



2022

**FORTH** CORPORATION  
PUBLIC COMPANY LIMITED

(TRANSLATION)





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# FORTH's Proud Awards in 2022



Forth Corporation Public Company Limited.  
Received National Innovation Award-Winning  
2022, From National Innovation Agency (NiA)  
Product and Service Design.





ตลาดหลักทรัพย์แห่งประเทศไทย

Forth Corporation Public Company Limited. Received Outstanding Award 2022 In 3 Award Categories: CEO Award, Company Performance Awards, Innovative Company, From the Securities Exchange of Thailand (SET).



# Message from the Chairman of the Board of Directors

In the past year 2022, the world has just recovered from the disaster of the Covid-19 virus disease, which has caused damage to the global economy and society, affecting overall both manufacturers and consumers. Right after the epidemic faded, the world had to face with the problem of the Russo-Ukrainian War. As a result, energy prices soared affecting the whole world and in Thailand, we were also severely affected by it. However, I would like to commend the knowledge and competence of the management of our affiliates that has turned the crisis into an opportunity until we are able to lead the business of the group through various events gracefully, as already evident.

As for the performance of that company, the management team has used their knowledge and abilities to the fullest and is able to lead all group affairs through difficulties. The business can also make profits for shareholders according to the original policy. In addition to doing true business, we have to also take into account the trends of the global society regarding public responsibility which is environmental issues, social problems and adherence to good governance (ESG - Environment, Social, Governance) as well.

On behalf of the Board of Directors I would like to thank all executives, employees and all shareholders, business partners, customers and government agencies for entrusting our company all the time and would like to reiterate that our company will adhere to the principles of corporate governance to build a solid foundation to have sustainable growth.



(Mr. Sanit Vorapunya)  
Chairman of the Board









# Message from the Executive Chairman

Nowadays, the world of technology is changing rapidly. Every business is accelerating to adapt in order to keep up with and respond to the changes that are occurring and continuing. The business related to technology or technology products continues to grow continuously. Even we are in the midst of the economic crisis caused by the impact of the trade war, the ongoing impact of the COVID-19 epidemic situation, including changes in consumer behavior, in that midst of a crisis or in every change always brings new opportunities.

The company has continually adapted and changed itself while creating new opportunities for business groups through research and development of modern products in line with the business world in the future as well as joining hands with business partners for stable and sustainable growth. In the past year, it was another year that was mixed with easiness and difficulty. It is another important step in expanding the business into the food and beverage business group under the "Taobin" brand, as well as rebranding and designing a new electric vehicle charging device under the name "Ginka EV" to prepare for the growth of the electric vehicle business that tends to grow progressively.

From the creation of innovation according to the dynamics of the market, continuous development of services with the internal mechanisms that support each other of the 3 business groups of the Company, namely the EMS business group, Enterprise Solution Business Group and Smart Service Business Group together with the determination of the management team and employees to jointly create good quality service products to pass on to all groups of customers. As a result of these, the company can keep on generating more profits and grow steadily.

I would like to take this opportunity to thank Shareholders, Board of Directors, Executives, employees, customers, partners, business partners as well as all stakeholders who have entrusted and supported each other all along. The Forth Group is committed to continuous business development to enhance competitiveness under the principles of good corporate governance which leads to sustainable growth.



(Mr. Pongchai Amatanon)  
Executive Chairman



# คณะกรรมการบริษัท



**Mr. Sanit Vorapunya**

- Chairman of BOD
- Independent Director



**Mr. Pongchai Amatanon**

- Director
- Chairman of Executive Committee
- Risk Management Committee



**Mr. Somboon Muangklam**

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



**Mrs. Vilasinee Puddhikarant**

- Director
- Independent directors
- Audit Committee
- Nomination and Remuneration Committee



**Ms. Pichamon Amatanon**

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



**Mrs. Porntip Lerttanongsak**

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



**Mr. Kaelic Amatanon**

- Director



**Mr. Boonya Tantipanichapun**

- Director
- Executive Committee
- Executive Committee Risk Management Committee



**Miss Noparat Siripongpreeda**

- Director



**Mrs. Matinee Wandeepirom**

- Director
- Nomination and Remuneration Committee

# คณะผู้บริหาร



**Mr. Pongchai Amatanon**

- Chief Executive Officer

**Ms. Pichamon Amatanon**

- Executive Committee
- Assistant VP of Central Office Administration

**Mr. Pattanan Amatanon**

- Assistant Vice President of Project Development

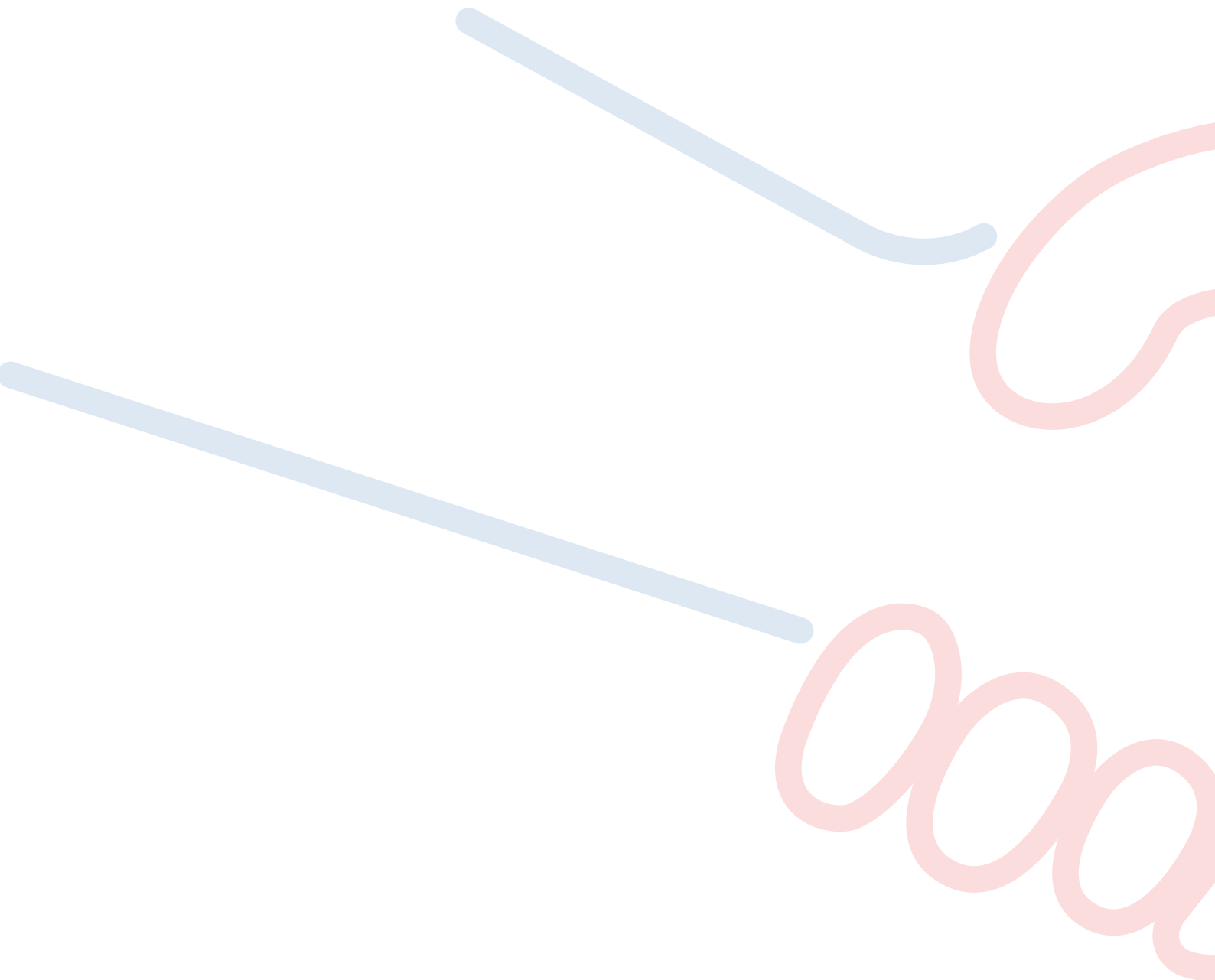


**Mr. Chatchavin Pipatchotitham**

- Risk Management Committee
- Assistant to Chief Executive Officer

**Mr. Arin Jamnaree**

- Corporate Secretary
- President of Accounting and Finance



## Corporate Culture

**F**

### Faithful

honest and have faith in the organization.



### Optimist

have a good attitude.

**R**

### Responsible

responsible for work.

**T**

### Thoughtful

Thorough, Thoughtful.

**H**

### Harmony

works as a team.





## Vision

"Forth Corporation Public Company Limited is a research, development, production organization. Distribute and provide information communication technology services. and all kinds of electronic including a network of automated and financial service channels Excellent all-in-one under good corporate governance by focusing on sustainable growth Social and environmental responsibility."

## Mission

- promote research and research to expand the business to create a variety of products and services
- Fulfill your research capacity Innovation, design, development, acquisition, production, sales, marketing and distribution channels.
- Adjust the business plan according to the dynamics of marketing. and expectations of stakeholders towards the organization.
- Access customer satisfaction and after-sales service.
- Maintain benefits for shareholders, customers, business partners, employees, communities, society, environment and government sectors.

