



Annual Report 2017

Forth Smart Service Public Company Limited



Annual Report 2017

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Financial Highlight

Financial Highlight (Unit : million Baht)

	2015	2016	2017
Total receipt amount through “Boonterm kiosk”	15,386	23,383	36,174
Total revenue from core business	1,547	2,245	3,105
Income from rendering of services through online top-up machines (Service Change) and income from rendering of top-up service for prepaid phone and other online service (Commission)	1,533	2,232	3,093
Gross profit	421	571	732
EBITDA	561	829	1,098
Net profit	272	420	543
Operating cash flows	629	773	1,106

Financial Statement (Unit : million Baht)

	2015	2016	2017
Total assets	2,237	3,185	4,260
Interest-bearing debt	135	906	1,506
Total Liabilities	1,220	2,002	2,926
Total shareholders's equity	1,017	1,183	1,334
Paid-up Capital	400	400	400

Financial Ratios

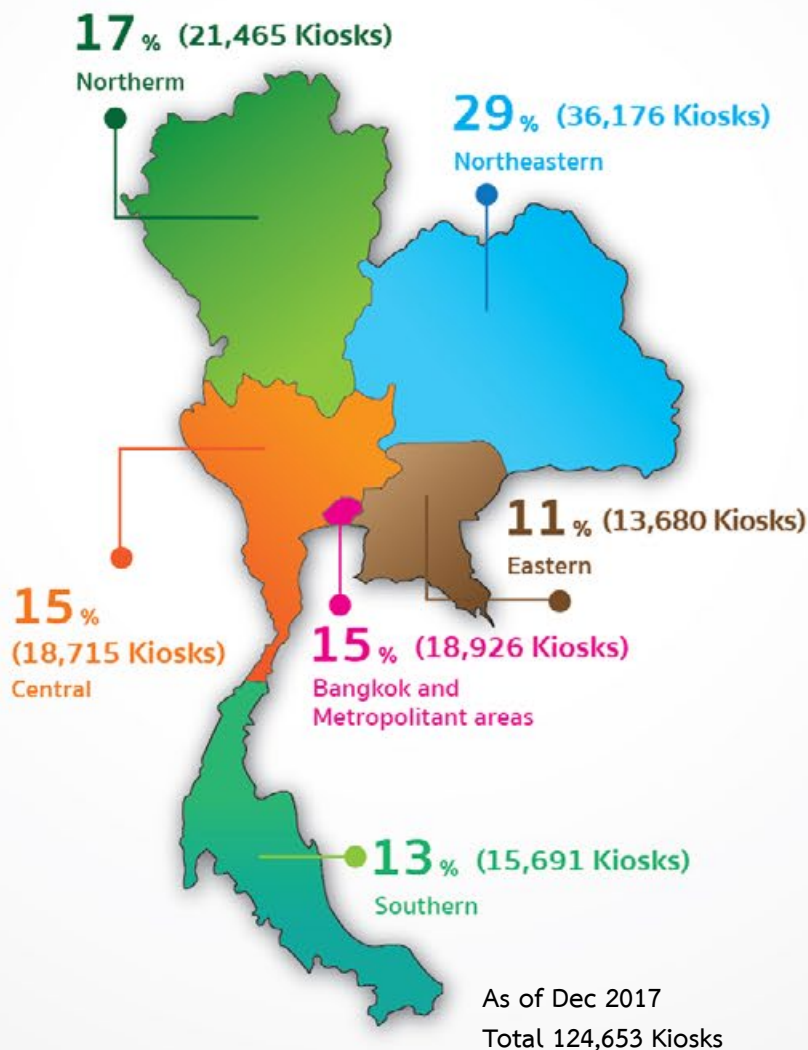
	2015	2016	2017
Gross Profit Margin (% of core business)	27.2%	25.4%	23.6%
EBITDA Margin (% of core business)	36.3%	36.9%	35.4%
Net profit margin (% of core business)	17.6%	18.7%	17.5%
ROA (%)	13.5%	15.5%	14.6%
ROE (%)	26.8%	38.2%	43.1%
Interest-bearing Debt : Equity (times)	0.1	0.8	1.1
Net Debt to Equity (times)	1.2	1.7	2.2
Net Debt to EBITDA (times)	2.2	2.4	2.7

“Boonterm kiosk”

	2015	2016	2017
No. of kiosks	65,867	92,082	124,653
Accumulated value of an investment (MB)	2,098	2,920	3,926
Daily average transactions (Transactions)	1,472,829	2,031,458	2,192,335

Business Highlight

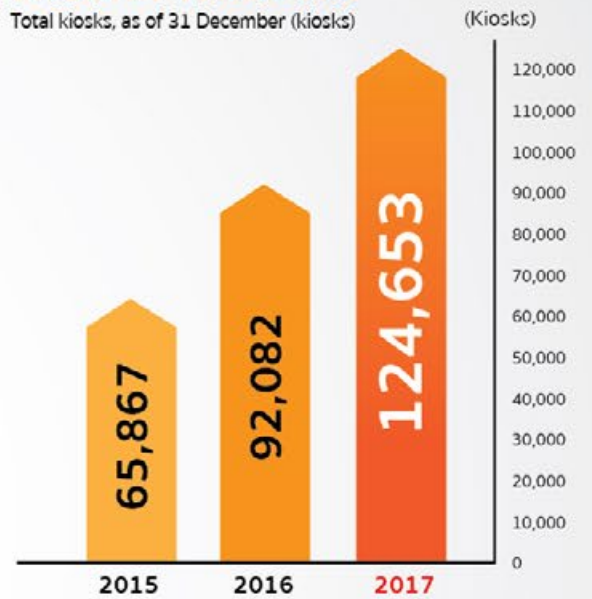
Boonterm kiosk network through master agents and business partners cover all areas nationwide



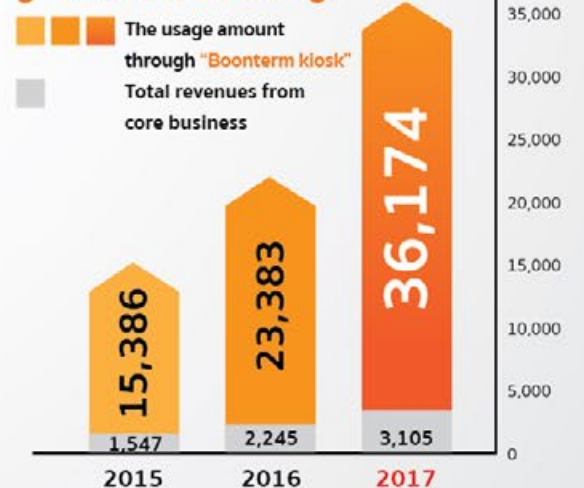
Online top-up machine provider

No.1 in Thailand

Total kiosks, as of 31 December (Kiosks)



The usage amount through "Boonterm kiosk" and total revenues from core business **grow continuously.**



"Boonterm" Network



Business partners





Message of the Chairman of Board of Directors

“In 2017, Forth Smart Service Public Company Limited (“FSMART”) has operated its business with commitment to maintain top position in online top-up kiosk under the brand” บมจ.บูธเอน์

Throughout 9 years of operation, FSMART has continuously developed products and services e.g. developing the potential of service agents who play the important role in the growth of Boonterm kiosk by organising the training for service agents to increase their administrative skills as well as adding new services on “Boonterm kiosk” in order to attract new customers and maintain existing customers. The Company has launched the promotional campaigns for the whole year. These strategies allowed FSMART to grow continuously as the number of kiosk has increased and covered all areas nationwide as well as increase the usage value.

FSMART had demonstrated intention and commitment to eradicate all forms of corruption. FSMART has joined Thailand’s Private Sector Collective Action Coalition against Corruption (CAC). The Company believes that conducting business with morality will result in sustainable growth and all stakeholders can trust that FSMART has conducted business with integrity, transparency, and accountability. Moreover, FSMART has committed to social responsibility by allowing people to make donation to various projects and foundations through Boonterm kiosk including Mirror Foundation, Foundation for Children with Disabilities, Soi Dog Foundation, etc. In previous year, FSMART, on behalf of all over customers, donated to flood victims in Southern Region and Northeastern Region, and Siriraj Hospital.

Finally, on behalf of Forth Smart Service Public Company Limited (“FSMART”), I would like to ensure all shareholders, investors, customers, business partners, as well as all executives and employees that FSMART will work under the good governance for the benefits of all stakeholders. The Company will continuously improve the quality of its products and services to create trust for all customers. Moreover, the Company will promote personnel development of its staffs and agents who are the important part of the business to have knowledge and expertise. The Company also focuses on benefits of the society so that FSMART can grow with success and sustainability as well as create stable return to all shareholders.



Mr. Pichit Nimkul
Chairman of the Board of Directors



Message of Chief Executive Officer

In 2017, Forth Smart Service Public Company Limited (“FSMART”) has grown continuously from an increase in the number of Boonterm kiosk nationwide. Moreover, the Company has developed new services that can be used through Boonterm kiosk to provide convenience for people with good quality services and reliability that has been widely trusted by people. Therefore, FSMART can maintain top position in term of the number of top-up kiosk and usage value

“The operating performance in 2017 could clearly reflect the growth of FSMART through expanding Boonterm network of more than 32,000 kiosks. This has boosted the total installation number of Boonterm kiosks to 124,653 nationwide with the usage amount through Boonterm of 36,000 million Baht.”



There are more than 25 million customers with the average transaction number of 2.2 million per day. Total revenue was more than 3,365 million Baht and net profit was 543 million Baht with the growth rate of 38.3% and 29.3% respectively. This reflects the commitment of FSMART to develop business strategies and foundation to satisfy diverse needs of customers with the rapid change of technology. Moreover, the Company also develops the competency of service agents in order to expand Boonterm kiosk as planned as well as to be able to manage the kiosk quickly and effectively to strengthen our business.

In 2017, FSMART has provided new services including payment for traffic fine, DTAC postpaid bill payment, payment for contribution to Social Security in accordance with Article 40, bill payment for Provincial Electricity Authority, online order for TVD MOMO, and purchase of LINE STICKER through Boonterm kiosk. These services received good feedback from customers and the number of transaction has increased continuously. Moreover, there were promotional campaigns for using Boonterm kiosk during the year.

In 2018, FSMART will focus on kiosk location. The goal is to increase the average revenue per unit (ARPU) for prepaid mobile top-up for at least 5% compared to 2017. Moreover, the Company sets the goal to install 20,000 kiosks. The Company also set the target of usage amount of Boonterm kiosk of at least 20% compared to 2017 by launching new services including bus ticket payment, utility bills payment, buying insurance and other services. The Company will collaborate with 3 commercial banks including Siam Commercial Bank, Bangkok Bank and Bank of Ayudhya for money transfer service. The Company will expand to new customer base by launching E-wallet application on mobile under the brand “Be Wallet” with the target of 200,000 users. These services will help in expanding customer base and connecting all services to provide convenience to customers as well as FSMART will be able to create more value-added services in the future.

Finally, on behalf of the Chief Executive Officer, I would like to thank all shareholders, customers, business partners who always trust and support us. Moreover, I would like to thank all executives and employees

who have devoted their efforts. In 2018, FSMART will focus on developing its administration and operation to make progress and maintain its leading position in online top-up kiosk business.

A handwritten signature in black ink, appearing to read 'Pongchai Amatanon', written in a cursive style.

Mr. Pongchai Amatanon
Chief Executive Officer



Vision

The most convenient point of transactions

Mission

- ❖ To ensure successful transactions of customers via intelligent kiosks.
- ❖ To offer the most convenient and reliable services for people living in all communities.
- ❖ To ensure efficient and competitive cost of payment at all times.
- ❖ To provide and develop a wide range of services with greater quality and variety to serve different needs of customers.
- ❖ To create sustainable values among shareholders, customers, business partners, staff, and communal people.

Board of Directors



Mr. Pichit Nimkul

Chairman of the Board of Directors



Mr. Damrong Kaewprasit

Director
Independent Director
Chairman of Audit Committee
Chairman of Risk Management Committee



Mr. Boonchai Sowanwanichakul

Director
Independent Director
Audit Committee
Risk Management Committee



Admiral Kraisorn Chansuvanich

Director
Independent Director
Audit Committee
Chairman of Nomination and
Remuneration Committee



Pol.Lt.Gen Boriharn Siang-arom

Director
Independent Director
Nomination and Remuneration
Committee



Mr. Pongchai Amatanon

Director
Chief Executive Officer
Nomination and Remuneration Committee

Board of Directors



Mrs. Rangsee Lerttripinyo

Director
Executive Director



Mr. Somchai Soongswang

Director
Nomination and Remuneration Committee
Risk Management Committee
Executive Director
Managing Director



Mr. Siwaphant Ratanavirojwong

Director
Risk Management Committee

Management Team



Mr. Pongchai Amatanon

Director
Chief Executive Officer
Nomination and Remuneration Committee



Mrs. Rangsee Lerttripinyo

Director
Executive Director



Mr. Somchai Soongswang

Director
Nomination and Remuneration Committee
Risk Management Committee
Executive Director
Managing Director



Mr. Narongsak Lertsuptavee

Executive Director
Assistant Managing Director
Company Secretary



Ms. Rasinee Lerttripinyo

Executive Director
Sales and Marketing Director



Mr. Tnutpong Soisuwan

Business Development
Assistant Director



Ms. Rungrawee Bangkul

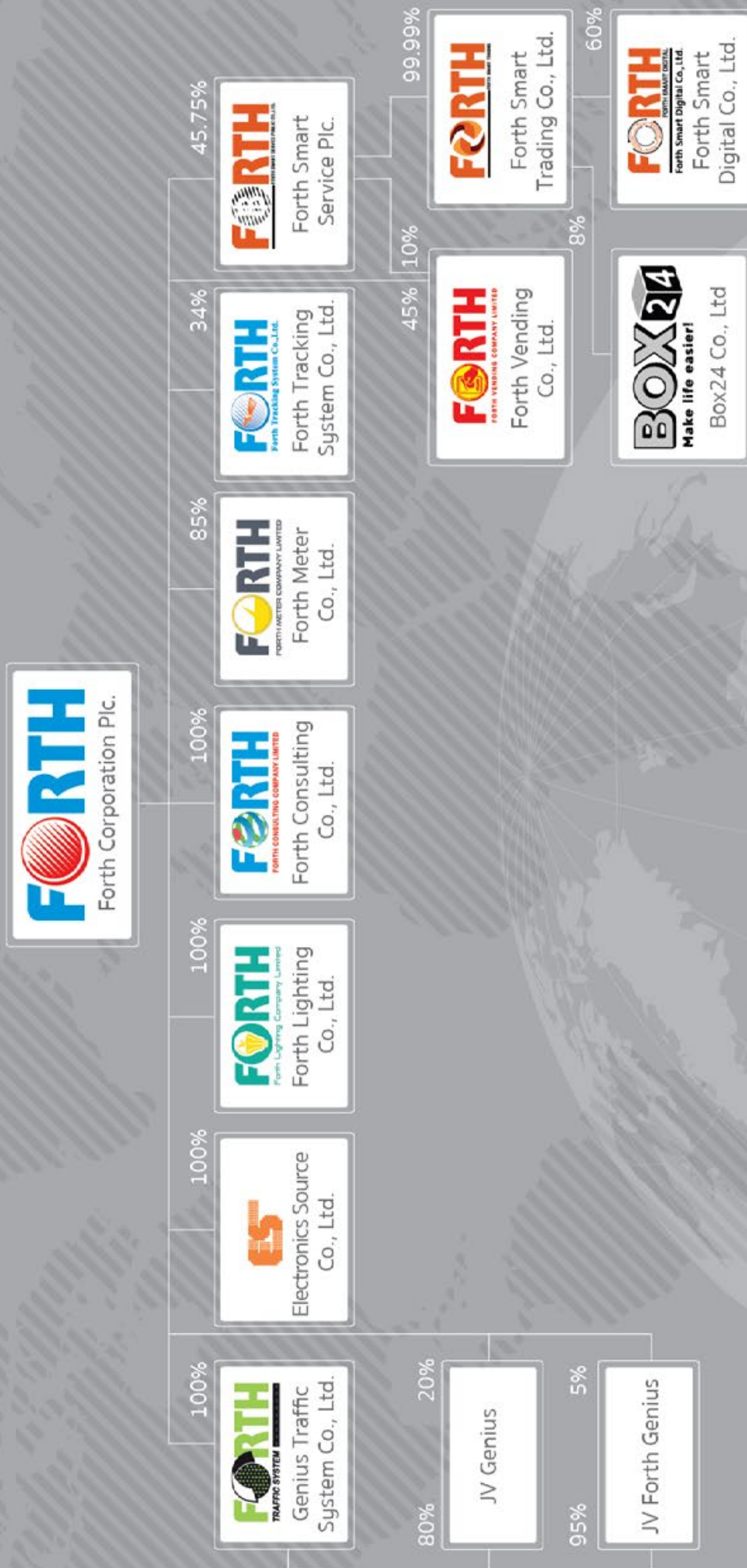
Senior Finance Manager



Mr. Sarawut Pacharoen

Senior Agent Service Manager

Shareholding Structure of the Group



បុណ្យព័ណ៌

supermarket, places of education, dormitories and industrial estate.

convenient on advice and solution 24 hours.

Products and Services

“Boonterm Kiosk” and “Boonterm Kiosk with Weighing Scale”

- ❖ Information verification in case of mal-function or wrong top up by simply calling to 1220, Boonterm customer service 24 hours.

- ❖ Kiosk does not give change. Credit balance will be kept with the number and can be used at any Boonterm kiosk nationwide within 1 year.

- ❖ Consist of over 70 services e.g. prepaid mobile top up of all network namely

money transfer, cash card, online game top up, internet package payment, horoscope service, bill payment for Provincial Electricity Authority, purchase of LINE STICKER and online top-up services in the future.

- ❖ The weighing scale is to be installed with Boonterm kiosk. It can calculate body mass index (BMI) and keep history of weighting.

- ❖ Support the mobile top up from small amount, starting at 10 Baht.

- ❖ 7” and 10” touch screen in which the information will be displayed in outstandingly vivid colors with clear vocal instructions.

- ❖ Can be operated in 4 languages namely Thai, English, Burmese and Cambodian to support diversified groups of customer. Boonterm will automatically select network for user to prevent wrong network selection.

- ❖ Can work efficiently with all types of coins and banknotes with an excellent operating system that can firmly and reliably identify fake coins and bills with an online upgrade system to support the new versions of coins and banknotes.

- ❖ The Battery Backup/Charger: the transaction can be done even when there is a power failure or blackout up to 4 hours.

- ❖ The IP Security is embedded to Boonterm kiosk to provide security for the system with the GPRS communication system same as the one of the ATM machine including the Real time alarming in case of problems.

- ❖ Anti-theft system in case that the kiosk is destroyed or lost, the anti-theft system will send warning signal to the service center to solve the problem.

- ❖ The Remote Upgrade system provided by the service center enhances other add-on services or future sale promotion.

- ❖ Operates with online systems that connect directly with servers of service providers, ensuring that the total number of transactions can be reviewed immediately and accurately.



“Boonterm Counter Service”

- ❖ Provides mobile top-up and bill payment services on top of those services available on Boonterm kiosk over 33 services. For example, utility bills: the Metro Electricity bill, the Provincial Electricity bill, the Metro Water bill, the Provincial Water, etc.
- ❖ The machine is portable and can conveniently be relocated. It is designed to provide convenient payment services for all customers.
- ❖ The touch-screen monitor has been designed to display various easy-to-use menus to ensure that servicing agents can understand and operate the system easily and quickly.

- ❖ The machine is equipped with an excellent data recording system that can print out backdated receipts for customers.
- ❖ The services have been performed via the company's operations center to ensure up-to-date data and efficient capacity of the software programs to satisfy all consumer needs consistently and appropriately.



“Water Vending and Top-Up Machine”

- ❖ Unveil 10-inch touch-screen monitor with outstandingly vivid colors and vocal narration for service instructions.
- ❖ Possess 2 pure water filtering systems including Reverse Osmosis and UV types.
- ❖ Possess a water dispenser installed inside the machine to prevent dirt from entering into the system and a water quality measurement system, in which the machine will stop functioning automatically if the quality of water is measured to be lower than the required standards.
- ❖ Can be operated in 4 languages including Thai, English, Burmese and Cambodian to support different demands of domestic and non-Thai customers living in various communities.
- ❖ Can work efficiently with all types of coins and bills with an excellent operating system that can firmly and reliably identify fake coins and bills.
- ❖ Provide more than 50 services, such as mobile phone top-up, various cash card top-up, online game money top-up, monthly bill payments, and more
 - ❖ Support the top-up for pre-paid mobile phone systems provided by different service providers including 1-2-call (AIS), HAPPY (DTAC), TRUEMOVE/TRUEMOVE H, CAT My and TOT3G.
 - ❖ Can be operated with online systems that can connect directly with servers of service providers, ensuring that the total number of transactions can be reviewed immediately.
 - ❖ 1220 call center to provide convenient on advice and solution 24 hours.
 - ❖ The Remote Upgrade system provided by the service center and anti-theft system as well as other new services to satisfy diverse needs of customers.
- ❖ Possess an excellent balance calculation system that facilitates customers in using the remaining amount of money for the next top-up available at all Boonterm Kiosks nationwide within 1 year.

New Services in 2017

At the end of 2017, Boonterm kiosk was providing many services of more than 70 applications and over 40 bill payment services through Boonterm Counter Service, to offer diversified and modern services to meet more customers' needs. With the online system, connecting the server directly with the mobile operators the service providers, this enables the Company to review the total of transaction promptly. The online managing system enables the Company to add or improve the service on Boonterm kiosk conveniently which is the difference from the analog machine that can only provide top-up service but cannot add other new services promptly.

Online order from TVD MOMO



This new service has just started since May 2017. People can purchase products of TVD MOMO using Boonterm kiosk. This service will provide convenience to customers who want to order for various goods including household appliance or kitchenware with free delivery service to their homes. The products in TVD MOMO has been selected with good quality and reasonable price. This collaboration receives good feedback from customers.

Bill payment for DTAC postpaid



The Company has been trusted by its business partner DTAC to be the payment agent for DTAC postpaid bill payment via Boonterm kiosk. This payment channel should provide more convenience to DTAC customers especially in provincial areas.

Purchase of LINE STICKER



People can purchase LINE STICKER with cash via 124,653 Boonterm kiosks nationwide. This allows people without credit card to purchase LINE STICKER with the starting price of 20 Baht. new stickers will be updated monthly to increase variety of choices for customers.

Bill payment for Provincial Electricity Authority



Provincial Electricity Authority bill payment provides convenience to people because they can pay the electricity bill for 24 hours and can pay the overdue bill. This service is very popular for people in provincial areas and the Company plans to expand payment services to other utilities.

Social Security contribution payment for insured person in accordance with Article 40



Boonterm with Social Security Office provide channel for Social Security contribution payment for insured person in accordance with Article 40 via Boonterm kiosk with over 120,000 kiosks nationwide especially for insured person who live in remote community or bank. The service is available from 1 November 2017

Services in Other Channels

Advertising Service via Boonterm kiosk network



The Company has added value to Boonterm kiosks installed nationwide by furthering the business to generate revenue from Advertising business. This is considered as one of the potential channel to gain revenue. Boonterm kiosk is another effective channel that can reach customer groups effectively e.g. customers in rural areas, factories or students in schools and universities all over the country etc. Besides, Boonterm kiosk can provides sales promotions to promote online store. However, FSMART has developed Boonterm kiosk with 10-inch touch screen, which can be displayed video with high resolution. This has made advertising on Boonterm kiosk more interesting.

Ticketing service through “House of Ticket” website



In 2017, Forth Smart Trading Company Limited which is a subsidiary of the Company with shareholding proportion of 99.99% and sells products and services related to Boonterm kiosk has provided online ticket reservation service for Samsung 10K Thailand Championship 2017 and Kao Pratubchang Trail 2017 (KPTC 2017) via www.houseofticket.com. There was good feedback from customers who reserve tickets because they can make payment for reservation via Boonterm kiosk.

E-wallet Application



The application is under the brand “BeWallet” and supports both iOS and Android. The users can do prepaid mobile top-up, other top-up services, utility bill payment, loan payment, credit card payment, payment for online shopping, and payment for vending machine. This application will support the new generation customers. The usage of smart phone has increased continuously, and this service can be built on to online payment through collaboration with other E-Commerce businesses to sell their goods via Boonterm Top-up Machine to generate more revenue than just being payment channel.

Services in Other Channels

Locker Service “Box24”



In 2017, Forth Smart Trading Company Limited which is a subsidiary of the Company with shareholding proportion of 99.99% was approved to acquire preferred shares of Box24 Company Limited. Box24 Company Limited provides locker services focusing on laundry service, express delivery service, delivery service for online shopping, and deposit service. The payment of service fees are done through application on smartphone.

Highlights of Marketing Activities in 2017

Sale Promotion



1. Point Redemption and Gold Prize

This has been a popular campaign for 3 consecutive years. Customers can collect point to redeem in prize at Boonterm kiosk under the campaign name of “Point Redemption and Gold Prize”. In 2017, the Company has offered a variety of attractive awards as well as customers can choose to redeem points for lucky draw for gold the value of 10,000 Baht every month. Moreover, the owner of Boonterm kiosk used by the customers who get the lucky draw will also receive the gold too.



2. Boonterm kiosk and LINE STICKER

This is a big campaign at the end of the year for customers who purchase LINE STICKER on Boonterm kiosk. Customers have the chance to win the motorcycle Honda Scoopy i for 20 awards with total value more than 1 million Baht. The list of customers who won the awards was announced on December 21, 2017. The campaign has received the superb response and the number of purchasing LINE STICKER on Boonterm kiosk has increased significantly.

Highlights of Marketing Activities in 2017

EVENT



1. Thailand Mobile Expo 2017

The Company has exhibited 4 times at Thailand Mobile Expo 2017. This aims to promote the brand recognition and awareness and allow attendees to use services of Boonterm. Moreover, Boonterm has introduced the new application under the brand “BeWallet” which is e-Wallet application with top-up services and other payment services. In the event, customers can download the application and register to get special privilege without any charge. There were many attendees who are interested in this activity.



2. Activities with Radio Channel

The Company has collaborated with Ratio Channel FM90 Look Thung Rak Thai and FM98 E-san Radio to organize the concert and various activities for target customers in different areas. These activities help to increase awareness of products and educate customer about the kiosk. Moreover, this helps to create good image for Boonterm. The activities focused on different target customers including communities and fresh markets under the activity name “Sa-Ma-Kom Mae-Baan Ta-Rad-Sod”, taxi drivers under the activity name “Ta-xi Sa-Mo-Sorn”, and industrial areas under the activity name “Chan-Ta-Na Cha-Cha-Cha”. Moreover, there was a big concert with FM98 E-san Radio with a very good response from target customers.

3. Celebration for 100,000 Boonterm Kiosk



The Company has organized the celebration for installing 100,000 Boonterm kiosks to confirm that the Company is the leader in payment service business with the largest network. Mr. Pongchai Amatanon, Chairman of Executive Committee, has the honor to celebrate this success with executives from business partners, service agents, and other officers from the Company on May 12, 2017.



Highlights of Marketing Activities in 2017

EVENT



4. mai FORUM 2017

On July 1, 2017, the Company has joined mai FORUM 2017. Mr. Somchai Soongswang, Managing Director, provided information to investors and answered their questions about the policy and operating plan of the Company. Moreover, the Company had a chance to introduce new products and services to customers.



5. Sport & Mobile Expo 2017 @CNX

Boonterm has collaborated with Dechchadanon Limited Partnership who is the service agent in Chiang Mai, Mae Hong Son, and Lamphun to exhibit in Sport & Mobile Expo 2017 at Chiang Mai International Exhibition and Convention Centre during August 19-27, 2017. In the event, Boonterm has introduced the application “BeWallet” to people in Chiang Mai to use with special privilege during 2-week period of the expo. There were many people who are interested in this activity.



6. Press Conference with BOT QR Code Standard

The Company has joined the press conference of using standard QR Code in payment system with Bank of Thailand. In the event, the Company has introduced the use of BeWallet and allow the attendees to try to purchase goods from vending machine using “BeWallet” as well as to use the service of EV Charger.



7. Boonterm Family Rally 2017 @ Kanchanaburi

Boonterm Family Rally has been organized continuously for 3 years. The rally has gone to Kanchanaburi during August 2-8, 2017 lead by the service agents in the area like Vtec Computer and Services Company Limited. There were many shops and locals who are interested to install Boonterm kiosk.

Highlights of Marketing Activities in 2017

EVENT



8. Boonterm celebrating Songkran Festival

Boonterm has celebrated the festival and Thai tradition on Songkran Festival by distributing 100,000 waterproof bags to people in 10 provinces including Bangkok, Chonburi, Samut Prakan, Nakhon Ratchasima, Khon Kaen, Udon Thani, Ubon Ratchathani, Chiangmai, Phuket, and Songkhla. The Company also set the teams to join with people in playing water during Songkran Festival to increase brand awareness of Boonterm.



9. Chulalongkorn International Business Case Competition : CIBCC

The Company joined as one case study in Chulalongkorn International Business Case Competition : CIBCC organized by Chulalongkorn University and other leading domestic and international universities. There are 14 universities from 10 countries who sent the team to participate in this competition. Mr. Somchai Soongswang, Managing Director, and Ms. Rasinee Lerttripinyo, Sales and Marketing Director, were invited as the judges in this competition with other judges who are expertise in business plan.



