments of the Company. This ensures that appropriate risk management and management processes are implemented before making investment decisions. and presented to the Board of Directors' meeting for approval.
3. The consider and review the risks important to the Company's business operations and report to the Audit Committee meeting and the Board of Directors regularly every quarter.

The Risk Management Committee is committed to performing its duties for the Company can indeed operate efficiently in pursuit of its goals including the maximum benefit to all stakeholders



(Adm. Surápong Kongkumnerd)

Chairman of the Risk Management Committee



## Nomination and Remuneration Committee Report

To Shareholders

The Company appointed the Nomination and Remuneration Committee. It consists of Independent Director more than 50 percent of the total number of Nomination and Remuneration Committee members. The details of the directors are as follows:

Name		Position	Meeting Attendance / Total (Times)
1.	Mr. Pongpun Kongkumnerd	Chairman of the Nomination and Remuneration Committee	1/1
2.	Ms. Chanyapat Wiphatthanananthakul	The Nomination and Remuneration Committee	1/1
3.	Adm. Surapong Amnucksoradeja	The Nomination and Remuneration Committee	1/1
4.	Mr. Somchai Kuvijitsuwan <sup>1</sup>	The Nomination and Remuneration Committee	
5.	Mr. Pongthep Vichaikul	The Nomination and Remuneration Committee	1/1

**Remark:** <sup>1</sup>The Board of Director's Meeting No. 2/2022 held on February 24, 2022 approved the appointment of Mr. Somchai Kuvijitsuwan to be the Company's Director, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Ms. Chanyapat Wiphatthanananthakul to be the Chairman of Corporate Governance Committee and Adm. Surapong Amnucksoradeja to be the Chairman of Risk Management Committee, effective from February 24, 2022 onwards.

In 2022, the Nomination and Remuneration Committee has performed its duties to the best of its ability. There were 1 meetings of the Nomination and Remuneration Committee with the following important things:

### Nomination

The Nomination and Remuneration Committee considers the selection of persons to replace the directors who retire by rotation and those who resign before the expiration of the term, considering the propose from the major and minor shareholders including the list of Directors' Pool by the qualified according to the process and in accordance with the established criteria and taking into account the knowledge and ability the experience is appropriate and consistent with the composition and structure of the directors according to the Company's business strategy as well as having a good attitude towards the organization able to devote enough time which is beneficial to the operation of the Company. In addition, diversity in the structure of the board of directors, both of genders and knowledge and abilities according to board skill matrix.

### Remuneration

The Nomination and Remuneration Committee considers and determines the remuneration of directors, including Chief Executive Officer considering the suitability of the responsibilities of Directors in accordance with the Company's performance and the performance of the directors which is comparable to companies in similar industries listed on the Stock Exchange of Thailand.

The Nomination and Remuneration Committee performs its duties to the best of its ability, considering the principles of good corporate governance to make the process of recruiting and setting compensation be transparent build confidence for shareholders and all stakeholders.



(Mr. Pongpun Kongkumnerd)

Chairman of the Risk Management Committee

## The Corporate Governance Committee Report

To Shareholders

The Board of Directors appoints the Corporate Governance Committee, for the Company to operate and comply with the principles of good governance in accordance with the Company's policy and in accordance with the principles of good corporate governance of the Securities and Exchange Commission and the Stock Exchange of Thailand the Corporate Governance Committee consists of 4 directors, details as follows:

	Name		Position	Meeting Attendance / Total (Times)
1	Ms.Chanyapat	Wiphatthanananthakul <sup>1</sup>	Chairman of The Corporate Governance Committee	2/2
2	Adm. Surapong	Amnucksoradeja	The Corporate Governance Committee	2/2
3	Mr.Pongpun	Kongkumnerd	The Corporate Governance Committee	2/2
4	Mrs. Ravipa	Koekkaivan <sup>2</sup>	The Corporate Governance Committee	

**Remark:** <sup>1</sup> The Board of Director's Meeting No. 2/2022 held on February 24, 2022 approved the appointment of Ms.Chanyapat Wiphatthanananthakul to be the Chairman of Corporate Governance Committee and Adm. effective from February 24, 2022 onwards.

<sup>2</sup> The Board of Director's Meeting No. 1/2023 held on February 22, 2023 Approved the appointment of Mrs. Ravipa Koekkaivan to be the Corporate Governance Committee , effective from February 22, 2023 onwards.

In 2022, the Corporate Governance Committee has performed its duties and responsibilities sufficiently and effectively according to the assigned role and has been assigned by the Board of Directors. The key points can be summarized as follows:

1. Reviewing the Good Corporate Governance Policy and Business Ethics of the Company to be appropriate and in line with the principles of Good Corporate Governance of the Securities and Exchange Commission and the Stock Exchange of Thailand.
2. Follow up and control the Company operate and follow the Good Corporate Governance Policy of the Company.
3. The consider giving shareholders the right to propose matters for inclusion as a meeting agenda or to propose a person to be considered for election as a director of the Company at the 2023 Annual General Meeting of Shareholders, the granting period will be from November 16,2022 to January 13, 2023 in order to comply with good corporate governance principles regarding rights supervision of shareholders and equitable treatment of shareholders.
4. The consider the assessment results of the AGM Checklist and the Corporate Governance Report of Thai Listed Companies (CGR) project organized by the Thai Institute of Directors (IOD) for the year 2022, which the Company's assessment results are at an excellent level.
5. Reviewing the charter The Board of Director and the Committees.

(Ms. Chanyapat Wiphatthanananthakul)

Chairman of the Corporate Governance Committee

## Statement of Responsibilities of the Board of Directors on Financial Statements

The Board of Directors recognizes the importance of the Corporate Governance Management Policy and the preparing process of the financial statement and financial information as reported in the annual report to ensure that the statements are prepared in accordance with the Thai generally accepted accounting standards, using appropriate and consistent accounting policy and sufficient information is disclosed in the notes to financial statements. This also assures the efficiency and effectiveness of internal controls such as safeguarding of assets connected or potential conflict of interest transactions and the compliance to applicable laws and regulations, which the Audit Committee's opinion is stated in the Audit Committee's Report. The Audit Committee's report on these matters is also published in the Company's 2022 Annual Report and Annual Registration Statement (Form 56-1 One Report).

It is the opinion of the Board of Directors that the Company and its subsidiaries' overall internal controls are adequate for its business and operations and that the financial statements for the year ended 31 December 2022 are fairly presented with adequate disclosure in accordance with generally accepted accounting principles.



(Mom Rajawong Chirakom Kitiyakara)

Chairman of the Board



(Mr. Pongthep Vichaikul)

Chairman of the Management Committee

## 9. Internal Control and Related Party Transactions

---

### 9.1 Internal Control

The Company recognizes the importance of an internal control system in both of executive and operation levels for effective and efficient operation of all departments. The Company has specified the scopes of duty and authority for its executives and employees clearly in writing. It also conducts the control of assets usage for the greatest benefit and divided duties among the operator, the follower and to control and separately assess to make balance and suitably audit each other. In addition, the Company provided internal control about financial aspect as the Company provided financial report system to propose to the responsible management.

The Company has hired a consultant, Ms. Wanna Maluengnon (Managing Director of Acc-Plus Consultant Co., Ltd.) is the operator to improve an internal control system and after the system has been completely improved, the Company shall hire an independent external audit to verify the internal control system to report directly to the Audit Committee. The Company has set up a compliance unit to coordinate with the consulting firm as mentioned above.

#### The Board of Director's Opinions about the Company's Internal Control System

The Board realizes the importance of internal control by assigning the Audit Committee composed of independent committee comprised of three Audit Committee to examine and assess the internal control system to appoint the ACC-Plus Consultant Co., Ltd. to internally audit the Company and directly report to the Audit Committee. This Company has a duty to inspect working system of each department of the Company according to the yearly examination approved by the Audit Committee. The objective is to ensure efficient performance, good resource usage, correct financial operation, following on regulation and rules, evaluation of efficiency of control system so that the business can be operated and reaches maximum benefits for all stakeholders. The Audit Committee also has a duty in considering and choosing auditors and auditor compensation, and in considering the publicizing the Company information for correctness in the case of related issues and benefit conflicts.

At the NCL International Logistics PCL's Board of Directors' Meeting, No. 2/2022 on February 24, 2022, The Board of Directors, The Audit Committee and Executive have been attended to the meeting for assessing the adequacy of the Company's internal control system based on the Securities and Exchange Commission's Adequacy Assessment Form for the Internal Control System. Inquiries were conducted with the management concerning five components: 1) Organization and the control environment, 2) Risk assessment and management, 3) Control of the management's operation, 4) Information and communication system, and 5) Monitoring and evaluation system.

## Organization and control environment

Based on information from management with the assessment of the adequacy of the internal control system form, the Board of Directors is of the opinion that the Company has adequate internal management and internal control system, which there are no significant internal control deficiencies. The management encourages employees in the organization to be aware of the importance of internal control and to provide adequate personnel to ensure that the Company's internal control system is adequate and appropriate. In addition, the Company can adjust to suit the changing situation in an efficient manner so that the Company's operations meet the objectives set in accordance with relevant laws and regulations and in accordance with the good corporate governance principles. The Company has clearly defined its duties and responsibilities, and has set the rules, regulations, policies, levels of authority, and the level of approval of the appropriate items in writing.

## Risk Management

The Company realizes and sees the importance of good organizational management in driving the organization to foster and expand the business stably with secured financial position and generating good returns to shareholders appropriately. The Board of Directors has appointed the Risk Management Committee comprising of the Auditing Committee which is an independent body and Executive Officer to consider organization's risk factors both internal and external issues in order to find how the Company can prevent possible risk or its impact effectively. More over the Company has paid attention to corruption prevention. The Company launched a policy toward compliance with anti-corruption laws. It defined anti-corruption guidelines in the Company's Business Code under the headings "Policy on Receiving and Giving Gifts and Recompenses" and "Policy on Prevention of Corruption and Bribery" The Company is currently preparing to join the Thai Private Sector Collective Action Against Corruption: CAC by reviewing its policies and practices to combat corporate corruption and assessing the risks associated with internal corruption.

## Management Control Activities

The Company monitors its performance monthly through the Board of Directors' meetings, compared to the same period last year and other companies in the same industry. The Board of Directors has assigned the internal audit unit to directly report the audit results to the Audit Committee. in order to analyze the causes of the differences and adjust their strategies, to achieve the goals, and to have an effective internal control system of the Company. If there is a significant defect, the Audit Committee shall report to the Board of Directors and continually report of such corrections. In addition, the Company has set policies to consider and approve the Company's transactions that take into account the Company's maximum benefit. The Company also applied

the process of monitoring the operation of a subsidiary or associated Company, which has set guidelines for the appointment of a person to be a director or executive of the subsidiary or associated Company.

### Information and Communication Measure

The Company has a systematic collection of important information with effective internal controls, ensuring that the information is reliable to support internal control. Based on information gathered from internal and external, and information systems to process and store information to support internal control can proceed as scheduled. It also communicates the information needed to support internal control, which can be provided to the relevant parties within the organization, and to communicate other relevant information to third parties.

The Company has a process of communicating information within the organization about its objectives, policies, and practices. It also provides channels for employees to report information about offenses and fraud to the Company safely.

For external communication, the Company provides investor relations and contact information to investors, relevant persons, and disseminates important news through its website ([www.nclthailand.com](http://www.nclthailand.com)) and channels of the Stock Exchange of Thailand. It also provides a way for third parties to provide information about offenses and fraud safely to the Board of Directors at [management@nclthailand.com](mailto:management@nclthailand.com) in accordance with the policy and practice guidelines for reporting offenses and measures for the protection of whistle-blowing.

### Monitoring and Evaluation System

The Company has an internal audit function that is an independent unit to monitor and evaluate internal control by commissioning the inspection of Internal control system from external agencies (outsourcing), which reports directly to the Audit Committee to review the performance of the activities to achieve the objectives and goals of the Company as a whole. As a result, the Company is able to control the transactions with persons who may have conflicts or connected persons, including the major shareholders, directors, executives or persons related to such persons, sufficiently and appropriately, and to protect Company property from the person who may have conflicts of interest that led to the wrongful or without power. For internal control on other topics, the Board of Directors considers that the Company has sufficient internal controls as well.

### The Audit Committee' Opinions about the Company's Internal Control System that are different from the Board and the auditor

- None -

## Regulating Unit of the Company's Internal Control System

The Company has a policy to hire outsourced internal audits. At the NCL International Logistics PCL's Board of Directors' meeting, no. 2/2022, on February 24, 2022, it was resolved to appoint ACC-Plus Consultant Co., Ltd. to serve as the Company's internal auditor. ACC-Plus Consultant Co., Ltd. Designated Ms. Wanna Malueangnon, Managing Director, to serve as the key internal auditor for the Company. After studying the qualifications of ACC-Plus Consultant Co., Ltd., the Board regarded that this Company has adequate expertise and experience in performing the said duty since it has 20 years of experience in internal auditing and the key internal auditor attended the Workshop "COSO 2013," batch 3/2013, which is the latest framework for internal control. Furthermore, as a result of the fact that ACC-Plus Consultant Co., Ltd is unrelated to the Company, it is allowed to audit the Company and provide the Company with advice freely. The Company has set up an internal compliant unit to coordinate with the Company's auditors.

The appointment, withdrawal or reshuffling of the Company's internal auditor must be screened and approved by the Board of Directors. The Board of Directors will propose the internal auditor that has been approved by the Audit Committee at the Board of Directors' meetings for approval of employment and the negotiation on related costs.



## 9.2 Related Party Transaction

### The Company's Relationships with Related Persons / Companies.

Persons who may have conflicts	Relationship
1 Mr. Kittu Phuathavornskul	- Director and shareholder of the Company holding 11.37% of the registered and paid-up capital of 132.06 million Baht.
2 Ms. Pinrak Prasitsirikul	- She is the wife of Mr.Kittu Phuathavornskul
3 Ms. Waraporn Kittiyannurak	- She is the mother of Ms. Pinrak Prasitsirikul, the wife of Mr. Kittu Phuathavornskul
4 Grace & Gallon (Thailand) Company Limited ("G & M")	- G&M is the Company which Ms. Pinrak Prasitsirikul, the wife of Mr. Kittu Phuathavornskul, is a director and shareholder of the Company holding 99.99 % of the registered and paid-up capital of 5 million Baht.  - G & M manufactures and sells handicrafts.
5 Seven Day Dialysis Company Limited	- A Company that Khun Wisit Prasitsirikun is a director and Kidney Time Company Limited holds a 74% shareholding of registered capital of 5 million Baht  - Kidney Time Company Limited is a Company that Khun Wisit Prasitsirikun is a director and holds 52% of the registered capital of 40 million Baht.  - Khun Wisit Prasitsirikul is Khun Pinrak Prasit Sirikun's brother who is the wife of Khun Kittu Phuathavornsakul and a shareholder in the Company 1.71 percent of registered and paid-up capital of 113.54 million Baht  - Seven Day Dialysis Company Limited operates a business service in treating hemodialysis patients who have kidney failure.
6 Waree Medical Co., Ltd.	- A Company that Khun Yingrak Phuathavornskul is a director and holds 99.94 % of the registered capital of 5 million Baht.  - Khun Yingrak Phuathavornskul is the son of Mr. Kittu Phuathavornskul  -Waree Medical Company Limited engages in the business of selling, installing, repairing and maintaining medical equipment. Medical equipment Including spare parts and accessories of such products
7 Zim integrated Shipping Service Ltd.	- - Being a shareholder in Zim (Thailand) Co., Ltd., holding 49% of the registered capital of 10,000,000 Baht

Remark : The detail as of 31 December, 2022

## Summary of Connected Transactions in 2019 2020 and 2021

Related person	Relationship	Type of transactions	Value of connected transactions (million Baht)			Necessity and reasonableness of the transaction
			2020	2021	2022	
Ms. Waraporn Kit-tayanurak	She is the mother of Ms. Pinruck Prasitsirikul, the wife of Mr. Kittu Phuathavornskul.	Rental of the Document Warehouse	0.095	0.095	0.095	<p><u>Necessity and reasonableness</u></p> <p>The Company's business involves large quantity of documents, which must be kept for at least five years. Therefore, a place to keep such documents is needed, the Company signed a contract to rent a 3-floor commercial building located at 59/61, Soi Charoennakhon 24, with a total utility space of 408 square meters, to serve as its document warehouse. The Company has entered into a lease agreement for the building since 2008 with the current agreement, starting from August 1, 2019 to July 31, 2022 with a rental fee of 90,000 Baht per year, which is 18.38 Baht per square meter per month (exclusive of withholding tax). In comparison, the rentals of other commercial buildings of similar features in the vicinity range from 190,000 - 360,000 Baht per year, which is 25.00 - 69.44 Baht per square meter per month. In addition, by renting this building, the Company is able to make use of it as the temporary office in the case of emergency.</p>
Ms. Pinrak Prasitsirikul	She is the wife of Mr. Kittu Phuathavornskul	Rental income	1.20	1.20	1.20	<p><u>Reason and Necessity</u></p> <p>The rental fee is generated by Grace Water Med Co., Ltd., a subsidiary Company which needs the land to set up factories to produce dialysis solution. The Company has entered into a land lease agreement approximately 1 rai 3 ngan 60 square wah, located at 13/7 Moo 8, Bang Muang-Bang Khu Lat Road, Bang Muang District, Bang Yai District, Nonthaburi 11140. The contract starts from 1 April 2017 and present the contract started at 1 January to 31 December 2023. The rental rate is 1,200,000 Baht per year or equal to 131.58 Baht per square wah per month, respectively (excluding withholding tax) which when compared to developed land in the same area nearby, found that the rental rate is around 1,094,400-1,276,800 Baht per year or 120.00-140.00 Baht per square wah per month. In 2019 2020 and 2021, the rental fee is 1.20 million Baht.</p>
Grace & Glamour (Thailand) Co., Ltd. (G&M)	-It is a Company that Ms. Pinruck Prasitsirikul the wife of Mr. Kittu Phuathavornskul is a director and shareholder, collectively holding a stake of 99.99 percent of its 5 million Baht of registered capital.	Rental income Outstanding Check	0.60 - -	0.60 - -	0.60 - -	<p><u>Necessity and reasonableness</u></p> <p>The rental fee is generated by Grace Water Med Co., Ltd., a subsidiary Company which wants to use office buildings and factory buildings to produce the dialysis solution. The Company has entered into a building lease agreement. It's located at 13/7, Moo 8, Bang Muang Road - Bang Khu Lat, Bang Muang Subdistrict, Bang Yai District, Nonthaburi Province 11140 with a total living area of approximately 1,478 square meter, the contract started from 1 Jan 2021 to 31 Dec 2023, with the rental rate is 600,000 Baht per year or equal to 33.83 Baht per square meter per month respectively (excluding withholding tax) which compared to similar buildings in the nearby area, found that the rental rate is in the range of approximately 800,000-1,000,000 Baht per year or 50.00-60.00 Baht per square meter per month. In 2019 2020 and 2021 the rental fee is equal at 0.60 million Baht.</p>

Related person	Relationship	Type of trans- actions	Value of connected transactions (million Baht)			Necessity and reasonableness of the transaction
			2020	2021	2022	
Seven Day Dialysis Co., Ltd.	Is a Company that Khun Wisit Prasitsirikun is a director and Kidney Time Company Limited holds a 74% shareholding of registered capital for 5 million Baht. Kidney Time Company Limited is a Company that Khun Wisit Prasitsirikun is a director and holds 52% of the registered capital of 40 million Baht. Khun Wisit Prasitsirikun is Khun Pinrak Prasitsirikun's brother which is the wife of Khun Kitti Phuathavornsakul and a shareholder in the Company for 1.41 percent of registered and paid-up capital of 116.54 million Baht.	Seven Day Dialysis Co., Ltd.	25.76	25.32	25.72	Sale income is the income that Grace Water Med Co., Ltd., Subsidiary Company Limited collects from Seven Day Dialysis Co., Ltd. in the sale of dialysis and various medical equipment related to dialysis which is normal business with the selling price determined at the price comparable to the outsiders  In the year 2019 2020 and 2021 the Company had sales revenue equal at 19.04, 25.76 and 25.32 million Baht, trade accounts receivable were 2.63, 2.70 and 2.69 million Baht.
			2.70	2.69	5.03	
Waree medical Co., Ltd.	It's a Company that Khun Yingrak Phuathavornskul is a director and holds 99.94 percent of the registered capital of 5 million Baht. Khun Yingrak Phuathavornskul is the daughter of Mr. Kittu Phuathavornskul and is a shareholder of the Company. 6.88 percent of the registered and paid-up capital of 113.54 million Baht	Rental income Sell property Service cost cost of rendering services buy Asset	0.08 - 0.05 0.50 - -	0.09 0.04 0.36 0.36 - -	- 0.12 - 0.44 - 2.58	Rental income is the income generated from the pickup truck rental. The rental price is set between each other at a price comparable to that of third parties. Asset sales are derived from selling office equipment at market prices. Service cost derived by subsidiary Grace Water Maid Co., Ltd. uses electrical installation, water system and maintenance services at a price comparable to third parties. In 2021, the Company has rental income of 0.09 million Baht, from sales of product 0.04 million Baht, from property sales 0.36 million Baht and service cost 0.36 million Baht.

Related person	Relationship	Type of transactions	Value of connected transactions (million Baht)			Necessity and reasonableness of the transaction
			2020	2021	2022	
Zim integrated Shipping Service Ltd.	It's a joint shareholder in Zim (Thailand) Co., Ltd., holding 49% of the registered capital of 10,000,000 Baht	Consulting income	4.58	10.03	6.43	<p>The service income is the revenue collected from Zim integrated Shipping Service Ltd. for international transportation services which is a normal business operation with pricing between services at cost price plus margin.</p> <p>The advisory service income which occurred on August 10, 2018, the Board of Directors of the Company resolved to allow the management to negotiate, change and amend certain conditions in the agreement between the shareholders and Zim integrated Shipping Service Ltd in respect of the interests of the Company which must not be less than the original benefit specified in the original contract,</p> <p>However, the Company must take into account the highest benefits of the shareholders. On November 15, 2018, the negotiations ended, the Company has made a consultancy agreement with Zim integrated Shipping Service Ltd. to provide advisory services for transportation operations in the country where the service fee is as specified in the contract. Service cost is the cost incurred from the use of international transportation services at a price comparable to the outsiders.</p>
		Service cost				
		Advances	2.42	15.47	40.53	
		receivables	0.03	-	-	
		Other				
		receivables	3.84	10.25	-	
		Account				
		payables	0.04	3.39	-	

## Summary of Guarantee Obligation Between companies and individuals that may have conflicts

- None -

## Necessity and Reasonableness of Connected Transactions

The Company's connected transactions from 2019 to 2022 are divided into 2 categories, as follows:

1. Normal business transactions and transactions supporting normal business Zim Intergraded Shipping Service Ltd., and Grace Water Med Co., Ltd. and revenue from sales with Seven Day Dialysis Co., Ltd. such transactions are considered as necessary and reasonable, and do not let the Company lose any benefits. The Company has a pricing policy that can be compared with that of an unrelated party by setting the selling price at the cost plus margin and selling goods between the parties at a cost price plus a margin and with normal trading conditions as for the consulting fee income, it is a reasonable price specified in the contract.
2. Rental of property included the lease of land with buildings from close relatives of Mr. Kitti Phuathavornskul, a director, and major shareholders. Land lease office buildings and factory buildings from the wife of Khun Kitti Phuathavornsakul and from the Company that the wife is a director and shareholder. Such transactions are considered as necessary and reasonable and do not let the Company lose any benefits.

## Measures or Procedures of Approval for Connected Transactions

The Company formulated measures and procedures for approval of connected transactions, which were approved at the Board of Directors' Meeting, No. 7/2013 on April 3, 2013. It is prescribed that If there is a necessity for the Company to enter into a connected transaction with a person who may have a conflict of interest or any interest. The Company must have the Audit Committee giving opinions about the necessity and appropriateness of the transactions. In the event that the Audit Committee has no expertise in the consideration of any potential connected transactions, it must have an independent expert or account auditor of the Company provide opinions of such transactions to assist in the decision-making of the Board of Directors, and/or the Audit Committee, and/or shareholders, as the case may be. Those who may have a conflict of interest or any interest of such transactions will have no right vote to approve the connected transactions. The Company's policy towards connected transactions is classified as follows:

- Normal business transactions and transactions supporting normal business, such as the purchase and sale of goods and raw materials etc. Such transactions must be subject to fair and reasonable trading conditions and shall not result in transferring of interests, which is comparable to the transactions between the Company and the public, or transactions between persons who may

have conflict of interest with the public, or transactions in the same way as other operators in the business. The Company has a policy for the Audit Committee to consider and give opinion on the reasons and necessity for such transaction on a quarterly basis. The Company will also comply with laws concerning securities and the stock exchange; regulations, announcements, orders or requirements from the Stock Exchange of Thailand; and requirements on connected transaction disclosures

- Other transaction than normal business transactions and normal business support transactions, such as property rental transactions or property transactions, or financial assistance etc. The Company has a policy to have the Audit Committee consider, and provide opinions about, the necessity and reasonableness of such transactions. The Company shall comply with the law governing securities and exchange, the rules, notifications, orders or requirements of the Stock Exchange of Thailand, including compliance with the disclosure requirements of connected transactions and acquisition or disposition of assets. The Company has no policy to provide loans to people who may have conflict to conduct business or to operate on behalf of the Company.

The Audit Committee has considered the necessity and appropriateness of entering into related transactions, most of which are normal business transactions and normal business support transactions. Which is in accordance with trade conditions and fair prices This is comparable to the transactions between the Company and the general public. And for the best interest of the Company.

The Board of Directors shall comply with the laws governing securities and stock exchange and the regulations, notifications, orders or requirements of the Stock Exchange of Thailand. This includes compliance with the terms and conditions of connected transactions and acquisition or disposition of important assets of the Company. so that the decision to enter into such transaction will not cause any conflict of interest and benefit to all shareholders. The Company will disclose such transactions in the annual registration statement (Form 56-1 One report) and the Annual Report of the Company and the notes to the financial statements audited by the auditor of the Company.

### **Trends of Connected Transactions**

Transactions that will continue to be carried out in the future include the provision of transportation services, and customs clearance, revenue from the sale of blood purification and medical equipment related to hemodialysis which are normal business transactions, rental transactions, document storage, land rented, office buildings and factory buildings owing to the need to operate the business. For connected transactions that will occur in the future, the Company will adhere to the policy of connected transactions as described above.



# Part 3

## Financial Report



## Financial Statement

---

### NCL International Logistics Public Company Limited and its subsidiaries

#### Report and consolidated financial statements

31 December 2022

#### Independent Auditor's Report

To the Shareholders of NCL International Logistics Public Company Limited

#### Opinion

I have audited the accompanying consolidated financial statements of NCL International Logistics Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, 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 NCL International Logistics 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 NCL International Logistics Public Company Limited and its subsidiaries and of NCL International Logistics 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.

#### 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.



### Emphasis of matter

I draw attention to Note 13 to the consolidated financial statements regarding investment in associate. On 3 February 2022, the Company paid the compensation by transferring the Company's ordinary shares totaling value of Baht 250.2 million to sellers to acquire of 125,000 shares with a par value of Baht 100 each, equivalent to 25% of the issued and paid-up share capital of Cheese Digital Network Company Limited ("associate company"), which engaged in provision of digital marketing services. The Company proceeded with measuring the fair value of identifiable assets and liabilities assumed at the acquisition date. This valuation was completed in November 2022.

My conclusion is not modified in respect of this matter.

### 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 matters and how audit procedures respond for each matter are described below.

### Revenue recognition

The Group has entered into agreements with a large number of customers and there are a variety of conditions in these agreements. As a result, the Group's recognition of revenue from service is complex. In addition, the trend of import and export of motor cars, parts and accessories, electric appliances, and construction material have directly resulted in more competition in the import and export service providers. I have therefore determined as a key audit matter by focusing on the occurrence and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select service income transactions during the year to assess whether revenue recognition was consistent with the conditions, and in compliance with the Group's policy.

- On a sampling basis, examining supporting documents for actual sales transactions occurring and near the end of the accounting period.
- Reviewing credit notes issued after the period-end.
- Performing analytical procedures on disaggregated data in revenues transactions throughout the period.

#### **Investments in subsidiaries**

As described in Note 14 to the consolidated financial statements, the Company had significant investments in subsidiaries which the Company's management will test for impairment in investments in subsidiaries whenever events in circumstances indicate for impairment. I have focused on impairment assessment of such investments. In determining the impairment loss, the management had to exercise significant judgement with respect to its projections of future operating performance by using financial model to calculate for recoverable amount and identifying the cash generating units, and estimating the cashflows that are expected to be generated from that asset group, including setting an appropriate discount rate and long-term growth rate.

I assessed the identification of cash generating units and the financial models, including gaining an understanding and testing significant assumptions that the management used for preparation of estimating cashflows that are expected to be generated from such assets and discount rate, by inquiring the responsible person to understand the process of getting such figures and comparing past cashflow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections, including setting discount rate by assessing weighted average cost of capital and other information in comparable industries.

#### **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.

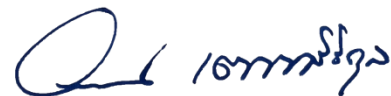
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding 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. (If any)

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.