# Our Key Milestone

1989



The Company was founded, operating the business of PABX products, namely "FORTH" and Printed Circuit Board Assembly (PCBA) and electronic devices manufacturing.

2019



Established Forth EMS Company Limited, a subsidiary company, for manufacturing and assembly of electronic parts for local and global markets.

2015



Established Forth Vending Company Limited, a subsidiary company, to run a business of Selling beverages & Products through automatic vending machines.

2021



Forth Vending Company Limited, a subsidiary company, begins to sell brewed fresh drinks through new automatic vending machines, namely "TAO BIN".

2006



The Company was converted to a Public Company limited and listed on "SET" under the stock name "FORTH".

2008



Established Forth Smart Service Company Limited, a subsidiary company, to penetrate the new business running mobile top-up and payment service via "Boonterm" automatic kiosk.

2014



Spun off Forth Smart Service Company Limited to be listed on "mai" under the stock name "FSMART".



# Technovation Milestones



**1989-2003**

- Analog PBX
- Digital PBX
- Key Telephone
- ISDN PBX
- V5.2 PBX
- IP Trunk
- LED Traffic Count Down
- Traffic Light Control System
- LEC Traffic Light

**2006**

- Implement DLC to TOT (TDM-Voice)



**2016**

- Online Gasoline Vending Machine
- Passive Optical Network GPON-8 for High-Speed Internet



**2015**

- Boonterm 10
- Water Vending and Top-Up Machine
- Weight Scale
- Vending Machine
- Golf caddie
- LED Streetlight ECO-S, T8



**2017**

- Electronic Monitoring Device

**2018**

- EV Charger Station
- Electronic Monitoring Device
- Electronic Monitoring for Ship
- Glass Front & Locker Vending Machine



## 2007

- IP PBX, IP Phone
- VoIP Gateway



## 2008-2011

- Forth WDM Access Switch
- Top UP Machine



## 2014

- Counter Service
- Antenna Indoor/ Outdoor
- Wi-Fi Easy pass
- Set Top Box
- E27/ MR16/ Downlight
- Mini IPX



## 2012-2015

- Android Tablet
- Smart IP Phone
- Speaker
- ONU
- Wi-Fi Outdoor
- Wi-Fi indoor
- LED Streetlight



## 2019

- Coffee Vending Machine
- EV Charger
- Automated Kiosks, SIM, Card, e-KYC



## 2020-2022

- EV Charger Station (New Version of DC Charge)
- Smart Meter
- Mini ATM Kiosk
- TAOBIN Robotic Barista
- GINKA EV

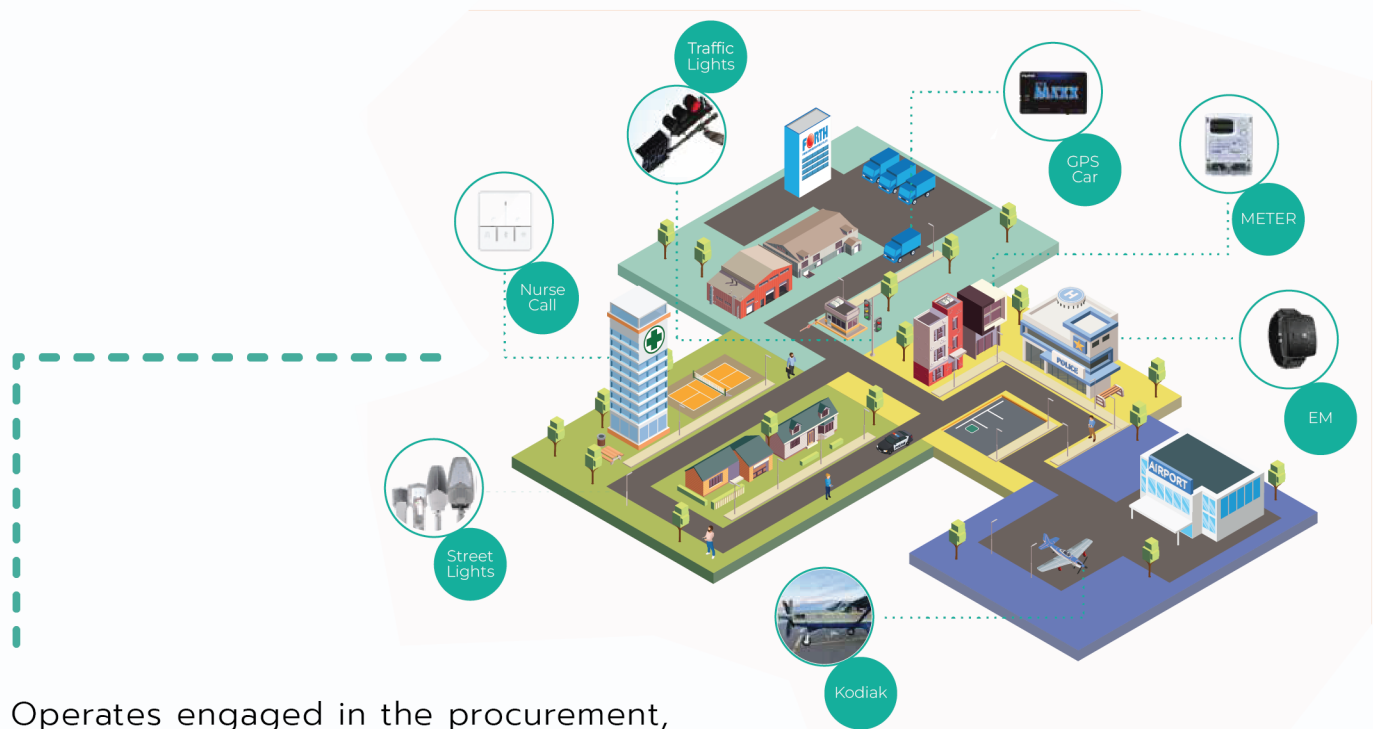


# Nature of Business

Forth Corporation Company Public Limited, has Conducting business in information communication technology and all forms of electronics for more than 30 years. The company has organized its business operations into 3 groups: EMS Business, Enterprise Solutions Business and Smart Services Business.

## EMS Business Group

Operates the business of manufacturing and assembling electronic circuit boards as well as electronic and procurement distribution of parts and accessories electronic.



Operates engaged in the procurement, procurement, integrated information technology and personal aircraft distribution services and aircraft maintenance center service MROs.

## Enterprise Solutions Business Group



## Smart Services Business Group

Operates financial transaction services and electric vehicle charging facilities, as well as the distribution of fresh brewed beverages and automatic products.



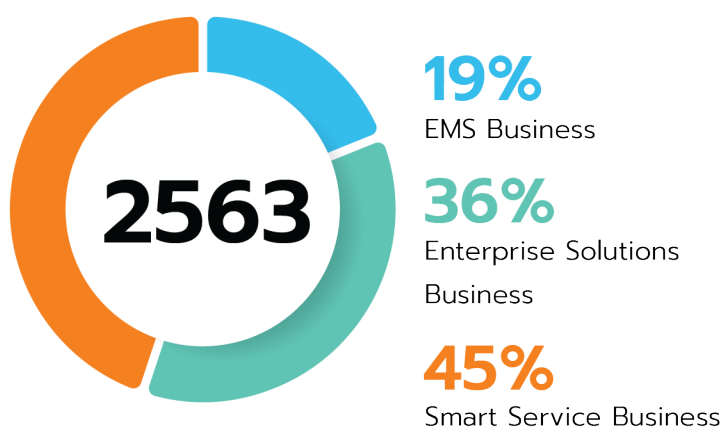
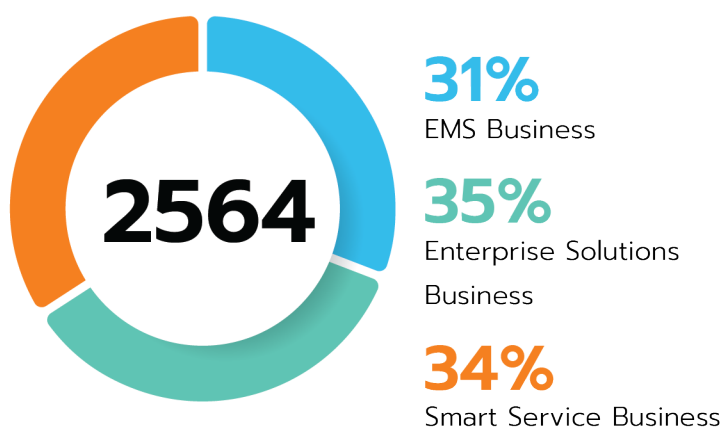
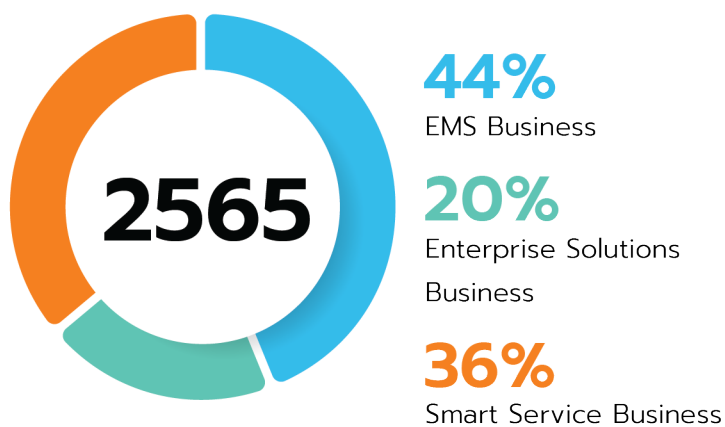
# Financial Highlights