10. MONEY BANKING AWARDS 2017

Mr. Somchai Soongswang, Managing Director, is the representative of the Company to receive the award for Best Public Company of the Year 2017 for mai in MONEY & BANKING AWRADS 2017 organized by Money and Banking Magazine. The award was presented by Mr. Santi Viriyarungsarit, Group Editor of Money and Banking Magazine and Dr. Somkid Jatusripitak, Deputy Prime Minister, at Athenee Crystal Hall, Plaza Athenee Bangkok, A Royal Meridien Hotel.



11. The MOU for Social Security contribution payment for insured person in accordance with Article 40

The Company has signed the MOU for Social Security contribution payment for insured person in accordance with Article 40 via Boonterm kiosks. Mr. Pongchai Amatanon, the Chairman of the Executive Committee, has the honor to join the ceremony with Mr. Jarin Chakkaphark, Permanent Secretary of Ministry of Labour.

Corporate Social Responsibility in 2017

1. Flooding in Southern Region



The Company has delivered the amount of 1000,000 Baht donated from our customers via Boonterm kiosk and the contribution from the Company. Mr. Sarawut Pacharoen, Senior Agent Service Manager, is the representative of the Company to give the donation to help victims from flooding in Southern Region under Princess Pa Foundation, Thai Red Cross Society which was received by Mr. Kamphol Adulayasak, treasurer of the foundation, on February 20, 2017.

2. Flooding in Northeastern Region



The Company has joined with the service agents led by Future Network Limited Partnership to donate goods to help victims from flooding in Sakon Nakhon.



3. Siriraj Hospital

Ms. Worathan Nukul, Business Development Manager, and Mr. Santi Atthavanit, Senior Marketing Officer, are the representatives of the Company to donate 300,000 Baht from customers who redeemed points in the activity "Lucky Draw Campaign" as the contribution in construction of building of Siriraj Hospital which is received by Assoc. Prof. Visit Vamvanij, Director of Siriraj Hospital. Boonterm Top-up Machine is the channel for customers to jointly do activities for society.



4. Donation for Toilets

The Company has joined with Forth Corporation Public Company Limited to organize the activity to build the toilets for public use as well as give the scholarship and lunch for students in the school in Prachinburi by the executives and employees of the companies in Forth Corporation Group.

Activities for the Sustainable Growth



Master Agent Outing 2017 in Switzerland/Dubai

This year, the number of Boonterm kiosks reached the target. Therefore, the Company has taken the service agents to celebrate the success in 2 big trips which are “Boonterm-Pa-Fin Check-In Switzerland” and “Boonterm-Term-Suk Pa-Buk-Dubai” in November 2017. These events aim to thank the service agents as the part of success of installing more than 120,000 kiosks in 2017.



Industry Conditions and Competition

Mobile service market is still growing. Access to technology has increased significantly from nonvoice services. The trend of consumer behavior moves towards internet society using smart phone especially the popularity in the social network which expands steadily with the supporting factors of smart phones, tablets and other IT equipments that consumers can afford easily and the faster network developing as well as the more competition of mobile network providers which concentrate on the customers of the prepaid mobile service by launching campaign on discount or give out free mobile phones for the prepaid customers. This results in the steady growth of the prepaid mobile phone and it directly affects the growth of mobile top-up service business.

There are various ways to top-up mobile phone e.g. through the Refill On Mobile, E- Pin at the Convenient shop, the Scratch Card or the Top-up Kiosk etc. In the future, the use of Scratch Card will be lessened due to the production cost on the scratch card while the top-up kiosk will be more popular among customers of low income because they can top-up as low as 10 Baht and it is easy, convenient, fast and 24 hour service

At present, the business of online payment through automatic machine or top-up kiosk is more competitive due to the need of customers who want convenient and fast service. This enhances the increase in the number of top-up machines competitors in the market.

“ However, FSMART is still able to maintain the leader position in the market. In 2017, FSMART owned 22% of the market value of 133,000 million Baht. ”

This was higher than in 2016 with 16% of the market value of 137,000 million baht. Thus, considering the number of mobile phones in Thailand, at the end of 2017, there were 70.3 million pre-paid mobile phones of which 25 million numbers or 35% of the mobile phones, which grew from the year 2016, 23 million numbers. This means 32% out of the pre-paid phone numbers in Thailand had been topped up through Boonterm kiosks.

Barriers to entry

New comers who want to enter into the business of online top-up kiosk will have to face barriers. For example, economy of scale, capital requirement, brand loyalty, learning curve, server system and agent management etc. Boonterm had kiosks, the highest number of 124,653 kiosks, in Thailand with full coverage of network nationwide as well as diversified functions, effectiveness and accuracy of the system. Boonterm has the reliability on providing the financial services. For example, being the banking agent of Krungthai Bank and Kasikorn Bank which was approved by the Bank of Thailand. Boonterm is continuously developing new service and product to create barriers to entry to prevent new comers from entering the market e.g. Boonterm kiosk with 10-inch display with weighing scale, Boonterm counter service, Boonterm water vending and top-up machine and etc.



FSMART Direction in 2018

“Within 3 year (2018-2020), FSMART aims to get an average usage amount of not less than 20% per year (CAGR) with the target to expand the network of Boonterm kiosk of at least 20,000 kiosks per year”

As a leader in providing online payment through Boonterm kiosks with both the most coverage networks and the highest usage amount in Thailand, last year, FSMART had expanded the number of kiosk and boosted usage amount in accordance with the objectives. The new services and marketing activities held with reward redemption to return benefit to the customers (CRM) has enhanced Boonterm usage steadily. Besides, we also had an increase in market share from other mobile phone top-up channel which makes the usage amount jumped. Thus, in year 2017, the Company's operating results continued to grow strongly and to still follows the long-term goal of 3 years which is not less than the average growth of 20% per year (CAGR).

The Company expands its business using joint investment system. Thus, we focus on the importance of creating an eco-system balance in the business.

The Company aims to be the leader in providing full payment service by expanding to more community areas at village level to facilitate people in remote areas who are not convenient to travel for doing payment transactions. Moreover, the Company has the plan to increase the average revenue per unit using business strategies from 5 digital retail channels by continuously adding more products and services to increase variety of services and expand customer base for Boonterm kiosks. Moreover,



We concentrate on the development of products and services that make our customers benefit from the convenient use of Boonterm as well as the variety of services and the confident of our agents in the operation

system. For example, we provide seminars and workshops to improve management capabilities of the agents and we co-operate with Kasikorn Bank to release the credit loan for our agents. We offer free spare parts and maintenance support throughout the contract lifetime together with marketing and sales support. We make sure that the return of their investment is fair and appropriate as we aim for the sustainable growth of all parties.

In 2018, the Company targets to increase the average revenue per unit (ARPU) for prepaid mobile top-up at least 5% compared to 2017. Moreover, the Company aims to install 20,000 more of Boonterm kiosks and the number of Boonterm kiosk will be nearly 145,000 kiosks at the end of 2018. The Company also set the target growth rate of usage value for Boonterm kiosk of at least 20%. The Company will expand to new customer base by launching E-wallet application on smartphone under the brand “BeWallet” with the target 200,000 users.

the Company has developed the E-commerce platform to change the revenue structure.

The Company has expanded to the new platform like locker service. Forth Smart Trading Company Limited which is a subsidiary of the Company with shareholding proportion of 99.99% was approved to acquire preferred shares of Box 24 Company Limited providing locker service especially for laundry, express delivery, shopping online delivery, and deposit service. Customers can also make payment via E-Wallet application under the brand “BeWallet” that supports both iOS and Android as well as make payment for purchase goods from vending machines. Moreover, the Company is currently collaborating with Siam Commercial Bank, Bangkok Bank and Bank of Ayudhya to develop the money transfer service on Boonterm kiosks which is expected to launch within 2018. The Company is negotiating with banks to provide the services that can best satisfy customers' needs and serve the new generation customers. The increase of usage of smartphone is the opportunity for the Company to expand to online payment system. The Company will collaborate with leading E-commerce business to distribute their products via Boonterm kiosks which will help in generating more revenues for the Company.

Revenue Structure

Statement of comprehensive income	2015		2016		2017	
	Baht	%	Baht	%	Baht	%
Revenues						
Income from rendering of services through online top-up machines "Boonterm kiosk" (Service charge) ^{/1}	893,381,059	53.1%	1,264,074,527	52.1%	1,748,521,392	52.0%
Income from rendering of top-up service for prepaid phone and other online service (Commission) ^{/2}	639,685,309	38.0%	968,210,803	39.9%	1,344,873,563	40.0%
Entrance fee income ^{/3}	2,135,436	0.1%	87,124	0.0%	-	0.0%
Advertising income ^{/4}	11,740,612	0.7%	12,873,483	0.5%	11,544,846	0.3%
Total revenue from core business (4 items)	1,546,942,416	91.9%	2,245,245,937	92.5%	3,104,939,801	92.3%
Sales of goods ^{/5}	40,675,646	2.4%	48,402,213	2.0%	61,434,400	1.8%
Other income ^{/6}	96,343,813	100.0%	133,430,903	5.5%	198,186,219	5.9%
Total revenue	1,683,961,875	100.0%	2,427,079,053	100.0%	3,364,560,420	100.0%

Note:

- **Income from rendering of services through online top-up machines "Boonterm kiosk" (Service charge)** is service charge which the Company charges customers when making a transaction at Boonterm kiosk, for example, customers will pay service charge for 2 Baht when topping up for 10 Baht.
- **Income from rendering of top-up service for prepaid phone and other online service (Commission)** is commission that the Company receives from service operators.
- **Entrance fee income** is franchise fee that the Company charged from agents in form of business partner system.
- **Advertising income** is revenue from advertising on Boonterm kiosk such as digital ads on screen etc.
- **Sales of goods** such as income from selling materials apart from Boonterm kiosks, for example, tripod, cement pedestal, coin counter etc.
- **Other income** comprised warranty money of Boonterm kiosks (collected from agents), revenue from customers' credit top-ups because the machines are unable to give change. The revenue from customers' credit top-ups is recognised as income when customers' credit has remained unused for 1 year), revenue from unsuccessful money top-ups that were not able to be added in accordance with customer orders such (The revenue is recognised when the customer has not claimed a refund for more than 1 year.) interest income, etc.

Risk Factors

1. Operational Risks

1.1 Risk on the competition in the online top-up kiosk market

The pre-paid mobile top up business was highly competitive due to the increase of top-up kiosks and the need of the customers who want convenient, fast and accessible service. At present, the main top-up service operators are Boonterm, AJ, Singer, Kapook Topup and ATD etc. Thus, the Company aimed to differentiate services and create competitive advantage by modern payment service that could connect directly with the mobile operators and operators of other services. This enabled customers to do transaction fast and conveniently and review the data on transaction accurately. FSMART, leader in electronic payment operators, had provided diversified services and expanded more new services to respond to the need of the consumers e.g. payment for monthly telephone bill (post-paid), top up for e-Wallet, top up for cash cards, payment for utility bills, payment for products, money transfer service and other services etc.

Besides, FSMART also run business as a franchise model with master agents and business partners e.g. 7-Eleven, Family Mart, Lawson, Tesco Lotus, 108 Shop, The Mall Department Store, Tops Supermarket, CP Fresh Mart, TOT, MRT, the Transport Company Ltd., PTT, Esso, Susco, HomePro, Big C Mini etc. by installing Boonterm kiosks to provide service in the areas for customers to access the service conveniently, fast and cover all area in Thailand. Moreover, Boonterm also provided services in 4 languages: Thai, English, Burmese, and Cambodian to support diversified customers in all communities.

In 2017, FSMART had market share on the pre-paid mobile top-up service through Boonterm kiosk of 22% of total market value, which increased from 2016, which was 16% more. Thus, FSMART considered that the business was not affected by the business competition. The Company steadily developed and adjusted the strategy to run the business for keeping customer base and a business leader position by adding e-Payment and bill payment services according to the license approved by Bank of Thailand. In the third quarter of 2017, the Company has offered more services like purchase of LINE STICKER with cash via Boonterm kiosk. Moreover, in the fourth quarter, the Company had added the services for bill payment for Provincial Electricity Authority and payment for contribution to Social Security in accordance with Article 40 (1) and 40 (2). The system has been directly linked with Provincial Electricity Authority and Social Security Office. Therefore, the transactions can be completed and checked based on online real time. FSMART also provided other payments that responded to the customers' need of convenience and increased number of kiosk to cover in all regions of the country for enhancing more accessibility of customers of low and middle class.

1.2 Risk on customer behavior

Nowadays customers could select channels to top-up or paying which could be substitutive e.g. mobile top-up or other payments on mobile application, at convenient shops, scratch card or through ATM, etc. Thus, FSMART might have risk on the unpopular of Boonterm kiosk as now. If customers changed behavior or had other ways to respond to them better than topping up through the top-up kiosks.

However, FSMART was still confident that Boonterm could access the need of customers and respond to them conveniently. Besides, FSMART expected that there would be no change of consumer behavior in the near future due to the features of Boonterm such as the micro transaction with the minimum top-up of 10 Baht that responded well to the customers' behavior. The number of service points has increased continuously with the highest coverage in

the country. Customers can do top-up transactions 24-hour every day. Boonterm kiosks are very effective for customers to use conveniently, quickly, and reliably with variety of modern services for more than 70 services available in 4 languages. There is also a call center with telephone number of 1220 with 24-hour service.

Moreover, in 2017, the Company has developed the new platform for online payment in form of e-Wallet under the brand “BeWallet Mobile Application” to support new customers with modern lifestyle who would like to do their own payment using Smart Mobile anywhere and anytime. The Company believes this group as the new target customers to expand its customer base.

1.3 Risk on change of technology

Since prepaid mobile top-up or other payment business relied on the technology, FSMART might have risk on the change of technology. Thus, FSMART had to develop technology on mobile top up as well as other services in Boonterm kiosk to be always up-to-date. Since the highlight of Boonterm kiosk is the online connecting technology that could connect all Boonterm kiosk network as well as adjust software to meet the need of consumers instantly including add or remove services in the Boonterm kiosk, for example, adding new services and removing unpopular ones from Boonterm kiosk. Since FSMART had its own IT developing team for improving the features and/or programs, this enhanced the fast and convenient in adding, improving and developing program as needed. These technology highlights of FSMART were factors that help lessen risks.

1.4 Risk on revenue of the mobile phone operators

The main income of FSMART related to the mobile network business covering revenue from commission on the pre-paid mobile top-up service which came from 3 main mobile operators; AIS, DTAC and TrueMove H. The revenue from these mobile operators was 96% of the commission that FSMART derived from all operators and it was 41% of the total revenues in 2017. Besides, FSMART also gained 82% of service charge from topping up through Boonterm kiosk or gained 46% of the total revenues in 2017.

Due to the significant relation with the mobile network business, if the mobile network operators had problems in their business and were unable to provide service or they cancelled the contracts with the Company from product and service payments through mobile phone, it would have effect on the total revenues of FSMART significantly. However, the 3 companies were the biggest mobile network operators in Thailand with secure financial position and were popular among consumers, thus, there will be little chance that problems would happen to their business and also they had assigned FSMART to be their agent in bill payment through mobile phone to expand their business steadily. This ensured that the chance for them to cancel the contract with FSMART was quite low as well.

In 2017, the Company has more proportion of revenues from other services beside its main revenue from mobile top-up service. The increase in revenue from other services from 2016 which could help for in reducing the risk of dependency on revenue from mobile phone operators.

1.5 Risk on relying on Master Agent and Business Partner

FSMART expanded the business by joining with the master agent and business partners to extend Boonterm kiosk service points to prime location which covered all area nationwide. On 31 December 2017, we installed 124,653 kiosks comprising:

- 1) Boonterm under the Franchise program of 102,476 kiosks or 82% of total kiosks
- 2) Boonterm co-managing with the business partners which were installed at 7-Eleven, Family Mart, Tesco Lotus, MRT and Big C Mini etc. of 22,177 kiosks or 18% of total kiosks.

The proportion of Boonterm kiosk number under the Franchise system had increased from the year of 2016 by 3% because FSMART had concentrated on improving the agents and developing location for more Boonterm kiosk service point management to respond to the need of customers steadily. This ensured FSMART on the managing through agents who had potential in increasing Boonterm kiosks service points which resulted in steady growth of usage amount.

However, on 31 December 2017, FSMART had 199 agents in all provinces of Thailand had a plan to prevent risk on agents' contract termination, which might result in contract cancellation. FSMART had program to visit and evaluate the agents in each area including the annual training program to equip them for business running and developing as well as to decrease risks that might happen in case that the agents' managing of Boonterm kiosk did not meet the criteria covering the prime locations suitable for installing Boonterm kiosk, maintenance for 24 hour service. FSMART provided consulting program for agents to manage revenue from Boonterm kiosk efficiently so that they could join business with FSMART in the long run.

For business partners, FSMART still kept close communication with them in order to build understanding for agreement on suitable and steady return of the business. Thus, risk on this factor was quite low.

2. Risk on Business Operating Assets

2.1 Risk on purchasing online top-up machines or Boonterm kiosks from the Parent Company

Forth Public Company Limited (FORTH), the Parent Company has operated business on manufacturing and distributing telecommunication appliances and electronic circuit boards, assembling telecommunication circuit boards as well as supporting the manufacture of Boonterm kiosk that needed electronic circuit board and steadily purchasing equipment for FSMART. In 2017, FSMART had placed order to purchase Boonterm kiosks only from FORTH, FSMART's parent company.

For this, FSMART had established agreement on running the business of online top-up machines and on dealing by fair pricing which suited the business at not higher than the price that FSMART could find in general market with comparable specification and quality. Moreover, FSMART was eligible to supply online top-up machines from other manufacturers in case that they are cheaper than the ones manufactured by FORTH.

2.2 Risk on Loss and Damage of Boonterm Kiosks

Since FSMART had to have Boonterm kiosks as main asset in the business operating installed at the service point in many areas around the country for customers to use the 24-hour service, it might result in loss and damage of Boonterm kiosk. Thus, the Company had risks on Boonterm kiosk robbery and breaking

From the risks mentioned above, FSMART had developed and improved the security system of Boonterm kiosk steadily. At present FSMART has installed a security to prevent breaking or robbery by the sensor and siren which will activate alarm in case of breaking or smashing the machines. The security system will send alarm signal to Call Center. Besides, FSMART also required agents to the warranty money for loss by deducting money from the income that the agents would get each month to reserve for risk management on loss and damage of Boonterm kiosks.

3. Risk on Finance

3.1 Risk from relying on the fund from financial institutes

As of 31 December 2017, the Company had loan from financial institutions used in business operation. There is conditions in the loan agreement that the Company needs to maintain the level of financial ratios and the Company can meet the specified conditions.

Apart from that, FSMART also had risk on the fluctuations in interest rates due to the long-term loan from the financial institute since the loan was granted with the floating rate according to the current rate in the market. However, in 2017 FSMART had negotiated for fixed rate in order to decrease risk on the fluctuations in interest rates. Thus, risk on the fluctuations in interest rates had been in low level.

4. Risk on Management

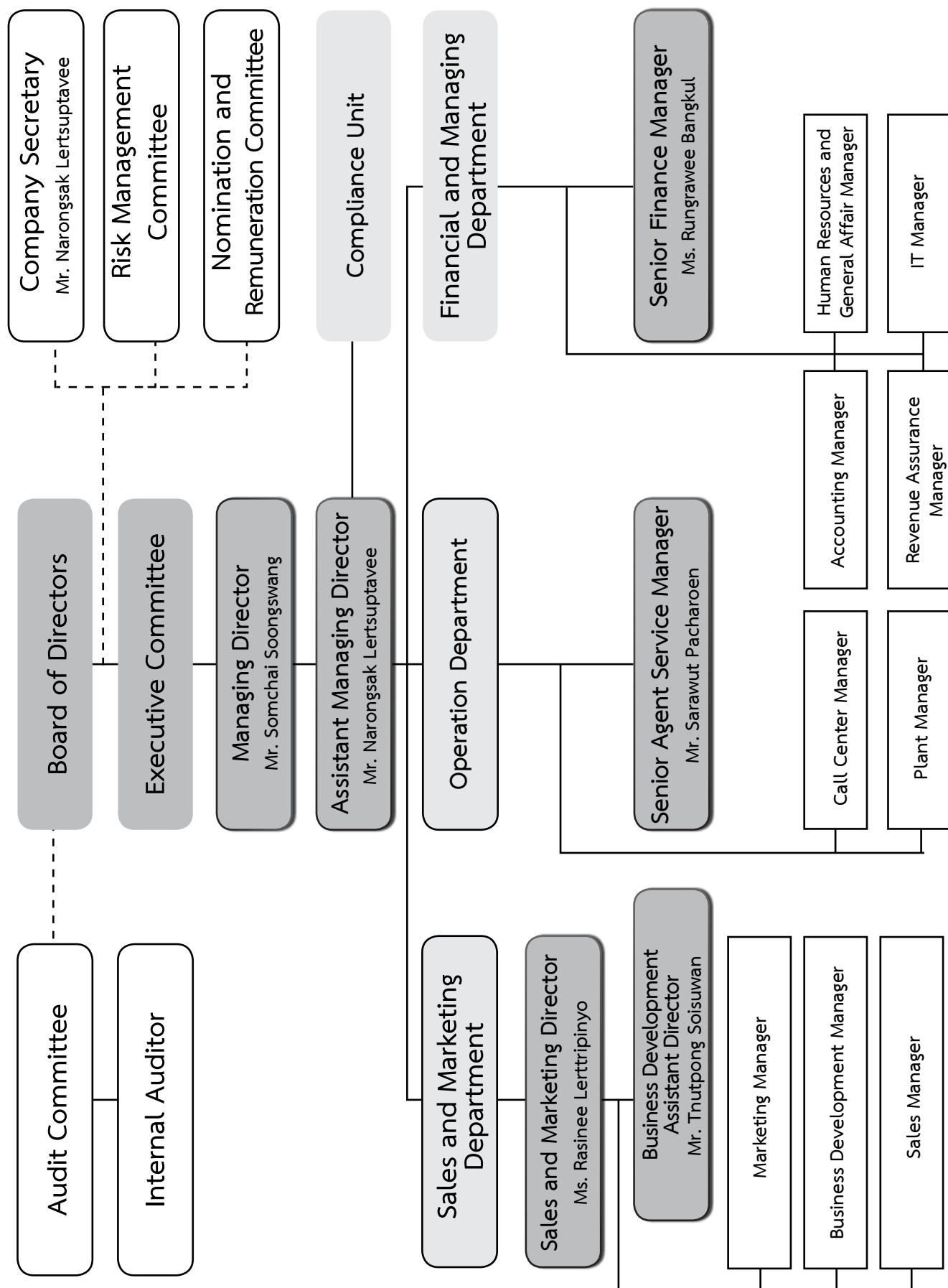
4.1 Risk on relying on the Main Director

Currently, the Company has risk of dependency on major executives in 2 parts as follows.

Part 1 is the risk of dependency on the director, Mr. Pongchai Amatanon who is the founder of the Company and is currently the director and Chairman of the Executive Committee. He has experience in this business for long time. He is visionary and is the one who determined the policy of the Company. Therefore, the Company has risk of dependency on this director. In order to decentralize of administration and reduce the risk of dependency, the Company has set the structure to appoint more directors who are expertise and well-experienced in business management. Moreover, the Company empowers the executives in different level to participate in decision making and determining the policy of the Company. With this decentralization and clear determination of authority, the executives will make decision based on their authority and the Company can reduce the risk of dependency on one director.

Part 2 is the risk of dependency on top executives who set the goals and strategies for the Company and lead the Company to achieve the goal and expand rapidly and effectively. Currently, the Company has the risk of dependency on top executives. In order to decentralize of administration and reduce the risk of dependency, the Company has set the structure to appoint more directors who are expertise and well-experienced in business management. Moreover, the Company empowers the executives in different level to participate in decision making and determining the policy of the Company. With this decentralization and clear determination of authority, the executives will make decision based on their authority and the Company can reduce the risk of dependency on directors.

Organization Chart



Board of Directors

Mr. Pichit Nimkul

Age 66 years

Chairman of the Board of Directors

Shareholding as of 20 December 2017

0.56% (Including spouse and immature children)

Family relationship between Executive Management

None

Education

MBA (Marketing), National Institute of Development Administration

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 51/2006

Position of listed companies in The Stock Exchange

2013 – Present Chairman of the Board of Directors,
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2005 – 2012 Managing Director,
Thai Agro Exchange Company Limited

2002 – 2005 President,
The Mall Shopping Complex Company Limited

Mr. Damrong Kaewprasit

Age 64 years

Director / Independent Director / Chairman of Audit Committee
/ Chairman of Risk Management Committee

Shareholding as of 20 December 2017

None

Family relationship between Executive Management

None

Education

MBA, Chulalongkorn University

BBA (Accounting), Rajamagala University of Technology

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 107/2014

Position of listed companies in The Stock Exchange

2017 – Present Director / Independent Director / Chairman
of Audit Committee /
Chairman of Risk Management Committee,
Forth Smart Service Public Company Limited

2016 – 2017 Director / Independent Director / Chairman
of Audit Committee / Chairman of Risk
Management Committee / Chairman of
Nomination and Remuneration Committee,
Forth Smart Service Public Company Limited

2013 – 2016 Director / Independent Director / Chairman
of Audit Committee / Chairman of Risk
Management Committee,
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2010 – 2013 Director/Managing Director,
KTB General Services Company Limited

2009 – 2009 Executive Vice President,
Krungthai Bank Public Company Limited

1994 – 2008 Senior Vice President,
Krungthai Bank Public Company Limited

Board of Directors

Mr. Boonchai Sowanwanichakul

Age 59 years

Director / Independent Director / Audit Committee /
Risk Management Committee

Shareholding as of 20 December 2017

None

Family relationship between Executive Management

None

Education

B.Eng. (Computer Engineering), Chulalongkorn University

Training of Thai Institute of Directors (IOD) and other training

Director Certification Program (DCP) Class 90/2007

Audit Committee Program (ACP) Class 41/2012

Position of listed companies in The Stock Exchange

2017 – Present Director / Independent Director / Audit Committee/
Risk Management Committee,

Forth Smart Service Public Company Limited

2013 – 2017 Director/ Independent Director/ Audit Committee/

Nomination and Remuneration Committee,

Forth Smart Service Public Company Limited

2017 – Present Director, Eastern Power Group Public
Company Limited

Position of the other companies/ other institutions

2011 – Present Director, Krungthai Computer Services
Company Limited

Experiences

2007 – 2016 Subcommittee of information technology
development, Office of the National Anti-
Corruption Commission

2011 – 2016 Director, Provincial Electricity Authority

Admiral Kraisorn Chansuvanich

Age 62 years

Director / Independent Director / Audit Committee / Chairman
of Nomination and Remuneration Committee

Shareholding as of 20 December 2017

None

Family relationship between Executive Management

None

Education

Armed Forces Academies Preparatory School Batch 13

Naval War College, Batch 30

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 130/2016

Top executives program, Thailand Energy Academy, Batch 6

Top executives program, Capital Market Academy, Batch 14

National Defence College, the National Defence Course Class 51

Position of listed companies in The Stock Exchange

2017 – Present Director/Independent Director/Audit Committee

Chairman of Nomination and Remuneration
Committee,

Forth Smart Service Public Company Limited

2016 – 2017 Director/Independent Director/Audit Committee,

Forth Smart Service Public Company Limited

2015 – Present Consultant, CP All Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2014 – 2017 Member of the National Legislative Assembly

2014 – 2017 President of the Yacht Racing Association of
Thailand under the Royal patronage of His
Majesty the King

2015 – 2015 Director, Command Center for Combating Illegal Fishing

2014 – 2015 Member of the National Council for Peace and
Order (NCPO)

2014 – 2015 Commander-in-Chief, Royal Thai Navy

2013 – 2014 Assistant Commander-in-Chief, Royal Thai Navy

2012 – 2013 Special Advisor, Royal Thai Navy

2011 – 2012 Commandant, Royal Thai Naval Academy

2009 – 2011 Deputy Commandant, Royal Thai Naval Academy

2007 – 2009 Deputy Comptroller, Office of the Naval Comptroller

Board of Directors

Pol.Lt.Gen Boriham Siang-arom

Age 67 years

Director / Independent Director / Nomination and Remuneration Committee

Shareholding as of 20 December 2017

None

Family relationship between Executive Management

None

Education

M.H.D., Chulalongkorn University

M.P.A, National Institute of Development Administration

LL.B., Thammasat University

Training of Thai Institute of Directors (IOD) and other training

Director Certification Program (DCP) Class 122/2009

National Defence College, the Joint State – Private Sector Course Class 44

Top executives program, Capital Market Academy, Batch 14

Position of listed companies in The Stock Exchange

2017 – Present Director/Independent Director/ Nomination and Remuneration Committee,
Forth Smart Service Public Company Limited

2015 – 2017 Director/ Independent Director,
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

2015 – Present Secretary to the Committee on Agriculture and Cooperatives

The National Legislative Assembly

2015 – Present Screening Subcommittee and Business Development Subcommittee,
Mass Rapid Transit Authority of Thailand

Experiences

2016 – 2016 Chief Executive Officer, Premiere League (Thailand) Company Limited

2013 – 2014 Director, World Gas (Thailand) Company Limited

2011 - 2012 Assistant Police Commissioner-General of Royal Thai Police

2010 - 2011 Director,
PEA ENCOM International Company Limited

2010 – 2011 Town and Country Planning Board

2009 – 2011 Director, State Railway of Thailand

2008 – 2011 Commissioner of Inspector-General of Royal Thai Police

Mr. Pongchai Amatanon

Age 54 years

Director / Nomination and Remuneration Committee / Chief Executive Officer

Shareholding as of 20 December 2017

5.01% (Including spouse and immature children)

