

Annual Report 2020
Forth Smart Service Public Company Limited



ANNUAL
REPORT

2020



12nd YEARS

ANNIVERSARY



2020

- Established "Forth Smart Distribution"
- Launched "Electronic Know Your Customer" service (e-KYC) for bank electronic saving account opening service
- Launched "Petrol Kiosk" and "Electric Vehicle Charger" (EV Charger)

2019

2019

- SIM card kiosk distributor and e-KYC kiosk
- Personal Loan for Downline

2018

2018

- Development Boonterm kiosk to be "Genius Kiosk"

2017

2017

- Established "Forth Smart Digital Co.,Ltd."
- Launched "BeMall" (e-Market place)
- Invested Box24 Co.,Ltd.

2016

2016

- Established "Forth Smart Trading Co.,Ltd."
- Launched "BeWallet" (e-Wallet) service

2015

2015

- Launched "RO Kiosk" and "Weight Scale"
- Invested in Forth Vending Co.,Ltd.

2014

2014

- Listed in mai (Paid Capital THB 400mn)
- Launched "Boonterm Counter Service"

2013

2013

- Spin-Off from Forth Corporation PCL.

2009

2009

- Launched Boonterm Kiosk
- Runner-up award # Agritrionics & Automation, Thailand Embedded Product Award from TESA

2008

2008

- Established Forth Smart Service Co.,Ltd.



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FINANCIAL HIGHLIGHT



Financial Highlight (Unit: Million Baht)

	2561	2562	2563
Total receipt amount through "Boonterm kiosk"	41,980	40,496	38,632
Total revenue from core business	3,339	3,147	2,859
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)	3,318	3,126	2,836
Gross profit	708	656	551
EBITDA	1,248	1,225	1,073
Net profit	583	584	464
Operating cash flows	1,067	915	1,056



Financial Statement (Unit: Million Baht)

	2561	2562	2563
Total assets	3,916	3,520	3,454
Interest-bearing debt	1,245	940	1,003
Total liabilities	2,665	2,185	2,305
Total shareholders' equity	1,251	1,335	1,149
Paid-up Capital	400	400	400



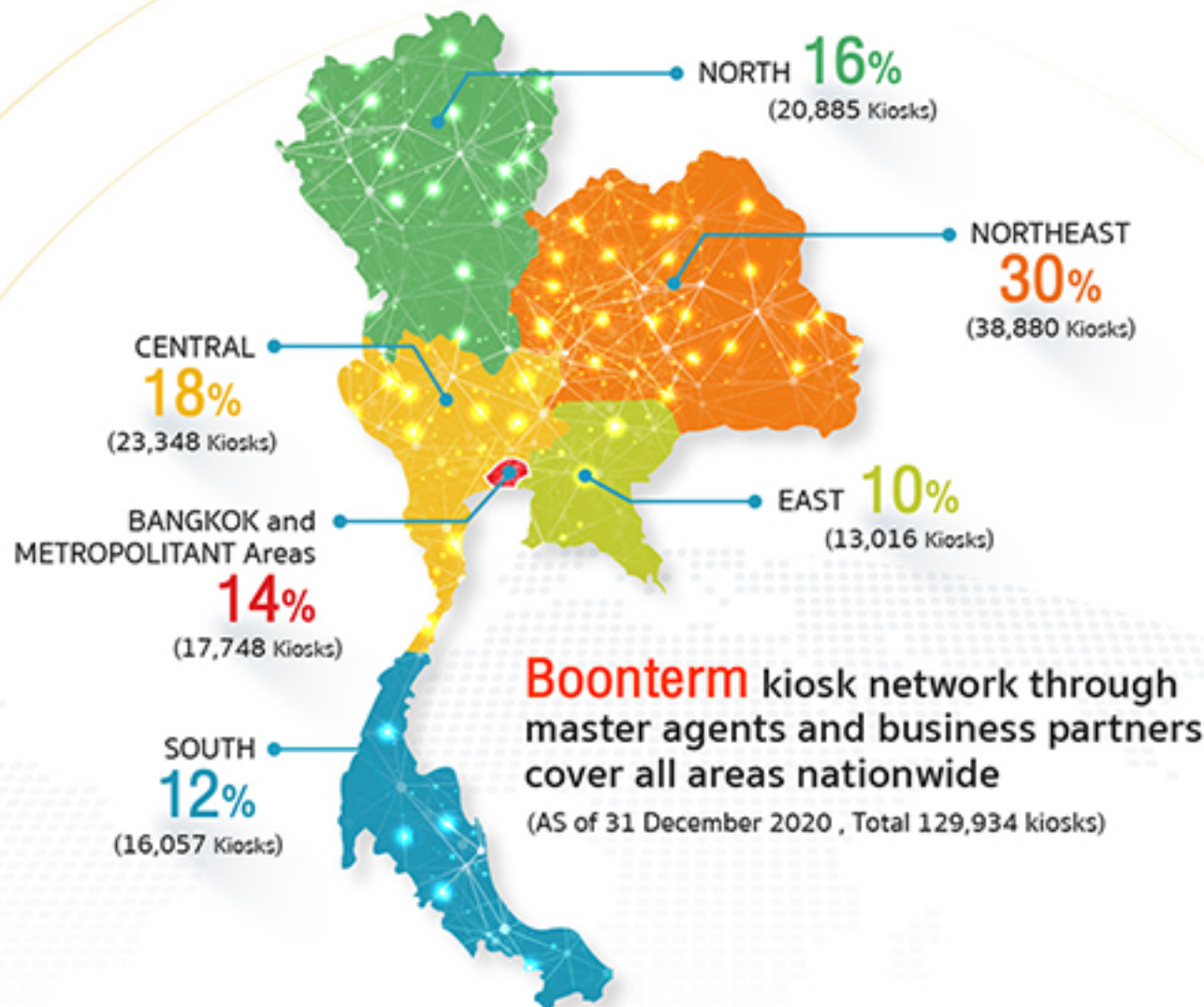
Financial Ratios

	2561	2562	2563
Gross Profit Margin (% of core business)	21.2%	20.8%	19.3%
EBITDA margin (% of core business)	37.4%	38.9%	37.5%
Net profit margin (% of core business)	17.5%	18.6%	16.2%
ROA (%)	14.3%	15.7%	13.3%
ROE (%)	45.1%	45.2%	37.4%
Interest-bearing Debt : Equity (times)	1.0	0.7	0.9
Net Debt to Equity (times)	2.1	1.6	2.0
Net Debt to EBITDA (times)	2.1	1.8	2.1

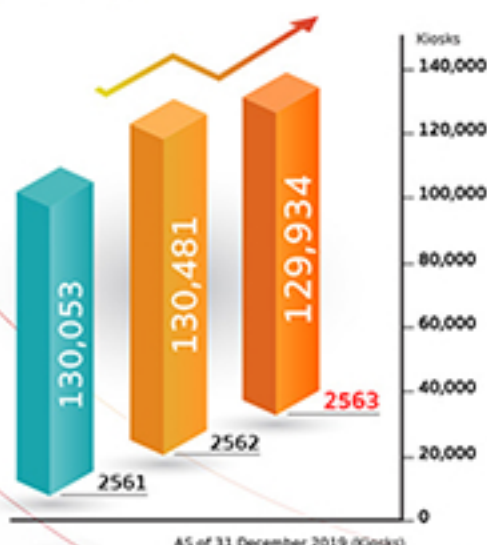


"Boonterm kiosk"

	2561	2562	2563
No. of kiosks	130,053	130,481	129,934
Accumulated value of an investment (MB)	4,007	4,010	4,043
Daily average transactions (transactions)	2,010,665	1,750,823	1,455,896



No.1 Online Payment Service Provider in Thailand



AS of 31 December 2019 (Kiosks)

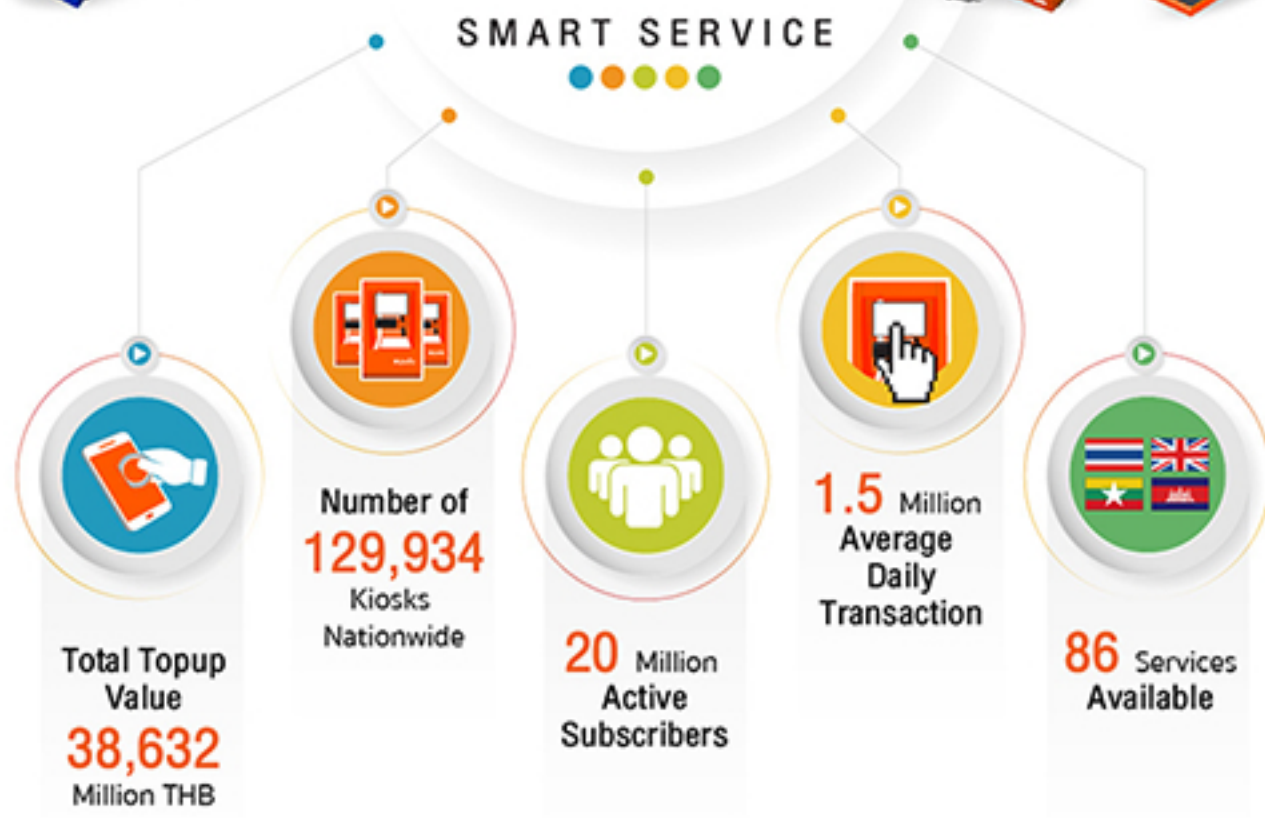


The usage amount through "Boonterm kiosk" and total revenues from core business
No.1 Automated Kiosk Market





SMART SERVICE





“Boonterm” Network

Business Partners 20%



Message from the Chairman of Board of Director

 "To be the leader of an automated kiosk and financial service network – being user friendly, convenient, efficient, and secured", FSMART is constantly developing the Boonterm kiosk operating system to increase the productivity 

2020 was an extreme challenging year to do business, which everyone has been impacted by the COVID-19 epidemic that has widespread effecting on livelihoods, society and business throughout the world, including Thailand. This may be the most impact in this century. People have to change lifestyle to keep them safe from the infection. As a result, every business has to accelerate to adapt to changing consumer behavior, including FSMART who will continue to strive to improve its services creating access to financial services that are the basic infrastructure for Thai people to enhance competitiveness and maintain the leadership in the network of automated kiosk and financial service network.

From the solid foundation over a decade and operating business according to the Company's vision "To be the leader of an automated kiosk and financial service network – being user friendly, convenient, efficient, and secured", FSMART is constantly developing the Boonterm kiosk operating system to increase the productivity of the work more efficiently including the use of technology to help develop the capacity of service agents in management as well. Not only a good management system the Company has applied technology to help analyze customer behavior in order to deliver more accurate customer responsive services and also has focused on creating an ecosystem by having its products and services both online and offline and by creating partnerships in a variety of businesses to cover the way of life and to add convenience to consumers in every area of Thailand.

FSMART intends and adhere to conduct business under the principles of good corporate governance in order to build confidence among all stakeholders in the economic, social and environmental aspects by cooperating with partners and agents to enhance competitiveness throughout the business chain along with developing new innovations that are ready to change in order to provide customers with quality products and services and partners to grow strongly and sustainably. In term of social responsibility, the Company helps the disadvantaged through programs and reduces social disparity, which was from the lack of financial service inaccessibility, through the kiosk. The Company also promotes environmental aspects by raising awareness of environmental responsibility for all stakeholders through a campaign of proper waste separation, using environmentally friendly materials, and reducing the amount of waste. The Company is committed to supporting, campaigning and pushing for sustainable business growth in all forms.

Lastly, I, on behalf of Fort Smart Service Public Company Limited, would like to thank all stakeholders, all customers who have trusted and supported FSMART and Boonterm, shareholders, investors, business partners, agents, financial institutions, government, and the communities who have always supported the Company's business operations. Moreover, I would like to thank the board of directors, the management as well as the employees for their efforts and dedication, both physically and mentally, to drive FSMART's success over the past 12 years. The Company assures you that all directors and executives will perform their duties responsibly in their full capabilities. It will also adhere to operate the business under the principles of good governance for all stakeholders and developing the organization to generate profit for all shareholders and to continue to grow sustainably



Mr. Pichit Nimkul
Chairman of the
Board of Director



Mr. Pongchai Amatathon
Chief Executive Officer

In 2020, FSMART has developed continuously under the vision. "To be the leader of an automated kiosk and financial service network – being user friendly, convenient, efficient, and secured" with the determination of the management and all employees, including service agents from all communities and areas in Thailand. Although in the past year, the world's economy and Thailand's will be severely affected by the COVID-19 epidemic, FSMART continues to maintain its leadership in the automated kiosk market by providing services that meet the needs and convenience of customers, which are the qualities of services that is easy, convenient, fast and secure to use via almost 130,000 Boonterm kiosks nationwide that are controlled by online system with efficiency and accuracy in management. It also has the strong network of the potential service agents who are ready to take good care of their customers.

The 2020 operating result of FSMART reflects the company's solid foundation. With more than 20 million users, the total usage amount was more than 38,632 million baht and the number of transaction via Boonterm kiosk was over 1.5 million transactions per day. The total revenue of was 3,123 million baht with net profit of 464 million baht, and dividend 0.60 baht per share. Although in the past year there have been a variety of factors affecting the Company's operating results, FSMART continues to develop and adapt of its business strategy in every situation it faces and shows the ability of crisis management as well.

In 2020, FSMART added new services such as Myanmar music buying service, sound purchase service to deliver blessing compliment, horoscope service with famous prophet services, bill payment for goods and services, payment for insurance service, compulsory auto car insurance purchase service and electronic identity verification and verification to open a bank account via Boonterm kiosk. FSMART values its customers very seriously and has applied big data to be analyzed in order to understand the demand of customers in various ways as well as providing new services to meet the different needs of various customer groups. FSMART also organizes various promotional events and campaigns throughout the year in order to return profits to customers and stimulate the amount of service usage via the Boonterm kiosk.

In this year 2021, FSMART is committed to developing and improving services that meet the needs of consumers. Not only does it focus on managing the kiosk location to have potential access to all communities, and increasing the potential of the kiosk by installing cameras and card readers, but also focuses on adding new

services on the kiosk such as the Boonterm cash withdrawals service (Mini ATM) that will replace the continuously declining number of ATMs of the commercial banks, despite the growing cash usage, electronic identity verification and verification service to support individuals in all financial transactions, electric charging stations to support the use of electric vehicles that will replace the combustion engine cars that use gasoline to drive. It also has an automated café that offers a variety of beverages, both hot and cold. The customers would be provided the beverage with the same standard in every single glass and can be serviced 24 hours a day. In addition, FSMART focuses on efficient kiosk management and keep customer information under the personal data protection law, so that customers can be assured that their information will be treated with the best possible care.

Finally, I, the Chairman of the Executive Committee, thank the management team and all staff for their determination and hard work to help drive FSMART's growth into the next level and thank you from our heart to the shareholders, all stakeholders, customers, service agents, business partners, financial institution and others who are important parts of making FSMART grow consistently and sustainably. FSMART assures everyone that the Company would continue to develop business operations with corporate social responsibility, which would grow and generate profit consistently along with adhering to good governance. Importantly, FSMART continues to develop and provide services that will enhance the quality of life for everyone who uses Boonterm kiosk and every community in the country would access to all services they need.



Mr. Pichit Nimkul

Chairman of the Board
of Director



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 / Nomination and
Remuneration Committee



Admiral Kraisor Chansuvanich

Director / Independent Director / Audit Committee
Nomination and Remuneration Committee



Pol.Lt.Gen Boriharm Siang-arom

Director / Independent Director /
Nomination and Remuneration Committee



Mr. Pongchai Amatanon

Director / Chief Executive Officer /
Nomination and Remuneration Committee



Mrs. Rangsee Lerttripinyo

Director / Executive Director



Mr. Narongsak Lertsuptavee

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



Mr. Siwaphant Ratanavirojwong

Director / Risk Management Committee



Mr. Pongchai Amatanon

Director / Chief Executive Officer /
Nomination and Remuneration Committee



Mrs. Rangsee Lerttripinyo

Director / Executive Director



Mr. Narongsak Lertsuptavee

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



Ms. Rasinee Lerttripinyo

Assistant Managing Director



Mr. Themanat Kaitdejpanya

Finance and Accounting Director



Mr. Tnutpong Soisuwan

Business Development and
Marketing Asst. Director



Ms. Rungrawee Bangkul

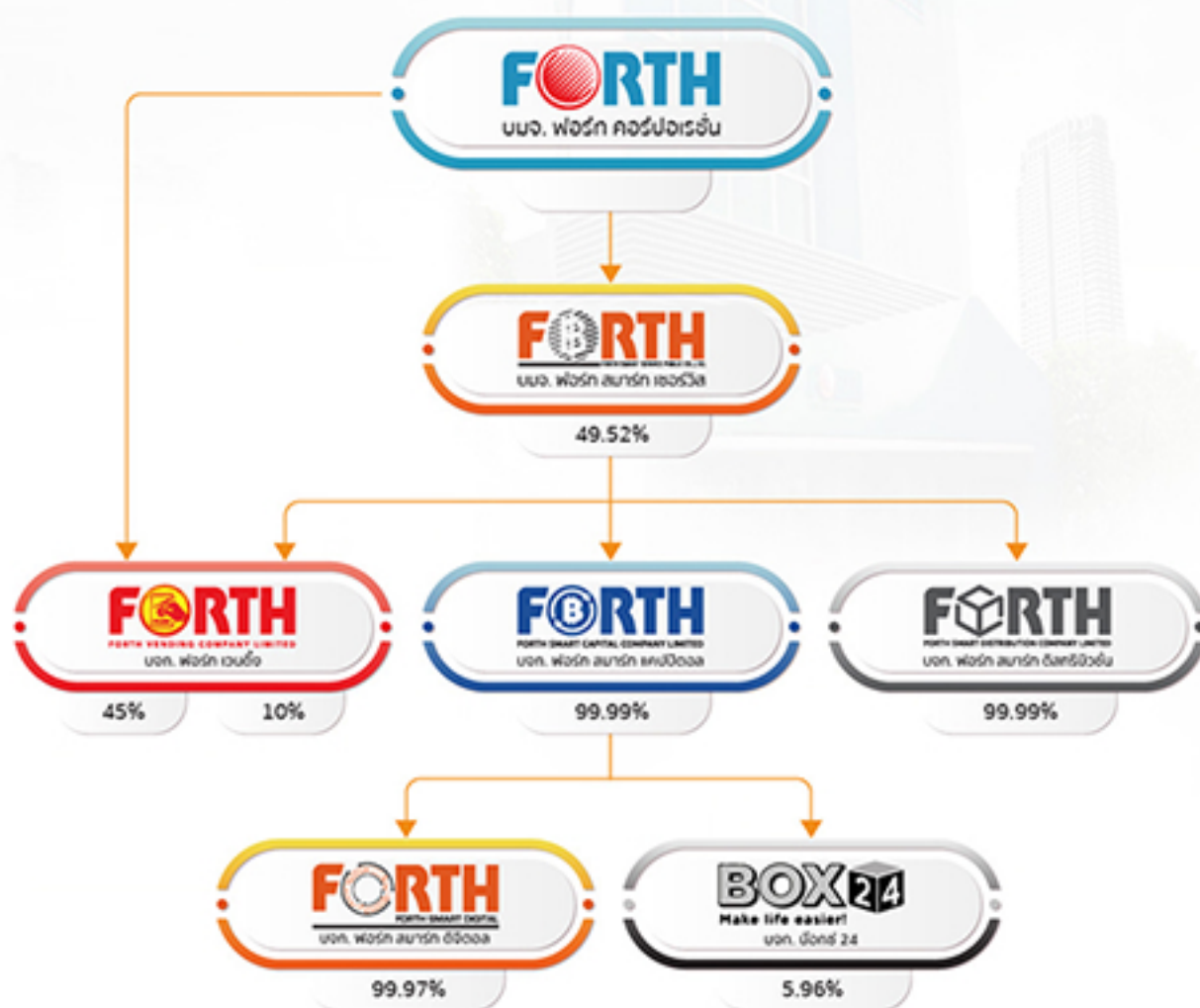
Senior Finance Manager /
Company Secretary



Mr. Sarawut Pacharoen

Senior Agent Service Manager

Shareholding Structure of the Group



Vision, Mission and Objective (2021)

Vision

To be the leader of an automated kiosk and financial service network - being user friendly, convenient, efficient, and secured.



Mission

- To expand kiosk network to offer services for people in every community.
- To develop new services to serve different needs of customers.
- To improve current services for greater quality, user friendliness, and efficiency.
- To ensure a full confidence of customers, business partners, and service agents in the ecosystem.
- To be the most efficient and competitive cost player in the industry.
- To build an organization culture with determination and creativity.
- To create sustainable values among shareholders, customers, business partners, employees, and community.

Note : The Board of Directors Meeting No. 6/2019, held on December 19, 2019, passed a resolution to review, improve and approve Vision, Mission and Objectives of company with the current situation from "The most convenient point of transactions" to be "To be the leader of an automated Kiosk and financial service network - being user friendly, convenient, efficient, and secured."

Forth Smart Service Public Company Limited (FSMART) operates main business as a service provider for prepaid mobile top-ups, online payments, electronic money transferring, e-Money and financial services via kiosks under the trademark of **บ่อนเทรียม** or "Boonterm" with a variety of services such as mobile prepaid top-up service, electronic money top-up service (e-Wallet), bank deposit service, Line Sticker sales service, utilities bill payment, loan and credit card, payment service for goods and other services, personal accident and health insurance sales service, and other services, etc. It is a platform to connect service providers and customers. Customers can do various services by themselves 24 hours a day via approximately 130,000 Boonterm kiosks covering all regions of Thailand with 24-hour call center service (Boonterm Call Center); tel. 1220. FSMART operates Boonterm kiosks in the form of a network system through more than 170 service agents (Master Agent) nationwide and also proceeds in the form of co-management with business partners in various projects. Income received from users of Boonterm kiosk service, there will be divides between companies and those interested in doing business. Currently, FSMART's business has divided into 3 segments as follow:



1. Online Top-Up & Payment Business, providing prepaid mobile top-up services, e-Money, bill payment service and other payment services including personal accident and health insurance sales service, purchase of online songs, water and electrical bill payment, fine, top-up service for public transport tickets, etc. via Boonterm online top-up kiosks.

2. Banking Agent & Lending Business, focusing on being Banking Agent providing full banking services as a banking agent such as deposit and withdrawal services, digital identification and verification service via Electronic Know Your Customer (e-KYC) and Nation Credit Bureau checking service via Boonterm kiosk, and also operating lending business for business partners.

3. Distribution Platform Business, providing the installation of various automatic vending machines such as beverage vending machines with prepaid mobile top-up or payment services, vending machines and automatic café machines and Electronic Vehicle (EV) chargers; plus, operating distribution business for mom-and-pop shops.



● Boonterm Kiosk and Boonterm Kiosk with Weighing Scale

- Information verification in case of mal-function or wrong top up by simply calling to Call Center number 1220, Boonterm daily 24 hour customer service.
- System to keep the credit balance from top- up to use the service next time at any Boonterm nationwide within 1 year.
- more than 80 different services, such as prepaid mobile phones in all networks, money transfer service, top-up service for various types of cash cards and online games, internet payment service, horoscope service, regional electricity payment, Line Sticker purchase service including supporting other online top- up services that may be added in the future.
- Weighing service in Boonterm kiosk which is installed with weighing scale which can calculate body mass index (BMI) and keep weight history.
- Micro transaction support for mobile top up from 10 Baht.
- 7" and 10" touch screen with eye-catching colorful display and audio instructions.
- Available in 4 languages, including Thai, English, Burmese and Cambodian to support the use of various customer groups. It is use to use by simply entering the mobile phone number, the system of "Boonterm" will be able to automatically select the network system in order to prevent the wrong top- up from by choosing the wrong network system.
- All kinds of coins and banknotes accepted with function to detect the counterfeit coins and banknotes including an online upgrading system to support the use of new coins and banknotes.
- The Battery Backup/Charger system which functions 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 notification in case of problems.
- Anti-theft system in case that the kiosk is forced open, destroyed or lost, the anti-theft system will send a notification to the service center to solve the problem immediately.
- The Remote upgrade system provided by the service center enhances other add-on services or future sale promotion.
- Direct connection to various service providers, allowing the transaction amount can be checked immediately, accurately and fast.



● Boonterm Counter Service

- Top- up and all bill payment services like those of Boonterm kiosk and add other bill payment service such as utility bills: the Metro Electricity bill, the Provincial Electricity bill, the Metro Water bill, the Provincial Water bill, etc.
- Compact in size and easy to move, making it convenient for customers' payment.
- The touch operation with easy to use menus enabling agents to provide services to understand and use immediately
- System to store transaction data and print a confirmation of past transactions.
- Online software upgrades by controlling from the operating center of the company to keep the system up to date with new services to meet the diverse needs of customers continuously.



● Clean Water Dispenser and Mobile Top-up Machine

- 10-inch touch screen, eye-catching colors with audio usage instructions.
- Clean drinking water service via 2 reverse osmosis and UV filters.
- The water dispenser is designed to inside the cabinet to avoid contact from the external cover and also the measurement system of water quality is designed to terminate the function of the machine when the water quality is below standard.
- Available in 4 languages including Thai, English, Burmese and Cambodian to support various customer services in all community groups.
- Support all types of coins and bills with detecting system on fake coins and banknotes
- More than 80 services, such as mobile phone top-up, various cash card top-up, online game top-up, monthly bill payments, etc.
- Support all top-up prepaid mobile phones of all systems covering 1-2-call (AIS), HAPPY (DTAC), TRUEMOVE / TRUEMOVE H, CAT My and TOT3G
- Management system that connects online data to service provider servers can check sales and transaction amount immediately.
- Boonterm Call Center number 1220 available daily 24 hours.
- Remote Upgrade system from the central service center and anti-theft systems including new services added continuously to meet the various needs of customers
- System to keep the balance that customers can keep from the top-up to use next time on "Boonterm kiosk" throughout the country within 1 year.



● Boonterm with Mobile Operator SIM

- 10" touch screen with eye-catching colorful display and SIM card slot and ID card reader in stand in front of the Boonterm Kiosk.
- All kinds of coins and banknotes accepted with function to detect the counterfeit coins and banknotes including an online upgrading system to support the use of new coins and banknotes.
- Identity verification system (e-KYC) with ID card reader with biometric technology by face recognition, compare image data from ID card
- Can select SIMs' type and promotion.
- Already used SIMs
- The Remote upgrade system provided by the service center enhances other add-on services or future sale promotion.
- Boonterm Call Center number 1220 available daily 24 hours.





● Boonterm with Electronic Know Your Customer Service (E-KYC)

- 10-inch touch screen, eye-catching colors with E-KYC.
- All kinds of coins and banknotes accepted with function to detect the counterfeit coins and banknotes including an online upgrading system to support the use of new coins and banknotes.
- Authentication and verification system for E-KYC by the process of reading ID card and technology used to verify biometric identity with the use of face recognition system to compare information with photos from the ID card and the photo in front of the kiosk.
- support for E-KYC for all types of financial or other services.
- Remote Upgrade system from the central service center and anti-theft systems including new services added continuously to meet the various needs of customers
- Boonterm Call Center number 1220 available daily 24 hours.

● Automatic Café with Boonterm Service

- A space of 75 cm. x 100 cm. x 180 cm. or 1 sq.m.
- 32-inch LED touch screen with audio usage instructions and real-time controlled by 3G/4G system.
- Main function to sell more than 80 freshly beverage menu with consistency used freshly ground 100% arabica beans and serving other beverage menu both in hot and cold.
- Secondary function to support digital service such as mobile top-up service, code for cash, code for gaming, online payment for shopping and available in 4 languages, including Thai, English, Burmese and Cambodian to support the use of various customer groups.
- All kinds of coins and banknotes accepted with function to detect the counterfeit coins and banknotes including an online upgrading system to support the use of new coins and banknotes and automated money change with QR- code payment system from banks. For the purchase function, there is a system to collect the balance that customers can keep the balance to use in the next time at the automatic café "Tao-bin" across nationwide.
- Support for the loyalty program accumulating points to exchange for drinks free of charge.
- Boonterm Call Center number 1220 available daily 24 hours. .



● Vending Machine with Boonterm Service

- A space of 65 cm. x 100 cm. x 185 cm. with 340 kilograms.
- 32-inch LED touch screen with audio usage instructions and real-time controlled by 3G/4G system.
- Main function to sell bottled and canned beverages with cooling system.
- Secondary function to support digital service such as mobile top-up service, code for cash, code for gaming, online payment for shopping
- Available in 4 languages, including Thai, English, Burmese and Cambodian to support the use of various customer groups.
- All kinds of coins and banknotes accepted with function to detect the counterfeit coins and banknotes including an online upgrading system to support the use of new coins and banknotes and automated money change with QR-code payment system from banks. For the purchase function, there is a system to keep the balance that customers can keep from the top-up to use next time on "Boonterm kiosk" throughout the country
- Boonterm Call Center number 1220 available daily 24 hours.



● Petrol Kiosk with Boonterm Service

- A space of 75cm. x 85.5cm. x 194cm. with 150 kilograms.
- 10-inch LED touch screen with audio usage instructions and real-time controlled by 3G/4G system.
- Main function to sell Gasohol 91, 95 or Diesel
- Secondary function to support digital service such as mobile top-up service, code for cash, code for gaming, online payment for shopping
- Available in 4 languages, including Thai, English, Burmese and Cambodian to support the use of various customer groups.
- All kinds of coins and banknotes accepted with function to detect the counterfeit coins and banknotes including an online upgrading system to support the use of new coins and banknotes and automated money change with QR-code payment system from banks. For the purchase function, there is a system to keep the balance that customers can keep from the top-up to use next time on "Boonterm kiosk" throughout the country
- Boonterm Call Center number 1220 available daily 24 hours.



● Electric Vehicle Charger (EV Charger)

- 2 types; Normal Charge and Quick Charge
- E-payment system such as e-Wallet, Mobile Banking and Credit card to be convenient, easy and safe.
- Reserve system for charging spot.
- Servicing team available every day to service the charging station if it is down
- One station can be shared with different cars
- Online notification system that notify vehicle owner when the battery is full or the charge time is over
- 24-hour service
- Charging records/history can be recorded and referred to
- Boonterm Call Center number 1220 available daily 24 hours.