## Financial Highlights

	2022	2021	2020
<b>Total revenues (Million THB)</b>	<b>9,754</b>	<b>8,813</b>	<b>7,082</b>
Gross profit margin (Million THB)	2,290	1,876	1,531
Profit before finance cost and income tax expense (Million THB)	1,257	1,087	745
Net profit (Million THB)	775	723	439
Earnings per share (THB)*	0.83	0.77	0.47
Dividend per share (THB)	0.52	0.45	0.32
Total assets (Million THB)	11,386	8,818	7,822
Total liabilities (Million THB)	8,127	6,199	5,594
Total shareholders' equity (Million THB)	3,259	2,619	2,228
Debt to equity ratio (time)	2.49	2.37	2.51
Return on equity (%)	23.78	27.60	19.70
Return on assets (%)	6.81	8.20	5.61
Book value per share (THB)*	3.48	2.80	2.38
<b>Revenue Structure</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
• EMS Business (Million THB)	4,154	2,643	1,262
• Enterprise Solutions Business (Million THB)	1,860	2,976	2,451
• Smart Service Business (Million THB)	3,417	2,894	3,078

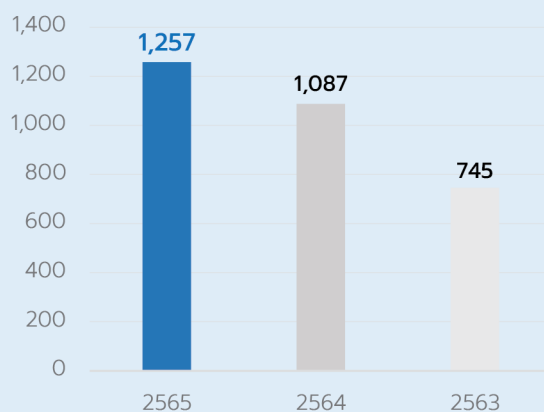
\*Excluding treasury shares

## Core Revenue Contribution

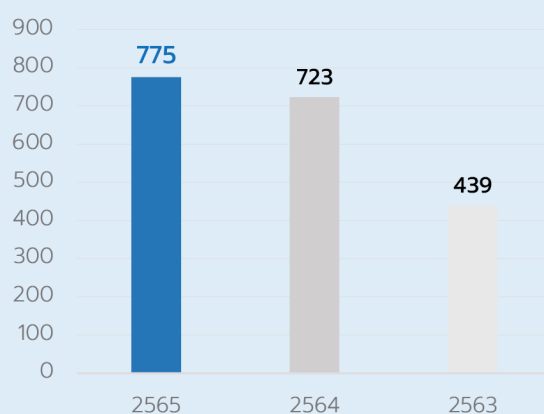


\*Exclude treasury stock

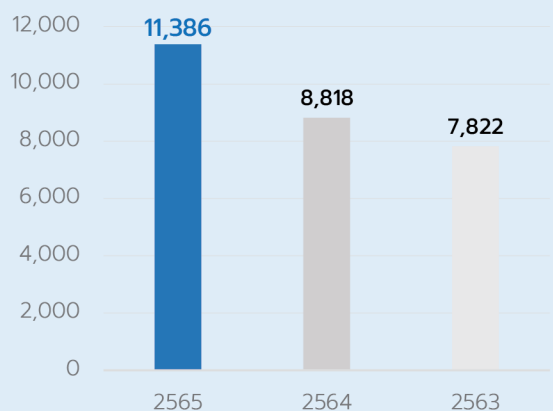
Profit before finance cost and income tax expense (Million THB)



Net profit (Million THB)



Total assets (Million THB)



# World Of Manufacturing Technology For Innovative Society



QUALITY



SAP SYSTEM

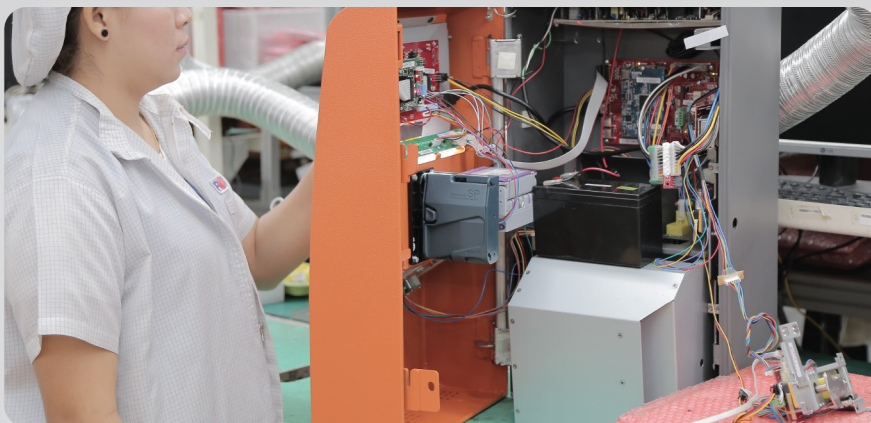


SUPPLY CHAIN





## TECHNOLOGY



## EXCELLENT SERVICE



## ENGINEERING CAPABILITY

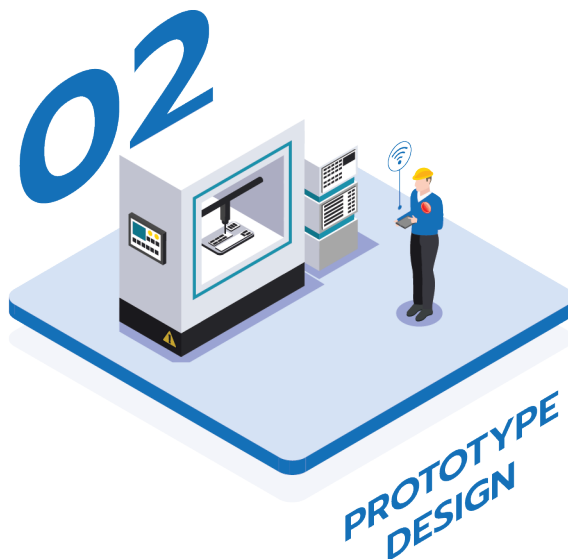
# Innovation Center

Forth Corporation Public Company Limited is a Thai company devoted to ongoing research and development over the past three decades. The Company realizes that in order to operate its business's sustainably, variety of new products should be added and make them always up to date. The Company has been focusing on research and development by established its R&D department for doing research and develop new products for the Company.

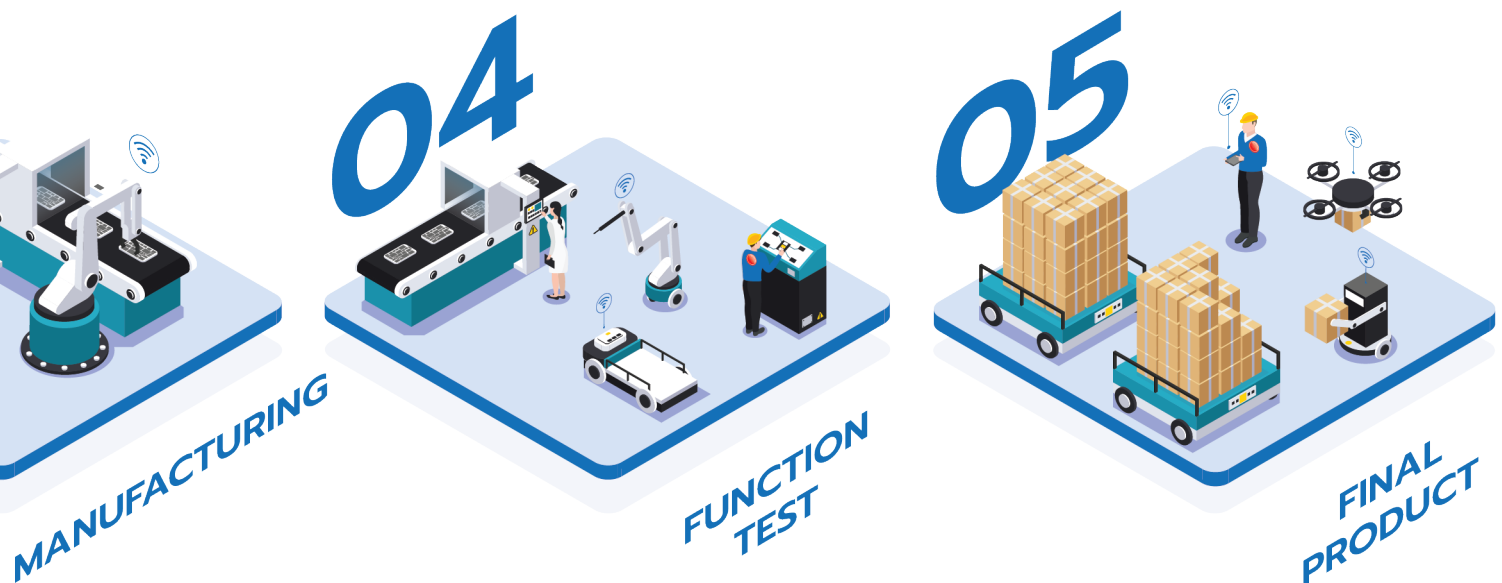
## R&D Team Engineers

The company has a joint research and development team and design products and innovations for a variety of business applications to meet the needs of our clients from public and private sectors. With decades of the accumulated experience and knowledge of Forth's R&D team, we can create new products and solutions that accommodate new technologies of the future.