Family relationship between Executive Management

Mrs. Rangsee Lerttripinyo's younger sibling

Education

B.Eng., King Mongkut's Institute of Technology Ladkrabang

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 30/2004

National Defence College, the National Defence Course Class 58

Top executives program, Capital Market Academy, Batch 14

Position of listed companies in The Stock Exchange

2017 – Present Director/ Nomination and Remuneration Committee/ Chief Executive Officer,
Forth Smart Service Public Company Limited

2008 – 2017 Director/Chief Executive Officer,
Forth Smart Service Public Company Limited

2005 – Present Director/ Chief Executive Officer/
Risk Management Committee,
Forth Corporation Public Company Limited

Position of the other companies/ other institutions

2017 – Present Director, Box24 Company Limited

2016 – Present Director, Forth Smart Trading Company Limited

2015 – Present Director, Forth Vending Company Limited

2013 – Present Director, Forth Lighting Company Limited

2011 – Present Director, Forth Consulting Company Limited

2008 – Present Director, Electronic Source Company Limited

2002 – Present Director, Forth Tracking System Company Limited

2002 – Present Director, Forth Meter Company Limited

2002 – Present Director, Genius Traffic System Company Limited

Board of Directors

Mrs. Rangsee Lerttripinyo

Age 57 years

Director / Executive Director

Shareholding as of 20 December 2017

0.74%

Family relationship between Executive Management

Mr. Pongchai Amatanon's older sibling

Education

BBA, Ramkhamhaeng University

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 30/2004

Position of listed companies in The Stock Exchange

2017 – Present Director / Executive Director
Forth Smart Service Public Company Limited

2008 – 2017 Director/Nomination and Remuneration
Committee/Executive Director
Forth Smart Service Public Company Limited

2005 – Present Director /Senior Executive Vice President/
Nomination and Remuneration Committee/
Risk Management Committee
Forth Corporation Public Company Limited

Position of the other companies/ other institutions

2017 – Present Director, Forth Smart Digital Company Limited

2016 – Present Director, Forth Smart Trading Company Limited

2015 – Present Director, Forth Vending Company Limited

2013 – Present Director, Forth Lighting Company Limited

2011 – Present Director, Forth Consulting Company Limited

Mr. Somchai Soongswang

Age 51 years

Director/Nomination and Remuneration Committee/
Risk Management Committee/Executive Director/
Managing Director

Shareholding as of 20 December 2017

None

Family relationship between Executive Management

None

Education

MBA, City University, USA

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 107/2014

Position of listed companies in The Stock Exchange

2017 – Present Director/ Nomination and Remuneration
Committee/ Risk Management Committee/
Executive Director/ Managing Director,
Forth Smart Service Public Company Limited

2012 – 2017 Director/ Nomination and Remuneration
Committee/ Vice Chairman of Risk Management
Committee/ Executive Director/ Managing
Director,
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

2016 – Present Director, Forth Smart Trading Company Limited

Experiences

2011 – 2012 Chief Marketing Officer,
ARIP Public Company Limited

2007 – 2010 Country General Manager,
Hewlett-Packard (Thailand) Limited

Board of Directors

Mr. Siwaphant Ratanavirojwong

Age 54 years old

Director / Risk Management Committee

Shareholding as of 20 December 2017

1.50%

Family relationship between Executive Management

None

Education

LL.B., Ramkhamhaeng University

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 130/2016

Position of listed companies in The Stock Exchange

2017 – Present Director/ Risk Management Committee,
Forth Smart Service Public Company Limited

2016 – 2017 Director,
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2012 – 2016 Consultant, Forth Smart Service Public
Company Limited

Management Team

Mr. Pongchai Amatanon

Age 54 years

Director/Nomination and Remuneration Committee/ Chief Executive Officer

Shareholding as of 20 December 2017

5.01% (Including spouse and immature children)

Education

B.Eng., King Mongkut's Institute of Technology Ladkrabang

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 30/2004

National Defence College, the National Defence Course Class 58

Top executives program, Capital Market Academy, Batch 14

Position of listed companies in The Stock Exchange

2017 – Present Director/ Nomination and Remuneration Committee / Chief Executive Officer, Forth Smart Service Public Company Limited

2008 – 2017 Director/Chief Executive Officer, Forth Smart Service Public Company Limited

2005 – Present Director/ Chief Executive Officer/ Risk Management Committee, Forth Corporation Public Company Limited

Position of the other companies/ other institutions

2017 – Present Director, Box24 Company Limited

2016 – Present Director, Forth Smart Trading Company Limited

2015 – Present Director, Forth Vending Company Limited

2013 – Present Director, Forth Lighting Company Limited

2011 – Present Director, Forth Consulting Company Limited

2008 – Present Director, Electronic Source Company Limited

2002 – Present Director, Forth Trading System Company Limited

2002 – Present Director, Forth Meter Company Limited

2002 – Present Director, Genius Traffic System Company Limited

Mrs. Rangsee Lerttripinyo

Age 57 years

Director/ Executive Director

Shareholding as of 20 December 2017

0.74%

Education

BBA, Ramkhamhaeng University

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 30/2004

Position of listed companies in The Stock Exchange

2017 – Present Director / Executive Director Forth Smart Service Public Company Limited

2008 – 2017 Director/Nomination and Remuneration Committee/Executive Director Forth Smart Service Public Company Limited

2005 – Present Director /Senior Executive Vice President/ Nomination and Remuneration Committee/Risk Management Committee Forth Corporation Public Company Limited

Position of the other companies/ other institutions

2017 – Present Director, Forth Smart Digital Company Limited

2016 – Present Director, Forth Smart Trading Company Limited

2015 – Present Director, Forth Vending Company Limited

2013 – Present Director, Forth Lighting Company Limited

2011 – Present Director, Forth Consulting Company Limited

Management Team

Mr. Somchai Soongswang

Age 51 years

Director/ Nomination and Remuneration Committee/ Risk Management Committee/ Executive Director/ Managing Director

Shareholding as of 20 December 2017

None

Education

MBA, City University, USA

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 107/2014

Position of listed companies in The Stock Exchange

2017 – Present Director/ Nomination and Remuneration Committee/ Risk Management Committee/ Executive Director/ Managing Director, Forth Smart Service Public Company Limited

2012 – 2017 Director/ Nomination and Remuneration Committee/ Vice Chairman of Risk Management Committee/ Executive Director/ Managing Director, Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

2016 – Present Director, Forth Smart Trading Company Limited

Experiences

2011 – 2012 Chief Marketing Officer, ARIP Public Company Limited

2007 – 2010 Country General Manager, Hewlett-Packard (Thailand) Limited

Mr. Narongsak Lertsuptavee

Age 38 years

Executive Director / Assistant Managing Director / Company Secretary

Shareholding as of 20 December 2017

None

Education

M.Acc., Chulalongkorn University

Training of Thai Institute of Directors (IOD) and other training

Company Secretary Class 54/2013

Position of listed companies in The Stock Exchange

2013 – Present Executive Director / Assistant Managing Director / Company Secretary, Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

2017 – Present Director, Forth Smart Digital Company Limited

2016 – Present Director, Forth Smart Trading Company Limited

Experiences

2009 – 2012 Accounting Manager, Forth Corporation Public Company Limited

Management Team

Ms. Rasinee Lerttripinyo

Age 26 years

Executive Director / Sales and Marketing Director

Shareholding as of 20 December 2017

0.08%

Education

M.Sc. (Management, Organisations and Governance)

The London School of Economics and Political Science

B.Sc. (Accounting and Finance)

The London School of Economics and Political Science

Training of Thai Institute of Directors (IOD) and other training

Director Accreditation Program (DAP) Class 130/2016

Position of listed companies in The Stock Exchange

2016 – Present Sales and Marketing Director,
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

2014 – Present Director, Ravin Personnel Enhancement
Company Limited

Experiences

2005 – 2016 Marketing Manager, Forth Smart Service
Public Company Limited

Mr. Thutpong Soisuwan

Age 45 years

Business Development Assistant Director

Shareholding as of 20 December 2017

None

Education

Bachelor of Arts (Economics), Business Economics

University of the Thai Chamber of Commerce

Training of Thai Institute of Directors (IOD) and other training

None

Position of listed companies in The Stock Exchange

2017 – Present Business Development Assistant Director,
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2014 – 2017 Business Development Manager, Total Access
Communication Public Company Limited

2012 – 2014 Product Manager,
D Supreme Company Limited

Management Team

Mr. Sarawut Pacharoen

Age 37 years

Senior Agent Service Manager

Shareholding as of 20 December 2017

None

Education

B.Eng. (Telecommunications Engineering) King Mongkut's
Institute of Technology Ladkrabang

Training of Thai Institute of Directors (IOD)

None

Position of listed companies in The Stock Exchange

2013 – Present Senior Agent Service Manager
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2011 – 2013 RFO Engineer, Huawei Technologies
(Thailand) Company Limited
2010 – 2011 Senior Engineer, Ericsson (Thailand)
Company Limited

Ms. Rungrawee Bangkul

Age 39 years

Senior Finance Manager

Shareholding as of 20 December 2017

None

Education

MBA, Ramkhamhaeng University

Training of Thai Institute of Directors (IOD)

None

Position of listed companies in The Stock Exchange

2012 – Present Senior Finance Manager
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2011 – 2012 Accounting and Finance Manager, Hot Pot
Public Company Limited
2007 – 2010 Accounting Manager, Cencar Company
Limited

Management Structure

The Company's management structure comprises of Directors and Committees of 6 groups as follows:

- 1) Board of Directors
- 2) Executive Committee
- 3) Audit Committee
- 4) Nomination and Remuneration Committee¹
- 5) Risk Management Committee²
- 6) Purchase Committee

Note: ¹The meeting of the Board of Directors No. 3/2017 held on 11 May 2017, was approved the change of the Nomination and Remuneration Committee and the meeting of the Board of Directors No. 4/2017 held on 10 August 2017, was approved the change of the Nomination and Remuneration Committee to be qualified in accordance with the good corporate governance.

² The Meeting of the Board of Directors No. 3/2017 held on 11 May 2017, was approved the change of the former Risk Management Committee to be the risk management working team and appointed the new Risk Management Committee to be appropriate and to monitor the risk management of the Company effectively.

Details of each board are as follows:

Board of Directors

As of 31 December 2017, the Board of Directors consists of 9 people; 3 were executive directors which was 33.33% of the entire board, 6 were non-executive directors which was 66.67% of the entire board and 4 were independent directors which was 44.44% of the entire board as in the following list.

Name		Position	Date of appointment
1. Mr. Pichit	Nimkul	Chairman of the Board of Directors	1 October 2013
2. Mr. Damrong	Kaewprasit	Director/Independent Director	1 October 2013
3. Mr. Boonchai	Sowanwanichakul	Director/Independent Director	1 October 2013
4. Admiral Kraisorn	Chansuvanich	Director/Independent Director	8 April 2016
5. Pol.Lt.Gen.Boriharn	Siang-arom	Director/Independent Director	3 April 2015
6. Mr. Pongchai	Amatanon	Director/Chief Executive Officer	3 December 2008
7. Mrs. Rangsee	Lerttripinyo	Director/Executive Director	3 December 2008
8. Mr. Somchai	Soongswang	Director/Executive Director/Managing Director	1 October 2013
9. Mr. Siwaphant	Ratanavirojwong	Director	8 April 2016

All directors of the board were qualified as required in the Public Limited Companies Act and the Securities and Exchange Act with no prohibited characteristics regarding the laws and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

Authorized Directors

Any two of the following directors namely: Mr. Pongchai Amatanon, Mrs. Rangsee Lerttripinyo or Mr. Somchai Soongswang jointly signs with the Company's seal affixed.

The Scope of Authority and Duties of the Board of Directors

1. Performing duties according to the law, the Company's objectives and Articles of Association as well as the resolutions of the meeting of shareholders.
2. Considering and approving vision, mission, business policy, goals, operation plan, business strategies and annual budget.
3. Approving nominating of person who are qualified without unauthorized characteristics regarding the Public Limited Companies Act, B.E.2535 and the Securities and Exchange Act including notifications; rules and/or regulations relating to the directors' positions in case that the positions were vacant from other reasons except retirement.
4. Nominating executives from all directors of the Company and set scope of authority and responsibility of executives.
5. Nominating independent committee, audit committee and sub-committees by considering qualification and prohibited characteristics of independent directors and audit committee regarding the laws relating to the Securities and Exchange including notifications, rules and /or regulations relating to the Stock Exchange of Thailand (SET) or proposing the appointment in the shareholder's meeting for approval.
6. Considering to set and change the listing of directors authorized by the Company
7. Nominating other person for the management of the Company under the supervising of the Board of Directors or the authorizing by the Board and /or within the duration considered suitable by the Board, the authorizing can be cancelled revoked, changed, or edited.
8. Approving the transactions, acquisition or disposal of assets except the transactions that require approval from the shareholders' meeting. Thus, such approval has to correspond with the notifications, rules and /or regulations relating to the Stock Exchange of Thailand (SET).
9. Approving related transactions except the transactions that require approval from the shareholders' meeting. Thus, such approval has to correspond with the notifications, rules and /or regulations relating to the Stock Exchange of Thailand (SET).
10. Approving the interim dividend payment for shareholders when the Company gains profit enough to pay and report the payment to shareholders in the next meeting

The directors who have conflicts of interest or may be stakeholders are not entitled to vote on such matter.

Besides, the transactions in following cases required approval from the meeting of the Board of Directors and shareholders' meeting by the vote of not less than 3/4 of total votes of shareholders who attend the vote in the meeting.

- (A) The sale or transfer of all or some critical business of the Company to other parties
- (B) The purchase or acquisition of a private company or a public limited company to the Company
- (C) The contracting, editing, cancelling contracts on renting of all or some critical business of the Company, assignment to any other person to manage the business of the company or merging with another person for the purpose of sharing the loss and profits.
- (D) The amendment the Company's Memorandum or Articles of Association
- (E) To increase or reduce the registered capital of the Company
- (F) Company's dissolution
- (G) Issuance of debentures

(H) Merging and acquisition with other parties

(I) Any other duties assigned, namely the acquisition or disposal of property related items, etc., under the provisions of the Securities and Exchange Act and/or terms of the Stock Exchange of Thailand needs to be approved by the shareholders' meeting with a vote of the above.

All of the authorization of duties and responsibilities of Board of Directors of the Company may not be done in the manner that seems to authorize the Board of Directors or authorized person to approve a transaction in which that he or the person authorized may have conflicts of interest (as defined in the notification of the Securities and Exchange Commission) for the entire company.

Duties and Responsibilities of the Chairman of the Board of Directors

Roles of Chairman of the Board of Directors in addition to the above functions are as follows.

1. To chair in the meeting of the Board of Director
2. To cast a vote in case both sides of voters in the meeting of the Board of Directors are equal.
3. To call for meeting of the Board of Directors
4. To chair in the shareholders' meeting

The Executive Committee

As on 31 December 2017 the Executive Committee consists of 5 Executive Directors, all five by name are listed as following.

Name		Position
1. Mr. Pongchai	Amatanon	Chairman of Executive Committee
2. Mrs. Rangsee	Lerttripinyo	Executive Director
3. Mr. Somchai	Soongswang	Executive Director
4. Mr. Narongsak	Lertsuptavee	Executive Director
5. Ms. Rasinee	Lerttripinyo	Executive Director

The Scope and Authority of the Executive Committee

1. Planning for strategic policy on business operation of the Company in line with economic and competitive condition in level to propose to the Board of Directors for approval.
2. Supervisory controlling business operation of the Company regarding business plans, policies, including business strategy approved and determined by the Board of Directors
3. Proposing investment plans and/or funding of the company to the Board of Directors and/or shareholders for approval at the meeting.
4. Setting the policy, business plans and business strategy of the Company under the scope of objectives.
5. Approval of investment expenditure specified in the annual expenditure budget approved by the Board of Directors, or the Board of Directors has approved in principle.
6. Authorized to operate in trading, procurement, leasing, possession, ownership, improving, utilizing or otherwise dealing with any property, which includes a planned investment approved by the Board of Directors.
7. Authorized approval of assets purchases or any settlement resulting from the operation of the Company in accordance with the contract and/or agreement with the partner according to the details in the chart of authority determined by the Board of Directors within the limit authorized by the Board. The Executive

Committee is authorized to approve the purchase, employment, leasing, renting any property as well as any competent investment and implementation of any charges, which is essential to the operation of the company. The details are on the operating manual – the authority given by the Board of Directors.

8. Determining employee benefits in accordance with the conditions and economic status.
9. Other action to support the above action or as assigned by the Board of Directors in time to each.

The assignment of authority and responsibilities of the Committee above does not include the authority and / or delegate the approval of any of its authorized representative or the person who may have conflicts of interest, (as defined in the Notification of the Capital Market Supervisory Board) stakeholders or persons of interest in any other manner inconsistent with the Company. The approval of such items must be submitted to the Board of Directors and / or shareholders depending on cases to approve the transaction according to the Company's Articles of Association or relevant laws.

The Audit Committee

The tenure of the Audit Committee is 3 years per term. In this case, 1-year period means the period starting from the date of Annual General Meeting of Shareholder that the committee has been appointed to the date of Annual General Meeting of Shareholder in the following year. The Audit Committee whose term has expired can be nominated and appointed back for the new term.

The Audit Committee has to arrange the meeting at least once per quarter (4 times per year). The meeting agenda must be clearly specified and all documents related to the meeting agenda must be circulated to the Audit Committee and other attendees before the meeting so that the Audit Committee has time to consider all related issues or ask for additional information. The meeting agenda must cover all related issued determined by law and/or notifications from regulatory authorities and the issued assigned by the Board of Directors.

As of 31 December 2017, the Audit Committee comprised of three independent directors who qualify as defined by the Securities and Exchange Commission as listed below.

Name		Position
1. Mr. Damrong	Kaewprasit	Chairman of Audit Committee
2. Mr. Boonchai	Sowanwanichakul	Audit Committee
3. Admiral Kraisorn	Chansuvanich	Audit Committee

Mr. Damrong Kaewprasit, Chairman of the Audit Committee is knowledgeable and experienced enough to serve on the review of the reliability of financial statements.

The Scope of Authority and Duties of the Audit Committee

1. Reviewing and ensure that Company's financial reporting is accurate and adequate.
2. Reviewing the Company's internal Control system and Internal Audit is appropriate and effective by considering the independence of the internal audit function as well as to approve the appointment, transfer and dismissal of the head of internal audit unit or any other unit responsible for internal auditing.
3. Ensuring that the company has operated the business in compliance with the Securities and Exchange Act, terms of the Stock Exchange and laws relating to the Company's business.
4. Selecting and nominating the person who is independent to act as auditor of the Company and remunerate of such person including meeting with auditors without management in attendance at least once a year.

5. Considering the related transaction or transaction that may have a conflict of interest in accordance with the laws and terms of the Stock Exchange. This is to ensure that they are reasonable and of maximum benefit to the Company.
6. Preparing a report of the Audit Committee disclosure in the annual report of the Company. The reports must be signed by the Chairman of the Audit Committee, and contain at least the following details:
 - (a) Comments on the accuracy, completeness and reliability of the financial report of the Company.
 - (b) Comments on the adequacy of the internal control system of the Company.
 - (c) Comments on the implementation of the Securities and Exchange Act, terms of the Stock Exchange or laws relating to the Company's business.
 - (d) Comments on the appropriateness of the auditor.
 - (e) Comments on items that may have conflicts of interest.
 - (f) The number of Audit Committee meetings and the attendance of each Member of the Audit Committee.
 - (g) Comments or overall remarks by the Audit Committee derived from performing duties in accordance with the Audit Committee Charter.
 - (h) Other matters that shareholders and investors should know under the scope of duties and responsibilities as assigned by the Board of Directors.
7. Performing other duties as assigned by the Board of Directors and approved by the Audit Committee.

The Nomination and Remuneration Committee

The Meeting of the Board of Directors No. 3/2017 held on 11 May 2017, was approved the change of the Nomination and Remuneration Committee and the meeting of the Board of Directors No. 4/2017 held on 10 August 2017, was approved the change of the Nomination and Remuneration Committee to be appropriate and to monitor the risk management of the Company effectively. The tenure of the Nomination and Remuneration Committee is 3 years per term. The Company has determined the committee's qualifications as follows:

1. The committee must be directors, executives of the Company and/or experts and being appointed by the Board of Directors.
2. The committee comprises of at least 3 members and the number of independent directors must not be less than half of total number of committee.
3. The chairman of the Nomination and Remuneration Committee should be an independent director to be able to perform duties and provide opinions independently.

The Nomination and Remuneration Committee provide or request a meeting as it deems appropriate at least 1 time a year and has the authority to request more meeting as necessary as assigned by the Board of Directors.

As of 31 December 2017 the Nomination and Remuneration Committee comprises of 2 independent directors and 2 Executive Directors by name are listed as below:

Name	Position
1. Admiral Kraisorn Chansuvanich	Chairman of Nomination and Remuneration Committee/ Independent Director
2. Pol.Lt.Gen. Boriarn Siang-arom	Nomination and Remuneration Committee / Independent Director
3. Mr. Pongchai Amatanon	Nomination and Remuneration Committee / Executive Director
4. Mr. Somchai Soongswang	Nomination and Remuneration Committee / Executive Director

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

Recruitment

1. Defining rules and policies in nominating directors and committees by considering the appropriateness of the number of structure and composition of the Board of Directors and determining the qualifications of directors, for proposing to the Board of Directors and/or approval of the shareholders' meeting, as the case may be.
2. Recruiting and nominating persons for the Company's directors, sub-committees, top management and the Company Secretary to propose to the Board of Directors and/or shareholders for approval in the case of a vacancy due to term completed and other cases.
3. Performing any other nomination related duties assigned by the Board.

Remuneration

1. Proposing policy on return and guidelines for paying remuneration and other benefits for the directors in the Board of Directors, Committees and top management as appropriate to the duties, responsibilities in accordance with the Company's performance and the market condition
2. Determining necessary and appropriate remuneration both monetary and non-monetary for the Board of Directors individually in each year by considering the obligations, responsibilities, performance comparing with other companies in the similar business and the anticipated benefits to be proposed to the Board of Directors and the shareholders' meeting for approval.
3. Reporting the policies, reasons and principles in determining the remuneration of directors and management according to terms of the Stock Exchange of Thailand disclosed in the Company's annual registration statement (form 56-1) and the annual report.
4. Performing other actions relating to the remuneration assigned by the Board of Directors.

Risk Management Committee

The Meeting of the Board of Directors No. 3/2017 held on 11 May 2017, was approved the change of the former Risk Management Committee to be the risk management working team to work and report to the Board of Directors and appointed the new Risk Management Committee to be appropriate and to monitor the risk management of the Company effectively.

As of 31 December 2017, the company has the Risk Management Committee, comprised of 4 persons as follows:

Name		Position
1.	Mr. Damrong Kaewprasit	Chairman of Risk Management Committee/Independent Director
2.	Mr. Boonchai Sowanwanichakul	Risk Management Committee/Independent Director
3.	Mr. Somchai Soongswang	Risk Management Committee
4.	Mr. Siwaphant Ratanavirojwong	Risk Management Committee

The Scope of Authority and Duties of the Risk Management Committee

1. Considering the policy and structure in risk management process including framework and other related policies which all departments could determine their own risk management comply with law and regulation that may have the impact to operation of the Company.

2. Defining criteria, procedures and methods, action plan on risk management, all relating to business, including moderating risk management issues in important issues and determining the level of acceptable risk and prepare the risk management plan.
3. Encouraging, supporting corrective action follow-up auditing, supervising and monitoring risk management to be accomplished by the objective and policy.
4. Monitoring the progress of risk management and business continuity plan as well as crisis management.
5. Providing opinions and recommendation to solve the problems in risk management under the Policy Framework and the procedure in risk management in each area as well as report the results of risk management to Risk Management Committee, Audit Committee, and Board of Directors.
6. Having the authority to appoint the sub-committee or working team in risk management or appoint the person responsible for risk in each area to resolve or mitigate risks appropriately.
7. Considering the enterprise risks by dividing them into 6 categories as follows;
 - 1) Strategy risk
 - 2) Marketing risk
 - 3) Operational risk
 - 4) Financial risk
 - 5) Compliance risk
 - 6) Reputation risk
8. Considering the result of enterprise risk assessment done by the sub-committee or risk management working team or the persons responsible for risk in each area to implement the action plan as well as monitor and report the enterprise risk assessment to the Board of Directors

Purchase Committee

The Company has appointed the Purchase Committee to run purchase of online top-up machine (Boonterm kiosk) from Forth Corporation Public Company Limited (FORTH) with fair pricing and price comparing before leveling.

As of 31 December 2017, the Purchase Committee comprises of 3 persons as follows:

Name		Position
1.	Mr. Somchai Soongswang	Purchase Director
2.	Mr. Narongsak Lertsuptavee	Purchase Director
3.	Ms. Rasinee Lerttripinyo	Purchase Director

The Scope of Authority and Duties of the Purchase Committee

1. The Purchase Committee is the representatives of the Board of Directors.
2. The Purchase Committee is responsible for defining the specifications and pricing of the properties.
3. Considering and selecting products of quality and features, which are beneficial to the Company.
4. Considering the purchase price of the online top-up machine at a price that does not exceed the price that the Company can supply in the general market and the machines need to have qualifications and qualities that can compare with the one proposed by FORTH.

Management Team

As of 31 December 2017 according to the definition of the Securities and Exchange Commission, the Management of the Company comprises of 6 persons as following:

Name		Position
1. Mr. Somchai	Soongswang	Managing Director
2. Mr. Narongsak	Lertsuptavee	Assistant Managing Director
3. Ms. Rasinee	Lerttripinyo	Sales and Marketing Director
4. Mr. Thutpong	Soisuwan	Business Development Assistant Director
5. Mr. Sarawut	Pacharoen	Senior Agent Service Manager
6. Ms. Rungrawee	Bangkul	Senior Finance Manager

Note: Mr. Thutpong Soisuwan nominated as Business Development Assistant Director, effective on 13 December 2017

Duties and Responsibilities of Managing Director

1. Managing and supervising the normal business of the Company as well as authorizing executives or any other persons to proceed with normal daily operations of the Company.
2. Determining and supervising the overall operation in practice in level to adhere the policy of the Board of Directors and/or Executive Committee.
3. Acting as assigned by the Board of Directors and/or the Executive Committee.
4. Authorized for approval to purchase, rent or invest according to plans already approved, or to cancel the purchase, hire, renting, leasing, property sales, investment and settlement that are necessary for the operation of the Company, details are in the operating manual-the authority given by the Board of Directors.
5. Authorized to approve the purchase of a property or paying for the cost resulting from the operation of the Company according to the contracts and/or agreements with the partner as described in the operating manual-the authority given by the Board of Directors.
6. Considering the business strategy and the funding of the Company for proposal to the Board of Directors and / or the Executive Committee respectively.
7. Authorized to nominate, transfer, dismantle, dismiss, employment probation off as well as define award wage rate, salary raise and other compensation of all employees of the Company whose position is lower than the managers are.
8. Authorized to open and close various types of deposit accounts with banks and financial institutions to facilitate normal business operations of the company with the consideration for the benefit of the Company.
9. Requesting for approval of the appointment of various consulting services required for the operation of the Company through the Board of Directors.
10. Authorized with the power to issue commands, regulations, announcement, and memorandums in level to keep the operation in line with the policy and the Company's benefits and to maintain discipline within the organization.
11. Proposing management guidance for the consideration of the Board of Directors and the Executive Committee.
12. Concluding of the operation results for proposal to the Board of Directors and the Executive Committee.
13. Supervising the sales and marketing management, both within the country and abroad.

Both these delegation of duties and responsibilities of the Managing Director above, the Managing Director will need to comply with various requirements and agendas that were approved by the Board of Directors, and this will not include power and/or delegation of approval or any authorized person or a person who may have conflicts of interest (as defined in Notification of the Capital Market Supervisory Board) or have the interest or benefit in any other manner which conflicts with the Company, such approval must be proposed at the meeting of the Board of Directors and/or the shareholders' meeting (as the case may be) to approve all such transactions, according to the Company's Articles of Association or the relevant laws.

The Managing Director cannot do anything other than as noted above unless assigned by the Board of Directors from time to time. Additionally, delegation of authority in important matters, the authority is determined by the Board of Directors.

Company Secretary

The Board of Directors has appointed Mr. Narongsak Lertsuptavee as Company Secretary to take care of the activities of the Board of Directors and to make sure that the Board of Directors' performance to be in accordance with the Company's Articles of Association, as well as laws and regulations related. The scope of duties and responsibilities of Company Secretary are as follows:

1. Preparing and keeping the following documents:
 - (a) Registration of Directors
 - (b) Invitation letter and minutes of the Board of Directors' meeting and the Company's annual report.
 - (c) Invitation letter and minutes of the shareholders' meeting
2. Keeping the report of the interests of directors or executives and send a copy of such report to the Chairman of the Board of Directors and Chairman of Audit Committee within 7 working days from the date the company receives the report.
3. Setting filing system to preserve documents and evidences related to the display of the following information, including taking care to keep the document or proofs there of accurate, complete, and verifiable in a period of not less than 5 years from the date of the preparation of such documents or information.

Retention of documents and evidences mentioned include the preservation of the computer system or any other system that can be viewed without having to change the text.