Orawan Techawatanasirikul

Certified Public Accountant (Thailand) No. 4807

EY Office Limited

Bangkok: 22 February 2023

**NCL International Logistics Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 December 2022**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	6	249,214,146	147,780,977	174,639,073	72,362,825
Trade and other receivables - related parties	7, 8	5,261,766	13,281,323	10,832,180	15,479,623
Trade and other receivables - other parties	9	247,119,385	382,805,361	111,272,216	213,554,761
Loan to a subsidiary	7	-	-	20,288,380	-
Account receivable from disposal of investment		19,056,760	38,715,115	19,056,760	38,715,115
Inventories	10	6,069,825	9,076,132	-	-
Other current assets	11	75,982,347	10,138,625	71,278,341	4,206,843
Total current assets		602,704,229	601,797,533	407,366,950	344,319,167
Non-current assets					
Restricted bank deposits	12	111,625,790	97,223,421	101,619,879	87,584,062
Investment in associate	13	250,959,737	7,953,431	250,189,432	5,100,000
Investments in subsidiaries	14	-	-	126,619,364	134,319,364
Long-term loan to a subsidiary	7	-	-	-	20,000,000
Investment properties	15	69,232,969	69,794,685	69,232,969	69,794,685
Property, plant and equipment	16	177,416,701	178,832,145	148,741,491	148,130,282
Right-of-use assets	17	84,848,841	50,553,524	48,503,110	40,013,628
Intangible assets	18	25,790,658	26,826,005	2,920,732	2,896,600
Goodwill	19	2,252,566	2,252,566	-	-
Withholding tax deducted at source		3,113,578	10,187,469	3,113,578	10,187,469
Deferred tax assets	24	7,234,124	5,264,000	5,960,926	4,320,925
Other non-current assets		22,035,385	1,841,731	21,617,114	1,414,721
Total non-current assets		754,510,349	450,728,977	778,518,595	523,761,736
Total assets		1,357,214,578	1,052,526,510	1,185,885,545	868,080,903

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

**NCL International Logistics Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2022**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	20	294,859,003	195,012,985	266,172,211	190,000,000
Trade and other payables - related parties	7	152,389	3,760,284	3,287,738	12,110,270
Trade and other payables - other parties	21	137,222,678	239,164,893	56,841,000	123,205,745
Current portion of long-term loans from banks	22	28,317,764	24,420,725	28,317,764	24,420,725
Current portion of lease liabilities	17	23,903,533	16,124,441	11,351,382	8,770,320
Other current liabilities		9,445,435	22,854,882	5,179,081	7,350,665
Total current liabilities		493,900,802	501,338,210	371,149,176	365,857,725
Non-current liabilities					
Long-term loans from banks - net of current portion	22	107,209,491	68,649,654	107,209,491	68,649,654
Long-term loans from persons related to the director	7	10,000,000	-	-	-
Lease liabilities - net of current portion	17	53,438,609	30,424,542	29,184,401	26,264,562
Deferred tax liabilities	24	374,050	287,475	-	-
Provision for long-term employee benefits	23	14,893,790	15,517,461	14,357,250	15,172,965
Other non-current liabilities		898,208	1,141,166	898,208	1,141,166
Total non-current liabilities		186,814,148	116,020,298	151,649,350	111,228,347
Total liabilities		680,714,950	617,358,508	522,798,526	477,086,072

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

**NCL International Logistics Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2022**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Shareholders' equity</b>					
Share capital	26				
Registered					
538,670,924 ordinary shares of Baht 0.25 each					
(2021: 499,152,248 ordinary shares					
of Baht 0.25 each)		134,667,731	124,788,062	134,667,731	124,788,062
Issued and paid-up					
528,233,993 ordinary shares of Baht 0.25 each					
(2021: 466,152,248 ordinary shares					
of Baht 0.25 each)		132,058,498	116,538,062	132,058,498	116,538,062
Share premium	26	436,859,994	207,830,057	436,859,994	207,830,057
Retained earnings					
Appropriated - statutory reserve	27	13,205,850	12,478,806	13,205,850	12,478,806
Unappropriated		66,541,909	73,897,108	80,962,677	54,147,906
Other components of shareholders' equity		5,602,763	2,916,471	-	-
Equity attributable to owners of the Company		654,269,014	413,660,504	663,087,019	390,994,831
Non-controlling interests of the subsidiaries		22,230,614	21,507,498	-	-
<b>Total shareholders' equity</b>		<b>676,499,628</b>	<b>435,168,002</b>	<b>663,087,019</b>	<b>390,994,831</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,357,214,578</b>	<b>1,052,526,510</b>	<b>1,185,885,545</b>	<b>868,080,903</b>

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

.....  
(Mr. Pongthep Vichaikul)  
Director

.....  
(Ms. Pornthip Sae-Lim)  
Director

**NCL International Logistics Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 December 2022**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Profit or loss:</b>					
<b>Revenues</b>					
Service income		1,799,138,339	1,802,474,447	1,106,072,839	1,225,972,692
Sales		104,454,437	90,328,568	-	-
Other income		35,329,052	31,094,256	33,579,820	37,703,321
<b>Total revenues</b>		<b>1,938,921,828</b>	<b>1,923,897,271</b>	<b>1,139,652,659</b>	<b>1,263,676,013</b>
<b>Expenses</b>					
Cost of services		1,559,565,830	1,496,199,349	899,718,212	1,044,400,295
Cost of sales		80,229,061	66,647,402	-	-
Selling and distribution expenses		43,816,072	33,447,359	31,894,459	22,175,977
Administrative expenses		245,763,001	193,249,377	165,339,350	133,967,792
<b>Total expenses</b>		<b>1,929,373,964</b>	<b>1,789,543,487</b>	<b>1,096,952,021</b>	<b>1,200,544,064</b>
<b>Profit from operating activities</b>		<b>9,547,864</b>	<b>134,353,784</b>	<b>42,700,638</b>	<b>63,131,949</b>
Share of profit from investment					
in associate	13	3,807,973	2,646,431	-	-
Finance income	28	1,480,777	4,622,528	2,246,734	5,567,195
Finance cost	29	(13,495,266)	(12,212,229)	(11,108,333)	(10,901,709)
<b>Profit before income tax expense</b>		<b>1,341,348</b>	<b>129,410,514</b>	<b>33,839,039</b>	<b>57,797,435</b>
Income tax expense	24	(7,246,387)	(16,682,401)	(6,297,224)	(10,736,227)
<b>Profit (loss) for the year</b>		<b>(5,905,039)</b>	<b>112,728,113</b>	<b>27,541,815</b>	<b>47,061,208</b>

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



**NCL International Logistics Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Note	2022	2021	2022	2021
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currencies		2,686,292	7,642,811	-	-
<i>Other comprehensive income to be not reclassified to profit or loss in subsequent periods</i>					
Actuarial gain - net from income tax		-	31,620	-	-
<b>Other comprehensive income for the year</b>		<u>2,686,292</u>	<u>7,674,431</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income (loss) for the year</b>		<u>(3,218,747)</u>	<u>120,402,544</u>	<u>27,541,815</u>	<u>47,061,208</u>
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		(6,628,155)	111,081,303	<u>27,541,815</u>	<u>47,061,208</u>
Non-controlling interest of the subsidiary		<u>723,116</u>	<u>1,646,810</u>		
		<u>(5,905,039)</u>	<u>112,728,113</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		(3,941,863)	118,740,808	<u>27,541,815</u>	<u>47,061,208</u>
Non-controlling interest of the subsidiary		<u>723,116</u>	<u>1,661,736</u>		
		<u>(3,218,747)</u>	<u>120,402,544</u>		
<b>Earnings (loss) per share</b>	31				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>(0.013)</u>	<u>0.244</u>	<u>0.053</u>	<u>0.103</u>

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

NCL International Logistics Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements							
	Equity attributable to owners of the Company							
					Other components of equity			
					Other comprehensive income			
					Exchange differences on			
	Issued and	Retained earnings			translation of financial	Total equity	Equity attributable to	Total
	paid-up	Appropriated -			statements in	attributable to owners	non-controlling interest	shareholders'
	share capital	Share premium	Statutory reserve	Unappropriated	foreign currencies	of the Company	of the subsidiaries	equity
Balance as at 1 January 2021	113,538,062	170,630,057	11,353,806	(36,075,889)	(4,726,340)	254,719,696	22,111,602	276,831,298
Profit for the year	-	-	-	111,081,303	-	111,081,303	1,646,810	112,728,113
Other comprehensive income for the year	-	-	-	16,694	7,642,811	7,659,505	14,926	7,674,431
Total comprehensive income for the year	-	-	-	111,097,997	7,642,811	118,740,808	1,661,736	120,402,544
Increased in share capital (Note 26)	3,000,000	37,200,000	-	-	-	40,200,000	-	40,200,000
Dividends paid to non-controlling interests (Note 14.2)	-	-	-	-	-	-	(2,265,840)	(2,265,840)
Statutory reserve (Note 27)	-	-	1,125,000	(1,125,000)	-	-	-	-
Balance as at 31 December 2021	116,538,062	207,830,057	12,478,806	73,897,108	2,916,471	413,660,504	21,507,498	435,168,002
Balance as at 1 January 2022	116,538,062	207,830,057	12,478,806	73,897,108	2,916,471	413,660,504	21,507,498	435,168,002
Profit (loss) for the year	-	-	-	(6,628,155)	-	(6,628,155)	723,116	(5,905,039)
Other comprehensive income for the year	-	-	-	-	2,686,292	2,686,292	-	2,686,292
Total comprehensive income for the year	-	-	-	(6,628,155)	2,686,292	(3,941,863)	723,116	(3,218,747)
Increased in share capital (Note 26)	15,520,436	229,029,937	-	-	-	244,550,373	-	244,550,373
Statutory reserve (Note 27)	-	-	727,044	(727,044)	-	-	-	-
Balance as at 31 December 2022	132,058,498	436,859,994	13,205,850	66,541,909	5,602,763	654,269,014	22,230,614	676,499,628

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

**NCL International Logistics Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity**

**For the year ended 31 December 2022**

(Unit: Baht)

	Separate financial statements				
	Issued and paid-up share capital	Share premium	Retained earnings		Total
			Appropriated - Statutory reserve	Unappropriated	shareholders' equity
Balance as at 1 January 2021	113,538,062	170,630,057	11,353,806	8,211,698	303,733,623
Profit for the year	-	-	-	47,061,208	47,061,208
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	47,061,208	47,061,208
Increased in share capital (Note 26)	3,000,000	37,200,000	-	-	40,200,000
Statutory reserve (Note 27)	-	-	1,125,000	(1,125,000)	-
Balance as at 31 December 2021	116,538,062	207,830,057	12,478,806	54,147,906	390,994,831
Balance as at 1 January 2022	116,538,062	207,830,057	12,478,806	54,147,906	390,994,831
Profit for the year	-	-	-	27,541,815	27,541,815
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	27,541,815	27,541,815
Increased in share capital (Note 26)	15,520,436	229,029,937	-	-	244,550,373
Statutory reserve (Note 27)	-	-	727,044	(727,044)	-
Balance as at 31 December 2022	132,058,498	436,859,994	13,205,850	80,962,677	663,087,019

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

**NCL International Logistics Public Company Limited and its subsidiaries**

**Cash flows statement**

**For the year ended 31 December 2022**

	(Unit: Baht)			
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit before tax	1,341,348	129,410,514	33,839,039	57,797,435
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Allowance for expected credit loss	13,160,809	1,917,246	12,634,887	3,716,909
Bad debt written-off	-	1,720,101	-	1,720,101
Depreciation and amortisation	45,130,245	39,433,964	26,269,747	20,195,982
Loss (gain) on disposal of equipment and vehicles	88,499	(80,578)	88,499	(80,578)
Loss on write-off equipment, building improvement and computer software	6,604	225,092	6,604	225,092
Reversal of allowance for impairment loss	(2,112,818)	-	(2,112,818)	-
Write-off withholding tax deducted at source	94,373	132,359	94,373	132,359
Amortisation for transaction cost	166,446	122,696	166,446	122,696
Gain on cancellation of lease agreement	(129,940)	(60,234)	(129,940)	(60,234)
Allowance for diminution in value of inventories	44,723	7,385	-	-
Deferred prepaid rental	98,111	130,815	98,111	130,815
Long-term employee benefit expenses (reversal)	(325,758)	2,952,780	(517,802)	2,812,422
Loss on disposal of investment in associate	4,183,447	-	-	-
Share of profit on investment in associate	(3,807,973)	(2,646,431)	-	-
Unrealised loss (gain) on exchange	1,331,131	(530,981)	2,296,725	(372,084)
Dividend income	-	-	(1,707,651)	(4,026,251)
Finance income	(1,480,777)	(4,622,528)	(2,246,734)	(5,567,195)
Finance cost	13,495,266	12,212,229	11,108,333	10,901,709
Profit from operating activities before changes in operating assets and liabilities	71,283,736	180,324,429	79,887,819	87,649,178
Operating assets (increase) decrease				
Trade and other receivables - related parties	7,624,246	(6,389,082)	4,095,509	(7,361,306)
Trade and other receivables - other parties	124,956,033	(180,695,443)	92,247,339	(122,040,402)
Inventories	2,961,584	(4,743,719)	-	-
Other current assets	(65,843,722)	(5,308,722)	(67,071,498)	239,084
Other non-current assets	(20,291,764)	(45,354)	(20,300,503)	(83,539)

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

**NCL International Logistics Public Company Limited and its subsidiaries**

**Cash flows statement (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
Operating liabilities increase (decrease)				
Trade and other payables - related parties	(3,607,895)	3,330,190	(3,822,532)	5,348,045
Trade and other payables - other parties	(107,672,079)	112,542,255	(72,200,513)	72,743,683
Other current liabilities	(13,409,447)	12,436,144	(2,171,584)	635,989
Other non-current liabilities	(242,958)	(1,376,678)	(242,958)	(1,376,678)
Cash flows from (used in) operating activities	(4,242,266)	110,074,020	10,421,079	35,754,054
Cash received for interest	1,355,689	327,477	1,453,403	272,144
Cash received for income tax	10,093,096	3,759,642	10,093,096	3,759,642
Cash paid for employee benefits	(297,913)	(441,000)	(297,913)	-
Cash paid for corporate income tax	(12,330,351)	(14,729,112)	(11,050,803)	(9,222,292)
<b>Net cash flows from (used in) operating activities</b>	<b>(5,421,745)</b>	<b>98,991,027</b>	<b>10,618,862</b>	<b>30,563,548</b>
<b>Cash flows from investing activities</b>				
Cash paid for acquisition of equipment	(5,879,496)	(28,430,389)	(4,248,576)	(27,452,025)
Cash paid for acquisition of investment property	(794,393)	-	(794,393)	-
Cash paid for acquisition of intangible assets	(64,464)	(1,985,514)	(57,486)	(1,985,514)
Proceeds from disposal of equipment	1,471,539	342,122	1,471,539	342,122
Cash received from disposal on intangible assets	2,112,818	-	2,112,818	-
Increase in loan to related party	-	-	(1,460,000)	-
Cash paid for investment in subsidiary	-	-	(2,500,000)	(5,000,000)
Cash received from liquidation in subsidiary	-	-	5,156,328	-
Cash received from disposal of investment in associate	5,100,000	-	5,100,000	-
Cash received from disposal of investments	1,414,425	-	1,414,425	-
Cash received from interest income	-	-	824,868	1,000,000
Cash received from dividend in subsidiary	-	-	-	2,534,160
Cash received from dividend in associate	1,707,651	1,492,091	1,707,651	1,492,091
Increase in restricted bank deposits	(14,402,369)	(703,657)	(14,035,817)	(255,041)
<b>Net cash flows used in investing activities</b>	<b>(9,334,289)</b>	<b>(29,285,347)</b>	<b>(5,308,643)</b>	<b>(29,324,207)</b>

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

**NCL International Logistics Public Company Limited and its subsidiaries**

**Cash flows statement (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
<b>Cash flows from financing activities</b>				
Increase in bank overdrafts and short-term loans from banks	99,846,018	4,468,525	76,172,211	24,516,279
Increase in short-term loans from persons relative with directors	10,000,000	-	-	-
Cash received from long-term loans from banks	69,261,500	30,000,000	69,261,500	30,000,000
Cash paid for long-term loans from banks	(26,971,070)	(15,348,000)	(26,971,070)	(15,348,000)
Cash received from share capital	-	40,200,000	-	40,200,000
Cash paid for lease liabilities	(24,232,876)	(23,189,105)	(10,588,200)	(9,447,810)
Dividend paid to non-controlling interest in subsidiary	-	(2,265,840)	-	-
Interest paid	(13,295,346)	(11,821,918)	(10,908,412)	(10,511,398)
<b>Net cash flows from financing activities</b>	<b>114,608,226</b>	<b>22,043,662</b>	<b>96,966,029</b>	<b>59,409,071</b>
Increase in translation adjustments	1,680,929	5,505,256	-	-
Increase (decrease) in effect of changes in exchange rate on cash and cash equivalents	(99,952)	100,515	-	-
<b>Net increase in cash and cash equivalents</b>	<b>101,433,169</b>	<b>97,355,113</b>	<b>102,276,248</b>	<b>60,648,412</b>
Cash and cash equivalents at beginning of year	147,780,977	50,425,864	72,362,825	11,714,413
<b>Cash and cash equivalents at end of year</b>	<b>249,214,146</b>	<b>147,780,977</b>	<b>174,639,073</b>	<b>72,362,825</b>
<b>Supplemental cash flows information</b>				
Non-cash items consist of				
Actuarial gain - net of income tax	-	16,694	-	-
Increase in lease liabilities	54,828,753	8,003,915	16,219,040	436,918
Settle account receivable from disposal of investment with vehicles	15,080,000	45,280,000	15,080,000	45,280,000
Invest in associate by transferring the ordinary shares	250,189,432	-	250,189,432	-

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

**NCL International Logistics Public Company Limited and its subsidiaries**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2022**

**1. General information**

**Corporate information**

NCL International Logistics Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is listed on The Market for Alternative Investment (MAI). The Company’s major shareholder is Phuathavornskul Family, which total shareholding is 12.16% (31 December 2021: 19.16%) and Mr. Pongthep Vichaikul, which shareholding is 11.81% (31 December 2021: Nil). The Company is principally engaged in an international freight forwarding, customs broker, inland transportation, multimodal transport operator and all freight related services for imports and exports. The registered office of the Company is at 56/9-10 Soi Taksin 12/1, Somdejprachaotaksin Road, Bukkhalo, Thonburi, 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, 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 NCL International Logistics Public Company Limited and the following subsidiaries ("the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of Shareholding	
			2022	2021
			(%)	(%)
Subsidiaries which are directly held by the Company				
NCL Inter Logistics (S) Pte. Ltd.	Providing service of international freight forwarding	Singapore	100.00	100.00
Grace Water Med Co., Ltd.	Producing dialysis	Thailand	52.80	52.80
Suwan Bio Farm Co., Ltd.*	Research and development cannabis and cannabis products	Thailand	-	51.00
Golden Supply Co., Ltd	Providing service of equipment	Thailand	100.00	-
Subsidiaries which are held by NCL Inter Logistics (S) Pte. Ltd.				
NCL International Logistics USA Inc.	Providing service of international freight forwarding	United States of America	100.00	100.00
LG Container Line Pte. Ltd.	Providing service of international freight forwarding	Singapore	100.00	100.00
NCL International Logistics Private Limited**	Providing service of international freight forwarding	India	100.00	100.00
Qingdao National Container Line Co., Ltd.**	Providing service of international freight forwarding	China	100.00	100.00
Ningbo NCL Inter Logistics Co., Ltd.**	Providing service of international freight forwarding	China	100.00	100.00
NCL Inter Logistics Vietnam Co., Ltd.**	Providing service of international freight forwarding	Vietnam	49.00	49.00

\* The subsidiary was dissolved and liquidated on 9 May 2022

\*\* These subsidiaries have been stopped operations



During the year 2022, the Company has changed in the composition of the group of companies as described in Note 13 and Note 14 to the financial statements.

- 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) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currencies" in the statements of changes in shareholders' equity.
  - f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
  - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries and associate under the cost method.

### 3. New financial reporting standards

#### 3.1 Financial reporting standards that became effective in the current year

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 2022. 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.

### 3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

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 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, 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 and is recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual costs incurred up to the end of the period and total anticipated costs to be incurred to completion.

#### *Sales of goods*

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts to customers.

#### *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 Inventories

Finished goods are valued at the lower of cost under the first-in, first-out method and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Raw materials and supplies are valued at the lower of cost under the first-in, first-out method and net realisable value and are charged to production costs whenever consumed.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sales.

#### 4.4 Investments in subsidiaries and associate

Investment in associate is accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method less allowance for loss on impairment of investments (if any).

#### 4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10 - 30 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### 4.6 Property, plant and equipment / Depreciation

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

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

Land improvement	10 years
Buildings and building improvement	3 - 30 years
Furniture, fixtures and office equipment	3 - 5 years
Machinery and equipment	5 - 30 years
Containers	20 years
Motor vehicles, trucks and trailers	5 - 18 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.7 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic 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 - 10 years
Business relationship of customer, container lessor and feeder	3 - 25 years
Technical knowledge of NVOCC operation	10 years

#### 4.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### 4.9 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.

Land and Buildings	2 - 3	years
Containers	20	years
Motor vehicles	5	years
Office equipment	3 - 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.

#### ***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***

A lease that has a lease term less than or equal to 12 months from commencement date is recognised as expenses on a straight-line basis over the lease term.

#### ***The Group as a lessor***

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

### **4.10 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.

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

#### 4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company'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.

#### 4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. 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.

In the assessment of asset impairment (except for goodwill) if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

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

##### *Defined benefit plans*

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats 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 defined benefit plans 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 recognises restructuring-related costs.

#### 4.14 Provisions

Provisions are recognised when the Group has 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.

#### 4.15 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 recognises 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 reviews and reduces 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 records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

### 4.16 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.

### **Classification and measurement of financial 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.

### **Derecognition of financial instruments**

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 neither transferred nor retained substantially all the risks and rewards of the asset but 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.

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 accounts receivable, 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.

#### **4.17 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:

### **Revenue from contracts with customers**

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on comparison of actual costs incurred up to the end of the period and total anticipated costs to be incurred to completion.

### **Allowance for expected credit losses of trade accounts receivable**

In determining an allowance for expected credit losses of trade accounts receivable, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### **Investment properties, property, plant and equipment and Depreciation**

In determining depreciation of investment properties (excluded land), plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment properties (excluded land), plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review investment properties, property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment, right of use assets and goodwill recognised by the Group.

### Impairment of investments in subsidiaries

The Company treat these investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management to determine the recoverable amount of the investments.

### Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

## 6. Cash and cash equivalents

(Unit: Thousand Baht)

	● Consolidation		● Separate	
	financial statements		financial statements	
	● 2022	● 2021	● 2022	● 2021
● Cash	272	255	210	190
● Bank deposits	248,942	147,526	174,429	72,173
● Total	249,214	147,781	174,639	72,363

As at 31 December 2022, bank deposits in saving accounts and fixed deposits carried interests between 0.05% - 0.55% per annum (2021: between 0.05% - 0.38% per annum).

## 7. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions 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.

The relationship between the Company and the related parties are summarised below.

Name of related parties	Relationship with the Company
NCL Inter Logistics (S) Pte. Ltd.	Subsidiary
Grace Water Med Co., Ltd.	Subsidiary
Suwan Bio Farm Co., Ltd.*	Subsidiary
Golden Supply Co., Ltd.	Subsidiary
NCL International Logistics USA Inc.	Subsidiary (Held by a subsidiary)
LG Container Line Pte. Ltd.	Subsidiary (Held by a subsidiary)
Qingdao National Container Line Co., Ltd.**	Subsidiary (Held by a subsidiary)
Ningbo NCL Inter Logistics Co., Ltd.**	Subsidiary (Held by a subsidiary)
NCL Inter Logistics Vietnam Co., Ltd.**	Subsidiary (Held by a subsidiary)
NCL International Logistics Private Limited**	Subsidiary (Held by a subsidiary)
Zim (Thailand) Co., Ltd.***	Associate
Cheese Digital Network Co., Ltd.	Associate
Zim Integrated Shipping Services Ltd.	Mutual shareholders in associate
Sevenday Dialysis Co., Ltd.	Held by close relative of director
Waree Medical Co., Ltd.	Held by close relative of director
Grace and Glamour (Thailand) Co., Ltd.	Held by close person of director
Limsophon Panich Co., Ltd.	Mutual director
LNG Food Products Co., Ltd.	Mutual director
CMO Public Co., Ltd.	Mutual director
PM Center Co., Ltd.	Mutual director
CM Lab Co., Ltd.	Mutual director
CM Live Co., Ltd.	Mutual director
Muse K Agency Co., Ltd.	Mutual director
Muse Corporation Co., Ltd.	Mutual director
Exposition Technology Co., Ltd.	Mutual director
Momentum S Co., Ltd.	Mutual director
Nerve Creative Co., Ltd.	Mutual director
Eastern Power Group Public Co., Ltd.	Mutual director
WP Energy Public Co., Ltd.	Mutual director
Prima Marine Public Co., Ltd.	Mutual director
AJ Advance Technology Plc.	Mutual director
Qualitech Public Co., Ltd.	Mutual director
V – OS International Co.,Ltd	Mutual director
Vezy Zol Cooperation Company Limited	Mutual director

\* The subsidiary was dissolved and liquidated on 9 May 2022

\*\* These subsidiaries have no operations

\*\*\* Investment in Zim (Thailand) Co., Ltd. was sold on 20 September 2022

Such significant transactions for the years ended 31 December 2022 and 2021 are summarised below.

	Consolidated financial statements		Separate financial statements		(Unit: Thousand Baht)
					Transfer Pricing Policy
	2022	2021	2022	2021	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
NCL Inter Logistics (S) Pte. Ltd.					
Service income	-	-	18,442	10,047	Cost plus margin 10% - 30%
Cost of services	-	-	14,707	13,119	Price compared to At a rate of 5.00% per year
LG Container Line Pte. Ltd.					
Interest income	-	-	118	-	As stipulated in the agreement
Rental income	-	-	6,402	2,657	As stipulated in the agreement
Rental	-	-	548	2,911	As stipulated in the agreement
Grace Water Med Co., Ltd.					
Other income	-	-	1,199	1,495	As stipulated in the agreement
Interest income	-	-	707	1,000	At a rate of 5.00% per annum
Dividend income	-	-	-	2,354	As declared with Baht 120.00 per share
Rental income	-	-	94	12	Price compared to third parties
NCL International Logistics USA Inc.					
Service income	-	-	6,554	14,601	Cost plus margin 10% - 30%
Cost of services	-	-	12,399	15,319	Price compared to third parties
<u>Transaction with associate</u>					
Zim (Thailand) Co., Ltd.					
Service income	-	44	-	44	Cost plus margin 10% - 30%
Dividend income	-	-	1,708	1,492	As declared with Baht 334.87 per share (2021: As declared with Baht 292.60 per share)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2022	2021	2022	2021	
<u>Transactions with related parties</u>					
Grace and Glamour (Thailand) Co., Ltd.					
Rental	600	600	-	-	As stipulated in the agreement
Sevenday Dialysis Co., Ltd.					
Sales	25,717	25,320	-	-	Price compared to third party
Zim Integrated Shipping Service Ltd.					
Consulting income	6,434	10,028	6,434	10,028	As stipulated in the agreement
Cost of services	40,532	15,474	40,532	15,474	Price compared to third parties
Waree Medical Co., Ltd.					
Sales	117	35	-	-	Cost plus margin 10% - 30%
Rental income	436	90	-	90	As stipulated in the agreement
Sales of fixed assets	-	360	-	360	Net book value plus margin
Cost of service	1,719	364	-	-	Price compared to third parties
Cost of sales	860	-	-	-	Price compared to third parties
<u>Transactions with persons relative with directors</u>					
Rental expense	1,295	1,295	95	95	As stipulated in the agreements
Interest expense	322	-	-	-	At a rate of 5.50% per annum



As at 31 December 2022 and 2021, the balances of the accounts between the Company, its subsidiaries and those related persons and parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b><u>Trade and other receivables - related parties</u></b>				
Trade accounts receivable				
Subsidiaries				
NCL Inter Logistics (S) Pte. Ltd.	-	-	1,934	827
NCL International Logistics USA Inc.	-	-	17	1,378
LG Container Line Pte. Ltd.	-	-	2,092	831
Related company				
Waree Medical Co., Ltd.	8	3	-	-
Sevenday Dialysis Co., Ltd.	5,034	2,693	-	-
Total	5,042	2,696	4,043	3,036
Other receivables				
Subsidiaries	-	-	6,569	1,859
Associate	-	6	-	6
Related companies	220	10,579	220	10,579
Total	220	10,585	6,789	12,444
Total trade and other receivables - related parties	5,262	13,281	10,832	15,480
<b><u>Trade and other payables - related parties</u></b>				
Trade accounts payable				
Subsidiaries				
NCL Inter Logistics (S) Pte. Ltd.	-	-	2,060	1,461
NCL International Logistics USA Inc.	-	-	954	1,460
LG Container Line Pte. Ltd.	-	-	-	646
Qingdao National Container Line Co., Ltd.	-	-	-	32
Ningbo NCL Inter Logistics Co., Ltd.	-	-	168	163
Related company				
Zim Integrated Shipping Services Ltd.	-	3,393	-	2,986
Total	-	3,393	3,182	6,748
Other payable				
Subsidiary	-	-	-	5,000
Related company	-	5	-	-
Others	152	362	106	362
Total	152	367	106	5,362
Total trade and other payables - related parties	152	3,760	3,288	12,110

As at 31 December 2022 and 2021, the balances of loan between the Group and those related companies and the movement in loans are as follows:

Loan to subsidiaries

(Unit: Thousand Baht)

	Separate financial statements				
	Balance as at 31 December 2021	Increase during the year	Decrease during the year	Unrealized loss on exchange rate during the year	Balance as at 31 December 2022
Loan to					
Grace Water Med Co., Ltd.	20,000	-	(10,000)	-	10,000
LG Container Line Pte. Ltd.	-	11,460	-	(1,172)	10,288
Total	20,000	11,460	(10,000)	(1,172)	20,288

Long-term loans to Grace Water Med Co., Ltd. amounting Baht 10 million bears interest at a rate of 5% per annum and is due within one year. The loan is unsecured and due within three years from the agreement date.

Short-term loans to LG Container Line Pte. Ltd. amounting USD 0.30 million bears interest at a rate of 5% per annum. The loan is unsecured and due within one year from the agreement date.

Long-term loans from persons related to the director

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at 31 December 2021	Increase during the year	Decrease during the year	Balance as at 31 December 2022
Loan from				
Persons related to the director	-	10,000	-	10,000
Total	-	10,000	-	10,000

A subsidiary received a long-term loan from persons related to the director amounting Baht 10 million, which bears interest at a rate of 5.5% per annum. The loan is unsecured and due within three years from the agreement date.

### Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	36,340	20,230	23,329	12,703
Post-employment benefits	1,797	2,995	1,715	2,983
Total	38,137	23,225	25,044	15,686

As at 31 December 2022, the Company and a subsidiary entered into building lease agreements with a close relative of a director for a period of three years with an option to renew as conditions in mutual agreement. The Company and a subsidiary are committed to pay rental of Baht 0.09 million and Baht 1.20 million per year, respectively.

### 8. Trade and other receivables - related parties

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Trade accounts receivable</u>				
Aged on the basis of due dates				
Not yet due	1	2,696	921	1,739
Past due				
Up to 1 month	2,737	-	1,220	428
1 - 3 months	2,304	-	1,202	869
3 - 6 months	-	-	700	-
Total	5,042	2,696	4,043	3,036
<u>Other receivables</u>				
Others	220	10,585	6,789	12,444
Total trade and other receivables - related parties	5,262	13,281	10,832	15,480

9. Trade and other receivables - other parties

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Trade accounts receivable</b>				
Aged on the basis of due dates				
Not yet due	79,267	206,454	61,664	133,682
Past due				
Up to 1 month	27,800	45,954	17,010	34,016
1 - 3 months	33,890	55,303	4,918	5,314
3 - 6 months	72,729	35,553	2,186	12,618
6 - 12 months	7,817	3,107	5,762	2,568
Over 12 months	24,295	12,466	16,653	4,652
Total	245,798	358,837	108,193	192,850
Less: Allowance for expected credit losses	(23,973)	(13,588)	(19,912)	(10,441)
Total trade accounts receivable - net	221,825	345,249	88,281	182,409
<b>Other receivables</b>				
Advances for custom clearance	22,579	29,944	22,579	29,944
Less: Allowance for expected credit losses	(7)	(7)	(7)	(7)
Net	22,572	29,937	22,572	29,937
Others	2,722	7,619	419	1,209
Total other receivables - net	25,294	37,556	22,991	31,146
Other trade and other receivables				
- other parties, net	247,119	382,805	111,272	213,555

Movement in the allowance for expected credit losses of trade and other receivables - other parties as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Difference			
	Balance as at	Addition	from	Balance as at
Allowance for	31 December	during	translation	31 December
expected credit losses	2021	the year	adjustment	2022
Trade accounts receivable	13,588	10,351	34	23,973
Advances for custom clearance	7	-	-	7
Total	13,595	10,351	34	23,980

(Unit: Thousand Baht)

Allowance for expected credit losses	Separate financial statements		
	Balance as at 31 December 2021	Addition during the year	Balance as at 31 December 2022
Trade accounts receivable	10,441	9,471	19,912
Advances for custom clearance	7	-	7
Total	10,448	9,471	19,919

During the year 2022, the Company had not written off trade receivables (2021: written-off by Baht 1.72 million).

#### 10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2022	2021	2022	2021	2022	2021
Finished goods	3,495	3,561	(55)	(36)	3,440	3,525
Raw materials	1,066	4,271	-	-	1,066	4,271
Manufacturing supplies	1,593	1,283	(29)	(3)	1,564	1,280
Total	6,154	9,115	(84)	(39)	6,070	9,076

During the year 2022, the subsidiary reduced cost of inventories by Baht 44,723 (2021: Baht 7,385), to reflect the net realisable value. This was included in cost of sales.

#### 11. Other current assets

As at 31 December 2022, other current assets comprise an advance payment of Baht 59.48 million for area exploration related to a project and others totaling Baht 16.50 million (2021: Others of Baht 10.14 million) (the Company only: advance payment for area exploration relating to a project of Baht 59.48 million and others of Baht 11.80 million (2021: Others of Baht 4.21)).

However, the Company's management has successfully negotiated with the site surveyor to reduce the size of the work required without incurring additional wages and the work value is equivalent to the amount already paid. Currently, the contractor is in the process of preparing a report on the area survey.

In addition, the Company's management will make adjustments to the project implementation plan by assigning a subsidiary to carry out this project on behalf of the Company and the Company will collect payment for the exploration of this project from the subsidiary.

## 12. Restricted bank deposits

As at 31 December 2022, fixed deposits carried interests between 0.15% - 0.65% per annum (2021: 0.05% - 0.38% per annum)(the Company only: 0.15% - 0.65% per annum (2021: 0.05% - 0.38% per annum)). The Group has pledged fixed deposits with the banks to secure credit facilities that the Group received from several commercial banks.

## 13. Investment in associate

### 13.1 Details of associate

(Unit: Thousand Baht)						
Consolidated financial statements						
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Carrying amount based on the equity method	
			2022 (%)	2021 (%)	2022	2021
Zim (Thailand) Co., Ltd.	Agent for sea freight container	Thailand	-	51.00	-	7,953
Cheese Digital Network Co. Ltd.	Digital marketing services	Thailand	25.00	-	250,960	-
					<u>250,960</u>	<u>7,953</u>

(Unit: Thousand Baht)						
Separate financial statements						
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost method	
			2022 (%)	2021 (%)	2022	2021
Zim (Thailand) Co., Ltd.	Agent for sea freight containers	Thailand	-	51.00	-	5,100
Cheese Digital Network Co. Ltd.	Digital marketing services	Thailand	25.00	-	250,189	-
					<u>250,189</u>	<u>5,100</u>

#### Cheese Digital Network Co., Ltd.

On 31 January 2022, a meeting of the Company's Board of Directors No.1/2022 passed a resolution to invest in Cheese Digital Network Company Limited, which is a registered company in Thailand and principally engaged in provision of digital marketing services, by performing the entire business transfer from BOB Holding Company Limited ("BOB"). BOB does not have any liabilities and has the only assets in ordinary shares of Cheese Digital Network Company Limited, in the amount of 125,000 shares with a par value of Baht 100 each, equivalent to 25% of the issued and paid-up shares capital of the associate company. The Company paid for consideration approximately Baht 250.2 million to the shareholders of BOB for such business transfer by

transferring 62,081,745 shares at Baht 4.03 per share, which was calculated based on the weighted average price of the Company's ordinary shares traded on the Stock Exchange of Thailand for the past 15 consecutive business days before 31 January 2022. After the entire business transfer, BOB performed the dissolution and liquidation process. The transferring of shares was completed on 3 February 2022 and Cheese Digital Network Company Limited became an associate of the Company.

During the year 2022, the Company measured the fair value of identifiable assets and liabilities assumed at the acquisition date. The valuation was completed in November 2022, within one year from the acquisition date. The fair values and book values of identifiable assets and liabilities of Cheese Digital Network Co., Ltd. as of the acquisition date are as follows:

	(Unit: Thousand Baht)	
	Fair value	Book value
<b>Assets</b>		
Cash and cash equivalents	60,467	60,467
Trade and other receivables	27,269	27,269
Accrued income	45,100	45,100
Other current assets	3,233	3,233
Restricted fixed deposit	12,700	12,700
Property, plant and equipment - net	56,001	30,074
Right-of-use assets	6,454	6,454
Intangible assets	86,300	7,137
Deferred tax assets	1,211	1,211
Other assets	347	347
Total assets	299,082	193,992
<b>Liabilities</b>		
Bank overdrafts	20,000	20,000
Trade and other payables	55,895	55,895
Lease liabilities	6,035	6,035
Long-term loans from other company	10,057	10,057
Deferred tax liabilities	21,570	552
Provision for long-term employee benefits	2,245	2,245
Other liabilities	11,041	11,041
Total liabilities	126,843	105,825
Net assets value	172,239	88,167

(Unit: Thousand Baht)

	Fair value
Equity of the associate (%)	25
Net assets value attributable to the associate's investment	43,060
Excess of acquisition cost over estimate value of interest acquired in the net assets from acquisition of the associate	-
Add: Goodwill	207,129
Purchase price	250,189

- Details of acquisition of the associate are presented as follows:

(Unit: Thousand Baht)

	Fair Value
<b>Purchase price</b>	
Value of the Company's ordinary shares paid	250,189
Net book value of net assets received	(43,060)
Goodwill	207,129

#### Zim (Thailand) Co., Ltd.

On 28 April 2021, the Annual General Meeting of the shareholders of Zim (Thailand) Company Limited approved the payment of a dividend from operating results for the year ended 31 December 2020 to shareholders with Baht 292.60 per share totaling Baht 2.93 million of dividend payment. The Company received such dividend of Baht 1.49 million in proportion of shareholding on 13 May 2021.