The Company has a policy to invest in machinery with high technology on a regular basis in order to support any adjustment in the production of new products. Throughout, our research and development department has continued in developing new products of the Company.









# Electronic Monitoring Device



EM device is a small device that efficiently monitors the person, temporarily released suspects or defendants with insufficient assets, who wear on the ankle. It can identify the location of the person who wears the device in real-time. In addition, the device has real-time warnings when incidents occur such as when the device is hit, destroyed, cut or removed without permission.

## Mini ATM

บม. บม. เต็ม

ถอนเงิน  
สะดวก

ที่..ตู้บม. เต็ม

24 ชม.



Mini ATM machine can dispense low-value banknotes via Mobile applications. Moreover, in the future, it can be used ID card or debit card to withdraw cash to facilitate customers' convenience.

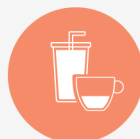
# "TAO BIN" Robotic Barista

"TAO BIN with 35+ Petty Patents is a contemporary, healthy and highly convenient Beverage machine, providing its customers with the high quality and consistent taste of Thailand's popular drink under a friendly atmosphere."



## 170+ choice of drinks

Uses freshly ground arabica beans and recipes of Thailand's elite baristas to deliver quality and consistency



## Variety Choices

Hot / Iced and Smoothie



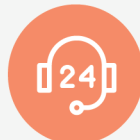
## Various Payment Methods

Tao Bin supported both cash payment and QR code payment to ensure the convenience of your customers.



## Smart Touch Screen

All machines fitted with a 32" TFT screen. Taking orders via a large touch screen. Easy to use.



## 24/7 Supports

Connected online around the clock, our 24/7 service team can promptly provide a new setup and support at anytime



## Fully Unattended

A robotic, fully-automated barista available 24/7 to address audience demand of varying sizes and cycles.



\*แต่ละปีมีการยื่นจดอนุสิทธิบัตรมากถึง 39 ฉบับ





## YOUR ROBOTIC BARISTA

*Let us be your daily cup*



More than 170 choices of premium coffees and other beverages

Fully-automated barista available 24/7. Supports cash payment and QR code payment

Quality, consistency, and convenience... all in 1 square meter.

**FORTH**  
FORTH VENDING COMPANY LIMITED



# GINKA

**GINKA** enables electric vehicle charging wherever people move.

Our goal is to provide sustainable electric vehicle charging solutions with lifetime value for users, owners and operators.



Easy to use with LCD touch screen.



Floor-standing or wall-mounting. Installation of your chargepoints by our expert team.



Landlord system by hour and unit.



Alerts through SMS when your car is charged.



Lifetime Over-the-Air software updates for your chargepoints.



Parking fee system.



Payment method via QR code, e-wallet, GINKA credit.



Lifetime warranty with remote and on-site maintenance.



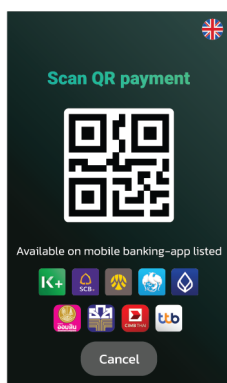
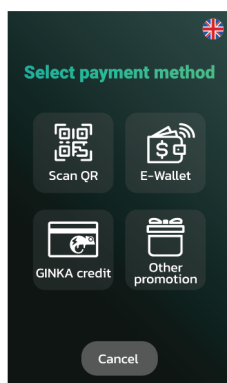
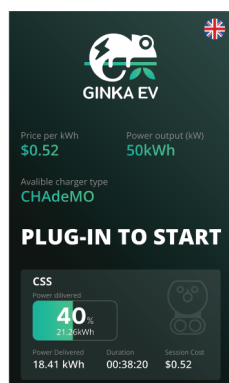
24/7 phone support for users of your chargepoints.



Optional user identification RFID reader. Optional integration with Back Office (OCPP).



Remote connection and smart. Cloud-based management software save time and money. Real-time data access.







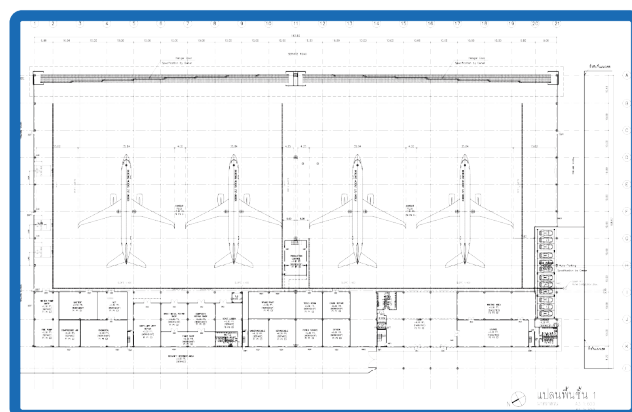
# KODIAK: Aircraft Distribution

We are an Authorized Distributor & Dealer of Kodiak in Thailand.





# FORTH MRO SERVICE



We provide a Maintenance Repair and Operations Service (MROs) for commercial aircraft.



**Part**


# 1

**Business Over  
And Performance**

# 01 Structure and Operations of the Organizational Group

## 1.1. Policy and Business Overview

Forth Corporation Public Company Limited ("the Company") and its subsidiaries (collectively referred to as the Company and its subsidiaries as "Forth Group") operates business related to information technology and communication systems. All forms of telecommunication and electronic equipment. Forth Group has a research and development (R&D) team as well as a high-technology manufacturing plant. Therefore, we can design and create products that meet the needs of different groups of customers whether they are government sectors, private organizations, and general customers. At present, the company divides its business operations into 3 main business groups as follows:




### EMS Business

engages in the business of contract manufacturing, assembling circuit boards and electronic equipment, both in the form of contract manufacturing and assembling for customers both domestically and internationally. We provide consulting services and product designs with customers who want to develop products or create solutions as well as providing services for the procurement and distribution of electronic components and equipment for use as raw materials for the manufacture of various electronic circuit boards, including temperature control devices Measuring and testing equipment, as well as robotic arm technology systems for customers in the electronics industry, both factory and general customers.

### Enterprise Solutions Business

conducts business in the area of procurement, distribution, transportation, electronic equipment, planning services, information technology and comprehensive communication systems. It provides comprehensive services. The work included in the field of design, installation, system placement and maintenance work for public and private projects, including the distribution of personal aviation parts and the provision of maintenance services for commercial aircraft.





### Smart Services Business

operates the business of recharging financial transactions through automatic (BOONTERM) and counter-services as well as comprehensive financial services and distribution. 'Distribution of electric vehicle chargers with payment system (GINKA EV)', including the service of merchandising bottled beverages and freshly brewed beverages through automated online kiosks (TAO BIN) to general retail customers.



*Forth is committed to being an organization focusing on research and development of electronic products, caring for communities, society and the environment based on good corporate*

### 1.1.1. The Company's Vision, Objectives, Goals or Strategy

Starting from the business of manufacturing and distributing PBX telephones that came with the vision of the company that focuses on the product research and development to expanding the business to service provider for manufacturing and distributing all types of electronic devices under the FORTH brand and business of online vending machine under the BOONTERM, TAOBIN and GINKA brands, the Company still keeps on inventing, developing and creating new products that are of good quality and in line with modern technology to strengthen business while creating sustainable value for customers and stakeholders from all sectors as well as caring for the community, society and the environment on the basis of good corporate governance which will lead to sustainable growth together.