 - (1) Providing information for decision making in the shareholders' meeting
 - (2) financial statements and the report on the financial status and results of operations of the Company, or any other report to be disclosed under Section 56, Section 57, Section 58 or section 199 in the Act of the Securities and Exchange.
 - (3) Opinion of the Company on the tender offer to purchase shares of the Company by the shareholders in General.
 - (4) Any other information or reports about the Company's activities to publicize to the shareholders or the general public as determined by the Capital Market Supervisory Board.
4. Other actions as determined by Capital Market Supervisory Board.
5. Any actions have to be done with caution, responsibility and integrity, as well as operating in accordance with law, objectives and the Company's Articles of Association, the resolutions of the Board of Directors and the shareholders' meeting and also cannot conduct anything to cause conflicts with the benefit of the Company significantly.

6. Acting with responsibility and caution, like a person with common sense on business like which to be act under the same circumstances, by.
 - (1) the decision to act with good faith belief and the reason that is for the best interests of the company.
 - (2) a decision made on the basis of information in good faith belief that it is sufficient and
 - (3) a decision made possible by being not the stakeholders either direct or indirect.

However, in the case of Company Secretary falls unable to perform his duties, the board needs to appoint a new Company Secretary within 90 days from the date when the former Company Secretary falls unable to perform his duties.

Compliance Unit

The Company has established a Compliance Unit with Mrs. Juthamas Mungmart as a Compliance Supervisor which serves the corporate governance rules and regulations, practices and operations to ensure compliance with the legal framework of the Company and to control, tracking and verifying security on IT systems in providing electronic payment service of the Company, a company that is licensed to operate electronic payment business, and as a professional under section.16 (9) in accordance with the relevant laws of the Electronic Transactions Commission of the Bank of Thailand (BOT) and the Anti-Money Laundering Office (AMLO), and as a company, registered in compliance with the relevant regulations of the Office of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), including the Public Limited Company Act and other laws related to the Company's business.

Nomination of Directors and Management

The composition and nomination of the Board of Directors

1. The Company's Board of Directors to conduct the business of the Company consists of at least 5 people and not less than half of all directors must be resident in the Kingdom. The directors of the Company must be qualified according to law and directors of the Company can be shareholders of the Company or not.
2. In the shareholders' meeting, directors are appointed according to the criteria and procedures as following:
 - 2.1 A shareholder has one vote per one share.
 - 2.2 Each shareholder's votes will be used on all existing requirements in item 2.1 for the election of one or several persons each shareholder votes will be used on all existing requirements 2.1 the election one or several persons to be directors. If many individuals are elected as directors, the vote cannot be split to anyone.
 - 2.3 The persons receiving the highest votes in descending level are to be elected as directors to complete the number of the Board. In case that the directors elected have equal votes that exceed the number of directors to be elected at that time, the Chairman shall have a casting vote.
3. In every Annual General Meeting of Shareholders, one third of the present Board members shall resign from the Board of Directors. If the number of directors cannot be divided into three straight parts, the number nearest to one-third of the directors shall resign and the directors who resign can be re-elected back in the Board again. In addition, the directors to resign from the Board in the first and second years after the registration of the Company shall take a lucky draw together. Subsequent years, the directors who have been longest in Board shall be the one to resign.
4. Any members to resign from the Board shall submit his resignation to the Company. Such resignation shall be effective from the date of his resignation to the Company.
5. The shareholders' meeting may pass a resolution to remove any directors to resign by the votes of not less than three-fourths (3/4) of the number of shareholders present and entitled to vote, with shares amounting to not less than one half of the number of shares held by the shareholders at the meeting and entitled to vote.
6. In cases, the position is vacant due to reasons other than retirement by rotation. The Board shall select a person who is qualified and not prohibited by the Public Limited Companies Act or the Securities and Exchange Act to be the director in the next meeting of the Board of Directors, unless the term of the vacant position is less than 2 months. Then the person to replace in the vacant position will hold position in the Board of Directors only for the remaining tenure and the resolution of the Board of directors pursuant to the first paragraph must consist of not less than 3/4 of the remaining directors.
7. The Board of Directors to appoint one person to be the Chairman and in cases that the Board deems it appropriate, they will choose one or more directors as Deputy-Chairman who has the duty according to regulations in the acts, which is assigned by the Chairman.

The composition and nomination of the Audit Committee

The Audit Committee of the Company shall be appointed by the Board of Directors and approved by the shareholders of the Company to be in the Board of Directors, and qualified by the Securities and Exchange Act, including the notification, rules and regulations of the Stock and Exchange of Thailand by not less than 3 persons in the Audit Committee. However, at least 1 person must have knowledge of accounting and finance. The Tenure of the Audit Committee is 3 years per term dating from the date of appointment. When the term is completed, if the

Board of Directors or the shareholders' meeting has not yet appointed the new Audit Committee, the ex-Audit Committee shall perform their duties until the Board of directors or the shareholders' meeting shall appoint the new one. The Audit Committee to be nominated shall be the independent directors with the following auditing qualification as follows:

Qualifications of the Independent Directors

1. The shareholdings must not exceed 1% of all votes of the Company, parent company, its subsidiaries, its associates, major shareholder, or authority of company. In order that, a number of shares that belongs to a person who is relate to independent director will be counted.
2. They must have never been a board of directors that associated with management, employees, staffs or counselors who get paid regularly or is authorized to control the Company, the parent company, its subsidiaries, its associates, same level subsidiaries, unless no conduct as above-mentioned more than 2 years before applying for permission to the Stock Exchange of Thailand and the office of the Securities and Exchange Commission.
3. They are not a person that is in the relations of cognate or legal registration with the status of father, mother, spouse, siblings and heir of the blood, including son-in-law of executives, major shareholders, authorities or a person who will be nominated to supervise the Company or subsidiaries.
4. They are not associated with the Company, parent company, its subsidiaries, its associates, major shareholder, or authority of company in terms of business relations and major shareholders or authorities concerning the intervention to liberty of thinking. They have never been the major shareholders or authorities of business relations with the Company, parent company, its subsidiaries, its associates, major shareholder, or authority of company, unless no association with behavior as above – mentioned more than 2 years before applying for permission to the Stock Exchange of Thailand and the office of the Securities and Exchange Commission.
5. They have never been an auditor of the Company, parent company, its subsidiaries, its associates, major shareholder, or authority of company and authorities, shareholders, partnership of Accounting firms, in case having auditor of the parent company, its subsidiaries, its associates, major shareholder, or authorities in the Company being under the main company, unless no conduct as above-mentioned more than 2 years before applying for permission to the Stock Exchange of Thailand and the office of the Securities and Exchange Commission.
6. They have never been a facilitator in and vacations and counselors in law and creditworthiness who gets paid for services more than two millions bath per year, from the Company, parent company, its subsidiaries, its associates, major shareholder, or authority of company and they have never been major shareholders, authorities of company without furtive shareholders, partnership of facilitator in any vacations, unless no association with behavior as above-mentioned more than / years before applying for permission to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission
7. Not being a director appointed as a representative of the Board of Directors, its major shareholder nor shareholders who are related to the major shareholders.
8. Not operate business of the same nature and of a significant competition with the Company's business nor its subsidiaries nor being partners in a partnership nor the director that associated with management, employee, staff, consultant, who received salary or holding more than 1% of the total number of shares eligible to vote of another company which operates business of the same nature as competition with the business of the Company or a subsidiary.

9. No conditions conduce towards disability of liberty of thinking concerning company's operation somehow.
10. Independent Director in qualifications as above mentioned, may be assigned to make a decision in operations for the Company, parent company, its subsidiaries, its associates and same level subsidiaries from committees in terms of collective decision.

Qualifications of the Audit Committee

1. Not a Committee delegated by the Board of Directors to make decide on the company's business operations, parent company, subsidiary, associated company, in the same level, major shareholder or corporate controller.
2. Not a director of the Company, subsidiaries or subsidiaries of the same level as only listed companies.
3. Knowledgeable and experienced enough to be able to act as the Audit Committee. It must have at least one member of the Audit Committee with sufficient knowledge and experience to be able to review the reliability of the financial statements.
4. To perform duty in the same manner as notified in the notification of the Stock Exchange of Thailand about qualifications and scopes of operations of the Audit Committee

The composition and nomination of the Executive Committee

The Executive Committee shall be the director and/or the management of the Company, which has been appointed by the Board of Directors and the number of the Executive Committee, is, as the Board of Directors deems appropriate. The Board of Directors shall appoint one executive director to be the Chairman of the Executive Director.

The composition and nomination of the Managing Director

Managing Director shall come from the nomination of the Executive Committee by selecting a person whose name is currently in the Executive Committee at the time of selection for the proposal to the Board of Directors to approve the appointment of the person being nominated as Managing Director.

The meeting of the Board of Directors and Audit Committee

Record of attendance of Directors and Audit Committee in the year 2017

Name			No. of Attendance/No. of all meetings	
			Board of Directors	Audit Committee
1.	Mr. Pichit	Nimkul	6/6	-
2.	Mr. Damrong	Kaewprasit	6/6	5/5
3.	Mr. Boonchai	Sowanwanichakul	6/6	5/5
4.	Admiral Kraisor	Chansuvanich ¹	6/6	5/5
5.	Pol.Lt.Gen.Boriharn	Siang-arom	4/6	-
6.	Mr. Pongchai	Amatanon	5/6	-
7.	Mrs. Rangsee	Lerttripinyo	6/6	-
8.	Mr. Somchai	Soongswang	6/6	-
9.	Mr. Siwaphant	Ratanavirojwong	6/6	-

The meeting of Sub-Committee

Record of attendance of the Risk Management Committee and the Nomination and Remuneration Committee in the year 2017

Name	No. of Attendance/No. of all meetings	
	Risk Management Committee	Nomination and Remuneration Committee
1. Mr. Damrong Kaewprasit	2/2	1/1
2. Mr. Boonchai Sowanwanichakul	2/2	-
3. Mr. Siwaphant Ratanavirojwong	2/2	-
4. Mr. Pongchai Amatanon	-	1/1
5. Mrs. Rangsee Lerttripinyo	-	1/1
6. Mr. Somchai Soongswang	2/2	1/1

Remuneration of Directors and Management

1. Monetary Remuneration

1) Remuneration for Board of Directors

The Annual General Meeting of Shareholders for the year 2017 on 31 March 2017 has approved the directors' remuneration for the year 2017 which are listed below.

Composition of Remuneration for Directors	2017
The meeting allowances	
Chairman of the Board of Directors	33,000 Baht / person / each attendance
Directors	22,000 Baht / person / each attendance
Chairman of the Audit Committee	49,500 Baht / person / each attendance
Audit Committee	46,200 Baht / person / each attendance

Note: The Annual General Meeting of Shareholders had defined the Remuneration for the Board for the year 2017 in the amount not exceeding 2.5 million baht.

1.1) Individual remuneration as a Director and Audit Committee

For the period from 1 January 2017 to 31 December 2017 and details are as follows:

Unit: Baht

Name			Board of Directors		Audit Committee	
			2016	2017	2016	2017
1.	Mr. Pichit	Nimkul	198,000	198,000	-	-
2.	Mr. Damrong	Kaewprasit	132,000	132,000	198,000	247,500
3.	Mr. Boonchai	Sowanwanichakul	132,000	132,000	184,800	231,000
4.	Admiral Kraisorn	Chansuvanich	88,000	132,000	138,600	231,000
5.	Pol.Lt.Gen.Boriarn	Siang-arom	132,000	88,000	-	-
6.	Mr. Pongchai	Amatanon	88,000	110,000	-	-
7.	Mrs. Rangsee	Lerttripinyo	132,000	132,000	-	-
8.	Mr. Somchai	Soongswang	132,000	132,000	-	-
9.	Mr.Siwapant	Ratanavirojwong	88,000	132,000	-	-
10.	Mrs. Nangnoi	Na Ranong	44,000	-	46,200	-
Total			1,166,000	1,188,000	567,600	709,500

1.2) Annual Gratuity

Annual Gratuity	2016	2017
Gratuity amount	1,000,000 Baht	1,000,000 Baht

Note: The Annual General Meeting of Shareholders had defined the Remuneration for the Annual Gratuity for the year 2017 in the amount not exceeding 1 million baht.

2) Remuneration for Sub-Committee

Unit: Baht

Name			Risk Management Committee		Nomination and Remuneration Committee	
			2016	2017	2016	2017
1.	Mr. Damrong	Kaewprasit	-	30,000	-	15,000
2.	Mr. Boonchai	Sowanwanichakul	-	20,000	-	-
3.	Mr. Pongchai	Amatanon	-	-	-	10,000
4.	Mrs. Rangsee	Lerttripinyo	-	-	-	10,000
5.	Mr. Somchai	Soongswang	-	20,000	-	10,000
6.	Mr. Siwapant	Ratanavirojwong	-	20,000	-	-
รวม			-	90,000	-	45,000

Note: The Board of Directors has resolved to appoint the new Risk Management Committee and the new Nomination and Remuneration Committee as details in the management structure.

3) Remuneration for Management

Remuneration for executives	2016		2017	
	No. of Executives (person)	Amount (Baht)	No. of Executives (person)	Amount (Baht)
Salary and Bonus	4	7,298,244	5	8,633,900.41

2. Non-monetary Remuneration

– None –

Remuneration for Auditor

1. Audit fee

The Company and its subsidiary paid audit fee in 2017 to the EY Office Limited and the details are as follow:

- Forth Smart Service Public Company Limited paid audit fee of 1,200,000 Baht.
- Forth Smart Trading Company Limited paid audit fee of 150,000 Baht.
- Forth Smart Digital Company Limited paid audit fee of 100,000 Baht.

2. Non-audit fee

The Company and its subsidiary paid another service including the audit of general control of IT system to follow conditions of the Bank of Thailand (BOT) to operate service of electronic money business, List C (6) of 720,000 Baht.

Shareholding Structure

As of 20 December 2017, Forth Smart Service Public Company Limited had Baht 400 million of registered share capital which were issued capital and paid-up capital, totally Baht 400 million divided into 800,000,000 ordinary shares with a par value of Baht 0.5 each.

Top 10 major shareholders of the Company as of 20 December 2017 as follows:

Rank	Major Shareholder	No. of Share	% Shares
1	Forth Corporation Public Company Limited	365,999,400	45.75%
2	Mr. Piliyarutch Phatrakittkasem	29,384,000	3.67%
3	Mr. Pongchai Amatanon ¹	26,674,640	3.33%
4	Mrs. Monthip Wittayakorn	15,604,700	1.95%
5	Mr. Somchai Akkadechsakul	15,100,000	1.89%
6	Thai NVDR Company Limited	13,870,125	1.73%
7	Mrs. Wantana Amatanon	13,408,960	1.68%
8	Mr. Siwaphant Ratanavirojwong	12,000,000	1.50%
9	Mr. Satit Vidayakorn by Denali Prestige Asset Management	9,182,370	1.15%
10	KGLFT	8,252,800	1.03%
	รวม	509,476,995	63.68%

Note ¹ Mr. Pongchai Amatanon including spouse and immature children

Source: Thailand Securities Depository Co., Ltd.

Major shareholders whose behavior can influence when determining policy or handling operation, are

1. **Forth Corporation Public Company Limited**, major shareholder of Forth Corporation Public Company Limited as follows:

Shareholder	No. of Share	% Shares
Amatanon Family	522,667,400	54.4%

- Note
- 1) Information at the latest book closing date as of 28 December 2017 (source: Thailand Securities Depository Co., Ltd.)
 - 2) Amatanon family includes Mr. Pongchai Amatanon (including spouse) holding 41.754%, Mrs. Rangsee Lerttripinyo holding 6.194%, Mr. Kaelic Amatanon holding 6.034%, Mr. Pattanan Amatanon holding 0.048%, Ms. Nisa Amatanon holding 0.017%, Mr. Atsila Amatanon holding 0.023%, Mr. Chawin Lerttripinyo holding 0.214%, Ms. Rasinee Lerttripinyo holding 0.156%, Mr. Sittichoke Amatanon holding 0.003%, Ms. Laksika Amatanon holding 0.002%.

2. **Amatanon family** includes Mr. Pongchai Amatanon (including spouse) holding 5.01%, Mrs. Rangsee Lerttripinyo holding 0.74%, Mr. Kaelic Amatanon holding 0.72%, Ms. Rasinee Lerttripinyo holding 0.08% and Ms. Nisa Amatanon holding 0.01%.

The Company's Dividend Policy

The Company has a policy to pay dividends to the shareholders at the rate of not less than 40% of the net profit after deduction of retained loss (if any) and any reserves according to the Company's articles of association or by law without any other necessities and such dividend payment has no significant effect on the Company's operation.

However, the dividend payment approval by the Board of Directors must be proposed to approve by the Shareholders' General Meeting except for an interim dividend payment. The Board of Directors has the right to approve an interim dividend payment and inform the next Shareholders' General Meeting.

	2015	2016	2017
Dividend per share ¹ (Baht)	0.28 Baht	0.42 Baht	0.55 Baht
Earnings per share (Baht)	0.34 Baht	0.53 Baht	0.68 Baht
Dividend payout ratio	82%	79%	81%
Total of shares (shares)	800,000,000 shares	800,000,000 shares	800,000,000 shares
Total dividend payment (Baht)	224,000,000 Baht	336,000,000 Baht	440,000,000 Baht

Note: ¹The Board of Directors resolved to propose the 2018 Annual General Meeting of Shareholders consider to approve a dividend payment for the year 2017 performance at Baht 0.55 per share in total to the 2018 Annual General Meeting of Shareholders for approval. In this regard, the Company already paid the first dividend payment to shareholders as an interim dividend at Baht 0.25 per share on 8 September 2017. Therefore, the second dividend payment will be at Baht 0.30 per share. However, giving such dividend payment right must be approved by the Annual General Meeting of Shareholders at 20 April 2018.

Corporate Governance

The Board of Directors recognizes that good governance is a critical factor for practicing to gain maximum benefit of shareholders and various groups of stakeholders and is fundamental in the success of business operations and to strengthen the organization for sustainable growth. Therefore, the Board of Directors has defined governance policy and code of business conduct under the good governance principles and taken them as conduct guidelines of good governance of the Stock Exchange of Thailand, which the Board of Directors, management team and the employees have accepted with implementation strictly and steadily in the year of 2017.

Section 1

Rights of Shareholders

The Board of Directors recognizes the importance of fundamental rights of shareholders by fairly establishing a principal into practice to shareholders in accordance with the law, such as the rights to buy, sell and transfer shares, right to receive dividends, the right to be informed by the Company, the right to attend in shareholder meetings, right to vote on various agenda, right to appoint a proxy to attend the meeting, the right to appoint the directors and the auditor, the right to express opinion and ask questions in the shareholders' meeting and the right to propose agenda and nominate directors in advance as possible and to ensure that shareholders are entitled to such right strictly and did not commit any violation or infringement upon the rights of shareholders.

1. Meeting of Shareholders

The Company held Annual General Meeting of Shareholders (AGM) of 2017 according to the regulations of the Stock Exchange of Thailand by following the guidelines to manage shareholders' meeting of the Office of the Securities and Exchange Commission (SEC).

Meeting Venue

According to the Company's Article of Association, the Company needs to have an AGM within 4 months dating from the end of the fiscal year. In the year 2017, the Company had held the AGM on Friday 31 March 2017 at 14.00 p.m. at Forth Smart Service Office Building 256, 7th floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok, which was a convenient place to travel of the shareholders and the meeting was opened for registration from 12.00 a.m.

Prior to the Meeting Date

To provide shareholders with adequate time to study the data, the Company had delivered the invitation including agenda and supporting documents for attendees to shareholders at least 7 days before the date of the shareholders' meeting. The document aims to help shareholders have sufficient information to consider voting on each meeting agenda and to support them to use their rights fully. The document contains information as following:

- Facts and reasons as well as opinions of the Board of Directors for each of the agenda items.
- Important information such as the history of the individual directors and the definition of an independent director for consideration in the agenda of the elected directors retire by rotation and the details of remuneration of directors and other committees. The Company had offered all forms of remuneration including meeting allowance, bonus / reward and other benefits to the shareholders for approval annually to consider and approve the directors' remuneration.
- Details of the meeting and proxy processes including a proxy form given to the independent directors and identified the shareholders' resolution on voting.

- The Company has stressed on the respecting for the rights of the shareholders. In the 2017 AGM, the Company has not added any agenda or change important data in the abrupt manner.
- The meeting invitation and supporting documents for shareholders were published in the Company's website, www.boonterm.com, before the meeting.

At the Meeting Date

The Company facilitates shareholders to attend the meeting and conducts the meeting transparently including creates friendly atmosphere for shareholders to ask questions and express their views completely by:

- Supporting the directors, top management, auditors to participate in shareholder's meeting to answer questions and acknowledge the opinions of shareholders. In the year 2017, there were 9 of the 9 directors attending the shareholders' meeting representing 100% of total number of directors.
- Conducting the AGM agenda by those listed in the invitation letter of the AGM.
- Providing equal opportunity to comment and to ask a question on each agenda item according to the agenda of the meeting. The Chairman of the meeting had, concentrated on and answered questions in all issues and had the meeting recorded completely. Chairman of the Board of Directors in the meeting time had allocated adequate time and conducted the meeting in appropriate and transparent actions by voting and concluding each meeting agenda.
- Providing the use of voting cards in all agenda for transparency and accountability by the vote counting. The Company will count one share for one vote and the majority votes will be considered resolution of the normal agenda. If the votes are equal, the Chairman of the meeting as an arbitrator would cast a vote on a shareholder base. The voting in a special agenda should be done in accordance with the Articles of Association of the Company or the laws and regulations of the relevant authorities designated.
- If any shareholders are stakeholders of in any agenda, the shareholders shall be prohibited to vote on the issue.
- Hiring an external legal consultant to inspect the result of the resolution and voting.

After the Meeting Date

In the year 2017, the Company had notified the resolution of the AGM through the Stock Exchange of Thailand within the next working day. The resolution specified the results of the voting on each agenda item. The minutes of the shareholders' meeting was sent with identified names of directors / management who attended the meeting together with the outcome of the vote, agreement, disagreement or abstaining from voting on each item on the agenda including the significant issues, shareholders' questions on each agenda and detailed explanation of the Board of Directors for the Stock Exchange of Thailand and the relevant authorities within 14 days dating from the day of the AGM and have them published on the Company's website, www.boonterm.com.

Section 2

Equitable Treatment of Shareholders

To build trust of shareholders, the Board of Directors and management team will ensure that that shareholders' money is appropriately spent since it is the key factor for the confidence on investing with the Company. The Board of directors shall ensure that shareholders are treated, and protect their basic rights equally as follows:

A. The right to appoint a proxy to attend the AGM and vote

Any shareholders who are unable to attend the meeting can use the proxy rights to appoint any other person or the independent directors of the company who the Company proposed as proxies to attend and vote for them. Shareholders shall be required to send proxy details plus a copy of identification card or passport or other identification documents, as defined by the Company prior to the date of the shareholders' meeting, where the Company has delivered the details of proxy and a proxy form along with the meeting invitation, or shareholders can download the form from the Company's website, www.boonterm.com.

B. The right to propose additional agenda

The Company offers opportunity for shareholders to propose other agenda in addition to the defined agenda of the AGM. Steps in proposing additional agenda are as follows:

- Deliver items to be included as the additional agenda, along with the reason, detailed facts and necessary information required in the form of proposing additional agenda of the general meeting of shareholders. Such forms can be downloaded from the Company's website, www.boonterm.com.
- The Company will verify the authentication of shareholder who requested to propose an additional agenda to the shareholder registrar on the register book closing date. The criterion of considering issues for the placement of additional meeting agenda is that it needs to be associated with the operation or may affect the Company's operations significantly. If the Board of Directors approves the proposed agenda, it will be included as an agenda proposed by shareholders. If it does not go through the approval of the Board of Directors, the Company shall notify the shareholders via the Company's website, www.boonterm.com.

C. The right to nominate a person to be appointed as Directors

Shareholders can nominate a person to be appointed as Directors. The Company reserves the right to consider individuals who meet the criteria given as follows:

- Properly qualified and not be prohibited according to the Public Limited Companies Act, the Securities and Exchange Act as well as the corporate governance of the Company.
- Have good education background and work experiences or other qualifications as required by the Company.
- Need to devote sufficient time and are fully dedicated to the best interests of the Company and is obliged to attend meetings regularly
- Do not hold board positions in listed companies more than 5 companies.

The Board of Directors will consider the selection of a qualified person to propose to the shareholders' meeting to consider a resolution but if the Board of Directors votes not to propose to the shareholders' meeting, those who have been nominated, will be proposed to the shareholders' meeting to consider, apart from the opinion of the Board of Directors, for the last resolution. The documents which must be attached with a shareholder to nominate persons include: (1) the form to propose persons for Director nomination, and (2) personal information of the person who has been nominated for directorship by attaching a certificate or letter of confirmation from a securities company/representative of which the owner must sign the consent, certify and send them by e-mail or registered mail to the Company within a period as determined by the Company.

D. Internal Data Protection

The Company has a policy to limit the use of inside information only to the specific group of executives from intermediate to senior level of the relevant department or the Company. Audited Financial statement will be

kept by the accounting manager. Other confidential information will be used for consultations with individual manager level and above only. The Company has a penalty for the person involved using inside information that causes the damage. In addition, the Company has assigned the directors and Executives to report on shareholding of the Company to the Office of the Securities and Exchange Commission.

E. Supervision of Internal Securities trading

The Company has a policy of not letting employees, executives and staff who deals with statements or other information that affect the price of securities of the Companies disclose those information to outsiders or others who are not involved and prohibited them not to perform securities trading in the duration of 1 month before financial statement or other information which may affect the price of securities of the Company are publicly published. The Company has a penalty for the persons involved in using internal information to speculate the price of securities of the Company.

In addition, directors and executives must report changes in holding of the Company's securities to the Office of the Securities and Exchange Commission under section 59 of the Securities and Exchange Act, B.E.2535 that defines the penalties Act and acknowledge the defined penalties according to the Securities and Exchange, B.E.2535, including changes to securities holding by the spouse and underage children. The directors and executives must submit a copy of report to the Company Secretary on the same day that the Company reported to the Office of Securities and Exchange Commission, which requires notification within 3 working days.

F. Investor Relations

The Company has an Investor Relations Unit with a specific objective responsible for the investor relations works by setting plans, activities and dissemination of information to the shareholders of the Company, investors, analysts and the media to promote the image and credibility of the Company's operations, where relevant be contacted by the following details:

Investor Relations

256 Phaholyothin Rd., Samsennai,
Phayathai, Bangkok 10400
Tel: 02-278-1777 Ext.1224
E-mail: investor@forthsmart.co.th

In addition, the Company has assigned the moment abstaining from communicating with analysts and investors or the Quiet Period to provide information about the Company's financial results covering the news, and financial disclosure to the public of both the management and the investor relations officer in 14 days prior to the announcement of the quarterly and yearly operation results to avoid giving information that is not fair that may lead to a negative impact on the price of securities of the Company.

Section 3

Roles of Stakeholders

The Board of Directors should establish a policy to ensure each group of stakeholders is treated in regard of the rights of such stakeholders as defined by the law or pursuant to an agreement with the Company. It should not take any actions that infringes the rights of other stakeholders and should define compensation measures in case that the stakeholders are damaged from such infringe.

The Company has given rights and importance to stakeholders in all groups, including shareholders, employees, customers, competitors, partners, creditors and societies with the aim to treat stakeholders in all groups as follows:

Respect for the law and human rights.

The Company respects the laws, culture, traditions and international human rights principles in all areas of business operation, without violating but follows them consistently. The directors, executives and employees must respect the rights of stakeholders equally without privacy violation as well as respect their honor and dignity with no-discrimination in education, nationality, religion, gender, and rank. Thus, in the year of 2017 the Company had not got any complaints on the violation of the principles of human rights at all.

Shareholders

The Companies regards the maximum interests of the shareholders with the aims to operate the business for stable and sustainable growth, ready for increasing the competitiveness and risk management in order to add value to the Company in the long term. The shareholders ' rights are listed in Chapter 1.

Employees

The Company considers human resources as the most valuable asset who has a privacy right and the right to be protected from privacy violation including the right to be treated and given the opportunity equally. The Company has given priority to the remuneration, welfare and safety of employees according to the following details.

Compensation of Employees

The Company aims to maintain employee compensation fairly along with their obligations and responsibilities assigned. Our compensation can compete with others in the labor market. Every year the employee is entitled to receive special compensation (bonus), which is determined by the performance of the employees and the annual company's profit. Apart from this, the employees are entitled to get increased compensation every year depending on their performance regarding the Key performance indicators (KPIs).

Welfare of the employees

1. Accident insurance
2. Life insurance and health insurance
3. Provident Fund, Social Security Fund.
4. Financial aid in case of death of employee, father, mother, wife, son or daughter.
5. Uniform
6. Annual party, annual provincial tourism and annual sport event
7. Welfare loans, namely the housing loan

The average hour of employees' training per year

The Company has focused on developing the knowledge and potential of employees. In 2017, the Company has trained 270 staffs of 10,900 hours in total or 40.37 hours per person averagely.

Safety policy for employees

The Company is committed to support of the safety management system, occupational health and the working environment, and has achieved the ongoing policy steadily with communication and public relations for employees, visitors, contractors and those involved as well as publicize them as follows:

1. Developing and implementing of the safety management system and occupational health and the working environment by encouraging employees to participate in the activities and work plan on the safety, occupational health and the working environment for safety and health of employees.
2. Operating business with compliance with regulations and laws of safety on occupational health and safety in the work environment
3. Providing for and encourage all employees to wear standard personal protective equipment appropriately for safety working practice.
4. Providing support on training, knowledge, information and news on safety, occupational health and working environment of all employees, as required for the safety working.
5. Supporting and promoting the activities on safety, occupational health and the working environment in order to reduce accidents and diseases from working.