On 17 April 2022, a meeting of the Company's Board of Directors No. 3/2022 passed a resolution to approve the disposal of all ordinary shares of ZIM (Thailand) Company Limited (associate company) to Zim Integrated Shipping Services Ltd. under call option of the Business agreement between shareholders of 5,100 ordinary shares with a par value at Baht 100 each, totaling Baht 5.1 million equal to 51% of the issued and paid-up shares of such company.

On 28 April 2022, the Annual General Meeting of the shareholders of Zim (Thailand) Company Limited approved the payment of a dividend from operating results for the year ended 31 December 2021 to shareholders with Baht 334.87 per share totaling Baht 4.93 million of dividend payment. The Company received such dividend of Baht 1.71 million in proportion of shareholding on 20 May 2022.



On 20 September 2022, the Company disposed of all ordinary shares of ZIM (Thailand) Company Limited to Zim Integrated Shipping Services Ltd. As a result, ZIM (Thailand) Company Limited was no longer an associate. The Company incurred loss from disposal of all ordinary shares of ZIM (Thailand) Company Limited under the equity method amounting to Baht 4.2 million, which was presented in the part of “Administrative expenses” in the consolidated statement of comprehensive income. However, the Company already received a full payment for share subscription on 26 October 2022.

### 13.2 Share of comprehensive income and dividend received

During the year 2022, the Company recognised its share of profit from investment in associate company in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associate during the year		Dividend received during the year	
	2022	2021	2022	2021
Zim (Thailand) Co., Ltd.	3,038	2,646	1,708	1,492
Cheese Digital Network Co., Ltd.	770	-	-	-
Total	3,808	2,646	1,708	1,492

### 13.3 Summarised financial information about material associate

Summarised information about financial position as at 31 December 2022 and 2021

	(Unit: Thousand Baht)			
	Zim (Thailand) Co., Ltd.		Cheese Digital Network Co., Ltd.	
	2022	2021	2022	2021
Current assets	-	460,127	96,464	-
Non-current assets	-	29,281	160,674	-
Current liabilities	-	(472,308)	(28,452)	-
Non-current liabilities	-	(1,505)	(46,680)	-
Net assets	-	15,595	182,006	-
Shareholding percentage (%)	-	51.00	25.00	-
Share of net assets	-	7,953	45,501	-
Elimination	-	-	(1,670)	-
Goodwill	-	-	207,129	-
Carrying amounts of associate based on equity method	-	7,953	250,960	-

Summarised information about profit or loss for the years ended 31 December 2022 and 2021

(Unit: Thousand Baht)

	Zim (Thailand) Co., Ltd.		Cheese Digital Network Co., Ltd.	
	2022	2021	2022	2021
Revenue	-	119,468	183,402	-
Profit for the year	-	5,189	13,382	-

14. Investments in subsidiaries

14.1 Details of investments in subsidiaries as presented in separate financial statements

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the years	
	2022	2021	2022	2021	2022	2021	2022	2021
			(%)	(%)				
<u>Subsidiaries which are directly held by the Company</u>								
NCL Inter Logistics (S) Pte. Ltd.	SGD 4.3 million	SGD 4.3 million	100.00	100.00	101,331	101,331	-	-
Grace Water Med Co., Ltd.	Baht 40.0 million	Baht 40.0 million	52.80	52.80	22,788	22,788	-	2,534
Suwan Bio Farm Co., Ltd.	-	Baht 20.0 million	-	51.00	-	10,200	-	-
Golden Supply Co., Ltd.	Baht 2.5 million	-	100.00	-	2,500	-	-	-
<u>Subsidiaries which are held by NCL Inter Logistics (S) Pte. Ltd.</u>								
NCL International Logistics USA Inc.	USD 0.1 million	USD 0.1 million	100.00	100.00	-	-	-	-
LG Container Line Pte. Ltd.	SGD 2.7 million	SGD 2.7 million	100.00	100.00	-	-	-	-
NCL International Logistics Private Limited	INR 0.3 million	INR 0.3 million	100.00	100.00	-	-	-	-
Qingdao National Container Line Co., Ltd.	CNY 0.8 million	CNY 0.8 million	100.00	100.00	-	-	-	-
Ningbo NCL Inter Logistics Co., Ltd.	CNY 1.4 million	CNY 1.4 million	100.00	100.00	-	-	-	-
NCL Inter Logistics Vietnam Co., Ltd.	VND 2,500.0 million	VND 2,500.0 million	49.00	49.00	-	-	-	-
Total					126,619	134,319	-	2,534

14.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the years		Dividend paid to non-controlling interests during the years	
	2022	2021	2022	2021	2022	2021	2022	2021
	(%)	(%)						
Grace Water Med Co., Ltd.	47.20	47.20	21.42	20.70	0.72	1.66	-	(2.27)
NCL Inter Logistics Vietnam Co., Ltd.	51.00	51.00	0.81	0.81	-	-	-	-

**14.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interest.**

Summarised information about financial position as at 31 December 2022 and 2021.

(Unit: Million Baht)

	Grace Water Med Co., Ltd.		NCL Inter Logistics Vietnam Co., Ltd.	
	2022	2021	2022	2021
Current assets	58.84	54.62	1.33	1.33
Non-current assets	28.07	32.20	0.43	0.43
Current liabilities	30.91	22.21	1.30	1.30
Non-current liabilities	10.63	20.79	-	-

Summarised information about comprehensive income for the years ended 31 December 2022 and 2021.

(Unit: Million Baht)

	Grace Water Med Co., Ltd.		NCL Inter Logistics Vietnam Co., Ltd.	
	2022	2021	2022	2021
Revenue	166.91	126.16	-	-
Profit	1.53	3.45	-	-
Other comprehensive income	-	0.04	-	-
Total comprehensive income	1.53	3.49	-	-

Summarised information about cash flows for the years ended 31 December 2022 and 2021.

(Unit: Million Baht)

	Grace Water Med Co., Ltd.		NCL Inter Logistics Vietnam Co., Ltd.	
	2022	2021	2022	2021
Cash flows from (used in)				
operating activities	(3.75)	9.10	-	-
Cash flows used in investing activities	(0.02)	(0.91)	-	-
Cash flows used in financing activities	(1.03)	(5.93)	-	-
Net increase (decrease) in cash and cash equivalents	(4.80)	2.26	-	-

Suwan Bio Farm Company Limited.

On 16 August 2021, the meeting of the Company's Board of Directors No.5/2021 approved to establishment of Suwan Bio Farm Company Limited to support research and development on planting, extraction, distribution and development of cannabis and cannabis products. On 4 October 2021, the Company and Eureka Design Public Company Limited established "Suwan Bio Farm Company Limited", with the Company holding 51% or Baht 10.2 million of the registered share capital of Baht 20 million, which consists of 20,000 ordinary shares with a par value of Baht 1,000. However, as the operation of this company had made no progress, the Group's management determined to cancel the investment in this subsidiary. On 30 March 2022, the subsidiary registered for dissolution, and the liquidation was completed on 9 May 2022.

Golden Supply Company Limited

On 22 June 2022, a meeting of the Company's Board of Directors No. 4/2022 approved the investment to incorporate Golden Supply Company Limited for the purpose to support for future business expansion. On 8 August 2022, the Company registered to incorporate "Golden Supply Company Limited" with a registered share capital of Baht 10 million, comprising of 100,000 ordinary shares with a par value of Baht 100 per share. The Company invested in 100,000 ordinary shares or shareholding percentage of 100% of the registered share capital of such subsidiary.

Asia Wealth Securities Company Limited

On 27 October 2022, a meeting of the Company's Board of Directors No. 7/2022 approved the investment in Asia Wealth Securities Company Limited ("AWS"), which is a company registered in Thailand and conducting securities-related business with respect to securities brokerage, investment consulting, and financial consulting concerning the issuance of securities. The above company has a registered and paid-up share capital of Baht 444,903,800, which consists of 44,490,380 ordinary shares with a par value of Baht 10 each. On 4 November 2022, the Company signed the share purchase agreement with Asia Wealth Holding Company Limited to invest in 26,694,228 ordinary shares of AWS total amounting by Baht 372 million, representing at 60% of shareholding in the registered and paid-up share capital. The Company paid deposit for purchasing this investment by Baht 20 million.

On 18 November 2022, a meeting of the Company's Board of Directors No. 9/2022 passed a resolution to terminate its investment in AWS and cancel all AWS stock trading agreements in order to prevent the risk of investment in this company.

National Security Solution Company Limited

On 18 November 2022, a meeting of the Company's Board of Directors No. 9/2022 approved a joint investment between the Company and a local company to establish National Security Solutions Co., Ltd. for the purpose of providing security services. On 15 February 2023, the Company registered the establishment of "National Security Solution Company Limited" with registered capital of Baht 5 million, representing 50,000 ordinary shares with a par value of Baht 100 per share. The Company holds 55% of the shares and, as of that date, National Security Solution Company Limited is regarded as a subsidiary of the Company.

**15. Investment properties**

The net book value of investment properties as at 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	Land	Land improvement	Buildings and building improvement	Total
31 December 2022:				
Cost	51,303	5,402	22,108	78,813
Less: Accumulated depreciation	-	(4,033)	(5,547)	(9,580)
Net book value	51,303	1,369	16,561	69,233

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	Land	Land improvement	Buildings and building improvement	Total
31 December 2021:				
Cost	51,303	5,402	21,313	78,018
Less: Accumulated depreciation	-	(3,492)	(4,731)	(9,580)
Net book value	51,303	1,910	16,582	69,795

A reconciliation of the net book value of investment properties for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)	
	Consolidated / Separate financial	
	statements	
	2022	2021
Net book value at beginning of year	69,795	71,121
Additions	794	-
Depreciation charged	(1,356)	(1,326)
Net book value at end of year	69,233	69,795

The fair value of the investment properties as at 31 December 2022 and 2021 is presented below.

	(Unit: Thousand Baht)	
	Consolidated / Separate financial	
	statements	
	2022	2021
Land and office building - Bangkok	60,780	60,780
Land and structures there on - Suratthani	13,790	13,790

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

As at 31 December 2022, the Company has pledged certain investment properties with net book value of Baht 69.23 million (2021: Baht 69.80 million) as collateral against credit facilities received from commercial banks.

[illegible]

(Unit: Thousand Baht)

	Separate financial statements						
	Land and improvement	Buildings and improvement	Furniture, fixtures and office equipment	Container s	Motor vehicles, trucks and trailers	Asset under construction	Total
<b>Cost</b>							
1 January 2021	6,292	18,759	13,673	423	86,472	-	125,619
Additions	80	434	3,183	21,617	-	2,138	27,452
Increase from settlement of account receivable from disposal of investment	-	-	-	-	45,280	-	45,280
Disposals/write-off	-	-	(2,185)	-	(568)	-	(2,753)
Transfer from right of use assets	-	-	-	-	1,515	-	1,515
31 December 2021	6,372	19,193	14,671	22,040	132,699	2,138	197,113
Additions	-	409	2,885	-	955	-	4,249
Increase from settlement of account receivable from disposal of investment	-	-	-	-	15,080	-	15,080
Disposals/write-off	-	-	(1,180)	-	(6,147)	-	(7,327)
Transfer from asset under construction	-	-	-	2,138	-	(2,138)	-
31 December 2022	6,372	19,602	16,376	24,178	142,587	-	209,115
<b>Accumulated depreciation:</b>							
1 January 2021	-	14,608	10,419	244	12,614	-	37,885
Depreciation for the year	5	868	1,405	63	10,370	-	12,711
Depreciation on disposals/write-off	-	-	(1,959)	-	(307)	-	(2,266)
Depreciation for transfer from right of use assets	-	-	-	-	653	-	653
31 December 2021	5	15,476	9,865	307	23,330	-	48,983
Depreciation for the year	8	1,100	2,023	740	13,280	-	17,151
Depreciation on disposals/write-off	-	-	(1,146)	-	(4,614)	-	(5,760)
31 December 2022	13	16,576	10,742	1,047	31,996	-	60,374
<b>Net book value:</b>							
31 December 2021	6,367	3,717	4,806	21,733	109,369	2,138	148,130
31 December 2022	6,359	3,026	5,634	23,131	110,591	-	148,741
<b>Depreciation for the year</b>							
2021 (Baht 5.13 million included in cost of service, and the balance in selling and administrative expenses)							12,711
2022 (Baht 8.86 million included in cost of service, and the balance in selling and administrative expenses)							17,151

As at 31 December 2022, certain items of machineries, motor vehicles, plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 11.01 million (2021: Baht 8.96 million) (the Company only: Baht 8.66 million (2021: Baht 8.96 million)).



As at 31 December 2022, the Group has pledged the land and structures thereon, machineries and certain trucks and trailers with net book value of Baht 39.85 million (2021: Baht 45.01 million) (the Company only: Baht 30.74 million (2021: Baht 34.94 million)) as collateral against credit facilities received from commercial banks.

## 17. Leases

### 17.1 The Group as a lessee

The Group has lease contracts for used in its operations. Leases generally have lease terms between 2 - 8 years.

#### a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and buildings	Containers	Motor vehicles	Office equipment	Total
1 January 2021	8,365	38,947	13,407	1,170	61,889
Additions	4,606	6,109	85	125	10,925
Decreases	(91)	-	(2,123)	(707)	(2,921)
Transfer to property, plant and equipment	-	-	(862)	-	(862)
Depreciation for the year	(5,252)	(10,104)	(3,496)	(358)	(19,210)
Translation adjustment	247	485	-	-	732
31 December 2021	7,875	35,437	7,011	230	50,553
Additions	3,539	38,376	13,638	668	56,221
Decreases	(54)	-	(1,339)	-	(1,393)
Depreciation for the year	(6,655)	(10,326)	(3,630)	(346)	(20,957)
Translation adjustment	105	320	-	-	425
31 December 2022	4,810	63,807	15,680	552	84,849

(Unit: Thousand Baht)

	Separate financial statements				
	Land and buildings	Containers	Motor vehicles	Office equipment	Total
1 January 2021	1,054	31,023	13,407	1,078	46,562
Additions	3,148	-	85	125	3,358
Decreases	(91)	-	(2,122)	(707)	(2,920)
Transfer to property, plant and equipment	-	-	(862)	-	(862)
Depreciation for the year	(1,270)	(1,079)	(3,496)	(279)	(6,124)
31 December 2021	2,841	29,944	7,012	217	40,014
Additions	3,539	-	13,638	435	17,612
Decreases	(54)	-	(1,339)	-	(1,393)
Depreciation for the year	(2,753)	(1,079)	(3,630)	(268)	(7,730)
31 December 2022	3,573	28,865	15,681	384	48,503

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease payments	84,480	50,360	44,158	38,402
Less: Deferred interest expenses	(7,137)	(3,810)	(3,623)	(3,367)
Total	77,343	46,550	40,535	35,035
Less: Portion due within one year	(23,904)	(16,125)	(11,351)	(8,770)
Lease liabilities - net of current portion	53,439	30,425	29,184	26,265

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	20,957	19,210	7,730	6,124
Interest expense on lease liabilities	2,016	2,379	1,376	1,453
Expense relating to short-term leases	414	4,453	414	4,328

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 25.90 million (2021: Baht 23.97 million) (the Company only: Baht 11.96 million (2021: Baht 10.90 million)), including the cash outflow related to short-term lease. Moreover, the Group had non-cash decrease to right-of-use assets and lease liabilities of Baht 1.54 million (2021: Baht 0.44 million) (the Company only: Baht 1.54 million (2021: Baht 0.44 million)).

17.2 The Company as lessor

The Company entered into container lease agreement with a subsidiary which such agreement is able to cancel.

During the year 2022, the Company has sub-lease income amounting to Baht 6.96 million (2021: Baht 5.67 million).

18. Intangible assets

The net book value of intangible assets as at 31 December 2022 and 2021 is presented below.

	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Computer software	Business relationship of customer, container lessor and feeder	Technical knowledge of NVOCC operation	Total	Computer software	Total
As at 31 December 2022:						
Cost	8,573	20,000	5,000	33,573	5,353	5,353
Less: Accumulated amortisation	(4,681)	(3,049)	(1,777)	(9,507)	(2,432)	(2,432)
Less: Allowance for impairment loss	(486)	-	-	(486)	-	-
Less: Translation adjustment	83	1,583	545	2,211	-	-
Net book value	<u>3,489</u>	<u>18,534</u>	<u>3,768</u>	<u>25,791</u>	<u>2,921</u>	<u>2,921</u>
As at 31 December 2021:						
Cost	10,622	20,000	5,000	35,622	7,409	7,409
Less: Accumulated amortisation	(4,460)	(1,899)	(1,204)	(7,563)	(2,399)	(2,399)
Less: Allowance for impairment loss	(2,599)	-	-	(2,599)	(2,113)	(2,113)
Less: Translation adjustment	57	916	393	1,366	-	-
Net book value	<u>3,620</u>	<u>19,017</u>	<u>4,189</u>	<u>26,826</u>	<u>2,897</u>	<u>2,897</u>

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	26,826	24,352	2,897	946
Acquisitions during the year - at cost	64	1,986	57	1,986
Disposal during the year	(2,113)	-	(2,113)	-
Reversal of allowance for impairment loss	2,113	-	2,113	-
Amortisation for the year	(1,943)	(2,051)	(33)	(35)
Translation adjustment	844	2,539	-	-
Net book value at end of year	25,791	26,826	2,921	2,897

#### 19. Goodwill

Goodwill acquired in a business combination is allocated to cash-generating unit which is Grace Water Med Company Limited for the purpose of annually impairment testing.

	(Unit: Thousand Baht)	
	Grace Water Med Co., Ltd.	
Goodwill	-	2,253

The Company considers the recoverable amount of the cash-generating unit based on the value in use of assets, using projections of cash inflows that were prepared with reference to financial projection approved by the management and significant assumptions of growth rate of income and discount rate.

#### 20. Bank overdrafts and short-term loans from banks

	(Unit: Thousand Baht)					
	Interest rate (% per annum)		Consolidated		Separate	
	2022	2021	financial statements		financial statements	
	2022	2021	2022	2021	2022	2021
Bank overdrafts	5.30	-	16,172	-	16,172	-
Promissory notes	1.30 - 4.85	3.00 - 3.25	278,687	195,013	250,000	190,000
Total			294,859	195,013	266,172	190,000

Bank overdrafts and promissory notes from banks are secured by the mortgage of the Group's land and structures thereon, certain trucks and trailers, and bank deposits.

As at 31 December 2022, the bank overdrafts and promissory note credit facilities according to the credit agreement of the Group have not yet been drawn down amounted to Baht 23.83 million and Baht 80.00 million respectively (2021: Baht 40.00 million and Baht 95.12 million) (the Company only: Baht 23.83 million and Baht 70.00 million (2021: Baht 40.00 million and Baht 40.00 million)).

21. Trade and other payables - other parties

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade accounts payable	109,872	189,824	39,357	98,774
Accrued expenses	18,947	30,594	12,324	15,398
Other payables	8,404	18,747	5,160	9,034
Total trade and other payables				
- other parties	137,223	239,165	56,841	123,206

22. Long-term loans from banks

(Unit: Thousand Baht)

Loan	Interest rate (percent per annum)	Repayment schedule	Consolidated / Separate financial statements	
			2022	2021
1	MLR-2.15	Repay for 24 installments on monthly basis, Baht 0.08 million each, starting first installment on 30 April 2020 until 30 March 2022	-	236
2	2.00	Repay for 12 installments on monthly basis, Baht 0.83 million each, starting first installment on 3 March 2022 until 3 February 2023	2,500	10,000
3	MLR-2.15	Repay for 60 installments on monthly basis, Baht 0.48 million each, starting first installment on 30 April 2020 until 30 March 2025	12,591	18,351
4	Average MLR of 4 banks- 1.46	Repay for 36 installments on monthly basis, Baht 0.43 - 0.50 million each, starting first installment on 30 June 2022 until 30 May 2025	13,889	-
5	Year 1 - 2 at rate of 2.00 Year 3 - 5 at rate of 6.00	Repay for 48 installments on monthly basis, Baht 0.42 million each, starting first installment on 17 September 2022 until 17 August 2026	18,333	20,000

			(Unit: Thousand Baht)	
Loan	Interest rate (percent per annum)	Repayment schedule	Consolidated / Separate financial statements	
			2022	2021
6	MLR-1.00	Repay for 84 installments on monthly basis, Baht 0.72 million each, starting first installment on 30 April 2020 until 30 March 2027	36,405	44,985
7	MLR-2.15	Repay for 60 installments on monthly basis, Baht 0.05 million each, starting first installment on 22 November 2022 until 22 October 2027	2,869	-
8	Year 1 - 2 at rate of 2.00 Year 3 - 5 at rate of 4.23	Repay for 60 installments on monthly basis, Baht 1.04 million each, starting first installment on 25 November 2023 until 25 November 2027	50,000	-
Total			136,587	93,572
Less: Deferred transaction cost			(1,060)	(501)
Loans - net			135,527	93,071
Less: Current portion			(28,318)	(24,421)
Long-term loans, net of current portion			107,209	68,650

Movement of the long-term loan account during the years ended 31 December 2022 and 2021 are summarised below:

			(Unit: Thousand Baht)	
			Consolidated / Separate financial statements	
			2022	2021
Beginning balance			93,071	78,295
Additional borrowings			69,986	30,000
Repayments			(26,971)	(15,348)
Amortised transaction cost			166	124
Transaction cost			(725)	-
Ending balance			135,527	93,071

The Company's long-term loans from banks for loan credit facilities No. 3, 4, 6 and 8 are secured by the mortgage of the Company's land and structures thereon, certain trucks and trailers, and bank deposits.

For loan credit facilities No. 2, 5 and 7 are unsecured loan.

The loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate described in the agreements.

As at 31 December 2022, the Company has remaining the long-term credit facilities that has not yet been drawn down Baht 13.01 million (2021: Nil).

## 23. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2022	2021	2022	2021
<b>Provision for long-term employee benefits</b>				
at beginning of year	15,517	13,037	15,173	12,361
Included in profit or loss:				
Current service cost	(304)	2,813	(491)	2,680
Interest cost	(21)	140	(27)	132
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
- Demographic assumptions changes	-	(231)	-	-
- Financial assumptions changes	-	39	-	-
- Experience adjustments	-	160	-	-
Benefits paid during the year	(298)	(441)	(298)	-
<b>Provision for long-term employee benefits</b>				
at end of year	14,894	15,517	14,357	15,173

The Group does not expect to pay for long-term employee benefits during the next year.

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 23 – 27 years (2021: 23 - 27 years) (the Company only: 23 years (2021: 23 years)).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		(Unit: percent per annum)	
			Separate financial	
	2022	2021	2022	2021
Discount rate	1.2 - 1.6	1.2 - 1.6	1.2	1.2
Salary increase rate	5.0	5.0	5.0	5.0
Staff turnover rate (depending on age)	16 - 23	16 - 23	16 - 23	16 - 23

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Discount rate	(75) - (1,317)	89 - 1,463	(1,317)	1,463
Salary increase rate	91 - 1,807	(78) - (1,643)	1,807	(1,643)
Staff turnover rate (depending on age)	(84) - (1,448)	39 - 706	(1,448)	706

(Unit: Thousand Baht)

	2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Discount rate	(51) - (1,176)	61 - 1,312	(1,176)	1,312
Salary increase rate	59 - 1,410	(50) - (1,285)	1,410	(1,285)
Staff turnover rate (depending on age)	(58) - (1,306)	30 - 718	(1,306)	718

## 24. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Current income tax:</b>				
Current income tax charge	9,140	16,098	7,937	10,555
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(1,894)	584	(1,640)	181
<b>Income tax expense reported in profit or loss</b>	<b>7,246</b>	<b>16,682</b>	<b>6,297</b>	<b>10,736</b>



The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax relating to actuarial gain	-	(6)	-	-
	-	(6)	-	-

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Accounting profit before tax	1,341	129,410	33,839	57,797
Applicable tax rate	8.84% - 21%	8.84% - 21%	20%	20%
Accounting profit before tax multiplied by income tax rate	7,994	25,177	6,768	11,559
Effects of:				
Non-deductible expenses	375	793	384	558
Additional expense deductions allowed	(1,123)	(2,250)	(855)	(1,381)
Tax losses brought forward used in current year	375			
	-	(7,138)	-	-
Unused tax loss not expected to benefit	-	100	-	-
Total	(748)	(8,495)	(471)	(823)
Income tax expense reported in profit or loss	7,246	16,682	6,297	10,736

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Deferred tax assets</b>				
Allowance for expected credit losses	5,252	2,785	4,615	2,325
Allowance for diminution in value of inventories	16	8	-	-
Allowance for asset impairment	63	63	63	63
Depreciation for building improvement	61	12	61	12
Provision for long-term employee benefits	3,101	3,104	2,872	3,035
<b>Total</b>	<b>8,493</b>	<b>5,972</b>	<b>7,611</b>	<b>5,435</b>
<b>Deferred tax liabilities</b>				
Depreciation for building improvement	(374)	(287)	-	-
Lease liabilities	(1,259)	(708)	(1,650)	(1,114)
<b>Total</b>	<b>(1,633)</b>	<b>(995)</b>	<b>(1,650)</b>	<b>(1,114)</b>
<b>Deferred tax assets (liabilities) - net</b>	<b>6,860</b>	<b>4,977</b>	<b>5,961</b>	<b>4,321</b>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Presentation in the statements of financial position is as follow:</b>				
Deferred tax assets	7,234	5,264	5,961	4,321
Deferred tax liabilities	(374)	(287)	-	-
<b>Deferred tax assets (liabilities) - net</b>	<b>6,860</b>	<b>4,977</b>	<b>5,961</b>	<b>4,321</b>

As at 31 December 2022, the Group has unused tax losses totaling Baht 53.1 million (2021: Baht 13.6 million).

## 25. Debentures

On 26 July 2022, the Extraordinary General Meeting of the Company's shareholders No. 2/2022 approved to issue and offer all types of debentures not exceeding Baht 1,000 million with a maximum tenor of 2 years and interest rates determined by market conditions during the issue and offering period. The debentures are offered at one time or multiple times as deemed appropriate to support business expansion and the Company's operations. As at 31 December 2022, the Company has not issued the debentures.

## 26. Share capital

### Registered share capital

On 13 September 2021, the meeting of Extraordinary General Meeting of the shareholders No. 1/2021 approved a resolution to increase the Company's registered share capital by Baht 11,250,000, from Baht 113,538,062 to Baht 124,788,062, through the issuance of 45,000,000 registered ordinary shares with a par value of Baht 0.25 per share for sale/distribution by private placement at a price of Baht 3.35 per share, or a total of Baht 150,750,000. The meeting also approved the amendment of the Company's memorandum of association to reflect the increase in the Company's already registered share capital from 454,152,248 shares to 499,152,248 shares. On 16 September 2021, the Company already registered the increase in its registered share capital and the amendment of its Memorandum of Association with the Ministry of Commerce to offer shares in a private placement.

On 25 January 2022, the Extraordinary General Meeting of the Company's shareholders No.1/2022 passed the following resolutions.

- Approved to decrease in the registered share capital of the Company by Baht 8,250,000 from the existing registered share capital of Baht 124,788,062 to Baht 116,538,062 by decreasing 33,000,000 ordinary shares with a par value of Baht 0.25 per share, which were remaining shares from offering in a private placement. As a result, the registered share capital of the Company decreased from 499,152,248 shares to 466,152,248 shares.
- Approved to increase in the registered share capital of the Company by Baht 18,129,669 from Baht 116,538,062 to Baht 134,667,731, by issuing 72,518,676 newly issued ordinary shares, with a par value of Baht 0.25 per share for the purpose to invest in Cheese Digital Network Company Limited through BOB Holding Company Limited 62,081,745 ordinary shares. On 3 February 2022, the Company already registered the increase in its registered share capital from 466,152,248 shares to 538,670,924 shares and the amendment of its Memorandum of Association with the Ministry of Commerce.

### Issued and paid-up share capital

On 26 November 2021, the Company sold 12,000,000 ordinary shares to two shareholders at 6,000,000 shares per person, with value of Baht 3.35 per share, which was calculated based on the weighted average price of the Company's ordinary shares traded on the Stock Exchange of Thailand for the past 15 consecutive business days before 24 November 2021 in the amounting by Baht 40,200,000. The Company recognised issued and paid-up share capital by Baht 3,000,000 and recorded share premium amounted to Baht 37,200,000. As at 31 December 2021, the Company presented the issued and paid-up share capital 466,152,248 shares at a par value of Baht 0.25 per share or a total of Baht 116,538,062.

On 3 February 2022, the Company transferred 62,081,745 ordinary shares to three shareholders, with value of Baht 4.03 per share, which was calculated based on the weighted average price of the Company's ordinary shares traded on the Stock Exchange of Thailand for the past 15 consecutive business days before 31 January 2022 in the amounting by Baht 250,189,432 to transfer with the ordinary shares of associate company as described in Note 13 to consolidated financial statements. The Company recognised issued and paid-up share capital by Baht 15,520,436 and recorded share premium amounted to Baht 229,029,937 after deducting the initial transaction cost. As at 31 December 2022, the Company presented the issued and paid-up share capital 528,233,993 shares at a par value of Baht 0.25 per share or a total of Baht 132,058,498.

#### Reconciliation of share capital

	Par value per share	Registered share capital		Issued and paid-up share capital	
		Number shares	Amount	Number shares	Amount
	(Baht)	(Shares)	(Baht)	(Shares)	(Baht)
As at 1 January 2022	0.25	499,152,248	124,788,062	466,152,248	116,538,062
Reduction in share capital during the year	0.25	(33,000,000)	(8,250,000)		
Increase in registered ordinary shares during the year					
- Issue of new ordinary shares	0.25	72,518,676	18,129,669	62,081,745	15,520,436
As at 31 December 2022		<u>538,670,924</u>	<u>134,667,731</u>	<u>528,233,993</u>	<u>132,058,498</u>

#### 27. Statutory reserve

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 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. During the year 2022, the Company set aside a statutory reserve amounting to Baht 727,044 (2021: Baht 1,125,000).

#### 28. Finance income

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Interest income on bank deposits	306	287	247	231
Interest income from account receivable from disposal of investment	1,175	4,336	1,175	4,336
Interest income from loans	-	-	825	1,000
Total	<u>1,481</u>	<u>4,623</u>	<u>2,247</u>	<u>5,567</u>

## 29. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Interest expenses on borrowings	11,479	9,820	9,732	9,449
Interest expenses on lease liabilities	2,016	2,392	1,376	1,453
Total	13,495	12,212	11,108	10,902

## 30. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2022	2021	2022	2021
Salaries and wages and other employee benefits	118,632	106,427	76,212	69,553
Directors remuneration	35,968	23,225	23,329	15,686
Depreciation and amortisation	34,877	29,334	26,270	20,196
Air and sea freight	1,059,269	1,173,120	696,550	849,628
Custom clearance	4,132	2,687	4,132	2,687
Commission	39,770	34,877	38,333	32,906
Transportation	211,948	188,414	149,726	153,663
Expense for head trailer	17,438	10,732	17,438	10,732
Service expense - Sea	5,779	6,259	5,779	6,259
Rental and service	13,218	12,092	11,640	10,940
Travelling	5,555	1,101	5,400	1,094
Entertainment	4,144	3,870	3,765	3,457

## 31. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) 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 (loss) per share:

Consolidated financial statements						
Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share		
2022	2021	2022	2021	2022	2021	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings (loss) per share</b>						
Profit (loss) attributable to equity holders of the Company						
(6,628)	111,081	522,961	455,369	(0.013)	0.244	

Separate financial statements						
Profit for the year		Weighted average number of ordinary shares		Earnings per share		
2022	2021	2022	2021	2022	2021	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
27,542	47,061	522,961	455,369	0.053	0.103	

### 32. 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. The chief operating decision maker has been identified as Chief Executive Officer.

For management purposes, the Group is organised into business units based on its services and has four reportable segments as follows:

- Land transportation
- Freight forwarder
- Non-Vessel Operating Common Carrier (NVOCC)
- Producing and distributing dialysis

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

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets 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 and profit information regarding the Group's operating segments for the year ended 31 December 2022 and 2021.

(Unit: Million Baht)

	For the year ended 31 December													
					Non-vessel								Consolidated financial	
	Land transportation		Freight forwarder		operating common carrier (NVOCC)		Producing and selling dialysis		Total reportable segments		Eliminations		statements	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues														
Revenues from external customers	109.44	45.02	1,044.90	1,258.76	644.80	462.96	104.45	126.06	1,903.59	1,892.80	-	-	1,903.59	1,892.80
Inter-segment revenues	-	-	43.79	41.91	10.10	0.87	-	-	53.89	42.78	(53.89)	(42.78)	-	-
Total revenues	109.44	45.02	1,088.69	1,300.67	654.90	463.83	104.45	126.06	1,957.48	1,935.58	(53.89)	(42.78)	1,903.59	1,892.80
Segment operating profit	0.64	1.70	173.04	167.57	65.89	136.47	24.23	24.22	263.80	329.96	-	-	263.80	329.96
Unallocated revenues and expenses:														
Other income													35.33	31.09
Selling and distribution expenses													(43.82)	(33.45)
Administrative expenses													(245.76)	(193.25)
Share of gain on investments in associates													3.81	2.65
Finance income													1.48	4.62
Finance cost													(13.50)	(12.21)
Income tax expense													(7.25)	(16.68)
Profit (loss) for the year													(5.91)	112.73
Non-controlling interest of the subsidiary													(0.72)	(1.65)
Profit (loss) attributable to equity holders of the Company													(6.63)	111.08

#### Major customer information

For the years 2022 and 2021, the Group has no major customer with revenue of 10% or more of the entity's revenues.