#### Business Goals in 3-5 Years

At present, digital technology has changed the structure of many industries from the manufacturing industry to the service sector. The businesses related to electronic products information technology and communication systems will have more growth opportunities from investments in various infrastructures that come from long-term government policies, investment in digital transformation of both public and private sector organizations and investing in new technology products and services that come to facilitate more people. Forth Group focuses on business operations that cover all customer groups ranging from corporate customers to general customers through the creation of technological innovations by the expertise and long experience of the company including expanding the capabilities to new businesses. The company therefore has set goals and guidelines for doing business as follows:

- Continuously create new innovations and develop technology for products and services, both hardware and software systems. This will lead to further business operations in both the Enterprise Solution Business and the Smart Service Business Group, along with enhancing cooperation with business partners and expanding the network of each business group of the Company.
- Expansion of the manufacturing plants in order to support the production of Taobin cabinets and various electronic products. Including adding a full range of consultation and production planning services for specific customers who want to build their own electronic products by focusing on the production of electronic products used in the automotive industry, medical industry, telecommunication and electronic industries.
- Expanding the business of selling freshly brewed beverages through an automated online kiosk, known as the "Taobin" automatic cafe, into various areas such as office buildings, hospitals, factories, and locations of government and private agencies. With a goal of 20,000 kiosks within Thailand, the company has plans to expand its business into international markets.
- Expand the market for electric vehicle charging products under the GINKA brand to support the growing electric vehicle market.
- Expanding the business of being a private aircraft dealer for various brands and invest in the business of the aircraft maintenance center for the maintenance of commercial aircraft for various airlines to be officially opened in the next 2-3 years.

## 1.1.2. Background and Important Developments

Forth, a company of electronic product research and development of Thailand is a company that focuses on research and development of electronic products with its own research and development team. Forth has been in the business of information communication technology and electronic equipment for more than 30 years before currently expanding the business as Forth Group.

Forth Corporation Public Company Limited was established in 1989 by Amatanon Group, with an initial registered capital of 1 million Thai Baht to operate a telephone Private Branch Exchange (PBX) manufacturing business under the FORTH trademark including the production and assembly of electrical circuit boards and electronic equipment. Subsequently, the capital was increased, and the line of business was expanded to related businesses such as the production and distribution of telecommunication equipment, electronic Kilowatt-Hour meter generator business, etc. Later in 2005, the company was listed on the Stock Exchange of Thailand and transformed into a public company including changing the name to Forth Corporation Public Company Limited, which the important developments in the past 3 years are as follows

### 2020

#### Investments and Expropriations

- The Company has repurchased 24,625,300 shares through the Stock Exchange of Thailand, representing 2.57% of the registered and paid-up capital.
- The Company invested in the establishment of Forth MRO Service Company Limited to operate aircraft hangar and aircraft maintenance business with a registered capital of 4 million Thai Baht (400,000 ordinary shares with a par value of 10 Thai Baht per share), 74% of registered capital.
- Forth Vending Company Limited has increased its registered capital from 620 million Thai Baht (62 million ordinary shares with a par value of 10 Thai Baht per share) to 670 million Thai Baht (67 million ordinary shares with a par value of 10 Thai Baht per share), by issuing 5 million newly issued ordinary shares (right offering) with a par value of 10 Thai Baht per share, the Company and Forth Smart Service Public Company Limited have exercised the right to purchase right offering in order to maintain the same shareholding proportion.

### 2021

#### Investments and Expropriations

- Forth Vending Company Limited has increased its registered capital from 670 million Thai Baht (67 million ordinary shares with a par value of 10 Thai Baht per share) to 1,070 million Thai Baht (107 million ordinary shares with a par value of 10 Thai Baht per share) , by issuing 40 million newly issued ordinary shares (right offering) with a par value of 10 Thai Baht per share, the Company and Forth Smart Service Public Company Limited have exercised the right to purchase right offering in order to maintain the same shareholding proportion. In addition, Forth Smart Service Public Company Limited wishes to exercise the right to purchase the newly issued ordinary shares (right offering) in the part that a shareholder has waived his right to purchase shares in the amount of 10 million shares, amounting to 100 million Thai Baht. This will increase the shareholding of Forth Smart Service Public Company Limited from 10 percent to 19.34 percent.
- The Board of Directors resolved to approve the timing of the sale of repurchased shares under the share repurchase program for financial management purposes, total of 24,625,300 shares, representing 2.57% of all outstanding shares by selling on the Stock Exchange of Thailand between August 30, 2021 to February 13, 2023.
- Forth Vending Company Limited entered into a vending machine agreement with Sabai Technology Public Company Limited, amounting to 4,644 machines, worth approximately 340 million Thai Baht, paid in 2 installments, the first installment amounting to 170 million Thai Baht within March 2022, and the second installment amounting to 170 million Thai Baht within January 2023.
- Forth Smart Service Public Company Limited and Sabai Technology Public Company Limited jointly set up a new joint venture company with a registered capital of 20 million Thai Baht (2 million ordinary shares with a par value of 10 Thai Baht per share) with both companies holding 50% of the registered capital.



## 2022

### Investments and Expropriations

- Forth MRO Service Company Limited has increased its registered capital from 24 million Thai Baht (2.4 million ordinary shares with a par value of 10 Thai Baht per share) to 54 million Thai Baht (5.4 million ordinary shares with a par value of 10 Thai Baht per share), by issuing 3 million newly issued ordinary shares with a par value of 10 Thai Baht per share.
- Forth EMS Co., Ltd. has increased its registered capital from 250 million baht to 350 million baht and the company has more growth, so it has increased its registered capital to 400 million baht (40 million ordinary shares at par value) 10 baht per share) by issuing 5 million new common shares with a par value of 10 baht per share.
- Forth Vending Co., Ltd. increased its registered capital from 1,070 million baht to 1,400 million baht (140 million common shares at a par value of 10 baht per share) by issuing 33 million additional common shares at a par value, 10 baht per share. The Company exercised its rights to purchase 16.3 million shares of capital increase shares with a par value of 10 baht per share, totaling 163 million baht, and Forth Smart Service Public Company Limited exercised its rights to purchase shares. Thus, its capital increase in the amount of 16.7 million shares at a par value of 10 baht per share, totaling 167 million baht. As a result, the shareholding of the Company increased from 45% to 46.04% and the shareholding of Forth Smart Service Public Company Limited increased from 19.35% to 26.71%.
- Forth Devons Company Limited has increased its registered capital from 1 million Thai Baht (1 hundred thousand ordinary shares with a par value of 10 Thai Baht per share) to 5 million Thai Baht (5 hundred thousand ordinary shares with a par value of 10 Thai Baht per share), by issuing 3 million newly issued ordinary shares with a par value of 10 Thai Baht per share.
- The company has purchased land located in Nakhon Pathom Province to support future business expansion of the group of companies. The 2 plots of land are of which Title deed no. 5233, bin 5036113818, survey page 15588, land number 364, located in Tambon Rai Khing Talat Mai District (Sam Phran District), Nakhon Pathom Province with area of 8.98 acres and the second one are of which Title Deed No. 5207, Section 5036113818, survey page 15143, land number 359, located in Tambon Rai Khing Talat Mai District (Sam Phran District), Nakhon Pathom Province with area of 10.95 acres. The total area of the 2 plots is 19.93 acres.

### 1.1.3 Right Offering

- None, since FORTH does not have Right Offering -

### 1.1.4 Obligations that the Company has committed in Filings

- None -

## 1.2 Nature of Business

### 1.2.1 Revenue structure

Revenues From Major Business		2022		2021		2020	
		Million THB	%	Million THB	%	Million THB	%
<b>EMS Business</b>							
-	Manufacturing and distribution of telecommunication and electronics equipment under customer brands	2,869	29.41	1,602	18.18	425	6.00
-	Distribution of electronics parts	1,285	13.18	1,042	11.82	837	11.82
<b>Enterprise Solution Business</b>							
-	Procurement projects of government and state enterprise and projects of private organization	1,123	11.52	2,162	24.53	1,680	23.02
-	Integration and Distribution of traffic light system	675	6.92	748	8.49	745	10.52
-	Development and implementation of ERP system	13	0.13	16	0.18	27	0.38
-	Others	49	0.50	50	0.57	49	0.69
<b>Smart Service Business</b>		3,417	35.03	2,893	32.83	3,078	43.46
<b>Total revenues from major business</b>		<b>9,431</b>	<b>96.69</b>	<b>8,513</b>	<b>96.60</b>	<b>6,791</b>	<b>95.89</b>
Others revenues		323	3.31	300	3.40	291	4.11
<b>Total revenues</b>		<b>9,754</b>	<b>100.00</b>	<b>8,813</b>	<b>100.00</b>	<b>7,082</b>	<b>100.00</b>

## 1.2.2. Characteristics of Products and Services According to the Company's Business Group

### (1) Characteristics of Products and Services, and Business Innovation Development



#### 1. EMS Business Group

operate the business of contract manufacturing and assembly of electronic circuit boards (Print Circuit Board Assembly: PCBA) and box-build electronic products, both in the form of turnkey contracts and consign parts for customers both domestically and internationally and services for procurement and distribution of electronic components and equipment for industrial plants and general customers from the semiconductor electronic components as well as measuring and testing tools. This business group consists of 2 subsidiaries, namely Fort EMS Company Limited and Electronic Source Company Limited, details as follows:

#### 1.1. Contract manufacturing services for assembling circuit boards and finished electronic products (PCBA and Box-build)

Contract manufacturing services for assembling circuit boards and finished electronic products (PCBA and Box-build) by a team of engineers and a team of manufacturing experts who are consulting, co-designing and planning the production and testing the product before delivery as well. Since the plant's production line is modular and adaptable, it offers flexibility to adjust the production line, whether it's a new product test run, a trial run, or a full-scale mass production that can be customized. Adaptable from the production of electronic probes to finished electronic products. The customer groups are both product owners and product designers from many industrial groups both domestically and internationally, such as the automotive industry, medical device industry, electrical, electronic and telecommunication equipment industry. The pattern of production can be divided into two types:

- 1) Assembly (Consign Parts) is the production of electronic circuit boards for customers. The company's engineering team will jointly design, manufacture and assemble circuit boards with customers until the planning of the circuit board assembly. The circuit boards that the company assembles are electrical appliances circuit boards, computer equipment circuit board, telecommunication equipment circuit board and other electronic circuit boards, etc. In this regard, the Company uses raw materials supplied by customers. The customer will be in contact with the manufacturer or supplier of raw materials to deliver raw materials to the company. Also, the customer is responsible for the cost of raw materials themselves. Therefore, the company does not have any risk in the matter of raw material cost management in the assembly line.