New Services in 2020

At the end of 2020, Boonterm kiosk has more than 86 applications that provide services and more than 40 bill payment program on Boonterm Counter Service, to offer a variety of services that are more modern in line with the needs of customers.



► Myanmar music purchase service

Boonterm has partnered up with Mingala Management Company Limited to provide services to purchase Myanmar music via Boonterm kiosks as another channel and alternative for Myanmar customers who are interested in buying and downloading Myanmar songs stored on their mobile phones, which are available in 2 languages: Thai and Burmese, that can be downloaded in the Android operating system (.mp3 file). Specially, Boonterm customers who buy Myanmar music for 20 baht, will receive free songs, ringtones and free ringtones. Boonterm launched Myanmar music purchase service in January 2020.



► SMS Subscription GMM

Boonterm has partnered up with GMM Gammy Company Limited to provide SMS Subscription for horoscope, famous prophets, cool clips, entertainment news and useful tips as another channel and alternative for Boonterm customers using DTAC or Truemove to receive news, entertainment and educational content every day via SMS. Customers can purchase SMS Subscription via the Boonterm kiosk, which has more than 130,000 locations nationwide, 24 hours a day. Boonterm launched the service in April 2020.



► Dhipaya's COVID-19 Insurance purchase service

Boonterm has partnered up with Dhipaya Insurance Public Company Limited to provide COVID-19 Insurance purchase service via Boonterm kiosks as another channel and option for Boonterm customers to be easy, convenient and fast to access insurance without insurance agents or to be able to purchase insurance by themselves and during the COVID-19 crisis that occurred in Thailand for avoiding meeting people. The price of insurance premiums can be chosen from 4 packages: 150 baht, 250 baht, 450 baht, 850 baht, all of those covers 12-month coverage. Customers can purchase SMS Subscription via the Boonterm kiosk, which has more than 130,000 locations nationwide, 24 hours a day. Boonterm launched Insurance purchase service in April 2020.



► Horoscope with famous prophets (Horo-Society)

Boonterm has partnered up with Horo-Society Company Limited to provide horoscope service via Boonterm kiosk such as Man Garin, MorWong, Mordoo Indy, Arjan Num Sekbookkol, MorCher Pedver, MorFai the Magic Queen, Kaewta Mouth-Daung, Arjan Bas, 7th Sense, etc. Those have their own horoscope methods. Customers can purchase the service via the Boonterm kiosk, which has more than 130,000 locations nationwide, 24 hours a day and receive SMS on mobile. Boonterm launched the service with Man Garin in June 2020 and with others in August 2020.

New Services in 2020

► Payment online service and ChillPay

Boonterm has partnered up with Pra-in Fintech Company Limited to provide payment online service with ChillPay via Boonterm Kiosk as another channel to be convenient and fast in bill payment service for Boonterm and ChillPay customers. The customers can make a payment via the Boonterm kiosk, which has more than 130,000 locations nationwide, 24 hours a day. Boonterm launched the service with Chillpay in August 2020.



► Blessing sound clip, birthday and Songkran festival, from Grammy stars purchase service

Boonterm has partnered up with GMM Grammy Company Limited to provide services to purchase blessing sound clips, birthday and Songkran festival, from Grammy stars purchase service for people who want to send sound clip instead of card that can be downloaded in the Android operating system (.mp3 file). Customers can purchase sound clips via the Boonterm kiosk, which has more than 130,000 locations nationwide, 24 hours a day. Boonterm provided greeting clips and blessing birthday clips in February 2020 and happiness sound clips including a greeting for Songkran Festival in April 2020.



► Compulsory auto car insurance purchase service from Dhipaya Insurance

Boonterm has partnered up with Dhipaya Insurance Public Company Limited to provide compulsory auto car insurance via Boonterm kiosks as another channel and option for Boonterm customers to be easy, convenient and fast. There are many packages to be sold such as the compulsory auto car insurance and 4-door truck for 603 Baht, 2-door truck for 904 Baht and Van for 1,105 Baht. Customers can purchase the insurance via the Boonterm kiosk, which has more than 130,000 locations nationwide, 24 hours a day. Boonterm launched the service with Dhipaya in August 2020.



► Free COVID-19 insurance from TQM Broker

Boonterm has partnered up with TQM Broker Company Limited to give free COVID-19 insurance, guaranteed by Asset Insurance PCL. for Boonterm agents to assist and support access to the agents for COVID-19 protection insurance that are for convenience and safety in contact with large groups of people. The condition for insurers aged from 1 years old to 99 years old that able to receive 5 free insurance policies per 1 Boonterm kiosk and receive a maximum of 1 policy per 1 ID card number, maximum coverage of 25,000 baht, coverage period of 30 days. Boonterm agents can claim the right to get COVID-19 insurance for free via the Boonterm kiosk, 24 hours a day, which has more than 130,000 locations nationwide.



► Free personal accident insurance and COVID-19 insurance (New normal plus) from TQM Broker

Boonterm has partnered up with TQM Broker Company Limited to give free personal accident and COVID-19 insurance, guaranteed by Bangkok Insurance PCL. for Boonterm customers to give as a new year gift for Thai people. The condition for insurers aged from 20 years old to 70 years old, maximum coverage of 100,000 baht, coverage period of 30 days. The customers can claim the right to get the insurances for free via the Boonterm kiosk, which has more than 130,000 locations nationwide, 24 hours a day.



► Bill payment and insurance premiums service, influenza and dengue insurance purchase, Popular disease insurance purchase, COVID-19 Insurance Purchase Service with TQM Broker

Boonterm has partnered up with TQM Broker Company Limited to provide bill payment and insurance premiums service, influenza and dengue insurance purchase, Popular disease insurance purchase, COVID-19 Insurance Purchase Service via Boonterm kiosk as another channel for customers. The details are as follow:

- **Influenza and dengue insurance**, from birth to 70 years old, guaranteed by Bangkok Insurance PCL.
- **Disease insurance including influenza and dengue pneumonia**, hand, foot and mouth disease, COVID-19 and mosquito-borne diseases getting insurance from 6 years old to 70 years old guaranteed by Bangkok Insurance PCL.
- **COVID-19 insurance** from 1 years old to 99 years old classified by insurance companies as follow:
 - **Group 1** – Asset Insurance: premium 99, 199, 299, 449, 499, 799 and 999 Baht.
 - **Group 2** –The Viriyah Insurance: premium 439 and 599 Baht.
 - **Group 3** –Dhipaya Insurance: premium 450, 950 and 1,250 Baht.
 - **Group 4** – Asia Insurance: premium 500 Baht.
 - **Group 5** - Bangkok Insurance: premium 699 Baht.



Customers can purchase the insurance via the Boonterm kiosk, which has more than 130,000 locations nationwide, 24 hours a day. Boonterm launched payment service for the influenza and dengue insurance in September 2020 and the disease and COVID-19 insurance in November 2020.

Important marketing activities in 2020



Campaign : Super Lucky Festival Changing Life

Service : Top up DTAC or buy internet additional package

Detail : Top up DTAC or buy 30-Baht internet additional package to get 1 right and apply for the activity by dialing *599#, calling or applying via DTAC Application.

Period : 20 March 2020 – 21 May 2020



Campaign : Top up Turemove-H to win a million and gold every week

Service : Top up Turemove-H

Detail : Top up Turemove-H or buy 30-Baht internet additional package via Boonterm kiosk to get 1 right and apply for the activity by dialing *888*65#, calling for registration.

Period : 11 June 2020 – 11 August 2020



Campaign : AIS giving gold

Service : Buy AIS internet additional package via Boonterm kiosk

Detail : Buying AIS internet additional package via Boonterm kiosk gets 1 right to win 0.125 grams gold, 3 prizes.

Period : 13 - 29 February 2020



Campaign : Win gold with Government Savings Bank

Service : Money deposit or transfer with Government Savings Bank

Detail : Only money deposit or transfer with Government Savings Bank to get 1 right to win gold.

Period : 1 November 2020 - 25 January 2021



Campaign : AirPay no fee charge

Service : Top up AIRPAY wallet via Boonterm Kiosk

Detail : Top up AIRPAY wallet at all price with no fee charge.

Period : 7 - 31 May 2020



Campaign : Boon-Lon-Tub-Ruay-Rub-San

Service : Top up via Boonterm Kiosk

Detail : Top up at the price 10, 20, 30, 40 or 50 Baht and click "get luck" before making payment to win 100,000 Baht gold monthly and other prizes, such as Boonterm vouchers 100 baht, mobile phone free calls 100 baht, 300 prizes every week.

Period : 1 August 2020 - 31 January 2021



Campaign : Free COVID-19 insurance for Boonterm agents

Service : Free COVID-19 insurance for Boonterm agents

Detail : Boonterm gave free COVID-19 with maximum of 25,000 baht, coverage period of 30 days to Boonterm agents and their families, 1 person to 5 policies, applying at Boonterm kiosks.

Period : 19 December 2020 - 31 January 2021



Campaign : New Normal Plus insurance for Boonterm customers

Service : Giving accident and COVID-19 insurance

Detail : Giving accident and COVID-19 insurance, maximum of 25,000 baht, coverage period of 30 days with unlimited policies, applying at Boonterm kiosk.

Period : 19 December 2020 - 31 January 2021



Campaign : DTAC giving 100 every week and 100,000 every month

Service : Buy DTAC additional service promotion via Boonterm kiosk

Detail : Buying DTAC additional service promotion via Boonterm kiosk and click "apply for gold prize" before making a payment. The prize will be announced every Wednesday and have a chance to win gold worth 100,000 Baht, 2 prizes and 10 prizes worth 7 thousand baht and other prizes.

Period : 1 September 2020 - 31 October 2020



Campaign : 20-Baht Agriculture Sustainable Savings Lottery Series to win 2 million Baht prize

Service : Buy Agriculture Sustainable Savings Lottery Series via Boonterm kiosk to win gold

Detail : Buying 20-Baht Agriculture Sustainable Savings Lottery Series via Boonterm kiosk and register at Bank for Agriculture and Agricultural Cooperatives (BAAC) to win 1-Million-Baht gold, 2 prizes, totaling of 2 million Baht.

Period : 18 August 2019 - 15 July 2020



Campaign : Gift redemption with PT points at Boonterm kiosk

Service : Gift redemption

Detail : Using PT 100 point to get 20 Baht credit via Boonterm kiosk for call free, Line sticker and other services except money transfer.



Campaign : Giving everyday every week every year

Service : Gift redemption

Detail : Making a transaction via Boonterm kiosk 1 time, get 1 point for collecting points to redeem gifts such as free call, bag, Family Mart gift voucher, Line sticker and to win prize every month.

Period : 1 February 2020 - 31 December 2020

Important marketing activities in 2020

KBank introduces face authentication technology via Boonterm kiosk



Boonterm has partnered up with KBTG to provide e-KYC by face authentication via Boonterm kiosk creating a new service for National Digital ID (NDID) to support customers who are inconvenient to go to bank branches for accessing financial services 24 hours a day including opening a bank account, money deposit, requesting loan, purchasing insurance, requesting for statement from credit bureau and registering e-Wallet, which need to be identified. Those services are available via almost 1,300 Boonterm kiosks located in front of convenient stores and communities nationwide and the service is expected to be used 2 - 3 million times a year.

Campaign : Boon-Lon-Tub-Ruay-Rub-San



Boonterm launched "Boon-Lon-Tub-Ruay-Rub-San campaign" to promote top-up service by organizing events to give lucky winner gold worth 100,000 baht and many prizes across the country. In order to create awareness of the campaign, Boonterm promoted it through local medias, community radios, local fan pages, car parades in the areas, markets and provincial landmarks. The lucky winners were from Chiang Mai province, Khonkaen province, Sakon Nakhon province and Bangkok, and the campaign is to promote top-up service and find new lucky winners who continue to top-up via the Boonterm kiosk.

Press release for the cooperation of TQM and FSMART



TQM has provided opportunities for people and over 22 million Boonterm customer bases, able to access to insurance with easy-to-use and convenient service channels via more than 130,000 Boonterm kiosks nationwide, covering all small communities, districts and provinces, and procured policies that are suitable for customer groups. The service has been started to sell across the country emphasizing on products that meet the need of today's customers with good coverage under the low premium, so it's easy to make decisions. There are plans to add new services continuously, such as car insurance type 2+ and 3+ insurance, health insurance, accident insurance, travel insurance and life insurance via Boonterm kiosk that will help increase the opportunities to reach even more consumers.

DTAC giving 100 every week and 100,000 every month



Boonterm has partnered up with DTAC to launch a campaign DTAC giving 100 every week and 100,000 every month to promote DTAC additional package via Boonterm kiosk to create awareness and stimulate usage of the package by promoting on car parades, photo parades, and many giveaways including giving prizes to the lucky winners in Chonburi province and Phetchaburi province.

KBank cooperates with **FSMART** first time launching a bank account opening and identity verification service via automated kiosk.



KBank cooperates with FSMART to expand identity verification service point (K CHECK ID) via Boonterm kiosk as another channel for customers who want to open electronic saving account (K-eSavings) on mobile application (K Plus), which was the first time for launching a bank account opening and identity verification service via automated kiosk and the service was originally done at banking agent service points in shops or other counter services. The customers can now use the service via 1,312 Boonterm kiosks 24 hours a day, aiming to expand to 2,000 kiosks every year nationwide.

Office of Insurance Commission cooperated with **TQM** launching free 30-day COVID-19 insurance.



TQM Insurance Broker Company Limited (TQM) delivered happiness to Thai people by giving free New Normal Plus, an insurance covering any accident with maximum of 100,000 Baht and COVID-19 coverage in case of being found to be infected under the conditions of the policy guaranteed by Bangkok Insurance PCL (BKI) in collaboration with FSMART, the online top-up Boonterm kiosk operator, to support people to conveniently access New Normal Plus Insurance, which can register to receive privileges only at Boonterm kiosk that are participating in the project.

Discussion turning perspectives to business change

The Company organized the party to thank the service representatives at Novotel Hotel Bangkok, Bangna on 1 February 2020. The topic was "turning perspectives to business change" by sharing business experiences and perspectives and showing the products of Boonterm and various activities booths from partners such as AIS selling sim kiosk, GMM booth, Siam City booth and AXA booth, etc. There was an honor that Mr. Pongchai Amtanon shared his today's business perspective and mentioned the Company's vision and business plans in the future. Another special guest was "Noom MuangJun" or Mr. Sorakol Adunyanon, the writer of Business Fast Food collection and independent columnist, and the other special guest was Mr. Nakkarin Worakitpiboon, a columnist and the Executive Director of the Standard. In the event, there were many activities such as singing contest and awarding outstanding service representatives in each area as well.



Services in Other Channels



STATIC (WRAP UP)

- Advertising Service via **Boonterm** kiosk network

The company realizes the potential of the Boonterm kiosks and therefore aims to generate income from the media and public relations business, including promotional and marketing activities. This is another effective way to generate income by planning to proactively sell advertising media through the channels of advertising media companies (Agency), Company (Direct) and partners (Partner) and being able to promote sales through online connection to 130,000 kiosks nationwide. The advertising area can be selected at regional, provincial, district and sub-districts as well as being able to provide products and services to select target groups such as factory employees, students in schools or universities and retailers, etc.



DIGITAL

- Mobile electronic wallet application service **"BeWallet"**

E-wallet application under the name "BeWallet" supports both iOS and Android systems. Users can top-up mobile phone, top-up others services, pay for utility bills, credit card, online products as well as products from the automatic drink dispenser (Vending Machine). In addition, the "BeWallet" application is another way to expand the business in the company's ecosystem, such as payment via vending machines and payment and charges for changing / replacing electric motorcycle batteries (EV Charging Station) to support Boonterm and new customers in more digital forms.



Corporate social responsibility activities

► Project to Share Smiles with Children

FSMART provided "Project to Share Smiles with Children" at Moonmung Luang-Puchob Thansamo. The Company realizes the importance of giving and sharing, so the Company sought a way to deliver help develop the school and provide students with learning equipment and facilities, ready-to-use necessary teaching materials, such as learning books, pencils, wooden crayons, badminton pens, soccer balls, mattresses for kindergarten children, total 45 units, totaling of 30,000 baht that can help 170 children. The project showed a noble kindness, reduced the stinginess in the mind, practiced as a giver and helped to create a good feeling of each other that likes the combining of a pure spirit small drop will be a giving shareable river that makes society better and happier.



► Blood Donating



FSMART's employees donated blood to National Blood Center, the Thai Red Cross Society, with registered 105 people and 82 people who could donate blood divided by blood group which were 21 units of A+, 5 units of AB+, 28 units of B+ and 28 units of O+, those of whose could help patients in blood shortage and reserve blood in emergency situations. It is considered as real cooperate social responsibility.

► Boonterm Kindly Bag



FSMART provided 500 Boonterm Kindly Bags, totaling of 250,000 Baht to people affected by the epidemic of COVID-19 for those who would be given via 3 popular Facebook fan pages; MamPodum, MorLabPanda and Drama-addict.

► Boomterm fights COVID-19

FSMART provided 200 life packs under the project "Boomterm fights COVID-19" to each household consisting of Rice, instant noodles, canned fish, vegetable oil, fish sauce, seasoning sauce, sugar, soap, necessary things for living. FSMART also gave masks and handwashing alcohol, which can support people for 1-2 weeks with the objective to help people affected by the epidemic of COVID-19 in two communities where were Makkasan and Maog temple community.



Industry conditions and competition

The mobile phone service market has continued to develop even more in term of technology due to the driving force of the non-voice data service market, consumer behavior that enters the online internet society through the use of smartphones, especially the popularity of social networking applications that has continuously increased with support factors for smartphones and tablets and other IT devices that consumers can buy at easily accessible prices as well as the development of telecommunication network technology which is much faster together with the competition of mobile phone network providers, both pre-paid and post-paid systems that are increasing. All of these directly affect the mobile phone prepaid service business.

There are various top-up channels for mobile phones such as top-up via applications on smartphones, top-up via mobile phones (Refill on Mobile), top-up codes via convenience stores (e-Pin Code), the Scratch Card including Top-up Kiosk, etc. In the future, the scratch card will decrease as operators want to reduce the cost of card production and top-up via applications on smartphones is likely to be a more popular channel especially from customers who prefer to use electronic money or who have cash flow in bank accounts while the Top-up Kiosk is a popular channel for customers who prefer to use cash or people of low income since they can top up a small amount with a minimum amount of 10 baht through our 24-hour service which is fast and easy to use.

Currently, the business of payment services via automatic payment machines or top-up kiosk still has high value market share of pre-paid mobile phone with the needs of many consumers who still want to use a cashless and convenient channel. In 2020, the company holds the market share from the pre-paid mobile phone market through Boonterm kiosk accounted for almost 20% of the 1-Billion-Baht market value. There is a tendency that the company still continuously holds the leader position of automated kiosk market. At the end of 2020, it was found that there were more than 20 million subscribers using the top-up service via Boonterm kiosk representing 30% from the number of pre-paid prepaid mobile phone numbers (over 65 million in domestic numbers).

In addition, as the banking industry is trying to reduce operating costs by reducing the number of branches and ATM nationwide and with online money transfers via ATMs and kiosks of up to more than 550 million transactions, this result in a growth of 10% from 2019, which is an opportunity for the company to operate business as a banking agent. In 2020, there were 1.9 million money transactions per month in the Boonterm network, growing 65% from 2019. The company represents a total of 6 banks with the largest number of banks providing services in the country and will increase the number of banks to cover all banks including other financial services such as electronic identity verification via Boonterm kiosks that are currently open for service, cash withdrawal services through Boonterm kiosks in the future, etc. to increase the potential of the full-service financial and loan business and also there are still opportunities to provide additional services. The company is looking forward to expanding its business to non-bank as well.

The company has a competitive advantage from economies of scale and innovation

New entrepreneurs who want to enter the top-up Kiosk business will encounter barriers to entry such as economy of scale, capital requirement, brand loyalty, learning curve, server system, building network with agent management and after sale service, while Boonterm kiosk has the highest number of kiosks in the country with network covering all areas throughout the country of almost 130,000 kiosks with various services by the efficient and precise server systems as well as the reliability in providing financial services with standardized management systems such as Payment service, selling sim cards and mobile top-up services, depositing-withdrawing, transferring and loan service including payment of credit which has been approved by the Bank of Thailand to be a bank representative including the development of new products and services continuously such as vending machines, automatic café, Boonterm Counter Service, clean drinking water purifier, Boonterm with bank account opening service by electronic identity verification (e-KYC) service and top-up mobile, battery charging station for electric vehicle (EV Changer) etc.

Direction of FSMART in the Year 2021

As the leader of online payment service business via automatic kiosk under the "Boonterm" brand in both most networks and the highest service value in Thailand. In the past year, the company has kept on maintaining a market share, giving priority to the management of quality service points, increasing the value of top-up from new services to add up the frequency of use and value of service and developing of Boonterm kiosk in various formats such as camera installation and card reader to enhance kiosks' capabilities for new services and to support the needs of current and future users as well as various marketing activities that are organized with a reward activity to return profits to users (CRM). This results in a growing number of users coming to use the kiosk services enabling the company to move forward in a sustainable and strong way.

The Company still focuses on expanding 3 main businesses; 1) Online top-up & payment business 2) Banking agent & lending business 3) Vending Machine & distribution business. The company focuses on developing both qualities of products that meet the needs of more customers and the service that allows customers to have a good experience from using the Boonterm kiosk service by emphasizing on giving customers convenience, speed and safety from the use at the kiosk. The company aims to be the leader of an automated kiosk and financial service network who providing new products and services in order to meet the needs of customers which are more than top-up service. The Company provides many services for both the public and private sectors, such as pay traffic fines, depositing into the National Savings Fund, buying the BAAC savings lotteries and paying social security, and also has added new business services, such as selling SIM cards for mobile phones which customers will be able to choose a phone number, selling a SIM card and lucky number SIM card to register and instantly activate the phone number on more than 1,200 kiosks resulting in an increase in the usage via kiosks, bank account opening service by e-KYC via Boonterm kiosk, where customers can open an account on the Bank's application along with identity verification through the kiosk which no need for customers to go to the bank by themselves. The electronic identity verification service via Boonterm kiosk will also support new financial services in the future.

The commercial banking industry focuses on extreme cost controlling by reducing the number of branches and ATMs. However, 75% of the Thai population or 51 million people mainly still use cash, those of which more than 30 million people do not have a saving account, including foreign workers who still use cash. The company is determined to develop and increase the potential of the Boonterm kiosk to fully support the financial services of commercial banks and financial institutions such as money deposit, providing e-KYC service for opening a bank account and for e-money accounts including transactions that require the authentication service and cash withdrawal service by ATM to support the needs of user in rural acting like a bank branch in the community that can do completely financial service in a single kiosk. This will support consumers to easily access to financial services. This is also strengthening the company business. Currently, the Company is a leader of being as banking agent representing 6 commercial banks in Thailand and aims to increase the number of banks and other non-bank at least one. In addition, the company has also expanded financial service by providing personal loans to customers (Personal Loan), which provides credit facility to master agents, minor agents and Company's employees and its affiliates, which is a group of customers with a business relationship which makes the company less risky and enhance a balance in the Boonterm business ecosystem. The company believes that it will continuously generate profit for the company in the long run which the new S curve.

The company has improved and developed products and service models to support the growth of new technologies as well as changes in customer behavior in the future. Based on current consumer behavior with great interest more in coffee and healthy beverages. FORTH has developed an automatic café with the potential to make precise brews from measuring scales, making every glass delicious, expected to expand 20,000 service points in 3 years and come with other services as Boonterm kiosk. FSMART is the administrator of the kiosks and installation management system to meet market needs. In term of petrol kiosk that provide petrol services been certified by the Ministry of Energy, the Company has increased the capability of the petrol kiosk and will replace the oil dispensers in rural communities. Moreover, as for the electric vehicle market in Thailand, which has started marketing from both domestic manufacturers and distributors of electric vehicles from foreign countries, it results in the selling price of electric vehicles, both cars and electric motorcycles that is able to reach more consumers. The company has therefore developed a smart top up

kiosk for supporting the new business in the future which is the charging station and replacing electric motorcycle batteries / EV Charger, allowing Boonterm to expand more new customer bases in order to increase the company's revenue to cover all segments in the market.

In 2021, the company continues to focus on managing Boonterm kiosk service points in quality locations and adding new services with a target of increase in total usage amount of 20% to maintain leadership in both top-up business and payment. The Company also focuses on exponential growth in the banking agent and lending business and expands new customer groups through the vending machine and distribution business.

Revenue Structure

Statement of comprehensive income	2018		2019		2020	
	Baht	%	Baht	%	Baht	%
Revenues						
Income from rendering of services through online top-up machines "Boonterm kiosk" (Service charge) ¹	1,917,435,041	53.2%	1,860,061,735	54.4%	1,889,911,565	60.5%
Income from rendering of top-up service for prepaid phone and other online service (Commission) ²	1,400,536,701	38.9%	1,266,125,227	37.0%	946,068,042	30.3%
Advertising income ³	21,070,562	0.6%	21,164,244	0.6%	22,767,987	0.7%
Total revenue from core business (4 items)	3,339,042,304	92.7%	3,147,351,206	92.0%	2,858,747,594	91.5%
Sales of goods ⁴	10,541,950	0.3%	684,831	0.0%	2,225,180	0.1%
Other income ⁵	252,719,286	7.0%	271,209,623	7.9%	250,659,942	8.0%
Interest Income ⁶	-	0.0%	-	0.0%	11,659,3112	0.4%
Total revenue	3,364,560,420	100.0%	3,602,303,540	100.0%	3,123,292,028	100.0%

Note:

1. **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.
2. **Income from rendering of top-up service for prepaid phone and other online service (Commission)** is commission that the Company receives from service operators.
3. **Advertising income** is revenue from advertising on Boonterm kiosk such as digital ads on screen etc.
4. **Sales of goods** such as income from selling materials apart from Boonterm kiosks, for example, tripod, cement pedestal, coin counter etc.
5. **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 recognized 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 recognized when the customer has not claimed a refund for more than 1 year.) interest income, etc.
6. **Interest Income** is the subsidiary Company's Loan services income.

Risk Management

Business risk factors

Risk from virus pandemic or new infectious diseases

Since December 2019, the outbreak of the Coronavirus 2019 (COVID-19), a new virus that can be transmitted from person to person, it has a severe impact widely around the world in both economically and socially including the way of living. Although Thailand has a very good control over COVID-19, the epidemic continues to have significant economic impacts and changes in all sectors, such as disrupting supply chains, lower customer demand, the decrease in private sector and household income and changing in business operations and consumer behaviors into digitalization. The circumstances of rapid change, including technology, competitors, overall economy affected the company to adapt to keep up with the situation to concern and monitor economic trends and changes in the business. It is also extremely important to consider and review planning to proactively formulate critical policies in order to achieve the organization's goals and meet the needs of customers and other stakeholders along with sustainable development.

Risk from user behavior change

The impact of the COVID-19 epidemic has resulted in a rapidly changing consumer behavior, as consumers can choose to use various methods for making top-up, phone calls or making payments, such as making payment transactions via mobile banking or mobile applications that provide top-up services for mobile phones or payment services or payment via convenience stores, the purchase of a phone top card in form of a scratch card or topping up a mobile phone via ATM (ATM), etc. to avoid the risk of virus spreading that can be infected from people. Some of the service options have a fee rate or payment service fee which is lower than transactions made through the company's service channels and / or is a way that users can more easily access which may cause the company to be at risk that Boonterm kiosk will not be popular among users like today. If users change behavior or change the way of using the service to other channels in the future which will be an alternative that can answer the users' need more than using the service via top-up kiosks.

However, since the main groups of customers of the company are still cash-based group, self-employed or student groups that may not have a deposit in a bank account and still mainly receive income in cash which is a limitation in accessing certain types of service channels and to reduce the risk of changes in behavior of users in the future. The company has therefore developed and expanded the service model of Boonterm kiosk to still be able to meet and access the needs of users by facilitating the target group users and add more outstanding features than other service providers in both top-up kiosks and other channels such as users can top-up mobile phones at very small value (Micro Transaction) with an amount starting from 10 baht per time to meet the needs of service users according to the behavior of cash usage of the main customer groups. Increasing the number of Boonterm kiosk service points to cover the most quality service areas in the country. The service users can choose to make top-up and payments transactions at any time, 24 hours, with the efficiency of the service of Boonterm kiosks that are convenient, fast and reliable. The company has added a variety of service forms, modern and complete, with more than 86 services, support users in 4 languages and have a Boonterm Call Center, phone number 1220, ready to serve daily, 24 hours, etc.

In addition, the company remains committed to developing and expanding a comprehensive range of services rather than just being a point of payment and transferring money through Boonterm kiosks, such as developing

Boonterm kiosks to sell SIM for AIS networks as a way to activate the sim and enable complete mobile payment services to support new groups of users for new customers who never use Boonterm kiosk services at all which will be an opportunity to expand more customer base and e-KYC service, which innovation has been used to identify And prove the identity instead of the service by seeing the customer face to face. There is an opportunity for customers to use other services of Boonterm kiosks including developing new business models through new automatic payment machines, managing vending machines for consumer products, developing and marketing of electric vehicle chargers to support the growth of cashless society.

The Company has enhance the banking agent and lending business by establishing Forth Smart Capital Co., Ltd. (Former Forth Trading Co., Ltd.) to operate a business that supports new business expansion licensed to operate personal loan business under supervision from the Bank of Thailand, consisting of 3 types which are personal loans under supervision that are not loans with car registration as collateral, personal loans under the supervision of loans with car registration and retail loans for occupation under supervision. The company plans to launch a personal loan service which focuses on increasing the number of members from close loop from customers of partners and customers who use Boonterm services in the first phase and will expand to provide services to general public in the future. The company expects that the increase in service forms and new business expansion will be able to help reduce the risk of changing user behavior to the company.

Risk from changes in technology

Prepaid mobile phone service business or various payment services have a great dependency on technology in providing services, so the company may be at risk from technological changes. Therefore, the company must therefore have a process to monitor and develop technology on systems for mobile top-up services and other services that are available in Boonterm kiosk to be up-to-date at all times. For this, Boonterm is dominant in using online connection technology, therefore, it can link all kiosks and can quickly change the software system to meet the needs of consumers including being able to increase-reduce various services in the kiosk, such as providing new services that are popular with consumers to serve in Boonterm kiosk and can remove the unpopular services from Boonterm kiosk as well. Since the company has its own technology development team (R&D) for the development of service systems and / or system applications, this makes it convenient and fast to add, improve and develop programs as needed. From the strengths of the information technology of the company mentioned as one part that will help reduce the risk if compared to other service providers that use foreign automatic payment machines or use a ready-made tablet computer to operate which may be more likely to cause problems and become more difficult to adapt to the Thai market.

In 2020, the company has focused on creating quality of service through automatic payment machines of the company that has a comprehensive coverage of service points to increase the potential for better service responding to all needs of the main customers who do cash transactions. In addition, the company also accelerates development in automatic channels, enabling the company to diversify in service channels, to support customer in all target groups and to reduce risk from changes in technology.

Risk from operating system security

The company operates electronic service business through Boonterm kiosk using technology and information technology system as the main engine of business related to threats from technology. The Company recognizes the importance of technology in the competitive environment and the rapid growth of technology imbued with cyber threats that may cause damage to the business operation and the confidence of the users both in the services or data securities of the customers. Therefore, the Company has strict and strict security measures against cyber threats and

set up a regulatory risk management in terms of people, processes and tools used in operations, including internal audit processes from external auditors and from the service licensor to prepare for cyber threats

The Company has established a protocol for dealing with cyber threats and guidelines for risk management with security and safety controls such as separating internal network, data encryption, personnel training, proper firewall, choosing a program to protect against malware or ransomware and other tools to verify personal identity, etc. to enhance cybersecurity more efficient. The Company is committed to developing cybersecurity and audit processes for preventing any kind of potential risks.