### 33. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by K Master Pooled Fund, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to Baht 2.62 million (2021: Baht 1.03 million) were recognised as expenses.

### 34. Commitments and contingent liabilities

#### 34.1 Capital commitments

As at 31 December 2022, the Company had capital commitments of Baht 2.48 million (2021: Baht 3.15 million), relating to the computer software.

#### 34.2 Commitments in respect of uncalled investments

As at 31 December 2022, the Company has uncalled portion of investment in a subsidiary (Golden Supply Co., Ltd.) amounting to Baht 7.5 million (2021: Nil).

#### 34.3 Guarantees

	(Unit: Million Baht)	
	Consolidated / Separate	
	financial statements	
	31 December 2022	31 December 2021
- Letter of guarantee relating payments of fee and others related with logistics	0.6	0.6
- Letter of guarantee relating contractual performance regarding being logistic operator	0.5	0.5



#### 34.4 Litigation

1. On 30 September 2020, a marine shipping company has filed a complaint with the Central Intellectual Property and International Trade Court that the Company as the first defendant and another company as the second defendant defaulted of the international sea carriage contract due to the return of the container beyond the specified time. The defendants have to pay back containers charge with interest amounting to Baht 20 million. The Company, as the first defendant has appointed a lawyer to submit testimony and determined the witness to the court on 29 January 2021.

However, on 16 January 2023, the Central Intellectual Property and International Trade Court already dismissed the complaint against the plaintiff.

2. On 5 August 2022, a group of 3 timber trading companies filed a complaint with the Central Intellectual Property and International Trade Court alleging that the Company as the third defendant, a person as the second defendant and 2 other companies as the first and fourth defendants had breached the international sea carriage contract due to the suspension of the delivery of the original bill of lading to the plaintiff. The defendants are claimed compensation for the damage to the products plus interest amounting to Baht 55 million. The Company, as the third defendant, engaged the lawyer to submit testimony and identified the witness to the court on 28 September 2022.

Currently, the case is still in the process of the taking of witness, and the Company has raised the defence in its testimony that the plaintiff has no right to claim damages from the Company because the plaintiff has not paid the outstanding freight charge to the Company and the plaintiff has no right to obtain the bill of lading if the Company does not receive the outstanding freight payments. Therefore, the Company has the right to suspend the bill of lading until it receives the freight payments according to Section 15 of Sea Carriage Act, B.E. 2534. The Company's gave an opinion that the lawsuits are cases with the defence and there is an opportunity that the court will dismiss these cases after the court has considered all the facts. The Company's management believes that there will be no commitment relating to the suspension of the bill of lading. Therefore, the Company did not record a provision arising from the litigation in the consolidated financial statements. However, the outcome of these lawsuits are not yet final and is subject to the future judicial process.

### 35. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had assets that were disclosed at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

Consolidated / Separate financial statements				
31 December 2022				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	74.57	74.57

(Unit: Thousand Baht)

Consolidated / Separate financial statements				
31 December 2021				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	74.57	74.57

### 36. Financial instruments

#### 36.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, and short-term and long-term loans. 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, deposits with banks and loans. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### *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. The Group does not have high concentrations of credit risk since it has a large customer base in various industries.

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 by customer type and rating. The calculation of expected credit loss 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 accounts receivable are written-off when having highly probable for uncollectible and the necessary process is performed.

#### Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk.

#### Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies and translation of the Group's investments in foreign operations.

As at 31 December 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements						
Foreign currencies	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	1,931.95	1,829.30	619.32	397.75	34.56	33.42
EUR	-	-	35.17	0.20	36.83	37.89
Singapore Dollar	444.99	249.62	55.99	40.37	25.72	24.74

Separate financial statements						
Foreign currencies	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	1,154.40	1,108.18	170.29	331.41	34.56	33.42
EUR	-	-	35.17	-	36.83	37.89

### Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US Dollar exchange rates, with all other variables held constant.

Currency	2022		2021	
	Change in FX rate	Effect on profit	Change in FX rate	Effect on profit
		before tax		before tax
	(%)	(Million Baht)	(%)	(Million Baht)
US Dollar	+1.0	0.45	+1.0	0.47
	-1.0	(0.45)	-1.0	(0.47)

This information is not a forecast or prediction of future market conditions and should be used with care.

The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2022 and 2021. The Group's exposure to foreign currency changes for all other currencies is not material.

### Interest rate risk

The Group's exposure to interest rate risk relates primarily to long-term loan to a subsidiary, long-term loans from banks. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

As at 31 December 2022 and 2021, 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 if this occurs before the maturity date.

(Unit: 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				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	138.63	110.58	249.21	0.05 - 0.55
Trade and other receivables	-	-	-	-	252.38	252.38	-
Account receivable from disposal							
of investment	-	-	-	19.06	-	19.06	3.47
Restricted bank deposits	-	-	-	111.63	-	111.63	0.15 - 0.65
	-	-	-	269.32	362.96	632.28	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from banks	294.86	-	-	-	-	294.86	1.30 - 4.85
Trade and other payables	-	-	-	-	137.38	137.38	-
Lease liabilities	23.90	53.44	-	-	-	77.34	0.42 - 4.32
Long-term loans from banks	7.72	62.62	-	65.19	-	135.53	2.00 - 6.00
Long-term loans from persons relative with directors	-	10.00	-	-	-	10.00	5.50
	326.48	126.06	-	65.19	137.38	655.11	

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2021							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	32.82	114.96	147.78	0.05 - 0.13
Trade and other receivables	-	-	-	-	396.09	396.09	-
Account receivable from disposal							
of investment	-	-	-	38.72	-	38.72	4.37 - 6.26
Restricted bank deposits	-	-	-	97.22	-	97.22	0.05 - 0.38
	-	-	-	168.76	511.05	679.81	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from banks	195.01	-	-	-	-	195.01	2.46 - 3.25
Trade and other payables	-	-	-	-	242.92	242.92	-
Lease liabilities	16.12	30.42	-	-	-	46.54	0.46 - 4.32
Long-term loans from banks	9.99	20.01	-	63.07	-	93.07	2.00 - 6.00
	221.12	50.43	-	63.07	242.92	577.54	

(Unit: Million Baht)

Separate 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				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	126.98	47.66	174.64	0.05 - 0.55
Trade and other receivables	-	-	-	-	122.10	122.10	-
Account receivable from disposal of investment	-	-	-	19.06	-	19.06	3.47
Long-term loans to a subsidiary	20.29	-	-	-	-	20.29	5.00
Restricted bank deposits	-	-	-	101.62	-	101.62	0.15 - 0.65
	<u>20.29</u>	<u>-</u>	<u>-</u>	<u>247.66</u>	<u>169.76</u>	<u>437.71</u>	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from banks	266.17	-	-	-	-	266.17	1.30 - 4.85
Trade and other payables	-	-	-	-	60.13	60.13	-
Lease liabilities	11.35	29.18	-	-	-	40.53	2.5 - 4.32
Long-term loans from banks	<u>7.72</u>	<u>62.62</u>	<u>-</u>	<u>65.19</u>	<u>-</u>	<u>135.53</u>	<u>2.00 - 6.00</u>
	<u>285.24</u>	<u>91.80</u>	<u>-</u>	<u>65.19</u>	<u>60.13</u>	<u>502.36</u>	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2021							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	13.58	58.78	72.36	0.05 - 0.13
Trade and other receivables	-	-	-	-	229.03	229.03	-
Account receivable from disposal of investment	-	-	-	38.72	-	38.72	4.37 - 6.26
Long-term loans to a subsidiary	-	20.00	-	-	-	20.00	5.00
Restricted bank deposits	-	-	-	87.58	-	87.58	0.05 - 0.38
	<u>-</u>	<u>20.00</u>	<u>-</u>	<u>139.88</u>	<u>287.81</u>	<u>447.69</u>	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from banks	190.00	-	-	-	-	190.00	3.00 - 3.25
Trade and other payables	-	-	-	-	135.32	135.32	-
Lease liabilities	8.77	26.26	-	-	-	35.03	3.11 - 4.32
Long-term loans from banks	<u>9.99</u>	<u>20.01</u>	<u>-</u>	<u>63.07</u>	<u>-</u>	<u>93.07</u>	<u>2.00 - 6.00</u>
	<u>208.76</u>	<u>46.27</u>	<u>-</u>	<u>63.07</u>	<u>135.32</u>	<u>453.42</u>	

### Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans to and loans from affected as at 31 December 2022 and 2021.

Currency	2022		2021	
	Increase/ decrease	Effect on profit before tax	Change in FX rate	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Baht	+1.0	(1.18)	+1.0	(1.50)
	-1.0	1.18	- 1.0	1.50

The above analysis has been prepared assuming that the amounts of the floating rate loans to, loans from, and all other variables remain constant over one year. Moreover, the floating legs of these loans to, loans from are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

### Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. The Group manages these liabilities which maturing within 12 months by considering cash inflow and outflow from operating activities and daily liquidity. In addition, the Group manages payment due date of liabilities are not concentrated to lower liquidity risk.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2022 and 2021 based on contractual undiscounted cash flows including interest payment.

(Unit: Thousand Baht)

Consolidated financial statements					
As at 31 December 2022					
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans					
from banks	-	294,874	-	-	294,874
Trade and other payables	-	137,773	-	-	137,773
Lease liabilities	-	26,907	57,573	-	84,480
Long-term loans from banks	-	29,082	107,505	-	136,587
Long-term loans from persons relative with directors	-	-	10,459	-	10,459
<b>Total non-derivatives</b>	-	488,636	175,537	-	664,173

(Unit: Thousand Baht)

Consolidated financial statements					
As at 31 December 2021					
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans					
from banks	-	195,791	-	-	195,791
Trade and other payables	-	242,823	-	-	242,823
Lease liabilities	-	16,745	28,729	3,093	48,567
Long-term loans from banks	-	17,658	75,914	-	93,572
<b>Total non-derivatives</b>	-	473,017	104,643	3,093	580,753

(Unit: Thousand Baht)

Separate financial statements					
As at 31 December 2022					
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans					
from banks	-	266,188	-	-	266,188
Trade and other payables	-	56,841	-	-	56,841
Lease liabilities	-	12,702	31,456	-	44,158
Long-term loans from banks	-	29,082	107,505	-	136,587
<b>Total non-derivatives</b>	-	364,813	138,961	-	503,774



(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans					
from banks	-	190,778	-	-	190,778
Trade and other payables	-	123,206	-	-	123,206
Lease liabilities	-	9,946	25,362	3,093	38,401
Long-term loans from banks	-	17,658	75,914	-	93,572
<b>Total non-derivatives</b>	<b>-</b>	<b>341,588</b>	<b>101,276</b>	<b>3,093</b>	<b>445,957</b>

### 36.2 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, accounts receivable and short-term loans to related parties, accounts payable and short-term loans from banks, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of long-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
- The fair value of fixed rate long-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
- The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

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

### 37. 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 2022, the Company and its subsidiaries' debt-to-equity ratio was 1.01:1 (2021: 1.42:1) (the Company only 0.79:1 (2021: 1.22:1)). In addition, the Group's current ratio was 1.22:1 (2021: 1.20:1) (the Company only: 1.10:1 (2021: 0.94:1)). The Group used bank deposits amounting to Baht 112 million (the Company only: Baht 102 million) to guarantee for credit facilities received from banks since the management considered that it makes the capital management more flexible and if bank deposits are included in calculating current ratio, current ratio would be 1.45:1 (the Company only: 1.37:1).

### 38. Events after the reporting period

On 22 February 2023, a meeting of the Company's Board of Directors No.1/2023 approved the following resolutions.

- Proposed to the Annual General Meeting of Shareholders to consider and approve the decrease in the Company's registered share capital of Baht 2,609,233 from Baht 134,667,731 to Baht 132,058,498 by cancelling 10,436,931 registered ordinary shares with a par value of Baht 0.25 per share, which were remaining shares from the offering through private placement. As a result, the registered share capital of the Company will decrease from 538,670,924 shares to 528,233,993 shares.
- Proposed to the Annual General Meeting of Shareholders to consider and approve the amendment of the Memorandum of Association to reflect the reduction of the Company's registered capital from 538,670,924 shares to 528,233,993 shares.
- Proposed to the Annual General Meeting of Shareholders to consider and approve setting aside a statutory reserve amounting to Baht 727,044.
- Acknowledged of selling investment in Grace Water Med Co., Ltd., (a subsidiary), which was approved at a previous meeting of the Company's Board of Directors in the past. Currently, negotiations with other parties, who are interested in purchasing such subsidiary, are ongoing.

### 39. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 22 February 2023.



# Part 4

Certifies the Correctness and Completeness



## Confirmation of Information Accuracy for form 56-1 One Report

"We have duly verified the information contained in this Prospectus. We hereby certify that all of the aforementioned documents are correct and complete in all respects. We also certify that the said documents neither contain any false nor misleading statement nor omission of any material statement that should have been stated therein. In addition, the Company certifies that:

(1) Financial Statement and Financial information summarized in this Prospectus has presented accurate and complete information regarding the materiality of financial status, operating performance and cash flow of the Company and subsidiary companies.

(2) The Company has a good information disclosure system to ensure that the Company has disclosed the material statement of the Company and its subsidiaries correctly and completely, as well as oversaw the implementation of the said system.

(3) The Company has arranged a good internal control system and oversaw the implementation of the said system. In addition, the Company has informed the information of Evaluation of the Internal Control System to the auditor and the audit committee of the Company on February 23<sup>rd</sup>, 2021, covering the defects and significant changes in the internal control system, including any improper actions that may affect the preparation of the financial statements of the Company and its subsidiaries.

"In this regard, as evidence that all documents are the same set of the exact documents to which I have certified. I have authorized Mrs. Ravipa Koekkaivan to sign an initial of signature on each and every page of the documents. Any document without the initial of signature of Mrs. Ravipa Koekkaivan shall not be regarded as the information to which I have certified as above aforementioned."

Name	Position	Signed
1. Mr.Kitti Phauthavornskul	Director	.....
2. Mr. Pongthep Vichaikul	Director	.....
<b>Proxy</b>		
Name	Position	Signed
1. Mrs. Ravipa Koekkaivan	Director	.....



# Attachment 1

Details of Board of Directors,  
Executives and Company Secretary



Mom Rajawong Chirakom Kitiyakara

Chairman / Independent Director

Age 75 years

Nationality: Thai

Education Qualification

Master's Degree

- Master of Public Administration, Utah State University

Bachelor's Degree

- Bachelor of Laws Program, Thammasat University

Training Course

- None -

Holding the post of the Chairman / Independent Company's Director

- 11 months (Appointed as a director since 2022)

Appointed as a Chairman / Independent Company's Director

- 20 April 2022

Family relationship with the management

- None -

No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)

- None –

Directorship in other (Listed Company)

2019 – Present	Chairman	AJ Advance Technology PCL
----------------	----------	---------------------------

Directorship in other (Non-Listed Company)

2020 – Present	Director	Unionthai Platform Co., Ltd.
----------------	----------	------------------------------

Directorship in Related Companies

- None –

Directorship in Companies That May Cause the Conflict of Interest to the Company

- None –



### Working Experiences

2022 - Present	Chairman / Independent Director	NCL International Logistics PCL.
2020 – Present	Director	Unionthai Platform Co., Ltd.
2019 – Present	Chairman	AJ Advance Technology PCL
2004 - 2007	Trade Officer 9 Minister (Department - Par Ministry of Commerce) in Tokyo	Department of Export Promotion Ministry of Commerce

### The Meeting Attendance in 2022

- Board of Director 8/10
- Extraordinary General Meeting of Shareholder 1/2

### Criteria for Director Nomination

Mom Rajawong Chirakom Kitiyakara has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become an Independent Director under the relevant law, and proposed his name to the Board of Directors for further consideration.

In this regard, Mom Rajawong Chirakom Kitiyakara has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates him to be elected as an Independent Director of the Company

### Forbidden Qualification

No criminal record in a property offense committed by fraud

Mr.Pongpun Kongkamnoed

Independent Director / Chairman of Audit Committee /

Chairman of Nomination and Remuneration Committee /

Risk Management Committee /

Corporate Governance Committee

Age 62 years

Nationality: Thai

Education Qualification

Master's Degree

- In Economic Development / National Institute of Development Administration (NIDA)

Bachelor's Degree

- In Agricultural Business / Kasetsart University

Training Course

- Director Certification Program (DCP) Batch 204/2015,  
Thai Institute of Director (IOD)
- Director Accreditation Program (DAP) Batch 103/2013,  
Thai Institute of Director (IOD)

Holding the post of the Company's Director / Independent Director

- 9 Years (Appointed as a Director since 2013)

Appointed as a Director / Independent Director

- 4 February 2013

Family relationship with the management

- None –

No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)

- None –

Directorship in other (Listed Company)

- None –

Directorship in other (Non-Listed Company)

- None –

Directorship in Related Companies

- None –

Directorship in Companies That May Cause the Conflict of Interest to the Company

- None –





## Working Experiences

2013 - Present	Independent Director / Chairman of Audit Committee / Chairman of Nomination and Remuneration Committee / Risk Management Committee / Corporate Governance Committee	NCL International Logistics PCL.
2014 - 2015	Executive Vice President, CFO	MCOT Public Company Limited
2011 - 2012	Assistant Managing Director	KTB Leasing Co., Ltd.
2003 - 2011	CFO	Metropolitan Waterworks Authority
2001 - 2003	SVP & Treasurer	Credit Agricole Indosuez
1997 - 2001	FVP & Treasure	Credit Agricole Indosuez

## The Meeting Attendance in 2022

● Board of Director	10/10
● Audit Committee	5/5
● Nomination and Remuneration Committee	1/1
● Risk Management Committee	9/9
● Corporate Government Committee	2/2
● Annual General Meeting of Shareholder	1/1
● Extraordinary General Meeting of Shareholder	2/2

## Criteria for Director Nomination

Mr.Pongpun Kongkamnoed has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become an Independent Director under the relevant law, and proposed his name to the Board of Directors for further consideration.

In this regard, Mr.Pongpun Kongkamnoed has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates him to be elected as an Independent Director of the Company

## Forbidden Qualification

No criminal record in a property offense committed by fraud

**Adm. Surapong Amnucksoradeja**

Independent Director / Audit Committee / Chairman of  
Risk Management Committee / Corporate Governance Committee /  
Nomination and Remuneration Committee

Age 65 years

Nationality: Thai

Education Qualification

Master's Degree

- Master of Public Administration, Burapha University

Bachelor's Degree

- Mechanical Engineering, Burapha University

Holding the post of the Company's Director / Independent Director

- 1 year and 7 months (Appointed as a Director since 2021)

Appointed as a Director / Independent Director

- 16 August 2021

Family relationship with the management

- None –

No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)

Mrs. Phornkamol Amnucksoradeja (Spouse) 270,000 shares 0.051%

Directorship in other (Listed Company)

- None –

Directorship in other (Non-Listed Company)

- None –

Directorship in Related Companies

- None –

Directorship in Companies That May Cause the Conflict of Interest to the Company

- None –

Working Experiences

2021 – Present	Independent Director / Audit Committee / Chairman of Risk Management Committee / Corporate Governance Committee / Nomination and Remuneration Committee	NCL International Logistics PCL.
2016	Deputy Commander of Royal Thai Fleet	Royal Thai Fleet, Royal Thai Navy



2016	Representative of Thai Navy for check and test Factory Acceptance Test, HVAT, HTMS Prachuap Khiri Khan, Singapore	
2015	Deputy Commander of Second Naval Area Command	Royal Thai Navy
2015	Hotel Manager	Navy Phirom Hua Hin Hotel, Royal Thai Navy
2013	Deputy Commissioner of Navy Education Department	Navy Education Department, Royal Thai Navy
2013	Manager of gas station	Navy Education Department, Royal Thai Navy
2013	Manager of Salaya Navy golf course	Navy Sports Center, Royal Thai Navy
2011	Manager of Saving Cooperative	Royal Thai Navy Dockyard, Royal Thai Navy
2002	Representative of Thai Navy for check and test Test Bench System, MTU, Germany	

#### The Meeting Attendance in 2022

● Board of Director	10/10
● Audit Committee	4/4
● Nomination and Remuneration Committee	1/1
● Risk Management Committee	9/9
● Corporate Government Committee	2/2
● Annual General Meeting of Shareholder	1/1
● Extraordinary General Meeting of Shareholder	2/2

#### Criteria for Director Nomination

Adm. Surapong Amnucksoradeja has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become an Independent Director under the relevant law, and proposed his name to the Board of Directors for further consideration.

In this regard, Adm. Surapong Amnucksoradeja has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates him to be elected as an Independent Director of the Company

#### Forbidden Qualification

No criminal record in a property offense committed by fraud

**Mr. Somchai Kuvijitsuwan**

Independent Director / Audit Committee / Risk Management Committee /  
Nomination and Remuneration Committee

Age 72 years

Nationality: Thai

**Education Qualification**

Master's Degree

- Master of Public Administration Program in Public Administration,  
National Institute of Development Administration (NIDA)
- Thai Barrister-at-law, Institute of Legal Education of The Thai Bar

Bachelor's Degree

- Bachelor of Laws in Laws Program, Ramkhamhaeng University

**Training Course**

- Director Certificate Program (DCP) No. 76,  
Thai Institute of Director (IOD)
- Director Accreditation Program (DAP) No. 56  
Thai Institute of Director (IOD)
- Training for the Role of the Chairman Program (RCP) No. 28  
Thai Institute of Director (IOD)
- Training for the Role of the Nomination and Governance Committee  
Thai Institute of Director (IOD)
- Course Senior Executive Course (CMA 9)  
The Capital Market Academy
- Senior Executive in Energy Science Program (TEA 2)  
Thailand Energy Academy

**Holding the post of the Company's Director / Independent Director**

- 1 Year (Appointed as a Director since 2022)

**Appointed as a Director**

- 24 February 2022

**Family relationship with the management**

- None -

**No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)**

- None -



#### Directorship held in other (Listed Company)

2020 - Present	Independent Director	Eastern Power Group PCL.
2020 - Present	Advisor	Precise Corporation PCL.
2018 - Present	Advisor	Asian Sea Corporation PCL.
2016 - Present	Independent Director / Chairman of Audit Committee	Prima Marine PCL.
2016 - Present	Independent Director	WP Energy PCL.

#### Directorship held in other (Non-Listed Company)

2017 - Present	Advisor to Chancellor	Mahamakut Buddhist University
2016 - Present	Qualified Director in the Committee for the Budget Consideration of Central Buddhism Property	The Sangha Supreme Council of Thailand

#### Directorship in Related Companies

- None -

#### Directorship in Companies That May Cause the Conflict of Interest to the Company

- None -

#### Experience in other organization

2022 – Present	Independent Director / Director / Audit Committee / Risk management Committee / Nomination and Remuneration Committee	NCL International Logistics PCL.
2020 - Present	Independent Director	Eastern Power Group PCL.
2020 - Present	Advisor	Precise Corporation PCL.
2018 - Present	Advisor	Asian Sea Corporation PCL.
2017 - Present	Advisor to Chancellor	Mahamakut Buddhist University
2016 - Present	Independent Director / Chairman of Audit Committee	Prima Marine PCL.
2016 - Present	Independent Director	WP Energy PCL.
2016 - Present	Qualified Director in the Committee for the Budget Consideration of Central Buddhism Property	The Sangha Supreme Council of Thailand
2018 - 2020	Chairman	Eastern Power Group PCL.
2016 - 2018	Independent Director / Chairman of Audit Committee	Eastern Power Group PCL.
2016 - 2018	Chairman	AQ Estate PCL.

2015 - 2018	Advisor	KT Zmico PCL.
2015 - 2018	Independent Director / Chairman of Audit Committee	Thonburi Healthcare Hospital Public Company Limited
2011 - 2018	Independent Director / Chairman of Audit Committee	PTT Global Chemical PCL.

#### The Meeting Attendance in 2022

● Board of Director	8/10
● Audit Committee	4/5
● Risk Management Committee	8/9
● Annual General Meeting of Shareholder	1/1
● Extraordinary General Meeting of Shareholder	1/2

#### Criteria for Director Nomination

Mr. Somchai Kuvijitsuwan has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become an Independent Director under the relevant law, and proposed his name to the Board of Directors for further consideration.

In this regard, Mr. Somchai Kuvijitsuwan has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates him as an Independent Director of the Company

#### Forbidden Qualification

No criminal record in a property offense committed by fraud

Colonel Assoc. Prof. Dr. Chanyapat Wiphatthanananthakul  
Independent Director / Audit Committee / Chairman of Corporate  
Governance Committee / Risk Management Committee /  
Nomination and Remuneration Committee

Age 43 years

Nationality: Thai

Education Qualification

International PhD.

- Economics Major Finance and Econometrics, Chiang Mai University

Master's Degree

- Management, University of Surrey, United Kingdom

Bachelor's Degree

- Biomedical Sciences, Mahidol University International College (MUIC)

Training Course

- Director Certification Program (DCP) Batch 278/2019,  
Thai Institute of Director (IOD)
- Executive Integrated Medical Management Program, Chulabhorn International College of Medicine  
Batch 2, Thammasat University

Holding the post of the Company's Director / Independent Director

- 4 Years (Appointed as a Director since 2019)

Appointed as a Director

- 1 March 2019

Family relationship with the management

- None -

No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)

- None -

Directorship held in other (Listed Company)

- None -

Directorship held in other (Non-Listed Company)

2016 – Present

Director

The Boss Care Center Ltd.



#### Directorship in Related Companies

- None -

#### Directorship in Companies That May Cause the Conflict of Interest to the Company

- None -

#### Experience in other organization

2019 – Present	Independent Director / Audit Committee / Chairman of the Corporate Governance Committee / Risk Management Committee / Nomination and Remuneration Committee	NCL International Logistics PCL.
2019 – Present	Associate Professor Academic Lecturer	Department of Law and Social Sciences, Chulachomklao Royal Military Academy
2018 – Present	Deputy Director of Executive Integrated Medical Management Program	Chulabhorn International College of Medicine Batch 2, Thammasat University
2016 – Present	Director	The Boss Care Center Ltd.
2016 – Present	The Joint Thesis Advisor	Faculty of Education, Chulalongkorn University
2013 – Present	Teacher of Introductory Economics in English Program	Armed Forces Academies Preparatory School
2017 – 2019	Secretary	Assumption Convent College Alumni Association
2015 – 2017	Specialist to General Porpol Maneerin	member of the National Reform Steering Assembly of Thailand
2014 – 2015	Specialist to General Porpol Maneerin	member of the National Reform Council of Thailand
2012 – 2014	Subcommittee on Relations with Neighboring Countries: A Case Study of CLMV Countries: CLMV (Kingdom of Cambodia, Lao People's Democratic Republic, Republic of the Union of Myanmar, and Socialist of Republic of Vietnam), the Senate of Thailand	
2011 – 2013	Advisor to the ASEAN Economic Community Sub-Committee, the Senate of Thailand	
2011 – 2012	Subcommittee on Extraordinary Studies and Monitoring of Problems in the Northeastern Region Economic Commerce and Industrial, the Senate of Thailand	
2009 – 2010	Specialist to Committee on Capital Markets and Insurance Business, the Senate of Thailand	
2009 – 2010	Advisor to Committee on Capital Markets and Insurance Business, the Senate of Thailand	
2009 – 2010	Sub-Committee on Capital Markets and Insurance Business, the Senate of Thailand	

#### The Meeting Attendance in 2022

● Board of Director	10/10
● Audit Committee	5/5
● Nomination and Remuneration Committee	1/1
● Risk Management Committee	9/9



- Corporate Government Committee 2/2
- Annual General Meeting of Shareholder 1/1
- Extraordinary General Meeting of Shareholder 2/2

#### Criteria for Director Nomination

Colonel Assoc.Prof.Dr.Chanyapat Wiphatthanananthakul has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become an Independent Director under the relevant law, and proposed his name to the Board of Directors for further consideration.

In this regard, Colonel Assoc.Prof.Dr.Chanyapat Wiphatthanananthakul has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates him to be elected as an Independent Director of the Company

#### Forbidden Qualification

No criminal record in a property offense committed by fraud

**Mr. Kitti Phuathavornskul**

**Director / Risk Management Committee /**

**Management Committee / President / Managing Director**

**Business Development (International)**

**Age 57 years**

**Nationality: Thai**

**Education Qualification**

Bachelor's Degree

- In Business Administration / Assumption University

**Training Course**

- The National Defense of the Kingdom of Thailand, Class 63, Academic Year 2020 - 2021, National Defense College
- Good Governance for Medical Executive Curriculum Training Course Class 6/2018, The King Prajadhipok's Institute
- Associate Justice Course, Batch 12/2017  
The International Intellectual Property and International Trade Court
- Certificate of Executive Program (CMA) Batch 22/2016  
Capital Market Academy
- Director Certificate Program (DCP) Batch 197/2014, (IOD)
- Director Accreditation Program (DAP) Batch 103/2013, (IOD)

**Holding the post of the Company's Director**

- 9 Years (Appointed as a Director since 2013)

**Appointed as a Director**

- 4 February 2013

**Family relationship with the management**

- None -

**No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)**

Mr.Kitti Phuathavornskul      60,066,974    shares      11.37 %

**Directorship in other (Listed Company)**

2022 - present	Chairman	Qualitech PCL.
2021 – Present	Director	CMO PCL.



#### Directorship in other (Non-Listed Company)

2017 – Present	Director	LNG Food Products Co', Ltd.
----------------	----------	-----------------------------

#### Directorship in Related Companies

2023 – Present	Director	Cheese Digital Network Co., Ltd.
2018 - Present	Director	LG Container Line Pte. Ltd.
2018 - Present	Director	NCL International Logistics USA Inc.
2016 - Present	Director	Grace Water Med Co., Ltd.
2014 - Present	Director	NCL Inter Logistics (S) Pte., Ltd.

#### Directorship in Companies That May Cause the Conflict of Interest to the Company

- None -

#### Working Experiences

2013 – Present	Director / Risk Management Committee / Management Committee / President	NCL International Logistics PCL.
2023 – Present	Director	Cheese Digital Network Co., Ltd.
2022 - present	Chairman	Qualitech PCL.
2021 – Present	Director	CMO PCL.
2018 - Present	Director	LG Container Line Pte. Ltd.
2018 - Present	Director	NCL International Logistics USA Inc.
2017 – Present	Director	LNG Food Products Co., Ltd.
2016 – Present	Director	Grace Water Med Co., Ltd.
2014 – Present	Director	NCL Inter Logistics (S) Pte., Ltd.
2021 – 2022	Director	Suwan Bio Farm Co., Ltd.
2018 - 2019	Director	LG Container Line Pte. Ltd.
2017 – 2022	Director	ZIM (Thailand) Co., Ltd.
2016 – 2019	Director	Legend Shipping (Thailand) Co., Ltd.
2016 – 2019	Director	SSK Inter Logistics Co., Ltd.
2016 - 2018	Director	Legacy Asia Capital Pte., Ltd.

#### The Meeting Attendance in 2022

- Board of Director 10/10
- Risk Management Committee 9/9
- Management Committee 12/12
- Annual General Meeting of Shareholder 1/1
- Extraordinary General Meeting of Shareholder 1/2

#### **Criteria for Director Nomination**

Mr. Kitti Phuathavornskul has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become Director under the relevant law, and proposed his name to the Board of Directors for further consideration.

In this regard, Mr. Kitti Phuathavornskul has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates him to be elected as Director of the Company

#### **Forbidden Qualification**

No criminal record in a property offense committed by fraud

**Mr. Pongthep Vichaikul**

**Director / Risk Management Committee /**

**Nomination and Remuneration Committee /**

**Chairman of Management Committee / Chief Executive Officer (CEO)**

**Age 40 years**

**Nationality: Thai**

**Education Qualification**

Bachelor's Degree

- Business Administration (Marketing), Assumption University

Master's Degree

- Master in Business Administration (Finance), Asian Institute of Technology
- Master in Management, ESCP Europe (Grande École), France

**Training Course**

- Director Accreditation Program (DAP) Batch 156/2019  
Thai Institute of Director (IOD)

**Holding the post of the Company's Director**

- 2 years (Appointed as a Director since 2021)

**Appointed as a Director**

- 23 July 2021

**Family relationship with the management**

- None -

**No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)**

Mr. Pongthep Vichaikul 62,404,245 shares or 11.81%

**Directorship in other (Listed Company)**

- None -

**Directorship in other (Non-Listed Company)**

- None -

**Directorship in Related Companies**

2022 - Present	Director	Golden Supply Co., Ltd.
2022 – Present	Director	Cheese Digital Network Co., Ltd.
2022 - Present	Director	Grace Water Med Co., Ltd.
2022 – Present	Director	LG Container Line Pte. Ltd.
2022 – Present	Director	NCL Inter Logistics (S) Pte., Ltd.



## Directorship in Companies That May Cause the Conflict of Interest to the Company

- None -

## Working Experiences

2021 – Present	Director / Risk Management Committee / Nomination and Remuneration Committee / Management Committee / Managing Director	NCL International Logistics PCL.
2022 - Present	Director	Golden Supply Co., Ltd.
2022 – Present	Director	Cheese Digital Network Co., Ltd.
2022 - Present	Director	Grace Water Med Co., Ltd.
2022 – Present	Director	LG Container Line Pte. Ltd.
2022 – Present	Director	NCL Inter Logistics (S) Pte., Ltd.
2021 – 2022	Director	Suwan Bio Farm Co., Ltd.
2020 - 2021	Head of Strategic Finance & Investor Relations	Samart Aviation Solutions PCL.
2012 - 2021	Head of Strategic Finance & Investor Relations Executive Assistant to CEO Head of Strategic Finance & Investor Relations Head of Strategic Finance & Investor Relations	Samart Corporation PCL.   Samart Telcoms PCL.  Samart Digital PCL.
2014 – 2020	Head of Strategic Finance & Investor Relations	One to One Contacts PCL.
2010 – 2012	AVP, Investment Banking	Asia Plus Advisory Co., Ltd.
2005 - 2007	Account Executive	JWT (Bangkok)

## The Meeting Attendance in 2022

● Board of Director	10/10
● Nomination and Remuneration	1/1
● Risk Management Committee	9/9
● Management Committee	12/12
● Annual General Meeting of Shareholders	1/1
● Extraordinary General Meeting of Shareholders	2/2

#### **Criteria for Director Nomination**

Mr. Pongthep Vichaikul has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become Director under the relevant law, and proposed his name to the Board of Directors for further consideration.