- 2) Contract manufacturing (Turnkey) is the production of electronic circuit boards or electronic equipment in the form of a contractor. The company's engineering team will jointly design, manufacture and assemble circuit boards with customers until the planning of the circuit board assembly. The products that the company produces are electrical appliances circuit boards, computer equipment circuit board, telecommunication equipment circuit board, electronic circuit board, electric meter circuit board and equipment for transmitting data via satellites attached to vehicles, etc. The company can procure raw materials by selecting quality raw materials as required by customers, contacting to purchase raw materials as well as the company is responsible for managing the cost of raw materials.



## 1.2 Procurement and distribution of electronic parts and equipment

Distribution of electronic components semiconductor which is a raw material for producing electronic circuit boards such as IC Transistor Diode, Semiconductor, Optoelectronics, Display devices, relays, batteries, connectors, buzzer, light switches, EMC, filters, capacitors, resistors, etc. including measuring and testing tools and robotic arm technology for factories (Industrial Automation). The company has been trusted by leading companies in the world to be the official distributor of products in Thailand such as FUJITSU, DELTA, MICROCHIP, KEC, SCHAFFNER, ETT, SILA, CPi, GIORY, FLLIKE, etc.



## 2. Enterprise Solutions Business Group

operates the business of purchasing, procuring, developing and installing a complete information technology system (System Integration: SI) to various projects of government agencies, state enterprises and private sector. This covers area survey work, design work, system installation and complete installation work as well as improvement and maintenance work on equipment and communication networks and procurement and distribution of telecommunication equipment, and other electronic equipment. In addition, In the Enterprise Solutions group, provides commercial aircraft distribution and service centers (MROs) for commercial aircraft. This business group consists of Forth Corporation Public Company Limited and 5 subsidiaries, namely Genius Traffic System Company Limited, Forth Lighting Company Limited, Forth Tracking System Company Limited, Aero Forth Company Limited, Forth MRO Service Company Limited, details of which are as follows:

- Telecommunication network installation services and information technology solutions by providing services ranging from consulting, design, installation and system installation and maintenance by a team of engineers and project management teams with knowledge, capabilities and experience
  - Smart Grid
  - Digital Trunk Radio System
  - Cyber Optic Cable Network
  - Electronic Monitoring
  - Railway Signal
  - Network work to expand Bandwidth and increase efficiency of the core network
  - Installation of systems and equipment for Nurse call system, etc.
- System installation service and distribution of fire signal products Comprehensive and necessary tasks such as pedestrian crossing lights Street crossing countdown timer signal lamp, CCTV module sends a signal from solar energy.
- Distributor of lamps and equipment for lighting such as
  - LED Street Light
  - LED High Bay and etc.



- Distributor of Electronic Meters including
  - Electronic single-phase and three-phase kWh meters Ready to be connected as an automatic processing system via RS485 Interface or LAN or as Ethernet and can be connected to the Billing Program of the Company's PBX. In addition, one-phase kWh meter with RFID card prepaid and electronic water meters that are connected to the automatic processing system together with the kWh meter and can be added via a wireless data transmission device for automatic water readings.



- Distributor of systems and equipment for vehicle tracking via satellite.
  - GPS (Global Positioning System) reports vehicle utilization data such as the vehicle's position and speed, travel route. An alert will be given to the vehicle operator if the vehicle is off-track or driving at an overspeed.
  - Vehicle tracking device for recording the use of vehicles via satellite with the system
  - Nurse Call System
  - EM : Electronic Monitoring



- Private aircraft distribution and maintenance services, service provided by skilled technicians specializing in aircraft maintenance and scheduled maintenance (Scheduled Maintenance) repairs when the aircraft has been flown for the specified hours.



### 3. Smart Services Business Group

operates the business of providing top-up services, receiving payments, and banking agents through automated online kiosks including personal loan services as well as the business of selling beverages and products through vending machines. This business group consists of 2 subsidiaries, namely Forth Smart Service Public Company Limited and Forth Vending Company Limited, which has details of products and services as follows,

#### 3.1 Top-up service business, payment acceptance, and comprehensive financial transactions through automatic online kiosks under the brand "Boonterm" and electric vehicle charging services under the brand "GINKA

- **Top-up and payment kiosk brand "Boonterm"** that provides mobile phone top-up services, online game top-up services and various types of cash card top-up services, top-up service to electronic wallets, payment service for internet packages and utilities, deposit and withdrawal services, electronic identity verification service using identification card (e-KYC with full dip chip), phone SIM card sales service and more than 100 other services.
- **Cashier counter "CenPay Power by Boonterm"** with payment service and top up more than 1,300 items, including utility bills, phone bills, internet bills, insurance premiums, credit cards, air tickets including mobile top-up services, top up online games at more than 1,700 points nationwide within Central Department Stores.

#### • Electric vehicle charger brand "GINKA EV"

It offers electric vehicle charging stations that come with touch screens. Payment can be done in many ways, whether paying via credit card or paying through the Mobile Banking application and having a system to store money in the phone number that can be used to pay for the next service.

#### 3.2 Business on selling freshly brewed beverages under the brand "TAOBIN" and selling products through online vending machines

##### • Vending Machines for fresh coffee and freshly brewed drinks or "Taobin" Robotic Barista

Vending machines for fresh coffee and freshly brewed beverages or automatic cafe "Tao Bin" under the trademark by selling fresh coffee menus where coffee beans are freshly grounded cup-by-cup. Inside the machine consists of a coffee bean grinder system, ice making system, heating and soda system and a beverage brewing system that can serve drinks like having a barista robot (Barista Bot), enabling the kiosk to sell hot, cold and blended beverages, more than 200 items, and the sweetness level of each menu can be manually





*FORTH has focused on research and development (R&D). The company has established an innovation center with research and develop electronic products*

## Business Innovation Development

Forth Corporation Public Company Limited is a Thai company that has focused on research and development (R&D) for more than 30 years. The company has established an innovation center with research and development teams of more than 100 people to research and develop electronic products as well as to create new innovative products in order to be further developed in business operations that are diversified, meet the needs of each group of customers and can support rapid technology changes. The company has invested and expenditures on research and development totaling more than several million Thai Baht.

### TAOBIN Robotic Barista

Forth's R&D team is constantly improving the "Taobin" kiosks so that they can serve even more perfect cup-by-cup freshly brewed beverages by developing the internal brains to be able to solve problems by themselves automatically and increase various efficiencies.

#### "Speediness"

Reducing customer waiting time by improving the speed of various mechanisms, improving the water supply system

#### "Capacity"

Increasing the capacity of the water tank, the number of material slots and the number of glass capacity in each cabinet

#### "Production efficiency"

Increasing the production rate and increase the efficiency of the ice production cabinet.

#### "Variety of the menu"

Developing a new brewing head that can crush ice more thoroughly with a set of brewing head cleaning equipment that reduces water consumption but is cleaner

#### "Intelligence"

Adding a fault detection sensor and correct itself automatically as well as reporting the error back to the central office for the mechanic team to fix it

#### "Ease of Manufacture"

Modifying different parts to make it easier to produce more cabinets with lower costs

#### "Various Payment Methods"

Developing a payment acceptance system that supports cash payments, QR Prompt Pay, Taobin credit and credit card

### **Electronic Monitoring Device**

The Forth R&D team has designed, researched and developed electronic personal tracking devices (Prison ankle strap) or Electronic Monitoring (EM) that is smaller but more efficient for using in court proceedings in order to control and monitor the temporary release of the accused or the defendant has insufficient securities to reduce more number of inmates and reduce social inequality. The device will be able to monitor and limit a person's travel by wearing an ankle strap, which enable the identification of the address and transmitting temporary coordinates of the person released every 2 minutes, as well as providing real-time alerts in the event of an incident with the device, such as an unauthorized smashing, destruction, or disassembly of the device. It also increases the ability to support 4G, 5G, which is the current and future standard, along with more energy-saving systems.

### **Electric vehicle charging station (GINKA Charge Point)**

Forth's research and development team has been researching and developing electric vehicle charging stations (GINKA Charge Point), both conventional charging systems (AC Charging) and fast charging systems (DC Charging) for charging electric vehicle batteries in the form of a pedestal charger and wall type both of which supports the use of international standards for cars from America, Europe, China and Japan. The types of electric vehicle charging stations can be divided into 2 models: 1.) A sales model that can automatically charge an electric vehicle, and 2) a pay-as-you-go model that can be paid via credit card or BeWallet mobile application based on each electricity consumption. The research and development team has developed new software that can store money in the phone number and can be used to pay for the next electric car charging. This will make more people turn to use electric cars which can help reduce pollution from oil fumes and save costs for users.