Risk on Relying on Revenue of Mobile Phone Operators

The top-up mobile phones market in Thailand is divided into 2 segments, which are post-paid and prepaid top-up mobile phones. The main customers of the company are pre-paid mobile top-up users. In 2020, the market size of the pre-paid mobile top-up instantly dropped compared to the market size in the previous year. The company's main income depends on the number of subscribers in the pre-paid mobile sector which are divided by earnings into 2 parts:

1. Income from rendering of top-up service for prepaid phone and other online service is commission that the Company receives from service operators such as AIS, DTAC, TRUE which accounted for 90 percent of commission or 27 percent of total revenue from services via Boonterm kiosk in 2020.
2. Service charge income from users when making transactions through Boonterm kiosk in the top-up service of all 3 mobile phone service providers which accounted for 42 percent of the fee income through the Boonterm kiosk or 26 percent of the total revenue from providing services via Boonterm kiosk in 2020.

From significant relevance to the mobile phone network business, there will be an incident that causes the mobile phone service company to have problems in the business that cannot provide mobile phone service or in the event that such mobile phone service providers cancel Company's contact to be a representative in providing payment for goods or services via mobile phones, it may significantly affect the company's total revenue. However, the 3 companies mentioned are the major mobile phone service providers in Thailand that have a good financial status and are popular with most consumers in the country already. This causes the chance for problem occurrences in the business of the Company still at low level of flexibility and the operators has appointed the Company to be a representative to receive payment for products or services via mobile phones to continuously expand the payment channels. The Company to expect the risk that may arise from the termination of the contract for mobile phone service providers is also low.

In the year 2020, the Company has managed the risk from relying on the income from mobile phone service providers by developing and expanding the service model in order to increase the proportion of income from payment in other types of services which is not just relying on the main income from mobile top-up services only such as cash deposit services via Boonterm kiosk, top-up services for electronic wallet (e-Wallet) and utility bill payment services, etc. It can be seen that the proportion of revenue from such types of services has increased from 2019 and resulting in the company being able to further reduce the risk of relying on revenue from mobile phone service providers.

Risk on relying on Master Agent and Business Partner

The Company business operations is a form of administration system and the co-operation to provide Boonterm kiosk services between the Company and master agents and business partners to expand the Boonterm kiosk service points to quality areas and locations which will cover all areas nationwide. On December 31, 2020, the Company has a total of 129,934 Boonterm Kiosks, divided into:

- 1) "Boonterm" under the Franchise program of 112,093 kiosks or 86.27% of all top-up kiosks
- 2) "Boonterm" co-operated with the business partners which were installed at 7-Eleven, Family Mart, Tesco Lotus and Mini Big C etc. of 17,841 kiosk or 13.73% of all top-up kiosks.

On 31 December 2020, FSMART had all together 163 agents in all provinces of Thailand.

From the risk of relying on master agents and business partners, the company has a risk management plan to prevent the risks that the service agent will not comply to the agreement with the company, which may result in the decision to terminate the contract by having a plan to meet and visit to check up the quality and potential of master agents in each area according to the appropriate evaluation, to provide training plans and increase service skills of master agents on an annual basis to gain knowledge in their business operations and to continuously improve the potential of master agents as well as reduce various risks that may occur in cases that the managing of the service agent does not meet the Company's standard in both procurement of prime locations and the management of installation and service points of Boonterm kiosks, so that Boonterm kiosk can provide continuous service 24 hours a day. In addition, the company has provided a system to give advice to master agents to be able to manage revenue from Boonterm kiosks most effectively for long-term business operations with the Company. As for the management of Boonterm kiosks with business partners, the company has closely and consistently negotiated and coordinated to maintain service quality with all partners in order to strengthen the relationship and create understanding as well as making an agreement regarding appropriate return of share. All of these cause very low risk to the company. Moreover, the Company has added sales teams and kiosk installation department to add more service points in an area where agents or business partners can hardly to access the area. It helps in reducing the risk of kiosk unreachable spots.

Risks from government policies affecting the main customer base of the company

In 2020, the government sector continues to push forward and implement the National Economic and Social Development Plan and may have an impact on the company's core customer base, including strategies for solving poverty, reducing inequality and creating growth from within by having to carry out measures both in the promotion and stimulation of the domestic economy and social development concurrently. As for the economy, it has to be developed at the foundation level to be even stronger.

Due to the COVID-19 pandemic, the government has been launching various policies continuously to solve economic problems and poverty and to raise the quality of life of people in rural areas that are difficult to access the basic utility such as launching the project "half half" via mobile application developed by the government sector with Krung Thai Bank in response to the government policies that will help reduce public spending during times of economic vulnerability, including stimulating the economy to have better liquidity. This may cause the Company's risk that the number of transactions made via the Boonterm kiosk would decrease as a result of more users registering for the support and doing transactions via mobile application during the period. In addition, there was a policy to provide free telephone and internet data during the second quarter of the year to remedy people affected by the COVID-19 crisis. To reduce the risk of the policy, the Company has a plan to increase the number of transactions via Boonterm kiosk by participating as a part of supporting government programs and pushing the Boonterm kiosk to be a part of

the service channel for low-income customers in the government sector's operational plans. For example, the company cooperated with Krung Thai Bank to provide the service for topping up cash into the Bangkok Mass Transit Authority ticket (BMTA) through the Boonterm kiosk conveniently and quickly. The ticket can be used immediately after the transaction. In term of National Savings Fund service, the Company is in collaboration with the National Savings Fund in organizing the Boonterm kiosk as part of the channel to receive the National Savings Fund and being a payment channel for COVID-19 insurance premiums during a crisis, etc.

In addition, in 2020, the Bank of Thailand (BOT) opened for financial institutions or electronic payment service providers who wish to provide service for electronic identity verification (e-KYC) to participate in testing and develop new innovations and technologies to support financial services or the BOT Regulatory Sandbox in the process of biometric testing or biotechnology by scanning the face, also known as the face recognition system. In 2020, the Company launched the service to the public to open an account without having to go to a bank branch and can request a loan and conducting other transactions more conveniently, including providing other products which will depend on the development of each bank and subsequently the BOT announced the launch of National Digital ID Company Limited (NDID) or a system that connects the base Digital information, so that people can prove and identify themselves through online channels. In the initial phase, it will start from the banking business. If the user has previously opened a bank account and identify (Digital ID) with a bank, after that, the user can open another bank account without having to go to another bank branch and will include opening a stock account, purchase life insurance and other financial services that can share the basic infrastructure. This will greatly reduce work procedures, time and documents. The NDID system is considered an opportunity for the company's e-KYC business due to the exchanging personal information together within the NDID platform that must have standards for doing e-KYC with both high security and full coverage in the service point. The company as a service provider of automatic payment kiosk with comprehensive service points gives the importance of e-KYC service and prepared to push for the e-KYC service point through Boonterm kiosk to support the needs of users in rural areas that do not have access to financial services easily. They can use the service via Boonterm kiosk near their houses conveniently and quickly. The company is in the process of preparing to participate in the testing of new innovations to support financial services (BOT Regulatory sandbox). It is expected to be officially available in 2021 and to maintain the company's main customer base and increase the new customer base that has never used Boonterm kiosk service before.

Risk from competition in the automatic top-up machine market

Currently, in the market for prepaid mobile phones, there are many automatic top-up service providers in the market among. The main service providers are Boonterm, Sabai Plus, Singer, Gearbox, Top Up and Term Dee etc., and also the major mobile phone service providers in the country turned to develop an automatic payment kiosk themselves to provide mobile top-up services, game topping up and paying own bills as well. This results in the number of mobile top-up machines increasing continuously every year. In addition, the pre-paid mobile phone top-up can also be done through other service channels such as mobile applications, mobile banking or through various payment counters etc. Thus, the competition in the market of automatic top-up machines has been increasing all the time.

The company is still focusing on creating a prominent position in the market for automatic kiosk in order to make a difference and to have a competitive advantage to competitors with the highest number of automatic payment machines in the name of "Boonterm" 130,000 kiosks, and with a modern payment service system that can connect the system directly with mobile operators and other payment service providers enabling the users to make transactions conveniently and quickly and to check the transaction information with accuracy as well as being able to know the result of the transaction immediately. Moreover, the company, as the leader for electronic payment services,

still offers numbers and types of services of more than 86 types and also is still accelerating to expand new service forms steadily to meet the needs of users. The company has a system to conduct business through the management of master agents and business partners such as 7-Eleven, Family Mart, Lawson, Tesco Lotus, 108 Shop, The Mall, Tops Supermarket, CP Freshmart, TOT, Transport Company, PTT Gas Station, Esso Gas Station, Susco Gas Station, PT Petrol Station, Shell Gas Station, Home Pro and Mini Big C, etc. by installing Boonterm kiosk and to provide services in various areas to allow users to access and use the service fast and conveniently covering all areas throughout Thailand at the village level. In addition, Boonterm can also support services in up to 4 languages, including Thai language, language English, Burmese and Cambodian languages to provide services to groups of people with diverse nationalities in all community groups.

In 2020, the Company dominated the market share, the value of top-up from pre-paid prepaid mobile phone services via Boonterm kiosk accounted for about 20% of the pre-paid mobile phone market, which causes the company to have the highest save on Economy-of-Scale in the group of automatic top-up machines and have an advantage in business competition since the company will have the lowest system development cost and operating unit cost. Also the company continues to focus on developing and adjusting the business strategy to maintain its customer base and leadership in the business continuously by adding electronic payment services and payment agent services in accordance with the service license framework that the company received from the Bank of Thailand. In the year 2020, the Company expanded more types of services, such as Myanmar music purchase service, Blessing sound clip, birthday and Songkran festival, from Grammy stars purchase service, SMS Subscription GMM, Dhipaya's COVID-19 Insurance purchase service, Horoscope with famous seer (Horo-Society), Payment online service and Chillpay, Compulsory auto car insurance purchase service from Dhipaya Insurance, Bill payment and insurance premiums service, influenza and dengue insurance purchase, Popular disease insurance purchase, COVID-19 Insurance Purchase Service with TQM Broker, Free COVID-19 insurance from TQM Broker, Free personal accident insurance and COVID-19 insurance (New normal plus) from TQM Broker, Free life insurance from Krungthai-AXA for Boonterm agents. In addition, there are other payment services that will meet the needs of the convenience of users in order to be able to reach more of lower to medium level users.

Risk on Business Assets

Risk on purchasing Boonterm kiosks from the parent company

The company mainly has assets for business operations, which are automatic payment machines or "Boonterm kiosks". Forth Corporation Public Company Limited (FORTH) is the parent company of the company and is a manufacturing and Sale of telecommunications equipment and electronic circuits and the production and assembly of circuit boards, telecommunications equipment, etc is a contractor to produce Boonterm kiosk electrical equipment spare parts and all electronic circuits related to Boonterm kiosks. If FORTH stops supporting Boonterm kiosk production and spare parts and accessories of Boonterm kiosk, the company may be at risk in procuring and maintaining major assets used in its business operations.

However, the company still has FORTH and the Amatanon Group. Which is a group with control of FORTH and all affiliated companies of FORTH together have control in the company. The company can therefore be confident that The company will continue to receive support regarding the procurement and production of various components. Of Boonterm kiosks from FORTH continuously. Therefore, the risk of buying automatic payment machines or the Boonterm kiosk from the parent company is low.

In the year 2020, the Company still has to buy only Boonterm kiosks from FORTH and has entered into an agreement regarding the operation of the automatic payment machine and the purchase agreement of the automatic payment kiosks, which is fair trading price that is suitable for the business at a price that does not exceed the price that the company can find in the market in general Which has comparable quality and quality, and the company also has the right to procure automatic payment machines from other manufacturers. If the company considers that other businesses offer production or sales prices at a cheaper price than automatic payment machines produced by FORTH.

Risk on Loss and Damage of “Boonterm”

As the Boonterm kiosks is the main asset of the company's business to install at service points in various areas throughout the country to support the service for users to be able to use the service conveniently and quickly, 24 hours a day, the company may face the risk of loss and damage of the merit kiosk and the electronic payment service of Boonterm kiosk conducted by cash, which must store cash received from the service in the Boonterm kiosk for a short period of time before the agents of the company collecting the money for delivering to the company. Therefore, there is a risk from be robbed or tampered.

Due to the abovementioned risks, the company has continuously developed and improved the security system of Boonterm kiosk. At present, the company has installed a system to prevent tampering or theft with the sensor system and siren worked that will send a loud signal to alert when tampering, bumping or breaking up kiosk and at the same time, the system will send a notification signal to Boonterm Call Center to be acknowledged and inform the relevant parties in a timely manner. In addition, the Company will have a deduction from the compensation from the agents for a reserve in case of the risk of loss and damage of Boonterm kiosk.

In the year 2020, the Company has added measures to reduce the risk of loss and damage of Boonterm kiosks by providing a robbery tracking team that provides services with a proactive strategy to track and detect robbers and thieves, who break into or lift or take off the kiosk, aiming for cash in the kiosk. After they got caught, there will be the effective legal process of being officially charged with a crime in court. The company also has a system setting the maximum limit for receiving payments per transaction or per day to reduce the risk of losing money in the kiosk as well. Therefore, the risk of loss and damage of Boonterm kiosk is pretty low.

Risk on Finance

Risk from relying on the fund from financial institute

As of 31st December 2020, FSMART has got a loan from financial institutes to operate the business with conditions requiring the Company to maintain certain financial ratios according to the conditions specified in the loan agreement which the company is able to comply with the specified conditions.

In the year 2020, there is the risk of interest rate fluctuations related to loans from financial institutions, even at present, the company has no long-term credit loan with financial institutions. The interest rate decreased as the Bank of Thailand announced a policy rate cut from 1.25 percent per year to a rate of 0.50 percent per year and expects to be stable continually at this rate for a while depended on economic conditions. As a result, the cost of loans from financial institutions of the company decreased.

In addition, in the year 2020, the Company can pay dividends in the total value of more than 451.9 million baht or 98 percentage of net profit which can reflect the strength in the financial status of the company very well. Thus, the risk from relying on funding from financial institutions is very low.

Risk on Management

Risk on relying on the Major Director

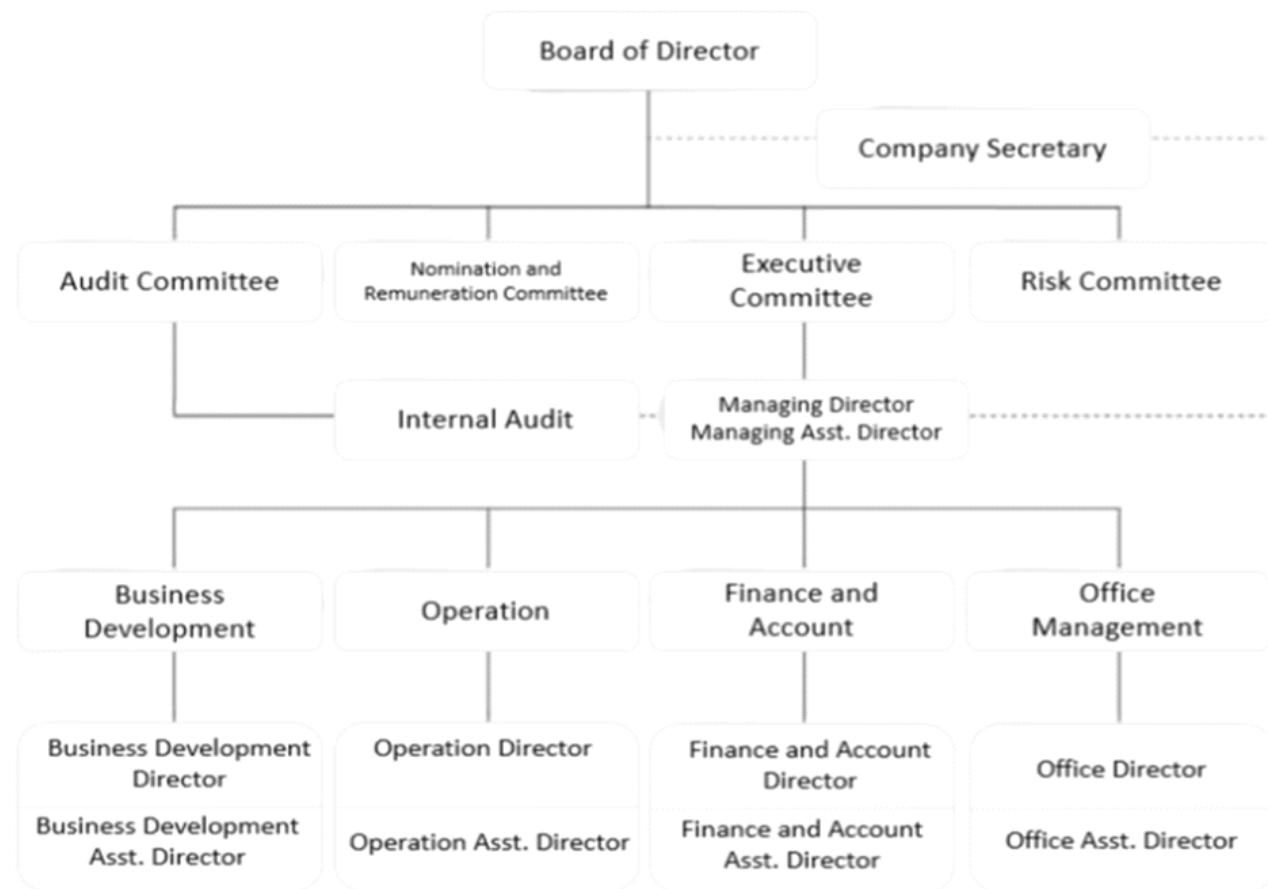
Since Mr. Pongchai Amatanont, the founder of the company and currently being a director and the CEO of the company who has long experience in the business is a visionary and has direct responsibilities in formulating policies, directions and business operations of the company. Therefore, the company has a risk of relying on such major directors.

At present, the company has organized an organizational structure to appoint a committee with expertise and experience in management and business operations and also the company has high-level executives who have the potential to set strategies and manage the organization to achieve the goals of the organization well. This caused the risk of relying on the main committee to be at a low level.

Risk from relying on the executive management

The risk from high-level executives with the potential is that they set strategies and manage the organization to meet the potential goals and to push the Company to grow and expand the business quickly and efficiently. Currently, the company has a management decentralization plan by requiring executives at various levels be more involved in decision-making and determining the direction of the company's business and clearly have the authority and responsibility in various tasks and have the power to consider, make decisions and proceed in detail within the specified scope, including managing the succession plan and suitable career path development to reduce the risk of relying on the top management of the company. Therefore, the risk of relying on the top executives is low.

Organization Structure



Board of Directors

Mr. Pichit Nimkul

Age 69 years

Chairman of the Board of Directors

Shareholding as of 5 January 2021

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 67 years

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

Shareholding as of 5 January 2021

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,

Board of Directors

Mr. Boonchai Sowanwanichakul

Age 62 years

Director / Independent Director / Audit Committee /

Risk Management Committee/ Nomination and Remuneration Committee

Shareholding as of 5 January 2021

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

2018 – Present Director / Independent Director / Audit Committee

Risk Management Committee/ Nomination and Remuneration Committee,

Forth Smart Service Public Company Limited

2017 – 2018 Director / Independent Director / Audit Committee

Risk Management Committee,

Forth Smart Service Public Company Limited

2015 – 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

2020 – Present Director, PEA Encom International Company Limited

2020 – Present Consultant of Director, Tirathai Public Company Limited

2020 – Present Director/Audit Committee, Express way and Rapid Transit Authority of Thailand

2013 – Present Director, Krungthai Computer Services Company Limited

Experiences

2009 – 2016 Subcommittee of information technology development, Office of the National Anti-Corruption Commission

2011 – 2016 Director, Provincial Electricity Authority

Admiral Kraisorn Chansuvanich

Age 66 years

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

Shareholding as of 5 January 2021

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

2018 – Present Chairman of the Board of Directors

VL Enterprise Public Company Limited

2017 – Present Director/Independent Director/Audit Committee

Chairman of Nomination and Remuneration Committee,

Forth Smart Service Public Company Limited

2015 – Present Consultant, CP All Public Company Limited

2016 – 2017 Director/Independent Director/Audit Committee,

Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2014 – 2018 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 Boriarn Siang-arom

Age 69 years

Director / Independent Director / Nomination and Remuneration Committee

Shareholding as of 5 January 2021

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

2020 – Present Disciplinary Police Commissioner, Royal Thai Police

2019 – Present Subcommittee on Land and Rail Transport, Senate Transport Committee/Consultant 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

2015 – 2018 Secretary to the Committee on Agriculture and Cooperatives

The National Legislative Assembly

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

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

Mr. Pongchai Amatanon

Age 56 years

Director / Nomination and Remuneration Committee /

Chief Executive Officer

Shareholding as of 5 January 2021

5.07% (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

2019 – 2019 Independent Director/ Audit Committee

Thai Airways International 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

2020 – Present Director, Forth Smart Distribution Company Limited

2020 – Present Director, Forth Smart Capital Company Limited

2019 – Present Director, Forth EMS 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

Experiences

2016 – 2020 Director, Forth Smart Trading Company Limited

Board of Directors

Mrs. Rangsee Lerttripinyo

Age 59 years

Director / Executive Director

Shareholding as of 5 January 2021

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

2020 – Present Director, Forth Smart Capital Company
Limited

2019 – Present Director, Forth EMS Company Limited

2017 – Present Director, Forth Smart Digital Company Limited

2015 – Present Director, Forth Vending Company Limited

2013 – Present Director, Forth Lighting Company Limited

2011 – Present Director, Forth Consulting Company Limited

Experiences

2016 – 2020 Director, Forth Smart Trading Company
Limited

Mr. Siwaphant Ratanavirojwong

Age 58 years

Director / Risk Management Committee

Shareholding as of 5 January 2021

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

Board of Directors

Mr. Narongsak Lertsuptavee

Age 41 years

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

Shareholding as of 5 January 2021

None

Education

M.Acc., Chulalongkorn University

Training of Thai Institute of Directors (IOD) and other training
Company Secretary Class 54/2013
How to Develop a Risk Management Plan (HRP), Class 15/2017
Director Accreditation Program (DAP), Class 151/2018

Position of listed companies in The Stock Exchange

2020 – Present Director/Nomination and Remuneration
Committee/Risk Management Committee
/Executive Director
Forth Smart Service Public Company Limited

2018 – Present Director/ Nomination and Remuneration
Committee/Risk Management Committee
/Executive Director / Director of Finance
and Accounting
Forth Smart Service Public Company Limited

2013 – 2018 Executive Director / Assistant Managing
Director/Company Secretary
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

2020 – Present Director,
Forth Smart Capital Company Limited

2020 – Present Director,
Forth Smart Distribution Company Limited

2017 – Present Director,
Forth Smart Digital Company Limited

Experiences

2016 – 2020 Director,
Forth Smart Trading Company Limited

2009 – 2012 Accounting Manager,
Forth Corporation Public Company Limited

Management Team

Mr. Pongchai Amatanon

Age 56 years

Director/ Nomination and Remuneration Committee/ Chief Executive Officer

Shareholding as of 5 January 2021

5.07% (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

2019 – 2019 Independent Director/ Audit Committee Thai Airways International 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

2020 – Present Director, Forth Smart Distribution Company Limited

2020 – Present Director, Forth Smart Capital Company Limited

2019 – Present Director, Forth EMS 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

Experiences

2016 – 2020 Director, Forth Smart Trading Company Limited

Mrs. Rangsee Lerttripinyo

Age 59 years

Director/ Executive Director

Shareholding as of 5 January 2021

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

2020 – Present Director, Forth Smart Capital Company Limited

2019 – Present Director, Forth EMS Company Limited

2017 – Present Director, Forth Smart Digital Company Limited

2015 – Present Director, Forth Vending Company Limited

2013 – Present Director, Forth Lighting Company Limited

2011 – Present Director, Forth Consulting Company Limited

Experiences

2016 – 2020 Director, Forth Smart Trading Company Limited

Management Team

Mr. Narongsak Lertsuptavee

Age 41 years

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

Shareholding as of 5 January 2021

None

Education

M.Acc., Chulalongkorn University

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

Company Secretary Class 54/2013

A Risk Management Plan (HRP) Program, 15/2017

Director Accreditation Program (DAP), Class 151/2018

Position of listed companies in The Stock Exchange

2020 – Present Director/Nomination and Remuneration Committee/Risk Management Committee /Executive Director Forth Smart Service Public Company Limited

2018 – Present Director/ Nomination and Remuneration Committee/Risk Management Committee / Executive Director / Finance and Accounting Director Forth Smart Service Public Company Limited

2013 – 2018 Executive Director / Assistant Managing Director/Company Secretary Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

2020 – Present Director, Forth Smart Capital Company Limited

2020 – Present Director, Forth Smart Distribution Company Limited

2020 – Present Director, Forth Smart Digital Company Limited

2017 – Present Director, Forth Smart Digital Company Limited

Experiences

2016 – 2020 Director, Forth Smart Trading Company Limited

2009 – 2012 Accounting Manager, Forth Corporation Public Company Limited

Ms. Rasinee Lerttripinyo

Age 28 years

Executive Director / Assistant Managing Director

Shareholding as of 5 January 2021

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

Chief Transformation Officer Program (CTO)

Position of listed companies in The Stock Exchange

2019 – Present Executive Director/Assistant Managing Director Forth Smart Service Public Company Limited

2016 – Present Executive Director / Sale and Marketing Director Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

2020 – Present Director, Forth Smart Capital Company Limited

2020 – Present Director, Forth Smart Distribution Company Limited

2020 – Present Director, Forth Smart Digital Company Limited

2014 – Present Director, Ravin Personnel Enhancement Company Limited

2019 – Present Director, Glowing Cheeks Company Limited

Experiences

2013 – 2019 Executive Director / Sale and Marketing Assistant Director Forth Smart Service Public Company Limited

2015 – 2016 Marketing Manager, Forth Smart Service Public Company Limited

Management Team

Mr. Teemanus Kiatdechpanya

Age 40 years

Finance and Accounting Director

Shareholding as of 5 January 2021

0.014% (Including spouse and immature children)

Education

MBA (Finance and Marketing with Distinction, Sasin Graduate Institute of Business Administration

B.Engineer. Chulalongkorn University

Training of Thai Institute of Directors (IOD)

None

Position of listed companies in The Stock Exchange

2020 – Present Finance and Accounting Director
Forth Smart Service Public Company Limited
2019 – 2020 Finance and Accounting Director (In Charge)
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2015 – 2019 Chief Financial Officer
Box24 Company Limited
2013 – 2015 Assistant Vice President
Phatra Securities Public Company Limited

Mr. Tnutpong Soisuwan

Age 47 years

Business Development & Marketing Assistant Director

Shareholding as of 5 January 2021

None

Education

B. Econ., University of the Thai Chamber of Commerce

Training of Thai Institute of Directors (IOD)

None

Position of listed companies in The Stock Exchange

2019 – Present Business Development & Marketing Assistant Director
Forth Smart Service Public Company Limited
2017 – 2018 Business Development Assistance Director
Forth Smart Service Public Company Limited

Position of the other companies/ other institutions

None

Experiences

2014 – 2017 Business Manager, Total Access Communication Co.,Ltd.
2012 – 2014 Product Manager, Dees Supreme Co.,Ltd.

Management Team

Mr. Sarawut Pacharoen

Age 40 years

Agent Service Senior Manager

Shareholding as of 5 January 2021

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 42 years

Finance Senior Manager/ Company Secretary

Shareholding as of 5 January 2021

None

Education

MBA, Ramkhamhaeng University

Training of Thai Institute of Directors (IOD)

Company Secretary Class 91/2018

Position of listed companies in The Stock Exchange

2018 – Present Company Secretary/ Senior Finance Manager
Forth Smart Service Public Company Limited
2012 – 2018 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 the Board of Directors and 6 sub-committees, including

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

Details of each committees as follows:

Board of Directors

As of 31 December 2020, the Board of Directors consists of 9 directors; 3 were executive directors, representing 33.33% of the total number of directors and 6 were non-executive directors representing 66.67% of the total number of directors and in the Board, 4 were independent directors which was 44.44% of the total board as follows:

Name	Position	Date of appointment
1. Mr. Pichit Nimkul	Chairman of the Board of Directors	1 October 2013
2. Mr. Dumrong Kaewprasith	Director/Independent Director	1 October 2013
3. Mr. Boonchai Sowanwanichakul	Director/Independent Director	1 October 2013
4. Admiral Kraisor Chansuvanich	Director/Independent Director	8 April 2016
5. Pol.Lt.Gen.Boriharn Siang-arom	Director/Independent Director	3 April 2015
6. Mr. Pongchai Amtanon	Director/Chief Executive Officer	3 December 2008
7. Mrs. Rangsee Lerttripinyo	Director/Executive Director	3 December 2008
8. Mr. Siwaphant Rattanavirojwong	Director	8 April 2016
9. Mr. Narongsak Lertsuptavee	Director/Executive Director/Managing Director	1 June 2018

All directors are fully qualified according to the law, such as the Public Company Limited Act, the Securities and Exchange Act with no prohibited characteristics according to the laws and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

Authorized Director

Authorized directors consist of Mr. Pongchai Amtanon signing along with Mrs. Rangsee Lerttripinyo with the Company's seal, or Mr. Pongchai Amtanon or Mrs. Rangsee Lerttripinyo or Mr. Narongsak Lertsuptavee, two of who are to sign along with the Company's seal.

The Scope of Authority of the Board of Directors

1. Performing duties in accordance with laws, objectives and regulations of the company as well as the resolutions of shareholders' meeting
2. Considering and approving vision, mission, policies, goals, operational plans, business strategies and annual budget
3. Considering and approving the the appointing a qualified person who has no prohibited characteristics as specified in the Public Company Act of B. E. 2535 and the Securities and Exchange Act including

announcements regulations and / or regulations relating to the position of the director in the event that the position of the director was vacant due to other reasons rather than retirement

4. Considering the appointment of executive directors by choosing from the directors of the Company along with determining the scope of authority, duties and responsibility of the executive directors
5. Considering the appointment of independent committee, audit committee and sub-committees by considering the qualifications and prohibited characteristics of independent directors and audit committee members according to the Securities and Exchange Act including the relevant notifications, and / or regulations of the Stock Exchange of Thailand (SET) or proposing to the shareholders' meeting to consider appointing and independent director and audit committee of the company
6. Considering, determining and changing the name of the director which has power to bind the company
7. Appointing any other person to operate the business of the Company under the control of the Board or may authorize such person to have power and / or within the time as the Board deemed appropriate which the Board of Directors may cancel, revoke, change or amend such authority.
8. Considering approval the transaction acquired or disposal of assets unless such transaction has to be approved by the shareholders' meeting. That require approval from the shareholders' meeting. Thus, such approval has to follow the announcement, regulations and / or regulations relating to the Stock Exchange of Thailand
9. Considering approval connected transaction unless such transaction is approved by the shareholders' meeting and will follow the announcement Regulations and / or regulations related to the Stock Exchange of Thailand
10. Considering approval interim dividend payment to shareholders when he saw that the company had enough profit to do so and reporting the dividend payment to the shareholders in the next shareholders' meeting
11. Consider the appointment of company secretary.

In addition, the following cases must be approved by the Board of Directors and the shareholders' meeting with votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote

- (A) the sale or transfer of all part of the Company's business to other parties
- (B) the purchase or acceptance of transfer of business of other private companies 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 of Association or company's regulations
- (E) Increasing or decreasing the registered capital of the Company
- (F) Dissolution of the Company
- (G) Debentures issued by the Company
- (H) Merging of companies with other companies
- (I) Any other actions which are prescribed under the provisions of the securities law and / or the regulations of the Securities Exchange of Thailand must be approved by the shareholders' meeting with the above-mentioned votes, such as acquisition or disposition of assets, connected transactions, etc.