In this regard, Mr. Pongthep Vichaikul has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates him to be elected as Director of the Company

#### **Forbidden Qualification**

No criminal record in a property offense committed by fraud

**Ms. Pornthip Sae-Lim**

**Director / Risk Management Committee /**

**Management Committee / Managing Director**

**Business Development (Domestic)**

**Age 40 years**

**Nationality: Thai**

**Education Qualification**

Bachelor's Degree

- In Liberal Arts / Siam University

**Training Course**

- Director Accreditation Program (DAP) Batch 104/2013  
Thai Institute of Director (IOD)

**Holding the post of the Company's Director**

- 8 Years (Appointed as a Director since 2014)

**Appointed as a Director**

- 13 August 2014

**Family relationship with the management**

- None -

**No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)**

Ms.Pornthip Sae-lim      4,000,000   shares      0.76%

**Directorship in other (Listed Company)**

- None -

**Directorship in other (Non-Listed Company)**

- None -

**Directorship in Related Companies**

2022 - Present	Director	Golden Supply Co., Ltd.
2022 - Present	Director	Grace Water Med Co., Ltd.

**Directorship in Companies That May Cause the Conflict of Interest to the Company**

- None -





## Working Experiences

2014 - Present	Director / Risk Management Committee / Management Committee / Vice President NVOCC, Consolidation	NCL International Logistics PCL
2022 - Present	Director	Golden Supply Co., Ltd.
2022 - Present	Director	Grace Water Med Co., Ltd.
2013 - 2014	Marketing Manager	NCL International Logistics PCL.
2007 - 2013	Marketing Manager	NCL International Logistics Co., Ltd.
2005 - 2007	Marketing	NCL Agencies (Thailand) Co., Ltd.

## The Meeting Attendance in 2022

● Board of Director	10/10
● Risk Management Committee	9/9
● Management Committee	12/12
● Annual General Meeting of Shareholders	1/1
● Extraordinary General Meeting of Shareholder	2/2

## Criteria for Director Nomination

Ms.Pornthip Sae-Lim has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become Director under the relevant law, and proposed his name to the Board of Directors for further consideration.

In this regard, Ms.Pornthip Sae-Lim has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates him to be elected as Director of the Company

## Forbidden Qualification

No criminal record in a property offense committed by fraud

Mrs. Ravipa Koekkaivan

Director / Risk Management Committee /

Corporate Governance Committee / Management Committee /

Managing Director Business Support & Financial Management

Age 51 years

Nationality: Thai

Education Qualification

Master's Degree

- M.S. (Information Technology and Management), Assumption University

Bachelor's Degree

- Bachelor of Accountancy, Assumption University

Training Course

- None -

Holding the post of the Company's Director

- 2 months (Appointed as a Director since 2023)

Appointed as a Director

- 22 February 2023

Family relationship with the management

- None -

No. of share held (Own / Spouse / Minor Child) (%) (The information as of 14 March, 2023)

- None –

Directorship in other (Listed Company)

- None –

Directorship in other (Non-Listed Company)

- None -

Directorship in Related Companies

- None -

Directorship in Companies That May Cause the Conflict of Interest to the Company

- None –



## Working Experiences

2023 - Present	Director / Risk Management Committee / Corporate Governance Committee / Management Committee / Managing Director Business Support & Financial Management	NCL International Logistics PCL.
2021 – 2022	Senior Vice President of Audit Department	Grant Thornton Limited
1993 - 2021	Manager of Audit Department	EY Office Co., Ltd.

## Criteria for Director Nomination

Mrs. Ravipa Koekkaivan has been considered through the selection process of the Nomination and Remuneration Committee, in which the Nomination and Remuneration Committee taking into consideration the knowledge, experience and capability which is beneficial to the business operations of the Company, including meeting all qualifications to become Director under the relevant law, and proposed her name to the Board of Directors for further consideration.

In this regard, Mrs. Ravipa Koekkaivan has been thoroughly scrutinized by the Board of Directors and found to be able to perform duties and provide independent opinions in accordance with the relevant regulations. Therefore, the Board of Directors nominates her to be as Director of the Company

## Forbidden Qualification

No criminal record in a property offense committed by fraud

**Mrs.Kavisara Panitudom**

**Financial Controller**

**Age 37 years**

**Nationality: Thai**

**Education Qualification**

Master's Degree

- Master in Real Estate Business Program, Thammasat University

Bachelor's Degree

- Bachelor of Accountancy, Kasetsart University



**Working Experiences**

2022 – Present	Financial Controller	NCL International Logistics PCL.
2019 – 2020	Senior Budgeting & Risk Management Manager	Aegon Insights (Thailand) Limited
2018 – 2019	Accounting Manager	GrabTaxi (Thailand) Co., Ltd.
2017 - 2018	Oversea Accounting Manager	Singha Estate PCL.
2016 - 2017	Corporate Account Manager	Plan B Media PCL.
2014 – 2016	Assistant Manager	AIA (Thailand) Co., Ltd.
2011 - 2014	Financial Reporting	Siam City Cement PCL.
2008 – 2011	Senior Auditor Assistant	Pricewaterhouse Coopers ABAS Limited

**Forbidden Qualification**

No criminal record in a property offense committed by fraud

**Ms. Atcharaporn Yotha**

**Company Secretary**

**Age 37 years**

**Nationality: Thai**

**Education Qualification**

Bachelor's Degree

- Bachelor of Science (Biotechnology),  
King Mongkut's University of Technology North Bangkok

**Training Course**

- Company Secretary Program (CSP) Batch 87/2018  
Thai Institute of Director (IOD)
- CSR for Corporate Sustainability  
The Stock Exchange of Thailand (SET)
- GRI Standard Introduction Program  
Thaipat Institute

**Appointed as Company Secretary**

- 16 August 2021

**Working Experiences**

2021 - Present	Company Secretary	NCL International Logistics PCL.
2019 - 2021	Assistant to Company Secretary	Triple i Logistics PCL
2015 – 2019	Senior Officer in Company Secretary Department	J.S.P. Property PCL.

**Forbidden Qualification**

Never dishonestly committee and offence against property





# Attachment 2

Details of Directors of Subsidiaries  
and Associated Companies



**Details of directors of subsidiaries, associates and other associated companies as of 28 February 2023**

Name list of directors and executives		NCL International Logistics PCL	NCL INTER LOGISTICS (S) PTE. LTD.	Grace Waters Med Co., Ltd.	Golden Supply Co., Ltd.	LG Container Line Pte. Ltd.	NCL International Logistics Pte., Ltd.	Cheese Digital Network Co., Ltd.
M.R. Chirakom	Kitiyakara	C , D , I						
Mr.Pongpun	Kongkamnoed	D , I , AC						
Adm. Surapong	Amnucksoradeja	D , I , AC						
Ms.Chanyapat	Wiphatthanananthakul	D , I , AC						
Mr. Somchai	Kuvijitsuwan	D , I , AC						
Mr.Kitti	Phuathavornskul	D , X , P , M	D	D		D	D	
Mr.Pongthep	Vichaikul	D , X , CEO , M	D	D	D	D		D
Ms.Pornthip	Sae-Lim	D , X , M		D	D			
Mrs. Ravipa	Keokkaivan	D , X , M			D			

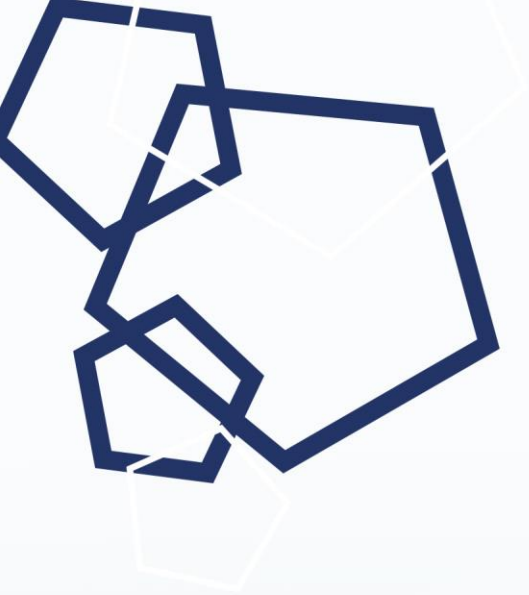
Remark: C = Chairman of the Board of Director D = Director I = Independent Director AC = Audit Committee X = Executive Director P = President CEO = Chief Executive Officer M = Executive

### Details of directors of subsidiaries, associates and other associated companies as 28 February 2023

Name list of directors and executives		NCL INTER LOGISTICS (S) PTE. LTD.	Grace Waters Med Co., Ltd.	Golden Supply Co., Ltd.	NCL International Logistics USA Inc.	LG Container Line Pte. Ltd.	NCL Inter Logistics Viet Nam Co., Ltd.	NCL International Logistics Private Limited	Qingdao National Container Line Co., Ltd.	Ningbo NCL Inter Logistics Co., Ltd.	Cheese Digital Network Co., Ltd.
Mr.Kitti	Phuathavornskul	D	D			D		D			D
Mr.Pongthep	Vichaiikul	D	D	D		D					D
Mr.Pongthep	Vichaiikul		D	D							
Mrs. Ravipa	Keokkaivan			D							
GOH	SOOK FUNG	D									
Mr.Roi	Levy	CEO				D		D		L	
Mr. Thongchai	Pami		D , M								
Mr.Teoh	Waytin Jackson					D					
Arlene	Pasumbal				D						
Guo	Feng								L		
Hoang	Tan Phuc						D				
Rakesh	Purshottamlal Vijay							D			

Remark: C = Chairman of the Board of Director D = Director CEO = Chief Executive Officer M = Executive L= Legal Representative





# Attachment 3

Details about The Head of  
the Internal Audit and The Supervisor of The Company



## Details about the head of the internal audit and the supervisor of the Company

The Audit Committee appointed Act-Plus Consultant Company Limited with Miss Wanna Malueng-non as Managing Director of Act-Plus Consultant Company Limited and the position of accounting, accounting and tax system consultant. Far East Law Firms Limited, with over 20 years of experience as financial advisors and internal auditors, acts as an internal auditor. The Audit Committee has considered the qualifications of the head of the internal audit as it is appropriate to perform the said duties efficiently.

**Ms. Wanna Maluengnon**                      **Managing Director of Acc-Plus Consultant Co., Ltd.**

### No. of share held

- None -

### Family relationship with the management

- None -

### Experience in other organization

1994 – Present	Acc-Plus Consultant Co., Ltd.	Director of Internal Control Advisor for Internal Control for Due Diligence
2018 – Present	Siam Biomass Supply Co., Ltd.	Director
2016 – 2021	Dimet (Siam) PCL	Independent Director / Chairman of the Audit Committee
2016 - 2018	Ocean Commerce PCL.	Chairman of the Board of Director

### Education Qualification

1994	MA. Of Business Administration	Chulalongkorn University
1991	Certificate of Accounting	Thammasart University
1990	Bachelor's Degree of Account	Chulalongkorn University
1986	Rajini School	

### Training Course

- Certificate of Risk Management Program for Corporate Leader (RCL5 / 2016) by the Thai Institute of Directors Association (IOD)
- Training on internal audit on fraud investigation Organized by the Federation of Accounting Professions

- Workshop COSO2013, the latest internal control system framework, version 3/56, organized by the Federation of Accounting Professions
- Workshop for Risk Assessment Method for Internal Audit Planning Class 3/55, organized by the Federation of Accounting Professions
- Workshop: Assessment of the COSO-ERM internal control system of each system (December 2011)
- Certificate of Audit Committee Program - ACP, Class 42/2013 by Thai Institute of Directors (IOD)
- Certificate of Director Accreditation Program - DAP, Class 99/2012, by the Thai Institute of Directors (IOD)
- Certified Public Accountant Registration Number 4170

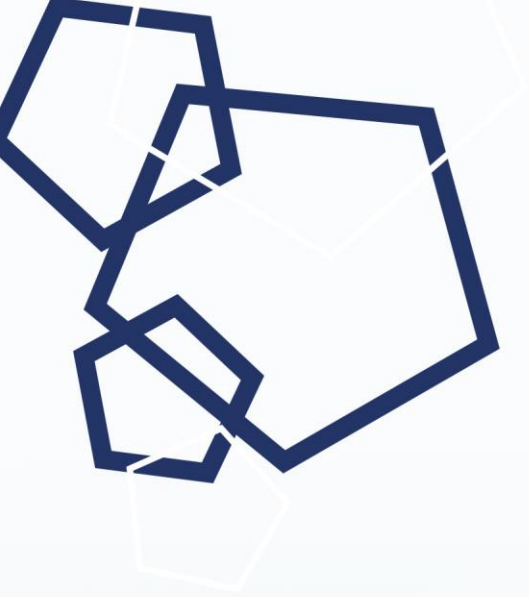
#### Internal Audit Work

##### Companies listed on the Stock Exchange of Thailand

- NCL International Logistics PCL
- Ocean Commerce PCL
- East Coast Furnitech PCL
- Forth Corporation PCL
- T.M.C. Industrial PCL
- Eureka Design PCL
- Teera-Monkol Industrial PCL
- Asia Green Energy PCL

##### Other Public

- Forth Smart Service PCL
- Sammitr Motor Manufacturing PCL
- Power Solution Technologies PCL
- Siam Wellness Group PCL



# Attachment 4

Properties for Business Operation  
and Detail about the Asset Appraisal items



## Properties for business operation

### 1. Main properties for business operation

As of 31 December 2022, the consortium has main properties for business operation according to the consolidated financial statement as follows:

#### Land and building

The consortium has lands and building with value of 22.97 million Baht as follows:

Description	Ownership	Book value (Million Baht)	Obligation
1. Land and premises of NCL Office No. 56/9,10 Soi Somdej Phrachaotaksin 12/1, Somdej Phrachaotaksin Road, Bukkhalo Sub-district, Thonburi District, Bangkok 10600			Land and premises are mortgaged as collateral for overdraft, promissory notes and amount of foreign currency exchange in amount of 170 million Baht
- Land and improvements	Owner	6.29	
- Office building and improvements	Owner	2.11	
2. Counter service office at a service point in Bangkok Port (Loading yard 45 Rai, Port Authority of Thailand, Khlong Toei Sub-district, Khlong Toei District, Bangkok			
- Office Building	Owner	0.52	None
3. Office Building at warehouse No.14 ICD Road, Khlong Sam Prawet Sub-district, Lat Krabang District, Bangkok			
- Office Building	Owner	0.46	None
4. Factory and office building of Grace Water Med Co., Ltd (subsidiary) No. 13/7 Village No. 8, Bang Muang- Bang Khulad Road, Bang Muang Sub-district, Bang Yai District, Nonthaburi Province 11140			
- Factory building	Owner	12.41	None
5. Office building improvements of NCL Inter Logistic(s) Pte. Ltd. 8 Burn Road, #10-08 Trivex Singapore 369977			
- Office building improvements	Owner	0.80	None
6. Office building improvements of NCL International Logistics USA Inc. 7372 Walnut AVE., Suite W, Buena Park, CA 90620			

Description	Ownership	Book value (Million Baht)	Obligation
- Office building improvements	Owner	0.14	None

7. Office building improvements of  
LG Container Line Pte. Ltd. 8 Burn Road,  
#10-07 Trivex Singapore 369977

- Office building improvements	Owner	0.24	None
<b>Total</b>		<b>22.97</b>	

### Investment Properties

As of 31 December 2022, investment properties are lands and buildings for rent in the amount of 69.23 million Baht as follow:

Description	Ownership	Book value (Million Baht)	Obligation
1. Land and premises No. 56/15 Soi Somdejprachaotaksin 12/1 Somdejprachaotaksin Road. Khwang Bukkhalo, Khet Thon Buri, Bangkok 10600			Land and premises are mortgaged as collateral for overdraft, promissory notes, and amount of foreign currency exchange in amount of 280 million Baht
- Land and improvements	Owner	45.92	
- Office building and improvements	Owner	13.72	
2. Land and premises No. 2/4 Tapi Charoen Road, Tha Kham Sub-district, Phunphin District, Suratthani Province			Land and premises are mortgaged as collateral for overdraft, promissory notes, and amount of foreign currency exchange in amount of 170.44 million Baht
- Land and improvements	Owner	5.39	
- Office building and improvements	Owner	4.20	
<b>รวม</b>		<b>69.23</b>	

The consortium has made insurance for possible risks incurred with properties of the consortium including furniture, decorations, equipment, tools and office supplies with sum insured of 81.99 million Baht and 150,000 Singapore dollar This insurance covers loss/ damages of properties with direct cause from risks of all kinds due to external factors such as fire, strike, explosion, water disaster (excluding flood), smokes, disasters to vehicle, aircraft and accidents from other external factors not identified in the policy.

## Vehicle

The Group has vehicles consisting of tractor-trailers, pickup trucks, and other vehicles in the amount of 117.29 million Baht in equipment, 112.22 million Baht in property, plant and equipment and 5.07 million Baht of rights to use assets (because it is a purchase under a finance lease) as follows:

Description	Quantity (vehicle)	Book value (Million Baht)	Ownership characteristics
1. Truck			
- Tractor	44	72.64	Owned
	21	20.62	Owned, have a bank guarantee obligation
- Trailer	86	18.70	Owned
	13	3.27	Owned, have a bank guarantee obligation
- Pick-up truck	10	1.04	Owned
2. Other vehicles	1	0.99	They are bound with rental agreement
	2	0.03	Owned
Total		117.29	

## Office supply

The Group has a total of 71.09 million Baht in equipment, 42.22 million Baht in property, plant and equipment and 28.87 million Baht of rights to use assets (because it is a purchase under a finance lease)

Description	Quantity (vehicle)	Book value (Million Baht)	Ownership characteristics
● Container			
size 20 feet	500	28.86	They are bound with rental agreement
size 40 feet	100	23.01	Owned
● Computer		19.22	Owned
Air-conditioner			
Decorations			
Office tools			
Others			
Total		71.09	

## Important Contract Summary

### Important lease agreement as of 31 December 2022

Description	Signatory	Duration	Details
1. Service point: Khlong Toei Port, Port Authority of Thailand Khlong Toei Sub-district, Khlong Toei District, Bangkok	Port Authority of Thailand	3 year (1 Feb 2020 – 31 Jan 2023)	<p><u>Leased properties</u></p> <p>Space in loading yard 45 rai amount 26.5 square wah</p> <p><u>Rental rate</u></p> <p>Fixed rate of 3,180 Baht/ month</p> <p><u>Agreement renewal</u></p> <p>The agreement is valid until the tenant cannot pay rental for two consecutive months or the tenant desires to return the leased space</p> <p><u>Agreement termination</u></p> <p>The tenant made a prior written notice to the landlord at least 1 month.</p>
2. 2 <sup>nd</sup> branch office No. 373 Niphat Songkhro Road Hat Yai Sub-district, Hat Yai District, Songkhla	Mr. Kittipol Thitapipatkul	3 years (1 Feb 2022 – 1 Feb 2025)	<p><u>Leased property</u></p> <p>3-floor building</p> <p><u>Rental rate</u></p> <p>15,790 Baht/ month</p> <p><u>Agreement renewal</u></p> <p>-No-</p> <p><u>Agreement termination</u></p> <p>1.When it is due</p> <p>2.When the tenant fails to comply with conditions.</p>
3. Document warehouse No. 59,61, Soi Charoen Nakhon 24, Charoen Nakhon Road, Banglamphu Lang Sub-district, Khlongsan District, Bangkok	Miss Waraporn Kittayanurak	1 years (1 Aug 2022 – 31 Jul 2023)	<p><u>Leased property</u></p> <p>Building</p> <p><u>Rental rate</u></p> <p>Fixed rental at 7,895 Baht/ month</p> <p><u>Agreement renewal</u></p> <p>-No-</p> <p><u>Agreement termination</u></p> <p>-No-</p>



Description	Signatory	Duration	Details
4. Car parking space No. 99/1, Soi Somdej Phrachaotaksin 14, Bukkhalo Sub-district, Thonburi District, Bangkok	Mr. Ruj Thongwut	2 year (1 Sep 2022 – 31 Aug 2024)	<u>Leased property</u> Space for car parking <u>Rental Rate</u> Fixed rental rate at 15,790 Baht/ month <u>Agreement Renewal</u> -No- <u>Agreement Termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions.
5. Space in JJ mall No.588, Kamphaengphet 2, Chatuchak District, Bangkok <u>Remark Initially</u> , the Company rented such space to be delivery service point for retails, but the Company ceased such service in 2010 and sublet the space to others	JJ MALL CO., LTD	20 years (1 Jan 2007- 31 Dec 2026)	<u>Leased property</u> Space in shopping mall <u>Rental rate</u> Pay rental of 2,616,300 Baht on the agreement date and pay rental rate for 2,617 Baht/ months. Service rate in following years will be informed by the provider in the future. As of 31 December 2021, the service rate is 4,463.10 Baht/month. <u>Agreement Renewal</u> -No- <u>Agreement termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions
6. Ruam Klao Bus Terminal Platform area for loading and unloading goods No.5 Area 700 square meters and Platform 5, 75 square meters	Department of Land Transport	1 year (1 Oct 2022 – 30 Sep 2023)	<u>Leased property</u> Cargo handling platform and building platform <u>Rental rate</u> 78,675 Baht / Month <u>Agreement renewal</u> Submit a renewal request at least 2 months before the expiration data.

Description	Signatory	Duration	Details
			<u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions 3. When the tenant notifies at least 60 days in advance
7. Warehouse No.3 Area 7,000 square meters	Department of Land Transport	1 year (1 Oct 2022 – 30 Sep 2023)	<u>Leased property</u> Cargo handling platform and building platform <u>Rental rate</u> 122,000 Baht / Month <u>Agreement renewal</u> Submit a renewal request at least 2 months before the expiration data. <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions 3. When the tenant notifies at least 60 days in advance
8. Service point in Chonburi 2 rai of land, title deed 152342, Bueng Subdistrict, Si Racha District, Chonburi Province.	Mr. Pratum Sawasdee	1 year (1 Nov. 2022 – 31 Jan. 2023)	<u>Leased property</u> Land <u>Rental rate</u> 21,053 Baht / Month <u>Agreement renewal</u> The contract is binding until the tenant does not pay the rent. <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant notifies at least 1 month in advance
9. Factory land of Grace Water Med Co., Ltd No. 13/7, Village No.8, Bang Muang-Bang Khulad	Miss Pinrak Prasitsirikul	1 Jan 2021 - 31 Dec 2023	<u>Leased property</u> Land for office and factory building <u>Rental rate</u> rental rate 100,000 Baht/ month

Description	Signatory	Duration	Details
Road, Bang Muang Sub-district, Bang Yai District, Nonthaburi Province 11140			<u>Agreement renewal</u> -No- <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions
10. Office building of Grace Water Med Co., Ltd No. 13/7, Village No. 8, Bang Muang- Bang Khulad Road, Bang Muang Sub-district, Bang Yai District, Nonthaburi Province 11140	Grace and Glamor (Thailand) Co., Ltd	1 Jan 2021 - 31 Dec 2023	<u>Leased property</u> 2-floor office building <u>Rental rate</u> rental rate 50,000 Baht/month <u>Agreement renewal</u> -No- <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions
11. Dialysis machine for testing hemodialysis	Mr. Jare Tuipan	1 Mar 2021 - 28 Feb 2023	<u>Leased property</u> Dialysis machine <u>Rental rate</u> 7,000 Baht/ month <u>Agreement renewal</u> -No- <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions
12. Office space of NCL Inter Logistic(s) Pte., Ltd. 8 Burn Road, #10-08 Trivex Singapore 369977	SCAN RENT (S) PTE LTD	1 Jan 2023 - 31 Dec 2024	<u>Leased property</u> Office space <u>Rental rate</u> 5,750 Singapore Dollar/ month <u>Agreement renewal</u> -No- <u>Agreement termination</u> 1. When the agreement is due 2. When the tenant fails to comply with conditions

Description	Signatory	Duration	Details
13. Office space of NCL International Logistics USA Inc. No.7372 Walnut Ave., Suite w, Buena Park, CA 90620	MIKAN PROPERTIES, L.P.	1 Apr 2021 - 31 Mar 2024	<u>Leased property</u> Office space <u>Rental rate</u> 1 <sup>st</sup> year: rental is 1,733 Singapore Dollar/month 2 <sup>nd</sup> year: rental is 1,785 Singapore dollar/month 3 <sup>rd</sup> year: rental is 1,839 Singapore dollar/month <u>Agreement renewal</u> -No- <u>Agreement termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions
14. Office space of LG CONTAINER LINES PTE., LTD, 8 Burn Road, #10-07 Trivex Singapore 369977	JIT POH INVESTMENT PTE LTD	1 Jan 2023 - 31 Dec 2023	<u>Leased property</u> Office space <u>Rental rate</u> 2,645 (SGD) / month <u>Agreement renewal</u> No <u>Agreement termination</u> 1.When the agreement is due 2.When the tenant fails to comply with conditions

#### Agency agreement summary

The Company made an agency agreement with an agent to be a coordinator in providing transport service in jurisdiction each agent takes care of for the Company. The agreement contains following subject matters.

- The Company and agents will coordinate in providing transport services for each other.
- The Company and agents will jointly determine remuneration and service costs in writing before each transport.
- The agents shall not discharge or deliver the products to a recipient until payment is made or a damage guarantee is received from a bank.

- The agents shall inform the Company immediately if they are unable to deliver the products or the products are rejected.
- The agents shall inform the Company of problems with products such as damages or untimely arrival at a destination etc. and shall be responsible for investigations of causes.
- The agreement term is one year, and it will be automatically renewed if either party does not request termination.
- Agreement termination requires prior written notice at least 30 days.
- The agreement will be immediately terminated if either party fails to comply with provisions herein.

### Investments and Policies in Subsidiaries and Associates

The Company has investments in subsidiaries and associates as shown in specific financial statement of the Company according to capital price method. As of 31 December 2022, the Company has net investment value of 376.81 million Baht accounted for 31.77 % of total assets in specific financial statement of the Company with following details.

Company Name	Registered Capital (Million)	Paid up Share Capital (Million)	Proportion of Shares	Net investment value (Million Baht)
<b><u>Investments in subsidiaries which the Company directly holds</u></b>				
1. NCL Inter Logistic(s) Pte.Ltd. Business of providing logistics management services in Singapore	SGD 4.33	SGD 4.33	100%	101.33
2. Grace Waters Med Co., Ltd. Manufactures and distributes dialysis-related equipment.	THB 40.00	THB 40.00	52.80%	22.79
3. Golden Supply Co., Ltd. Procurement	THB 10.00	THB 2.50	100.00%	2.50
<b><u>Investments in associated companies</u></b>				
1. Cheese Digital Network Co.,Ltd.	THB 50.00	THB 50.00	25.00%	250.19
Total				376.81

NCL Inter Logistic(S) Pte., Ltd. has invested in various subsidiaries as follows:

Company Name	Registered Capital (Million)	Paid up Share Capital (Million)	Proportion of Shares	Net investment value (Million)
<b><u>Subsidiary held by NCL Inter Logistic(s) Pte., Ltd.</u></b>				
1. NCL International Logistics USA Inc. providing logistics management services in USA	USD 0.13	USD 0.13	100%	USD 0.13
2. Qingdao National Container Line Co., Ltd. providing logistics management services in China	CNY 5.0	CNY 0.8	100%	CNY 0.8
3. LG Container Line Pte. Ltd. operate business as a principal office in providing logistics services in Singapore	SGD 2.34 And USD 0.25	SGD 2.34 And USD 0.25	100%	SGD 2.34 And USD 0.25
4. Ningbo NCL Inter Logistics Co., Ltd. providing logistics management services in China	CNY 5.0	CNY 1.4	100%	CNY 1.4
5. NCL Inter Logistics Vietnam Co., Ltd. providing logistics management services in Vietnam	VND 2,500	VND 2,500	49%	VND 1,225
6. NCL International Logistics Private Limited providing logistics management services in India	INR 5.0	INR 0.3	100%	INR 0.3

Nevertheless, the consortium has a policy to invest through subsidiaries and associates by considering investments in relation with businesses of the consortium focused on long-term investment. The board of director will jointly consider the investment policy by recognizing necessity, suitability and benefit of the consortium, and shareholders that can create good returns in the investment. The consortium has a policy to invest in sufficient proportion to take part in managing and defining trends of such business. It may consider investments in different forms properly as a major shareholder in the companies in which it invests and/or joint shareholder to be agreed in a shareholder's agreement.

The Company has governance policy of the subsidiaries and associates as follows:

#### Investment and Governance Police of Subsidiaries and Associates

1. Investment in other companies include joint venture to set up a new Company and buying shares in other companies. The Company has a policy to coinvest with other investors that have transparent business operation and corporate governance.
2. Businesses in which the Company will invest must be supportive and beneficial Company's business vertically and horizontally to create equilibrium of the Company.
3. Businesses in which the Company will invest shall be analyzed in terms of basic business factors, business trend as well as return rate evaluation and future risk prediction.
4. Investment shall not cause problems to liquidity of the Company and subsidiaries.
5. The Company will invest at sufficient proportion to take part in managing and defining business operation regulations of a Company to be invested in.

6. The Company will review investment in subsidiaries and associates properly and in accordance with business condition of the Company in each period.
7. The investment shall be approved by the board of director or general meetings of the Company according to the article of association and related laws to be in accordance with a notice of Capital Market Supervisory Board associated with principles of providing significant particulars within scope of obtainment or distribution of properties and a notice of Stock of Exchange Commission on disclosure of data and practices of listed companies about property obtainment B.E. 2547
8. The Company will supervise a Company in which it invests by sending representatives to be a director of subsidiaries and/or associates by proportion of shareholding. The Company's representatives must be free from conflict of interest of the subsidiaries and/or associates in which the Company invests, and they shall supervise the subsidiaries and/or associates to comply with specified regulations and principles in the Company's article of association and applicable laws about business operation of the subsidiaries and/or associates.

It is valid from 13 December 2016 and onwards.

## Details about the asset appraisal items

Appraised assets		Asset assessor	Date of Assessment	Objectives of Assessment	Assessed price
1. Type of assets	: Land with buildings	Prospec Appraisal Company	28 Oct 2022	For public purposes	61,950,000
Location of assets	: No.56/15 Somdej Phrachao Taksin Road, Bukkhalo Subdistrict, Thonburi District, Bangkok	Limited			
Methods of Assessment:	Cost approach to value	<u>Asset assessor</u>			
Ownership of land	: NCL International Logistics Public company limited	Mr. Khana Homklin,			
Obligations	: Mortgages are guaranteed with Land and Houses Bank Public Company Limited	qualified main assessor, no. WorThor. 164			
2. Type of assets	: Land with buildings	Prospec Appraisal Company	1 Nov 2022	For public purposes	11,330,000
Location of assets	: No. 2/4 Tapecharoen Road, cut from Nong Khri – Phunphin (ThorLor. 4153), Tha Kham Sub-district, Phunphin District, Surat Thani Province	Limited			
Methods of Assessment:	Cost approach to value	<u>Asset assessor</u>			
Ownership of land	: NCL International Logistics Public company limited	Mr. Sinthusak Phromsin,			
Obligations	: The mortgage is insured against TMB Bank Thanachart Public Company Limited	qualified main assessor, no. WorThor. 005			





# Attachment 5

Corporate Governance Policy and  
Guideline and the Business Ethics



## Corporate Governance Policy

---

NCL International Logistics Public Company Limited ("the Company") realizes the importance of good corporate governance which is important and necessary for carry on a business that makes the company have management system efficiently and promoting the Company's business to expand and steadily, that make the shareholders and related parties gain confidence, also contributes to the Company's benefits and the sustainability.

### Overview of Corporate Governance Policy and Guidelines

The Board of Directors has set up the Good Corporate Governance Policy of the Company in accordance with the Good Corporate Governance Principles for Listed Companies of the Stock Exchange of Thailand, with the Corporate Governance Policy and the Business Ethics and Operational Guideline in writing. The Board of Directors push on and regulates the implementation in work process, executives and employees are strictly complied and follow since 2014 and has been distributed on the Company's website to inform the shareholders, investors, interested person and related parties.

The Company had determined that the corporate governance policy need to be reviewed annually or at least once a year. In 2022, there was a review made through the Board of Directors Meeting No. 2/2022 on February 24,2022, performing a manual update corporate governance policy by additional policies and practices covering all 5 policies, as follow:

1. The Rights of Shareholders
2. The Equitable treatment of Shareholders
3. Role of Stakeholders
4. Disclosure of Information and Transparency
5. Responsibility of the Board

Therefore, the Board of Directors has established the Good Corporate Governance policy to all directors, executives and employees to follow the guidelines as below:

- 1) The Board of Director, management and employees will perform their duties with full effort and responsibility to maximum the benefits of the company. They will reply on Good Governance Policy, Business Ethic as the way to operate.
- 2) The Board of Director has a role with the management to determine vision, strategies, policy and business goal of the company to cover the planning of management and proper business operation.
- 3) The Board of Director, management and employees must perform their duties responsibly, cautiously and accordance with the relevant laws, the Company's Articles and related announcements.
- 4) The Board of Director, management and employees will treat all stakeholders with fairness and will examine, control and prevent any action or decision that will lead to any conflicts.
- 5) The Board of Director, management and employees will perform their duties with honesty, fairness, and transparency.

- 6) An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
- 7) Treat employees with fairness, awareness, promotion and cultivation of virtue ethics, coupled with the development of the potential of continue personal.
- 8) Execute important information disclosure on finances and ono-finance matter with creditability and punctuality so that shareholders, investors and stakeholders of the company can access such information with fairness, appropriate and thorough
- 9) Implement anti-fraud policy, corruption, including ongoing control
- 10) Complete the business with social responsibility, community and the environment, including all stakeholders, which leads to sustainable development.

