

Netbay IR 02/2564

22 February 2021

Subject: Management Discussion and Analysis for the year 2020

To: The President The Stock Exchange of Thailand

Overview of Operating Results for the year 2020

Service income of Netbay Public Company Limited (“the Company”) and its subsidiary for the year ended 2020 was Baht 388.45 million, decreasing Baht 23.20 million or 5.46% from the year ended 2019. According to the Covid-19 virus outbreak caused many countries lockdown which seriously impacted to global business sectors and industries including import & export and Logistics Supply Chain that got affected from airport closures which made revenue of Logistics segment declines from slowdown in operation and shortage of containers during fiscal year. However, the company has introduced the Digital Platform to service other business sectors, increasing e-Business Services which made company’s performance steadily better in 2020.

Cost of services for the year ended 2020 was Baht 82.21 million, increasing Baht 1.43 million or 1.77% from the year ended 2019 since major cost of service were fixed cost such as cost of staff, depreciation and lease line service fee.

Service and administrative expenses for the year ended 2020 was Baht 152.80 million, decreasing Baht 7.59 million or 4.73% from the year ended 2019. The proportion of service and administrative expenses to total revenue from service was 39.34%, increase from last year (2019: 38.96%). The main reason are as follows:

1) The Company had set up allowance for doubtful debts amounting to Baht 4.98 million according to Thai Financial Reporting Standards (TFRS 9).

2) The company had Corporate Social Responsibility (CSR) project by collaborating with devotees to donate medical robots “Hapybot” to hospital to reduce the risk of medical personnel being exposed to the coronavirus, the expense amounting to Baht 5.66 million. Hapybots have been donated to 10 hospitals in Thailand.

Major expenses during the fourth quarter of the year 2020 are as follows:

1) The consulting fee relating to certification for ISO: 27701 Privacy Information Management.

- 2) The company had Corporate Social Responsibility (CSR) project by collaborating with devotees to donate medical robots "Hapybot" to hospital to reduce the risk of medical personnel being exposed to the coronavirus, the expense amounting to Baht 1.70 million. Hapybots have been donated to Yi-ngo hospital and two university-affiliated hospitals -Srinagarind hospital and Songklanagarind hospital.

In addition, the Company and its subsidiary have adjusted the provision for long-term employee benefits according to the calculation of provision for long-term employee benefits as the result of annual discount rate, factor in the calculation, has changed. The company and subsidiary have decrease long-term employee benefits as a result. Provision for long-term employee benefits calculated by actuarial.

The company's net profit for the year ended 2020 was Baht 156.45 million, decreasing Baht 22.63 million or 12.64% from the year ended 2019. Net profit was negatively affected by COVID-19 impact and expenses as mentioned above.

As at December 31, 2020, the Company's total assets was Baht 609.41 million and total liabilities was Baht 144.50 million. Shareholders' equity amounted Baht 464.91 million, decreasing Baht 34.79 million from the end of year 2019 due to the increase in net operating profit during the year.

Debt to equity ratio as at December 31, 2020 was 0.31 (31 December 2019: 0.30). Book value per share was Baht 2.32 (31 December 2019: Baht 2.50 per share).

Please be informed accordingly.

Yours sincerely,



(Mr. Pichit Viwatrujirapong)

Chief Executive Officer

Netbay Public Company Limited