## Privileges from Investment Promotion Certificates of the Company and its Subsidiaries

The privileges from investment promotion certificates can be summarized as follows:

Promotion Card Holder	BOI Promotion Certificate Number / Date	Business/Production Capacity	Promoted Benefits
Forth Corporation Plc.	1231 (4)/2015/26 Feb 2015	Received investment promotion in electronic design products business in the form of PROTOTYPE DESIGN category 5.7, electronic design business. The size of the activity is the production capacity of electronic design continuity products such as BOX BUILD, mobile phone top-up machines, etc., approximately 4,050,000 pieces per year.	<ol style="list-style-type: none"> <li>1) Permission to bring foreigners who are craftsmen or experts, spouses and dependents of both types of persons able to enter the kingdom under section 25 and section 26.</li> <li>2) Exemption of import duty on machinery.</li> <li>3) Exemption from corporate income tax on net profit from the promoted business for a period of 8 years in the event that the business operator loses during the period of corporate income tax exemption. The promoted person will be allowed to deduct the annual loss incurred during that time from the net profit incurred after the corporate income tax exemption period, which lasts for a period of not more than 5 years since the expiration date of that period, it is able to choose to deduct from the net profit of any year or several years.</li> <li>4) Exempted from the need to include dividends from promoted businesses that are exempted from corporate income tax under Section 31 to include in the calculation of income taxes throughout the period that the promoted person is exempt from corporate income tax.</li> <li>5) Exemption of import duty on raw materials and essential materials that must be imported from abroad for use in production for export for a period of 1 year from the date of first importation.</li> <li>6) Exemption of import duty on goods imported by promoted persons for re-exportation for a period of 1 year from the date of first importation.</li> <li>7) Permission to bring or send money out of the Kingdom in foreign currency.</li> </ol>

Promotion Card Holder	BOI Promotion Certificate Number / Date	Business/Production Capacity	Promoted Benefits
Forth Corporation Plc./ Forth EMS Co., Ltd.	60-0766-1-04-1-0/13 Jul. 2017/ 62-1342-1-04-1-2/ 3 Dec. 2019 (1)	<p>Received investment promotion in PCBA manufacturing business. Received investment promotion in PCBA manufacturing, parts or equipment used for electrical appliances and electronic products and finished electronic products, PABX, TELEPHONE SET, category 5.2.5. Other electrical appliances category, 5.3.2.2 Manufacture of other telecommunication products, category 5.4.14 Manufacture of general PRINTED CIRCUIT BOARD ASSEMBLY (PCBA) and category 5.4.19 Manufacture of parts for other electronic products. This is to improve production efficiency for using renewable energy according to the promotion certificate No. 3010/Wor./2002 dated 4 September 2002. The size of the activities is as follows.</p> <ol style="list-style-type: none"> <li>1) PCBA has an annual production capacity of about 30,000,000 pieces.</li> <li>2) PABX has an annual production capacity of 12,000 units.</li> <li>3) TELEPHONE SET has an annual production capacity of approximately 120,000 units (8 hours/day working time: 300 days/year).</li> </ol> <p>Parts or equipment used with electrical appliances and electronic products and finished electronic products such as COMPUTER BOX BUILD, etc., with an annual production capacity of approximately 10,000,000 pieces.</p>	<ol style="list-style-type: none"> <li>1) Permission to bring foreigners who are craftsmen or experts, spouses and dependents of both types of persons able to enter the kingdom under section 25 and section 26.</li> <li>2) Exemption of import duty on raw materials and essential materials that must be imported from abroad for use in production for export for a period of 1 year from the date of first importation.</li> <li>3) Exemption of import duty on machinery.</li> <li>4) Exemption from corporate income tax on net profit from the promoted business for a period of 3 years, with the exemption income tax not exceeding 6.75 million Thai Baht in the event that the business operator loses during the period of corporate income tax exemption. The promoted person will be allowed to deduct the annual loss incurred during that time from the net profit incurred after the corporate income tax exemption period, which lasts for a period of not more than 5 years since the expiration date of that period, it is able to choose to deduct from the net profit of any year or several years.</li> </ol> <p>The 'income tax payable during the period is deducted from the net profit of the company after the period of exemption from corporate income tax. The period is not more than 5 years from the date of the' expiration of the period '. You can choose to deduct from the net profit of the company any year.</p>

Promotion Card Holder	BOI Promotion Certificate Number / Date	Business/Production Capacity	Promoted Benefits
			<p>5) Exempted from the need to include dividends from promoted businesses that are exempted from corporate income tax under Section 31 to include in the calculation of income taxes throughout the period that the promoted person is exempt from corporate income tax.</p> <p>6) Exemption of import duty on raw materials and essential materials that must be imported from abroad for use in production for export for a period of 1 year from the date of first importation.</p> <p>7) Exemption of import duty on goods imported by promoted persons for re-exportation for a period of 1 year from the date of first importation.</p> <p>8) Permission to bring or send money out of the Kingdom in foreign currency.</p>



Promotion Card Holder	BOI Promotion Certificate Number / Date	Business/Production Capacity	Promoted Benefits
Forth Lighting Co., Ltd.	58-2258-0-00-2-0 / 2 Oct. 2015	Received investment promotion in the business of electronic design and consequent products from electronic design, category 5.7 Electronic design business, the size of the activity is the production capacity of electronic design continuity products such as LED lamps, etc., approximately 60,000 pieces per year.	<p>1) Permission to bring foreigners who are craftsmen or experts, spouses and dependents of both types of persons able to enter the kingdom under section 25 and section 26.</p> <p>2) Exemption of import duty on machinery.</p> <p>3) Exemption from corporate income tax on net profit from the promoted business for a period of 8 years in the event that the business operator loses during the period of corporate income tax exemption. The promoted person will be allowed to deduct the annual loss incurred during that time from the net profit incurred after the corporate income tax exemption period, which lasts for a period of not more than 5 years since the expiration date of that period, it is able to choose to deduct from the net profit of any year or several years.</p> <p>4) Exempted from the need to include dividends from promoted businesses that are exempted from corporate income tax under Section 31 to include in the calculation of income taxes throughout the period that the promoted person is exempt from corporate income tax.</p> <p>5) Exemption of import duty on raw materials and essential materials that must be imported from abroad for use in production for export for a period of 1 year from the date of first importation.</p> <p>6) Exemption of import duty on goods imported by promoted persons for re-exportation for a period of 1 year from the date of first importation.</p> <p>7) Permission to bring or send money out of the Kingdom in foreign currency.</p>

Note: (1) Forth EMS Co., Ltd. accepts the transfer of the remaining rights and benefits according to the investment promotion certificate No. 60-0766-1-04-1-0 of Forth Corporation Plc.

## (2) Marketing and Competition

### Overview of the Thai economy in 2022

The Thai economy in 2022 is expected to grow at a rate of 3.4 percent per year (within the forecast range of 2.9 to 3.9 percent), mainly supported by the recovery of private consumption and the tourism sector. After the epidemic situation of the Corona virus Disease 2019 (COVID-19) has subsided and international travel measures have been relaxed by canceling Thailand Pass registration for foreign tourists From July 1, 2022 onwards, resulting in 5.7 million foreign tourists entering the country in the first 9 months of 2022, an increase of 6,477 percent per year and it is expected that throughout the year 2022 there will be 10.2 million foreign tourists, an increase from the previous estimate of 8.0 million, resulting in higher incomes for labor and businesses related to the tourism sector. In addition, real farm income which is an important base of private consumption, in the first nine months grew at a high level of 7.4 percent per year, together with the government's measures to maintain domestic consumption, for example, a project to increase purchasing power for people with State Welfare Cards, the project to increase purchasing power for those who need special assistance and the project for sharing cost half by half. This has contributed to supporting domestic demand and reducing the cost burden of the people including increasing income for small entrepreneurs and manufacturers throughout the supply chain. Private consumption is expected to expand by 7.9 percent per year (in the forecast range of 7.4 to 8.4 percent). While merchandise exports in 2022 continued to expand. This is partly due to the demand for food products that are expected to continue to grow throughout the year and the shortage of parts for Electronic manufacturing that has begun to unwind. It is expected that merchandise exports will grow by 8.1 percent per year (in the forecast range of 7.6 to 8.6 percent), resulting in an improvement in private investment especially investment in the category of machine tools. Private investment is expected to expand at 5.1 percent per year (in the forecast range of 4.6 to 5.6 percent). In terms of domestic stability, Headline inflation is expected to be at 6.2 percent per year (expected range of 5.7 to 6.7 percent) due to the gradual improvement in energy prices and supply chain problems. In addition, the government has implemented measures to take care of the cost of living for the people sector. As a result, inflation for the remainder of 2022 is likely to slow down while the stability of the external economy, the current account deficit is expected to be -13.9 billion US dollars or equivalent to -2.7 percent of GDP (expected range of -3.2 percent to -2.2 percent of GDP), mainly due to an increase in imports.