In the year 2017, there were no accident and injury.

Customers - Master Agent

The Company is committed to creating maximum satisfaction to the customers in the master agent group with the intention to have the customer satisfied appropriately by offering products and services of quality and providing fair service, including caring of the clients' information as confidential.

The Company provides sales teams to give advices to customers who want to become an agent of the Company and agent service teams involved for a technical consultation in case of problems on site, so that agents can get online top-up machine to be return to service as soon as possible. Furthermore, the Company allocates staffs of related departments by regions to provide the service and administer the agents thoroughly and timely. The departments relating to the customers – master agent, were provided staffs to give advices and assist 7 days from 8.00 - 21.00 hrs. in the interval.

The Company also supports agents to run their business sustainably in the long run by providing seminars and training for the agents regularly to reinforce their management potential, in cooperation with the Bank on getting credit for their business as well as the appropriate and revenue sharing.

Customers – End Users

The Company takes into priority account the benefit of customers by providing accurate information based on truth and not causing any misunderstanding or having them receive incomplete information. Most importantly, the Company is in the process of ensuring that our data is accurate, up-to-date with strict security system in keeping of customer information to prevent damage or unauthorized access to personal information of the customer is without authority.

The Company concentrated on the speed and convenience in providing the service at online top-up machine to the retail customers, in case of problems, they can call the Company for help and advice such as mobile top-up, online game top-up and other services in the online top-up machine by providing customer service facilities at 1220 which can facilitate and fix problems 24 hours a day, including the proactive customer care service by monitoring and managing solutions for customers, without having to wait for a notification.

In 2017, the Company has conducted a survey on the customer satisfaction through the customer service center 1220 and has an average score of 89.72% throughout the year.

Business Competitors

The Company's policy is to conduct business fairly by not to distorting the data nor any other fraudulent method which is incorrect according to the fairness of the competition. The Company is operating under great rules of competition and does not seek confidential information of competitors in dishonest or inappropriate way such as offering a pay or bribe to employees of competitors etc. including not slandering or bullying or distorting the facts of the competitor.

In the year of 2017, the Company had not received any complaints on unfair business operation on commercial competitors at all.

Business Partners – Operators

The Company has been adhering to integrity to comply with conditions provided for all types of partners under the postulate as well as the rule and applicable law. In the year of 2017, the Company had negotiated with partners to provide new services continuously as well as to improve the service to be modern and convenient for retail customers in order that it can support the original customer groups and the steady expansion of the customer base as well as continue to seek for find new partners. This is both to increase diversified services of the online top-up machines and to increase revenue for agents as well.

Business Partners – Suppliers

The Company is committed to the development of the process of supplying products and services as required to meet the standards and to develop and keep sustainable relationships with suppliers and contractors that have a clear purpose in regard to the quality of products and services. The Company provides a fair procurement process for products and services as follows:

- Partner selection based on price and quality as well as fair and transparent competition on information obtained.
- In business negotiation, the Committee, executives and employees of the Company must refrain from receiving money, gifts, assets, or benefit, which is not honest from a partner or counter-partners.
- On time payments to suppliers and contractors according to the paying agreement terms strictly.
- Safeguarding of confidential information between partners and contractors.
- Comply with the integrity, reliability and notification of laws, regulations and related policies for acknowledgement.

In the year of 2017, the Company has procured products and services at a fair-trading for business partners – supplier in accordance with the policy.

Lenders

The Company has complied with the terms of the loan agreement strictly by having repaid a loan according to the defined time period as well as cooperating with financial institutions to disclose financial reports and other information as required to properly and thoroughly including security collateral and administrative cooperation to

resolve problems together in case that the compliance with the contract terms in loan repayment cannot be done. In 2017, the Company can repay its loan to meet the terms of repayment as agreed.

State Agencies

The Company has been adhering to and is ready to comply with the supervision and punishment according to law, regulations and standards of practice of the authorities of the State.

The policies and practices of non-infringement of intellectual property or copyright

The Company has a policy on non-infringement of intellectual property or copyright by publishing them in the code of conduct of directors, executives and employees to adhere to all stakeholders on equal and fair treatment. Apart from this, directors, executives and employees have to work using a computer program that has a valid license and installing or using software of which the copyright is not valid in the Company is strictly prohibited.

Policy and practice about environment and effective use of resources

The Company has concerned about environments and activities having the impact on environment or nearby communities. Therefore, the Company has the policy in using resources effectively and has determined the guideline in energy saving and reuse of resources like setting appropriate temperature for air conditioning system, turning off air conditioning system and lighting system during lunch break, using LED for lighting system, turning on lights only in usage areas, using stairs instead of elevators, reusing of printing papers, etc.

Corporate social responsibility

In addition to the provider of online top-up machine, the Company also recognizes the importance of operation with social responsibility and environment in order to create a sustainable, economic and social system of the country by offering corporate social responsibility activities, the details listed in the section of "Corporate Social Responsibility".

Complaints mechanism of stakeholders

The Company has defined a channel to receive complaints from various stakeholder groups by having the complaining party submit a complaint in writing with sufficient information, including name and contact address of convenience of the complainant to the Company Secretary at the Company's address. The Company Secretary will send the complaints to the Board of Directors. The Audit Committee or management to verify and resolve the case as follows:

- 1) In case of complaints on subject that may cause damage to the Company, specify to have the complaint forwarded directly to the Audit Committee. The Audit Committee will investigate and report to the Board later.

Chairman of the Audit Committee

Internal Auditor

Forth Smart Service Public Limited Company

256 Phaholyothin Rd., Samsaennai, Phayathai, Bangkok 10400

Tel. 02-2781777

- 2) If it is a complaint by shareholders, it will be forwarded to the Audit Committee and/or Board of Directors; in this case, the shareholders may contact the Chairman of Audit Committee directly or, send it to the address specified by the Company.

Chairman of the Audit Committee/Chairman of the Board of Directors

Forth Smart Service Public Limited Company

256 Phaholyothin Rd., Samsaennai, Phayathai, Bangkok 10400

Tel. 02-2781777

- 3) In case of complaints of customers, partners and general public, they will be delivered to the Executive Committee in order to find a solution and then report to the Board of Directors.
- 4) If it is a complaint from a creditor, the complaints are to be submitted to the Board of Directors or Executive Committee may consider submitting such a complaint to the Board of Directors for consideration.

Company Secretary

Forth Smart Service Public Limited Company

256 Phaholyothin Rd., Samsaennai, Phayathai, Bangkok 10400

Tel. 02-2781777

In 2017, there is no clue or complaint about illegal activities or violation of the code of conduct from any stakeholder.

Investigation process of misconduct and fraud

The Company has defined guidelines on the management of complaints or matter notified by declaring them on the Company's code of conduct published in the Company's website, www.boonterm.com, including the following steps:

1. Gathering the facts
2. Processing and screening information
3. Defining the implementing measures
4. Reporting the results

Rights or protections of whistle blower

The Company has set the policy on right or protection for whistle blower in the Company's code of conduct. The Company will listen to every whistle blower equally, transparently and attentively as well as be fair to all parties by define the duration of the investigation appropriately The name of complainant will be kept secretly. Complaints will be protected both during and after the investigation.

Section 4

Disclosure and Transparency

The Company's policy on the disclosure of data and information is proper, complete and timely so that various stakeholders can get information that shows result of performance, financial statements and other information. Interested parties can access the data of the Company e.g. financial statements, annual reports and the performance of the Company in the past year of the Board of Directors and sub-committees, Corporate Governance Policy, social and environment policy and compliance with all these policies etc. and the Company will have to update the data regularly.

During the year, the Company has offered opportunity to a group or persons, such as shareholders, journalists, financial institutions, customers and educational institutions, etc. to visit the Company. In addition, being aware of the importance of information to investors and other stakeholders, the Company has policy to disclose its data in accordance with the terms of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission in the annual report and invitation letter of meeting of shareholders regarding the roles and responsibilities of the Board of Directors and the Audit Committee, number of meetings and the number of times that the directors attending Board meetings in the past year, as well as comments from the functioning of the Audit Committee, and has shown the Report of the Responsibility of the Board of Directors on Financial Reporting together with the Auditor's Report.

Meeting with investors

The Board of Directors of the Company has provided a department or assigned a responsible works on the "Investor Relations" to communicate with external parties such as shareholders, institutional and general investors, analysts and related organizations equally and fairly by providing the opportunity to be able to meet with executives of the Company, as appropriate, under the guidelines stating that information to be disclosed is already publicly available.

In the year 2017 there were a total of 47 times of shareholders, institutional and general investors and analysts visiting visit the Company or having Company Conference call, and the Company has joined Opportunity Day for 4 times.

Section 5

Responsibilities of the Board of Directors

Structure of the Board of Directors

The Board of Directors as at 31 December 2017 consists of independent directors, Executive Directors and Non-executive directors, who are highly qualified, knowledgeable, capable, and experienced in financial and accounting, management, and more beneficial to the Company considering the diversity in the structure of the Board which comprises of 9 members; 4 are independent Directors which is 44.44% of total members to keep balance of the Board. The qualifications of the independent directors are equally refined by the Office of the Securities and Exchange Commission. The qualifications of independent directors, name lists and scope of authority of the Board of Directors including the nomination are listed on the topic of "Management Structure".

The Company policy determines on the listed companies that each director can be nominated by the Board of Directors not exceed to 5 companies; however, the Company has not yet determined the amount of tenure of the directors but only considered knowledge and abilities to be the director of the Company.

The Company has a policy of isolating the persons nominated as the Chairman of the Board of Directors from the Chief Executive Officer as the individual parties for clarity and transparency of management with the scope of authority and responsibilities of the Chief Executive Officer that stated clearly including the disclosure of information on qualifications and tenure of individual directors in the Annual Registration Statement (form 56-1)

In 2017, there are 6 meetings of Board of Directors. The meeting schedule and agenda has been prepared and all directors have received related documents at least 5 working days before the meeting. The details of meeting attendance for each director are in "Management Structure"

Sub-Committees

The structure of the Board of Directors comprises 5 sub-committees, namely the Executive Committee, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and the Purchase Committee. The qualifications and obligations and responsibilities of the 5 committees are disclosed in the topic of "Management Structure".

Code of Conduct

The Board of Directors has supported the development of the code of conduct in order to operate properly in accordance with ethics, respecting rights, and treating all stakeholders equally, fairly, and accountably. The code of conduct is the guideline for all directors, executives, and employees to do as their duty and responsibility in order to maximize benefits of all stakeholders of the Company and build trust for sustainable growth of the Company.

Risk Management Policy

The Board of Directors has appointed the Risk Management Committee in order to have efficient management system on risk of business operation based on the notification of the Electronic Transaction Committee and the Bank of Thailand in regards to risk management in business operation to the extent permitted. It also determines the risk management policy covering the entire organization by starting the process from identifying risks, risk assessment, risk monitoring and control as well as to standardize risk management for effective and steady risk management.

Guidelines for remuneration of Directors and Top Executives

The remuneration directors determines from the scope of the obligations and responsibilities of the directors including the performance of the directors and the results of operations of the Company in accordance with the compensation rate in the market or industry. The Compensation of directors will be approved by the Nomination and Remuneration Committee and submitted to the Board of Directors for consideration before proposing it at the meeting of shareholders for approval.

The compensation for top executive is based on the principles and policies that the Nomination and Remuneration Committee determines. Such compensation is at an appropriate level comparing to the same industry by considering the obligations and responsibilities associated with the operation result of the Company and the performance of each top management. This is to motivate and retain quality personnel. The remuneration and annual bonus for top executives will have to be determined with exact criteria basing on the results of the operations of the Company, the overall economic situation and performance of each top management.

Term of Tenure

In the period of 1 year, 1/3 of directors or most close to the number of 1/3 must leave the position and they might get elected back into position as directors for another term. The elected director will have a tenure starting from the date of the appointment until the date of the annual general meeting of shareholders.

Self-assessment of the Board of Directors

The Board of Directors has evaluated their performance by themselves not less than 1 time per year. On the performance of the year 2017, the Board has considered the self-evaluation form of the Board in accordance with the assessment form of the Stock Exchange of Thailand. In the meeting of the Board of Directors No. 1/2018 held on

18 January 2018 is for the Board of Directors to review the achievements and problems to resolve, and update in order to increase the working efficiency in the Board of Directors.

Development of Directors and Executives

The Board of Directors determined the orientation of new directors on the cognitive in nature of business and the relevant regulations. In addition, the Board of Directors also has a policy of encouraging all directors, top executives, including the company secretary be trained about the corporate governance continuously by both the internal training and external training, such as the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission or the Thai Institute of Directors Association (IOD), etc.

In the year of 2017, the Board of Directors had supported directors and top executives to be trained and to participate in a seminar to increase knowledge in steady operation as follows:

- On 22 November 2017, Mr. Damrong Kaewprasit and Mr. Boonchai Sowanwanichakul, independent directors/Audit Committee have joined the EY seminar “Business in the Age of Uncertainty”

Succession Plan

The Board of Directors determines policy and criteria for the selection of executives and succession policy in case of an emergency or retirement of the executive by a transparent process, which will be based on knowledge and abilities, including ethics and experiences.

Orientation for new directors

For new directors and executives, the Company has provided basic information about the Company, including management and organizational structures, nature of business, products and services, operation results, the Company's Articles Associate and laws relevant to the Company, including the terms of Office of the Board of the Securities and Exchange Commission and the Stock Exchange of Thailand related to the new directors so that such director shall be able to understand the operations of the Company, including the roles, obligations and responsibilities of directors or independent directors.

Meeting of Non-Executive Directors

The Company has organized the meeting of directors who are not the executives as appropriate to allow non-executive directors to discuss about problems and feedback issues that should be taken to improve the operation of the Company.

Furthermore, the good corporate governance that has not been brought into practice yet, the Company will use it as guidelines to optimize deployment including the below:

Item of no compliance	Reasons
It was assigned to directors or top management to inform the Board of Directors or the person who was delegated about the share trading of the Company at least 1 day prior to trading.	The Committee has defined prevention measures in wrongful use of inside information of relating persons, including spouses and underage children. He may not disclose any information that is not publicly available yet for the transaction or for personal interests that could cause conflict of interest, which is regarded as a serious offence and is defined by the code of conduct of the Company.

Change of Shareholding of the Board of Directors and Executives

Name	Position	Number of share (shares)		Increase (Decrease)
		As of 23 November 2016	As of 20 December 2017	
Mr. Pichit Nirnkul	Chairman of the Board of Directors	4,560,010	4,460,010	-100,000
Mr. Damrong Kaewprasit	Director Independent Director Chairman of Audit Committee Chairman of Risk Management Committee	-	-	-
Mr. Boonchai Sowanwanichakul	Director Independent Director Audit Committee Risk Management Committee	-	-	-
Admiral Kraisorn Chansuvanich	Director Independent Director Audit Committee Chairman of Nomination and Remuneration Committee	-	-	-
Pol.Lt.Gen Boriharn Siang-arom	Director Independent Director Nomination and Remuneration Committee	-	-	-
Mr. Pongchai Amatanon ¹	Director Nomination and Remuneration Committee Chief Executive Officer	40,083,600	40,083,600	-
Mrs. Rangsee Lerttripinyo	Director Executive Director	5,891,750	5,891,750	-
Mr. Somchai Soongswang	Director Nomination and Remuneration Committee Risk Management Committee Executive Director Managing Director	62,000	-	(62,000)
Mr. Siwaphant Ratanavirojwong	Director Risk Management Committee	12,000,000	12,000,000	-
Mr. Narongsak Lertsuptavee	Executive Director Assistant Managing Director Company Secretary	-	-	-
Ms. Rasinee Lerttripinyo	Executive Director Sales and Marketing Director	655,400	655,400	-
Mr. Mr. Thutpong Soisuan	Business Development Assistant Director	-	-	-
Mr. Sarawut Pacharoen	Senior Agent Service Manager	-	-	-
Ms. Rungrawee Bangkul	Senior Finance Manager	-	-	-

Note: ¹ Mr. Pongchai Amatanon includes spouse and immature children.

Prevention against Corruption Involvement

Anti-corruption Policy

The Board of Directors recognizes that the business that has moral ideology in opposition to all forms of corruption and anti-corruption policy firmly is the fundamentally important to the achievement of the business and enhancing sustainable corporate growth. Therefore, in order to declare the Company's firm intent to operate the business that is not associated with fraud and corruption, the Board of Directors has formulate policy against fraud and corruption or the Anti-corruption Policy by assigning obligations , responsibilities, code of practices and requirements for proper operation. The Company has prepared a written "Anti-corruption Policy" and clarified understanding and communicated on the standards of conduct for directors, executives and all employees of the Company to be clear guidelines. In addition, anti-corruption policy has been conducted and in accordance with the changes of the business, regulations and legal requirements. The Board of Directors will continue to monitor and review the appropriateness of the policy by assigning the Company Secretary to report on the results of monitoring and evaluation to the appropriateness of the policy at least once every year.

All directors, executives and employees of the Company are prohibited to acts as related to fraud and corruption, action or acceptance on corruption in all its forms, either directly or indirectly, for the benefit of their own, family, friends, and acquaintances, covering all businesses of all types and in all relevant agencies, whether as a recipient, provider or those who offer.

Risk Assessment

In 2017, the Risk Management Committee has assessed the corruption risk by including the corruption risk as a part of financial risk and reported to the Board of Directors. The Compliance Unit has duties to monitor and ensure that the operation will comply with rules and regulation in accordance with the risk assessment report.

Training and Communication.

In 2017, the Company has communicated anti-corruption policy to all level of employees, including other policies through the message board, and the Company's website and assigned the managers of each department to communicate with employees to understand and comply with the policy.

In 2017, the Company has assigned an officer in the Compliance Unit to participate in anti-corruption activities including National Anti-Corruption Day event under the concept "New Government! Old Corruption?" to elaborate the intention as a member of Anti-Corruption Association with other companies on 6 September 2017. Moreover, the Company has assigned an officer to join the workshop in developing self-assessment report on 8 December 2017. The knowledge from this workshop would help the Company to implement anti-corruption activities and develop the internal training program for the Company.

Guidelines on corporate governance and supervision to prevent and monitor fraud risk.

The Company has set guidelines on the supervision and control to prevent and monitor the risks of fraud and corruption covering the management from the nomination or selection of personnel, promotion, training, evaluation of employee's performance and compensations. The supervisors at all levels are assigned to understand and communicate with employees to use the guidelines in business activities under the responsibility and supervision practices to ensure efficiency of which summary as follows:

1. The Board of Directors, executives and all employees of the Company must comply with the anti-corruption policy by not get involved directly or indirectly.
2. Employees shall not neglect or ignore when seeing the corruption-associated action relating the Company and be required to notify supervisor or the person responsible to acknowledge and cooperate in investigating the facts.
3. The Company will ensure fairness and protect employees who refuse to involve in fraud or corruption or report fraud and corruption issues relating to the Company by using the protection of the whistle blower guidelines.
4. The person who commits fraud and corruption must be considered according to the disciplinary regulations stipulated by the Company and also, it may be punished by law since such actions are illegal.
5. Employees must be aware of the importance of the dissemination of knowledge and understanding another person to perform the duties associated with the Company so that the personnel and those who involved complied with the policy on anti-corruption.
6. The company is committed to creating and maintaining a corporate culture that adheres to the core that fraud and corruption is unacceptable.

Guidelines for monitoring and evaluating the compliance with the best practices in prevention of involvement with corruption

The Company has set guidance on monitoring and evaluating the compliance with the best practices in prevention the involvement with corruption as follows:

1. Providing performance evaluation regarding compliance to corporate governance and code of conduct regularly.
2. Providing internal auditors responsible for auditing the internal control system, risk management, corporate governance and providing recommendations continuously by carrying out checks according to the annual audit plan approved by the Audit Committee and reporting significant audit results and recommendations to the Audit Committee.
3. Assigning the Risk Management Committee to be responsible for testing and assessing the risk of fraud and corruption incessantly to bring measures against fraud and corruption into practices effectively as well as monitor, review and improve the measures to combat fraud and corruption regularly by presenting the results of the assessment to the Risk Management Committee and reporting to the Board of Directors, respectively, timely and consistently.
4. If the investigation found that the facts, and then the data from the monitoring or a complaint, there is evidence that is reasonable ground to believe that there should be a list or action which might have a significant impact on financial status and results of operation of the Company, including violation of the illegal, the Company's code of conduct or prevention involvement with the corruption guidance or suspicions. The Audit Committee shall report to the Board of Directors to rectify within a time period in which the Audit Committee deems appropriate.

The Internal Control System and Risk Management

The Board of Directors believed that the appropriate management structure would help impelling the Company toward goals with maximum efficiency and effectiveness. At present, the Company aims at implementing a good and efficient management with major sections linked together, in terms of both Governance, Internal Controls, Risk Management and compliance with relevant regulations.

The Board of Directors has stressed on the importance of the Internal Control System, therefore, has steadily developed an efficient and effective system of internal control in order that the shareholders are confident in the Company's internal control system that our operation system is correct, transparent, accountable and can reduce or prevent damage that may occur by the Board of Directors' appointing of the Audit Committee consisting of 3 independent directors whose qualifications meet the requirements and regulations of the Office of the Securities and Exchange Commission. The Audit Committee conducts duties to the extent delegated by the Board of Directors on the Audit Committee Charter reviewed both financial and operational performance for the Company has a system of internal control and the internal audit systems that are appropriate and effective internal control system in accordance with the Securities and Exchange Act and the laws related to the Company's business.

The Board of Directors has resolved in its meeting on 11 May 2017 to appoint the Risk Management Committee for 4 members comprising of one independent director as the Chairman of Risk Management Committee and other 3 directors as Risk Management Committee. There was also the resolution to change the former Risk Management Committee to be the risk management working team who analyze, assess, and perform risk management. The working team have to arrange a monthly meeting for the progress of risk assessment and risk management and the working team must report to the Risk Management Committee on quarterly basis so that the Risk Management Committee will further report to the Board of Directors.

The appointment of new Risk Management Committee to determine the scope and responsibility of the committee including the process to effectively monitoring of risk management plan. As of 31 December 2017, there are 4 members in Risk Management Committee including one independent director as the chairman and other directors as members in Risk Management Committee.

There are 2 members in the Risk Management Committee who are also independent directors and Audit Committee. These 2 members are the chairman of Risk Management Committee and the member of Risk Management Committee so they can contribute in providing opinions about the sufficiency and appropriateness of internal control system in 2017 based on "Internal Control Questionnaire and Assessment" determined by The Securities and Exchange Commission, Thailand.

In conclusion, from the opinion of the Audit Committee and from questioning the management, the Board of Directors has agreed in the opinion that there are no significant flaws found. The Company's internal control systems are adequate and appropriate for the efficiency and effectiveness of the business, the use of resources, property maintenance prevention or reduction the mistakes. System for accounting and financial reporting is accurate, reliable and compliant with the law, regulations related to the business operations of the Company including all units comply with procedures and regulations that are defined. The operations and management of the Company adhere to internal control practices, which are based on international standards of the Committee of Sponsoring Organizations of the Tread way Commission (COSO), of which consists of 5 elements summarized as follows:

1. Organizational Control and Environment Measure

The Company has set goals and business plans clearly of which can be measured by the performance indicator defined for guidance of employees' performance in all sections to achieve an effect based on the goal, and the Company has a monitoring and evaluation consistently by setting the operational targets which are executed carefully and has also considered the feasibility of a target as well as an analysis of the incentives or rewards to employees as reasonably as it should be without any motivation or provision of benefits that is beyond the appropriateness to employees in a manner that may lead to action fraud or misconduct.

The Company has established an organizational structure and chain of command that suit overall organizational management and segregating of duties and responsibilities clearly and in accordance with the business operations to enhance flexibility in work practices under the appropriate internal control system.

The Company has prepared a written code of conduct of the employees and publicized to all employees to acknowledge and comply. In case of any violation, penalties shall be executed according to the disciplinary rules and regulations regarding the operation of the company.

The Company has assigned policies and written operating procedure in financial transactions and procurement that can be mutually monitor with a strong control to prevent fraud.

The Company focuses its business based on the fairness to its partners, which is the practice as approved by the Board of Directors due to the corporate governance which has been consistently implemented.

2. Risk Management Measure

The Company has given priority to the risk management by establishing the Risk Management Committee of which obligation is to require all departments to assess both internal and external risk factors that affected directly and indirectly to the Company, including set up risk management measure to lower the risk to an acceptable level by managing the risk challenges quickly and efficiently. Thus, the Company has held risk management meetings monthly, and meetings of the Risk Management Committee every quarter. Every quarter reports on the performance of the Risk Management Committee will be submitted to the Board of Directors. The meeting has discussed the results of the operation, which may be risk factors that affect the Company, and the proposal of measures to prevent or decrease the risk associated with the major agenda and to report the progress of performance by the person of responsibility consistently.

All this, executives and managers in each relevant segment will need to notify or apply the policy to communicate with the employees in their chain of command to acknowledge and adhere to the risk management measures.

Additionally, the internal audit unit has monitoring the result of compliance with the enterprise risk management plan, which is based on risk reduction measures to ensure that the company's risk levels are acceptable and manageable.

3. Management Control Activities

The Company has clear and appropriate activities of the internal control with the performance index as a tool for planning and controlling, code of conduct including corporate governance policies for employees to practice. The Company has also set clear written scope of authority and financial limit of the Board of Directors and the management.

The Company has definitely segregated duties and responsibilities in approving the accounting from the maintaining assets for mutual checking. The approval shall follow the Manual of Approval Authority. The accounting entry will be assigned to the Accounting Department and maintaining the assets to is the duty of the user to operate according to the Guide for Practicing on the managing, controlling, and saving the transaction by the Account Department.

The Company has designated policies in transactions with major shareholders, director, executives or those associated with such a person (transaction); which covers the case that the involved person leads the opportunity or benefit of the Company to use for private benefits. Such related transactions must be proposed at the meeting of the Board of Directors and or the Audit Committee to consider about necessity and reasonability in the acquisition. The directors who have interest in the transaction will have no part in the consideration and approval or comment or vote on the transaction with potential conflicts of interest. In addition, the Company has also clearly stated in the Code of Conduct relating to transactions that they must take into account the best interests of the Company and act as it is a transaction with a third party on arms' length basis and provide a written declaration to ensure all employees acknowledge and abide.

In the case that there is related transactions that are binding on the Company in the long term, the Company will assign the Finance and Accounting Department keep track of contractors whether they have complied with the conditions throughout the period of the binding with the Company. When there is a significant situation, they will report to the Audit Committee and/or the Board of Directors.

The Company has consistently supervised the operation in according to the relevant laws through the Audit Committee, which acts as a reviewer of the performance of the Company in accordance with the regulations and laws in order to maintain the reputation and build trust in business.

4. Information Technology and Communication Measure

Every of proposing agenda to the meeting of the Board of Directors for consideration, the Company will prepare adequate related information for the decision making and deliver an invitation letter of the meeting prior to the meeting date averagely not less than 7 days.

The Company has designated the Company Secretary to be responsible for preparing the, notes, minutes by providing important and complete details such as the date and time of the meeting, attendees, resolution of all agenda of the meeting etc. of which shareholders can use to determine the suitability of the duties of Directors.

The accounting document of the Company is entirety stored and official categorized and never receiving notification on deficiencies in the collection of accounting literature from the Auditor since the Company has adhered to the account policies according to generally accepted accounting principles and the nature of its business.

For this, the Company concentrates on information technology and internal communications by providing the notice information to all the employees steadily and disseminating information through the company's website www.Boonterm.com for shareholders, business partners and the general public can obtain information at any time including the disclosure of information through the Stock Exchange of Thailand. In addition, the Company has provided audit of the information system at least once a year in accordance with the policy and measures to maintain stable security information system according to the Bank of Thailand and the relevant laws.

5. Monitoring

The Company has held monthly meetings of the management and the Board of Directors at least once a quarter to the follow-up operation steadily by the performance indicator defined to see if it is as planned or not as well as sharing the analysis of causes and solutions to the problem in the case where the results of the operation are not as planned and the Company is to review and update the target according to the changing situation by proposing ways to fix the problem to prevent recurring.

The Company has set up monitoring on the compliance with the internal control system designated consistently. The Company has employed Manager of Internal Audit of Forth Corporation Public Company Limited, to perform duties as the internal auditor independent on reviewing and auditing the compliance with the internal control system, with an emphasis on monitoring to cover the working process with significant risk. Issues that are detected will be reported on the adequacy of the internal control system, and the results of progress in improving the defects directly to the Audit Committee on a quarterly basis. On this case, if a fault is detected, the Internal Auditor shall report the results of auditing to the management and/or related persons to be informed every time of auditing attendance and report to the Audit Committee at least once a quarter at the meeting. The Audit Committee, management and/or related person will report the progress in improving shortcomings to the Board of Directors.

Apart from all these, in 2017, the Company has hired the EY Corporate Services Ltd., to perform duties as auditor to audit the system of information technology that supports the service on electronic payment of the year of 2017 by reporting to associated executives to be informed including reporting the progress in solving the shortcomings to the Audit Committee at least once a year at the meeting of the Audit Committee and the Board of Directors.

The Company's management has obligation to report to the Board of Directors as soon as the fraud happens or suspected to happen including matters that has been decided to take action which have or may have an impact on the reputation and financial position of the Company significantly.