The delegation of authority, duties and responsibilities of the Board of Directors will not have a power of attorney or delegate the authority to allow the Board of Directors or the authorized person from the Board of Directors to approve the transaction that he or the person may have conflict (As defined in the Securities and Exchange Commission's announcement)

In the Board of Directors Meeting No. 1/2020, held on 23 January, 2020, and the Board of Directors Meeting No. 7/2020, held on 12 November 2020, the Board of Directors performed their duty on reviewing and approving the company's vision, mission, and strategy including reviewing important policies to be appropriate and in line with business operations in accordance with good corporate governance principles, such as Code of Conduct, Anti-corruption policies, Good Corporate Governance policies, Working policy, Risk Management policies, Inter Company policies etc. and the Board had established a mechanism to oversee, monitor the implementation of the company's strategy and evaluate the performance in every quarter of the Board of Directors' meetings. The Board monitors the performance of the management by specifying a report on the results of operations of the company especially the progress of new projects to comply with the strategy set including the progress of the risk management department.

Roles of the Chairman of the Board of Directors

Duties of the Chairman, other than those mentioned above are:

1. Acting as the Chairman of the Board of Directors
2. Casting votes in the event that the Board of Directors' meeting has 2 equal votes
3. To call for the meeting of the board of directors
4. Acting as the chairman of the shareholders' meeting

The term of office of Board of Director

The term of office of the Board of Director is 3 years, from the date of appointment and when the term has expired, if the Board of Directors or the shareholders' meeting has not yet resolved to appoint a new Board of Director. At every annual ordinary shareholder's meeting one-third (1/3) of the directors, or, if the number of directors cannot be divided exactly into three parts, the number of directors nearest to one-third (1/3) shall vacate office. A vacating director may be eligible for re-election. The term of office from the date of appointment until the annual general meeting of shareholders.

In this regard, the directors who have or may have conflicts of interest or any conflict of interest with the company are required not to have the right to vote on that matter.

Sub-Committee Information

The Board of Director is 5 sub-committees such as The Audit Committee, The Nomination and Remuneration Committee, Risk Management Committee, The Executive Committee and Purchase Committee detail below

The Audit Committee

The Audit Committee shall hold office for a term of 3 years with a term of one-year period starting from the date of the Annual General Meeting of Shareholders of the year that the Audit Committee has been appointed until the date of the Annual General Meeting of Shareholders in the next year. The Audit Committee whose term has expired may be re-nominated and reappointed to the position.

The Audit Committee has provided or called for the meeting as it deems appropriate at least 1 time per quarter (4 times per year) with clear agenda in advance and submit meeting documents to the Audit Committee and attendees 7 days in advance so that the Audit Committee has time to consider various matters or request additional information for consideration. The meeting agenda will cover all related issues as required by law and / or regulatory agencies and as assigned by the Board of Directors.

As of 31 December 2020, the Audit Committee comprised of 3 independent directors who are qualified as defined by the Securities and Exchange Commission as listed below.

Name		Position
1. Mr. Dumrong	Kaewprasith	Chairman of Audit Committee/Independent Director
2. Mr. Boonchai	Sowanwanichakul	Audit Committee/ Independent Director
3. Admiral Kraisor	Chansuvanich	Audit Committee/ Independent Director

Mr. Damrong Kaewprasit, Chairman of the Audit Committee has sufficient knowledge and experience will be responsible for reviewing of the reliability of financial statements.

The Scope of Authority and Duties of the Audit Committee

1. Reviewing to ensure that Company has accurate and adequate financial reports
2. Reviewing to ensure that the Company has an appropriate and effective internal control and internal audit system by considering the independence of the internal audit unit as well as approving the appointment, transfer and dismissal of the head of the internal audit or any other agency responsible for internal audit.
3. Reviewing to ensure that the Company's compliance with the Securities and Exchange Act, Terms of the Stock exchange and laws related to the business of the company.
4. Considering, selecting and proposing the appointment, removing and dismissing of persons who is independent to act as an auditor of the company and propose the remuneration of such person as well as attend the meeting with the auditor without management team attending the meeting as well at least once a year
5. Considering connected transaction or transaction that may have a conflict of interest to comply with the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transaction are reasonable and are of the best benefit to the Company.
6. Preparing the report of the Audit Committee disclosed in the annual report of the Company which must be signed by the Chairman of the Audit Committee and must contain at least the following information:
 - (a) Opinions on the accuracy, completeness and reliability of the financial report of the Company.
 - (b) Opinions on the adequacy of the internal control system of the Company.
 - (c) Opinions on the implementation of the Securities and Exchange Act, terms of the Stock Exchange or laws relating to the Company's business.
 - (d) Opinions on the appropriateness of the auditor.
 - (e) Opinions on transactions that may have conflicts of interest.
 - (f) The number of Audit Committee meetings and the attendance of each Member of the Audit Committee.
 - (g) Overall opinions or observation that the Audit Committee received from performing its duties in accordance with the Charter of the Audit Committee.
 - (h) Other transactions that the shareholders and general investors should know under the scope of duties and responsibilities assigned by the Board of Directors.
7. Performing any other tasks as assigned by the Board of Directors with approval of the Audit Committee.

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee has a term of 3 years and is responsible for call organizing or call the meeting as it deems appropriate at least once a year and is authorized to call additional meetings as necessary.

As of 31 December 2020, the Nomination and Remuneration Committee consists of 3 independent directors, representing 60 percent of the total number of directors and 2 executive directors, representing 40 percent of the total number of directors as follows:

Name	Position
1. Admiral Kraisor Chansuvanich	Chairman of Nomination and Remuneration Committee/ Independent Director
2. Pol.Lt.Gen. Boriarn Siang-arom	Nomination and Remuneration Committee / Independent Director
3. Mr. Boonchai Sowanwanichkul	Nomination and Remuneration Committee / Independent Director
4. Mr. Pongchai Amtanon	Nomination and Remuneration Committee / Executive Director
5. Mr. Narongsak Lersuptavee	Nomination and Remuneration Committee / Executive Director

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

Recruitment

1. Determining criteria and policies for recruiting directors and sub-committees by considering the appropriateness of the structure, number of elements of the Board and determining the qualifications of directors to propose to the shareholders' meeting, as the case may be.
2. Recruiting, selecting and proposing individuals to be directors of the Company, sub-committees, Top management and company secretary to present to the Board of Directors and/or shareholders to consider and approve in the case of a vacancy due to completion of the term and in other cases.
3. Performing any other actions related to recruitment as assigned by the Board of Directors.

Remuneration for Directors and Executives Training

1. Proposing a return policy and guidelines for paying remuneration and other benefits for the directors in the Board of Directors, Sub-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 individual Board of Directors each year by considering the appropriateness of obligations, responsibilities, performance comparing with other companies in the similar business and benefits expected from the directors in order to propose to the Board of Directors for agreement and present to the shareholders' meeting for approval.
3. Reporting the policies, reasons and principles in determining the remuneration of directors and executives according to the regulations of the Stock Exchange of Thailand and disclosing them in the Company's annual registration statement (form 56-1) and the annual report.
4. Performing other duties relating to the determination of remuneration as assigned by the Board of Directors.

Risk Management Committee

The Risk Management Committee has provided or called the meeting as it deems appropriate at least 1 time per quarter (4 times per year) with clear agenda in advance and submit meeting documents to the Risk Management Committee and attendees in advance in order that the Risk Management Committee have time to consider various matters or requesting additional information for consideration. The meeting agenda will cover various issues as required by law and / or regulatory agencies and as assigned by the Board of Directors.

As of 31 December 2020, the Risk Management Committee of the company consists of 4 Management Committee members as follows:

Name	Position
1. Mr. Dumrong Kaewprasith	Chairman of Risk Management Committee/Independent Director
2. Mr. Boonchai Sowanwanichkul	Risk Management Committee/Independent Director
3. Mr. Narongsak Lertsuptavee	Risk Management Committee
4. Mr. Siwaphant Ratanavirajwong	Risk Management Committee

The Scope of Authority and Duties of the Risk Management Committee

1. Considering, approving, formulating a policy, structure and risk management both in the overall framework and related policies. Risk management and management at various sections or departments will be set up to comply or comply with laws that will affect the business of Forth Smart Service Public Company Limited.
2. Determining the rules, procedures and procedures for the management plan and manage all risks related to the business of the company including screening on risk management on important issues and determining the acceptable risk level and establishing a risk management plan for the company.
3. Promoting, supporting, following up, corrective actions, supervising and monitoring management and risk management to be successful in accordance with the objectives and policies set forth.
4. Supervising the progress of the risk management plan and business continuity plan including crisis management.
5. Providing comments and suggestion measures or methods to solve problems in risk management and setting a policy framework and the steps for managing risks that may occur in each area as appropriate well as reporting risk management performance to the Board regarding risk, Audit Committee and the Board of Directors according to the agenda and related matters.
6. Being authorized to consider appointing a sub-committee or the Risk Management Working Group or the person responsible for risks in each area to work to correct or mitigate risks that may occur as appropriate
7. Considering the risk of the organization by categorizing risks into 6 areas as follows
 - 1) Strategy risk
 - 2) Marketing risk
 - 3) Operational risk
 - 4) Financial risk
 - 5) Risk of non-compliance with law
 - 6) Image and reputation risks
8. Considering the risk assessment results of the organization assigned to the sub-committee or the Risk Management Working Group or who are responsible for risks in each area to work, including monitoring, managing risks and reporting the risk assessment results of the organization to the Board of Directors for acknowledgment.

The Executive Committee

As of 31 December 2020, the Executive Committee consists of 4 Executive Directors as follows:

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

The Scope of duties and responsibility of the Executive Committee

1. Planning and formulating policies, strategies on business operations of the company to be in line with economic situations and competitive conditions to propose to the Board of Directors for approval.
2. Controlling the business operation of the company to be in line with the policy or business plan as well as business strategies approved by the Board of Directors
3. Proposing investment plans and/or funding of the company for the Board of Directors and/or the shareholders' meeting to approve, as the case may be.
4. Determining policies, business plans and business strategies of the Company under the objective scope
5. Approving the expenditure of investments as specified in the annual expenditure budget approved by the Board of Directors, or the Board of Directors has approved in principle.
6. Authorized to conduct trading, procurement, renting, ownership, lease, possession, improvement, utilizing or other management of any property, which includes a planned investment approved by the Board of Directors.
7. Authorized to approve the purchase of assets or settlement resulting from the operation of the company according to the contract and/or agreement with the partner according to the details in the authority chart determined by the Board of Directors within the amount authorized by the Board. The Executive Committee is authorized to approve the purchase, procurement, lease, leasing of any property as well as have to power to invest and pay any expenses necessary for the operation of the company. The details are in the operating manual – the authority given by the Board of Directors.
8. Determining employee welfare in accordance with the conditions and economic status.
9. Performing other action to support the above actions or as assigned by the Board of Directors each time.

The delegation of powers, duties and responsibilities of the Executive Committee above will not include the authority and / or delegation of authority during the approval of any item that he or his authorized representative or person may have a conflict, (as defined in the announcement of the Capital Market Supervisory Board) or conflict of interest or other benefits with the company. The approval of such items must be proposed to the Board of Directors and / or shareholders' meeting (as the case maybe) to consider approving such transaction according to the Company's regulations of Association or related laws.

Purchase Committee

The Company has appointed a procurement committee in for purchasing of online top-up machine (Boonterm kiosk) from FORTH Corporation Public Company Limited (FORTH) with fair pricing and comparing price before ordering.

As of 31 December 2020, the Purchase Committee consists of 2 purchasing directors as following:

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

Scope of authority and duties of the Purchasing Committee

1. The Purchasing Committee is the representative of the Board of Directors.
2. The Purchasing Committee has a duty to determining the type of product specifications to be purchased and pricing.
3. Considering and selecting quality products with properties that 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 2020, the Executive Committee in according with the definition of the Securities and Exchange Commission consists of 5 executives as following:

Name		Position
1.	Mr. Narongsak Lertsuptavee	Managing Director / Finance Director
2.	Ms. Rasinee Lerttripinyo	Sales and Marketing Director
3.	Mr. Teemanus Kiatdechpanya ¹	Finance and Accounting Director
4.	Mr. Trutpong Soisuwan	Assistant Director of Business Development and Marketing
5.	Mr. Sarawut Pacharoen	Agent Service Senior Manager
6.	Ms. Rungrawee Bangkul	Finance Senior Manager

Note: ¹ The Board of Directors Meeting No. 7/2020, held on 12 November, 2020, passed a resolution to appoint Mr. Teemanus Kiatdechpanya to be the Finance and Accounting Director.

* The executive (according to the SEC definition) means the managing director or the first four executive level positions, ranking from the managing Director. Those who hold positions equivalent to those of the fourth executive level and shall include those holding positions at the management level in accounting and finance, or equivalent.

Scope of duties and responsibilities of the Managing Director

1. To manage and control the normal business operations of the company and may authorize the executive or any other person to take action on the daily operations of the company.
2. To determine and supervise the overall operation in practice in order to comply with the policies set by the Board of Directors and / or the Executive Committee
3. To proceed as assigned by the Board of Directors and / or the Executive Committee
4. Authorized to approve the purchase, lease or investment according to the plan approved or have the authority to approve or cancel the purchase, employment, rent, leasing, sale of property, investment and payment for all expenses necessary for the operation of the company with details as in the operation manual - the authority determined by the Board of Directors.
5. Authorized to approve purchasing property or payment for cost or expenses due to the operation of the company and relating to the contract and / or agreement with the partner with details as in the operation manual - the authority determined by the Board of Directors.
6. To consider the business strategy and fund raising of the company to present to the Board of Directors and / or the Executive Committee in order of importance.
7. Authorized to hire, appoint, transfer, dismissal, lay off, stipulate wages, give rewards, salary increase and other compensation of all employees of the company in the position below the department manager.
8. Authorized to open and close various types of deposit accounts with banks and financial institutions for the convenience of normal business operations of the company by taking into account the benefits of the company
9. To propose for approval of the appointment of consultants in various areas that are necessary for the operation of the company through the board of directors.
10. Authorized to issue orders, regulations, announcements, notes to ensure that the operations are in accordance with the policies and benefits of the company and to maintain disciplines within the organization.

11. To propose management guidelines for the Board of Directors and the Executive Committee for consideration.

12. To summary of performance to present to the Board of Directors and the Executive Committee

13. To supervise and manage the sales and marketing management tasks both domestically and internationally.

In this aspect, the delegation of authority, duties and responsibilities of the Managing Director mentioned above, the Managing Director must comply with various requirements and agenda approved by the Board of Directors and will not include the authority and / or delegation of authority during the approval of any items that he or his authorized representative or persons who may have conflicts (As defined in the Capital Market Supervisory Board announcement) has a conflict of interest or other benefits with the company. The approval of such transactions must be submitted to the Board of Directors and / or the shareholders' meeting (As the case may be) to consider approving such transactions according to the company's regulations or related laws.

Anything other than those mentioned above, the Managing Director cannot do it unless assigned by the Board of Directors from time to time. In addition, the delegation of authority to act on various important issues, is a power of attorney made by the Board of Directors.

Company Secretary

The Board of Directors' Meeting appointed Ms.Rungrawee Bangkul to be the Company Secretary to take care of various activities of the Board of Directors and supervise the Board of Directors to comply with the Company's regulations as well as various laws and regulations associated with the scope of authority and the responsibilities of the company secretary as follows:

1. To prepare and maintain the following documents:

(a) Registration of directors

(b) Board meeting invitation letter, Board meeting minutes and the annual report of the company

(c) Notice of shareholders meeting and meeting minutes of shareholders

2. To maintain reports of interest reported by directors or executives and submit a copy of the report to the Chairman and the Chairman of the Audit Committee within 7 business days from the date the Company receives the report.

3. To create a system for keeping documents and evidence related to the following information including ensuring that the documents or evidence are kept correctly and completely and can be inspected for a period of not less than 5 years from the date that the document or information is prepared.

Keeping the above documents and evidence shall include storage by computer system or any other system that can be viewed without changing the text.

(1) Providing information for the resolution of the shareholders' meeting

(2) Financial statements and reports on the financial status and operating results of the company or any other reports that must be disclosed under Section 56, Section 57, Section 58 or Section 199 of the Securities and Exchange Act

(3) Company opinion when there is a general tender offer for shares of the company from shareholders

(4) Providing information or other reports about the business that the company has prepared to disseminate to shareholders or the general public as prescribed by the Capital Market Supervisory Board

4. To perform other tasks as announced by the Capital Market Supervisory Board

5. Having to perform duties with responsibility, caution and honesty including comply with laws, objectives, regulations of the company Board resolution as well as the resolution of the shareholders' meeting and does not act in any way that is contrary to or inconsistent with the interests of the company significantly.

6. Must perform duties with responsibility and caution as a business person like that should be done under the same circumstances by

(1) The decision has been made in good faith and reasonable that it is for the best interest of the company.

(2) The decision has been made based on information that is believed to be good enough and

(3) The decision has been made by himself without a stake whether directly or indirectly in the matter that is decided

In the case that the company secretary vacates office, he cannot perform his duties. The board of directors shall appoint a new company secretary within 90 days from the date the former company secretary vacates office or is unable to perform his duties.

Corporate governance Unit

The company has established a Corporate governance Unit and risk management department with Mrs. Juthamas Mungmart as Manager of the Compliance and risk management department which is responsible for overseeing the rules, regulations, practices and operations to be in accordance with the relevant laws of the company and the control, monitoring and following up security of the information systems for electronic payment services of the company including comprehensive and appropriate risk management from the business of the company as a company that has received a license to conduct payment service business under corporate governance and being a professional on electronic money cards under Section 16 (7) and those who are engaged in electronic payments under Section 16 (9) in accordance with the laws relating to the electronic money card business and monitoring the payment service business under the control of the Bank of Thailand (BOT) and the Anti-Money Laundering Office (AMLO) and as a listed company in compliance with relevant regulations of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), including public company law and other laws related to the business of the company.

As well as the Compliance and risk management department of the company is also responsible for overseeing and managing risks in the Forth Smart Group including the supervision of regulations, procedures and operations in accordance with the legal framework. There is control, monitoring and security checks, information systems related to personal loan services under supervision and provision of Microfinance loan for professional care under the direction of Forth Smart Trading Co., Ltd. appropriately and efficiently.

Nomination of Directors and Executives

Composition and recruitment of the Board of Directors

1. The company has the board of directors to carry out the business of the company, consisting of at least 5 directors and not less than half of the total number of directors must have residence in the Kingdom and the company's directors must be qualified as required by law and the Company's directors may or may not be shareholders of the company.

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 will use all existing votes in accordance with Article 2.1 to elect one or several persons as directors. In the case of selecting multiple persons as directors, they cannot share their votes with any number of persons.

2.3 Persons who receive the highest votes in descending order are elected as directors, equal to the number of directors that should be or should be elected at that time. In the event that the person elected in descending order has the same number of votes, exceeding the number of directors that should be or should be elected at that time, the chairman of the meeting to cast the deciding vote.

3. At every annual general meeting of shareholders, the directors shall retire from office by one-third (1/3) of the number of directors at that time. If the number of directors cannot be divided into exactly three parts, they are to be released by the number closest to one-third (1/3) and the retired director may be elected to return to the position again. The directors who must retire in the first and second year after the registration of the company shall take a lucky draw to retire. In subsequent years, the directors who are in the position for the longest time shall be the one to resign.

4. Any directors who will resign from the position shall submit a resignation letter to the company. The resignation will be effective from the date the resignation letter reaches the company.

5. The shareholders' meeting may pass a resolution to remove any directors from office before the expiration of the term by a vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having the right to vote and having a total of not less than half of the shares held by the shareholders attending the meeting and entitled to votes.

6. In the event that the position of the director is vacant due to reasons other than expiration of the term, let the Board choose select the person with the qualifications and has no prohibited characteristics under the law on Public Limited Companies or the Securities and Exchange laws to be the director in the next Board meeting unless the term of that direct is less than 2 months, the person who is the replacement director will be in the position of the director for only the remaining term of the director he replaces and the resolution of the committee under the first paragraph shall consist of votes of not less than three-fourths (3/4) of the remaining directors.

7. The board of directors shall select one director as chairman, and in the case that the directors consider it appropriate, the board can select one or more directors as vice chairman. The vice chairman has duties according to the regulations in the business assigned by the chairman.

Composition and recruitment of the Audit Committee

The Audit Committee of the Company must be appointed by the Board of Directors and approved by the shareholders of the Company to hold the position of Director of the Company and have qualifications as specified by the Securities and Exchange Act including the announcement, regulations and / or orders of the Stock Exchange of Thailand with a minimum of 3 members. At least 1 member of the Audit Committee must be knowledgeable in accounting and finance. The term of office of the Audit Committee is 3 years, from the date of appointment and

when the term has expired, if the Board of Directors or the shareholders' meeting has not yet resolved to appoint a new Audit Committee, the former Audit Committee will continue to perform duties until the Board of Directors or the shareholders' meeting has appointed a new audit committee to replace the former Audit Committee whose term has expired and / or is in accordance with the term of the Company's directors. The Audit Committee members who have been appointed must be independent directors and have the qualification as the Audit Committee as follows:

Independent Board Qualifications

1. Holding shares not more than 1 percent of the total number of shares with eligible votes of the company, parent company, subsidiary company, associate company, major shareholder or the person having control power of the company, including the shareholding of related persons of that independent director.

2. Not being or used to be a director who is involved in the management work, employees, consultants who receive regular salary or person who have power to control the company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or of the controlling person of the company except that such person has been free from that status for not less than 2 years before the date of submission of the request to the Office of the Securities and Exchange Commission. Such prohibited characteristics do not include the case where the independent director used to be a government official or consultants of government agencies which is a major shareholder or the controlling person of the company.

3. Not being a person who has a relationship by blood or by legal registration in a manner that is father, mother, spouse, sibling and child, including spouse of the child of the executives, major shareholder, controlling person or the person who will be offered as an executive or the controlling person of the company or subsidiaries.

4. Not having or used to have a business relationship with the company, parent company, subsidiary company, associate company, major shareholder or the person having control of the company in a manner that may obstruct their independent judgment including not being or having been a significant shareholder or the person who has control over the person who has business relationship with the company, parent company, subsidiary company, associate company, major shareholder or the controlling person of the company unless he has been terminated for not less than 2 years before the date of submission of the application to the Securities and Exchange Commission.

5. Not being or having been an auditor of the company, parent company, subsidiary company, associate company, major shareholder or the controlling person of the company and not being a significant shareholder, controlling person or partner of the audit office which has the auditor of the parent company, subsidiary company, associated company, major shareholder or the controlling person of the company under unless he has been terminated for not less than 2 years before the date of submission of the application to the Securities and Exchange Commission.

6. Not being or having been a professional service provider which includes providing legal services or financial advisor which received a service fee of more than 2 million baht per year from the company, parent company, subsidiary company, associated company, major shareholder or the controlling person of the company And not being a significant shareholder Controlling person or a partner of that professional service provider unless he has been terminated for not less than 2 years before the date of submission of the application to the Securities and Exchange Commission.

7. Not being a director appointed as a representative of the company's directors, major shareholder or shareholders which is related to the major shareholder.

8. Not operating in a business that has the same condition and is a significant competition with the business of the company or subsidiary or not a significant partner in the partnership or being a director who is involved in the management of an employee, employee, advisor who receives a regular salary or holds more than 1 percent of the total number of shares with voting rights of other companies which operates a business of the same condition and is a significant competition with the business of the company or subsidiary.

9. There is no other characteristic that makes him unable to give independent opinions about the operations of the company.

10. Independent directors according to the above qualifications may be assigned by the Board of Directors to make decisions on the operation of the company, its parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or controlling person by having a decision in the form of a Collective Decision.

Qualifications of the Audit Committee

1. Not being a director assigned by the Board of Directors to decide on the business of the company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or the controlling person of the company.

2. Not being a director of the parent company, subsidiary company or same-level subsidiary company that is a listed company.

3. Have sufficient knowledge and experience to be able to act as an Audit Committee member. at least one Audit Committee member must have sufficient knowledge and experience to be able to perform the duty of reviewing the reliability of financial statements.

4. Having duties in the same manner as specified in the announcement of the Stock Exchange of Thailand regarding the qualifications and scope of work of the Audit Committee.

The composition and nomination of the Executive Committee

The Executive Committee must be a director and / or executive of the company which has been appointed by the Board of Directors with the number as the Board of Directors deems appropriate where the Board of Directors will appoint an executive director as the chairman of the executive board.

The composition and nomination of the Managing Director

The Managing Director will come from the nominating of the Executive Committee by selecting from persons who is member in the Executive Committee at the time of selection to propose to the Board of Directors to approve the appointment of persons to be appointed as the Managing Director.

The meeting of the Board of Directors and Audit Committee

Record of attendance of Directors and Audit Committee in the year 2020

Name	No. of Attendance/No. of all meetings		
	Board of Directors	Audit Committee	Audit Committee
1. Mr. Pichit Nimkul	7/7	-	1/1
2. Mr. Dumrong Kaewprasith	7/7	4/4	1/1
3. Mr. Boonchai Sowanwanichakul	7/7	4/4	1/1
4. Admiral Kraisorn Chansuvanich	7/7	4/4	1/1
5. Pol.Lt.Gen.Boriharn Siang-arom	6/7	-	1/1
6. Mr. Pongchai Amtanon	7/7	-	1/
7. Mrs. Rangsee Lerttripinyo	7/7	-	1/1
8. Mr. Siwaphant Ratanavirojwong	7/7	-	1/1
9. Mr. Narongsak Lertsuptavee ¹	7/7	-	1/1

The meeting of Sub-Committee

Record of attendance of the Risk Management Committee and the Nomination and Remuneration

9. There is no other characteristic that makes him unable to give independent opinions about the operations of the company.

10. Independent directors according to the above qualifications may be assigned by the Board of Directors to make decisions on the operation of the company, its parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or controlling person by having a decision in the form of a Collective Decision.

Qualifications of the Audit Committee

1. Not being a director assigned by the Board of Directors to decide on the business of the company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder or the controlling person of the company.

2. Not being a director of the parent company, subsidiary company or same-level subsidiary company that is a listed company.

3. Have sufficient knowledge and experience to be able to act as an Audit Committee member. at least one Audit Committee member must have sufficient knowledge and experience to be able to perform the duty of reviewing the reliability of financial statements.

4. Having duties in the same manner as specified in the announcement of the Stock Exchange of Thailand regarding the qualifications and scope of work of the Audit Committee.

The composition and nomination of the Executive Committee

The Executive Committee must be a director and / or executive of the company which has been appointed by the Board of Directors with the number as the Board of Directors deems appropriate where the Board of Directors will appoint an executive director as the chairman of the executive board.

The composition and nomination of the Managing Director

The Managing Director will come from the nominating of the Executive Committee by selecting from persons who is member in the Executive Committee at the time of selection to propose to the Board of Directors to approve the appointment of persons to be appointed as the Managing Director.

The meeting of the Board of Directors and Audit Committee

Record of attendance of Directors and Audit Committee in the year 2020

Name	No. of Attendance/No. of all meetings		
	Board of Directors	Audit Committee	Audit Committee
1. Mr. Pichit Nimkul	7/7	-	1/1
2. Mr. Dumrong Kaewprasith	7/7	4/4	1/1
3. Mr. Boonchai Sowanwanichakul	7/7	4/4	1/1
4. Admiral Kraisorn Chansuvanich	7/7	4/4	1/1
5. Pol.Lt.Gen.Boriharn Siang-arom	6/7	-	1/1
6. Mr. Pongchai Amtanon	7/7	-	1/
7. Mrs. Rangsee Lerttripinyo	7/7	-	1/1
8. Mr. Siwaphant Ratanavirojwong	7/7	-	1/1
9. Mr. Narongsak Lertsuptavee ¹	7/7	-	1/1

The meeting of Sub-Committee

Record of attendance of the Risk Management Committee and the Nomination and Remuneration

Composition of Remuneration for Directors	2020
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
Chairman of the Risk Management Committee	15,000 Baht / person / each attendance
Risk Management Committee	10,000 Baht / person / each attendance
Chairman of the Nomination and remuneration Committee	15,000 Baht / person / each attendance
Nomination and remuneration Committee	10,000 Baht / person / each attendance

Note: The said meeting has set the annual remuneration in the amount not exceeding 2,500,000 baht.

1.1) Individual remuneration as a Director and Audit Committee

For the period from 1 January 2020 to 31 December 2020 and details are as follows:

Unit: Baht

Name	Board of Directors		Audit Committee	
	2019	2020	2019	2020
1. Mr. Pichit Nimkul	198,000	231,000	-	-
2. Mr. Damrong Kaewprasit	132,000	154,000	198,000	198,000
3. Mr. Boonchai Sowanwanichakul	132,000	154,000	184,800	184,800
4. Admiral Kraisor Chansuvanich	132,000	154,000	184,800	184,800
5. Pol.Lt.Gen.Boriharn Siang-arom	110,000	132,000	-	-
6. Mr. Pongchai Amtanon	132,000	154,000	-	-
7. Mrs. Rangsee Lerttripinyo	132,000	154,000	-	-
8. Mr.Siwapant Ratanavirojwong	132,000	154,000	-	-
9. Mr. Narongsak Lertsuptavee	132,000	154,000	-	-
Total	1,232,000	1,441,000	567,600	567,600

1.2) Annual remuneration

Annual Gratuity	2019	2020
Gratuity amount	1,000,000 Baht	1,000,000 Baht

Note: The said Annual General Meeting of Shareholders had defined the annual remuneration in the amount not exceeding 1,000,000 baht.

The Remuneration of the Board of Directors are meeting allowances and committee and no other benefit than meeting allowances.

2) Remuneration for Sub-Committee

Unit: Baht

Name	Risk Management Committee		Nomination and Remuneration Committee	
	2019	2020	2019	2020
1. Mr. Dumrong Kaewprasith	60,000	60,000	-	-
2. Admiral Kraisor Chansuvanich	-	-	30,000	30,000
3. Mr. Boonchai Sowanwanichakul	40,000	40,000	20,000	20,000
4. Pol.Lt.Gen.Boriharn Siang-arom	-	-	20,000	20,000
5. Mr. Pongchai Amtanon	-	-	20,000	20,000
6. Mr. Siwaphant Ratanavirojwong	40,000	40,000	-	-
7. Mr. Narongsak Lertsuptavee	40,000	40,000	20,000	20,000
รวม	180,000	180,000	110,000	110,000

3) Remuneration for Executives

Remuneration for executives	2019		2020	
	No. of Executives (person)	Amount (Baht)	No. of Executives (person)	Amount (Baht)
Salary and Bonus	5	5,591,029.00	6	7,859,530.00

Note: The company does not provide any other benefits to the executives apart from salary, wages, bonuses, accident insurance, life insurance, provident fund, annual health check and contributions to the social security fund. The bonus paying and annual salary adjustment will evaluate by the results of the operation (KPI) and business performance which are considered reasonably.

2. Non-monetary Remuneration

- None -

Remuneration for Auditor

1. Audit fee

The Company and its subsidiary paid audit fee in 2020 to the EY Office Limited and the details are as follow:

- ☐ Forth Smart Service Public Company Limited paid audit fee of 1,590,000 Baht.
- ☐ Forth Smart Trading Company Limited paid audit fee of 245,000 Baht.
- ☐ Forth Smart Digital Company Limited paid audit fee of 195,000 Baht.
- ☐ Forth Smart Distribution Company Limited paid audit fee of 245,000 Baht.

2. Non-audit fee

The company paid compensation for other services to the EY Corporate Services Co.,Ltd. with the following details:

- Examination fees for general control of information technology systems in order to comply with the conditions of the Bank of Thailand in the electronic payment service business, account c (6) (e-Money), amount 800,000 baht.

