

FS 07/2017

11 May 2017

Subject: Notification of the capital increase and investment of the subsidiary

To: Director and President

The Stock Exchange of Thailand

Forth Smart Service Public Company Limited (“the Company”) would like to inform that the Meeting of the Board of Directors NO. 3/2017 held on 11 May 2017 passed the following resolutions.

- 1) To approve the Company’s purchase of additional shares of Forth Smart Trading Company Limited (“the subsidiary”). The subsidiary has approved to increase the registered capital from Baht 100,000,000 to 300,000,000. The capital raising at the amount of Baht 200,000,000 and will be divided into 20,000,000 ordinary shares with par value at Baht 10 per share. The Board of Directors has approved to purchase of additional shares in amount of Baht 200,000,000 represent 20,000,000 shares. The detail are as follow.

1. Transaction Date Within the Second quarter of 2017
2. Registered capital of Forth Smart Trading Company Limited

	Registered capital (Baht)	No. of shares (shares)	Par Value (Baht)
Before capital increase	100,000,000	10,000,000	10
After capital increase	300,000,000	30,000,000	10

3. Shareholding structure

Shareholders	Before capital increase		After capital increase	
	No. of shares (shares)	%	No. of shares (shares)	%
Forth smart service Pcl.	9,997,000	99.97	29,997,000	99.99
Mr. Pongchai Amatanon	1,000	0.01	1,000	0.003
Mrs. Rangsee Lerttripinyo	1,000	0.01	1,000	0.003
Mr. Kaelic Amatanon	1,000	0.01	1,000	0.003
Total	10,000,000	100.00	30,000,000	100.00

4. Source of fund Working capital of the Company
 5. Purpose of investment
 - 1) To invest in operating assets such as weighing scales and RO vending machines.
 - 2) To invest in new subsidiary of Forth Smart Trading Co., Ltd.
 - 3) To use as working capital of Forth Smart Trading Co., Ltd.
 6. Size of transaction 5.97% based on total value of consideration paid which has the highest value compared to other criteria.
- 2) To approve the investment of new subsidiary of Forth Smart Trading Company Limited (“the subsidiary”). The details are as follows;

Detail of the company:

Name of the company	Forth Smart Digital Company Limited
Transaction Date/Month/Year	Within the Second quarter of 2017
Type of business	To operate e-commerce business, a trading platform for buying and selling products by multiple third parties.
Initial capital	Baht 100 million (10,000,000 ordinary shares with par value at Baht 10 per share).
Structure of shareholding	1. Forth Smart Trading Co., Ltd. holds 60% of shares. 2. 40% of shares, in the process of negotiating for a joint venture.
Investing value	Baht 60 million
The basis used to determine the value of consideration	A par value
Source of fund	Funding from Forth Smart Trading’s shareholders
Value of investment	1. To earn good financial return on the investment through dividend. 2. For business expansion of the Company.
Size of transaction	1.79% (calculated by total of value consideration basis)

In addition, the establishment of a new subsidiary of Fort Smart Trading Co., Ltd. is in progress. The Company will notify when the transaction was done.

The two transaction above were not considered as a material acquisition or disposition of assets according to the Notification of the Capital Market Supervisory Board No. Tor.Chor.20/2551 Re: Rules on entering into material transaction deemed as acquisition or disposal of assets and the Notification of the

Board of Governors of The Stock Exchange of Thailand Re: Re: Rules on Entering into Material Transaction Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of SET Re: Disclosure of Information of Listed Companies Concerning Acquisition or Disposal of Assets, 2004 as the size of the transaction was 7.76%, calculated by the criteria of the total of value consideration basis. Which was the highest criteria but still less than 15% (based on financial statement ended 31 March 2017). Nevertheless, calculation including other transaction occurring during a period of six months still less than 15%. Moreover, the transaction was not considered as a Related Party Transaction under the Notification of Capital Market Supervisory Board No. Tor.Chor. 21/2551 concerning the Connected Transaction and the Notification of the Board of Governors of SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, 2003. Because the counter party of the transaction was person/ juristic person who was not the connected person.

However, the transaction in 2) was joint venture with other company with a proportion of 10% or more of the paid-up capital of such company, the Company has to disclose information to the Stock Exchange of Thailand regarding to Rules, Conditions and Procedures of Information disclosure and Practice of Listed Company.

Please be informed accordingly.

Yours sincerely,

Forth Smart Service Public Company Limited

(Narongsak Lertsuptavee)

Assistant managing director