Corporate Social Responsibility

The company has defined guidelines to show social responsibility including good corporate governance, fair business operation, respect for human rights, the fair treatment of the employees, and responsibility for consumers, participation in community or social development and caring for the environmental.

Good Corporate Governance

The Company will provide a management system of efficiency and transparency which will enhance trust and confidence of shareholders, investors, stakeholders and all those related in order to contribute to sustainable growth of the business.

Fair Business Operation

The Company concentrates on fair business operation under the good governance practices by respecting the rules and regulations of the society, fair trade competition, respecting the right in property in compliance with the relevant laws.

Respect for Human Rights

The Company gives priority to respect for human rights and fundamental freedoms and to treat all employees equally and fairly with no discrimination of gender and class as well as not use child labor.

The Fair Treatment of Employees

The Company takes into account the social protection of the labors on the basis of occupational health and safety in the work required by the law, as well as to create ties between employees and the organization by fair human resources management in compensation, welfare and progress in their careers, including promoting social activities within and outside the organization.

Responsibility for Consumers

The Company is committed to fair marketing practices by responding to needs and satisfaction of customers as well as managing of customer complaints, suggestions on consuming of products and services to achieve maximum satisfaction and maintain lasting relationships.

Participation in Social and Community Development

The Company supports public benefit activities for communities as well as encouraging employees to volunteer and participate in social and community development activities.

Caring for the Environment

The Company is committed to efficient environmental management according to the standard practices and abides strictly to prevent and reduce environmental problems, including participating with other sectors of the society in activities to maintain and improve environmental quality.

The Activities for Corporate Social Responsibility that the company has performed in the year of 2017 was presented in the topic "Corporate Social Responsibility".

Related Transactions



Transactions with persons subject to conflict of interest occurring in the accounting period of 2015 ending on 31 December 2015, the accounting period of 2016 ending on 31 December 2016, and the accounting period of 2017 ending on 31 December 2017

Related party transactions and conflict of interest	Features of transactions	Transaction value (Million Baht)			Necessity and rationality
		12-month period, year 2015 at 31 december 2015	12-month period, year 2016 at 31 december 2016	12-month period, year 2017 at 31 december 2017	
1. FORTH Corporation Public Company Limited (FORTH) as the major shareholder of the Company	<ul style="list-style-type: none"> - The Company purchases the online top-up machines (Boonterm kiosk, Counter Service machine, RO machine, etc.) from FORTH. - The Company has the accounts payable / other payables at the ending date of the accounting period. 	786.70 279.90	786.70 279.90	819.19 0.89	<p>FORTH is the Company with expertise in electronics and telecommunications in full range. The Company has research and development team with long experience as well as having manufacturing facilities with quality control systems and modern machinery. The capacity for high volume purchase orders can be increased. Here are three main reasons why the Company chooses FORTH.</p> <ol style="list-style-type: none"> 1. The research and development team is working continuously to develop the product as well as transferring the Know-How both in Hardware and Software. 2. The quality of products is standardized and has the warranty on the damages of products according to the defined conditions. 3. The price is cheaper than other manufacturers when compared to the same quality level. As the order volume is high, the Company has bargaining power and thus lower cost. <p>The Company uses the cost-plus pricing strategy to determine the purchase price of online top-up machine from FORTH. The Company has considered and compared that the purchase price of online top-up machines from FORTH is lower than the market price generally available and the price is reasonable. (According to the market price of similar top-up machines, the price of online top-up machine which accepts coins and banknotes and has touch screen feature such as top-up machines, RO machines, gasoline vending machines is in the range of 27,000-48,000 Baht which is higher than the price that the Company bought from FORTH.)</p>
	<ul style="list-style-type: none"> - The Company purchases the devices used for the installation of the online top-up machines (including spare parts) from FORTH. - The Company has the accounts payable / other payables at the ending date of the accounting period. 	68.95 6.45	68.95 6.45	63.77 9.31	
	<ul style="list-style-type: none"> - The Company hires FORTH to transport the online top-up machines and spare parts for the Company. - The Company has the accounts payable / other payables at the ending date of the accounting period. 	0.66 0.21	1.49 0.77	0.66 0.06	

Related Transactions



Transactions with persons subject to conflict of interest occurring in the accounting period of 2015 ending on 31 December 2015, the accounting period of 2016 ending on 31 December 2016, and the accounting period of 2017 ending on 31 December 2017

Related party transactions and conflict of interest	Features of transactions	Transaction value (Million Baht)			Necessity and rationality
		12-month period, year 2016 at 31 december 2015	12-month period, year 2016 at 31 december 2016	12-month period, year 2017 at 31 december 2017	
1. FORTH Corporation Public Company Limited (FORTH) as the major shareholder of the Company (continue)	- The Company purchases the computer equipment/office supplies from FORTH.	0.02	18.65	1.74	As FORTH is the Company with expertise in telecommunications including being the leader in telephone network system of the country (under FORTH trademark) being the major service provider of more than 1 million lines. From this reason, the Company purchases the products from FORTH with the cost price plus a profit margin. The prices are reasonable for normal business.
	- The Company has the accounts payable / other payables at the ending date of the accounting period.	0.02	-	-	
	- The Company pays for the internal control system audit / other expenses.	0.74	1.20	0.48	
	- The Company has the accounts payable / other payables at the ending date of the accounting period.	0.40	0.53	0.26	
	- The Company pays rental cost of building to FORTH to be used as the location of the head office of the Company and pay for the facilities in connection with the rent of place from FORTH.	7.59	8.75	17.81	
2. Electronic Sources Company Limited as the subsidiary of FORTH.	- The Company has the accounts payable / other payables at the ending date of the accounting period.	1.29	4.58	3.06	The Company has leased the commercial building located at No. 256 from FORTH to serve the growth of Company's business. The rent of such building is the normal transaction and typically occurs as necessary. The rental rate per square meter does not differ from the price of renting commercial building from third parties in the same neighborhood. The leasing agreement and service agreement were divided into 2 agreements with the term of 4 months starting from 1 December 2016 to 31 March 2017 and with the term of 2 years and 8 months starting from 1 April 2017 to 30 November 2019.
	- The Company pays the charges for water supply/electricity/central charges.	-	-	1.82	
	- The Company has the accounts payable / other payables at the ending date of the accounting period.	-	-	0.08	
	- The Company has paid commissions to Electronic Sources Company Limited as the Master Agent of the Company.	0.01	0.01	0.01	
	- The Company has accrued commission payable from such list at the ending date of the accounting period.	0.00	0.00	-	
	- The Company purchases equipment and electronic parts to repair top-up machines from Electronic Sources Company Limited.	24.95	28.28	72.63	Electronic Sources Company Limited is a Master Agent of online top-up machines of the Company located in Ban Mo which is suitable for locating the online top-up machines. The commission rate is at the same rate paid to other master agents. In purchasing the equipment and electronic components, Electronic Sources Company Limited is the Company with expertise in sourcing and purchasing parts and electronic equipment both from domestic and abroad as well as distributing the equipment and the supply parts and electronic equipment of Booniam top-up machines for FORTH.
	- The Company has the accounts payable / other payables at the ending date of the accounting period.	9.92	4.21	13.26	
	- The Company has the warranty money (other current liabilities) in this accounting period.	0.01	0.01	0.01	
	- The Company also has income from the warranty money collected from this representative as the security deposit for the top-up machines and the fees for managing the top-up machines.	0.00	0.00	-	
		0.00	0.00	-	

Related Transactions



Transactions with persons subject to conflict of interest occurring in the accounting period of 2015 ending on 31 December 2015, the accounting period of 2016 ending on 31 December 2016, and the accounting period of 2017 ending on 31 December 2017

Related party transactions and conflict of interest	Features of transactions	Transaction value (Million Baht)			Necessity and rationality
		12-month period, year 2016 at 31 december 2015	12-month period, year 2016 at 31 december 2016	12-month period, year 2017 at 31 december 2017	
3. Genius Traffic System Co., Ltd. as a subsidiary of FORTH	<ul style="list-style-type: none"> - The Company has hired Genius Traffic System Co., Ltd. to produce outdoor LED signs and set of LED display controller. - The Company has the accounts payable / other payables at the ending date of the accounting period. 	-	0.37	1.10	Genius Traffic System Co., Ltd. is the Company with expertise in the production, sales, and installation of products related to traffic system along with associated equipment including LED display, color, banner, traffic lamps, etc. From this reason, the Company chooses to hire Genius Traffic System Co., Ltd.
	<ul style="list-style-type: none"> - The Company has paid for the long-term rental cost of land and buildings (factory and office area 5) in advance for a period of 10 years from 1 June 2016 - 31 May 2026. - The Company has accounts payable / other payables in this accounting period. - The Company has to pay the monthly rent with the rental rate in sliding scale. - The Company has accounts payable / other payables in this accounting period. - The Company pays the charges for water supply / electricity / central charges. - The Company has accounts payable / other payables in this accounting period. 	-	17.50	14.73	
4. FORTH Vending Co., Ltd. as the subsidiary of FORTH	<ul style="list-style-type: none"> - The Company receives income from managing the product system for FORTH Vending Co., Ltd. - The Company had the receivable for management fees. 	-	0.43	1.64	The Company receives income from managing the product system for FORTH Vending which is calculated from the total sale of beverage by the rate of return. The rate of return is divided into 3 levels: low total sale of beverage to receive the return of 1.00%, Medium total sale of beverage to receive the return of 1.50%, and High total sale of beverage to receive the return of 1.50%. Such transaction is normal and occurs following the necessity. The rate of service charge follows the reasonable commercial conditions and they are the same conditions which the Company collected from other service providers.
	<ul style="list-style-type: none"> - The Company pays commission to FORTH Vending Co., Ltd. and help FORTH manage their system as a MA of the Company. - The Company has accrued commission payable at the ending date of the accounting period. 	-	1.29	2.93	
	<ul style="list-style-type: none"> - The Company has the Top-up return as account payable at the end of the accounting period. 	-	0.03	0.33	
	<ul style="list-style-type: none"> - The Company has the money in the automatic vending machine waiting to be submitted as account payable at the end of the accounting period. 	0.39	0.35	1.12	
	<ul style="list-style-type: none"> - The Company has the warranty money from master agents (other current liabilities) at the ending of the accounting period 	1.02	0.83	1.55	

Related Transactions



Transactions with persons subject to conflict of interest occurring in the accounting period of 2015 ending on 31 December 2015, the accounting period of 2016 ending on 31 December 2016, and the accounting period of 2017 ending on 31 December 2017

Related party transactions and conflict of interest	Features of transactions	Transaction value (Million Baht)			Necessity and rationality
		12-month period, year 2015 at 31 december 2015	12-month period, year 2016 at 31 december 2016	12-month period, year 2017 at 31 december 2017	
5. FORTH Smart Trading Co., Ltd. as the subsidiary	<ul style="list-style-type: none"> - The Company purchase shares in FORTH Smart Trading Co., Ltd. 	-	0.97	174.97	On 6 February 2017, the Extraordinary General Meeting of Shareholder of FORTH Smart Trading Company Limited passed a resolution to approve an increase in its registered capital of Baht 99 million from Baht 1 million to Baht 100 million. None of the minority shareholders wished to buy the additional ordinary shares issued and, as a result, the The shareholding proportion of the Company increased to 99.97% of ordinary shares. The paid-up capital was 25% totaling to Baht 25.72 million. On 11 May 2017, the meeting of the Board of Director passed to approve the purchase of 20,000,000 additional shares with par value of Baht 10 each, amounting to Baht 200 million, of the subsidiary. None of the minority shareholders wished to buy the additional ordinary shares issued and, as a result, the Company acquired all of the additional ordinary shares and its interest in the subsidiary increased to 99.99% of its registered share capital. The subsidiary called up 25 % of the par value, totaling to Baht 50 million, and the Company had paid in this amount. On 18 July 2017 the subsidiary called up 75% of the par value of Baht 74.25 million. In addition, on 21 August 2017, the subsidiary called up 12.5% of the par value of Baht 25 million from the Company, and the Company had paid in this amount.
	<ul style="list-style-type: none"> - The Company has the warranty money (other current liabilities) in this accounting period. 	-	0.02	2.70	The Company asked for retention received (the credit amount for top-up and purchase of goods) same condition with other representatives.
	<ul style="list-style-type: none"> - The Company paid commission to FORTH Smart Trading Co., Ltd. as the representative for water vending machines, gasoline vending machines, and top-up machines. This transaction was a normal transaction that occurred as necessary. The price is also reasonable and indifferent from other representatives. 	-		0.87	
	<ul style="list-style-type: none"> - The Company has accrued commission payable at the ending date of the accounting period 	-		0.94	
	<ul style="list-style-type: none"> - The Company had revenue from profit sharing 	-		3.01	The Company had receivables from water vending machines at the rate of 0.10 Baht per liter (Zero point One) for total monthly revenue from water vending machines. The Company had receivables from gasoline vending machines at the rate of 0.10 Baht per liter (Zero point One) for total monthly revenue from gasoline vending machines. The Company also had
	<ul style="list-style-type: none"> - The Company had receivables for management fees. 	-		1.21	receivables from weighing scales at the rate of 0.10 Baht per transaction (Zero point One) for total monthly revenue from weighing scales before deducting expenses. This transaction was a normal transaction that occurred as necessary. The price is also reasonable and indifferent from other representatives.
	<ul style="list-style-type: none"> - The Company sold water vending machines, weighing scales, spare parts and other related accessories. - The Company has the receivable / other receivables at the ending date of the accounting period. 	11.46		98.84	The Company sold water vending machines, gasoline vending machines, and weighing scales to FORTH Smart Trading Co., Ltd. with the price equaling to NBV plus margin of 5% on 20 February 2017. The conditions in this transaction was appropriate and 14.91 the price was reasonable as other normal business transactions.
	<ul style="list-style-type: none"> - The Company had revenue from paying expenses for each other. - The Company has the receivable / other receivables at the ending date of the accounting period. 	-		0.10	The Company paid the expense for security guard and ask for payment with the same amount.
	<ul style="list-style-type: none"> - The Company paid for software development for each other. 	-		0.11	
6. FORTH Smart Digital Co., Ltd. as the subsidiary of FORTH Smart Trading Co., Ltd.	<ul style="list-style-type: none"> - The Company has the accounts payable / other payables at the ending date of the accounting period. 	-		0.81	The Company paid for software development used in its operation. This transaction was a normal transaction that occurred as necessary. The price of this transaction was also reasonable.
7. Box 24 Co., Ltd. had the same directors and executives as the Company.	<ul style="list-style-type: none"> - The Company had revenue from renting the office space to Box 24 Co., Ltd. - The Company has the receivable / other receivables at the ending date of the accounting period. 	-		0.07	The Company asked for the rental fee for office space. This transaction was a normal transaction that occurred as necessary.
				0.02	The price of this transaction was also reasonable.

Report of the Risk Management Committee

The Board of Directors recognizes the important of enterprise risk management that helps the business to continue the operation seamlessly and reduces the unexpected events. The Board of Directors has appointed the Risk Management Committee that consists of 4 members including directors and independent directors. The Risk Management Committee is responsible for risk management policy, risk management plan, risk assessment process, risk prevention measures, as well as, monitoring the risk management process regularly. There is also a risk management working team who is responsible for analyzing, assessing, managing risks, and reports to the Risk Management Committee quarterly.

The Risk Management Committee has performed duties as assigned by the Board of Directors. In the year of 2017 there were 2 meetings to consider significant matters as follows:

1. Considering the annual enterprise risk management plan that executives from the relevant division has made risk assessment and prioritization of risks as well as designate the impact occurred and determine how to manage such risks at an acceptable level or reduce the chances that the risk will arise.
2. Improving the enterprise risk management policy
3. Improving the enterprise risk categories
4. Monitoring and reviewing the implementation of enterprise risk management plan under the terms of the policy and framework of the enterprise risk management defined to ensure that the Company has the systematic and effective risk management by assigning the Compliance Unit to monitor and review the risk management of each company to achieve the purposes defined by the Company.

From the above mentioned operations, the Risk Management Committee is confident that the company's risk management is of continuity and is carried out effectively in accordance with the principles and practices of good corporate governance, including the adequate and appropriate internal control systems for the business, compliance with laws and regulations related to business operation properly and completely.



Mr. Dumrong Kaewprasit
Chairman of Risk Management Committee

Report of the Audit Committee

The Audit Committee, appointed according to the resolutions of the Board of Directors, comprises of 3 independent directors who are not executives and qualified in financial accounting, law and management namely as follows:

1. Mr. Damrong	Kaewprasit	Chairman of Audit Committee
2. Mr. Boonchai	Sowanwanichakul	Audit Committee
3. Admiral Kraisor	Chansuvanich	Audit Committee

The Audit Committee has appointed Mr. Narongsak Lertsuptavee as the secretary of the Audit Committee. Every of the Audit Committee is a qualified person as defined in the Charter of the Audit Committee in accordance with the terms and guidelines for the Audit Committee of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Audit Committee has performed its duties under the scope of responsibilities independently as assigned by the Board of Directors in helping the Board to monitor and review to enhance the Company's corporate governance and internal control systems. In 2017, there were 5 meetings of the Audit Committee, each of which has discussed and exchanged views with top management, auditors and internal auditor to present information and recommendations on related agenda. The details of the Audit Committee's attendance on the meeting in 2017 appeared on the topic "Management Structure" which can be summarized as follows:

1. To review the Company's financial statements, quarterly and annual of 2017, which are reviewed and audited by the auditor for essential accuracy, in accordance with the accounting standards, defines by law with completeness and adequate disclosure of information prior to consideration by the Board of Directors for approval.
2. To consider the audit plan and acknowledge audit results and recommendations of the internal auditor related to the analysis of the internal control system and present them to the management to consider improving and correcting as appropriate to the case including follow-up on the progress of the improvement of deficiencies as well as guidance that is useful to help the Company's internal control system more efficient and effective in consideration of the risk of the enterprise.
3. To review the Company's compliance with best practices for listed companies, according to the notification of the Stock Exchange of Thailand as well as the compliance with the regulations and requirements of the laws relevant to the business of the Company.
4. To review and propose opinions to related transactions, or transactions that may have a conflict of interest, including consideration of disclosure in such matters to ensure that it is correct and complete.
5. To follow up the results of general auditing and electronic payment service of the Company as permitted from the Bank of Thailand under e-Payment Act.
6. To assess the independence of the auditor for considering the nomination and a remuneration for the year 2017.


The Audit Committee has performed the duties and responsibilities assigned by using their knowledge, ability as well as the cautiousness, sufficient independence. There is no limit on obtaining information, both from the executive, employees and related persons, as well as providing creative comments and suggestions for benefits of all stakeholders equally.

The Audit Committee is of the opinion that the process of preparing the Company's accounting and finance has a good and adequate internal control system enough to ensure that the quarterly and the annual financial reports of 2017 had been prepared and classified as properly as it should in essence, in accordance with the accounting standard defined by law, including the disclosure of related transaction accurately with sufficient information that does not cause a conflict of interest and is the most beneficial to the Company and shareholders. The Company has provided the internal controls system and checks and balance mechanism effective enough as well as commitments under the Securities and Exchange Act, requirements of the Stock Exchange of Thailand, corporate governance policy, code of conduct or laws related to the Company's business.

For the annual financial statements of 2018 (1 January 2018 – 31 December 2018) in the meeting of Audit Committee No. 1/2018 held on 15 February 2018, Audit Committee has resolved to propose to the Board of Directors for approval by the shareholders' meeting to appoint EY Office Limited to be the Company's auditors continuing from last year by assessment from the auditor's independence, extensive knowledge and experience. In the year 2017, the Company found their performance is reliable and satisfactory. In addition, EY Office Limited is the audit company that has good reputation with standard of auditing that is widely accepted in the audit practice. In addition, the Audit Committee had considered the remuneration of the auditor to propose the Board of Directors for approval by the Annual General Meeting of Shareholder later.



Mr. Damrong Kaewprasit
Chairman of Audit Committee



Mr. Boonchai Sowwanwanichakul
Audit Committee



Admiral Kraisorn Chansuwanich
Audit Committee

Report of Nomination and Remuneration Committee

Nomination and Remuneration Committee, appointed according to the resolutions of the Board of Directors, comprises of 3 directors as follows:

1. Mr. Damrong	Kaewprasit	Chairman of Nomination and Remuneration Committee
2. Mr. Boonchai	Sowanwanichakul	Nomination and Remuneration Committee
3. Mrs. Rangsee	Lerttripinyo	Nomination and Remuneration Committee
4. Mr. Somchai	Soongswang	Nomination and Remuneration Committee

The Nomination and Remuneration Committee has appointed Mr. Narongsak Lertsuptavee as the secretary of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee performs the duties and responsibilities as assigned by the Board of Directors, which are stipulated in the Nomination and Remuneration Committee's Charter.

In 2017, the Nomination and Remuneration Committee held one meeting which was attended by all committees. The meeting results were reported to the Board of Directors for acknowledgement. Main topics in the consideration can be summarized as follows:

1. To approve the qualification assessment form for directors as the guideline in considering the qualification of directors. This qualification assessment form is the standard form used generally in other companies.
2. To consider the directors whose term of office has ended and nominate new directors. In accordance with Article 71 of Public Limited Companies Act, B.E. 2535 and the Company Regulation No. 19, the Annual General Meeting of Shareholder must be arranged annually and at least one-third of directors must leave the position. Therefore, there are 3 out of 9 directors will leave the position and would be proposed to Annual General Meeting of Shareholder for approval.
3. Determination of remuneration for the directors based on the Company's profits, business size and their duties and responsibilities, compared to other companies in the same industry: it is presented to the 2017 Annual Shareholder Meeting for approval.

The meeting Board of Directors No. 4/2017 on 10 August 2017 passed a resolution to approve the change of the Nomination and Remuneration Committee as follows.

1. Admiral Kraisor	Chansuvanich	Chairman of Nomination and Remuneration Committee
2. Pol.Lt.Gen.Boriharn	Siang-arom	Nomination and Remuneration Committee
3. Mr. Pongchai	Amatanon	Nomination and Remuneration Committee
4. Mr. Somchai	Soongswang	Nomination and Remuneration Committee



(Mr. Damrong Kaewprasit)

Chairman of Nomination and Remuneration Committee

Report of the Board of Directors Responsibility for the Financial Statements

The Board of Directors has considered the financial statements of Forth Smart Service Public Company Limited, and financial information that appear in the annual report, that such financial statements are prepared in accordance with Thai Financial Reporting Standards by using the appropriate accounting policies and practices consistently, as well as careful discretion and the best estimate for the preparation, including the disclosure of sensitive information which is adequately in the notes to the financial statements for the benefits of shareholders and investors in a transparent manner.

The Board of Directors has established and maintained systems for an effective internal control sufficient to provide reasonable assurance that the accounting records are accurate, complete, and adequate to preserve and maintain the assets in order to acknowledge the weakness to prevent fraud or irregular operations significantly.

The Board of Directors has appointed Audit Committee, which comprises independent directors who meet the criteria defining of the Stock Exchange of Thailand to be the administrator responsible for the quality of the financial reporting and internal control audit system. The opinion of the Board of Directors regarding such matters appears in the Audit Committee report, which is presented in the annual report.

The Board of Directors of the Company are of the opinion that the financial statements for the year ended 31 December 2017 of Forth Smart Service Public Company Limited, which the Audit Committee has reviewed together with the management and auditors of the Company, had showed the financial position and the results of operations in essence as proper as it should be according to the Thai Financial Reporting Standards.



Mr. Pichit Nimkul

Chairman of the Board of Directors



Mr. Pongchai Amatanon

Chief Executive Officer

Independent Auditor's Report

To the Shareholders of Forth Smart Service Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Forth Smart Service Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, 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 Forth Smart Service 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 Forth Smart Service Public Company Limited and its subsidiaries and of Forth Smart Service Public Company Limited as at 31 December 2017, 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 as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

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

Recognition of service income from rendering of services through online top-up machines

The Company provides top-up for prepaid phone services, and receipt of online payment services through online top-up machines. There are numerous transactions and the income from the rendering of these services is material and directly affect to the Group's profit or loss. I therefore addressed the amount and timing of recognition of service revenue as a key audit matter.

I have performed audit procedures with respect to recognition of service income from rendering of services through online top-up machines by evaluating and testing the IT system and internal controls of the Company related to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representatives samples to test the operation of the designed controls. I also performed an analytical review of the service rates received from rendering services through top-up machines in comparison with the rates stipulated for collection from users of top-up machines, and performed an analytical review on disaggregated service income data in order to audit for unusual service income transactions occurring throughout the accounting period, including test of the correctness of the calculation of top-up machine service income.

Provision for loss or damage of online top-up machine

The Company renders online services through top-up machines, as at 31 December 2017, the net book value was Baht 2,410 million, or 56 percent of total assets as presented in the consolidated financial statements, which is material. The online top-up machines are installed at locations around the country and the Company is therefore exposed to the risk of loss of or damage to this online top-up machines, and the risk of theft of the cash receipts kept in the online top-up machines. I therefore addressed the existence of the online top-up machines and the amount of the provision for loss of or damage to the online top-up machines as a key audit matter.

I have gained understanding the internal controls of the Company related to the online top-up machines by making enquiry of responsible executives and selecting representative samples to test the status of online top-up machines, and assessed the method and the assumptions applied by management in determining the provision set aside for loss of or damage to online top-up machines by making enquiry of responsible executives regarding the basis used by management in determining provision for loss or damage to online top-up machines and the consistency of the application of that basis. In addition, I have checked the status of online top-up machines at the end of the accounting period, sent requests for confirmation of the number of online top-up machines as at the end of the accounting period to agents, and performed a physical count of online top-up machines kept at the Company's premises. I also enquired with management and checking the status and movement of online top-up machines after the period end in cases where the status of online top-up machines is presented as out of service.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

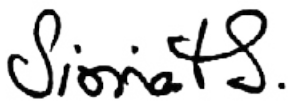
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Sirirat Sricharoensup
Certified Public Accountant (Thailand) No. 5419

EY Office Limited
Bangkok: 15 February 2018

Forth Smart Service Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2017

(Unit: Baht)

	<u>Note</u>	Consolidated		Separate	
		financial statements		financial statements	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Assets					
Current assets					
Cash and cash equivalents	7	281,568,629	144,439,092	271,941,746	143,496,555
Accrued income and other receivables	6, 8	781,053,800	626,109,885	791,111,348	626,166,437
Prepaid telephone charges		175,253,063	165,771,413	175,253,063	165,771,413
Inventories		75,307,064	34,226,600	71,851,042	34,163,950
Other current assets					
Refundable value added tax		7,914,042	5,392,241	460,425	5,385,752
Others		27,219,551	21,943,588	27,678,588	21,904,988
Total		1,348,316,149	997,882,819	1,338,296,212	996,889,095
Non-current assets held for sales	9	-	5,032,838	-	5,032,838
Total current assets		1,348,316,149	1,002,915,657	1,338,296,212	1,001,921,933
Non-current assets					
Investment in subsidiary	10	-	-	174,970,000	970,000
Other long-term investment	11	37,151,815	8,000,000	26,000,000	8,000,000
Leasehold improvement and equipment	12	2,803,860,836	2,114,785,819	2,695,102,948	2,114,785,819
Intangible assets	13	49,023,483	27,596,326	27,986,914	27,596,326
Prepayment of long-term lease	6	14,729,167	16,479,167	14,729,167	16,479,167
Deferred tax assets	19	1,451,160	1,192,776	1,304,610	1,192,776
Other non-current assets		5,913,956	13,567,305	5,913,966	13,567,305
Total non-current assets		2,912,130,417	2,181,621,393	2,946,007,605	2,182,591,393
Total assets		4,260,446,566	3,184,537,050	4,284,303,817	3,184,513,326

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

Forth Smart Service Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2017	2016	2017	2016
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	14	700,000,000	400,000,000	700,000,000	400,000,000
Trade and other payables	6, 15	768,441,178	575,712,537	799,789,739	575,546,707
Current portion of long-term loans	16	375,058,672	201,025,625	375,058,672	201,025,625
Income tax payable		6,761,518	5,584,899	6,670,179	5,584,899
Other current liabilities					
Retention received from service representatives		615,219,913	491,588,541	612,524,913	491,588,541
Others		27,277,044	20,976,209	27,044,153	20,976,209
Total current liabilities		2,492,758,325	1,694,887,811	2,521,087,656	1,694,721,981
Non-current liabilities					
Long-term loans, net of current portion	16	430,475,327	304,920,962	430,475,327	304,920,962
Provision for long-term employee benefits	17	3,227,894	2,046,349	3,227,894	2,046,349
Total non-current liabilities		433,703,221	306,967,311	433,703,221	306,967,311
Total liabilities		2,926,461,546	2,001,855,122	2,954,790,877	2,001,689,292
Shareholders' equity					
Share capital					
Registered					
800,000,000 ordinary shares of Baht 0.5 each		400,000,000	400,000,000	400,000,000	400,000,000
Issued and paid-up					
800,000,000 ordinary shares of Baht 0.5 each		400,000,000	400,000,000	400,000,000	400,000,000
Share premium		387,242,571	387,242,571	387,242,571	387,242,571
Retained earnings					
Appropriated - statutory reserve	21	40,000,000	40,000,000	40,000,000	40,000,000
Unappropriated		498,311,586	355,414,520	502,270,369	355,581,463
Equity attributable to owners of the Company		1,325,554,157	1,182,657,091	1,329,512,940	1,182,824,034
Non-controlling interests of the subsidiaries		8,430,863	24,837	-	-
Total shareholders' equity		1,333,985,020	1,182,681,928	1,329,512,940	1,182,824,034
Total liabilities and shareholders' equity		4,260,446,566	3,184,537,050	4,284,303,817	3,184,513,326
		-	-	-	-