Shareholding Structure

As of 5 January 2021, Forth Smart Service Public Company Limited had Baht 400,000,000 of registered share capital which were issued capital and paid-up capital, totally Baht 400,000,000 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 5 January 2021 as follows:

Rank	Major Shareholder	No. of Share	% Shares
1	Forth Corporation Public Company Limited	396,164,800	49.52
2	Forth Smart Service Public Company Limited	46,858,700	5.86
3	Mr. Pongchai Amatanon	27,174,640	3.40
4	ThainVAR Company Limited	18,338,252	2.29
5	Mrs. Wantana Amatanon	13,408,960	1.68
6	Mr. Siwaphant Ratanavirajwong	12,000,000	1.50
7	Mr. Sophon Assawasriworanan	9,920,000	1.24
8	NOMURA PB NOMINES LTD.	9,580,500	1.20
9	Mr. Somchai Akkadechsakul	8,500,000	1.06
10	Miss Pisalak Nimkul	7,647,500	0.96
	รวม	549,593,352	68.70

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	522,883,900	54.44%

Note 1) Information at the latest book closing date as of 31 August 2020 (source: Thailand Securities Depository Co., Ltd.)

2) Amatanon family includes Mr. Pongchai Amatanon (including spouse) holding 41.75%, Mrs. Rangsee Lertripinyo holding 6.19%, Mr. Kaelic Amatanon holding 6.03%, Mr. Pattanan Amatanon holding 0.02%, Ms. Nisa Amatanon holding 0.02%, Mr. Atsila Amatanon holding 0.03%, Mr. Chawin Lertripinyo holding 0.24%, Ms. Rasinee Lertripinyo holding 0.16%, Mr. Sittichoke Amatanon holding 0.003% and Ms. Laksika Amatanon holding 0.006%.

2. **Amatanon family** includes Mr. Pongchai Amatanon (including spouse) holding 5.07%, Mrs. Rangsee Lertripinyo holding 0.74%, Mr. Kaelic Amatanon holding 0.72%, Ms. Rasinee Lertripinyo holding 0.08%, Ms. Nisa Amatanon holding 0.003%, Mr. Atsila Amatanon holding 0.01% and Mr. Chumpol Amatanon holding 0.0001%

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.

Dividend Payment (Baht/Share)				Earning Per Share (Baht)	Dividend Payout Ratio (%)	Total of Shares (Million Shares)	Total Dividend Payment (Million Baht)
Year	1 st Half	2 nd Half	Hold Year				
2017	0.25	0.30	0.55	0.68	81	800	440.0
2018	0.30	0.32	0.62	0.74	84	780	483.6
2019	0.32	0.34	0.66	0.75	88	780	514.8
2020/ ¹	0.30	0.30	0.60	0.61	98	753/ ²	451.9

Note: ¹The Board of Directors resolved to propose the 2020 Annual General Meeting of Shareholders for considering an approval of a dividend payment for the year 2019 performance at Baht 0.66 per share. In this regard, the Company already paid the first dividend payment to shareholders as an interim dividend at Baht 0.32 per share on 3 September 2019. Therefore, the second dividend payment will be at Baht 0.34 per share. However, giving such dividend payment right must be approved by the Annual General Meeting of Shareholders at 17 April 2020.

²Excluding the repurchased shares of 46,858,700 shares.

Corporate Governance

At the Board of Directors Meeting No. 7/2020 on 12 November 2020, the Board of Directors approved the review of the Company's policy, namely, Business Ethics Handbook, Anti-Corruption Policy, Policy on good corporate governance, rules and regulations, risk management policy, connected transactions Policy, which shall be effective in all business department through management system that is efficient, transparent, verifiable helping to build confidence and confidence to shareholders, investors, stakeholders and all related parties through normal business operations from the procurement process with partners, vendors and joint ventures with study and research of products and services that do not affect the environment. This includes building awareness of roles, duties and responsibilities for good society by giving importance to participation and building a good relationship between the company and society on the basis of accuracy, transparency, fairness and promoting activities that are beneficial in the development of society and communities including providing a safe working environment, treating all employees equally and setting guidelines for directors, executives and employees who must perform their duties honestly, pay attention and care to customers by striving and ensuring that customers will receive good service, quality, fair prices. This will result in customer satisfaction as well as delivering the product (Boonterm kiosk) good quality for customers and service representatives.

In addition, the company also has oversight of the management system to be efficient and prevent conflicts of interest including corruption by the auditor and internal control system auditors licensed by the Securities and Exchange Commission (SEC) to ensure that the Company recognizes the rights of various stakeholders even as they are stipulated in the law and that the company has established a policy whether it is treating shareholders, employees, customers, business partners, etc.

Policy and Board Practices

The Board of Directors recognizes that good governance is an important factor in the implementation that will bring maximum benefits to shareholders and various groups of stakeholders. It is the basis for the success of business operations and strengthen the organization for sustainable growth. Therefore, the Board of Directors has determined the corporate governance policy and business ethics under good governance principles and adhering to the good corporate governance guidelines of the Stock Exchange of Thailand. The Board of Directors has reviewed the good corporate governance annually. In 2020 the Board of Directors has reviewed the good corporate governance in accordance with good corporate governance principles for listed companies 2017 (CG Code) in the Board of Directors Meeting No.7/2020 on 12 November 2020 to ensure that the policies can be deployed according to the business context of the company and the Board of Directors, executives and employees have accepted and implemented strictly and continuously.

The company has anti-corruption policies written in guidelines for not asking, not accepting, not paying and not doing business with individuals and juristic persons involved in corruption which has already been approved by the Board of Directors, the company announced its intention to join the Thai Private Sector Collective Action Against Corruption (CAC) project.

Section 1

Rights of Shareholders

The Board always recognizes the importance of basic rights of shareholders by laying down principles for treating shareholders fairly and in accordance with the law, such as the right to trade and transfer shares, right to receive dividends, the right to receive information about the company, right to attend the shareholders' meeting, the right to vote on various agendas that consider the right to appoint a proxy to attend the meeting, right to appoint directors and auditors, rights to express opinions and inquire directors at the shareholders' meeting, and the

right to propose agenda and nominate directors in advance, etc., and ensure that shareholders receive such rights strictly as well as not taking any actions that violates or deprives shareholders of their rights.

1. Meeting of Shareholders

The Company held the Annual General Meeting of Shareholders for 2020 in accordance with the regulations of the Stock Exchange of Thailand, in compliance with the guidelines for managing the shareholders' meeting of the Securities and Exchange Commission (SEC).

Determining the date, time and venue of the shareholders' meeting

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 2020, the Company had postponed AGM due to COVID-19 Pandemic, the Company had held the AGM on Thursday 31 July 2020 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 allow shareholders to have sufficient time to study the information, the company had sent the meeting invitation letter including supporting documents for the meeting agenda and supporting documents for attending the meeting at least 7 days prior to the meeting date. Such documents aim to help shareholders have sufficient information to consider and vote on each agenda item and facilitate shareholders to exercise their rights. The document contains information as following:

- ☐ Facts and reasons along with the opinions of the Board of Directors for each agenda
- ☐ Important information such as the history of the individual directors and the definition of independent directors for consideration in the agenda regarding the election of directors to replace those retiring by rotation and the details of remuneration for directors and sub-committees. The Company had annually offered all forms of remuneration including meeting allowance, bonus / reward and other benefits to the shareholders for consideration to approve the directors' remuneration.
- ☐ Detailed meeting procedures and proxy of shareholders which shareholders can appoint independent directors to be proxy, the proxy form is a form that shareholders can specify their opinion on voting.
- ☐ The company gives importance to respecting the rights of shareholders. In the 2020 Annual General Meeting of Shareholders, the Company did not add any agenda or change important information at the meeting suddenly.
- ☐ The meeting invitation and supporting documents for shareholders were published in the Company's website, www.boonterm.com, prior to the meeting.

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 fully comment as follows:

- ☐ Encouraging directors, senior managers, auditors attend the shareholders' meeting to answer questions and acknowledge the opinions of shareholders. In the year 2020, there were 9 directors attending the meeting from 9 persons representing 100% of total number of directors.
- ☐ Conducting the shareholders' meeting in accordance with the agenda set out in the notice of the shareholders' meeting.
- ☐ 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.

- ☐ Arrange the use of ballots in every agenda for transparency and verification by counting votes, the company will count 1 share for 1 vote and hold a majority vote as resolution of the normal agenda. If the votes are equal, the chairman of the meeting will resolve by casting his vote apart from voting as a shareholder. For voting on special occasions, the company will conduct the meeting in comply with company regulations or laws and regulations of relevant agencies.
- ☐ In the event that any shareholder has a special interest in any agenda item, that shareholder will be prohibited from voting on that matter.
- ☐ Hire an external legal advisor as an inspector to check the resolution and voting results.

After the Meeting Date

In 2020, the company had reported the resolution of the general meeting of shareholders to the Stock Exchange of Thailand within the next working day, the said resolution specifies the result of the vote in each agenda and submit the minutes of the shareholders' meeting which had specified the names of directors / executives attending the meeting and the results of the vote to agree, disagree or abstain in each agenda proposed for approval from the shareholders including important issues, shareholders' inquiries in each agenda and detailed explanations from the Board of Directors to the Stock Exchange of Thailand and relevant agencies within 14 days from the date of the shareholders' meeting along with disseminating various information related on the company website (www.boonterm.com)

Section 2

Equitable Treatment of Shareholders

Creating confidence for shareholders by ensuring that the Board of Directors and the management will control the use of shareholders' money appropriately, is an important factor for confidence in investing with the company. The Board of Directors should make sure that the shareholders be treated and protect their basic rights equally as follows:

A. The right to appoint other persons to attend the shareholders' meeting and vote on behalf of

In the event that any shareholders cannot attend the meeting in person, they can use the right to appoint a proxy or other independent director of the company who the company proposed to be a proxy to attend the meeting and vote on behalf of. The shareholder must submit the proxy form which has all details specified along with a copy of ID card or passport or other identification documents as prescribed back to the company before the meeting date. The company has sent the details of the proxy and the proxy form together with the invitation letter or shareholders can download the form from the company website (www.boonterm.com).

B. The right to propose additional agenda

The company offers opportunity to shareholders to propose additional agenda items in addition to the agenda of the annual ordinary shareholders' meeting. Proposing additional agenda items can be done as follows:

- Deliver the proposal to be included as an additional agenda with reasons, details of facts and necessary information in the form of the agenda of the Annual General Meeting of Shareholders which can be downloaded from the company website (www.Boonterm.com)

- The company will check the shareholder' status of the person who want to add the agenda of the meeting with the shareholder register as at the closing date of the shareholders register book. The criteria for considering the matter that is proposed to be included as an additional agenda is that the matter must be related to the business operation or may have a significant impact on the operation of the company. If the Board of Directors has approved the proposed matter, the company will include it as a meeting agenda and stated that it was the agenda proposed by the shareholders, if not approved by the Board of Directors, the company will inform the shareholders via the company website (www.boonterm.com).

C. The right to propose a person to be a director

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

- ☐ Qualified and not prohibited by the Public Company law, Securities and Exchange Law, and good corporate governance of the company
- ☐ Have educational qualifications, working experience or other properties, which are in accordance with the requirement of the company
- ☐ Must devote sufficient time and fully dedicating their ability for the best benefit of the company which is considered a duty and ready to regularly attend the company meeting
- ☐ Not holding the position of director in more than 5 listed companies

The Board of Directors will consider selecting qualified candidates to propose to the shareholders' meeting to consider and vote. But if the meeting of the Board of Directors has not selected the candidates to be proposed to the shareholders' meeting, such nominees will be proposed to the shareholders' meeting for consideration apart from the opinions of the Board of Directors to allow the meeting to pass the final resolution. The documents that the shareholders have to attach with in nominating the person to be in the position, namely (1) the nomination form for the position of director of the company (2) information of the nominee for the director with certificate or a confirmation letter from the securities company / agent which the owner of the information must sign and agree and send email or registered mail to the company within the time specified by the company

D. Prevention of the use of internal information

The company has a policy to limit the use of internal information to be in the management of the company from the middle to high level only within the department or company including temporary management, auditor, plan management, investor relation, spouses and underage children and juristic persons which hold exceeding 30% of the voting rights. For the audited financial statements will be stored at the accounting manager. Other confidential information will only be used for consultation with individuals at the manager level and above. The company has penalties for related persons if using internal information that causes damage. In addition, the company requires directors and executives to report their securities holdings to the Securities and Exchange Commission.

E. Supervision of Internal trading

The company has a policy not to allow employees, executives and people who know the internal operating results the financial statements or other information that has an impact on the price of the company's securities to disclose to third parties or those who are not involved, and prohibiting the trading of securities during the 1-month period before financial statements or other information that affects the price of the company's securities to be

made public. The company has penalties with related persons who use internal information to create price for the company's securities.

In addition, directors and executives must report changes in holding of the Company's securities and the future trading contract 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 or person living together as husband and wife and underage children. The directors and executives must submit copies of such report to the Company Secretary on the same day that the Company reported to the Office of Securities and Exchange Commission, which requires to be notified within 3 business days from the date of purchase, sale, transfer or acceptance of securities or futures contracts.

F. Investor Relations

The Company has an Investor Relations with a specific purpose in the responsibility of investor relations, by preparing the activity plan and disseminating the Company's information to shareholders, investors, securities analysts and the media in order to promote the image and reliability in the operation of the company which related parties can contact as follows:

Investor Relations

256 Phaholyothin Rd., Samsennai,
Phayathai, Bangkok 10400
Tel: 02-278-1777 Ext.6705
E-mail: investor@forthsmart.co.th

In addition, the company has set a period of time to stop communicating with analysts and investors (Quiet Period) in providing information about the company's performance which covers news and public disclosure of financial information to the executives and investor relations staff for 1 month in advance before the announcement of quarterly and annual results in order to avoid giving unfair information which may lead to the impact on the price of the company stock.

G. Principles for the Board

According to the principles of good corporate governance, the Board of Directors shall adopt the guidelines for the Board of Directors to be used for proper implementation and benefit to creating value for the company sustainably The 8 practice guidelines for the board are as follows:

Code of Conduct 1	Recognize the role and responsibility of the Board as a leader that creates value for the business sustainably
Code of Conduct 2:	Define objectives, main goal of the business that are to achieve for sustainability
Code of Conduct 3	Strengthen the Board of Directors for effectiveness
Code of Conduct 4	Recruitment and development of senior management and personnel management
Code of Conduct 5	Promote innovation and responsible business operations
Code of Conduct 6	Ensure appropriate risk management systems and internal controls
Code of Conduct 7	Maintain financial credibility and disclosure.
Code of Conduct 8	Supporting participation and communication with shareholders

Section 3

Roles of Stakeholders

The Board of Directors should determines a policy to treat each group of stakeholders by taking into account the rights of such stakeholders according to the law or according to the agreement with the company. It should not take any actions that infringe the rights of those stakeholders and should define compensation measures for stakeholders who have in case that the stakeholders are damaged from such infringe. suffered damage from violations which is considered part of the Company's business ethics.

The company gives the rights and importance to stakeholders in all groups, including shareholders, employees, customers, competitors, business partners, creditors, society and the environment by focusing on treating various groups of stakeholders as follows:

Respect for laws and human rights principles

The company respects the law, culture, traditions and international human rights principles in every area of business without violating them and has been complying to them regularly. The directors, executives and employees of the company must respect the rights of all stakeholders equally without violating personal rights, including respect for honor and dignity with no discrimination in education, rank, race, nationality, religion and gender. Thus, in the year of 2020 the company had not got any complaints on the violation of the principles of human rights at all.

Shareholders

The company takes into account the interests of shareholders at the highest level by striving to operate the business for sustainable and stable growth as well as to increase competitiveness and risk management to add value to the company in the long term. The rights of shareholders are shown in Section 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 is committed to fair compensation for employees along in accordance with the assigned duties and responsibilities. Compensation can compete with the labor market and the company does not provide any other benefits to employees and executives apart from salary, wages, bonuses, accident insurance, life insurance, provident fund, annual health check and contributions to the social security fund. Every year, employees will be entitled to receive special remuneration (bonuses) which are considered from the performance of employees and the profits of the company each year. In addition, employees have the right to receive remuneration that increases every year depending on the performance of employees according to key performance indicators (KPI) and business operational results. Business operations which are considered reasonably

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. Allowance for working in other provinces
6. Gasoline cost in case that an employee uses the car for work and actual vehicle costs when having to travel for the company.

7. Adjust the annual wage
8. The annual bonus depends on the key performance indicators (KPI).
9. Uniform
10. Annual party, annual provincial tourism and annual sport event
11. Welfare loans, namely the housing loan etc.

The average hour of employees' training per year

The Company has focused on developing the knowledge and potential of employees. In 2020, the company has trained 258 staffs of 1,806 hours in total or 7 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 2020, there was not accident that occurred from working.

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 a sales team to give advice to customers who want to apply as a service representative of the company who will involve in advising and providing technical advice in case of problems on the site so that the service agent can fix the automatic payment machine quickly including allocating other relating support units by region in order to be able to service and take care of service representatives thoroughly and in time. The service units that deal with customers - service representatives have provided staff to provide advice and assistance during the 8:00 am - 21:00 pm for 7 days per week.

In addition, the company also encourages service agents to conduct business sustainably in the long run with regular training and organizing seminars for service representatives to enhance management capabilities, audit, internal control including inventory management and cooperation with banks to release credit lines to service agents including allocating appropriate and fair compensation.

Customers – End Users

The company considers the interests of customers as the main factor in providing accurate information based on truth and will not make customers misunderstand or received incomplete information. And most importantly, the company has a process of ensuring that the information is accurate, up-to-date and has strict customer data security to prevent damage or access to personal information of customers by unauthorized persons.

However, the company has taken into account the convenience in the use of the automatic payment kiosk of customers. When problems occur customers can contact the company for assistance request advice on using services such as mobile top-up, online game refills and other services on automatic payment machines by providing a Boonterm Call Center, number 1220, which facilitates and resolves problems for customers every day, 24 hours a day, including taking care of customers who use the service in a proactive manner by tracking and verifying transaction information. If encountering problems, the Call Center will coordinate to resolve problems for customers without having to wait to receive notification from customers. For customers has informed problem by another channel such as website, e-mail etc. who will be monitor and send case to concerning person to solve problem and feedback to customers within 3 working day.

In the year 2020, the company has measured customer satisfaction levels for the service through the customer service center, number 1220, representing an average score throughout the year equal to 96%.

Business Competitors

The company has a policy to conduct business fairly by not to misrepresent information, deceive or use any other methods that is not correct according to the competition. The company operates business and comply with the rules of good competition, do not seek confidential information of competitors by dishonest or inappropriate means, such as paying bribes to competitor's employees, including not competing with slandering, bullying or distorting facts of competitors.

In 2020, the company has not received any complaints that its business is unfair to its competitors.

Business Partners / Operators

The company adheres to honesty in complying with the conditions provided to all partners and operators under conditions, rules and laws prescribed in 2020. The company has negotiated with partners to provide new services continuously and improve the service to be modern to facilitate and speed up in providing services to retail customers to be able to support existing customers as well as expanding the base of new customers continuously. The company also focuses on seeking new partners to add a variety of services for automatic payment and increase revenue for customers - service agents as well.

Business Partners – Suppliers

The company is committed to develop the process of procuring products and services to meet standards, develop and maintain a lasting relationship with partners and contractors with clear objectives on the quality of products and services. The company therefore provides the process of fair procuring products and services as follows:

- ☐ Select partners from price and quality and compete on the information received fairly and transparently
- ☐ In business negotiations, directors, executives and employees of the company must refrain from accepting money, gifts, assets or dishonest benefits from partners or contractors
- ☐ Payment to partners and contractors shall be on time according to the terms of payment agreed strictly
- ☐ Protect confidential information between suppliers and contractors

- Act with integrity, credibility and with legal notification related regulations and policies to acknowledge

In 2020, the company procured products and services that were fair to partners - suppliers according to the policies laid down.

Loan payable

The company strictly complied with the loan agreement by repaying the loan according to the schedule and cooperated with financial institutions in disclosing financial reports and other information as needed correctly and completely as well as took care of the collaterals and cooperated in solving problems together in the case of failure to comply with the contract conditions. However, in 2020, the company could repay the loan in accordance with the agreed repayment conditions.

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.

Prevention of intellectual property or copyright infringement

The Company has established policies and guidelines for the prevention of intellectual property or copyright violations by announcing in the code of conduct for directors, executives and employees to adhere to treat stakeholders with equality and fairness. In this regard, directors, executives and employees must work using computer software that is copyrighted correctly. It is strictly prohibited to install and use computer software that is illegally copyrighted in the company.

Environmental measures and efficient use of resources

The company has established policies and guidelines on environmental care by complying with the law regulations and requirements the company involved as well as taking into account the environment and operations that may affect the environment and nearby communities including the efficient use of resources in accordance with the environmental policies laid down, such as the proper temperature control of air-conditioning in the office, closing the air conditioner and turning off the lights during the lunch break, changing office lighting bulbs into LED bulbs throughout the office, turning on the specific light that you want to use, walking up the stairs instead of using the elevator, the use of one page of paper used to reuse it for more benefits. In addition, the company is in the process of reviewing and implementing training courses on environmental measures, including the efficient use of resources to educate and implant awareness of environmental responsibility to employees.

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 being an operator of electronic payment services via automatic payment kiosk, the company also gives priority to operating with social and environmental responsibility to create sustainability for the country's economic and social systems. The company providing social responsibility activities as detailed in the topic "Corporate Social Responsibility"

Stakeholder complaint mechanism in case of infringement

The company has a channel to receive complaints from various stakeholders in case of infringement. The complaint can be submitted in writing and contains sufficient information including name-surname and the address that the company can conveniently contacted to the complainer who makes the complaint through the channel specified by the company. The company Secretary will send complaints to the Board of Directors, Audit Committee or the executive to verify and resolve as the case may be. The channels for receiving complaints of the company

- 1) In the case of complaints about issues that may cause damage to the company, sent them directly to the Audit Committee. The Audit Committee will conduct an investigation and report to the Board of Directors

Chairman of the Audit Committee

Internal Auditor

Forth Smart Service Public Limited Company
256 Phaholyothin Rd., Samsaennai, Phayathai, Bangkok 10400
Tel. 02-2781777

- 2) In the case of complaints from shareholders, they will be forwarded to the Audit Committee and / or the Board of Directors. In this case, the shareholder may contact the Chairman of the Audit Committee directly or according to the company address specified.

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 the case of complaints of customers, business partner, general people, they may be sent to the management team to find a solution and report to the Board of Directors for acknowledgment.
- 4) In the case of complaints from creditors, they will be sent to the management team or the management may consider submitting such complaints to the Board of Directors for further consideration.

Company Secretary

Forth Smart Service Public Limited Company
256 Phaholyothin Rd., Samsaennai, Phayathai, Bangkok 10400
Tel. 02-2781777

In addition, the company has added channels to receive complaints through the company's website, (www.boonterm.com), in the "Contact Us" menu and go to the section of "Contact / Receive Complaint Form", it will be a channel that can receive notification of problems or complaints from users or stakeholders of the company directly.

In 2020, no clues were reported no complaints relating to illegal acts nor code of conduct for infringement from stakeholders to such channels.

Process to deal with employees' complain about an offense

The company has established guidelines for managing complaints, that have been received including clues, which has been announced in the business ethics of the company with the following steps:

1. Collect facts
2. Processing and screening data

3. Establish measures to take action

4. Report results

Rights or protection of those who complain or report clues

The company has established policies, rights or protection for those who complain or report clues in the business ethics of the company. The company will listen to all complaints equally, transparently and attentively including giving fairness to all parties. The company determine the duration of the investigation appropriately and the name of the complainer will be kept as confidential. The complainer will be protected from bullying both during the investigation and after the investigation.

Section 4

Disclosure and Transparency

The Company has a policy to disclose information and information accurately, completely and in a timely manner so that various stakeholders can receive information that shows the results of operations, financial status and other information. The interested parties can access various information of the company including financial statements, annual reports, performance in the past year of the Board of Directors and sub-committees, Corporate Governance Policy, Environmental and social care policy and compliance with such policies, etc. The Company will regularly update various information.

During the year, the company provides opportunities for groups or groups of individuals such as shareholders, journalists, financial institutions, customers and educational institutions etc. to visit the company. In addition, recognizing the importance of information to investors and stakeholders thus, the company had disclosed information according to the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission in the annual report and the invitation letter to the shareholders' meeting about the roles and duties of the Board of Directors and the Audit Committee, number of meetings and the number of directors attending the board meeting in the past year as well as comments while performing duties of the Audit Committee and the company had presented the report on the responsibility of the Board of Directors to the financial report together with the auditor's report.

Meeting with investors

The Board of Directors has set up a unit or responsible person for work related to "Investor Relations" to communicate with outsiders such as shareholders, institutional investors, general investor, analysts and relevant agencies equally and fairly by providing the opportunity for them to meet the management of the Company, as appropriate under the criteria that the information provided is information that has been disclosed to the public.

In the year 2020 there were shareholders, institutional investors, general investors and analysts visited the company (Company visit / Conference call) for a total of 7 times, and the Company participated in the Opportunity Day for 4 times.

Section 5

Responsibilities of the Board of Directors

Board Structure

The Board of Directors as at 31 December 2020 consists of independent directors, executive directors and non-executive directors who are of knowledgeable ability and experience in financial, accounting, management and

other area that are beneficial to the company. They are appointed by considering the Board Diversity, consisting of a total of 9 persons, 4 of which are independent directors, representing 44.44 percent of all directors to counterbalance the board. The qualifications of independent directors are equal to the criteria set by the Securities and Exchange Commission. The Independent Directors' qualifications, names and scope of authority of the Board of Directors including the nomination of directors is shown in the section "Management Structure"

The company has a policy to determine the number of companies that each director can hold a position in, with each director being able to hold a position in not more than 5 listed companies. However, the company has not determined the number of terms of office the directors but has adhered to the knowledge and ability to be a director of the company

The company has a policy to separate the persons who hold the position of board chairman and executive chairman to be different persons for clarity and transparency in administration by clearly defining the scope of authority and responsibility of the executive chairman including disclosure of qualifications and term of office of each director in the annual registration statement (Form 56-1 One Report)

In the year 2020, the Board of Directors convened a total of 7 times with schedules in advance and the Board of Directors received meeting documents not less than 5 working days in advance. Details of attendance of each director are shown in the topic "Management Structure".

Sub-Committees

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

Business ethics

The Board of Directors encourages the establishment of business ethics in order to operate ethically, respect the rights and treat stakeholders with equality and fairness that can be checked. Directors, executives and employees have adhered to practice by considering them as a burden and responsibility in general for the maximum benefit of the stakeholders of the company as well as creating credibility in the business that will help the company grow sustainably.

Risk Management Policy

The Board of Directors appoints the Risk Management Committee in order to operate with a risk management system for effective business operations in accordance with the framework of the Laws on electronic transactions of the Bank of Thailand, laws relating to the prevention and suppression of money laundering and financial support for terrorism and weapons of mass destruction, matters relating to risk management in business operations in accordance with the scope of relevant laws. The company also set up a risk management policy that covers the entire organization starting from the risk analysis process, risk identification, risk assessment, Risk management, Risk monitoring and control, as well as creating standards and criteria for appropriate risk indicators in order to achieve an efficient and consistent risk management process.

Also in the year 2020, Forth Smart Capital Company Limited (Formerly Forth Smart Trading Company Limited), a subsidiary of the Company obtaining a license to operate a personal loan service under supervision and providing personal loan service under supervision Ministry of Finance through the Bank of Thailand As a result, the company is obliged to have a process and operations regarding enterprise risk management in order to have effective operation and risk management system for the business system.

Guidelines for determining remuneration of Directors and senior executives

Remuneration for directors is determined by duties and responsibilities of directors including the performance of the directors and the operating results of the company in accordance with the compensation rate in the market or industry. Directors' remuneration is approved by the Nomination and Remuneration Committee and presented to the Board of Directors to consider before presenting to the shareholders' meeting for approval.

Remuneration for senior management is determined in accordance with the principles and policies set by the Nomination and Remuneration Committee. The determination of such remuneration is at an appropriate level comparable to the same industry by taking into account the obligations responsibility which is linked to the performance of the company and the performance of each senior executive in order to be able to attract and maintain qualified personnel. Annual remuneration and bonuses for senior management will be considered by certain criteria by the operating results of the company, overall economic conditions and the performance of each senior executive.

Term of office

In the period of 1 year, one-third of the company's directors or close to the number of one-third must be removed from the position. The director who vacates his office may be re-elected for another term. The term will start from the appointment date until the annual general meeting of shareholders.

Self-evaluation of the Board of Directors

The Board of Directors has to conduct an overall self-assessment not less than 1 time per year. In the year 2020, the Board of Directors had considered the self-assessment form in the Board of Directors' Meeting No. 2/2021 on 24 February 2021 in order to have the Board of Directors jointly evaluate performance and problems for resolving and increasing work efficiency of the Board of Directors.

Criteria for evaluating the performance of the Board and all sub-committees covers the items as follows:

- 1) Structure and qualifications of the Board of Directors
- 2) Roles, duties and responsibilities of the Board of Directors
- 3) The Board of Directors' meetings
- 4) Performance of the directors
- 5) Relationship with the management
- 6) Self-development of the directors and development of the management team

Criteria for evaluating the performance of individual committee covers the following key items:

- 1) The qualifications of the Board of Directors
- 2) The Board of Directors' meetings
- 2) Roles, duties and responsibilities of the Board of Directors

Development of Directors and Executives

The Board of Directors requires to organize the orientation for new directors in order that they have knowledge and understanding of the business of the company and related regulations. In addition, the Board of Directors has a policy to encourage all directors, senior executives including the company secretary need to continue to receive training on good corporate governance of the company both internal training and participation in training with other external institutions such as the Stock Exchange of Thailand, Securities and Exchange Commission or Thai Institute of Directors (IOD), etc.

In the year 2020, the Board of Directors supports the Directors and senior management Attend training and attend seminar activities In order to increase knowledge in the work continuously as follows

- On February 2020 – October 2020, Miss Rasinee Lerttripinyo, Executive Director / Assistant Managing Director attended the ABC (Academy of Business Creativity), organized by the Institute of Business Creativity, Sripatum University
- On June 2020, Ms. Rungrawee Bangkul, Financial Senior Manager / Company Secretary attended the Financial Management strategies to revive the organization and create growth in the New Normal, organized by the Stock Exchange of Thailand
- On August 2020, Mr. Teemanus Kiatdechpanya Finance and Accounting Director attended the e-learning CFO's Orientation Course (English Version) Accounting and Financial Preparation (CFO's Orientation Course, organized by EY Office Limited
- On October 2020, Ms. Rungrawee Bangkul, Financial Senior Manager / Company Secretary attended the Personal Data Protection Act PDPA#13, organized by the Political Science Association of Kasetsart University and attended the Certified TEPA's Anti-Money Laundering Office Training Course, organized by Thailand E-Payment Trade Association: TEPA
- On November 2020, Mr. Teemanus Kiatdechpanya Finance and Accounting Director attended the New CFO, organized by Stock Exchange of Thailand and EV Transformation in Thai Way, organized by Engineering Alumni Association of Chulalongkorn University

Succession Plan

The Board of Directors sets policies and criteria for selecting executives and policy of succession in the case of emergency or retirement of executives with a transparent process which will consider from knowledge and ability including experience and ethics.

Orientation for new directors

For new directors and executives, the company provides basic information about the company, such as organizational structure and management, nature of business, products and services, performance, company regulations and laws related to the company including the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand so that such directors can understand the nature of the business and the operation of the company as well as to acknowledge the roles, duties and responsibilities of being a director or independent directors.