Include a review of the Code of Business conduct and Practices to all directors, executives and employees of the Company and the subsidiaries to be held as a practice guideline. Additional information on misconduct and fraud, violation or non-compliance, whistle blowing and protection measures and fairness to data providers, reporters, complainants or collaborators in reporting such information.

## 1. Right of Shareholders

The Company is aware of the importance of the rights of the shareholders and no action is taken to restrict or violate or deprive of the rights of the shareholders. The Company is responsible for the fair treatment of shareholders including encourages its shareholders to exercise their rights by the basic rights of all shareholders, either domestic or foreign both major shareholders, minor shareholders or institutional shareholders such as the right to buy, sell, or transfer shares, share in the profit of the company, obtain relevant and adequate information on the company in a timely manner and on a regular basis, participate and vote in shareholder meetings to elect or remove members of the board, appoint the external auditor, and make decisions on any transactions that affects the company, such as dividend payment, amendments to the company's articles of association or bylaws, capital increases or decreases, or the approval of extraordinary transactions.

Beside the basic rights mentioned above. The Company also conducts in various matters to facilitate the exercise of shareholders' equities. The Annual General Meeting of shareholders is determined to be held every year within 4 months after the ending of the accounting year of the company. In case of urgency that there is a need to consider a special agenda that may affect or relate to the benefits of the shareholders and is required an approval from shareholders, the Extraordinary General Meeting of shareholders can then be called upon on a case-by-case basis.

- 1) Give an opportunity for shareholders to propose agenda items and nominate persons to be elected as directors of the Company in advance for at least 30 days. The Company has set the criteria for the right of shareholders to propose the agenda item and / or to nominate persons to be elected as directors in the Annual General Meeting of Shareholders
- 2) Invitation letter to the Annual General Meeting of shareholders is prepared and sent to every shareholders including institutional shareholders, together with the details of meeting agendas;

important and necessary information for the shareholder's consideration and the opinion of the Board of Director, the previous minutes, annual report, proxy form (form A, form B and form C) as determine by the Ministry of Commerce and indicating how to authorize clearly by indicating location, date, time and a map of the meeting venue. In the meeting invitation letter, details of documents that shareholders need to present in the meeting in order to preserve the right in attending the meeting will be given. The letter will be sent to shareholders at least 7 days and in case of acquisition / disposition of assets or connected transaction or request for delisting Securities offering to directors and employees. The offering of newly issued shares at low price to private placement, capital increase or reduction must be sent to the shareholders together with the relevant of full information before the meeting not less than 14 days in advance of the meeting date so that shareholders will receive sufficient, accurate, complete, and transparent information in making a decision to cast a vote. In addition, the letter will be announced in the newspapers in Thai for 3 consecutive days before the meeting date at least 3 days. Moreover, the company determines to distribute a complete book of the general annual meeting and the documents about the meeting on the website in Thai version for at least 30 days prior to the meeting day and in English version for at least 7 days prior. The shareholders can then use the information to make a decision for voting with completeness and honesty. The provided documents are intended for the shareholders to be prepared before attending the meeting. The company also broadcasts this news via the channel of SET that the company has distributed the meeting book and related documents on the company website.

- 3) Shareholders will be informed in case there are additional agendas in the meeting. For an urgent case regarding the preserving of rights or benefits of the company, a meeting invitation letter will be sent in advance no less than 7 days before the meeting date, while relevant information of the meeting agendas will be publicized on the website in advance before sending the documents.
- 4) Providing convenient channel in receiving news for shareholders by posting news and details through Company website, especially shareholders' meeting invitation letter which should be post prior to the meeting date for shareholders to conveniently and have sufficient time to study information relating to the meeting. Hard copies of information relating to the shareholders' meeting is nonetheless delivered to shareholders.
- 5) The company will not take any actions that are considered limiting the rights of attendance of shareholders. Every shareholder has to right to attend the meeting of shareholders throughout the length of the meeting.
- 6) If a shareholder cannot attend the meeting, the Company allows the shareholders to appoint an independent director or any person to attend on their behalf with the power of attorney in any form which has been sent by the Company together with the invitation letter. The Proxies are legitimate has the right to attend and vote in the same manner as all shareholders. The Company has proposed the list of independent directors in the proxy form as an alternative to the shareholders to be an opportunity to appoint any independent director.

- 7) Chairman of the meeting shall inform the shareholders of rules of the meeting and voting procedures. All shareholders shall be treated equally in expressing their opinion and raising questions in the meeting. Directors and relevant management team members shall attend the shareholders' meeting to provide responses to any inquiry raised at the meeting. Time shall be allotted appropriately.
- 8) In counting votes, the company will arrange an independent outsider to count or examine the vote counts in ordinary and extra Annual General Meetings, for example the auditor, the legal division or shareholders who are selected and approved from the meeting, etc. The vote counts will be available to present to the meeting and will be recorded in the minutes of the meeting.
- 9) Shareholders are given the right to attend the meeting of shareholders after the meeting has been declared open, and have the right to cast a vote in the agenda in-between consideration that has not been voted.
- 10) The company has disclosed the interests of directors in the invitation letter to the meeting of shareholders. And in the meeting of shareholders, if any director has an interest or is related in any of the agendas, the chairman of the meeting will inform the meeting attendants in advance before considering the agenda. The director with an interest to that agenda will not attend the meeting and be refrained from casting a vote in such an agenda.
- 11) The Company shall disclose the resolutions and voting results of each agenda item at the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders within the meeting date or no later than 9.00 am on the next business day through the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and published on the company's website ([www.nclthailand.com](http://www.nclthailand.com)) within the same day.
- 12) Record the minutes of meetings with complete, accurate, timely, transparent and record down significant issues in the minutes of meeting for shareholders to review. Moreover, the Company shall present minutes of meeting on Company website for shareholders to consider as well as hand in the said minutes of meeting to The Stock Exchange of Thailand within 14 days commencing from that of shareholders' meeting.
- 13) Right of shareholders regarding dividends and share of profits the company has announced the dividend payment policy. The reasons and information for the dividend payment or non-payment are disclosed in the Annual Report and Form 56-1 (the details, please see the dividend payment policy) and the Company's website. ([www.nclthailand.com](http://www.nclthailand.com))
- 14) The Right to Consider Directors' Remuneration: Nomination and Remuneration Committee are responsible for the consideration of the form and criteria of the remuneration of each director which considered from the business type, size of the business and the responsibilities of the Board, compared with other listed companies in the Stock Exchange of Thailand which has market capitalization. In similar size, the Company has proposed the remuneration as a meeting allowance, a commission of the director and proposed to the shareholders' meeting to be considered in every year. Thus, the details of Directors' Remuneration appear on the Annual Report (One Report) under "Directors and Management Remuneration"
- 15) The appointment of a certified auditor and the approval of the audit fee: The Audit committee selects and sets auditor fee to propose to Board of Directors and shareholder's meeting. The proposed auditors

have been under the Audit Committee's consideration on basis of qualification, quality, efficiency, not related to or concerned to the company, and appropriate remuneration.

## 2. The Equitable Treatment of Shareholders

The Company has a policy to emphasize equal and fair treatment of the shareholders including those with management positions, non-executive shareholders, local shareholders and foreign shareholders, major shareholders or minority shareholders and to ensure that the shareholders be able to trust that the company's Board of Directors and management shall use their money to maximize the long-term benefits of all shareholders appropriately as the follow guidelines:

- 1) The Company realizes the importance shareholders by giving an opportunity to shareholders to exercise their right by propose the agenda to be added to the meeting and can be nominate for an expert to be elected as a company's director at least 30 days in advance of the Annual General Meeting of shareholders. The Company has regulated the criteria for granting shareholders' rights to propose the agenda and/or nominate persons to be elected as Directors in the Annual General Meeting of Shareholders, which announce the criteria and method through the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and the Company's website ([www.nclthailand.com](http://www.nclthailand.com)).
- 2) Conduct and facilitate the shareholders on the date of the meeting equally and not to do any act that restricts or abuses or deprives the shareholders' rights. Provide the reception staff with sufficient information to check and register the attendance records. The company uses the barcode system to register improve the potential of rapidity and be prepared the stamps in case the shareholder has a proxy to attend the meeting with no expenses. In addition, the Company has prepared the meeting area in sufficiently sized to accommodate the number of shareholders, convenience to travel and located in Bangkok and shareholders' meetings are held via electronic media (E-AGM) to facilitate shareholders.
- 3) In the shareholders' meeting, the shareholders will consider and vote on their agenda without changing of any important information. The shareholders' meeting shall be preceded according to the agenda item as stated in the notice of the meeting and the agenda could not have added without prior notice to the shareholders to provide the opportunity to shareholders to study the information before decide to vote.
- 4) In the case that a shareholder cannot attend the meeting, the Company shall provide convenience and allow the shareholder to appoint at least 1 independent director or any other person to attend on their behalf with the power of attorney in any form which has been sent by the Company together with the invitation letter.
- 5) The Company stipulates the duties for Independent Director to take care of the shareholders, the shareholders can give suggestions, and comments to Independent Director who shall consider action as appropriated in each case. The Independent Directors shall carry out to verify the facts and find out an appropriate corrective action. For suggestion essentially affecting stakeholders as a whole or the

Company's business conduct, it shall be proposed to the shareholder meeting for its consideration as agenda.

- 6) Updated information will be disclosed through the Company's website so that shareholders can receive important changing news of the company including information required to be disclosed by relevant regulations. After disclosure to the Stock Market, such information can be disclosed on the company's website both in Thai and English. and allow the communication channels between the company and the shareholders on the company website so that the shareholders can ask questions and receive fair information.
- 7) Educate directors and executives about the duty to report their securities holding to SEC pursuant to Section 59 of the Securities and Exchange Act B.E.2535. The Board shall regularly inform any information and regulations of the SEC and the Stock Exchange of Thailand to the Board of Directors and the executives upon it has been notified thereof from such agency.
- 8) The Company stipulates protection measures on insider trading of person related to Directors, Executive, employee, and person employed by the Company including spouse and children who are minors and related to the information. The Board also imposed penalty clause on disclosure of the Company's information or exploit the Company's information for personal gain and such regulations shall be declared and abided by the directors, executives, employees accordingly.

### 3. Role of Stakeholders

The Company recognizes the importance of rights of every stakeholder including shareholders, customers, trading partners, counterparts or creditors, Company's employees and the society. The Company should set a clear policy on fair treatment for each and every stakeholder in accordance with the laws or mutual agreements. To ensure that such rights are protected and treated fairly and equally. Thus, the Company has set the Business Ethics or Code of Conduct as a guideline for dealing with each stakeholder, as well as the community society and the environment for sustainable development; anti-fraud and corruption, no violate intellectual property including respect for human rights. Any actions that can be considered in violation of stakeholders' legal rights should be prohibited.

#### 3.1 Policies and guidelines for shareholders

The Company operates business by taking into consideration the long term growth of the Company as well as provision of good return to the shareholders. The Company operates business transparency by putting in place an efficiency internal control system and has strictly prohibited performing any acts in the nature that may cause conflict of interest with the Company. The disclosed information must be accurate, sufficient and timely.

1. The ownership rights of shareholders are equitably and fairly respected.
2. Operations are undertaken in accordance with the principles of good corporate governance, which will foster the trust and confidence of shareholders and eventually lead to sustainable growth.
3. The company's businesses are continually advanced to ensure proper returns to shareholders.

4. Significant information which affects or potentially affects shareholders' interests shall be disclosed, whether reports made pursuant to the accounting period or situation reports, pursuant to the relevant laws and notifications. However, no action shall be taken to restrict shareholders access to Company information.
5. A Report of the Board of Directors' responsibility for the financial statements in the annual report shall be prepared
6. Minority shareholders shall be given an opportunity to propose matter for inclusion in the meeting agenda and/or to nominate persons for election as Company Directors in the Annual General Meeting of Shareholders
7. Shareholders are given an opportunity to submit questions relevant to the meeting prior to the shareholders' meeting
8. Shareholders' meeting notices in both Thai and English are published on the Company website at least 30 days prior to the shareholders' meeting day as information for shareholders and to enable the study of information prior to meetings
9. Shareholders' meeting shall be facilitated. The date, time, venue and procedure must not pose an obstacle to the shareholders' attendance of the meeting. Shareholders who are not able to attend in person must have the opportunity to grant a proxy to other persons to attend the meeting and vote on their behalves.
10. Conflicts of interests must be dealt with prudently, rationally and information must be fully disclosed.
11. The Company's interests and assets shall be safeguarded as a reasonable person would safeguard his/her property. Wrongful interests, whether obtained by director or indirect means, shall be eliminated.

### **3.2 Policies and guidelines for customers.**

The Company realizes that customer satisfaction and confidence are key factors which contribute to the Company's sustainable success. The following policies and guidelines have been prescribed in this regard:

1. The Company operates the business of manufacturing, product distribution and services which are safe for consumers and environmentally friendly.
2. Businesses are operated with commitment to develop goods and services, introduce new innovations and add value to goods and service in order to continually meet the demands if customers along with the disclosure of necessary information for decision-making without concealment or distortion of facts.
3. Businesses are operated by earnest honest and fair values and no action is taken that would violate the rights of customers. The confidentiality of customer trade secrets is maintained and not exploited for wrongful personal gains or for the gains of others.
4. The Company does not demand, receive or consent to the director or indirect receipt of properties or other dishonest benefits from customers.
5. The Company adheres to trade agreements. In the case where adherence is not possible, the customer would be notified in advance in order to jointly find a remedy and prevent loss.



6. The Company provides communication channels to enable customers to file complaints to the Company. Complaints are processed with care and dealt with fairly.

### 3.3 Policies and guidelines for Partners

The Company treats trading partners equitably and takes into account mutual interests by prescribing the following policies and guidelines.

1. The Company has the policies on treating business partner and all creditors fairly, does not take advantage of business partner and shall not defraud partners or creditors as well as stringently observe contracts, agreements, and conditions given to creditors or partners. The Company is focused on developing and maintaining sustainable relationships with its business partners.
2. The Company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards and friendliness to the environment. Trading partners are treated on the basis of fair competition, equality and mutual respect.
3. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of one self or of others.
4. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and service are jointly undertaken to promote mutual growth.
5. The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the Company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy and loss prevention solution.
6. The Company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

### 3.4 Policies and guidelines for competitors.

1. The Company encourages the policy to promote the free and fair competition conforming to the rules of good competition. The Company shall define the practice under framework of good competitive roles and laws and avoid defamation of competitors as well as in strict adherence to established ethics.
2. The Company will not damage the reputation of its trade competitors.

### 3.5 Policies and Guidelines for Creditors

1. All creditor groups shall be treated equitably and fairly.
2. Contracts and items will be strictly adhered to.
3. Operations will be administered to ensure the confidence of creditors on the Company's financial standing and credit rating.
4. Financial standings shall be accurately and timely disclosed.
5. In the event of an inability to comply with a particular term, the creditor will be forthwith notified in advance in order to enable a joint solution for remedy and loss prevention.

### 3.6 Policies and guidelines for employees

The Company also realizes that the employees are one of the important resources to develop the growth of the organization so should be treated equally and fairly as well as focuses on developing employees' potential, knowledge, and competency.

1. Human dignity and fundamental rights of employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.
2. Comply with the law Rules and regulations relating strictly to employees
3. Encourage equality in employment do not discriminate on grounds of gender, skin color, race, religion, age, disability or any other status that is not directly related to work.
4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout, strengthen career security and offer opportunities for advancements pursuant to each person's potential.
5. Employees participation in the determination of the Company's direction and development are promoted and listen to opinions and suggestions from every level of employees on a fair and equal basis.
6. Encourage and encourage the provision of additional training to all employees. It is in line with the Company's policies, problems, visions, missions and strategies. Annually for example, the potential for work. The importance of the environment.
7. Provide training, public relations Corporate Governance, Business Ethics and anti-corruption to all employees to acknowledge and strictly follow.
8. Give a fair return which appropriate to their knowledge, ability, responsibility and performance including the compensation in accord with the Company's performance in both short and long term.
9. Appropriate welfare and benefits are given to employees, e.g. employee welfare policy medical expenses 10 serious diseases, provident fund etc.
10. Provide employees with communication channels to suggestions and work complaints. These suggestions are considered and remedies will be determined in the interest of all parties and in view of the creation of good working relations.
11. Employees of all levels are encouraged to participate in social responsibility activities.
12. Facilities necessary for work operations are provided and working conditions are maintained with due regard to safety and occupational hygiene as a means of promoting and raising the quality of lives of employees.

### 3.7 Policies and guidelines under human rights

The company has a policy to treat each other under human rights. It is the ethics and code of business conduct should respect in the dignity of each individual, independence, privacy, legal and human rights and the interests of the stakeholders. The decision of the management should be impartial and treat everyone without prejudice and no discrimination against gender, class or racism.

The directors, executives and employees including employees in subsidiaries that must be strictly adhered to by all parties. It is as part of the discipline of work, which must take into account human dignity, freedom and equality of individuals. The company does not do and promote of human rights violations. The company and its subsidiaries are not related to the organizations or individuals that violate human rights, in all cases, the company has complied with the basic principles of human rights.

### Human Rights Policy

NCL International Logistics Public Company Limited and its subsidiaries ("the group of companies") are committed to conducting business responsibly by adhering to principles of transparency, accountability, ethical standards, and respect for human rights, alongside good governance practices that ensure equal treatment for all stakeholders. To support compliance with human rights principles, we have established a policy on human rights, which is guided by the United Nations Guiding Principles on Business and Human Rights (UNGPR). The policy is aimed at ensuring sustainable development and ensuring that the Company conducts its business without violating human rights.

#### Scope

This policy applies to the business operations of NCL International Logistics Co., Ltd. and its subsidiaries, as well as trading partners and business associates, in order to be applied in business operations and to promote respect for human rights among those involved in the Company's supply chain.

#### Definition

"Human rights" means the inherent dignity of the human person, as well as the fundamental rights and freedoms that have existed since birth and the equal treatment that should not be discriminated against on grounds of race, religion, gender, skin color, language, ethnicity, or any other status in accordance with the laws of each country.

### Human Rights Policy

The Board of Directors, executives, and employees of the Company must be aware of and give importance to respecting human rights, which should be adhered to in accordance with the Company's human rights policy as follows:

1. Treating everyone equally according to human rights principles, without discrimination.
2. Avoid actions that violate human rights.
3. Support and promote the principles of human rights.
4. Communicate, disseminate knowledge, and promote understanding among all stakeholders, while providing support to trading partners and business associates to ensure their participation in business operations while respecting and adhering to the principles of human rights.

### Guidelines for Practice

1. Support, promote, and respect human rights with dignity for everyone and equal treatment for all employees, partners, and stakeholders of the organization without discrimination on the basis of physical appearance, religion, race, nationality, gender, language, age, social status, culture, customs, or any other factors.
2. Exercise caution and avoid actions that violate human rights directly or indirectly toward all stakeholders.
3. Support employees to exercise their rights as citizens with fairness according to the constitution and laws.
4. Communicate, disseminate knowledge, promote understanding, provide guidance, and provide any other support to all employees in the Company, as well as joint venture partners, to ensure that business is conducted with integrity and ethics, respect for human rights, and treat everyone in accordance with the principles of human rights policy. This includes not using child labor below the age specified by law or using forced labor within the Company or within the Company's supply chain.
5. Monitor and uphold human rights, not neglect or remain indifferent when encountering actions that violate human rights related to the Company. Report to superiors or notify the designated complaint channel.

### 3.8 Personal Data Protection Policy

The Company recognizes and respects the privacy of personal information. Therefore, the Company has published a Personal Data protection policy to control the collection, use and disclosure of personal information of the company to oversee the operating process of the collection, use and disclosure of personal information of the company

1. Scope of this policy is enforced to all personal information collected by the Company for the purpose of offering the company's products and services to any parties. In this policy, "Personal information" refers to the information related to a person that allows such person to be identified whether directly or indirectly, but it does not include particular information about the deceased.
2. Giving Consent, the Company shall collect, use and disclose personal information only with your consent. The consent can be made either electronically or in writing. Nevertheless, personal information may be collected, used or disclosed without having consent of the individual in the following situations:
  - 2.1 When the Company collects personal information for conducting research or collect statistical data.
  - 2.2 When the Company is required to prevent danger which may happen to the individual, third party or cause damage to the said individual's property.
  - 2.3 When that personal information has been revealed to the public
  - 2.4 When the Company complies with the relevant laws, rules and regulations.

3. Collection of Personal Information, the Company may collect the Personal Information and only for the duration necessary for the purposes specified in this policy. However, the personal information shall be collected in an appropriate way and in accordance with the law.
4. The Use of Personal Information, the Company shall not use your personal information for any purpose other than as specified in this policy or as determined by law. In this regard, the Company is aware of providing knowledge to employees in the organization to manage such personal information. For example, access to personal information created and not cause loss or destroy, modify, revise, leakage and others and shall manage security measures appropriately. In addition, the company shall continuously conduct to review and improve necessary measures for the safety of data storage.
5. Disclosure of Personal Information, the Company shall not sell or distribute personal information of employees to third parties or any other organization. The personal information shall be disclosed only if you request and give consent to the company to proceed. Otherwise, the disclosure of that information is as permitted or required by law. For example, the disclosure of information under the order of the government officials authorized by law, according to judicial order or the subpoena. In the case that the Company has developed and maintained the work system of the company effectively, the company shall enter into an agreement with a third party to operate. The third party must accept the Personal Confidentiality Agreement as well.
6. Storage of Personal Information, the Company shall collect personal information for a period of time as necessary to achieve the objectives as specified in this policy or in accordance with relevant laws and regulations. In this regard, when the Company considers that it is no longer necessary to use the information, the Company shall take appropriate actions to securely delete or destroy personal information from the system.
7. Access of Personal Information, You may request access to your personal information in order to correct, change or delete personal information provided to the company by submitting a written application letter to [www.nclthailand.com](http://www.nclthailand.com). In order to prevent unlawful possession of personal information or the change of personal information processed by third parties, the company shall ask for personal information to confirm the identity of such person before processing as request. In this regard, the company shall response to every inquiry within a reasonable time. However, the company may reject the inquiry in certain situations. For instance, the case of the said information refers to another individual or cannot be disclosed due to legal or security reasons.
8. The right to choose, you have the right to decide how that personal information will be collected, used and disclosed, including opting out of Privacy settings and unsubscribing from email or certain letters.
9. Security, the Company has implemented measures to control and maintain the security of information systems appropriately to protect the personal information. Although the Company takes the best effort to provide the security protection of the information on the website and computer programs, however, we cannot guarantee that the internet data transmission and control will be 100% secured. If you find that the use of the company's services is not secure enough, please notify the Company immediately by sending details via the website by clicking on "Contact Us" button.

### 3.9 Policies and Practices to respect for intellectual property and copyright

The Company adheres to and respects the intellectual property and copyright as follow:

1. The Company must not take any actions that violate the intellectual property rights of others or competitors
2. Executives, managers, and employees must not seek a competitor's trade secrets or specifications of competitors by unlawful ways e.g. illegal theft, espionage or violation of an agreement not to disclose information of a competitor, whether from customers or other parties. It also includes trade secrets of the Company, for example, a business plan and technical innovation, which company's employees have a duty to keep it confidential. It must not be distributed to third parties, whether they are competitors or not.
3. The Company recognizes the importance of intellectual property and copyright. The Company only allows employees to use the software defined and installed by the company. The programs are copyrighted and legally prohibited from installing or downloading copyrighted music, movies, games, and etc. that are not legitimate. The Information Technology department is responsible for oversight and checking individuals' computers regularly. Internal Audit is also responsible to conduct a random check again so that employees understand the importance of such matters.

### 3.10 Policies and guidelines on compensation and benefit

1. The company will employ and allow all employees to progress in jobs and works with fairness.
2. The company will offer various compensation in comparable amount to other business in same category according to the position, experience, degrees, and qualification of the employees. Based on the performance of the company. It will depend on the evaluation and competency assessment to measure the success the work of the employees as well.
3. The company will provide the fair and proper compensation according to knowledge, responsibility, and the out-come of each employee.
4. The company offers benefits for basic needs of the employees such as provident fund, annual physical examination, uniforms, various compensation in case 10 serious diseases, and training to increase professional skills.

### 3.11 Employee Complaint Channels

Company determines the time period for the employee to report the incident in the wrong way, discipline and law. It can be sent as a sealed letter to the Managing Director or send by email to the Managing Director at [pongthep@nclthailand.com](mailto:pongthep@nclthailand.com)

The information provided by the informer will be seriously responded and the reporter will not suffer any loss due to the reporting of the complaint in good faith. Employee disclosures are always kept confidential. However, for the complaint, the complainant should collect the information carefully and realize to the accuracy of the information disclosed.

### 3.12 Policies and Guidelines for Sanitation and Safety and Workplace Environment

The Company always realizes that the employees are the key to the Company's success. We strive to meet the safety, hygiene, and environmental standards. The Company has set the guidelines for prevention and control of workplace hazards, safety, hygiene and workplace environment which is the duty and responsibility of all employees to cooperate in the surveillance and surveillance of the work environment in a safe condition.

1. Comply with standards to ensure safety in health and work environment for all employees.
2. Comply with safety laws and regulations. Health and Environment of the country where the company enters the business
3. The Company always supports the regular improvement of work conditions and safety environment.
4. All employees must consider to their own safety; colleagues include the Company's assets as importantly at all work time
5. All employees must maintain cleanliness and orderliness of their work area
6. All employees have the right to offer feedback on improving their work conditions and their workplace and the environment of the company for the improvement.
7. The Company support and promotes participation in various security activities that will stimulate employee awareness such as training, incentives, public relations safety and good sanitation.
8. Promote knowledge about hygiene, safety at all levels, it also supports the way and implementation of environmental protection measures in accordance with the laws of the industry.
9. The executives at all level must be a good role model and can encourage employees to work in a safe way.

### 3.13 Policies and Practice Guidelines for Community and Society

The Company runs its business regarding to its duties and responsibilities to the nation, community and society and local traditions to preserve the goodness in society and the public.

1. Do not run the business that affect to the social and not violate the rights of other people that living in that community and society
2. Encourage of the conscious mind to the responsibility to the community and society in the company and employees at all level continuously.
3. To defined the measurement in prevention and the solution of the impact on communities and society as a result of the Company's operations.
4. Promoting cultural preservation and local traditions
5. Cooperate with various agencies in community development
6. Support the activities that cause public interest
7. Create a good relationship between the Company and the community on the basis of accuracy, transparency and fairness.

### 3.14 Policies and Practice Guidelines to the Environment

1. Conduct the business in accordance with laws, regulations and environmental policy by considering to the impact on natural resources and environment. Review and evaluate the performance result regularly.
2. Create a corporate culture and raise awareness for employees at all levels to collaborate and responsible in environmental management, efficient and sustainable use of resources
3. Knowledge enhancement and training employees on the environment
4. Promote environmental management system. This includes the use of resources, the cost of treatment and rehabilitation, the replacement of surveillance and the protection of the impact on natural resources and the environment.
5. Select the business partners who run the business with environment friendly

### 3.15 Policies and Guidelines for Effective Use of Resources

The Board recognizes and promotes a conscious effort to use resources efficiently in the organization. To encourage the staff for the conscious mind and together save the usage of energy resources such as walking up and down the stairs instead of using the elevator, use two-sided paper, reduce paper usage in work process. Turn off and turn on the electricity and air conditioning when necessary and close the air conditioning during the lunch break, use water economically, provide the water dispenser adequately to reduce the purchase of drinking water using plastic bottles.

### 3.16 Sustainable Policy

The Company is committed to developing the company to be a leader in providing total logistics services. It will be the first and best choice for our customers and partners. The company focuses on quality and efficient work, which is the cornerstone of the company's sustainable growth, and affiliates with a focus on the economy, society, and environment which is under the international code of practice which has set the following guidelines:

#### Economic and Corporate Governance Dimension

1. Conducting a full-service logistics business with knowledgeable and skilled personnel who provide genuine customer service, under good corporate governance principles, while considering the economic, social, and environmental impacts.
2. Conducting business with honesty and integrity, adhering to laws and commercial regulations, promoting clear and transparent internal management that can be audited, supporting anti-corruption efforts, and preventing seeking personal benefits and abusing power, in order to create the maximum benefit that is fair to all stakeholders.
3. Promote the practice of human rights principles, with consideration for the dignity of human beings, their rights, freedoms, and equality, of individuals protected by the Constitution of the Kingdom of



Thailand and relevant international laws, including respecting local customs and traditions, at the Company or subsidiary level.

4. Emphasize improving and developing work processes and services throughout the value chain based on the principles of quality management throughout the organization to create a quality mindset among personnel in the organization, resulting in creating value for customers and generating long-term growth.
5. Committed to comprehensive and all-around risk management, in order to prevent and minimize losses or impacts that may occur to the group of companies, communities, society, and the environment.
6. Promote innovation with social and environmental responsibility, in order to increase efficiency and effectiveness, as well as creating value for the organization and stakeholders.

#### Societal Dimension

7. Manage human resources with fairness, equality, and justice according to human rights principles and labor laws. Place importance on developing workforce capabilities and promoting happiness at work, which will lead to efficient organizational performance.
8. Promote understanding and adherence to business ethics among executives and employees, in order to achieve business objectives and benefit all stakeholders involved.
9. Conduct business with responsibility towards society and stakeholders, which will lead to the growth and development of both the Company and the community, and contribute to an improved quality of life.

#### Environmental Dimension

10. Promote and support efficient use of resources, including reducing and controlling the social and environmental impacts resulting from the operations of the Company, its subsidiaries, and relevant trading partners.
11. Raise awareness of and prioritize occupational safety, health, and environmental conditions for employees, trading partners, customers, and visitors to prevent loss of life and assets, as well as injuries or illnesses resulting from work.
12. Communicate and ensure understanding with the Board of Directors, executives, employees, partners, and stakeholders to raise awareness of environmental concerns.

#### **4. Disclosure of Information and Transparency**

The Board of Directors recognizes the importance of disclosure of information, both financial and non-financial, that is accurate, complete and transparent as stipulated by the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as other material information that may affect the price of the Company's securities that influences the decision-making process of its investors and stakeholders. This is to ensure that all shareholders can access to the Company's information equally. After the Company has registered and became publicly listed in the Stock Exchange of Thailand, proposed the IPO shares in this time. Information on the Company is disseminated to the shareholders, investors and general public through the channels of the SET and the Company's website.

##### **4.1 Financial Report**

The Board of Directors recognizes the responsibility of the accurate, complete and reasonable quarter and annual financial statements and its subsidiaries under the recognized certified standard with the choice of appropriate accounting policy and practice on regular basis. Sufficient explanations to the financial statements are also inclusive in the annual report. The Company's Board of Directors intentionally maintains effective internal control system to ensure accurate and complete accounting information record with sufficiency to secure asset and realize weak points. This will prevent the Company from any important malpractice or misconduct. The Company Board of Directors has appointed the Audit Committee to take a responsibility for matters concerning quality of financial report and internal control system. The Audit Committee shall report the minutes to the Board of Directors every Minutes of meeting. The Company has established a dedicated Investor Relations to provide accurate, complete, and accurate information and correspondence to shareholders, analysts and other relevant authorities.

##### **4.2 Whistle Blowing Policy and Practice and Whistleblower Preventive Measures**

The Company is committed to maintaining a well-founded corporate practice. This is in line with the principles of good corporate governance for all stakeholders as stated in the Corporate Governance Policy and Business Ethics Guide. This policy has been set up as a mechanism and gives the rights to employees and stakeholders. Thus, the Board of Directors has set the channels for communication with the Board of Directors by mail or email to provide a channel of information and instructions for ordering a process-based review for complaints related to illegal activity, accuracy of financial reports, defective internal control system, offense or unethical behavior of the executives and employees. The Company will keep the information from this report confidentially and the reporters are protected by the Company.

#### Policy scope

This policy is set up to encourage all employees and stakeholders to disclose information that indicates violations of the Company's laws, regulations, and ethics.

- Corruption
- Fraud, Misappropriation, Theft
- Corruption actions to benefit themselves and others.
- Actions that is harmful to health and safety or environmental
- Intentionally causing damage or loss to the Company.
- Clear violation of business ethics
- Support for violating the law, regulations and business ethics including concealing or assist to conceal such actions.

#### Keeping Confidential Information

This policy is designed to ensure that employees and stakeholders are fully aware of their complaints, and that reporters will not suffer due to the reporting of complaints in good faith. Employee disclosures are always kept confidential. However, the complaint and the complainant should collect the information carefully and the information disclosed should be accurate.

#### False Allegations

If any employee or stakeholders deliberately makes a complaint with false allegations or malicious intend to the complainant, the Company will consider the complaint to be a violation of business ethics. Beside, the Company will conduct the investigation to consider the punishment according to the Company's regulations.

By clues, complaints and recommendations will be considered and implemented as appropriate. It shall be considering and take appropriate action case by case, without disclose the name of the whistle-blowers and also records as the confidentiality complaint. There are measures to protect the whistle-blowers to ensure that the whistle-blowers and the complainant will not be affected by such clues and complaints. If the Company is required to disclose that information, the Company will only disclose the necessary information, to considerate of the important of safety and the damage of the complainant and the whistle-blowers at most.

#### Channel for complaints

Register letter

The Board of Directors

NCL INTERNATIONAL LOGISTICS PUBLIC COMPANY LIMITED

56/9-10 SoiTaksin 12/1, Taksin Road, Bukkalo, Thonburi, Bangkok 10600

The Company secretary is responsible for accepting documents sent to the Board of Directors and submitting them to sub-committees or related directors and summarizing all recommendations and issues for submission to the Board of Directors on a basis of quarterly except documents sent to the audit committee, which will be sent directly to the audit committee.