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

Directors

Forth Smart Service Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2017

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit or loss:					
Revenues					
Sales of goods		61,434,400	48,402,213	62,015,352	48,402,213
Income from rendering of top-up service					
for prepaid phone and receipt of other online services		1,344,873,563	968,210,803	1,344,552,327	968,210,803
Income from rendering of services through online					
top-up machines	18	1,748,521,392	1,264,074,527	1,721,570,102	1,264,074,527
Advertising income		11,544,846	12,873,483	-	12,873,483
Other income	15	198,186,219	133,518,027	205,371,083	133,517,229
Total revenues		3,364,560,420	2,427,079,053	3,333,508,864	2,427,078,255
Expenses					
Cost of sales		56,770,884	44,099,464	57,406,027	44,099,464
Cost of services		2,373,502,500	1,674,023,750	2,342,019,912	1,674,023,750
Service expenses		86,339,842	72,361,543	86,338,942	72,361,543
Administrative expenses		183,721,816	126,997,554	178,302,732	126,825,098
Total expenses		2,700,335,042	1,917,482,311	2,664,067,613	1,917,309,855
Profit before finance cost and income tax expenses		664,225,378	509,596,742	669,441,251	509,768,400
Finance cost		(56,692,845)	(30,398,968)	(56,682,813)	(30,398,520)
Profit before income tax expenses		607,532,533	479,197,774	612,758,438	479,369,880
Income tax expenses	19	(66,205,809)	(58,870,344)	(66,070,732)	(58,870,344)
Profit for the year		541,326,724	420,327,430	546,687,706	420,499,536
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain	17	-	1,008,299	-	1,008,299
Less: Income tax effect	19	-	(201,660)	-	(201,760)
Total other comprehensive income for the year		-	806,639	-	806,539
Total comprehensive income for the year		541,326,724	421,134,069	546,687,706	421,306,075

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

Forth Smart Service Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
Profit attributable to:					
Equity holders of the Company		542,895,866	420,332,593	546,687,706	420,499,536
Non-controlling interests of the subsidiaries		(1,569,142)	(5,163)		
		<u>541,326,724</u>	<u>420,327,430</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		542,895,866	421,139,232	546,687,706	421,306,075
Non-controlling interests of the subsidiaries		(1,569,142)	(5,163)		
		<u>541,326,724</u>	<u>421,134,069</u>		
Basic earnings per share	20				
Profit attributable to equity holders of the Company		<u>0.68</u>	<u>0.53</u>	<u>0.68</u>	<u>0.53</u>

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

Forth Smart Service Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Profit before tax	607,532,533	479,197,774	612,758,438	479,369,880
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	455,400,898	317,792,408	440,491,644	317,792,408
Amortisation for intangible assets	3,685,677	1,075,104	3,152,477	1,075,104
Amortisation for prepayment of long-term lease	1,750,000	1,020,833	1,750,000	1,020,833
Doubtful debt accounts	-	11,630	-	11,630
Loss on write-off of deterioration/loss of equipment	2,146,614	3,644,859	2,146,614	3,644,859
Allowance for deterioration/loss of equipment (reversal)	(622,374)	1,020,184	(622,374)	1,020,184
Increase in provision for long-term employee benefits	1,181,545	1,100,944	1,181,545	1,100,944
Gain on sales of equipments	(53,188)	(407,412)	(4,722,755)	(407,412)
Interest expenses	31,651,728	14,691,241	31,747,168	14,691,241
Profit from operating activities before changes in operating assets and liabilities	1,102,673,433	819,147,565	1,087,882,757	819,319,671
Operating assets (increase) decrease				
Accrued income and other receivables	(154,943,915)	(210,211,271)	(164,944,911)	(210,267,823)
Prepaid telephone charges	(9,481,650)	(25,634,225)	(9,481,650)	(25,634,225)
Inventories	(41,080,464)	(10,786,060)	(37,687,092)	(10,723,410)
Other current assets	(7,797,764)	3,996,517	(848,273)	4,041,606
Other non-current assets	(21,697)	(3,767,493)	(21,699)	(3,767,493)
Operating liabilities increase (decrease)				
Trade and other payables	174,719,702	171,294,384	206,234,082	171,128,554
Other current liabilities	129,932,207	127,352,545	127,004,316	127,352,545
Cash flows from operating activities	1,193,999,852	871,391,962	1,208,137,530	871,449,425
Cash paid for interest expenses	(30,653,284)	(14,708,325)	(30,748,723)	(14,708,325)
Cash paid for corporate income tax	(64,627,759)	(83,866,791)	(64,437,469)	(83,866,791)
Cash received from income tax refund	7,015,222	-	7,015,222	-
Net cash flows from operating activities	1,105,734,031	772,816,846	1,119,966,560	772,874,309

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

Forth Smart Service Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from investing activities				
Increase in investment in subsidiaries	-	-	(174,000,000)	(970,000)
Increase in other long-term investment	(29,151,815)	-	(18,000,000)	-
Proceeds from sales of equipments	256,262	13,487,402	98,412,243	13,487,402
Acquisition of equipments	(1,107,356,489)	(938,675,202)	(1,077,175,761)	(938,675,202)
Payments of other payables for purchases of equipment	(16,803,398)	(279,819,767)	(16,803,398)	(279,819,767)
Acquisition of equipments held for sales	-	(8,131,616)	-	(8,131,616)
Acquisition of computer software	(25,112,834)	(21,664,500)	(3,543,065)	(21,664,500)
Payments of prepayment of long-term lease	-	(17,500,000)	-	(17,500,000)
Net cash flows used in investing activities	<u>(1,178,168,274)</u>	<u>(1,252,303,683)</u>	<u>(1,191,109,981)</u>	<u>(1,253,273,683)</u>
Cash flows from financing activities				
Cash receipt from short-term loans	2,300,000,000	1,065,000,000	2,300,000,000	1,065,000,000
Repayments of short-term loans	(2,000,000,000)	(755,000,000)	(2,000,000,000)	(755,000,000)
Cash receipt from long-term loans	600,000,000	600,000,000	600,000,000	600,000,000
Repayments of long-term loans	(300,412,588)	(139,053,413)	(300,412,588)	(139,053,413)
Dividend paid	(399,998,800)	(255,998,942)	(399,998,800)	(255,998,942)
Increase (decrease) in non-controlling interests of the subsidiaries due to investment in the subsidiaries	(24,837)	30,000	-	-
Proceeds from non-controlling interests of the subsidiary from increase in share capital of the subsidiary	10,000,005	-	-	-
Net cash flows from financing activities	<u>209,563,780</u>	<u>514,977,645</u>	<u>199,588,612</u>	<u>514,947,645</u>
Net increase in cash and cash equivalents	<u>137,129,537</u>	<u>35,490,808</u>	<u>128,445,191</u>	<u>34,548,271</u>
Cash and cash equivalents at beginning of year	<u>144,439,092</u>	<u>108,948,284</u>	<u>143,496,555</u>	<u>108,948,284</u>
Cash and cash equivalents at end of year	<u>281,568,629</u>	<u>144,439,092</u>	<u>271,941,746</u>	<u>143,496,555</u>
	-	-	-	-
Supplemental cash information				
Non-cash items				
Purchases of equipment for which no cash has been paid	33,857,188	27,243,398	33,763,337	27,243,398
Transfer assets awaiting installation to intangible assets	-	10,440,000	-	10,440,000
Transfer equipment to non-current assets held for sales	-	8,912,243	-	8,912,243
Transfer non-current assets held for sales to equipment	5,033,812	-	5,033,812	-

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

Forth Smart Service Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2017

	Consolidated financial statements							(Unit: Baht)
	Equity attributable to owners of the Company				Equity attributable to non-controlling interests of the subsidiaries		Total shareholders' equity	
	Issued and paid-up share capital	Share premium	Appropriated	Retained earnings	Unappropriated	Total equity attributable to owners of the Company		
Balance as at 1 January 2016	400,000,000	387,242,571	24,400,000	-	205,874,230	1,017,516,801	-	1,017,516,801
Profit for the year	-	-	-	-	420,332,593	420,332,593	(5,163)	420,327,430
Other comprehensive income for the year	-	-	-	-	806,639	806,639	-	806,639
Total comprehensive income for the year	-	-	-	-	421,139,232	421,139,232	(5,163)	421,134,069
Appropriated statutory reserve (Note 21)	-	-	15,600,000	(15,600,000)	-	-	-	-
Dividend payment (Note 25)	-	-	-	(255,998,942)	(255,998,942)	(255,998,942)	-	(255,998,942)
Increase in non-controlling interest from investment in the subsidiary (Note 10.1)	-	-	-	-	-	-	30,000	30,000
Balance as at 31 December 2016	400,000,000	387,242,571	40,000,000	355,414,520	542,895,866	1,182,657,091	24,837	1,182,681,928
Balance as at 1 January 2017	400,000,000	387,242,571	40,000,000	355,414,520	542,895,866	1,182,657,091	24,837	1,182,681,928
Profit for the year	-	-	-	-	542,895,866	542,895,866	(1,569,142)	541,326,724
Total comprehensive income for the year	-	-	-	-	542,895,866	542,895,866	(1,569,142)	541,326,724
Dividend payment (Note 25)	-	-	-	(399,998,800)	(399,998,800)	(399,998,800)	-	(399,998,800)
Decrease in non-controlling interest from investment in the subsidiary (Note 10.1)	-	-	-	-	-	-	(24,837)	(24,837)
Increase in non-controlling interest of subsidiary from increase in share capital of the subsidiary (Note 10.2)	-	-	-	-	-	-	10,000,005	10,000,005
Balance as at 31 December 2017	400,000,000	387,242,571	40,000,000	498,311,586	1,325,554,157	1,325,554,157	8,430,863	1,333,985,020

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

Forth Smart Service Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2017

	Separate financial statements					(Unit: Baht)
	Issued and paid-up share capital	Share premium	Retained earnings		Total	
			Appropriated	Unappropriated		
Balance as at 1 January 2016	400,000,000	387,242,571	24,400,000	205,874,230	1,017,516,801	
Profit for the year	-	-	-	420,499,536	420,499,536	
Other comprehensive income for the year	-	-	-	806,639	806,639	
Total comprehensive income for the year	-	-	-	421,306,175	421,306,175	
Appropriated statutory reserve (Note 21)	-	-	15,600,000	(15,600,000)	-	
Dividend payment (Note 25)	-	-	-	(255,998,942)	(255,998,942)	
Balance as at 31 December 2016	400,000,000	387,242,571	40,000,000	355,581,463	1,182,824,034	
Balance as at 1 January 2017	400,000,000	387,242,571	40,000,000	355,581,463	1,182,824,034	
Profit for the year	-	-	-	546,687,706	546,687,706	
Total comprehensive income for the year	-	-	-	546,687,706	546,687,706	
Dividend payment (Note 25)	-	-	-	(399,998,800)	(399,998,800)	
Balance as at 31 December 2017	400,000,000	387,242,571	40,000,000	502,270,369	1,329,512,940	

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

Forth Smart Service Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2017

1. Corporate information

Forth Smart Service Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its parent company is Forth Corporation Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in rendering of top-up service for prepaid phone, receipt of other online services, advertising services through online top-up machines and rendering of service relating to online top-up machines. The registered office of the Company is at 256 Paholyothin Road, Samsennai, Phayathai, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Forth Smart Service Public Company Limited ("the Company") and the following subsidiary company ("the subsidiaries"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
			Percent	Percent
<u>Subsidiary held through the Company</u>				
Forth Smart Trading Company Limited	Distribution of goods and rendering of service relating to online top-up machines	Thailand	99.99	97.00
<u>Subsidiary held through its subsidiary</u>				
Forth Smart Digital Company Limited	Electronics commerce	Thailand	60.00	-

On 10 May 2017, a meeting of the Board of Directors of Forth Smart Trading Company Limited, a subsidiary, passed a resolution approving in the establishment of a new subsidiary company, Forth Smart Digital Company Limited, which engaged in electronics commerce, with a registered share capital of Baht 100 million (10,000,000 ordinary shares, Baht 10 per share). The subsidiary has registered the new subsidiary company on 28 August 2017 and the subsidiary holds 60 percent of such company ordinary shares. The Company already paid 25 percent of the par value of the ordinary share, totaling to Baht 15 million.

- b) The Company is deemed to have control over an investee or subsidiary 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) Subsidiary is fully consolidated as from 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 subsidiary are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary 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 subsidiary under the cost method.

3. New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the note to financial statements.

The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

4. Significant accounting policies

4.1 Revenues recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Income from rendering of top-up service for prepaid phone and receipt of other online services

Income from rendering of top-up service for prepaid phone and receipt of other online services are recognised, when services have been rendered and customers have already paid through online top-up machines, at net amount which is fee income of the Company, excluding cost of telephone and other online services which is cost of telephone network operators and online service providers.

Income from rendering of services through online top-up machines

Income from rendering of services through online top-up machines is recognised when services have been rendered and customers have already paid service fees through online top-up machines.

Advertising income

Advertising income is recognised when services have been rendered taking into account the stage of completion. Service rate charged is in accordance with conditions stipulated in the contract.

Other income

Other income comprised insurance received on online top-up machines, revenue from customers' credit top-ups, unsuccessful money top-ups and other income.

Income from insurance received on online top-up machines is insurance that the Company receives from service representatives. The insurance received is recognised as income based on period.

Revenue from customers' credit top-ups is the amount of credit that the online top-up machines retain from customers because the machines are unable to give change. The revenue from customers' credit top-ups is recognised as income when customers' credit has remained unused for a period of more than 1 year.

Revenue from unsuccessful money top-ups is the amount of credit that were not able to be added in accordance with customer orders. The revenue is recognised when the customer has not claimed a refund for more than 1 year.

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 Receivables

Receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Finished goods are valued at the lower of cost (weighted average method) and net realisable value.

4.5 Investments

- a) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- b) Investments in subsidiaries is accounted for in the separate financial statements using the cost method.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.6 Leasehold improvements and equipment and depreciation

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

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

Leasehold improvements	5 years
Online top-up machines and related equipments	5, 8 years
Equipment and office equipments	5 years
Motor vehicles	10 years

Depreciation is included in determining income.

No depreciation is provided on assets awaiting installation.

An item of leasehold improvements 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 are stated 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.

Intangible asset with finite useful lives are as follows:

Computer software	10 years
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4.8 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

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

4.9 Operating leases

Leases of buildings or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

4.10 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the leasehold improvements and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the previously recognised impairment loss is reversed and recognised in profit or loss.

4.11 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 contributions are recognised as expenses when incurred.

Defined benefit plans

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

4.12 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.13 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 Company 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 Company reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

4.14 Derivatives

Interest rate swap contracts

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

4.15 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 Company and its subsidiaries apply 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 Company and its subsidiaries measure 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 observable 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 Company and its subsidiaries determine 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 judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments 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 judgments and estimates are as follows:

Leasehold improvements and equipment / Depreciation

In determining depreciation of leasehold improvements and equipment, the management is required to make estimates of the useful lives and residual values of the leasehold improvements and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review leasehold improvements 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.

6. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

		(Unit: Million Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
	<u>Pricing policy</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Transactions with parent company</u>					
Sales of online top-up machines	Cost plus margin	-	13	-	13
Purchases of equipment for installation of online top-up machines	Cost plus margin	94	64	90	64
Purchases of online top-up machines	Cost plus margin	1,001	818	972	818
Service and administrative expenses	Agreed rate	3	8	3	8
Rental expenses	Agreed rate	19	3	18	3
<u>Transactions with subsidiary companies</u>					
(Eliminated from the consolidated financial statements)					
Sales of equipment	Cost plus margin	-	-	99	-
Others income	Agreed rate	-	-	3	-
<u>Transactions with related companies</u>					
Purchase of equipment for installation of online top-up machines	Cost plus margin	73	28	73	28
Commission expenses	Agreed rate	3	1	3	1
Service and administrative expenses	Agreed rate	1	1	1	1
Commission income	Agreed rate	2	-	2	-

The balances of the accounts as at 31 December 2017 and 2016 between the Company and those related parties were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Accrued income - related parties (Note 8)</u>				
Subsidiaries	-	-	197	-
Total	-	-	197	-
<u>Other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	14,908	-
Related parties (related by same director and management)	305	682	412	738
Total	305	682	15,320	738
<u>Prepayment of long-term lease - related parties</u>				
Related parties (related by same director and management)	14,729	16,479	14,729	16,479
Total	14,729	16,479	14,729	16,479
<u>Trade and other payables - related parties (Note 15)</u>				
Parent company	23,415	13,766	23,122	13,766
Subsidiaries	-	-	33,877	-
Related parties (related by same director and management)	14,699	8,498	14,698	8,498
Total	38,114	22,264	71,697	22,264
<u>Retention received from service representatives</u>				
Related parties (related by same director and management)	1,560	840	1,560	840
Total	1,560	840	1,560	840

Directors and management's benefits

During the years ended 31 December 2017 and 2016, the Company had employee benefit expenses payable to their directors and management as below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	10,621	9,032	10,621	9,032
Post-employment benefits	1,376	1,012	1,376	1,012
Total	11,997	10,044	11,997	10,044

7. Cash and cash equivalents

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash	3,748	5,550	3,729	5,542
Bank deposit	276,576	138,889	266,968	137,955
Deposits at banks with restrictions	1,245	-	1,245	-
Total	281,569	144,439	271,942	143,497

As at 31 December 2017, bank deposits in saving accounts, carried interests between 0.13 and 0.15 per annum (2016: between 0.13 and 0.75 per annum)

Deposits at banks with restrictions amounting to Baht 1 million was maintenance of minimum levels of bank deposits for deposits from customers in accordance with the notification of the Bank of Thailand regarding "Stipulation of Guidelines, Procedures and Conditions for Electronic Money Business", the Company is required at all times to maintain bank deposits in an amount not less than the amount of deposits received from customers.

8. Accrued income and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Accrued income - related parties	-	-	197	-
Accrued income	763,842	601,802	758,750	601,802
Other receivables - related parties	305	682	15,320	738
Other receivables	17,023	23,742	16,960	23,742
Total	781,170	626,226	791,227	626,282
Less: Allowance for doubtful debts	(116)	(116)	(116)	(116)
Total accrued income and other receivables - net	781,054	626,110	791,111	626,166

9. Non-current assets held for sales

The net book value of the non-current assets held for sales as at 31 December 2017 and 2016 is presented below.

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	<u>2017</u>	<u>2016</u>
Cost	-	14,519
<u>Less</u> Accumulated depreciation	-	(9,486)
Net book value	-	5,033

Movements of the non-current assets held for sales account during the years ended 31 December 2017 and 2016 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	<u>2017</u>	<u>2016</u>
Net book value at beginning of year	5,033	670
Acquisitions during the year - at cost	-	8,133
Transfer in equipment to non-current assets held for sales	-	8,912
Transfer non-current assets held for sales to equipment	(5,033)	-
Disposals during the year	-	(12,682)
Net book value at end of year	-	5,033

In 2016, the Company planned to sell equipment that was not in use to its parent company. As a result, the Company reclassified these assets from equipment to non-current assets held for sales and sold to the parent company during year 2016. However, on 30 June 2017, the Company's management cancelled such planned and instead planned to reuse the equipment in its operation so the Company reversed the outstanding non-current assets held for sales to equipment.

10. Investment in subsidiaries

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

Company's Name	Paid-up capital		Shareholding percentage		Carrying amounts based on cost method	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	(Thousand Baht)	(Thousand Baht)	(percent)	(percent)	(Thousand Baht)	(Thousand Baht)
Subsidiary directly held by the Company						
Forth Smart Trading Co., Ltd.	175,000	1,000	99.99	97.00	174,970	970
Subsidiary held by Forth Smart Trading Co., Ltd.						
Forth Smart Digital Co., Ltd.	25,000	-	60.00	-	-	-
Total investment in subsidiaries					174,970	970

- 10.1 On 6 February 2017, a meeting of the extraordinary of the shareholders of Forth Smart Trading Company Limited, the subsidiary, passed a resolution to approve an increase in its registered shares capital from Baht 1 million (100,000 ordinary shares of Baht 10 each) to Baht 100 million (10,000,000 ordinary shares of Baht 10 each), through the issue of 9,900,000 additional ordinary shares with a par value of Baht 10 each, for offer to existing shareholders at Baht 10 per share. The subsidiary registered the increase of its capital with the Ministry of Commerce on 15 February 2017. None of Forth Smart Trading Company Limited's minority shareholders wished to buy the additional ordinary shares issued and, as a result, the Company acquired all of the additional ordinary shares and its interest in the subsidiary increased to 99.97 percent of its registered shares capital. The subsidiary called up 25 percent of the par value of the additional ordinary shares, totaling to Baht 24.75 million, and the Company had paid in this amount. Subsequently on 18 July 2017, the subsidiary called up 75 percent of the outstanding balances or Baht 74.25 million from the Company, and the Company had paid in this amount.

On 11 May 2017, a meeting of the Board of Directors passed to approve the purchase of 20,000,000 additional shares with par value of Baht 10 each, amounting to Baht 200 million, of the subsidiary. None of the minority shareholders wished to buy the additional ordinary shares issued and, as a result, the Company acquired all of the additional ordinary shares and its interest in the subsidiary increased to 99.99 percent of its registered share capital. The subsidiary called up 25 percent of the par value of the additional ordinary shares, totaling to Baht 50 million, and the Company had paid in this amount. In addition, on 21 August 2017, the subsidiary called up 12.5 percent of the par value of the additional ordinary shares or Baht 25 million from the Company, and the Company had paid in this amount.

- 10.2 On 10 May 2017, a meeting of the Board of Directors of Forth Smart Trading Company Limited, a subsidiary, passed a resolution approving in the establishment of a new subsidiary company, Forth Smart Digital Company Limited, which engaged in electronics commerce, with a registered share capital of Baht 100 million (10,000,000 ordinary shares, Baht 10 per share). The subsidiary has registered the new subsidiary company on 28 August 2017 and the subsidiary holds 60 percent of such company ordinary shares. The Company already paid 25 percent of the par value of the ordinary share, totaling to Baht 15 million.

11. Other long-term investment

- 11.1 On 3 February 2017, a meeting of the extraordinary of the shareholders of Forth Vending Company Limited, which the Company invests at 10 percent, passed a resolution to approve an increase in company's registered, shares capital from Baht 80 million (8,000,000 ordinary shares of Baht 10 each) to Baht 320 million (32,000,000 ordinary shares of Baht 10 each), through the issuance of 24,000,000 additional ordinary shares with a par value of Baht 10 each, for offer to existing shareholders at Baht 10 per share. Consequently, 3 February 2017, 31 July 2017 and 30 November 2017, Forth Vending Company Limited called up 25 percent of the par value of the increase of its capital from the Company or Baht 6 million per time, totaling Baht 18 million, and the Company had paid in such amount.
- 11.2 On 10 August 2017, a meeting of the Board of Directors of Forth Smart Trading, a subsidiary, passed a resolution approving in the investment of Box24 Company Limited relating locker service, with a registered Baht 7 million (53,223 ordinary shares and 17,965 preferred stock, Baht 100 per share). The subsidiary invested in such company 6,194 preferred stock, at Baht 1,800 per share (par value Baht 100 per share and share premium Baht 1,700 per share), totaling Baht 11 million, and the Company had paid in this amount.

12. Leasehold improvement and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Leasehold improvements	Online top-up machines and related equipment	Equipment and office equipment	Motor vehicles	Assets awaiting installation	
Cost						
1 January 2016	3,418	2,098,198	45,458	4,119	12,375	2,163,568
Additions	44,376	873,440	46,598	1,200	304	965,918
Disposals/written-off	-	(6,480)	(2)	-	-	(6,482)
Transfer to intangible assets	-	-	-	-	(10,440)	(10,440)
Transfer equipment to non-current assets held for sales	-	(45,410)	-	-	-	(45,410)
Transferred in (out)	-	-	740	-	(740)	-
31 December 2016	47,794	2,919,748	92,794	5,319	1,499	3,067,154
Additions	878	1,129,243	11,034	-	59	1,141,214
Disposals/written-off	-	(5,400)	-	-	-	(5,400)
Transfer non-current assets held for sales to equipment	-	14,520	-	-	-	14,520
Transferred in (out)	-	-	1,375	-	(1,375)	-
31 December 2017	48,672	4,058,111	105,203	5,319	183	4,217,488
Accumulated depreciation						
1 January 2016	970	642,508	24,452	1,455	-	669,385
Depreciation for the year	1,582	307,897	7,893	419	-	317,791
Depreciation on disposals/written-off	-	(2,435)	(2)	-	-	(2,437)
Transfer equipment to non-current assets held for sales	-	(36,498)	-	-	-	(36,498)
31 December 2016	2,552	911,472	32,343	1,874	-	948,241
Depreciation for the year	9,669	427,724	17,475	532	-	455,400
Depreciation on disposals/written-off	-	(3,005)	-	-	-	(3,005)
Transfer non-current assets held for sales to equipment	-	9,486	-	-	-	9,486
31 December 2017	12,221	1,345,677	49,818	2,406	-	1,410,122

Consolidated financial statements

	Leasehold improvements	Online top-up machines and related equipment	Equipment and office equipment	Motor vehicles	Assets awaiting installation	Total
Allowance for deterioration/loss of equipment						
1 January 2016	-	3,107	-	-	-	3,107
Increase during the year	-	2,236	-	-	-	2,236
Decrease during the year	-	(1,216)	-	-	-	(1,216)
31 December 2016	-	4,127	-	-	-	4,127
Increase during the year	-	132	-	-	-	132
Decrease during the year	-	(754)	-	-	-	(754)
31 December 2017	-	3,505	-	-	-	3,505
Net book value						
31 December 2016	45,242	2,004,149	60,451	3,445	1,499	2,114,786
31 December 2017	36,451	2,708,929	55,385	2,913	183	2,803,861
Depreciation for the year						
2016 (Baht 308 million included in cost of services, and the balance in administrative expenses)						317,791
2017 (Baht 428 million included in cost of services, and the balance in administrative expenses)						455,400

Separate financial statements

	Online top-up					
	Leasehold	machines	Equipment	Motor	Assets	
	improvements	and related	and office	vehicles	awaiting	Total
		equipment	equipment		installation	
Cost						
1 January 2016	3,418	2,098,198	45,458	4,119	12,375	2,163,568
Additions	44,376	873,440	46,598	1,200	304	965,918
Disposals/written-off	-	(6,480)	(2)	-	-	(6,482)
Transfer to intangible assets	-	-	-	-	(10,440)	(10,440)
Transfer equipment to non-current assets held for sales	-	(45,410)	-	-	-	(45,410)
Transferred in (out)	-	-	740	-	(740)	-
31 December 2016	47,794	2,919,748	92,794	5,319	1,499	3,067,154
Additions	753	1,099,432	10,694	-	60	1,110,939
Disposals/written-off	-	(109,392)	-	-	-	(109,392)
Transfer non-current assets held for sales to equipment	-	14,520	-	-	-	14,520
Transferred in (out)	-	-	1,375	-	(1,375)	-
31 December 2017	48,547	3,924,308	104,863	5,319	184	4,083,221
Accumulated depreciation						
1 January 2016	970	642,508	24,452	1,455	-	669,385
Depreciation for the year	1,582	307,897	7,893	419	-	317,791
Depreciation on disposals/written-off	-	(2,435)	(2)	-	-	(2,437)
Transfer equipment to non-current assets held for sales	-	(36,498)	-	-	-	(36,498)
31 December 2016	2,552	911,472	32,343	1,874	-	948,241
Depreciation for the year	9,663	412,837	17,459	532	-	440,491
Depreciation on disposals/written-off	-	(13,605)	-	-	-	(13,605)
Transfer non-current assets held for sales to equipment	-	9,486	-	-	-	9,486
31 December 2017	12,215	1,320,190	49,802	2,406	-	1,384,613

(Unit: Thousand Baht)

Separate financial statements

	Leasehold improvements	Online top-up machines and related equipment	Equipment and office equipment	Motor vehicles	Assets awaiting installation	Total
Allowance for deterioration/loss of equipment						
1 January 2016	-	3,107	-	-	-	3,107
Increase during the year	-	2,236	-	-	-	2,236
Decrease during the year	-	(1,216)	-	-	-	(1,216)
31 December 2016	-	4,127	-	-	-	4,127
Increase during the year	-	132	-	-	-	132
Decrease during the year	-	(754)	-	-	-	(754)
31 December 2017	-	3,505	-	-	-	3,505
Net book value						
31 December 2016	45,242	2,004,149	60,451	3,445	1,499	2,114,786
31 December 2017	36,332	2,600,613	55,061	2,913	184	2,695,103
Depreciation for the year						
2016 (Baht 308 million included in cost of services, and the balance in administrative expenses)						317,791
2017 (Baht 413 million included in cost of services, and the balance in administrative expenses)						440,491

As at 31 December 2017, certain items of online top-up machines and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for deterioration/loss of equipment of those assets amounted to approximately Baht 74 million (2016: Baht 36 million).

13. Intangible assets

The net book value of intangible assets as at 31 December 2017 and 2016 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
As at 31 December 2017:		
Cost	55,869	34,299
<u>Less</u> Accumulated amortization	(6,846)	(6,312)
Net book value	49,023	27,987
As at 31 December 2016:		
Cost	30,756	30,756
<u>Less</u> Accumulated amortization	(3,160)	(3,160)
Net book value	27,596	27,596

A reconciliation of the net book value of intangible assets for the years 2017 and 2016 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Net book value at beginning of year	27,596	7,007	27,596	7,007
Acquisition of computer software	25,113	11,224	3,543	11,224
Transfer in	-	10,440	-	10,440
Amortisation	(3,686)	(1,075)	(3,152)	(1,075)
Net book value at end of year	49,023	27,596	27,987	27,596

14. Short-term loans from financial institution

	Interest rate (percent per annum)	(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term loans from financial institutions	2.3% - 2.5%	700,000	400,000	700,000	400,000
Total		<u>700,000</u>	<u>400,000</u>	<u>700,000</u>	<u>400,000</u>

These short-term loans are unsecured.

15. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Related parties</u>				
Account payables for purchases of equipment	36,181	17,980	36,181	17,980
Other payables	208	1,277	32,949	1,277
Accrued expenses	1,725	3,007	2,567	3,007
	<u>38,114</u>	<u>22,264</u>	<u>71,697</u>	<u>22,264</u>
<u>Unrelated parties</u>				
Trade payables	318,801	237,751	318,634	237,684
Other payables	229,178	168,466	229,001	168,466
Advance received from customer	260	-	260	-
Accrued expenses	182,088	147,232	180,198	147,133
	<u>730,327</u>	<u>553,449</u>	<u>728,093</u>	<u>553,283</u>
Total trade and other payables	<u>768,441</u>	<u>575,713</u>	<u>799,790</u>	<u>575,547</u>

During 2017, the Company reversed other payables of approximately Baht 123 million (2016: Baht 89 million). Such other payables were credit top-up amount for prepaid phone that customers have not used for a period of more than 1 year amounting to approximately Baht 34 million (2016: Baht 32 million) and the amount from unsuccessful money top-up for which customers did not claim the refund for more than 1 year amounting to approximately Baht 89 million (2016: Baht 57 million) to other income in profit or loss.

16. Long-term loans

				(Unit: Thousand Baht)	
				Consolidated / Separate	
				financial statements	
Loan	Credit facility (Million Baht)	Interest rate (%)	Repayment schedule	2017	2016
1	100	Fixed interest rate	36 monthly installments (ending in 2019)	41,666	75,000
2	100	Refer to BIBOR + a margin as stipulated in the agreement	36 monthly installments (ending in 2019)	-	69,839
3	200	Fixed interest rate	36 monthly installments (ending in 2019)	97,214	163,886
4	200	Refer to 1M THBFIX + a margin as stipulated in the agreement	36 monthly installments (ending in 2019)	130,556	197,222
5	200	Fixed interest rate	36 monthly installments (ending in 2020)	166,667	-
6	200	Refer to 1M THBFIX + a margin as stipulated in the agreement	36 monthly installments (ending in 2020)	186,111	-
7	200	Fixed interest rate	36 monthly installments (ending in 2020)	183,320	-
Total				805,534	505,947
<u>Less: Current portion</u>				<u>(375,059)</u>	<u>(201,026)</u>
Long-term loans, net of current portion				<u>430,475</u>	<u>304,921</u>

16.1 In 2016, the Company entered into an interest rate swap agreement of the loan credit facility No. 4 amounting to Baht 200 million to swap a fixed interest rate as stipulated in the agreement for a period from 30 November 2016 to 30 December 2019 in order to hedge the interest rate risk these loan.

16.2 In 2017, the Company entered into an interest rate swap agreement for the loans credit facility No.6 amounting to Baht 100 million to swap a fixed interest rate as stipulated in the agreement for a period from 29 September 2017 to 30 September 2020 in order to hedge the interest rate risk these loans. In addition, the Company entered into an additional interest rate swap agreement of the loans amounting to Baht 100 million to swap a fixed interest rate as stipulated in the agreement for a period from 31 October 2017 to 30 October 2020 in order to hedge the interest rate risk these loans.

16.3 The loan agreements contain several covenants which, among other things, the Company has to comply with certain conditions stipulated in the loan agreements pertaining to matters such as the maintenance of financial ratio, creation of liabilities, and significant changes in the shareholders' structure or management etc.

17. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Provision for long-term employee benefits				
at beginning of year	2,046	1,954	2,046	1,954
Included in profit or loss:				
Current service cost	1,069	961	1,069	961
Interest cost	113	139	113	139
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(833)	-	(833)
Financial assumptions changes	-	1,030	-	1,030
Experience adjustments	-	(1,205)	-	(1,205)
Provision for long-term employee benefits				
at end of year	<u>3,228</u>	<u>2,046</u>	<u>3,228</u>	<u>2,046</u>

Long-term employee benefit expense for the years ended 31 December 2017 and 2016 recognised in service and administrative expenses in profit or loss.

The Company expects no payment of long-term employee benefits during the next year (2016: nil).

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefit is 27 years (2016: 27 years).

Significant actuarial assumptions are summarised below:

	Consolidated / Separate financial statements	
	<u>2017</u>	<u>2016</u>
	(% per annum)	(% per annum)
Discount rate	3.6	3.6
Future salary increase rate	10.0	10.0
Turnover rate	5.0 - 24.6	5.0 - 24.6

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2017 and 2016 are summarised below:

	(Unit: Thousand Baht)			
	2017		2016	
	Consolidated/Separate financial statements		Consolidated/Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(467)	571	(302)	370
Salary increase rate	563	(472)	343	(289)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(431)	549	(280)	359

18. Income from rendering of services through online top-up machines

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Total receipt amount from rendering of top-up service for prepaid phone and receipt of other online services	35,894,029	23,255,561	35,867,078	23,255,561
Less: Cost of prepaid phone and receipt of other online services which is cost of telephone network operators and online service providers	(34,145,508)	(21,991,486)	(34,145,508)	(21,991,486)
Income from rendering of services through online top-up machines	<u>1,748,521</u>	<u>1,264,075</u>	<u>1,721,570</u>	<u>1,264,075</u>

During the years ended 31 December 2017 and 2016, the Company received amount through online top-up machines as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Total receipt amount through online top-up machines	36,174,639	23,383,343	36,145,807	23,383,343

19. Income tax

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Corporate income tax charge	68,165	59,529	67,883	59,529
Adjustment in respect of current income tax previous year	(2,031)	(436)	(2,031)	(436)
Write-off withholding tax deducted at source	330	-	330	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(258)	(223)	(112)	(223)
Income tax expense reported in the statement of comprehensive income	<u>66,206</u>	<u>58,870</u>	<u>66,070</u>	<u>58,870</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2017 and 2016 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax relating to actuarial gain	-	202	-	202

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Accounting profit before tax	607,533	479,198	612,758	479,370
Applicable tax rate (%)	20	20	20	20
Accounting profit before tax multiplied by income tax rate	121,507	95,840	122,552	95,874
Write-off withholding tax deducted at source	330	-	330	-
Deferred tax which was not recognised during the prior year but was utilised during the year	(172)	-	-	-
Adjustment in respect of income tax of previous year	(2,031)	(436)	(2,031)	(436)
Effects of:				
Non-deductible expenses	909	1,142	818	1,108
Additional expense deductions allowed	(56,237)	(37,676)	(55,599)	(37,676)
Expected unused tax loss	785	-	-	-
Others	1,115	-	-	-
Total	(53,428)	(36,534)	(54,781)	(36,568)
Income tax expenses reported in the statement of comprehensive income	66,206	58,870	66,070	58,870

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)				
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Deferred tax assets				
Provision for long-term employee benefits	646	409	646	409
Allowance for deterioration / loss of equipment	659	784	659	784
Others	146	-	-	-
Total	1,451	1,193	1,305	1,193

20. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

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

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Profit for the year (Thousand Baht)	542,896	420,333	546,688	420,499
Weighted average number of ordinary shares (Thousand shares)	800,000	800,000	800,000	800,000
Earnings per share (Baht per share)	0.68	0.53	0.68	0.53

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to 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. At present, the statutory reserve has fully been set aside.

22. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Benefit sharing to service representatives	1,728,645	1,238,688	1,710,988	1,238,688
Depreciation and amortisation	459,086	318,866	443,643	318,866
Salaries and wages and other				
employee benefits	107,943	82,879	105,423	82,844
Service fees for data transfer system	83,260	60,874	83,130	60,874
Bank charge of money transfer service	78,223	5,386	78,223	5,386
Repaired expenses for top-up machines	52,504	53,396	52,504	53,396

23. Segment information

The one main reportable operating segment of the Company and its subsidiary is rendering of top-up service for prepaid phone, receipt of other online services advertising services through online top-up machines and rendering of service relating to online top-up machines and the single geographical area of their operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

24. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contribute to the fund monthly at a rate of 3 percent of basic salary. The fund, which is managed by and American International Assurance Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2017 amounting to approximately Baht 1.2 million (2016: Baht 0.9 million) were recognised as expenses.

25. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends for 2015	2016 Annual General Meeting of the shareholders on 8 April 2016	119,999	0.15
Interim dividend paid from profit for the six-month period ended 30 June 2016	The Board of Directors' Meeting on 10 August 2016	136,000	0.17
Total for 2016		255,999	0.32
Dividends for 2016	2017 Annual General Meeting of the shareholders on 31 March 2017	200,000	0.25
Interim dividend paid from profit for the six-month period ended 30 June 2017	The Board of Directors' Meeting on 10 August 2017	200,000	0.25
Total for 2017		400,000	0.50

26. Commitments and contingent liabilities

26.1 Capital commitments

As at 31 December 2017, the Company had capital commitments of approximately Baht 14 million, relating to the equipment and improvement of office building.

26.2 Operating lease commitments

The Company has entered into lease agreements in respect of the lease of buildings and office equipments. The terms of the agreements are generally between 1 and 5 years. The Company had commitments in respect of the lease agreements as follows:

	(Unit: Million Baht)	
	As at 31 December	
	<u>2017</u>	<u>2016</u>
Payable within:		
In up to 1 year	20	3
In over 1 and up to 5 years	18	3
Over 5 years	1	1

26.3 Guarantees

As at 31 December 2017, there were outstanding bank guarantees of approximately Baht 79 million (2016: Baht 74 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.

26.4 Other commitment

As at 31 December 2017, the Company and its subsidiary had commitments of Baht 46 million in respect of purchased goods.

27. Financial instruments

27.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentation", principally comprise cash and cash equivalents, accrued income and other receivables, trade and other payables, short-term loans from financial institutions, long-term loans and retention received from service representatives. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Company and its subsidiary is principally engaged in rendering of top-up service for prepaid phone, receipt of other online services and advertising services through online top-up machines. The Company and its subsidiary's exposure to credit risk is thus expected to be minimal.

Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk primarily with respect to deposits at banks, short-term loans and long-term loans which bear interest. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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 2017

	Fixed interest rates			Floating interest rates	Non- interest bearing	Total	Interest rates (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	230	52	282	0.13 - 1.50
Accrued income and other receivables	-	-	-	-	781	781	-
	-	-	-	230	833	1,063	
Financial liabilities							
Short-term loans from financial institution	700	-	-	-	-	700	2.30 - 2.50
Trade and other payables	-	-	-	-	768	768	-
Long-term loans	375	430	-	-	-	805	3.80 - 4.00
Retention received from service representatives	-	-	-	-	615	615	-
	1,075	430	-	-	1,383	2,888	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2016

	Fixed interest rates			Floating interest rates	Non- interest bearing	Total	Interest rates (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	117	27	144	0.13 - 0.75
Accrued income and other receivables	-	-	-	-	626	626	-
	-	-	-	117	653	770	
Financial liabilities							
Short-term loans from financial institution	400	-	-	-	-	400	2.49 - 2.60
Trade and other payables	-	-	-	-	576	576	-
Long-term loans	167	269	-	70	-	506	3.80 - 4.12
Retention received from service representatives	-	-	-	-	492	492	-
	400	436	-	70	1,068	1,974	

(Unit: Million Baht)

Separate financial statements as at 31 December 2017

	Fixed interest rates			Floating interest rates	Non- interest bearing	Total	Interest rates (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	220	52	272	0.13 - 1.50
Accrued income and other receivables	-	-	-	-	791	791	-
	-	-	-	220	843	1,063	
Financial liabilities							
Short-term loans from financial institution	700	-	-	-	-	700	2.30 - 2.50
Trade and other payables	-	-	-	-	800	800	-
Long-term loans	375	430	-	-	-	805	3.80 - 4.00
Retention received from service representatives	-	-	-	-	612	612	-
	1,075	430	-	-	1,412	2,917	

(Unit: Million Baht)

Separate financial statements as at 31 December 2016

	Fixed interest rates			Floating interest rates	Non- interest bearing	Total	Interest rates (% per annum)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	116	28	144	0.13 - 0.75
Accrued income and other receivables	-	-	-	-	626	626	-
	-	-	-	116	654	770	
Financial liabilities							
Short-term loans from financial institution	400	-	-	-	-	400	2.49 - 2.60
Trade and other payables	-	-	-	-	576	576	-
Long-term loans	-	436	-	70	-	506	3.80 - 4.12
Retention received from service representatives	-	-	-	-	492	492	-
	400	436	-	70	1,068	1,974	

27.2 Fair values of financial instruments

Since the majority of the Company financial instruments are short-term in nature or the 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 statements of financial position.

The estimated fair value of the derivative is as follows:

	(Unit: Million Baht)	
	2017	2016
	Fair value	Fair value
	Loss	Loss
Derivatives		
Interest rate swap contracts	0.20	0.52

The interest rate swap contracts used the fair value level 2.

28. 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 2017, the Group's debt-to-equity ratio was 2.2:1 (2016: 1.7:1) and the Company's was 2.2:1 (2016: 1.7:1).

29. Event after the reporting period

On 15 February 2018, the Company's Board of Director's meeting passed a resolution to propose the Annual General Meeting of Shareholders approve a dividend payment at Baht 0.55 per share from the 2017 operating results. In this regard, the Company already paid an interim dividend at Baht 0.25 per share, totaling Baht 200 million, during the year 2016 to the shareholders, therefore the remaining dividend payable will be Baht 0.30 per share, or totaling Baht 240 million.

30. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 15 February 2018.

Operational Summary in 4Q17

- Total revenue from core business was Bt3,105mn, an increase of 38.3 %YoY
- Net profit was Bt543mn, an increase of 29.3% YoY
- The total number of "Boonterm" was 124,653 kiosks, increased 32,175 kiosks or 35.4% YoY
- Total usage amount was Bt36,175mn, an increase of 54.7% YoY
- 25mn active subscribers and 2.2mn transactions per day
- Speed-up strategy to install Boonterm kiosk cover all areas to expand customer base and revenue as well as to prevent competitors entering to the market as well
- The total number of money transfer transactions was 5.8 mn, an increase of 864% YoY

Business Overview

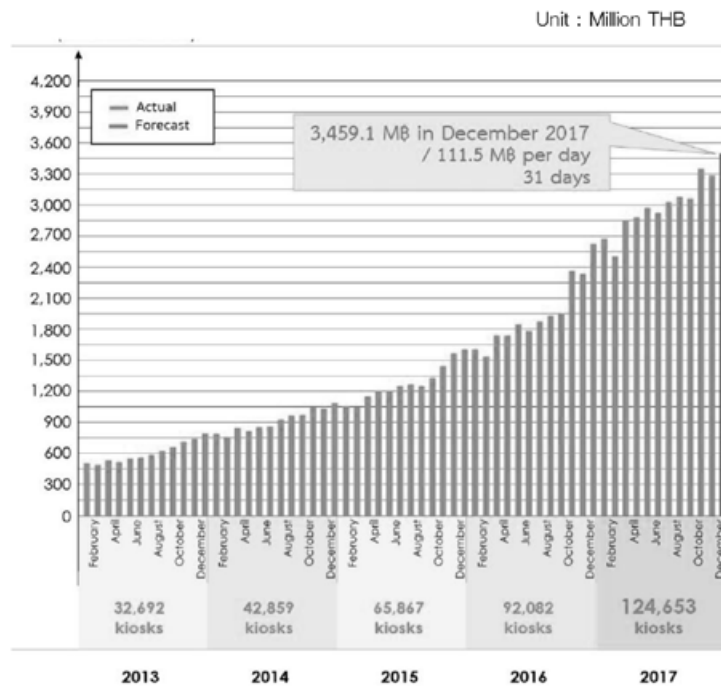
	4Q16	1Q17	2Q17	3Q17	4Q17	2016	2017	%YoY
Total usage amount through "Boonterm kiosk" (Million Baht)	7,377	8,000	8,778	9,311	10,085	23,383	36,174	54.7%
Total number of "Boonterm kiosk" as the period ended (Kiosk)	92,082	100,022	110,563	119,166	124,653	92,082	124,653	35.4%

In 2017, FSMART continued to grow dramatically and be able to maintain as the leader of online top-up machines market, both in terms of number of kiosks and total usage amount. Because of the higher competition in the market, FSMART speeds up strategy to install Boonterm kiosk cover all areas to expand customer base and revenue in the future. Meanwhile, it is able to prevent competitors entering to the market. Within 9 months the competitors gradually disappeared and the company gained 50% market share. In the part of mobile top-up market share, the company gained it from several channels especially ROM. As a result, the average ARPU from October 2017 has continued to increase. In addition, the company has offered new services and marketing promotion champagne to boost usage amount through Boonterm kiosk throughout the year. Moreover, FSMART has grown above the target.

FSMART has installed 32,571 Boonterm kiosks in total in 2017, which were above the target of 30,000 kiosks, resulting in the total of 124,653 kiosks, increased 35.4% YoY. The total top up value has grown from an increase of active subscribers of prepaid mobile customers from three major mobile operators in each quarter, from 6% to 10%, and continues to grow. As a result, the total usage amount in 2017 has increased to Bt36,174mn which was more than the company forecasted of Bt30,000 mn or an increase of 54.7% YoY. The increasing number of active subscribers over 25mn and over 2.2mn transactions per day has resulted in the total revenue from core business of Bt3,105mn, an increase of 38.3% YoY, and net profit was Bt543mn, an increase of 29.3% YoY.

FSMART has continued the strategic plan of expanding the number of Boonterm kiosk effectively and maintaining the ARPU (average revenue per unit) level efficiently. In 2017, the average ARPU is 32,000 baht per kiosk through increase usage frequency through marketing promotion campaign and the 100 baht refill without fee promotion, as well as adding many new services such as money transfer, bill payment, and social insurance contributions payment. As a result, the company was able to find new customers. This is consistent with the top up value, which continues to grow consistently, increased 54.7% YoY.

Monthly Top-up Value



Moreover, the service of money transfer including Kasikorn Bank and Krung Thai Bank continued to grow steadily. In 2017, the total amount of money transfer was increased to Bt4,052mn and the total number of transactions was increased to 5,799,045 transactions. As of December 2019, an average number of transactions was 5,378 transactions per day, and as of December 2017, an average number of transactions was 23,353 transactions per day, a dramatically increase of 334% per year. Moreover, in 2016, total number of transactions was 0.6 mn and in 2017, total number of transactions was 5.8 mn, a dramatically increase of 864% YoY

Money Transfer Service



Financial Summary

Income Statement

Income Statement	2016		2017		%YoY
	MB	%	MB	%	
Income from rendering of top-up service for prepaid phone and other online service (Commission)	968	43.1%	1,345	43.3%	39.0%
Income from rendering of service through online top-up machines "Boonterm kiosk" (Service Charge)	1,264	56.3%	1,748	56.3%	38.3%
Entrance fee income	-	0.0%	-	0.0%	0.0%
Advertising income	13	0.6%	12	0.4%	-7.7%
Total revenue from core business (4 items)	2,245	100.0%	3,105	100.0%	38.3%
Cost of services	(1,674)	-74.6%	(2,373)	-76.4%	41.8%
Gross profit	571	25.4%	732	23.6%	28.2%
Service & Administrative expenses	(199)	-8.9%	(270)	-8.7%	35.7%
Operating profit	372	16.6%	462	14.9%	24.2%
Other income	133	5.9%	198	6.4%	48.9%
Sales profit	4	0.2%	5	0.2%	25.0%
Finance costs	(30)	-1.3%	(56)	-1.8%	86.7%
Income tax expense	(59)	-2.6%	(66)	-2.1%	11.9%
Net profit	420	18.7%	543	17.5%	29.3%

Total revenue

FSMART's total revenues from core business was Bt3,105mn, an increase of 38.3% YoY, mainly from the increasing number of total transactions, subscribers and the number of "Boonterm kiosk" above the target. As a result, the total usage amount through "Boonterm kiosk" has grown dramatically. Details are as follows:

- 1) Income from rendering top-up service for prepaid phone and other online services (Commission)** was Bt1,345mn, an increase of 39.0% YoY, mainly from the prepaid mobile revenues.
- 2) Income from rendering of services through online top-up machines "Boonterm kiosk" (Service charge)** was Bt1,748mn, an increase of 38.3% YoY, mainly from the increasing in kiosk usage and money trafer service which has continuously growth.
- 3) Advertising income** was Bt12mn, decreased 7.7% YoY, due to purchasing power of consumers was not recovered to normal. As a result, the advertising company were more conscious in spending through advertising.
- 4) Other income** was Bt198mn, an increase of 48.9% YoY, mainly from increasing in the number of "Boonterm kiosk" and the growth of the total usage amount through "Boonterm kiosk".

Cost and Expenses

1) **Cost of services** in 2017 was Bt2,373mn, represented 76.4% of total revenues from core business, which increased from last period represented 74.6%, due to the acceleration to increase the number of kiosks all areas to prevent competitors entering to the market. This resulted in the increase of kiosk depreciation cost that was in line with the number of kiosks. In the end of the year, the company invested in asset in order to received privileges under investment promotion schemes granted expenditure reduction around 1.5 times. However, the expense on the increasing number of kiosks does not frequently happen on account of a long-term investment. In 2018, the Company devises the strategic plan to manage the ARPU. It is expected that the proportion of cost of services will return to a normal state in 2018.

2) **Service & Administrative expenses** was Bt270mn, represented 8.7% of total revenues from core business, which decreased from last period represented 8.9%, due to effective cost control.

Profit

1) **Gross profit** in 2017 was Bt732mn, an increase of Bt571mn from 2016. Gross profit margin was 23.6% of total revenues from core business, a decrease of 25.4% in 2016 due to the increasing of money transfer transaction which is an added service to help the company gain more profit estimated 0.6% but the proportion of gross profit is lower than mobile top-up mobile transaction. As well as, depreciation cost estimated 1% that was in line with the number of kiosks.

2) **Sales profit** was Bt5mn, an increase of Bt4mn from 2016, mainly from sales of goods which are other parts of kiosks such as tripod, cement pedestal, coin counter etc. which in line with the increasing in the number of "Boonterm kiosk".

3) **Net profit** was Bt543mn, an increase of Bt420mn from 2016. Net profit margin was 17.5%, a decrease of 18.7% in 2016. If considered by mobile top-up transaction which is company's core business and exclude money transfer transaction and depreciation, Net profit margin will increase to 19.1%

Financial Position

Statement of Financial position	31 December 2016		31 December 2017		Increase/(Decrease)	
	MB	%	MB	%	MB	%
Current assets	1,003	31.5%	1,348	31.6%	345	34.4%
Non-current assets	2,182	68.5%	2,912	68.4%	730	33.5%
Total assets	3,185	100.0%	4,260	100.0%	1,075	33.8%
Current liabilities	1,695	53.2%	2,492	58.5%	797	47.0%
Non-current liabilities	307	9.6%	434	10.2%	127	41.4%
Total liabilities	2,002	62.9%	2,926	68.7%	924	46.2%
Total shareholders' equity	1,183	37.1%	1,334	31.3%	151	12.8%
Total liabilities and shareholders' equity	3,185	100.0%	4,260	100.0%	1,075	33.8%

As at 30 December 2017, FSMART had total assets of Bt4,260mn, increasing 33.8% YoY, mainly from increasing number of Boonterm kiosk and non-current assets which were cash and cash equivalents including accrued interest and receivables.

Total liabilities as at 31 December 2017 was Bt2,926mn, increasing 46.2% compared to total liabilities as at 31 December 2016, mainly from loans from financial institution and warranty cost from service agent.

Total shareholders' equity as at 31 December 2017 was Bt1,334mn, increasing 12.8% compared to total shareholders' equity as at 31 December 2016, mainly from net profit in 2016 and dividend payment.

Key Financial Ratio

Financial Ratio	2016	2017
Current ratio	0.59	0.54
Debt to Equity ratio	1.69	2.19
Interest Bearing Debt ratio	0.77	1.13
Return on Asset	15.5%	14.6%
Return on Equity	37.6%	43.1%

As at 31 December 2017, FSMART had current ratio at 0.54 which decreased from the increase of loans from financial institution.

Debt to Equity ratio increased to 2.19, mainly from loans and warranty cost from service agent.

Interest-bearing debt to Equity ratio increased to 1.13, mainly from investment loans and working capital.

Return on Asset stood at 13.2% which increased from steadily improving profitability.

Return on Equity stood at 46.8% which increased from revenue and net profit growth including annual dividend payment.

2018 Management Outlook

- Emphasize efficient Boonterm kiosk spot with the ARPU management more than 5% of growth from 2017
- The increasing 20,000 Boonterm kiosks nationwide to reach 144,653 kiosks at the end of 2018
- Total usage amount through Boonterm kiosk more than 20%, compared to 2017
- Expanding new target of customer by launching E-wallet application on smartphone called "Be Wallet" with the target of over 200,000 subscribers

The Company emphasize efficient Boonterm kiosk spot with the ARPU management especially mobile top-up value more than 5% of growth from 2017 and aims to increase 20,000 Boonterm kiosk to reach 144,653 kiosks nationwide at the end of 2018 and total usage amount more than 20% YoY. The Company's plan to keep the regular customers is to provide diversified services and to develop the quality services to serve the customers' needs. The Company offers the CRM activities to collect points for luck and prize redemption in order to increase the frequency of use.

The Company is confident that prepaid customers are cash holders. The possibility of change of customer behavior is low. The main factor of change from prepaid to postpaid is the customers' higher income. Thus, the Company still maintains the leader position in top-up kiosk market. In 2017, the company owned 22% of the market value of Bt133,000mn, increasing 5% from 2016 which is 16% of the market value. However, at the end of 2017, the estimated prepaid numbers in the country were 70 million. The users of Boonterm kiosk were 25 million numbers, represented 35% of total prepaid numbers in the country. There is still two third of customers in prepaid market which the Company sees the opportunity in steady growth in 2018.

The Company plans to launch new services, e.g. money transfer service, bus ticket payment, utility bill payment, insurance-selling service and others and cooperates with 3 banks in money transfer service. Siam Commercial Bank (SCB)'s money transfer service is in process of approval by the Board of Directors of SCB. At the same time, the Company cooperates with SCB to test system and already gets a license from the Bank of Thailand as well as negotiates with Bangkok Bank and Bank of Ayudhaya. The Company expects to launch money transfer service with these 2 banks within 6 months. The Company's goal is to launch money transfer service with 5 banks; Kasikorn Bank (KBANK), Krungthai Bank (KTB), Siam Commercial Bank (SCB), Bangkok Bank (BBL) and Bank of Ayudhaya (BAY) which represents 90% of the bank market. The target is to increase revenue and new customer.

Furthermore, the Company plans to increase new customers by launching E-wallet mobile application called "Be wallet" with the target of over 200,000 subscribers. This application is a new platform for the demand from higher smartphone usage of customers who have average high income and interest in technology. The services on Boonterm kiosk are also available on Be Wallet, including additional services to

support e-Marketplace called "Be Mall" and e-Commerce. Payment services including purchasing drinks from the vending machines are available on E-wallet mobile application both iOS and Android. Thus, the Company can study behavior of customer who demand for cashless payment and have an interest in technology. This group of customer is different from the group of customer who use service through Boonterm kiosk.

Last but not least, Boonterm will penetrate the core market segment of the cash market and technological ignorance. Be-Wallet will penetrate the new market segment of the cashless market and use technology to facilitate spending and payment. This will help expand the customer base and create ecological system. FSMART will have a complete database to contribute more valuable things in the future.

General Information

Information at 31 December 2017

Company Name	Forth Smart Service Public Company Limited (FSMART)
Head Office	256 Phaholyothin Road, Samsennai, Phayathai, Bangkok, 10400
Factory and warehouse	66/23-24 M.12, Factory Land Village 1 Soi 5, Phutthamonthon 5 Road, Raikhing, Sampran, Nakkon Pathom, 73210
Nature of business	The Company provides service for pre-paid mobile top up and online bill payment through automatic machine under trademark of “Boonterm”
Founding date	3 December 2008
Company Registration Number	0107556000663
Paid-up Capital	400,000,000 Baht (800,000,000 common shares of Baht 0.5 par value)
Website	www.boonterm.com
Telephone / Fax	Telephone: 0-2278-1777 Fax: 0-2279-7195
Securities Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel. 0-2009-9000 Fax. 0-2009-9991
Auditors	1. Ms. Waraporn Prapasirikul CPA (Thailand) No. 4579 2. Mr. Narong Puntawong CPA (Thailand) No. 3315 3. Ms. Sirirat Sricharoensup CPA (Thailand) No. 5419 EY Office Limited 193/ 136- 137, 33 rd Floor, Lake Rajada Office Complex, Rajadapisek Road, Klongtoey, Bangkok, 10110 Tel. 0-2264-0777 Fax. 0-2264-0790
Internal Auditors	Atiwat Tragoondet Internal Audit Manager Forth Corporation Public Company Limited 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok, 10400 Tel. 0-2265-6700

“For more details of the Company, please refer to the Annual Registration Statements (Form 56-1) at www.sec.or.th or the Company’s website”



Forth Smart Service Public Company Limited

256 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400

Tel: +66-2279-1777 Fax (Head Office): +66-2279-7195