Self-meeting between non-executive directors

The company arranges meetings for non-executive directors to meet with each other as appropriate to allow the non-executive directors to discuss various problems that occur in the company and offer suggestions that should be taken into consideration for the development of the business of the company. In 2020, the company has held the meeting for the non-Executive Directors on 18 June 2020 and 12 November 2020.

In terms of good corporate governance according to the principles of good corporate governance for listed companies 2017 (CG Code) that has not yet been implemented, the company will use it as a guideline for appropriate deployment as below:

Item of no compliance	Reasons
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Requiring the directors or senior executives to report to the Board of Directors or the person entrusted with the purchase, sell shares of the company at least 1 day in advance before trading..	The Board of Directors has set up measures to prevent the abuse of inside information by related parties including spouses and underage children. It is prohibited to use information that has not been disclosed to the public for use in the transaction or for personal benefits that may cause conflict of interest. The Board of Directors consider such action as a serious offense and define it in the the business ethics of the company
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Change of Shareholding of the Board of Directors and Executives

Name	Position	Number of share (shares)		Increase (Decrease)
		As of 27 December 2019	As of 5 January 2020	
Mr. Pichit Nimkul	Chairman of the Board of Directors	4,500,010	4,500,010	40,000
Mr. Dumrong Kaewprasith	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	-	-	-
PolLt.Gen Boriarn Siang-arom	Director Nomination and Remuneration Committee Chief Executive Officer	-	-	-
Mr. Pongchai Amtanon ¹	Director Nomination and Remuneration Committee Chief Executive Officer	40,583,600	40,583,600	-
Mrs. Rangsee Lerttripinyo	Director Executive Director	5,891,750	5,891,750	-
Mr. Sivaphant Ratanavirojwong	Director Risk Management Committee	12,000,000	12,000,000	-
Mr. Narongsak Lertsuptavee	Director Risk Management Committee Nomination and Remuneration Committee Executive Director Managing Director Finance Director	-	-	-
Ms. Rasinee Lerttripinyo	Executive Director Sales and Marketing Director	655,400	655,400	-
Mr. Teemanus Kiatdechpanya	Finance and Accounting Director	-	113,000	113,000
Mr. Sarawut Pacharoen	Senior Agent Service Manager	-	-	-
Ms. Rungrawee Bangkul	Senior Finance Manager Company Secretary	-	-	-

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

Preventing involvement with corruption

Anti-corruption and fraud Policy

The Board recognizes that conducting business with morality and ideology of anti-corruption and fraud in all forms is an important basis which will lead to the success of business operations and strengthen the organization to grow sustainably. Therefore, in order to show the firm determination of the company to conduct business that does not involve corruption and fraud, the Board of Directors therefore resolved to set up a policy to combat corruption and fraud by defining duties, responsibilities, guidelines and requirements for appropriate actions and the company has developed the "Anti-corruption and fraud Policy" in writing and there is a clarification of understanding including communicating the standards of conduct for all directors, executives, staffs and employees of the company for clear guidance. In addition, in order for the anti-corruption and fraud policies to be implemented and in accordance with business changes, regulations and legal requirements, the Board will monitor and review the appropriateness of the policy by assigning the Company Secretary to report the follow-up results and the results of the assessment of the appropriateness of the policy at least once a year.

Directors, executives, employees and employees of the company are prohibited to take any actions that is related to corruption and fraud. Conducting or accepting corruption in all forms for direct or indirect benefits to oneself, family, friends and acquaintances covering all businesses in all categories and all related agencies regardless whether he is a recipient, a grantor or an offeror.

Risk Assessment

In 2020, the Risk Management Committee assessed the risk of corruption and fraud that may occur by assessing the risk of fraud and corruption included in the topic of financial risk and had the risk reported to the Board of Directors on a quarterly basis with the Compliance and Risk Management unit acting to supervise compliance with rules and regulations according to the risk assessment report of the company.

Training and communication

In 2020, the company announced and communicated anti-corruption and fraud policies to employees at all levels including other policies through the internal news board and the company website including had each department manager communicate with employees as well.

However, the company has assigned the staff of the Compliance and Risk Management Department providing knowledge about guidelines on anti-corruption and fraud in organizing training for all employees in the company continuously and consistently.

Guidelines for supervision and control to prevent and monitor fraud risks

The Company has established a guideline for supervision and control to prevent and monitor the risk of fraud and corruption covering the personnel management process ranging from recruiting or selecting personnel, promotion, training, evaluation of employee performance and reward by requiring supervisors at all levels to communicate for understanding with employees to use in business activities that are in their responsibility and supervise the operations to be effective which can be summarized as follows:

1. The Board of Directors, executives, staffs and all employees of the company must comply with anti-corruption and fraud policies and must not be directly or indirectly involved with the corruption and fraud.
2. Staffs should not put aside or ignore when witnessing actions that are subject to corruption and / or fraud related to the company and must notify the supervisor or the person responsible and cooperate in the investigation.
3. The company will provide fairness and protect employees who refuse or report fraud and corruption related to the company by using measures to protect complainants or those who cooperate in reporting fraud and corruption.
4. Persons who commit corruption and fraud must be considered disciplinary according to the regulations set by the company. In addition, he/she may be punished according to law. if the action is illegal.
5. Employees must be aware of the importance of disseminating knowledge and making it clear with others who must perform duties related to the company to allow personnel and related persons to comply with the anti-corruption policy.
6. The company is committed to creating, cultivating and maintaining an organizational culture that adheres to corruption and fraud is unacceptable.

Guidelines for monitoring and evaluating the implementation of guidelines for prevention of corruption and fraud

The company has determined a guideline for monitoring and evaluating the complying with the guidelines for preventing corruption and fraud as follows:

1. Determining the evaluation of employee performance on regularly compliance with good corporate governance policies and established business ethics.
2. Providing auditors for internal control system to perform duty as an audit of the internal control system, Risk management, Governance and give continuous feedback by conducting an audit according to the annual audit plan approved by the Audit Committee and report significant audit results and recommendations to the Audit Committee.
3. Determining the Risk Management Committee to be responsible for testing and evaluating risks from corruption and fraud continuously in order to effectively implement the anti-corruption and anti-fraud measures, as well as regularly follow up, review and revise anti-corruption measures and present the assessment results to the Risk Management Committee and report to the Board of Directors respectively in a timely and consistent manner.
4. If the investigation is found that information from investigations or complaints, with reasonable evidence to believe that there is a transaction or action that may have a significant impact on the financial position, and the operating results of the company including violations of the law or business ethics of the company or guidelines for preventing involvement in corruption and fraud or doubts. The Audit Committee will report to the Board of Directors in order to proceed with rectification within the time that 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 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 and the Risk Committee has resolved to establish a working team for the risk management to analyze, assess, and perform risk management in the operation of the company. The working team has to arrange a quarterly meeting to report the progress of risk assessment and risk management as well as has to report to the Risk Management Committee on quarterly basis so that the Risk Management Committee will further report to the Board of Directors.

Company Risk Management Committee with the independent department and 2 members of the Audit Committee, who are the Chairman of the Risk Management Committee and the Board of Directors together in the meeting are to provide an opinion on the adequacy and appropriateness of the internal control system for the year 2020 with reference to the "Assessment Form for Adequacy of Internal Control System" of the Securities and Exchange Commission.

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 compliable 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 business partners, which is the practice as approved by the Board of Directors due to the corporate governance which has been consistently implemented.

The company has established written policies and guidelines on environmental care for all employees to acknowledge and be aware of environmental responsibility together under the principles of good corporate governance

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 continuously.

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 Accounting Department and Finance 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 2020, the Company has hired the EY Corporate Services Co.,Ltd., to perform duties as auditor to audit the system of information technology that supports the service on electronic payment of the year of 2020 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.

For this, the Activities for Corporate Social Responsibility that the company has performed in the year of 2020 was presented in the topic "Corporate Social Responsibility".



Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018, 2019 and 2020 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	Necessity and rationality			
		12-month period, year 2017 at 31 December	12-month period, year 2018 at 31 December	12-month period, year 2019 at 31 December	12-month period, year 2020 at 31 December
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 (Boontorn Mook, Counter Service machine, RD machine, etc.) from FORTH. The Company has the accounts payable / other payables at the ending date of the accounting period. 	971.81	16.20	-	-
		0.36	0.36	-	-
	<ul style="list-style-type: none"> The Company hires FORTH to transport the online top-up machines and spare parts for the Company. 	90.34	70.10	12.13	-

Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018, 2019 and 2020 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	12-month period, year				Necessity and rationality
		2017 at 31 December 2017	2018 at 31 December 2018	2019 at 31 December 2019	2020 at 31 December 2020	
1. FORTH Corporation Public Company Limited (FORTH) as the major shareholder of the Company (continue)	<ul style="list-style-type: none"> The Company has the accounts payable / other payables at the ending date of the accounting period. 	19.11	9.71	-	-	1. The cost of purchase price from FORTH is cheaper than other manufacturers because of small order and Economies of Scale. Therefore, there is no bargaining power with other manufacturers. 2. The Company can save personnel costs related to purchasing, warehouse and quality control. However, the Company has increased purchase orders directly from other manufacturers and negotiated with the manufacturers to get the same purchase price as FORTH. The Company also manages cost for increasing efficiency and effectiveness following the increasing number of online top-up machines and top-up amount.
	<ul style="list-style-type: none"> The Company hires FORTH to transport the online top-up machines and spare parts for the Company. 	0.66	0.09	-	-	The Company hires FORTH to transport the online top-up machines due to the following reasons: 1. FORTH has standardized and reliable transportation system 2. Transportation cost does not differ from other transporting companies. 3. FORTH is able to support the urgent case as the online top-up machines is produced by FORTH. However, the Company has reduced the proportion of hiring FORTH to transport the online top-up machines and use only in urgent cases.
	<ul style="list-style-type: none"> The Company purchases the computer equipment/office supplies from FORTH. 	1.74	0.02	-	7.44	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.
	<ul style="list-style-type: none"> The Company has the accounts payable / other payables at the ending date of the accounting period. 	-	0.01	-	-	
	<ul style="list-style-type: none"> The Company pays for the internal control system audit / other The Company has the accounts payable / other payables at the ending date of the accounting period. 	0.48	0.00	0.68	0.91	The Company pays for the inspection on the internal control system to FORTH. Such transactions are normal transactions and occur as necessary. The service rate is charged according to the market price.

Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018, 2019 and 2020 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	12-month period, year				Necessity and rationality
		2017 at 31 December 2017	2018 at 31 December 2018	2019 at 31 December 2019	2020 at 31 December 2020	
1. FORTH Corporation Public Company Limited (FORTH) as the major shareholder of the Company (continue)	<ul style="list-style-type: none"> 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. 	17.81	18.37	18.05	18.54	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.
	<ul style="list-style-type: none"> The Company has the accounts payable / other payables at the ending date of the accounting period. 	3.06	1.75	1.56	-	
	<ul style="list-style-type: none"> The Company pays the charges for water supply/electricity/ventilating 	1.82	1.82	2.84	2.60	
	<ul style="list-style-type: none"> The Company has the accounts payable / other payables at the ending date of the accounting period. 	0.08	0.13	0.14	-	
	<ul style="list-style-type: none"> The Company sold the automatic paying machine (Booster top-up kiosk) to FORTH. 	-	5.20	-	-	
2. Electronic Sources Company Limited as the subsidiary of FORTH	<ul style="list-style-type: none"> The Company had trade accounts receivable / other receivables from such transactions at the accounting period. 	-	-	-	-	Selling the kiosk of the Philippines project back to FORTH with trade transactions which are of reasonable and suitable commercial conditions.
	<ul style="list-style-type: none"> The Company has paid commissions to Electronic Sources Company Limited as the Master Agent of the Company. 	0.01	0.01	0.01	0.01	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.
	<ul style="list-style-type: none"> The Company has accrued commission payable from such list at the ending date of the accounting period. The Company purchases equipment and electronic parts to repair top-up machines from Electronic Sources Company Limited. 	72.63	42.10	30.27	68.27	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 Booster top-up machines for FORTH.

Related Transactions



Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018, 2019 and 2020 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	12-month period, year				Necessity and rationality
		2017 at 31 December 2017	2018 at 31 December 2018	2019 at 31 December 2019	2020 at 31 December 2020	
2. Electronic Sources Company Limited as the subsidiary of FORTH (continue)	<ul style="list-style-type: none"> - The Company has the accounts payable / other payables at the ending date of the accounting period. - The Company has the warranty money (other current liabilities) in this accounting period. - The Company also has income from the warranty money collected from the representative as the security deposit for the top-up machines and the fees for managing the top-up machines. - 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. - 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. 	13.24 0.01 - - 1.10 - 14.73 - 0.20 - -	7.61 0.01 - - - - 12.98 - 0.20 - -	5.92 0.01 - - - - 11.23 - 0.20 - -	15.92 0.01 0 - - - 9.48 - 0 - 0	<p>The Company receives income from the warranty money collected following the contract of master agent as safe burglary coverage and/or damage of machines. Such transaction is normal transaction and occur following the reasonable necessity.</p> <p>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.</p> <p>Genius Traffic System Co., Ltd. subleases the land with building to the Company. Such transaction is normal and occurs following the necessity. The sublease rate is the rate determined under the sublease agreement between the Company and Genius. The rental rate is in line with that is given to others.</p>

Related Transactions



Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018, 2019 and 2020 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	12-month period, year				Necessity and rationality
		2017 at 31 December 2017	2018 at 31 December 2018	2019 at 31 December 2019	2020 at 31 December 2020	
3. Genius Traffic System Co., Ltd. as a subsidiary of FORTH (continue)	<ul style="list-style-type: none"> - The Company pays the charges for water supply / electricity / - The Company has accounts payable / other payables in this accounting period. - The Company purchase shares in FORTH Vending Co., Ltd. 	0.38 - 18.00	0.06 - 6.00	0.06 - 20.00	0.06 - -	<p>On 31 October, 2019 the Extraordinary General Meeting of Shareholder of FORTH Vending Company Limited passed a resolution to approve an increase in its registered capital of Baht 300 million (Common stock 30 million stocks with par value Baht 10 each) from Baht 320 million (Common stock 32 million stocks with par value Baht 10 each) to Baht 620 million (Common stock 62 million stocks with par value Baht 10 each). None of the minority shareholders wished to buy the additional ordinary shares issued, as a result, the shareholding proportion of the Company will be 10% of ordinary shares. The paid-up capital was 66.67% totaling to Baht 20 million on 12 November 2019 and 30 November 2019.</p>
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. - 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. 	1.64 0.28 2.93 0.33	2.45 0.40 3.46 0.34	3.39 0.42 4.32 0.49	3.52 0.65 3.26 0.32	<p>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.</p> <p>The Company pays commission to FORTH Vending as FORTH Vending is a representative of vending machines and online top-up machines of the Company, covering Bangkok and metropolitan area. Such transaction is normal and occurs following the necessity. The rate of service charge follows the reasonable commercial conditions and they are not different from paying to other Master Agent.</p> <p>The Company has the accrued remuneration from Top-up service to FORTH Vending. This is calculated from the top-up balance of different types of service multiplied by rate of returns.</p>

Related Transactions



Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018, 2019 and 2020 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	Necessity and rationality			
		12-month period, year 2017 at 31 December 2017	12-month period, year 2018 at 31 December 2018	12-month period, year 2019 at 31 December 2019	12-month period, year 2020 at 31 December 2020
4. FORTH Vending Co., Ltd. as the subsidiary of FORTH (continue)	- The Company has the Top-up return as account payable at the end of the accounting period.	1.12	2.06	3.81	3.35
	- The Company has the money in the automatic vending machine waiting to be submitted as account payable at the end of the accounting period.	1.53	3.49	4.94	5.21
5. FORTH Smart Trading Co., Ltd. as the subsidiary	- The Company purchase shares in FORTH Smart Trading Co., Ltd.	174.97	-	125.00	-
	- The Company has the warranty money (other current liabilities) in this accounting period.	2.70	2.11	2.13	-

Necessity and rationality

The rate of returns is divided into the top-up balance of less than 100 baht, paying the return of 7.50%. For the top-up balance higher than 100 baht, pay the return of 2.15%. For services, pay the return rate of 7.50% and for Games pay the return rate of 7.50%. Such transaction is normal and occurs following the necessity. The rate of service charge that needs to be paid following reasonable commercial conditions and they are the same conditions which the Company has requested from other service providers.

The Company collects the warranty money (top-up limit and products) from FORTH Vending in the same conditions which the Company has collected from other master agents.

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 or Baht 74.25 million. In addition, on 21 August 2017, the subsidiary called up 12.5% of the par value or Baht 25 million from the Company, and the Company had paid in this amount.

The Company asked for retention received (the credit amount for top-up and purchase of goods) same condition with other representatives.

Related Transactions



Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018, 2019 and 2020 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	Necessity and rationality			
		12-month period, year 2017 at 31 December 2017	12-month period, year 2018 at 31 December 2018	12-month period, year 2019 at 31 December 2019	12-month period, year 2020 at 31 December 2020
5. FORTH Smart Trading Co., Ltd. as the subsidiary	- The Company paid commission to FORTH Smart Trading Company Limited for leasing of water vending machines and gasoline vending machines	0.87	0.65	0.43	0.12
	- The Company has accrued commission payable at the ending date of the accounting period	0.94	1.64	0.21	0.57
	- The Company had revenue from profit sharing.	3.01	-	3.63	1.17
	- The Company had receivables for management fees.	16.12	33.62	6.05	5.68
	- The Company sold water vending machines, weighing scales, spare parts and other related accessories.	98.84	0.60	-	-
	- The Company has the receivable / other receivables at the ending date of the accounting period.	-	-	-	-

Necessity and rationality

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.

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 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.

The Company sold water vending machines, gasoline vending machines, and weighing scales to FORTH Smart Trading Co., Ltd. with the price equaling to 88% plus margin of 5% on 20 February 2017. The conditions in this transaction was appropriate and the price was reasonable as other normal business transactions.

Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018 and 2019 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	12-month period, year				Necessity and rationality
		2017 at 31 December	2018 at 31 December	2019 at 31 December	2020 at 31 December	
6. FORTH Smart Digital Co., Ltd. as the subsidiary of FORTH Smart Trading Co., Ltd.	<ul style="list-style-type: none"> The Company paid for software development for each other. The Company has the accounts payable / other payables at the ending date of the accounting period. 	0.81	6.60	6.99	11.24	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. 	0.02	0.16	-	-	The Company asked for the rental fee for office space. This transaction was a normal transaction that occurred as necessary. The price of this transaction was also reasonable.
8.Forth EMS Co., Ltd. as a subsidiary of FORTH	<ul style="list-style-type: none"> The Company purchases the online top-up machines include spare part from FORTH EMS. The Company has The accounts payable / other payables at The ending date of The accounting period. The Company hires FORTH EMS 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. 	-	-	6.78	9.44	<p>The Company purchases the online top-up machines and other spare parts in the automatic payment machines from FORTH EMS. It is the commercial transactions with appropriate and reasonable commercial conditions. Here are two main reasons why the Company chooses FORTH EMS:</p> <ol style="list-style-type: none"> 1. The cost of purchase price from FORTH is cheaper than other manufacturers because of small order and Economies of Scale. Therefore, there is no bargaining power with other manufacturers. 2. The Company can save personnel costs related to purchasing, warehouse and quality control. <p>The Company hires FORTH EMS to transport the online top-up machines due to the following reasons: 1. FORTH EMS has standardized and reliable transportation system</p> <ol style="list-style-type: none"> 0.29 0.16 0.02 <p>2. FORTH EMS is able to support the urgent case.</p>

Transactions with persons subject to conflict of interest occurring in the accounting period of 2017, 2018, 2019 and 2020 ending on 31 December of each year.

Related party transactions and conflict of interest	Features of transactions	12-month period, year				Necessity and rationality
		2017 at 31 December	2018 at 31 December	2019 at 31 December	2020 at 31 December	
9. FORTH Smart Distribution Co., Ltd. as the subsidiary	<ul style="list-style-type: none"> The company purchased shares in FORTH Smart Distribution Co., Ltd. The company has a security deposit received from a representative for the transfer service (other current assets) at the end of the accounting period. The company pays a commission to FORTH Smart Distribution Co., Ltd. for renting a vending machine, gas vending machine. The company has accrued commission payable at the end of accounting period. The company generates income from sharing feedback and system development fees between each other. The company has an accrued compensation receivable for the management system. 	-	-	-	-	<p>-On 5 June 2020, FORTH Smart Distribution Company Limited was established with its registered capital of Baht 200 million (Common stock 20 million stocks with par value Baht 10 each) and 99.97% was held by the Company. The subsidiary called up 25 % of the par value, and the Company had paid in this amount.</p> <p>1.57 The company has a collection of insurance payments (credit limit and product) in the same conditions as the company charges from other service representatives</p> <p>0.15 The company pays a commission to FORTH Smart Distribution Co., Ltd. as a representative for the service of vending machines, petrol kiosk and online top-up of the company, which covers nationwide. These transactions are normal transactions and occur as necessary with service rates comply with the trade terms and is not different from paid to other agents</p> <p>1.12 The company has accrued compensation from purified water machines, receiving compensation at the rate of 0.10 baht per liter of total water sales in the month, accrued return from vending machines. The compensation will receive a return of 0.10 percent baht per liter of total oil sold in the month. Accrued return on the service of weighing scales, it will receive a return at the rate of 0.10 percent baht per transaction of the total income from the</p>

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 (2 are independent members) who are responsible for determining 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 working team of risk management who is responsible for analyzing, assessing, risk managing and reporting to the Risk Management Committee quarterly.

The Risk Management Committee has performed duties as assigned by the Board of Directors. In the year of 2020 there were 4 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. 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.
3. Considering and suggesting on new risk assessment.
4. Review and approve Risk Management Committee Charter.
5. Consider and evaluate the performance of Risk Management Committee.
6. Report risk management result to board of director for acknowledge.

From the operations mention above, 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. The Risk Management Committee will consider and follow up and present the corporate risk management plan to the Board of Directors on a quarterly basis.



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, Information Technology and management namely as follows:

1. Mr. Dumrong	Kaewprasith	Chairman of Audit Committee
2. Mr. Boonchai	Sowanwanichakul	Audit Committee
3. Admiral Kraisorn	Chansuwanich	Audit Committee

The Audit Committee has appointed Ms. Rungrawee Bangkul 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 2020, there were 4 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 2020 appeared on the topic "Management Structure" which can be summarized as follows:

1. To review the Company's financial statements, quarterly and annual of 2020, 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 nomination, dismissing and remuneration for the year 2020.

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 2020 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 2021 (1 January 2021 – 31 December 2021) in the meeting of Audit Committee No. 1/2021 held on 24 February 2021, 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 2020, 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 Sowanwanichakul
Audit Committee

Admiral Kraisorn Chansuwanich
Audit Committee

Report of the Nomination and Remuneration Committee

Nomination and Remuneration Committee appointed by the Board of Directors consists of 5 members as follows:

1.	Admiral Kraisorn Chansuwanich	Chairman of Nomination and Remuneration Committee
2.	Pol.Lt.Gen. Boriham Siang-arom	Nomination and Remuneration Committee
3.	Mr. Boonchai Sowanwanichakul	Nomination and Remuneration Committee
4.	Mr. Pongchai Amatanon	Nomination and Remuneration Committee
5.	Mr. Narongsak Lersuptavee	Nomination and Remuneration Committee

The Nomination and Remuneration Committee has Ms. Rungrawee Bangkul as the secretary of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee has performed duties as assigned by the Board of Directors which is defined in the Charter of the Nomination and Remuneration Committee.

In 2020, there are 2 meetings of the Nomination and Remuneration Committee in which all directors attended both of the meetings and reported the meeting results to the Board of Directors for acknowledgment of which important considerations are in summary as follows:

1. Consider and approve the evaluation form for the qualifications of the Board of Directors to be a guideline for considering the qualifications of the Board of Directors. The evaluation form of the board's qualifications is a standard form that is used in general companies.
2. Considering the directors who have completed their terms and proposed new directors according to Section 71 of the Public Limited Companies Act BE 2535 and the Company's Articles of Association, Article 19, requiring that in every annual general meeting, the directors must leave at least one-third of the total number of directors at that time, which is equal to 3 persons from all 9 directors and present to the shareholders' meeting of the year 2019 for further approval.
3. Consider the determination of remuneration for directors by considering the company's operating results, business size and responsibilities of the Board of Directors which is compared with other companies that are in the same industry and proposed to the shareholders' meeting of the year 2020 for further approval.
4. Consider Company's Organization.
5. Consider appoint addition management.
6. Consider training courses for the Directors and management to improve knowledge.
7. Consider and evaluate the performance of Nomination and Remuneration Committee for year 2020.
8. Consider Nomination and Remuneration Charter.

(Admiral Kraisorn Chansuwanich)

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.

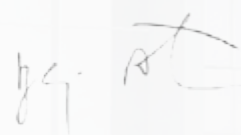
The Board of Directors has appointed Audit Committee, which comprises independent directors who meet the criteria defining of the Stock Exchange of Thailand to be the administrator responsible for the quality of the financial reporting and internal control audit system. The opinion of the Board of Directors 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 2020 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 2020, 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 2020, 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.

Emphasis of Matter

I draw attention to Note 1.2 and Note 3(a) to the consolidated financial statements. Due to the impact of the Coronavirus disease 2019 pandemic, in preparing the financial statements for the year ended 31 December 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to The Impact of Coronavirus disease 2019 Pandemic issued by the Federation of Accounting Professions.

My opinion is not qualified in respect of these matters.

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 examined the related accounting entries made through journal vouchers.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Isaraporn Wisutthiyan
Certified Public Accountant (Thailand) No. 7480

EY Office Limited
Bangkok, 24 February 2021

Forth Smart Service Public Company Limited and its subsidiaries
Statement of financial position
As at 31 December 2020

(Unit: Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	436,511,634	210,227,710	334,232,619	174,616,445
Current investments	9	-	50,000,000	-	-
Accrued income and other receivables	7, 10	793,053,683	869,497,056	796,066,376	856,395,469
Prepaid telephone charges		206,621,145	128,563,225	206,621,145	128,563,224
Inventories	11	56,288,212	82,021,483	51,378,418	78,049,243
Current portion of loans receivable	12	38,605,915	25,044,635	-	-
Other current assets					
Other receivables - Revenue Department		8,335,093	7,191,096	-	-
Others		37,800,660	25,929,275	36,566,747	25,771,017
Total current assets		1,577,216,342	1,398,474,480	1,424,865,305	1,263,395,398
Non-current assets					
Investment in subsidiaries	13	-	-	349,955,000	299,970,000
Other long-term investment	4, 14	-	63,151,815	-	52,000,000
Other non-current financial assets	4, 14	78,151,815	-	67,000,000	-
Loans receivable - net of current portion	12	50,155,488	27,657,853	-	-
Leasehold improvement and equipment	15	1,510,956,566	1,954,011,623	1,384,171,045	1,809,907,916
Right-of-use assets	20	159,840,708	-	159,840,708	-
Intangible assets	16	64,795,174	55,555,903	56,419,596	42,956,404
Prepayment of long-term lease	7	-	11,229,167	-	11,229,167
Deferred tax assets	23	4,300,026	4,372,451	1,745,531	3,368,384
Other non-current assets		8,632,400	5,721,495	7,694,851	5,463,663
Total non-current assets		1,876,832,177	2,121,700,307	2,026,826,731	2,224,895,534
Total assets		3,454,048,519	3,520,174,787	3,451,692,036	3,488,290,932

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 2020

(Unit: Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	17	850,000,000	730,000,000	850,000,000	730,000,000
Trade and other payables	7, 18	633,219,727	609,108,101	655,742,568	610,574,566
Current portion of long-term loans	19	-	209,991,099	-	209,991,099
Current portion of liability under finance lease agreement		-	381,864	-	381,864
Current portion of lease liabilities	20	15,031,210	-	15,031,210	-
Income tax payable		18,206,555	18,733,437	17,730,609	17,117,697
Other current liabilities					
Retention received from service representatives		611,510,765	566,174,098	609,945,765	564,049,098
Others		35,497,869	36,171,092	32,756,852	29,287,731
Total current liabilities		2,163,466,126	2,170,559,691	2,181,207,004	2,161,402,055
Non-current liabilities					
Provision for long-term employee benefits	21	3,498,759	12,866,563	3,230,302	12,866,563
Liability under finance lease agreement - net of current portion		-	1,176,657	-	1,176,657
Lease liabilities - net of current portion	20	138,091,788	-	138,091,788	-
Total non-current liabilities		141,590,547	14,043,220	141,322,090	14,043,220
Total liabilities		2,305,056,673	2,184,602,911	2,322,529,094	2,175,445,275
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
Capital deficit from change in shareholding in subsidiary	13.1	(2,624,246)	-	-	-
Retained earnings					
Appropriated - statutory reserve	25	40,000,000	40,000,000	40,000,000	40,000,000
Appropriated - treasury shares reserve	30	351,596,675	187,341,205	351,596,675	187,341,205
Unappropriated		324,324,324	503,205,902	301,920,371	485,603,086
Treasury shares	30	(351,596,675)	(187,341,205)	(351,596,675)	(187,341,205)
Equity attributable to owners of the Company		1,148,942,649	1,330,448,473	1,129,162,942	1,312,845,657
Non-controlling interests of the subsidiaries		49,197	5,123,403	-	-
Total shareholders' equity		1,148,991,846	1,335,571,876	1,129,162,942	1,312,845,657
Total liabilities and shareholders' equity		3,454,048,519	3,520,174,787	3,451,692,036	3,488,290,932

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 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit or loss:				
Revenues				
Sales of goods	2,225,180	684,831	-	-
Income from rendering of top-up service for prepaid phone and receipt of other online services	946,068,042	1,266,125,227	945,992,581	1,266,077,256
Income from rendering of services through online top-up machines	22 1,889,911,565	1,860,061,735	1,876,100,388	1,841,562,040
Advertising income	22,767,987	21,164,244	-	-
Interest income	11,659,312	-	-	-
Other income	18 250,659,942	271,209,623	244,066,383	263,062,625
Total revenues	3,123,292,028	3,419,245,660	3,066,159,352	3,370,701,921
Expenses				
Cost of sales	7,737,907	396,865	-	-
Cost of services	2,308,070,744	2,491,761,779	2,276,303,369	2,464,167,866
Service expenses	45,808,385	39,060,158	44,338,307	37,021,885
Administrative expenses	217,866,970	185,738,009	207,164,538	181,909,700
Total expenses	2,579,484,006	2,716,956,811	2,527,806,214	2,683,099,451
Profit from operating activities	543,808,022	702,288,849	538,353,138	687,602,470
Finance cost	(31,099,394)	(41,427,478)	(31,094,892)	(41,420,305)
Profit before income tax expenses	512,708,628	660,861,371	507,258,246	646,182,165
Income tax expenses	23 (49,198,895)	(77,647,330)	(48,942,743)	(75,210,612)
Profit for the year	463,509,733	583,214,041	458,315,503	570,971,553
Other comprehensive income:				
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain	21 13,486,455	-	13,486,455	-
Less: Income tax effect	23 (2,697,291)	-	(2,697,291)	-
Total other comprehensive income for the year	10,789,164	-	10,789,164	-
Total comprehensive income for the year	474,298,897	583,214,041	469,104,667	570,971,553

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 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit attributable to:				
Equity holders of the Company	464,063,185	584,226,386	458,315,503	570,971,553
Non-controlling interests of the subsidiaries	(553,452)	(1,012,345)	-	-
	463,509,733	583,214,041		
Total comprehensive income attributable to:				
Equity holders of the Company	474,852,349	584,226,386	469,104,667	570,971,553
Non-controlling interests of the subsidiaries	(553,452)	(1,012,345)	-	-
	474,298,897	583,214,041		
Basic earnings per share				
Profit attributable to equity holders of the Company	24 0.61	0.75	0.60	0.73