Channel for contact to the company

	Email	Phone Number
Board of Director	<a href="mailto:management@nclthailand.com">management@nclthailand.com</a>	-
Company Secretary	<a href="mailto:atcharaporn.y@nclthailand.com">atcharaporn.y@nclthailand.com</a>	02-4737300 # 300
Investor Relations	<a href="mailto:IR@nclthailand.com">IR@nclthailand.com</a>	02-4737300 # 300
Website	<a href="http://www.nclthailand.com/GoodGovernance/ChannelforComplaints">www.nclthailand.com /Good Governance/ Channel for Complaints</a>	-

## 5. Board Responsibility

### 1. The Board of Director's Policy and Guideline

The Board of Directors consists of experts with knowledge, capability and experiences that are beneficial to the running of the company and have independence in making decision for the maximum benefit of the company and shareholders. The Board of Directors participates in formulating the policy, corporate overview, consider the business plan and annual budget of the company, by assigning the management to present, and the Board of Directors shares opinions and discusses with the management. This is to create mutual agreement as well as to supervise the management to carry out the business according to the business plan and specified budget in an efficient manner. Moreover, the Board of Directors also supervises the procedures for assessing adequacy of the internal control system, financial reporting and performance monitoring on a regular basis.

### 2. Board of Directors' structure

The Company requires at least one-third, but not less than 3 members of the total number of the Board of Directors must be Independent Directors acting as agents of the minority shareholders scope in order to perform the auditing and balance management of the Company to be accurate and fair, and enhance the shareholders' trust and value.

Furthermore, the Board of Directors promote diversity in the structure of the Board of Director to have experts from diversified fields fully equipped with experiences, knowledge, expertise that are beneficial to the business running, adhering to morale and integrity, regardless of gender, race, religion, age, professional skills or other specific qualifications.

The management Structure of the Company consist of the Board of Director and 5 Committees are as Management Committee, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and Corporate Governance Committee

The Board of Directors has appointed Company Secretary having the duties and responsibilities in accordance with the Securities and Exchange Act. However, the company may recruit other sub-committees to perform their assigned tasks to alleviate the administrative burden of the Board of Directors in the future.

- Nomination of Directors and Management

In selecting experts to take up a position of directors who complete the term, or in other cases, to propose to the Company in selecting persons who are nominated to be candidates to the meeting of shareholders for

approval, the Company has a procedure to select experts from their expertise, visions, leadership, morale, transparent work background and ability to express opinions independently. The composition of the company's directors and the selection, appointment, or removal from the position of a director of the company has been determined in the regulations of the company which can be concluded as follows:

- 1) The Board of Directors consists of at least 5 directors of which not less than half of the total directors must reside in Thailand and elected by the Shareholder's meeting, the Audit Committee must consist at least 3 directors.
- 2) The meeting of shareholders is responsible for electing directors according to the following rules and methods:
  - Each shareholder has 1 vote for 1 share.
  - Each shareholder may use all his/her votes under (1) to elect one person or more persons to be directors. but cannot divide the votes to any person to any extent.
  - Persons receiving the highest number of votes in descending order shall be elected as directors equal to the number of directors to have or to be elected at that time. In the event that the persons who are elected in descending order have equal votes, the number of directors is more than the number of directors required to have The chairman of the meeting shall have a casting vote.
- 3) In every Annual General Meeting of shareholders, the terms of one-third (1/3) of the current number of the Directors will be ended. If the number of Directors could not be divided into three proportions, the number of Directors whose terms will be ended will be the closet number to the one-third proportion. Directors whose terms are ended in the first and the second years after the registration of the company will be decided by drawing lots. For the consecutive years, the Directors who are in the positions the longest will be removed. However, those Directors who are removed may be elected to fill the positions again.
- 4) In addition to the end of the term. Directors will vacate when
  - Death
  - Resign
  - Be without qualifications or possess of the characteristics prohibited under Act and the related Notification.
  - The shareholders' meeting passed a resolution to leave.
  - The court has issued an order.
- 5) In voting for any director to retire before the expiration of the term Must hold a vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote. and holding shares in aggregate not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote
- 6) Any director who wishes to resign from the position must submit a resignation letter to the company. The resignation will be effective from the date the resignation letter reaches the company.

- 7) In the event that the director's position becomes vacant for reasons other than the expiration of the term The committee shall select qualified persons. and does not have any prohibited characteristics under the law on public limited companies and the law on securities and exchange to become a replacement director in the next Board of Directors' meeting unless the remaining term of that director is less than two months. The person who is appointed as a replacement director will be in the position of director only for the remaining term of the director he replaces.

The Board must allow the shareholders to present a name with qualifications to become a Board member.

- Nomination and Selection of Independent Directors

The Nomination and Remuneration Committee has responsibilities to make primary recommendations to the nomination and selection process for independent directors who must possess the qualifications as stipulated by the Company and in accordance with The Securities and Exchange Commission Announcements or The Stock Exchange of Thailand Notifications. The Board of Directors will be considered to select independent directors from experts who have work experienced and other suitability combined to create diversity in the structure, considering from the necessary skills that are lacking as well as the strategy of the Company that will be continued. After that it will be presented to the shareholder's meeting to be appointed as the company's director and experiences, and propose to the Annual General Meeting for nomination as directors of the Company. There must be at least three independent directors, and not less than one-third of the Board size with the following qualifications:

1. Holding not more than one percent of the total voting shares of the Company, a subsidiary, an affiliate, other associate company, a major shareholder, or a controlling person, including shares held by related persons.
2. Neither being nor used to take part in management, or being an employee, staff member, advisor receiving a regular salary, or controlling person of the Company, a subsidiary, an affiliate, other associate company, a major shareholder, or a controlling person in the past two years unless the foregoing relationship has ended not less than two years. The above prohibited characters exclude the independent director who is a government employee or consultant who is major shareholders or controlling person of the Company.
3. Not being a close relative by birth or by legal registration as a parent, a spouse, a brother or sister, a son or daughter of management, a controlling person, a shareholder or a person nominated as management or a controlling person of the Company or its subsidiary.
4. Neither having nor used to involve in a business relationship with the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in such a way that will obstruct his independent judgment including not being a major shareholder or a controlling person of the person who has a business relationship with the company, a subsidiary, an affiliate, a major shareholder, or a controlling person unless the foregoing relationship has ended not less than two years, a business relationship includes a normal cause of business transaction, a rent or lease of property, a transaction related to assets, service, providing or receiving financial support such

as borrowing, lending, guaranteeing, or assignment resulting in the Company or other party being in debt obligation of more than three per cent of net tangible assets of the Company of twenty million baht, whichever is lower. The calculation of debt obligation shall be in accordance with the calculation of value of related party transaction specified by the Capital Market Supervisory Board's Announcement of Related Party Transaction including debt obligation one year prior to the date that business relationship starts.

5. Neither being nor used to be an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person of the Company and not being a shareholder holding major portion in an audit office of an external auditor of the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person in the past two years.
6. Neither being nor used to be a provider of professional service such as legal or financial services and receives a professional fee of more than two million baht per year from the Company, a subsidiary, an affiliate, a major shareholder, or a controlling person and not being a major shareholder or a partner of such a provider of professional service in the past two years.
7. Not being a director representing another director of the Company, a major shareholder, or a shareholder related to a major shareholder.
8. Not being in a business substantially the same and compete with the Company, or a subsidiary, or not being a principal partner in a business partnership or being a director involving in management, employee, staff member, advisor receiving a regular salary, or holds of shares with voting right more than one per cent of total number of voting right of other company that engages in a business substantially the same and compete with the Company and its subsidiary.
9. Be able to express an independent opinion with respect to the operation of the Company.

- The Board of Director's diversity policy

The Board of Directors is realized to the benefits of the diversity of the Board of Directors and considers that it is one of the important factors in increasing the efficiency of making decision and performance of the Board of Directors.

However, diversity is not just limited to gender but also includes age, educational background, professional experience skills and knowledge. Therefore, the selection and appointment of the Company's directors will be based on knowledge, capability and the selection criteria which taking into account benefits of diversity as well.

- Terms of Directorship

At each Annual General Meeting of Shareholders, one-third of the directors or the number nearest to one-third if the number is not a multiple of three must retire from office. Retiring directors may be re-elected in the Annual General Meeting.

For the Audit Committee, each member is in charge for a period of 3 years. A member of the Audit Committee whose term is ended due to the maturity of term according to the company's regulations may be appointed again. If a position in the Audit Committee is vacant due to a reason other than the end of term, the Board

of Directors shall appoint a qualified person to become a member of the Audit Committee so as to ensure the complete set of the committee as specified by the Board of Directors. The person who is newly appointed will have the term length equal to the remaining term of the member of the Audit Committee he/she replaces.

Besides, the Company has specified the qualification of the person who shall be an appropriate independent director in accordance with the characteristics of the company. The independence of the independent director must be in accordance with the rules prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Company requires an independent director to hold a term of office not exceeding 9 years from the date of appointment at first time. If the company is required to appoint an independent director to assume the position onward, the board be able to do but should be the reasonable consideration and clarification of the necessity.

And to clarify the responsibilities, the Company has set the clear duties of the Chairman and the director to protect the unlimited power in any person and to separate the person who assume the position as the Chairman out of the person who assume the position as Managing Director and appointed the Independent Directors as the Chairman.

- Terms of the Independent Director

The Board determines the independent Director to be in position for 3 years and will circulate and retire as 1 in 3 of the entire team accordingly. When the term comes, the committee could be presented to the Annual General Meeting of Shareholders to continue as the Board and to come back in the position. The independent committee will in the position for no longer than 3 terms or 9 years starting from the day of accepting the position. In addition, the board of directors should clearly state a policy that independent directors who have served on the Board beyond nine years from the date of their first appointment should be subject to particularly rigorous review of their continued independence.

- Policy for holding the position in other company of the Directors, managing director, and executives

Corresponding to the good corporate governance and the suggestion from the Stock Exchange of Thailand, the Board has determined the policy on limiting the number of the re-positioning to the Board of other companies that are registered in the Stock Exchange of Thailand to be no more than 5 companies. All current Board members are within this limit.

Also, the Board determines the managing directors and Managements to take the positions in other company as necessary in a way that it will not affect the duties and the responsibilities of the company. There also requires approval from the Board or the one in charge first.



### 5.3 The Committee

The Board of Director has appointed the committee for effective performance of the Board of Directors and to assist in the supervision of the Company's business with the following details:

- Audit Committee

The Audit Committee of the company must be the company's director who is appointed from the Board of Directors and have qualifications as specified by the securities law and the Stock Exchange of Thailand. The Audit Committee must contain no less than 3 persons and at least 1 director must have knowledge on accounting and finance to assist the Board of Directors in performing their duties responsible, reviewing the quality and reliability of the Accountant system Audit System Internal Control and Financial Reporting Process of the Company.

- Risk Management Committee

The Risk Management Committee was appointed by the Board of Director to define and implement strategies for overall risk management. In addition, the Risk Management Committee is responsible for developing and reviewing management systems and risk management in line with the policy consistently. The Risk Management Committee consist at least 3 directors, one of them must be the Independent Director and the head of the Enterprise Risk Management and Internal Control Department acts as the secretary of the Risk Management Committee. One of the Risk Management Committee shall be appointed to be the chairman of the Risk Management Committee by the Boards of Directors. He/she shall have the qualifications required by the Securities Laws and the Stock Exchange of Thailand, including regulations and / or regulations of the Stock Exchange of Thailand

- Nomination and Remuneration Committee

The Board of Directors shall nominate the Nomination and Remuneration Committee by election from the number of independent directors and executives as deemed appropriate to be independent to nominate directors and determine remuneration which is suitable for the company. One of the Nomination and Remuneration Committee shall be appointed to be the chairman of the Nomination and Remuneration Committee by the Boards of Directors. He/she shall have the qualifications required by the Securities Laws and the Stock Exchange of Thailand, including regulations and / or regulations of the Stock Exchange of Thailand.

- Corporate Governance Committee

The Board of Director proposed to appointed the Corporate Governance Committee by elected from the Independent Director, consist at least 3 directors to assist the Board of Director in formulating policies and setting criteria to strengthen the Company's standards and practices in corporate governance. It is transparent, reliable and verifiable. Build confidence for shareholders and stakeholders and the Board of Directors shall appoint a member of the Good Corporate Governance Committee as the Chairman of the Good Corporate Governance Committee. He/she shall have the qualifications required by the Securities Laws and the Stock Exchange of Thailand, including regulations and / or regulations of the Stock Exchange of Thailand.

- Management Committee

The Board of Directors is responsible for proposing the appointment of the Executives Committee by electing from Directors and/or a certain number of Management as it sees appropriate and the Board of Directors will appoint one of the members of the Executives Committee to be the chairman of the Executives Committee.

#### 5.4 Roles of the Board of Directors

- Roles of Chairman of the Board of Directors

The Chairman of the Board is responsible for the leadership of the Board. He is also the Chairman of the Board of Directors and the shareholders' meeting. The Chairman of the Board of Directors is responsible to the Board of Directors for management in accordance with the guidelines and policies of the Board of Directors.

- Roles and Responsibilities of the Board of Director

The Company requires the Board of Directors to comply with the code of best practice in accordance with the guidelines of the SET. The directors must understand and recognize their roles, duties, and responsibilities, and perform their duties in accordance with the law, the Company's objectives and the Articles of Association, shareholders' resolutions, the charter of the Board of Directors, and the Company's corporate governance policy with integrity and honesty, with priority given to the best interests of the Company and its shareholders. The Board of Directors determines the policies, business goals, business plans, and the budget of the Company, and governs the management division to ensure compliance with the policies, plans, and budget specified with efficiency and effectiveness, for the best interests of the Company and its shareholders.

#### 5.5 Board of Directors' Meeting

The Board of Directors' meeting follow the regulations, laws related to public limited company, and regulations of the Stock Exchange of Thailand. Special meetings are arranged if necessary. The meetings are held at least 6 times a year. In order to effectively monitor the operations of the company and the Audit Committee has a meeting at least 4 times a year. The Company secretary prepares the annual meeting calendar to the Board of Directors in advance, within November yearly. To supporting the directors to allocate their schedule time and schedule of meeting in advance, which is not include special occasions of the meetings. When the company will send an invitation letter with the meeting agenda and meeting documents as attachments to the directors no less than 7 days before the date of the meeting so that the directors have time to study the information adequately before attending the meeting. Except in the case of an emergency to protect the rights and interests of the company, the meeting will be notified by other means and then set the date for an earlier meeting. The directors of two or more persons may request the Chairman of the Board of Directors to call a meeting of the Board of Directors. In cases where two or more directors request, the Chairman shall set the date of the meeting within 14 days from the requesting date.

At Board Meetings, not less than two-third (2/3) of the total number of directors shall be present at the meeting so that the quorum of the Board of Directors will be available for the Board to vote. All committee member must attend at least 75% of the board meeting which are held in the whole year and an average rate not less than 80% of all committee

meetings during the year round. The Company shall maintain the minutes of meetings and keep the said documents receiving the confirmation from the Board of Directors for future examine by the Board or related party.

All this, the committee has set a policy that non-executive directors should have the opportunity to meet among themselves as appropriate or at least once a year without executive directors or management participated in the meeting. To discuss various issues, both regarding the Company's business such as management strategies, sustainable growth guidelines or other matters of interest and report the result of the meeting to the Managing Director.

#### **5.6 Self-evaluation of the Board of Director**

The Board has evaluated their performance every year with three formats 1) person 2) team 3) sub-team and CEO for the Board to assess the outcome, the problems, and the obstacles during the previous year in order to fix and increase efficiency. The evaluation as a team and as a sub-team will be based on the protocols suggested by the Stock Exchange of Thailand, leading to properly changes of the company. With this, the assessment as referred to 6 topics:

- 1) The structure and qualifications of the Board of Directors
- 2) Duty and responsibility of the Board of Directors
- 3) The Board of Directors' meeting
- 4) Performance of Directors
- 5) Relationships with the management
- 6) Self-development of Directors and management development.

#### **5.7 Remuneration for the Board of Directors and Executives**

The company has determined remuneration for the directors and executives at an appropriate level, which is sufficient to retain competent directors and executives. While it avoids paying excessive remuneration, it remains the rate at the level comparable to companies in the same group of industry. Factors to be considered include experience, obligations, appraisal and scope of roles and responsibilities. The remuneration payment of the directors must be approved by the company's shareholders. For remuneration of executives, it will be in accordance with principles and policies as determined by the Company's Board of Directors in which the consideration will be made based on duties, responsibilities, performance of each executive, and operational performance of the company.

#### **5.8 The orientation of new Directors**

The Board sets up the orientation for all new members for them to understand the roles, the duties of the Board, and the protocols in operating the business. This includes building up the business knowledge and process, risk management, and organization visiting in order to prepare for the job performance.

#### **5.9 Development of Directors and Executives**

The company encourages the Board of Directors and the management to attend seminar courses that are beneficial to their functions. Courses that the Board of Directors should attend at least are courses arranged by

the Thai Institute of Directors (IOD) namely Directors Certification Program courses from related supervisory agencies on a regular and constant basis. The Board of Directors has assigned the company's secretary to be a coordinator with directors to inform training courses so that directors can bring in knowledge and experiences to continuously develop the company.

However, the Board requires that every year at least one Board member will attend such training to develop and increase knowledge in roles of the Board.

#### **5.10 Succession Plan**

In order to ensure that the company shall have continuity in administration, the Board of Directors sees the necessity and importance of position succession of the high-level executives, the company has made a position succession plan in support of the positions from division directors upwards. Replacement persons are identified. In case no persons who can replace instantly, the company has arranged a personnel development system for preparing persons in subordinate positions along with external selection. This is to ensure confidence in investors, organizations as well as employees that the business running of the company shall be succeeded in good time.

#### **5.11 Report of the Board of the Directors**

The Board of Directors is responsible for the financial reports preparation including the Company's financial statements, the consolidated financial statements of the Company and subsidiaries and financial information memorandum as shown in annual report. The financial statements are prepared based on generally accepted accounting standard. The Company applies proper and acceptable accounting standard and complies with such standard regularly. The Company is very careful to prepare and manage sufficient information to disclose in the notes of financial statements.

#### **5.12 Report of conflicts of interests**

The Board has determined the protocol in reporting of conflicts of interests of the Board and Managements for transparency in order to prevent the problem that will lead to benefit conflicts as the followings

- The Board or Managements including family members that are associated or are the shareholders must report the conflict of interest to the company by each member must report the information since the day he or she started.
- The Board determines the evaluation of the conflicts of interests in July of every year
- The Board or Managements have the duties to report the stock holding of the company. If any changes, they must report to the Stock Exchange Commissioner within 3 days after changes.
- The Board assigns the Corporate Secretary to record the report of conflicts of interests.

## 6. Prevention of Conflicts of Interest supervision of the of Insider Information usage and Internal Control

### 6.1 The Conflict of Interest Policy

The Board of Directors sets policies on conflict prevention on the principle that any decision in conducting business activities must be done for the best interests of the Company and should be avoided any act that can cause the conflicts of interest, determined that any participant or stakeholder in the transaction must notify the company of its relationship or interest in the transaction, aforementioned, must not participate in the decision-making process, or no authority to approve such transactions. The Company has set the policies and practice guideline as below:

1. Director, executive and employee are required to disclose upon arising of any situation believable as a cause for conflict of interest.
2. Avoid making transactions with directors that may cause a conflict of interest with the company. In case of emergency, the transaction must be proposed to Audit Committee for consideration prior to approval from the Executive Committee or Board of Directors (Depending on case), in accordance with the principles of corporate governance and ensure compliance with the rules of the Stock Exchange of Thailand and Commission on Securities and the Stock Exchange.
3. Directors and executives who have a significant interest in a manner are prohibited to give an opinion freely and abstain from taking part in the meeting agenda. The directors and executives are required to inform the stakeholders before the agenda, the minutes of meeting should be recorded.
4. Has set up the clear and transparent structure no cross-shareholdings with major shareholders, to avoid conflicts of interest to any one party and disclose the shareholding structure of the Company and its subsidiaries in the annual report.
5. The company complies with the policy on conflict of interest and business ethics, whereby directors, executives and all employees as well as employees in the subsidiaries are required to strictly comply with such policy. The company provides information to better understand the practices of employees throughout the company.

### 6.2 Insider Information Usage Policy

The Company establishes a policy to keep and protect the use of internal information in a written manner and to notify such practices to all persons in the Company and the way to take care of directors and the management in using of internal information of the Company which is not yet disclose to the public use for personal gain as follows.

1. Directors, executives and employees of the company and its subsidiaries are required to maintain confidentiality of information within the company and subsidiaries.
2. Directors, executives and employees of the company and its subsidiaries shall not expose confidential information of the company and its subsidiaries to disclose or seek benefits for

themselves or for the benefit of any other person, whether directly or indirectly. Also, whether they receive compensation or not.

3. Educate the board of directors, executives, and senior management in the accounting or finance department at the managerial level or higher. About the duty to prepare and submit reports on the holding of securities in the company, his spouse and children underage. To the Office of the Securities and Exchange Commission under Section 59 and Penalties under the Securities and Exchange Act BE 2535 (as amended)
4. Directors and Executives of the Company include spouse and minor children are prepared and disclosed the report on securities holding and the report on the change of the Company's securities holding to the Office of the Securities and Exchange Commission under Section 59 and the Penal Code under Section 275 of the Securities and Exchange Act BE 2535 (including the additional revision) and submit a copy of this report to the Company on the same day that was sent the report to the Securities and Exchange Commission.
5. The directors, executives, employees and its subsidiaries of the Company are prohibited (including spouse and minor children) who receive significant internal information that affects the change of the Company's securities trading prices within 30 days prior to such disclosure or disclosure to the public. And within 24 hours after the internal information of the company has disclosed to the public. Any person who involved with the internal information must not disclose that information to others until the information is provided to the SET. Penalties for violations of the above rules. The Company treated this action as guilty of misconduct in accordance with the Company's Articles of Association and will be considered the punishment such as verbal warning, warning letter, remit punishment as well as termination of employment by dismissal or deposition depends on the case.
6. The directors, executives and employees of the Company are prohibited to use internal information of the Company which can effect of the change in the price of securities of the Company which has not yet been disclosed to the public which it has knowledge by their position or such status and used to buy or sell or offer to buy or offer to sell or to persuade others to buy or sell shares or other securities of the Company (if any), whether directly or indirectly and whether this is done for the benefit of themselves or others, or to bring such facts out, to disclose to others to do so, whether they receive benefits or not.
7. Directors and executives including the executive level position in accounting or finance or equivalent level manager are required to submit the list of their first securities holding and report on changes of securities holding including those of their spouses and minor children, as well as related persons. The submission and report shall be conducted and submitted within 30 days from the date of appointment to the position of a director or executive and within 3 working days from the date of buying, selling, transferring or receiving the transfer of the securities, submit it to the Office of the Securities and Exchange Commission (SEC) and send a copy to the Company secretary to

acknowledges every time of the change to prepare a report to the board of meeting acknowledge in every quarter.

8. Specified that the Directors and Executives including those who assume the position as executive in accounting or finance, equivalent to department manager or equivalent. (According to the definition of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand), it is required to report at least one business day before trading to the Company Secretary for reporting to the Board.

## **7. Business Ethics**

The Company encourages directors, executives, and employees to operate and make decisions on the Company's business in a transparent, straightforward manner adhere to the law, held on virtue and ethics. The Business Ethics Handbook has been prepared as a part of the Corporate Governance Policy. It is a guideline and standard for the performance of directors, executives and all employees in the organization strictly follow, including continuous supervision. The "Corporate Governance Policy" and the "Business Ethics Handbook" are posted on the Company's website ([www.nclthailand.com](http://www.nclthailand.com)) to communicate with outsiders and within the organization to the directors, executives and employees of the Company acknowledged to properly implementation.

## **8. Policies and Guidelines for Anti-Corruption**

The Company is committed to running its business using good corporate governance principles. The Company takes responsibility for society, the environment, and all stakeholders, and it has formulated policies towards the compliance with anti-corruption laws. Also, it has defined the anti-corruption guidelines in the Company's Business Code under the headings "Policy on Receiving and Giving Gifts and Recompenses" and "Policy on Prevention of Corruption and Bribery," which are outlined as follows:

### Policy on Receiving and Giving Gifts and Recompenses

- Executives and employees are prohibited from asking for any benefit from partners or those who do business with the Company.
- Executives and employees are prohibited from offering any benefit to any other third parties or partners in any attempt to persuade them to commit an unlawful action.

### Policy on Prevention of Corruption and Bribery

- Receiving or giving property, or any other benefit that may produce motivation to make an unlawful decision, must be done correctly and straightforwardly, and it must be ensured that the actions will not lead to any criticism of, or a bad reputation to, the Company. What the Directors have received must be kept in the office or distributed to the employees.
- Procurements must conform to the procedures set forth in the Company's regulations and they should be fair for stakeholders. The decisions on procurements must take into account the reasonableness of prices, quality and services to receive, and transparent auditability.

- As for transactions with the government sector, the Company shall avoid any actions that may persuade the government sector or government officers to take wrongful or improper actions. However, building a good mutual relationship or taking any actions within a proper extent and customary practices are acceptable, e.g. extending congratulations or giving a bouquet for special occasions.

#### Entertainment Policy

1. The Company does not have an entertainment policy for external individuals or entities doing business or contacting the Company, including both private and public organizations, in order to avoid practices that may be construed as bribery. However, entertainment may be provided on special occasions in accordance with social norms, budgetary considerations, appropriateness of the occasion, as well as customs and traditions to maintain good business relationships without expecting anything in return.
2. Executives and employees are prohibited from providing entertainment that could create a conflict of interest, such as providing entertainment during ongoing bidding processes. Entertainment that is provided as a form of compensation may involve hidden actions intended to provide assistance or benefits.
3. Executives and employees are prohibited from providing entertainment that contradicts the policies of trading partners, the government, or stakeholders.
4. Executives and employees are prohibited from providing entertainment with the intention of seeking benefits or influencing business decisions.
5. Executives and employees are prohibited from providing entertainment that violates the Company's policies, rules, or relevant laws and regulations.
6. The expense reimbursement for entertainment shall be conducted in accordance with the Company's operating manual.

#### Policy on Donations for Charitable Causes and Financial Contributions to External Organizations

- Donations and support provided to any organization must take into consideration the credibility of the organization and must be legally established.
- Operations must be conducted transparently and in the name of the Company, following the Company's policies and in compliance with the law.
- Donations and support must not be given to any officer or individual in a personal capacity unless the details are specified in a request letter and there is clear and written evidence of support provided.
- Follow-up or verification should be conducted to ensure that donations or financial support are not being used as a means of avoiding bribery. Donations or financial support should have a purpose, to promote the Company's image, business, and public relations, and can be done in various forms such as supporting cultural events, social and environmental activities, education and sports events, etc.
- The expense reimbursement for donations shall be conducted in accordance with the Company's operating manual.



#### Penalty

The Company has authorized the CEO, Deputy CEO or supervisors in each department to consider and take disciplinary actions on employees who have committed wrong actions or fail to comply with the Company's regulations. The disciplinary actions are imposed according to the severity of the offense, ranging from a verbal warning to suspension or dismissal.

The policy was approved at the Board of Directors' Meeting No. 1/2023 and notification was given to the employees on February 22, 2023.

# Code of Conduct

---

## Introduction

The Company has determination to do business based on integrity and value addition for its shareholders, including the practice towards all the stakeholders with equity. Meanwhile, the Company has established the duty and responsibility for the directors, the management and all the employees shall realize and comply with the policies and practices designated in the ethics manual strictly. It is to achieve the business target and benefit the stakeholders, the shareholders and the society.

## Definitions

Business ethics means merits, justice and integrity that are the practices for the business operations. Practical guidelines are the guidelines to maintain and encourage honor and reputation.

## 1. Principles of Business Operation

### 1.1. Vision, Mission, Goal and Strategies in Operation

#### Vision

To be a leading total logistics provider to International standard that is the first and best choice for the customers and its partners.

#### Mission

The Company's mission is to operate a comprehensive logistics service business with personnel who were expertise and service to customers with sincerity as well as creating the network of trade partners and international offices efficiently.

#### Goal

To be a professional company that helps reduce logistics costs to maximize efficiency and customer satisfaction.

#### Strategies

To provide personnel with expertise which offer the customers a comprehensive range of services, including consultation about planning related to, and the provision of, the most suitable transport methods, management that allows the customers to forward their freight on time with the lowest cost, by expanding their own branch offices in target countries and working with effective partners in abroad to be able to distribute products to destinations in various countries around the world.

## 2. Business Ethics of the Company

### 2.1 Honesty

The management shall maintain integrity towards the relevant persons and shall not cause misunderstanding deliberately or deceptively by distorting the information, exaggeration, partial facts, discrimination or omission on the practice or by other methods.

### 2.2 Integrity

The management should display its morals and bravery to do things it believes to be correct, although having been pressured to do the opposite thing. It shall adhere to the principles, respectability and equity. The management should fight for its beliefs and shall not abandon the principles for any objectives until they become deceptive or immoral persons.

### 2.3 Trust worthiness

The management should reveal and provide the relevant information and remedy the misunderstanding from the facts. It should try in a suitable way to achieve their pledge, but should not use the existing instruments incorrectly. It should avoid using unsuitable and legal interpretation, as it can be used as an excuse for non-cooperation or avoiding the established agreement.

### 2.4 Loyalty

The management should show loyalty towards the company with help and dedication to duty, but it should not use or reveal secret information for personal advantage, instead of maintaining the ability in making a decision of independent professional. It avoids unsuitable things and beneficial conflict, and has loyalty towards the company and co-workers. Moreover, if the management has an intention to resign, it should give advance notice suitably, including the priority to the company information and not doing business that utilizes their original job merits.

### 2.5 Fairness

The management should have fairness and morals towards the relevant persons, not using arbitrary power, and not using the cheating method or unsuitable method to derive or maintain the interests or advantages from misunderstanding or based on suffering of other people. The management who has fairness should disclose the agreements for consideration and treat everyone with equality. They should open up for different opinions and are willing to accept a fault upon making a mistake, and is ready to change the standing point and existing belief to the correct and suitable things.

## 2.6 Concern for others people

The management should pay attention, has compassion, generosity and good intentions for other people according to the principle that treat others the way you want to be treated. The management should help other people on the things that person has necessity and find a method to make the business can accomplish its goal simultaneously with the objective of other people.

## 2.7 Respect for International Human Rights Principles

The management should respect in the dignity of each individual, independence, privacy, legal and human rights and the interests of the stakeholders. The decision of the management should be impartial and treat everyone without prejudice and no discrimination against gender, class or racism. The company shall designate the directors, the management and all of the employees to comply with the human rights principle strictly. It is considered as part in the operations and shall not support the business that is in violation of the international human rights principle.

## 2.8 Commitment to Excellency

The management should perform the duty with endeavor that is, being knowledgeable person, preparedness, determination with skills to be able to manage all things under responsibility.

## 2.9 Leadership

The management should be aware of responsibility and its leadership and should provide the format of the practical suitability to benefit self and the organization. Meanwhile, the management should create the environment that gives priority to the ethical principles and decision-making.

## 2.10 Reputation and Morale

The management should find a way to build a reputation for the company as well as merits among the employees. They shall mutually do not destroy relations between the company and its employees. On the contrary, the employees may join each other for anything necessary to remedy or prevent incorrect and inappropriate circumstances.

## 2.11 Accountability

The management should realize and be responsible for its duty considering the ethics used in decision-making and omission of something for its company, colleagues and community.

## 2.12 Policy on Compliance with the Law and Relevant Rules and Regulations

The company has determination to conform with the law, bylaws and regulations involved with the operations for the directors, the management and its employees as follows:

- It shall comply with the laws, rules, regulations and respect for the culture and traditions of the country where the company does its business.
- It shall comply with the requirements of the SET and the SEC.
- It shall comply with the rules and bylaws of the company strictly.
- It shall not help or encourage avoidance of complying with the various laws or rules.
- It shall cooperate with the supervisory unit and report the information related to a violation or non-compliance with the law or failure to comply with the law or rules by the relevant persons.

### 3. Conflict of Interests and Keeping Confidential Information

#### 3.1 The Conflict of Interest Policy

The Board of Directors sets policies on conflict prevention on the principle that any decision in conducting business activities must be done for the best interests of the Company and should be avoided any act that can cause the conflicts of interest, determined that any participant or stakeholder in the transaction must notify the company of its relationship or interest in the transaction, aforementioned, must not participate in the decision-making process, or no authority to approve such transactions. The Company has set the policies and practice guideline as below:

1. Director, executive and employee are required to disclose upon arising of any situation believable as a cause for conflict of interest.
2. Avoid making transactions with directors that may cause a conflict of interest with the company. In case of emergency, the transaction must be proposed to Audit Committee for consideration prior to approval from the Executive Committee or Board of Directors (Depending on case), in accordance with the principles of corporate governance and ensure compliance with the rules of the Stock Exchange of Thailand and Commission on Securities and the Stock Exchange.
3. Directors and executives who have a significant interest in a manner are prohibited to give an opinion freely and abstain from taking part in the meeting agenda. The directors and executives are required to inform the stakeholders before the agenda, the minutes of meeting should be recorded.
4. Has set up the clear and transparent structure no cross-shareholdings with major shareholders, to avoid conflicts of interest to any one party and disclose the shareholding structure of the Company and its subsidiaries in the annual report.
5. The company complies with the policy on conflict of interest and business ethics, whereby directors, executives and all employees as well as employees in the subsidiaries are required to strictly comply with such policy. The company provides information to better understand the practices of employees throughout the company.

### 3.2 Insider Information Usage Policy

The Company establishes a policy to keep and protect the use of internal information in a written manner and to notify such practices to all persons in the Company and the way to take care of directors and the management in using of internal information of the Company which is not yet disclose to the public use for personal gain as follows.

1. Directors, executives and employees of the company and its subsidiaries are required to maintain confidentiality of information within the company and subsidiaries.
2. Directors, executives and employees of the company and its subsidiaries shall not expose confidential information of the company and its subsidiaries to disclose or seek benefits for themselves or for the benefit of any other person, whether directly or indirectly. Also, whether they receive compensation or not.
3. Educate the board of directors, executives, and senior management in the accounting or finance department at the managerial level or higher. About the duty to prepare and submit reports on the holding of securities in the company, his spouse and children underage. To the Office of the Securities and Exchange Commission under Section 59 and Penalties under the Securities and Exchange Act BE 2535 (as amended)
4. Directors and Executives of the Company include spouse and minor children are prepared and disclosed the report on securities holding and the report on the change of the Company's securities holding to the Office of the Securities and Exchange Commission under Section 59 and the Penal Code under Section 275 of the Securities and Exchange Act BE 2535 (including the additional revision) and submit a copy of this report to the Company on the same day that was sent the report to the Securities and Exchange Commission.
5. The directors, executives, employees and its subsidiaries of the Company are prohibited (including spouse and minor children) who receive significant internal information that affects the change of the Company's securities trading prices within 30 days prior to such disclosure or disclosure to the public. And within 24 hours after the internal information of the company has disclosed to the public. Any person who involved with the internal information must not disclose that information to others until the information is provided to the SET. Penalties for violations of the above rules. The Company treated this action as guilty of misconduct in accordance with the Company's Articles of Association and will be considered the punishment such as verbal warning, warning letter, remit punishment as well as termination of employment by dismissal or deposition depends on the case.
6. The directors, executives and employees of the Company are prohibited to use internal information of the Company which can effect of the change in the price of securities of the Company which has not yet been disclosed to the public which it has knowledge by their position or such status and used to buy or sell or offer to buy or offer to sell or to persuade others to buy or sell shares or other securities of the Company (if any), whether directly or indirectly and whether this is done for the benefit of themselves or others, or to bring such facts out, to disclose to others to do so, whether they receive benefits or not.

7. Directors and executives including the executive level position in accounting or finance or equivalent level manager are required to submit the list of their first securities holding and report on changes of securities holding including those of their spouses and minor children, as well as related persons. The submission and report shall be conducted and submitted within 30 days from the date of appointment to the position of a director or executive and within 3 working days from the date of buying, selling, transferring or receiving the transfer of the securities, submit it to the Office of the Securities and Exchange Commission (SEC) and send a copy to the Company secretary to acknowledge every time of the change to prepare a report to the board of meeting acknowledge in every quarter.
8. Specified that the Directors and Executives including those who assume the position as executive in accounting or finance, equivalent to department manager or equivalent. (According to the definition of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand), it is required to report at least one business day before trading to the Company Secretary for reporting to the Board.

## 4. Responsibility to the Company and its Properties and Assets

### 4.1 Properties Protection

The company expected its directors, the management and employees to have responsibility in protecting its assets, and use them with efficiency for optimization. They shall not use the company's properties for self-interest or for others with the following guidelines.

- The management and employees shall use its assets and resources with economy and optimum benefits for the company.
- The management and its employees shall take care of the properties of the company against deterioration or missing.
- Setting guidelines on prevention of a damage or risk to the company's properties that may be caused by the operations, e.g. natural disasters, accidents, etc.

### 4.2 Business Ethics on Intellectual Property

The company has designated its directors, the management and all of its employees to have prudence and circumspection on the intellectual property, including paying respect to the copyrights of the intellectual property owners.

#### 4.3 Use of Computer and Information Technology

1. All computers, information technology and information and data relating to its operation are the property of the Company. Executives and staff should not use the Company's computers and information technology for personal interests.
2. Executives and staff are prohibited from disclosing their password to others for access to the Company's information system.
3. Executives and staff are prohibited from disclosing any information or data on the Company's information system(s) to other parties without proper authorization.
4. Executives and staff are prohibited from changing, copying, deleting or destroying the Company's information or data without proper authorization.
5. Executives and staff are prohibited from using illegal software for any reason and from using copyright protected software without the permission of the copyright owner.
6. Executives and staff are prohibited from altering their computer equipment or installing any other accessories in addition to the standard equipment provided by the Company.
7. Executives and staff are prohibited from using the Company's electronic mail system to transmit derogatory, offensive, pornographic, abusive or annoying messages according to the Computer Crimes Act B.E. 2550.
8. Executives and staff may only use the internet to seek information and knowledge related to their work and shall not access illegal or immoral websites.
9. Executives and staff should use all communication equipment provided by the Company, such as telephones, facsimile machines, mobile phones and pagers with an appropriate sense of responsibility and care, taking the Company's interests into consideration.

#### 4.4 Policies and Practices for Anti - Corruption

The Company is committed to running its business using good corporate governance principles. The Company takes responsibility for society, the environment, and all stakeholders, and it has formulated policies towards the compliance with anti-corruption laws. Also, it has defined the anti-corruption guidelines in the Company's Business Code under the headings "Policy on Receiving and Giving Gifts and Recompenses" and "Policy on Prevention of Corruption and Bribery," which are outlined as follows:

##### Policy on Receiving and Giving Gifts and Recompenses

- Executives and employees are prohibited from asking for any benefit from partners or those who do business with the Company.
- Executives and employees are prohibited from offering any benefit to any other third parties or partners in any attempt to persuade them to commit an unlawful action.



#### Policy on Prevention of Corruption and Bribery

- Receiving or giving property, or any other benefit that may produce motivation to make an unlawful decision, must be done correctly and straightforwardly, and it must be ensured that the actions will not lead to any criticism of, or a bad reputation to, the Company. What the Directors have received must be kept in the office or distributed to the employees.
- Procurements must conform to the procedures set forth in the Company's regulations and they should be fair for stakeholders. The decisions on procurements must take into account the reasonableness of prices, quality and services to receive, and transparent auditability.
- As for transactions with the government sector, the Company shall avoid any actions that may persuade the government sector or government officers to take wrongful or improper actions. However, building a good mutual relationship or taking any actions within a proper extent and customary practices are acceptable, e.g. extending congratulations or giving a bouquet for special occasions.

#### Entertainment Policy

1. The Company does not have an entertainment policy for external individuals or entities doing business or contacting the Company, including both private and public organizations, in order to avoid practices that may be construed as bribery. However, entertainment may be provided on special occasions in accordance with social norms, budgetary considerations, appropriateness of the occasion, as well as customs and traditions to maintain good business relationships without expecting anything in return.
2. Executives and employees are prohibited from providing entertainment that could create a conflict of interest, such as providing entertainment during ongoing bidding processes. Entertainment that is provided as a form of compensation may involve hidden actions intended to provide assistance or benefits.
3. Executives and employees are prohibited from providing entertainment that contradicts the policies of trading partners, the government, or stakeholders.
4. Executives and employees are prohibited from providing entertainment with the intention of seeking benefits or influencing business decisions.
5. Executives and employees are prohibited from providing entertainment that violates the Company's policies, rules, or relevant laws and regulations.
6. The expense reimbursement for entertainment shall be conducted in accordance with the Company's operating manual.

#### Policy on Donations for Charitable Causes and Financial Contributions to External Organizations

- Donations and support provided to any organization must take into consideration the credibility of the organization and must be legally established.
- Operations must be conducted transparently and in the name of the Company, following the Company's policies and in compliance with the law.
- Donations and support must not be given to any officer or individual in a personal capacity unless the details are specified in a request letter and there is clear and written evidence of support provided.

- Follow-up or verification should be conducted to ensure that donations or financial support are not being used as a means of avoiding bribery. Donations or financial support should have a purpose, to promote the Company's image, business, and public relations, and can be done in various forms such as supporting cultural events, social and environmental activities, education and sports events, etc.
- The expense reimbursement for donations shall be conducted in accordance with the Company's operating manual.

#### Penalty

The Company has authorized the CEO, Deputy CEO or supervisors in each department to consider and take disciplinary actions on employees who have committed wrong actions or fail to comply with the Company's regulations. The disciplinary actions are imposed according to the severity of the offense, ranging from a verbal warning to suspension or dismissal.

The policy was approved at the Board of Directors' Meeting No. 1/2023 and notification was given to the employees on February 22, 2023.

### **4.5 Penalties**

The company has designated the president, vice president or the superiors in each division can impose the disciplinary penalty to the guilty employees or failure to follow the posted rules and regulations.

The company has designated the disciplinary actions in 5 aspects as follows:

- Verbal warning with a written record as evidence.
- Written warning.
- Demotion.
- Suspension without pay and no payment on the fringe benefits.
- Termination without compensation.

## **5. Practices towards Stakeholders**

The Company recognizes the importance of rights of every stakeholder including shareholders, customers, trading partners, counterparts or creditors, Company's employees and the society. The Company should set a clear policy on fair treatment for each and every stakeholder in accordance with the laws or mutual agreements. To ensure that such rights are protected and treated fairly and equally. Thus, the Company has set the Business Ethics or Code of Conduct as a guideline for dealing with each stakeholder, as well as the community society and the environment for sustainable development; anti-fraud and corruption, no violate intellectual property including respect for human rights. Any actions that can be considered in violation of stakeholders' legal rights should be prohibited.

## 5.1 Policies and Practices for Shareholders

The Company operates business by taking into consideration the long term growth of the Company as well as provision of good return to the shareholders. The Company operates business transparency by putting in place an efficiency internal control system and has strictly prohibited performing any acts in the nature that may cause conflict of interest with the Company. The disclosed information must be accurate, sufficient and timely.

1. The ownership rights of shareholders are equitably and fairly respected.
2. Operations are undertaken in accordance with the principles of good corporate governance, which will foster the trust and confidence of shareholders and eventually lead to sustainable growth.
3. The company's businesses are continually advanced to ensure proper returns to shareholders.
4. Significant information which affects or potentially affects shareholders' interests shall be disclosed, whether reports made pursuant to the accounting period or situation reports, pursuant to the relevant laws and notifications. However, no action shall be taken to restrict shareholders access to Company information.
5. A Report of the Board of Directors' responsibility for the financial statements in the annual report shall be prepared
6. Minority shareholders shall be given an opportunity to propose matter for inclusion in the meeting agenda and/or to nominate persons for election as Company Directors in the Annual General Meeting of Shareholders
7. Shareholders are given an opportunity to submit questions relevant to the meeting prior to the shareholders' meeting
8. Shareholders' meeting notices in both Thai and English are published on the Company website at least 30 days prior to the shareholders' meeting day as information for shareholders and to enable the study of information prior to meetings
9. Shareholders' meeting shall be facilitated. The date, time, venue and procedure must not pose an obstacle to the shareholders' attendance of the meeting. Shareholders who are not able to attend in person must have the opportunity to grant a proxy to other persons to attend the meeting and vote on their behalfs.
10. Conflicts of interests must be dealt with prudently, rationally and information must be fully disclosed.
11. The Company's interests and assets shall be safeguarded as a reasonable person would safeguard his/her property. Wrongful interests, whether obtained by director or indirect means, shall be eliminated.

## 5.2 Policies and Practices for Customers

The Company realizes that customer satisfaction and confidence are key factors which contribute to the Company's sustainable success. The following policies and guidelines have been prescribed in this regard:

1. The Company operates the business of manufacturing, product distribution and services which are safe for consumers and environmentally friendly.
2. Businesses are operated with commitment to develop goods and services, introduce new innovations and add value to goods and service in order to continually meet the demands if customers along with the disclosure of necessary information for decision-making without concealment or distortion of facts.
3. Businesses are operated in earnest, honest and fair values and no action is taken that would violate the rights of customers. The confidentiality of customer trade secrets is maintained and not exploited for wrongful personal gains or for the gains of others.
4. The Company does not demand, receive or consent to the director or indirect receipt of properties or other dishonest benefits from customers.
5. The Company adheres to trade agreements. In the case where adherence is not possible, the customer would be notified in advance in order to jointly find a remedy and prevent loss.
6. The Company provides communication channels to enable customers to file complaints to the Company. Complaints are processed with care and dealt with fairly.

## 5.3 Policies and Practices for Partners

The Company will treat its partners with equality and take into account mutual benefits as follows:

1. The Company has the policies on treating business partner and all creditors fairly, does not take advantage of business partner and shall not defraud partners or creditors as well as stringently observe contracts, agreements, and conditions given to creditors or partners. The Company is focused on developing and maintaining sustainable relationships with its business partners
2. The Company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards and friendliness to the environment. Trading partners are treated on the basis of fair competition, equality and mutual respect.
3. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
4. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and service are jointly undertaken to promote mutual growth.
5. The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the Company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy and loss prevention solution.
6. The Company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements

## 5.4 Policies and Practices for Competitors

1. The Company encourages the policy to promote the free and fair competition conforming to the rules of good competition. The Company shall define the practice under framework of good competitive roles and laws and avoid defamation of competitors as well as in strict adherence to established ethics.
2. The Company will not damage the reputation of its trade competitors.

## 5.5 Policies and Practices for Creditors

1. All creditor groups shall be treated equitably and fairly.
2. Contracts and items will be strictly adhered to.
3. Operations will be administered to ensure the confidence of creditors on the Company's financial standing and credit rating.
4. Financial standings shall be accurately and timely disclosed.
5. In the event of an inability to comply with a particular term, the creditor will be forthwith notified in advance in order to enable a joint solution for remedy and loss prevention.

## 5.6 Policies and Practices for Employees

The Company also realizes that the employees are one of the important resources to develop the growth of the organization so should be treated equally and fairly as well as focuses on developing employees' potential, knowledge, and competency.

1. Human dignity and fundamental rights of employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.
2. Employees are treated in accordance with the provisions of law, regulations and articles governing the Company's operations.
3. Employment equality is promoted. There is no discrimination on the grounds of gender, skin color, race, religion, age, disability or other status that is not directly related to the works.
4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout, strengthen career security and offer opportunities for advancements pursuant to each person's potential.
5. Employees participation in the determination of the Company's direction and development are promoted and listen to opinions and suggestions from every level of employees on a fair and equal basis.
6. Encourage and encourage the provision of additional training to all employees. It is in line with the Company's policies, problems, visions, missions and strategies. Annually for example, the potential for work. The importance of the environment.

7. Provide training, Public relations Corporate Governance, Business Ethics and anti-corruption to all employees to acknowledge and strictly follow.
8. Give a fair return which appropriate to their knowledge, ability, responsibility and performance including the compensation in accord with the Company's performance in both short and long term.
9. Appropriate welfare and benefits are given to employees, e.g. employee welfare policy medical expenses 10 serious diseases, provident fund etc.
10. Channel are provided for employees to communicate suggestions and complaints pertaining to work. These suggestions are considered and remedies will be determined in the interest of all parties and in view of the creation of good working relations.
11. Employees of all levels are encouraged to participate in social responsibility activities.
12. Facilities necessary for work operations are provided and working conditions are maintained with due regard to safety and occupational hygiene as a means of promoting and raising the quality of lives of employees.

## 5.7 Policies and Practices Under Human Rights

The company has a policy to treat each other under human rights. It is the ethics and code of business conduct should respect in the dignity of each individual, independence, privacy, legal and human rights and the interests of the stakeholders. The decision of the management should be impartial and treat everyone without prejudice and no discrimination against gender, class or racism.

Directors, executives and employees including employees in subsidiaries that must be strictly adhered to by all parties. It is as part of the discipline of work, which must take into account human dignity, freedom and equality of individuals. The company does not do and promote of human rights violations. The company and its subsidiaries are not related to the organizations or individuals that violate human rights, in all cases, the company has complied with the basic principles of human rights.

### Human Rights Policy

For the fiscal year 2022, NCL International Logistics Public Company Limited and its subsidiaries ("the group of companies") are committed to conducting business responsibly by adhering to principles of transparency, accountability, ethical standards, and respect for human rights, alongside good governance practices that ensure equal treatment for all stakeholders. To support compliance with human rights principles, we have established a policy on human rights, which is guided by the United Nations Guiding Principles on Business and Human Rights (UNGPs). The policy is aimed at ensuring sustainable development and ensuring that the Company conducts its business without violating human rights.

## Scope

This policy applies to the business operations of NCL International Logistics Co., Ltd. and its subsidiaries, as well as trading partners and business associates, in order to be applied in business operations and to promote respect for human rights among those involved in the Company's supply chain.

## Definition

"Human rights" means the inherent dignity of the human person, as well as the fundamental rights and freedoms that have existed since birth and the equal treatment that should not be discriminated against on grounds of race, religion, gender, skin color, language, ethnicity, or any other status in accordance with the laws of each country.

## Human Rights Policy

The Board of Directors, executives, and employees of the Company must be aware of and give importance to respecting human rights, which should be adhered to in accordance with the Company's human rights policy as follows:

1. Treating everyone equally according to human rights principles, without discrimination.
2. Avoid actions that violate human rights.
3. Support and promote the principles of human rights.
4. Communicate, disseminate knowledge, and promote understanding among all stakeholders, while providing support to trading partners and business associates to ensure their participation in business operations while respecting and adhering to the principles of human rights.

## Guidelines for Practice

1. Support, promote, and respect human rights with dignity for everyone and equal treatment for all employees, partners, and stakeholders of the organization without discrimination on the basis of physical appearance, religion, race, nationality, gender, language, age, social status, culture, customs, or any other factors.
2. Exercise caution and avoid actions that violate human rights directly or indirectly toward all stakeholders.
3. Support employees to exercise their rights as citizens with fairness according to the constitution and laws.
4. Communicate, disseminate knowledge, promote understanding, provide guidance, and provide any other support to all employees in the Company, as well as joint venture partners, to ensure that business is conducted with integrity and ethics, respect for human rights, and treat everyone in accordance with the principles of human rights policy. This includes not using child labor below the age specified by law or using forced labor within the Company or within the Company's supply chain.
5. Monitor and uphold human rights, not neglect or remain indifferent when encountering actions that violate human rights related to the Company. Report to superiors or notify the designated complaint channel.

## 5.8 Policies and Practices to Respect for Intellectual Property and Copyright

Company adheres to and respects the intellectual property and copyright as follow:

1. The company must not take any actions that violate the intellectual property rights of others or competitors
2. Executives, managers, and employees must not seek a competitor's trade secrets or specifications of competitors by unlawful ways e.g. illegal theft, espionage or violation of an agreement not to disclose information of a competitor, whether from customers or other parties. It also includes trade secrets of the company, for example, a business plan and technical innovation, which company's employees have a duty to keep it confidential. It must not be distributed to third parties, whether they are competitors or not.
3. The company recognizes the importance of intellectual property and copyright. The company only allows employees to use the software defined and installed by the company. The programs are copyrighted and legally prohibited from installing or downloading copyrighted music, movies, games, and etc. that are not legitimate. The Information Technology department is responsible for oversight and checking individuals' computers regularly. Internal Audit is also responsible to conduct a random check again so that employees understand the importance of such matters.

## 5.9 Policies and Practices on Compensation and Benefit

1. The company will employ and allow all employees to progress in jobs and works with fairness.
2. The company will offer various compensation in comparable amount to other business in same category according to the position, experience, degrees, and qualification of the employees. Based on the performance of the company. It will depend on the evaluation and competency assessment to measure the success the work of the employees as well.
3. The company will provide the fair and proper compensation according to knowledge, responsibility, and the out-come of each employee.
4. The company offers benefits for basic needs of the employees such as provident fund, annual physical examination, uniforms, various compensation in case 10 serious diseases, and training to increase professional skills.

## 5.10 Policies and Practices for Hygiene and Safety and Workplace Environment

The Company always realizes that the employees are the key to the Company's success. We strive to meet the safety, hygiene, and environmental standards. The Company has set the guidelines for prevention and control of workplace hazards, safety, hygiene and workplace environment which is the duty and responsibility of all employees to cooperate in the surveillance and surveillance of the work environment in a safe condition.

1. Compliance with standards to ensure safety in health and work environment for all employees.
2. Compliance with safety laws and regulations. Health and Environment Of the country where the company enters the business



3. The Company always supports the regular improvement of work conditions and safety environment.
4. All employees must consider to their own safety, colleagues includes the company's assets as importantly at all work time
5. All employees must maintain cleanliness and orderliness of their work area
6. All employees have the right to offer feedback on improving their work conditions and their workplace and the environment of the company for the improvement
7. The Company support and promotes participation in various security activities that will stimulate employee awareness such as training, incentives, public relations safety and good hygiene.
8. Promote knowledge about hygiene, safety at all levels, it also supports the way and implementation of environmental protection measures in accordance with the laws of the industry.
9. The executives at all level must be a good role model and can encourage employees to work in a safe way.

#### 5.11 Policies and Practices for Community and Society

The Company runs its business regarding to its duties and responsibilities to the nation, community and society and local traditions to preserve the goodness in society and the public.

1. Do not run the business that affect to the social and not violate the rights of other people that living in that community and society
2. Encourage of the conscious mind to the responsibility to the community and society in the company and employees at all level continuously.
3. To defined the measurement in prevention and the solution of the impact on communities and society as a result of the Company's operations.
4. Promoting cultural preservation and local traditions
5. Cooperate with various agencies in community development
6. Support the activities that cause public interest
7. Create a good relationship between the Company and the community on the basis of accuracy, transparency and fairness.

#### 5.12 Policies and Practices to the Environment

1. Conduct the business in accordance with laws, regulations and environmental policy by considering to the impact on natural resources and environment. Review and evaluate the performance result regularly.
2. Create a corporate culture and raise awareness for employees at all levels to collaborate and responsible in environmental management, efficient and sustainable use of resources
3. knowledge enhancement and training employees on the environment

4. Promote environmental management system. This includes the use of resources, the cost of treatment and rehabilitation, the replacement of surveillance and the protection of the impact on natural resources and the environment.
5. Select the business partners who run the business with environment friendly

### 5.13 Policies and Practices for Effective Use of Resources

The Board recognizes and promotes a conscious effort to use resources efficiently in the organization. To encourage the staff for the conscious mind and together save the usage of energy resources such as walking up and down the stairs instead of using the elevator, use two-sided paper, reduce paper usage in work process. Turn off and turn on the electricity and air conditioning when necessary and close the air conditioning during the lunch break, use water economically, provide the water dispenser adequately to reduce the purchase of drinking water using plastic bottles.

### 5.14 Employee Complaint Channels

Company determines the time period for the employee to report the incident in the wrong way, discipline and law. It can be sent as a sealed letter to the Managing Director or send by email to the Managing Director at [pongthep@nclthailand.com](mailto:pongthep@nclthailand.com)

The information provided by the informer will be seriously responded and the reporter will not suffer any loss due to the reporting of the complaint in good faith. Employee disclosures are always kept confidential. However, for the complaint, the complainant should have collected the information carefully and realize to the accuracy of the information disclosed.

### 5.15 Whistle Blowing Policy and Practice and Whistleblower Protection Measures

The Company is committed to maintaining a well-founded corporate practice. This is in line with the principles of good corporate governance for all stakeholders as stated in the Corporate Governance Policy and Business Ethics Guide. This policy has been set up as a mechanism and gives the rights to employees and stakeholders. Thus, the Board of Directors has set the channels for communication with the Board of Directors by mail or email to provide a channel of information and instructions for ordering a process-based review for complaints related to illegal activity, accuracy of financial reports, defective internal control system, offense or unethical behavior of the executives and employees. The Company will keep the information from this report confidentially and the reporters are protected by the Company.

### Policy scope

This policy is set up to encourage all employees and stakeholders to disclose information that indicates violations of the Company's laws, regulations, and ethics.

- Corruption
- Fraud, Misappropriation, Theft
- Corruption actions to benefit themselves and others.
- Actions that is harmful to health and safety or environmental
- Intentionally causing damage or loss to the Company.
- Clear violation of business ethics
- Support for violating the law, regulations and business ethics including concealing or assist to conceal such actions.

### Keeping Confidential Information

This policy is designed to ensure that employees and stakeholders are fully aware of their complaints, and that reporters will not suffer due to the reporting of complaints in good faith. Employee disclosures are always kept confidential. However, the complaint and the complainant should collect the information carefully and the information disclosed should be accurate.

### False Allegations

If any employee or stakeholders deliberately makes a complaint with false allegations or malicious intent to the complainant, the Company will consider the complaint to be a violation of business ethics. Beside, the Company will conduct the investigation to consider the punishment according to the Company's regulations.

By clues, complaints and recommendations will be considered and implemented as appropriate. It shall be considering and take appropriate action case by case, without disclose the name of the whistle-blowers and also records as the confidentiality complaint. There are measures to protect the whistle-blowers to ensure that the whistle-blowers and the complainant will not be affected by such clues and complaints. If the Company is required to disclose that information, the Company will only disclose the necessary information, to considerate of the important of safety and the damage of the complainant and the whistle-blowers at most.

### Channel for complaints

Register letter

The Board of Directors

NCL INTERNATIONAL LOGISTICS PUBLIC COMPANY LIMITED 56/9-10 SoiTaksin 12/1, Taksin Road,  
Bukkalo, Thonburi, Bangkok 10600

#### Channel for contact to the company

	Email	Phone Number
The Board of Directors	<a href="mailto:management@nclthailand.com">management@nclthailand.com</a>	-
Corporate Secretary	<a href="mailto:Atcharaporn.y@nclthailand.com">Atcharaporn.y@nclthailand.com</a>	02-4737300 # 300
Investor Relation	<a href="mailto:IR@nclthailand.com">IR@nclthailand.com</a>	02-4737300 # 300
Website	<a href="http://www.nclthailand.com">www.nclthailand.com</a>	

## 6. Compliance with the Business Ethics and Guidelines of the Company

### 6.1 Practical guidelines for the management

- Perform the duty with integrity, transparency and equity to make sure that in making each decision is based on the optimum benefit for the relevant groups overall.
- Perform the duty like a professional with knowledge and proficiency, determination and prudence. They can envisage the problems in advance and find ways to solve the problems and keep practical standardization, including applying knowledge and skills in the management of the company with full knowledge and capability.
- It does not seek self-interest or for the relevant persons by disclosing the inside information not yet revealed or still confidential or disclosed to a third party, or an action that may cause a conflict of interest.
- Provide care and verification inside the company and the environment of the company constantly to make sure that there is compliance with the designated policy and process.
- Provide correct information reports in full, on time and constant, as well as a report on the future trend of the company based on the possibility and substantiated information.
- Comply with the various laws and relevant rules. Maintain the industrial standards and designate the practical guidelines to keep up with the recent developments. There will be sufficient documentation and suitability for a control to comply with the designated guidelines for practice at all level of management. It is to make sure that the business operations go with efficiency in accordance with relevant requirements. There is a division of business activities and suitable approval according to the relevant laws and requirements.
- Develop the company to achieve the goals, objectives and acceptable standardization.
- Promote knowledge and understanding on the company.

### 6.2 Practical Guidelines for the Board of Directors

- Establish the business direction, targets, policies and tactics.
- Perform the duty with integrity, circumspection and keep the interests of the company.

- Comply with the relevant laws, criteria and rules, including the Business Ethics and the guidelines on good corporate governance and its bylaws.
- Follow up on the operations of the company to achieve its goals.
- Consider appointing subcommittees and set their scope of duty/responsibility to be clear-cut and suitable.
- Consider doing the important businesses of the company with complete intention and diligence.
- Hold board meetings and consider the meeting agenda with suitability.
- Evaluate the operation results of the board constantly.
- Prepare a plan on succession for the management at the senior level of the company.

### 6.3 Practical Guidelines for the Directors

- Diligence to perform the duty assigned by the board of directors.
- Performance of duty with integrity, circumspection and maintaining the interests of the company.
- Compliance with the relevant laws, rules and regulations, including the Business Ethics and good corporate governance and business operations to comply with the bylaws of the company.
- Follow-up on the operations of the management to achieve the goals and objectives of the company.
- Implementation to make sure there is keeping of confidentiality of the confidential information within the company, and not yet revealed to a third party and not allowed to be disclosed to the outsiders, and not to use the inside information company, not yet revealed to the public for self-benefit.
- Avoidance of any action or decision-making that may cause a conflict of interest.

### 6.4 Practical Guidelines for the Company Secretary

- Diligence on performance of the duty assigned by the board of directors.
- Performance of duty with integrity, circumspection and maintenance of interests of the company.
- Taking care of the various activities by the board of directors to comply with the relevant laws, criteria and rules, including the Business Ethics and good corporate governance and operate the business in accordance with the bylaws of the company.
- There is readiness and deliberation to hold shareholder meetings, board meetings and subcommittee meetings and prepare the minutes of the meetings.
- Being a medium on the good communication between the directors and the shareholders.
- Keeping inside information confidential, including the information in the minutes of the board meetings and the various subcommittee meetings, as well as not allowing to reveal the information to the outsiders, and not the inside information of the company not yet disclosed to the public for self-benefit.

## 6.5 Practical Guidelines for the Employees

- Perform the duty with integrity, following the code conduct and taking responsibility for the company.
- Comply with the relevant laws, criteria and rules, including the Business Ethics and good corporate governance and the bylaws of the company.
- Implement to make sure that there is keeping of confidential information that is confidential within the company and not yet allowed to be disclosed to a third party, and not allowed to be disclosed to the public for self-benefit.
- Maintain and join the creativity for solidarity among the employees.

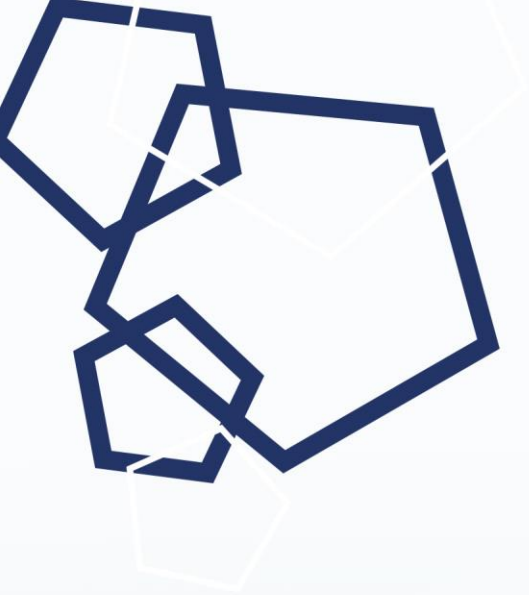
## 6.6 Corporate Governance and Business Ethics Revisions

The Company will regularly update its Corporate Governance and Business Ethics directives to ensure they remain appropriate and accord to international best practice.

## 6.7 Compliance with the Business Ethics

- The Company considers it to be a duty of every director, executive and staff to strictly comply with all policies and practices stated in this Business Ethics. This is neither voluntary nor can any corporate member claim he/she is not aware of these guidelines.
- Executives of all levels must be responsible for and consider it a priority to ensure that their subordinates truly learn, understand and comply with this Business Ethics.

Approved by the Board of Directors Meeting No.1/2023 held on February 22, 2023 and effective date on February 22, 2023



# Attachment 6

The Audit Committee's Report



### The Audit Committee's Report

To Shareholders

The Audit Committee of NCL International Logistics Public Company Limited ("the Company") consists of 4 Independent Directors, in the year 2022 had 5 meetings and the meeting details are as follow;

	Name	Position	Meeting attendance / total (times)
1.	Mr. Pongpun Kongkumnerd <sup>1</sup>	Chairman of the Audit Committee / Independent Director	5/5
2.	Ms. Chanyapat Wiphatthanananthakul	Audit Committee / Independent Director	5/5
3.	Adm. Surapong Amnucksoradeja	Audit Committee / Independent Director	5/5
4.	Mr. Somchai Kuvijitsuwan <sup>2</sup>	Audit Committee / Independent Director	4/5

Remark: <sup>1</sup> The audit committee with knowledge and experience in reviewing the financial statements of the Company

<sup>2</sup> The Board of Director's Meeting No.2/2022 held on 24 February 2022 was approved to appointment Mr. Somchai Kuvijitsuwan to be the Audit Committee effective from 24 February 2022 onward

Below are the highlights of deliberations in 2022:

1. Reviewed the quarterly and annual financial statements of the company with the auditor, Internal Audit, and management. Investigated and commented on repercussions on financial statements to ensure that the financial statements met with generally accepted accounting standards and adequate information disclosure to submission for approval of the Board. The Audit Committee is of opinion that the financial statements are accurate and complete with adequate disclosure of material information.
2. Reviewed the assessment of internal control system to ensure that the internal control and internal audit system were adequate and appropriate, including risk assessment, control activities, information system and communication and operation monitoring. The Committee is confident that there was no material flaw in the internal control system.
3. Reviewed the Company's operation to ensure compliance with the Securities and Exchange Act, rules stipulated by the Stock Exchange of Thailand and laws related to the Company's business.
4. The Audit Committee's meeting No. 1/2022 had considered and recommended the appointment of EY Office Company Limited as the Company's External Auditor and audit fee. The Committee is of opinion that EY Office Company Limited performed their tasks with independence and was qualified to audit the Company's financial statement to ensure accuracy and reliability with disclosure of material information and proposed to the Board of Director to approve.
5. Reviewed and commented on related party transactions and transactions that may constitute a conflict of interest to ensure complete information disclosure and compliance with rules and regulations stipulated by the Securities and Exchange Commission, the Stock Exchange of Thailand and other regulatory bodies with a view to ensure reasonableness and the Company's best interest. The Committee is confident that related party transactions were reasonable, fair, transparent, free of a material conflict of interest, and in the best interest of the Company.



6. Review of Good Corporate Governance, The Audit Committee reviews compliance with the code of conduct and corporate governance policy, laws on securities and securities exchange and other related laws.
7. Reviewed the performance of the Committee for the year 2021 by way of self-assessment and assessment by the Board. The assessment revealed that the Committee functioned at excellent level.

In 2022, the Audit Committee fulfilled its duties and responsibilities as assign by the Board of Director and be in line with the Audit Committee Charter.



(Mr. Pongpun Kongkumnerd)

Chairman of the Audit Committee



**บริษัท เอ็นซีแอล อินเตอร์เนชั่นแนล โลจิสติกส์ จำกัด (มหาชน)**  
**NCL INTERNATIONAL LOGISTICS PUBLIC COMPANY LIMITED**

56/9-10 ซอยสมเด็จพระเจ้าตากสิน 12/1  
แขวงบुकคโล เขตธนบุรี กรุงเทพฯ 10600  
56/9-10 Soi Somdejprachaotaksin 12/1  
Khwang Bukkhalo, Khet Thon Buri, Bangkok 10600

Tel : 02 4737330 - 40, 02 4737300  
Fax : 02 4737322 - 23, 02 4737374  
[www.nclthailand.com](http://www.nclthailand.com)  
[www.nclinter.com](http://www.nclinter.com)