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 2020

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	512,708,628	660,861,371	507,258,246	646,182,165
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation	528,665,667	524,951,800	499,807,684	505,144,029
Amortisation for intangible assets	8,657,662	7,312,120	7,034,442	5,373,002
Amortisation for prepayment of long-term lease	-	1,750,000	-	1,750,000
Allowance for expected credit loss/doubtful accounts	5,373,794	-	679,462	-
Decrease of inventories to net realisable value	1,989,104	-	1,989,104	-
Loss on write-off equipment	2,967,154	2,039,714	2,953,443	2,039,714
Allowance for deterioration/loss of equipment (reversal)	2,079,503	(761,847)	2,122,239	(550,589)
Increase in provision for long-term employee benefits	1,421,360	5,635,622	1,152,903	5,635,622
Gain on sales of equipments	(622,767)	(473,092)	(622,767)	(322,722)
Interest income	(12,274,956)	(3,483,564)	(245,973)	(649,284)
Interest expenses	23,073,325	31,392,893	23,073,325	31,392,894
Profit from operating activities before changes in operating assets and liabilities	1,074,038,474	1,229,225,017	1,045,202,108	1,195,994,831
Operating assets (increase) decrease				
Accrued income and other receivables	76,360,707	23,680,888	59,649,632	57,575,698
Prepaid telephone charges	(78,057,920)	8,046,970	(78,057,920)	8,046,970
Inventories	23,744,168	7,746,967	24,681,721	7,730,781
Loans receivable	(41,699,791)	(52,702,489)	-	-
Other current assets	(12,554,335)	(9,945,991)	(10,795,733)	(6,764,452)
Other non-current assets	(2,910,905)	(367,421)	(2,231,184)	(80,611)
Operating liabilities increase (decrease)				
Trade and other payables	28,035,498	(151,097,240)	37,052,867	(198,112,991)
Other current liabilities	44,663,445	(30,459,098)	49,365,788	(37,055,994)
Cash flows from operating activities	1,111,619,341	1,024,127,603	1,124,867,279	1,027,334,232
Cash receipt from interest income	11,678,160	893,773	245,973	893,773
Cash paid for interest expenses	(17,163,941)	(29,125,827)	(17,163,941)	(31,960,107)
Cash received from income tax refund	219,800	24,521	-	-
Cash paid for corporate income tax	(50,334,198)	(80,554,182)	(46,706,978)	(78,089,078)
Net cash flows from operating activities	1,058,019,162	915,365,888	1,061,242,333	918,178,820

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 2020

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
(Increase) decrease in current investment	50,000,000	(50,000,000)	-	-
Increase in other non-current financial assets	(15,000,000)	-	(15,000,000)	-
Cash paid for increase in share capital of subsidiary	-	-	-	(125,000,000)
Increase in other long-term investment	-	(20,000,000)	-	(20,000,000)
Proceeds from sales of equipments	960,106	3,466,897	960,106	816,897
Acquisition of equipments	(64,773,653)	(109,025,218)	(53,532,178)	(45,366,001)
Payments of other payables for purchases of equipment	(12,308,304)	(9,364,769)	-	(9,364,769)
Acquisition of computer software	(17,896,935)	(4,330,906)	(20,497,635)	(7,127,367)
Investment in subsidiaries	(7,160,000)	-	(49,985,000)	-
Increase in non-controlling interests from newly established subsidiary	15,000	-	-	-
Net cash flows from investing activities	(66,163,786)	(189,253,996)	(138,054,707)	(206,041,240)
Cash flows from financing activities				
Cash receipt from short-term loans	3,750,000,000	3,460,000,000	3,750,000,000	3,460,000,000
Repayments of short-term loans	(3,630,000,000)	(3,390,000,000)	(3,630,000,000)	(3,390,000,000)
Repayments of long-term loans	(209,991,099)	(374,817,561)	(209,991,099)	(374,817,561)
Cash paid for liabilities under finance lease agreements	-	(250,479)	-	(250,479)
Cash paid for lease liabilities	(20,793,000)	-	(20,793,000)	-
Dividend paid	(488,531,883)	(499,199,296)	(488,531,883)	(499,199,296)
Acquisition of treasury shares	(164,255,470)	-	(164,255,470)	-
Net cash flows used in financing activities	(763,571,452)	(804,267,336)	(763,571,452)	(804,267,336)
Net increase (decrease) in cash and cash equivalents	226,283,924	(78,155,444)	159,616,174	(92,129,756)
Cash and cash equivalents at beginning of year	210,227,710	288,383,154	174,616,445	266,746,201
Cash and cash equivalents at end of year	436,511,634	210,227,710	334,232,619	174,616,445
	-	-	-	-
Supplemental cash information				
Non-cash items				
Purchases of equipment for which no cash has been paid	8,916,135	10,478,262	8,496,644	-
Acquisition of motor vehicle under lease agreement	-	1,809,000	-	1,809,000
Transfer asset under finance lease agreement to right-of-use assets	1,687,879	-	1,687,879	-
Transfer prepayment of long-term lease to right-of-use assets	11,229,167	-	11,229,167	-

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 2020

	Consolidated financial statements								(Unit: Baht)	
	Equity attributable to owners of the Company									
	Issued and paid-up share capital	Share premium	Capital deficit from change in shareholding in subsidiary	Retained earnings			Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
				Statutory reserve	Appropriated	Unappropriated				Treasury shares
	400,000,000	387,242,571	-	40,000,000	187,341,205	418,178,812	(187,341,205)	1,245,421,383	6,135,748	1,251,557,131
Balance as at 1 January 2019	-	-	-	-	-	584,226,386	-	584,226,386	(1,012,345)	583,214,041
Profit (loss) for the year	-	-	-	-	-	584,226,386	-	584,226,386	(1,012,345)	583,214,041
Total comprehensive income for the year	-	-	-	-	-	(499,199,296)	-	(499,199,296)	-	(499,199,296)
Dividend payment (Note 29)	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2019	400,000,000	387,242,571	-	40,000,000	187,341,205	503,205,902	(187,341,205)	1,330,448,473	5,123,403	1,335,571,876
Balance as at 1 January 2020 (before restated)	400,000,000	387,242,571	-	40,000,000	187,341,205	503,205,902	(187,341,205)	1,330,448,473	5,123,403	1,335,571,876
Cumulative effect of change in accounting policy due to the adoption of new financial reporting standard (Note 4)	-	-	-	-	-	(846,545)	-	(846,545)	-	(846,545)
Balance as at 1 January 2020 (as restated)	400,000,000	387,242,571	-	40,000,000	187,341,205	502,259,357	(187,341,205)	1,329,501,928	5,123,403	1,334,625,331
Profit (loss) for the year	-	-	-	-	-	464,063,185	-	464,063,185	(553,452)	463,509,733
Other comprehensive income for the year	-	-	-	-	-	10,789,164	-	10,789,164	-	10,789,164
Total comprehensive income for the year	-	-	-	-	-	474,852,349	-	474,852,349	(553,452)	474,298,897
Treasury shares during the year (Note 30)	-	-	-	-	-	-	(164,255,470)	(164,255,470)	-	(164,255,470)
Transferred unappropriated retained earnings to treasury shares reserve (Note 30)	-	-	-	-	-	164,255,470	-	-	-	-
Dividend payment (Note 29)	-	-	-	-	-	(488,531,912)	-	(488,531,912)	-	(488,531,912)
Change in interests of the subsidiary (Note 13.1)	-	-	(2,624,246)	-	-	-	-	(2,624,246)	(4,535,754)	(7,160,000)
Established new subsidiary (Note 13.2)	-	-	-	-	-	-	-	-	15,000	15,000
Balance as at 31 December 2020	400,000,000	387,242,571	(2,624,246)	40,000,000	351,596,675	324,324,324	(351,596,675)	1,148,942,649	49,197	1,148,991,846

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 2020

	Separate financial statements							(Unit: Baht)	
	Issued and paid-up share capital	Share premium	Retained earnings				Treasury shares		Total
			Statutory reserve	Appropriated		Unappropriated			
				Treasury shares reserve					
Balance as at 1 January 2019	400,000,000	387,242,571	40,000,000	187,341,205	413,830,829	(187,341,205)	1,241,073,400		
Profit for the year	-	-	-	-	570,971,553	-	570,971,553		
Total comprehensive income for the year	-	-	-	-	570,971,553	-	570,971,553		
Dividend payment (Note 29)	-	-	-	-	(499,199,296)	-	(499,199,296)		
Balance as at 31 December 2019	400,000,000	387,242,571	40,000,000	187,341,205	485,603,086	(187,341,205)	1,312,845,657		
Balance as at 1 January 2020	400,000,000	387,242,571	40,000,000	187,341,205	485,603,086	(187,341,205)	1,312,845,657		
Profit for the year	-	-	-	-	458,315,503	-	458,315,503		
Other comprehensive income for the year	-	-	-	-	10,789,164	-	10,789,164		
Total comprehensive income for the year	-	-	-	-	469,104,667	-	469,104,667		
Treasury shares during the year (Note 30)	-	-	-	-	-	(164,255,470)	(164,255,470)		
Transferred unappropriated retained earnings to treasury shares reserve (Note 30)	-	-	-	164,255,470	(164,255,470)	-	-		
Dividend payment (Note 29)	-	-	-	-	(488,531,912)	-	(488,531,912)		
Balance as at 31 December 2020	400,000,000	387,242,571	40,000,000	351,596,675	301,920,371	(351,596,675)	1,129,162,942		

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 2020

1. General information

1.1 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.

1.2 Coronavirus disease 2019 Pandemic

A second wave of the Coronavirus disease 2019 pandemic has slowed down economic recovery, and adversely impacting most businesses and industries. This situation has affected the Group's business activities in terms of changes in consumers behaviors and limitations on consumer spending, which has had an impact the Group's revenue. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities. In this regards, the management has exercised estimates and judgement on various matters in assessing to impact if the situation changes.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of 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	
			2020 Percent	2019 Percent
<u>Subsidiary held through the Company</u>				
Forth Smart Capital Co., Ltd. (Formerly known as "Forth Smart Trading Co., Ltd.")	Provide nano finance and personal loan services	Thailand	99.99	99.99
Forth Smart Distribution Co., Ltd.	Distribution of goods and rendering of service relating to online top-up machines	Thailand	99.97	-
<u>Subsidiary held through its subsidiary</u>				
Forth Smart Digital Company Limited	Electronics commerce	Thailand	99.99	60.00

- 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) Subsidiaries are 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 subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group 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 subsidiaries under the cost method.

3. New financial reporting standards

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

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The impact of the adoption of these standards on the Group's financial statements is as follows.

- Recognition of credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of accrued income, loans receivable and other receivables
- Classification and measurement of investments in equity instruments of non-listed companies - The Group measures investments in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value, through profit or loss.

The Group is recognised the effect of the adoption these financial reporting standards as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group is recognised the effect of the adoption of these financial reporting standards as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic Situation

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic Situation. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- Not to consider the COVID-19 pandemic situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at 1 January 2020.

The Group is evaluating the impact on the financial statements and will consider recording the impact after the relief measures expire.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of financial reporting standards

As described in Note 3 to the consolidated financial statements, during the current year the Group have adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts from changes in accounting policies on the statement of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	The impacts of			1 January 2020
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Current Investment	50	(50)	-	-
Other current financial asset	-	50	-	50
Current portion of loans receivable	25	-	-	25
Non-current assets				
Other non-current financial assets	-	63	-	63
Other long-term investments	63	(63)	-	-
Loans receivable - net of current portion	28	(1)	-	27
Leasehold improvement and equipment	1,954	-	(2)	1,952
Right-of-use assets	-	-	179	179
Prepayment of long-term lease	11	-	(11)	-
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	14	14
Non-current liabilities				
Liability under finance lease agreement				
- net of current portion	1	-	(1)	-
Lease liabilities - net of current portion	-	-	154	154
Shareholders' equity				
Retained earnings - unappropriated	503	(1)	-	502

(Unit: Million Baht)

	Separate financial statements			
	The impacts of			
	Financial reporting standards related			
	31 December	to financial	1 January	
	2019	instruments	2020	
Statement of financial position				
Assets				
Non-current assets				
Other non-current financial assets	-	52	-	52
Other long-term investments	52	(52)	-	-
Leasehold improvement and equipment	1,810	-	(2)	1,808
Right-of-use assets	-	-	179	179
Prepayment of long-term lease	11	-	(11)	-
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	14	14
Non-current liabilities				
Liability under finance lease agreement				
- net of current portion	1	-	(1)	-
Lease liabilities - net of current portion	-	-	154	154
Shareholders' equity				
Retained earnings - unappropriated	486	-	-	486

4.1 Financial instruments

a) Details of the impact on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

		(Unit: Million Baht)
	Consolidated	Separate
	financial statements	financial statements
Recognition of an allowance for expected credit losses on financial assets	(1)	-
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	(1)	-

b) As at 1 January 2020, classifications and measurement of financial assets is required by TFRS 9 in comparison with carrying amount, are as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	The former			
	carrying amount	Classification and measurement in accordance with TFRS 9		
		Fair value through		
		profit or loss	Amortised cost	Total
Financial assets as at 1 January 2020				
Cash and cash equivalents	210	-	210	210
Other current financial asset	50	-	50	50
Accrued income and other receivables	869	-	869	869
Loans receivable	53	-	52	52
Other non-current financial assets	63	63	-	63
Total financial assets	1,245	63	1,181	1,244

(Unit: Million Baht)

	Separate financial statements			
	The former carrying amount	Classification and measurement in accordance with TFRS 9		
		Fair value through		
		profit or loss	Amortised cost	Total
Financial assets as at 1 January 2020				
Cash and cash equivalents	175	-	175	175
Accrued income and other receivables	856	-	856	856
Other non-current financial assets	52	52	-	52
Total financial assets	1,083	52	1,031	1,083

As at 1 January 2020, the Group has not designed any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application of TFRS 16.

	(Unit: Million Baht)
	Consolidated/Separate financial statements
Operating lease commitments as at 31 December 2019	59
Add: Option to extend lease term	144
Less: Contracts reassessed as service agreements	(1)
Less: Deferred interest expenses	(35)
Lease liabilities increase from the adoption of TFRS 16	167
Liabilities under finance lease agreements as at 31 December 2019	1
Lease liabilities as at 1 January 2020	168
Weighted average incremental borrowing rate (percent per annum)	3.88 - 6.68
Comprise of:	
Current lease liabilities	14
Non-current lease liabilities	154
	168

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit: Million Baht)
	Consolidated/Separate financial statements
Buildings and building improvement	176
Furniture, fixtures and office equipment	1
Motor vehicles	2
Total right-of-use assets	179

5. Significant accounting policies

5.1 Revenues and expenses recognition

Revenue from sale of goods

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

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 over time 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 money transfer 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.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

5.2 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.

5.3 Inventories

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

5.4 Investments in subsidiaries

Investments in subsidiaries is accounted for in the separate financial statements using the cost method.

5.5 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.

5.6 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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5.7 Related party transactions

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

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

5.8 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Accounting policies adopted since 1 January 2020

The Group as a lessee, applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	10	years
Machinery and equipment	3	years
Motor vehicles	3	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

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

Accounting policies adopted since 1 January 2020

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

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.

5.9 Impairment of non-financial assets

At the end of each reporting period, the Group perform impairment reviews in respect of the leasehold improvements and equipment, right-of-use asset or 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.

5.10 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The 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 Group have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plan are recognised immediately in other comprehensive income.

5.11 Provisions

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

5.12 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The 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.

5.13 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, accrued income and other receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss. This financial asset includes non-listed equity investments.

Classification and measurement of financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Impairment of financial assets

For accrued income and other receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track change in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factor specific to the debtors and the economic environments.

For loans receivable, the subsidiary applies a simplified approach in calculating ECLs. Therefore, the subsidiary does not track change in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and its related industry.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Accounting policies adopted before 1 January 2020

Accrued income, loans receivable and other receivables

Accrued income, loans receivable and other 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 accrued income, loans receivable or other receivable. The allowance is generally based on collection experience and analysis of debt aging.

Investments

Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

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.

5.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group 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 Group 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 Group 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.

6. 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:

Allowance for expected credit losses of accrued income, loans receivable and other receivables

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

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.

7. Related party transactions

During the years, the Group 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	
	Pricing policy	2020	2019	2020	2019
<u>Transactions with parent company</u>					
Purchases of spare parts of online top-up machines	Cost plus margin	1	41	-	12
Purchases of vending machines	Cost plus margin	7	44	-	-
Purchases of intangible assets	Agreed rate	7	-	7	-
Service and administrative expenses	Agreed rate	3	4	3	4
Rental expenses	Agreed rate	18	18	18	18
<u>Transactions with subsidiary companies</u>					
(Eliminated from the consolidated financial statements)					
Others income	Agreed rate	-	-	2	4
Purchases of intangible assets	Agreed rate	-	-	8	7
Service and administrative expenses	Agreed rate	-	-	1	1
<u>Transactions with related companies</u>					
Others income	Agreed rate	4	3	4	3
Purchases of spare parts of online top-up machines	Cost plus margin	59	35	58	35
Commission expenses	Agreed rate	3	4	3	4
Rental expenses	Agreed rate	2	2	2	2

The balances of the accounts as at 31 December 2020 and 2019 between the Company and those related parties were as follows:

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
<u>Accrued income - related parties (Note 10)</u>					
Parent company		16	16	-	-
Subsidiaries		-	-	353	1,515
Total		16	16	353	1,515
<u>Other receivables - Service representative - related parties (Note 10)</u>					
Related parties ⁽¹⁾		103	31	103	31
Total		103	31	103	31
<u>Other receivables - related parties (Note 10)</u>					
Parent company		7	-	7	-
Subsidiaries		-	-	18,838	5,048
Related parties ⁽¹⁾		454	415	454	415
Total		461	415	19,299	5,463
<u>Prepayment of long-term lease - related parties</u>					
Related parties ⁽¹⁾		-	11,229	-	11,229
Total		-	11,229	-	11,229
<u>Other current assets - related parties</u>					
Parent company		1,931	-	1,931	-
Subsidiaries		-	-	9	-
Total		1,931	-	1,940	-
<u>Right-of-use assets - related parties</u>					
Related parties ⁽¹⁾		9,479	-	9,479	-
Total		9,479	-	9,479	-
<u>Trade and other payables - related parties (Note 18)</u>					
Parent company		145	15,232	145	2,062
Subsidiaries		-	-	25,816	16,586
Related parties ^{(1), (2)}		41,572	30,710	41,284	30,710
Total		41,717	45,942	67,245	49,358
Relationship with the related company					
⁽¹⁾ Related by same director and management					
⁽²⁾ Related by related person of the Company's management					

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	2020	2019
Short-term employee benefits	10,158	7,681
Post-employment benefits	4,052	5,778
Total	14,210	13,459

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	financial
	financial statements		statements	statements
	2020	2019	2020	2019
Cash	1,123	916	1,095	896
Bank deposit	434,783	208,383	332,532	172,791
Deposits at banks with restrictions	606	929	606	929
Total	436,512	210,228	334,233	174,616

As at 31 December 2020, bank deposits in saving accounts, carried interests between 0.3 and 0.8 percent per annum (2019: between 0.3 and 0.9 percent per annum).

As at 31 December 2020, the Company's deposits at banks with restrictions amounting to Baht 0.6 million (2019: Baht 0.9 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.

9. Current investments

The balance outstanding as at 31 December 2019 was a current investment of Forth Smart Capital Co., Ltd. (Formally known as "Forth Smart Trading Co., Ltd.") (the subsidiary) with a local commercial bank in the form of fixed deposit of Baht 50 million. The investments carry interest at a rate of 1.50 percent per annum and matured in February 2020.

10. Accrued income and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Related parties				
Accrued income	16	16	353	1,515
Other receivables - Service representatives	103	31	103	31
Other receivables	461	415	19,299	5,463
	580	462	19,755	7,009
Unrelated parties				
Accrued income	87,611	120,507	71,526	101,217
Other receivables - Service representatives	683,640	736,783	683,640	736,783
Other receivables	22,018	11,861	21,940	11,502
	793,269	869,151	777,106	849,502
Total accrued income and other receivables	793,849	869,613	796,861	856,511
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful debts)	(795)	(116)	(795)	(116)
Total accrued income and other receivables - net	793,054	869,497	796,066	856,395

11. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net		Inventories - net	
	2020	2019	realisable value		2020	2019
Assembly spare parts and installation	58,277	82,021	(1,989)	-	56,288	82,021
Total inventories	58,277	82,021	(1,989)	-	56,288	82,021
	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net		Inventories - net	
	2020	2019	realisable value		2020	2019
Assembly spare parts and installation	53,367	78,049	(1,989)	-	51,378	78,049
Total inventories	53,367	78,049	(1,989)	-	51,378	78,049

During the current year, the Group reduced cost of inventories by Baht 2 million (the Company only: Baht 2 million), to reflect the net realisable value. This was included in cost of services.

12. Loans receivable - net

Loans receivable as at 31 December 2020 and 2019, are loans provided to service representatives and personal loans receivable of Forth Smart Capital Company Limited (the subsidiary). Details are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Amount due					
	Within 1 year		Over 1 year		Total	
	2020	2019	2020	2019	2020	2019
Loans receivable and accrued interest	42,203	25,045	52,795	27,658	94,998	52,703
Less: Accrued interest	(597)	-	-	-	(597)	-
Less: Allowance for expected credit losses	(3,000)	-	(2,640)	-	(5,640)	-
Loans receivable - net	38,606	25,045	50,155	27,658	88,761	52,703

As at 31 December 2020, such loans carry interest rate at 5 percent to 25 percent per annum (2019: 5 percent to 10 percent per annum) and the terms of the agreements are generally between 1 year to 5 years (2019: 1 year to 3 years). The loans are unsecured.

As at 30 December 2020 and 2019, the balances of loans to service representatives and personal loans receivable classified by aging are as follows.

	Consolidated financial statements					
	Loans receivable		Rate of allowance for expected credit losses		Allowance for expected credit losses	
	(Thousand Baht)		(Percent)		(Thousand Baht)	
	2020	2019	2020	2019	2020	2019
Not yet due or past due not more than 1 month	87,752	51,264	1	-	843	-
Past due 1 to 3 months	2,499	278	2	-	50	-
Past due 3 to 6 months	2,269	537	100	-	2,269	-
Past due 6 to 12 months	2,205	624	100	-	2,205	-
Past due over 12 months	273	-	100	-	273	-
Total	94,998	52,703			5,640	-
Less: Accrued interest	(597)	-				
Less: Allowance for expected credit losses	(5,640)	-				
Loans receivable - Net	88,761	52,703				

13. 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	
	2020	2019	2020	2019	2020	2019
	(Thousand Baht)	(Thousand Baht)	(percent)	(percent)	(Thousand Baht)	(Thousand Baht)
Subsidiary directly held by the Company						
Forth Smart Capital Co., Ltd.	300,000	300,000	99.99	99.99	299,970	299,970
Forth Smart Distribution Co., Ltd.	50,000	-	99.97	-	49,985	-
Subsidiary held by Forth Smart Trading Co., Ltd.						
Forth Smart Digital Co., Ltd.	25,000	25,000	99.99	60.00	-	-
Total investment in subsidiaries					349,955	299,970

13.1 In order to supporting the continuous business growth of the Group, the Board of Director's Meeting of Forth Smart Capital Company Limited (the subsidiary) held on 11 May 2020 passed the following resolutions:

- To approve the purchase of 4,000,000 ordinary shares of Forth Smart Digital Company Limited (a subsidiary held by Forth Smart Capital Company Limited) amounting to Baht 7.2 million from a director of the subsidiary. Following the acquisition of these ordinary shares, its shareholding in Forth Smart Digital Company Limited increased from 60.00% to 99.99%.

Details of the acquisition are as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
Purchase price of investment in subsidiary	7,160
Less: Non-controlling interests of subsidiary adjustment	(4,536)
Capital deficit from change in shareholding interest in subsidiary	2,624

- b) To approve the business restructuring by way of partial business transfer, whereby Forth Smart Capital Co., Ltd. is to transfer its sale of goods and rendering of services relating to online top-up machines, distribution of tobacco and advertising businesses, including almost inventories and assets relating to such businesses, to Forth Smart Distribution Company Limited, a newly established subsidiary, as described in Note 13.2 to the consolidated financial statements. The partial business transfer was to be made at fair value. Subsequently, on 27 May 2020, the Annual General Meeting of the shareholders of Forth Smart Capital Company Limited passed a resolution approving this business restructuring.

In June 2020, Forth Smart Capital Company Limited transferred almost inventories and fixed assets relating to such businesses, which had net book value of Baht 122.1 million, to Forth Smart Distribution Company Limited at a value of Baht 122.2 million.

- 13.2 Forth Smart Distribution Company Limited was incorporated on 5 June 2020 with a registered share capital of Baht 200 million (20,000,000 ordinary shares with a par value of Baht 10 each), which is principally engaged in the sale of goods and rendering of services relating to online top-up machines, distribution of tobacco and advertising. The Company holds 99.97% of its shares. During the year, the subsidiary called up 25% of the par value, and the Company had already paid in this amount.

14. Other non-current financial assets/Other long-term investments

Details of other non-current financial assets as at 31 December 2020 and other long-term investments as at 31 December 2019 are as follows:

Company's name	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Forth Vending Co., Ltd.	67,000	52,000	67,000	52,000
Box 24 Co., Ltd.	11,152	11,152	-	-
Total	78,152	63,152	67,000	52,000

Forth Vending Company Limited

On 31 October 2019, the Extraordinary General Meeting of the Shareholders of Forth Vending Company Limited, in which the Company held at 10 percent interest, passed a resolution to approve an increase in the registered share capital from Baht 320 million (32,000,000 ordinary shares of Baht 10 each) to Baht 620 million (62,000,000 ordinary shares of Baht 10 each) through the issuance of 30,000,000 additional ordinary shares with a par value of Baht 10 each to existing shareholders based on existing shareholdings.

On 8 November 2019, the Company's Board of Directors passed a resolution to acquire 3,000,000 ordinary shares with a par value of Baht 10 each, amounting to Baht 30 million in order to maintain its existing shareholding. Forth Vending Company Limited subsequently called up 67 percent of the additional share, totaling Baht 20 million, and the Company already paid in this amount.

On 24 January 2020, Forth Vending Company Limited called up remaining share capital totaling Baht 10 million and the Company already paid in this amount.

On 28 September 2020, the Extraordinary General Meeting of the Shareholders of Forth Vending Company Limited, passed a resolution to approve an increase in the registered share capital from Baht 620 million (62,000,000 ordinary shares of Baht 10 each) to Baht 670 million (67,000,000 ordinary shares of Baht 10 each) through the issuance of 5,000,000 additional ordinary shares with a par value of Baht 10 each to existing shareholders based on existing shareholdings.

On 29 September 2020, Forth Vending Company Limited called up the proportion of the Company, 500,000 ordinary shares with a par value of Baht 10 each or amounting to Baht 5 million. The Company already paid in this amount on 5 October 2020 in order to maintain its existing shareholding.

15. Leasehold improvement and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					
	Leasehold improvements	Online top-up machines and related equipment	Equipment and office equipment	Motor vehicles	Assets awaiting installation	Total
Cost						
1 January 2019	48,559	4,141,392	107,686	4,896	-	4,302,533
Additions	120	117,592	1,791	1,808	-	121,311
Disposals/written-off	-	(44,843)	-	-	-	(44,843)
31 December 2019	48,679	4,214,141	109,477	6,704	-	4,379,001
Effect from the adoption of TFRS 16 (Note 4)	-	-	-	(1,808)	-	(1,808)
1 January 2020	48,679	4,214,141	109,477	4,896	-	4,377,193
Additions	250	67,320	1,471	1,893	2,654	73,588
Disposals/written-off	-	(24,922)	(209)	-	-	(25,131)
31 December 2020	48,929	4,256,539	110,739	6,789	2,654	4,425,650
Accumulated depreciation						
1 January 2019	21,848	1,841,703	67,549	2,560	-	1,933,660
Depreciation for the year	9,441	500,326	14,574	611	-	524,952
Depreciation on disposals/written-off	-	(37,653)	-	-	-	(37,653)
31 December 2019	31,289	2,304,376	82,123	3,171	-	2,420,959
Effect from the adoption of TFRS 16 (Note 4)	-	-	-	(121)	-	(121)
1 January 2020	31,289	2,304,376	82,123	3,050	-	2,420,838
Depreciation for the year	9,173	486,277	13,566	573	-	509,589
Depreciation on disposals/written-off	-	(20,078)	(210)	-	-	(20,288)
31 December 2020	40,462	2,770,575	95,479	3,623	-	2,910,139
Allowance for deterioration/loss of equipment						
1 January 2019	-	6,950	-	-	-	6,950
Increase during the year	-	966	-	-	-	966
Decrease during the year	-	(3,885)	-	-	-	(3,885)
31 December 2019	-	4,031	-	-	-	4,031
Increase during the year	-	2,213	-	-	-	2,213
Decrease during the year	-	(1,690)	-	-	-	(1,690)
31 December 2020	-	4,554	-	-	-	4,554
Net book value						
31 December 2019	17,390	1,905,734	27,354	3,533	-	1,954,011
1 January 2020	17,390	1,905,734	27,354	1,846	-	1,952,324
31 December 2020	8,467	1,481,410	15,260	3,166	2,654	1,510,957
Depreciation for the year						
2019 (Baht 500 million included in cost of services, and the balance in administrative expenses)						524,952
2020 (Baht 485 million included in cost of services, and the balance in administrative expenses)						509,589

(Unit: Thousand Baht)

	Separate financial statements				
	Leasehold improvements	Online top-up machines and related equipment	Equipment and office equipment	Motor vehicles	Total
Cost					
1 January 2019	48,559	4,007,265	107,045	4,896	4,167,765
Additions	120	43,582	1,664	1,808	47,174
Disposals/written-off	-	(41,286)	-	-	(41,286)
31 December 2019	48,679	4,009,561	108,709	6,704	4,173,653
Effect form the adoption of TFRS 16 (Note 4)	-	-	-	(1,808)	(1,808)
1 January 2020	48,679	4,009,561	108,709	4,896	4,171,845
Additions	250	58,560	1,391	1,893	62,094
Disposals/written-off	-	(24,922)	(209)	-	(25,131)
31 December 2020	48,929	4,043,199	109,891	6,789	4,208,808
Accumulated depreciation					
1 January 2019	21,848	1,799,347	67,467	2,560	1,891,222
Depreciation for the year	9,441	480,654	14,438	611	505,144
Depreciation on disposals/written-off	-	(36,595)	-	-	(36,595)
31 December 2019	31,289	2,243,406	81,905	3,171	2,359,771
Effect form the adoption of TFRS 16 (Note 4)	-	-	-	(121)	(121)
1 January 2020	31,289	2,243,406	81,905	3,050	2,359,650
Depreciation for the year	9,173	457,588	13,397	573	480,731
Depreciation on disposals/written-off	-	(20,074)	(210)	-	(20,284)
31 December 2020	40,462	2,680,920	95,092	3,623	2,820,097
Allowance for deterioration/loss of equipment					
1 January 2019	-	6,683	-	-	6,683
Increase during the year	-	966	-	-	966
Decrease during the year	-	(3,674)	-	-	(3,674)
31 December 2019	-	3,975	-	-	3,975
Increase during the year	-	2,200	-	-	2,200
Decrease during the year	-	(1,635)	-	-	(1,635)
31 December 2020	-	4,540	-	-	4,540
Net book value					
31 December 2019	17,390	1,762,180	26,804	3,533	1,809,907
1 January 2020	17,390	1,762,180	26,804	1,846	1,808,220
31 December 2020	8,467	1,357,739	14,799	3,166	1,384,171
Depreciation for the year					
2019 (Baht 481 million included in cost of services, and the balance in administrative expenses)					505,144
2020 (Baht 458 million included in cost of services, and the balance in administrative expenses)					480,731

As at 31 December 2020, 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 739 million (2019: Baht 501 million).

16. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 31 December 2020:		
Cost	94,135	79,616
Less: Accumulated amortization	(29,340)	(23,196)
Net book value	64,795	56,420
As at 31 December 2019:		
Cost	76,238	59,118
Less: Accumulated amortization	(20,682)	(16,162)
Net book value	55,556	42,956

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	55,556	58,537	42,956	41,202
Acquisition of computer software	17,897	4,331	20,498	7,127
Amortisation	(8,658)	(7,312)	(7,034)	(5,373)
Net book value at end of year	64,795	55,556	56,420	42,956

17. Short-term loans from financial institutions

	(Unit: Thousand Baht)		
	Interest rate (percent per annum)	Consolidated financial statements/ Separate financial statements	
		2020	2019
Short-term loans from financial institutions	1.52 - 2.30	850,000	730,000
Total		850,000	730,000

These short-term loans are unsecured.

18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Related parties				
Account payables for purchases of equipment	19,020	21,259	18,732	9,570
Other payables	18,809	20,018	41,132	33,551
Accrued expenses	3,888	4,665	7,381	6,237
	41,717	45,942	67,244	49,358
Unrelated parties				
Trade payables	238,535	192,439	238,349	191,842
Other payables	211,886	228,614	211,692	228,417
Advance received from customer	606	929	606	929
Accrued expenses	140,476	141,184	137,851	140,029
	591,503	563,166	588,498	561,217
Total trade and other payables	633,220	609,108	655,743	610,575

During 2020, the Company reversed other payables of Baht 165 million (2019: Baht 173 million). Such other payables were credit top-up amount for prepaid phone/ money transfer that customers have not used for a period of more than 1 year amounting to Baht 46 million (2020: Baht 44 million) and the amount from unsuccessful money top-up for which customers did not claim the refund for more than 1 year amounting to Baht 119 million (2020: Baht 129 million) to other income in profit or loss.

19. Long-term loans

The outstanding balance as at 31 December 2019 represented long-term loans facilities totaling Baht 800 million from four local banks. The loans carried interest at the rate of fixed rate or refer to 1M THBFIX + a margin as stipulated in the agreement, and principle and interest were to be paid on a monthly basis (ending in 2020).

During the current year, the Company fully settled the long-term loans.

20. Leases

The Group as a lessee, have lease contracts relating to office building, warehouse, vehicle and equipment used in its operations. Leases generally have lease terms between 3 - 10 years.

20.1 Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated/Separate financial statements			
	Buildings	Equipment and office equipment	Motor vehicles	Total
Net book value as at 31 December 2019	-	-	-	-
Effect from adoption of TFRS 16 (Note 4)	176,491	738	1,688	178,917
Net book value as at 1 January 2020	176,491	738	1,688	178,917
Depreciation for the year	(18,355)	(227)	(494)	(19,076)
Net book value as at 31 December 2020	158,136	511	1,194	159,841

20.2 Lease liabilities

The outstanding balances of lease liabilities as at 31 December 2020 were summarised below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements
Lease payments	181,669
Less: Deferred interest expenses	(28,546)
Total	153,123
Less: Portion due within one year	(15,031)
Lease liabilities - net of current portion	138,092

A maturity analysis of lease payments is disclosed in Note 32.1 to the consolidated financial statements.

20.3 Expenses relating to leases that are recognised in profit or loss for the year ended 31 December 2020 were summarised below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements
Depreciation expense of right-of-use assets	19,076
Interest expense on lease liabilities	6,357

21. 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 financial statements		Separate financial statements	
	2020	2019	2020	2019
Provision for long-term employee benefits at beginning of year	12,867	7,231	12,867	7,231
Included in profit or loss:				
Current service cost	3,412	3,126	3,321	3,126
Interest cost	533	408	529	408
Past service cost	174	2,102	-	2,102
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	1,784	-	1,784	-
Financial assumptions changes	(135)	-	(135)	-
Experience adjustments	(15,136)	-	(15,136)	-
Provision for long-term employee benefits at end of year	3,499	12,867	3,230	12,867

The Group expects no payment of long-term employee benefits during the next year (2019: nil).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit of the Group is 21 - 25 years (the Company only: 21 years).

Significant actuarial assumptions are summarised below.

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Discount rate	1.8 - 2.2	2.7	1.8	2.7
Salary increase rate	5.0 - 6.0	7.5	6.0	7.5
Turnover rate	1.9 - 28.7	0.0 - 22.9	9.6 - 28.7	0.0 - 22.9

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

	(Unit: Thousand Baht)			
	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(589)	732	(560)	694
Salary increase rate	693	573	657	(545)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(1,136)	1,749	(1,105)	1,703

	(Unit: Thousand Baht)			
	As at 31 December 2019			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(2,467)	3,139	(2,467)	3,139
Salary increase rate	3,120	(2,499)	3,120	(2,499)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(178)	244	(178)	244

22. 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	
	2020	2019	2020	2019
Total receipt amount from rendering of top-up service for prepaid phone and receipt of other online services	38,163,270	40,074,401	38,118,213	40,042,208
Less: Cost of prepaid phone and receipt of other online services which is cost of telephone network operators and online service providers	(36,273,358)	(38,214,339)	(36,242,113)	(38,200,646)
Income from rendering of services through online top-up machines	1,889,912	1,860,062	1,876,100	1,841,562

During the years ended 31 December 2020 and 2019, the Company received amount through online top-up machines as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Total receipt amount through online top-up machines	38,295,564	40,204,572	38,249,540	40,171,085

23. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Current income tax:				
Corporate income tax charge	51,829	78,707	50,022	75,817
Adjustment in respect of current income tax of previous year	(5)	(14)	(5)	(20)
Deferred tax:				
Relating to origination and reversal of temporary differences	(2,625)	(1,046)	(1,074)	(586)
Income tax expense reported in the profit or loss	49,199	77,647	48,943	75,211

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax relating to actuarial gain	2,697	-	2,697	-

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting profit before tax	512,709	660,861	507,258	646,182
Applicable tax rate (%)	20	20	20	20
Accounting profit before tax multiplied by income tax rate	102,542	132,172	101,452	129,236
Deferred tax which was not recognised during the prior year but was utilised during the year	(113)	(7)	-	-
Adjustment in respect of income tax of previous year	(5)	(14)	(5)	(20)
Effects of:				
Non-deductible expenses	2,120	1,038	2,263	879
Additional expense deductions allowed	(55,345)	(55,553)	(54,767)	(54,884)
Others	-	11	-	-
Total	(53,225)	(54,504)	(52,504)	(54,005)
Income tax expenses reported in the profit or loss	49,199	77,647	48,943	75,211

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	1,128	-	-	-
Allowance for diminution in value inventories	398	-	398	-
Provision for long-term employee benefits	646	2,573	646	2,573
Allowance for deterioration / loss of equipment	702	795	702	795
Unrealised gain on inter-sales of fixed assets	1,426	1,004	-	-
Total	4,300	4,372	1,746	3,368

24. 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, netting of treasury shares.

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

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit for the year (Thousand Baht)	464,063	584,226	458,316	570,972
Weighted average number of ordinary shares (Thousand shares)	760,059	780,000	760,059	780,000
Earnings per share (Baht per share)	0.61	0.75	0.60	0.73

25. 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.

26. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Benefit sharing to service representatives	1,480,606	1,706,214	1,468,860	1,694,817
Depreciation and amortisation	537,938	532,264	506,799	510,517
Salaries and wages and other employee benefits	128,612	112,186	128,459	111,767
Service fees for data transfer system	97,757	101,870	97,748	101,717
Bank charge of money transfer service	196,187	151,457	196,187	151,457
Repaired expenses for top-up machines	39,588	28,184	39,588	28,184

27. Segment information

The one main reportable operating segment of the Group 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.

28. 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 2020 amounting to approximately Baht 1.8 million (2019: Baht 1.5 million) were recognised as expenses.

29. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends for 2018	2019 Annual General Meeting of the shareholders on 19 April 2019	249,600	0.32
Interim dividend paid from profit for the six-month period ended 30 June 2019	The Board of Directors' Meeting on 8 August 2019	249,600	0.32
Total		499,200	0.64
Interim dividend paid from profit for the year ended 31 December 2019	The Board of Directors' meeting on 26 March 2020	262,590	0.34
Interim dividend paid from profit for the six-month period ended 30 June 2020	The Board of Directors' meeting on 13 August 2020	225,942	0.30
Total		488,532	0.64

30. Treasury shares/appropriated retained earnings for treasury shares reserve

Changes in treasury shares and appropriated retained earnings for treasury shares for the year ended 31 December 2020 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	Treasury shares	Appropriated retained earnings for treasury shares
Balance as at 31 December 2019	187,341	187,341
Purchase record during the year	164,256	164,256
Balance as at 31 December 2020	351,597	351,597

On 19 December 2019, the Board of Directors of the Company approved a share repurchase program for financial management propose with a budget of up to Baht 320 million, to repurchase no more than 45,000,000 ordinary shares (par value of Baht 0.5 each), accounting for not more than 5.63 percent of the total number of shares in issue. The shares were to be repurchased through the Stock Exchange of Thailand between 3 January 2020 and 2 July 2020 and the share resale period was set at more than 6 months but no later than 3 years after the date that the share repurchase is completed.

During 3 January 2020 and 2 July 2020, the Company had purchased back a total of 26,858,700 ordinary shares (par value of Baht 0.5 each), or 3.36% of the total number of shares in issue, for a total of Baht 164.2 million under these shares repurchase program. The Company has already allocated unappropriated retained earnings amounting to Baht 164.2 million to a reserve for the treasury shares. The share repurchased period approved by the Board of Directors of the Company has been expired on 2 July 2020.

31. Commitments and contingent liabilities

31.1 Guarantees

- a) As at 31 December 2020, there were outstanding bank guarantees of approximately Baht 129 million (2019: Baht 120 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.
- b) As at 31 December 2020, there were bank guarantees of approximately Baht 3 million (2019: Baht 3 million), which have been issued by a bank to provide guarantee to the Revenue Department for any tax liabilities that would arise in relation to the tax assessment as described in Note 31.4 to the consolidated financial statements.

31.2 Capital commitments

As at 31 December 2020, the subsidiary had capital commitments of approximately Baht 23 million (2019: Baht 12 million), relating to the purchases of oil vending machines, SIM card vending machines, equipment of online top-up machines and computer software.

31.3 Other commitments

As at 31 December 2020, the Group had commitments of Baht 17 million (2019: Baht 28 million) in respect of purchased goods.

31.4 Tax assessment

In September 2019, the Company received a letter from the Revenue Department notifying it of the assessment of stamp duty for the year 2014 totaling approximately Baht 3 million (including surcharges) in relation to service agreements made with mobile operators. The Company did not agree with the assessment and has, therefore, submitted a letter appealing the assessment to the Tax Appeal Committee of the Revenue Department.

Consequently, on 3 December 2020, the Tax Appeal Committee considered to release tax following the letter for the assessment of stamp duty due to such agreements had not the document which specified in stamp duty accounts, therefore, the Company has not paid stamp duty. In addition, the Company redeemed a bank guarantees issued by a bank on behalf of the Company in relation to the tax assessment on 4 February 2021.

32. Financial instruments

32.1 Financial risk management objectives and policies

The Group's financial instruments, principally comprise cash and cash equivalents, accrued income, loans receivable and other receivables, trade and other payables, short-term loans from financial institutions, lease liabilities 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 Group is exposed to credit risk primarily with respect to accrued income, loans receivable, other receivables and deposits with banks and financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Accrued income and other receivables

The Group are 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 Group manages the risk by adopting appropriate credit control policies and procedures, including collecting retention received from service representative. Therefore, the Group exposure to credit risk is thus expected to be minimal and does not expect to incur material financial losses. In addition, outstanding accrued income and other receivables are regularly monitored.

Loans receivable

The subsidiary manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding loans receivable are regularly monitored. In addition, the subsidiary does not have high concentration of credit risk since it has a large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial institutions

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's management and may be updated throughout the year subject to approval of Group's management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Market risk

There is one type of market risk comprising interest rate risk. The Group's risk management policy is disclosed in the interest rate risk topic.

Interest rate risk

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

As at 31 December 2020 and 2019, 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 2020						
Fixed interest rates						Interest rates (% per annum)
Within 1 year	1-5 years	Over 5 years	Floating interest rates	Non-interest bearing	Total	
-	-	-	307	130	437	0.30 - 0.80
-	-	-	-	794	794	-
37	48	-	-	4	89	5.00 - 25.00
37	48	-	307	928	1,320	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2020						
Fixed interest rates					Total	Interest rates (% per annum)
Within 1 year	1-5 years	Over 5 years	Floating interest rates	Non-interest bearing		
850	-	-	-	-	850	1.52 - 2.30
-	-	-	-	633	633	-
-	-	-	-	612	612	-
15	65	-	-	-	80	3.88 - 6.68
865	65	-	-	1,245	2,175	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2019							
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rates	Non-interest bearing	Total	Interest rates (% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	160	50	210	0.30 - 0.90
Current investment	50	-	-	-	-	50	1.50
Accrued income and other receivables	-	-	-	-	869	869	-
Loans receivable	22	28	-	-	3	53	5.00 - 10.00
	72	28	-	160	922	1,182	
Financial liabilities							
Short-term loans from financial institutions	730	-	-	-	-	730	2.01 - 2.30
Trade and other payables	-	-	-	-	609	609	-
Long-term loans	210	-	-	-	-	210	3.80 - 3.90
Retention received from service representatives	-	-	-	-	566	566	-
	940	-	-	-	1,175	2,115	

(Unit: Million Baht)

Separate financial statements as at 31 December 2020

	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	-	-	-	204	130	334	0.30 - 0.80
Accrued income and other receivables	-	-	-	-	796	796	-
	-	-	-	204	926	1,130	
Financial liabilities							
Short-term loans from financial institutions	850	-	-	-	-	850	1.52 - 2.30
Trade and other payables	-	-	-	-	656	656	-
Retention received from service representatives	-	-	-	-	610	610	-
Lease liabilities	15	65	-	-	-	80	3.88 - 6.68
	865	65	-	-	1,266	2,196	

(Unit: Million Baht)

Separate financial statements as at 31 December 2019

	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	-	-	-	124	51	175	0.30 - 0.90
Accrued income and other receivables	-	-	-	-	856	856	-
	-	-	-	124	907	1,031	
Financial liabilities							
Short-term loans from financial institutions	730	-	-	-	-	730	2.01 - 2.30
Trade and other payables	-	-	-	-	611	611	-
Long-term loans	210	-	-	-	-	210	3.80 - 3.90
Retention received from service representatives	-	-	-	-	564	564	-
	940	-	-	-	1,175	2,115	

Liquidity risk

The Group have monitored liquidity risk through the use of bank overdrafts and short-term loans from financial institutions. The Group have policy to use bank overdrafts and short-term loans from financial institutions to maintain the Group's working capital within the facilities approved by the financial institutions and reviewed by the Group's management. The Group has assessed the concentration of risk with respect to refinancing its debt and determined it to be low. The Group have access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2020

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Short-term loans from financial institutions	-	850,000	-	-	850,000
Trade and other payables	-	629,168	4,052	-	633,220
Lease liabilities	-	20,800	81,468	79,401	181,669
Retention received from service representatives	611,511	-	-	-	611,511
Total	611,511	1,499,968	85,520	79,401	2,276,400

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2020

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Short-term loans from financial institutions	-	850,000	-	-	850,000
Trade and other payables	-	651,691	4,052	-	655,743
Lease liabilities	-	20,800	81,468	79,401	181,669
Retention received from service representatives	609,946	-	-	-	609,946
Total	609,946	1,522,491	85,520	79,401	2,297,358

32.2 Fair values of financial instruments

Since the majority of the Group financial instruments are short-term in nature or the carry interest at rates close to the market interest rates, the fair values is not expected to be materially different from the amounts presented in the statements of financial position.

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

33. 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 2020, the Group's debt-to-equity ratio was 2.0:1 (2019: 1.6:1) and the Company's was 2.1:1 (2019: 1.7:1).

34. Event after the reporting period

On 24 February 2021, the Company's Board of Director's meeting passed a resolution to propose the Annual General Meeting of Shareholders to approve a dividend payment at Baht 0.6 per share from the 2020 operating results. In this regard, the Company already paid an interim dividend at Baht 0.3 per share, totaling Baht 226 million, during the year 2020 to the shareholders, therefore the remaining dividend payable will be Baht 0.3 per share, or totaling Baht 226 million.

35. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2021.

Operational Summary in 2020 (Covid-19 Pandemic)

- Net profit was Bt464mn. (Earning per share 0.61 Baht)
 - H1/2020 net profit was Bt230mn. (Earning per share 0.30 Baht)
 - H2/2020 net profit was Bt234mn. (Earning per share 0.31 Baht)
- Total revenue from core business was Bt2,859mn.
- The Company is the banking agent for 6 commercial banks (KTB, KANK, BAY, GSB, BAAC, and SCB)
- Total money transfer transactions were 19.3 million transactions, increasing 63.1% YoY.
- Lending outstanding amount was Bt94mn. (NPL 2.4%).
- Number of "Boonterm kiosk" was 129,934.

Business Overview

	Quarter	Quarter	Quarter	Quarter	Quarter	Y.2019	Y.2020	%YoY
	4/2019	1/2020	2/2020	3/2020	4/2020			
Total usage amount through "Boonterm Kiosk" (Million Baht)	9,786	9,630	9,074	9,987	9,941	40,496	38,632	-4.6%
Total usage amount top up	7,716	7,206	6,333	6,895	6,772	32,663	27,207	-16.7%
Total usage amount money transfer	2,070	2,424	2,741	3,092	3,169	7,833	11,425	45.9%
Total number of money transfer transactions (per month)	1,159,351	1,407,181	1,650,528	1,734,915	1,912,918	1,159,351	1,912,918	65.0%
Total number of "Boonterm Kiosk" as the period ended (Kiosk)	130,481	130,357	130,274	130,063	129,934	130,481	129,934	-0.4%

For the year 2020, the Company was able to maintain its market leading position with the current user number of 20 mm THB, the largest kiosk network of 129,934 units and with over 50% kiosk share. Covid-19 pandemic at the beginning of 2020 has pressured all business activities in Thailand with the lowest transaction numbers in Q2/20. The transaction numbers have recovered in the H2/20, but the effect of Covid-19 to consumers' purchasing power has been continuing to this year. The Company still have a healthy financial statements and can adapt to keep profitability and dividend payment ability.

For the operating result in 2020, the total transaction amount was Bt38,632mn, decreasing 4.6% YoY. The topup amount was greatly affected by Government one-time subsidy program for free voice and data in Q2/20. Nevertheless, the e-Wallet amount has been growing 91% yoy from the increase usage of e-money and online shopping. The Company started offering insurance coverage at the end of year.

Banking Agent and Lending Business has been growing robustly, being a banking agent of 6 banks, with the money transfer of 1,912,918 transactions per month, increasing 65.0% YoY. The increase is because of the convenience of Boonterm kiosks, which are in every community, and the reduction of bank branches, which encourage customers to use a nearby kiosk instead. In 2020, the Company introduced e-Know Your Customer (e-KYC) service to help customers to open bank accounts at Boonterm kiosks. Outstanding lending credit was Bt94mn. with a good NPL rate of 2.4%

For Vending and Distribution Business, the Company has emphasized on various kinds of vending machine to serve demands of customers, especially the automatic café machine, which is able to produce many types of coffee and beverage that has a market size of Bt200,000mn. and is able to penetrate into high-end customer and

important locations such as office building, hospital, and condominium. With the high margin on the product and good feedback from early customers, the Company will be scaling the automatic café machine in the near future.

Financial Statement Summary in 2020

Statement of Comprehensive Income

Income Statement	Q4/2019		Q4/2020		Q4/2020		YoQ	YoY	Y/2019		Y/2020		YoY
	MB	%	MB	%	MB	%			MB	%	MB	%	
Income from rendering of top-up service for prepaid phone and other online service (Commission)	290.48	38.0%	232.50	31.6%	222.78	30.6%	-4.1%	-23.3%	1,266.13	40.2%	946.07	33.1%	-25.3%
Income from rendering of service through online top-up machines "Boonterm kiosk" (Service Charge)	460.66	60.3%	495.96	67.5%	502.85	69.0%	1.4%	9.2%	1,860.06	59.1%	1,889.91	66.1%	1.6%
Advertising income	13.20	1.7%	6.46	0.9%	2.75	0.4%	-57.4%	-79.2%	21.16	0.7%	22.77	0.8%	7.6%
Total revenue from core business (3 items)	764.34	100.0%	734.72	100.0%	728.38	100.0%	-0.9%	-4.7%	3,147.35	100.0%	2,858.75	100.0%	-9.2%
Cost of services	(599.48)	-78.4%	(586.61)	-79.7%	(592.05)	-81.3%	0.9%	-1.2%	(2,491.76)	-79.2%	(2,308.07)	-80.7%	-7.4%
Gross profit	164.86	21.6%	148.11	20.2%	136.33	18.7%	-8.0%	-17.3%	655.59	20.8%	550.68	19.3%	-16.0%
Service & Administrative expenses	(61.26)	-8.0%	(66.97)	-9.1%	(70.77)	-9.7%	5.7%	15.5%	(224.80)	-7.1%	(263.68)	-9.2%	17.3%
Operating profit	103.60	13.6%	81.14	11.0%	65.56	9.0%	-19.2%	-36.7%	430.79	13.7%	287.00	10.0%	-33.4%
Other income	68.50	9.0%	64.92	8.8%	64.55	8.9%	-0.6%	-5.8%	271.21	8.6%	262.32	9.2%	-3.3%
Sales profit	0.39	0.0%	(1.27)	-0.2%	(1.59)	-0.2%	25.2%	-936.8%	0.29	0.0%	(5.51)	-0.2%	-2000.0%
Profit before finance cost and income tax expenses	172.29	22.5%	144.79	19.7%	128.52	17.6%	-11.2%	-25.4%	702.29	22.3%	543.81	19.0%	-22.6%
Bank charge	(2.12)	-0.3%	(1.98)	-0.3%	(1.78)	-0.2%	-10.1%	-16.0%	(10.03)	-0.3%	(7.51)	-0.3%	-25.1%
Interest expenses	(6.49)	-0.9%	(5.64)	-0.8%	(5.00)	-0.7%	-11.4%	-23.0%	(31.40)	-1.0%	(23.59)	-0.8%	-24.9%
Profit before income tax expenses	163.68	21.4%	137.17	18.7%	121.74	16.7%	-11.3%	-25.6%	660.86	21.0%	512.71	17.9%	-22.6%
Income tax expense	(18.20)	-2.4%	(14.24)	-1.9%	(11.44)	-1.6%	-19.7%	-37.1%	(77.65)	-2.5%	(49.20)	-1.7%	-36.6%
Net profit	145.48	19.0%	122.93	16.7%	110.30	15.1%	-10.3%	-24.2%	583.21	18.5%	463.51	16.2%	-20.5%
Noncontrolling interests of the subsidiaries	(0.21)	0.0%	-	0.0%	-	0.0%	100.0%	100.0%	(1.02)	0.0%	(0.55)	0.0%	-46.1%
Net profit - equity holders of the Company	145.69	19.1%	122.93	16.7%	110.30	15.1%	-10.3%	-24.3%	584.23	18.6%	464.06	16.2%	-20.6%

Total Revenue

Total revenue from the core business in 2020 was Bt2,858.75mn., decreasing 9.2% YoY because of the effect of COVID-19 and the drought situation in H1/20 and tropical storm and flooding in H2/20, causing the purchasing power of the middle and lower consumers. The details of total revenue are as follows:

1) Income from rendering of top-up service for prepaid phone and receipt of online services (Commission) was Bt946.07mn., decreasing 25.3% YoY due to the effect of COVID-19 situation that causing the purchasing power consumers and the government measurements including free internet data, free minutes for voice calling, subsidies in utilities such as water and electricity. Moreover, customer behavior has been changed focusing more on using mobile internet packages and using other channels.

2) Income from rendering of services through online top-up machines (Service Charge) was Bt1,889.91mn., increasing 1.6% YoY due to the number of money transfer transactions, increasing 65.0% YoY, helping customers to reduce time and costs comparing to using the same service at bank branches. In addition, e-wallet transactions have been increasing from online shopping and promotion campaigns from e-wallet providers.

3) Advertising income was Bt22.77mn., increasing of 7.6% YoY, from advertising on kiosks and on Boonterm's screen.

4) Other income was Bt262.32mn., decreasing 3.3% QoQ.

Costs and Expenses

1) Cost of services in 2020 was Bt2,308.07mn., decreasing 7.4% YoY, due to total revenue from core business decreasing and efficient cost controlling.

2) Service & administrative expenses in 2020 was Bt263.68mn., or 9.2% of total revenues due to selling expenses and marketing campaign for boosting the total usage and temporally supporting expense to Company's master agents in COVID-19 situation.

Profits

1) Gross profit in 2020 was Bt550.68mn, decreasing 16.0% YoY, as a result of decrease in core revenue from Online Top-up and Payment Business. Banking Agent and Lending Business, however, has continuously grown and the Company has improved the kiosks to accommodate future new services and to maintain the service quality of the older kiosks.

2) Net profit in 2020 was Bt464.06mn., decreasing 20.6% YoY, as a result of the decrease in gross profit that was from temporally supporting expense to Company's master agents in COVID-19 situation as mentioned. However, the Company has efficient cost controlling in cost of goods sold and administration cost and also has lower financial cost from debt repayment.

Statement of Financial Position

Statement of Financial position	31 Dec 19		31 Dec 20		Increase (Decrease)	
	MB	%	MB	%	MB	%
Current assets	1,398.47	39.7%	1,577.22	45.7%	178.75	12.8%
Non-current assets	2,121.70	60.3%	1,876.83	54.3%	-244.87	-11.5%
Total assets	3,520.17	100.0%	3,454.05	100.0%	-66.12	-1.9%
Current liabilities	1,230.19	35.0%	1,298.44	37.6%	68.25	5.6%
Interest Bearing Debt - Current	940.37	26.7%	865.03	25.0%	-75.34	-8.0%
Interest Bearing Debt - Non current	1.17	0.0%	138.09	4.0%	136.92	11702.6%
Non-current liabilities	12.87	0.4%	3.50	0.1%	-9.37	-72.8%
Total liabilities	2,184.60	62.1%	2,305.06	66.7%	120.46	5.5%
Total shareholders' equity	1,335.57	37.9%	1,148.99	33.3%	-186.58	-14.0%
Total liabilities and shareholders' equity	3,520.17	100.0%	3,454.05	100.0%	-66.12	-1.9%

As at December 31, 2020, the Company had total assets of Bt3,454.05mn., decreasing mainly from depreciation costs.

Total liabilities were Bt2,305.06mn., from interest bearing debt increase bt138.09mn., due to cash flow management.

Total shareholders' equity was Bt1,148.99mn., as a result of Bt464.06mn. of 2020 net profit, deducting shares buyback of Bt164.26mn and the interim dividend payment of Bt488.53mn.

Key Financial Ratio

Financial Ratio	Quarter	Quarter	Quarter	Y.2019	Y.2020
	4/2019	3/2020	4/2020		
Current ratio	0.64	0.62	0.73	0.64	0.73
Debt to Equity ratio	1.64	2.15	2.01	1.64	2.01
Interest Bearing Debt ratio	0.70	0.93	0.87	0.70	0.87
Return on Asset	15.7%	15.3%	13.3%	15.7%	13.3%
Return on Equity	45.2%	43.8%	37.4%	45.2%	37.4%

As at December 31, 2020, the Company had the current ratio of 0.73, increasing 0.09 YoY.

Debt to equity ratio was 2.01, increasing YoY, as a result of the adoption of TFRS16, which increased lease liability at the end of the period to Bt153.12mn. (The debt to equity ratio would be 1.89, in case of no TFRS16 adoption.)

Interest-bearing debt to equity ratio was 0.87, increasing from previous year, as a result of the decrease in equity, shares buyback, and dividend payment.

Return on assets was 13.3%, decreasing from previous year. The Company still focuses on managing assets to increase the asset utilization efficiency.

Return on equity was 37.3% decreasing from previous year, as a result of the decrease of net profits. The Company still manage to pay dividends to shareholders 2 times a year continuously.

2020 Management Outlook

Targets in 2020

- ☐ Total usage amount to increase 20% with new services and channels.
- ☐ Banking agent business to grow 30% with cash withdrawal service, bank account opening and expand customer base both Thai and foreigner.
- ☐ New 5,000 Boonterm kiosks.
- ☐ CAPEX of Bt400-500mn.
- ☐ Target lending amount Bt200-250mn.
- ☐ 20,000 Automatic Café location in 3 years

Operations

- ☐ Efficient kiosk location management and adding new services in order to increase ARPU.
- ☐ To add at least 1 more commercial bank from current 6 bank or non-bank on the banking agent business.
- ☐ Developing Boonterm kiosk to be a one-stop financial service kiosk, i.e. cash deposit, money withdrawal, money transfer, payment, and new account opening.
- ☐ Expanding lending (PL Loan) business for Boonterm kiosk's Master Agents (MAs), sub-agents, MAs' employees, and FSMART affiliated companies' employees.
- ☐ Expanding distribution business to mom-and-pop shops and managing automatic café.

The company aims total usage amount increase of 20% YoY and enhance the organization with sustainable growth by collaborating with new partners and adding new services and channels to meet the needs of all groups of customers. It is expected that the automated kiosk market will recover with the overall recovering economy after the COVID-19 epidemic resolved with increasing consumer purchasing power. For this year's strategy, the Company will continue to focus on being the leader of an automated kiosk and financial service with an investment of approximately Bt400-500mn and with new 5,000 Boonterm kiosks replacing the declining number of kiosks in the market from the less competition. The new kiosks will have additional equipment such as cameras and card readers to support new services and will have a better capability to serve customers than competitors' kiosks. For the Online Top-up and Payment Business, the Company will emphasize on the marketing activities to maintain customer numbers and increase the usage per customer through "Boonterm Rewards" campaign, which will give points to customer to rebate items or to use points for a lucky draw, which will increase customer's awareness on new services and increase their usage. The Company will also add new services such as micro insurance for lower-income customers, motorcycle insurance and license extension, which will serve over 21 million motorcycles, new e-wallet topup, and mass transportation card refill, which is expected to increase by the expansion of mass transit network. The new services will complement the topup numbers of the current services in this year.

The Banking Agent and Lending Business is expected to grow 30% YoY through the capability expansion of boonterm kiosks to be able to provide all financial services including money deposit-transfer-withdrawal and account opening. The withdrawal service (mini ATM) will be available in the latter half of this year. The service can serve both banks and non-banks and can provide cash to customers instantly on any lending activity. The Company has a very strong agent network to expand the services to every village community. Also, the customer base will be expanded to foreigners who have a limit access to financial services. Outward and inward remittance as well as

more banks will be added. Therefore, the growth of the business is expected to grow continuously in the coming years.

For the Vending Machine and Distribution Business, the Company will support the expansion of automatic café machine, which can produce both hot and cold coffee and beverage over 80 menus that have consistent taste on every cup, to be 20,000 machines nationwide within 3 years, and to have a sales of 600,000 cups per day with 24-hour service and with prime locations to serve every customer segment. All machines will have equivalent service to Boonterm kiosk, which will help the Company to expand number of kiosks without an investment in the new kiosks.

The Company still emphasizes on generating a return to shareholder and building a sustainable business through a strategy of maintaining current customers, increasing new customers and services that are benefit to every customer segment, as well as returning to society and environment to maintain the business growth onward.

General Information

Information at 31 December 2020

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	Electronic payment service provider including payment service and electronic money services (e-Money) 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	Kanapos Sae-Tang - 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”



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