(Source: Ministry of Finance)

### Industrial Economic Conditions in 2022 and Trends in 2023

The industrial economy in 2022, when considered from the Manufacturing Production Index (MPI), is expected to grow by 1.0 percent, decelerating from the year 2021 when the MPI grew by 5.85 percent, partly affected by the conflict between Russia and Ukraine. The impact continued through rising product prices, a slowdown in the global economy fluctuations in global financial markets and disruption of the global production chain. However, the economy in the country gradually recovered after opening the country to foreign tourists. Major industries that expanded in 2022, such as automobiles, from the increase in the domestic market due to problem of chip shortage which began to subside resulting in ability to produce and deliver cars as usual, including relaxation of measures to control the spread of the COVID-19 virus. As a result, economic activities returned to normal as a result of the situation of both domestic and foreign tourism has recovered greatly. After the full opening of the country, electronic components from demand for electronic products in the global market that continues to expand sugar production Because this year, factories have resumed normal production. After the Covid-19 situation resolved, while the factory was affected by the outbreak quite a lot last year, pharmaceuticals followed the increasing orders of the domestic market especially various hospitals that have to reserve medicines to prevent shortages of certain medicines and to support the needs of patients with both communicable and non-communicable diseases. Trends in 2023, The estimated growth rate of the Manufacturing Production Index (MPI) in 2023 is expected to grow in the range of 2.5 -2.3 percent, supported by (1) domestic demand expanding due to the opening of the country, resulting in increased employment outside the agricultural sector. (2) the recovery of the tourism sector from the opening of the country to foreign tourists and the relaxation of international travel control measures close to the normal period; (3) the favorable growth trend of the agricultural sector according to the trend of expanding agricultural products which is the main support factor by the amount of water that is sufficient for cultivation. As a result, purchasing power from the agricultural sector continued to improve.

(Source: Office of Industrial Economics)

## Company's Competitive Strategy

From the company's business in various fields related to products in the electronics industry for more than 3 decades, the company is well equipped and has extensive experience in production, research and marketing as well as having subsidiaries and associated companies that support each other's business. The Group has the following business strategies:

- **Continuous product development to increase the variety of products and business lines.**

From the experience of doing business for a long time, the company realizes that in order to enable the company to operate its business sustainably. The company must add new products in order to be diverse and keep the products up-to-date. Therefore, the company has always focused on research and product development and established a department consisting of personnel specializing in the production of electronic products. It serves to develop new products of the company to meet the needs of customers. In the past, the department has a history of developing products into new products of the company continually. Therefore, the result of the above business line expansion, will allow the company to have a more diverse customer base and can reduce risks in the company's business operations.

- **Consistency of After-Sales Service Focus and Maintain Customer Satisfaction**

The company focuses on continuous after-sales service provided by its customer service department and receiving support from dealers covering the country such as providing consultants on how to use the product with expertise, sufficient spare parts service and quick repair service. As a result, customers feel good about using the company's products. This makes the customers remember the brand. It creates trust and confidence in using the company's products or services resulting in the company's income. Furthermore, the company also builds good relationships with customers through customer satisfaction surveys in order to improve service.

- **Focus on Using the FORTH's Trademark and Creating a Brand for the Subsidiary to Market the Company's Products**

Since the company's been in business for a long time, there are various products under FORTH and many other subsidiaries' trademarks. Therefore, at present, the company's products are widely known and accepted for their quality and service. This makes it easier for companies to market their products to consumers' acceptance.



## The Industry, Marketing and Competition Conditions of Each Business Group

### 1. EMS Business Group

The electronics industry is still important to the manufacturing industry as a whole that uses electronic components as a component to produce finished goods. The electronics industry consists of 3 parts:

1. Upstream Industry is the basic industry for manufacturing electronic products such as Water Fabrication, PCB's Design, IC's Design, etc. Currently, Thailand has produced some types of upstream industries.
2. Midstream Industry is the industry that produces parts and components of electronic products such as IC, PCB (Print Circuit Board), Capacitor, etc. In Thailand, this type of investment in the industry is very high whether it is foreign direct investment, joint investment and domestic companies.
3. Downstream Industry is the industry of computers and components, telecommunication equipment and electrical appliances. The manufacturer has developed the design technology capability and has the ability to produce parts, components and finished products. This makes home appliances manufactured in Thailand with beautiful designs and good quality as well as being linked to high domestic industry.

### Competitors

Competitors of the EMS business group that operates in the electronic industry with the same business model or similar business groups, namely SVI Public Company Limited, Cal-Comp Electronics (Thailand) Public Company Limited, Team Precision Public Company Limited, Delta Electro Nicks (Thailand) Public Company Limited, etc.

### The EMS Business Group's Competitive Strategy

- 1) The use of production technology that can support the change in the production of new products. The company has a policy to constantly invest in machines with modern technology. In order to support the production of complex products for customers. The company's manufacturing plants have production standards that have been certified with international standards, namely IATF 16949:2016, Quality Control System for Automotive Manufacturing and ISO 13485:2016, Quality Management Standard System which covers design, development, manufacture and sale of medical equipment. The requirements

of this system are applied internationally, such as in Europe, Canada, Australia, etc. In addition, production lines are also managed to accommodate the modifications to the production of new products to be able to use the machines efficiently under changing orders and can support the production of various products.

- 2) Sufficient production capacity to support large volume orders. The company is constantly investing in the adoption of high-end technology in its production processes. This is to have an increased production capacity and have the ability to keep pace with changing product technology and be able to maintain competitive opportunities.
- 3) Consistent after-sales service focus and maintaining customer satisfaction, the company focuses on providing continuous after-sales service with the company's customer service and receiving support from distributors nationwide, such as providing consultants on how to use the product with expertise, sufficient spare parts service and a quick repair service. Resulting in customers feeling good about using the company's products. It makes customers remember the brand, build trust and create confidence in using the company's products or services and as a result, it has reflected on the company's revenue. Moreover, the company also builds good relationships with customers through customer satisfaction surveys to improve service.

### Target Customer and Distribution Channels

Providing contract manufacturing and assembly services for electronic circuit boards and electrical equipment under the customer's brand. The Company will focus on its target customers as prototype manufacturers who own foreign brands that have production bases in Thailand or are owners of foreign brands directly in various industries, such as the automotive industry (Automotive Electronics), the telecommunication network equipment industry (Telecommunication), products used in the industrial sector (Industrial Electronics), medical devices industry (Medical Device), computer accessories industry (Computer & Network), including groups of customers who are companies in the Forth group. In addition, the company has a policy to expand its customer base

who is a distributor of various electronic devices which allows the company to produce products in the form of contract manufacturing (Turnkey), etc., mainly focusing on direct sales. Because the company wants to present the experience of receiving the projects of the company, manufacturing technology, manufacturing processes, raw materials storage methods, team experience, and executives in order to create customers' trust towards the company for manufacturing the products. Therefore, the customer will have to visit or inspect the factory before agreeing to let the company produce the product, and some customers may have to send a team, the technical department to work with the company's production department in order to participate in the planning where the production process consists of production process design and production costs analysis to make proposals to customers. Production of samples (Pilot Run) until the start of production and delivery of products according to customer's orders. Apart from that, the company also uses channels to find new customers. By publicizing through the company's website, [www.forth-ems.com](http://www.forth-ems.com). Recommendations and solicitations are from current customers of the company and from recommendations by the company's executives.

The company has sales staff for various electronic-related products. It is defined as the target of sales due to the expansion of the existing customer base or the expansion of the market in order to increase new customer base and the company has distribution channels, Retail sales at the locations of 2 ES branches that focus on selling to general customers and factory customers. The customers can order via the website [www.es.co.th](http://www.es.co.th) where the information has been published for public relations and showing the products for sale and the preparation of web links to link with visitors and more purchases through the ES website.

## 2. Enterprise Solutions Business Group

Overview of the ICT industry market continues to have a tendency to grow continuously. As the world of technology is changing rapidly and leaps and bounds, the key direction of technological change is making people access technologies easier, more convenient, and cheaper to achieve overall efficiency for the economy and society whereby the government has set a policy for infrastructure investment to upgrade the city, including pushing and increasing travel convenience, elevate lifestyles as well as to improve the quality of life of the people according to the 20-year national strategic plan.

### Industrial Competitiveness

With the situation of changing technology in the new era, this has caused entrepreneurs in the information technology and communication systems industry to develop various service model and find ways to support the needs of business and corporate customers who are increasingly demanding new digital technologies as well as government enterprise customers focusing on investments in infrastructure improvements to make cities more smart cities. The competition pattern of this industry is still similar to last year. Due to the company's expertise and experience in providing telecommunication network services, various SI (System Integration) projects, including maintenance of equipment and communication networks, as well as having an understanding of regulations practices of government jobs and state enterprises and with the potential of the company that, in addition to having a team of specialized engineers, the company also has its own engineering research and development team capable of developing innovative products such as body tracking devices or prisoner ankle straps (EM: Electronic Monitoring), Smart Meters, coupled with having good business partners such as HP, Cisco or Huawei, thus the company is able to expand the ability to bid more projects. Whether it is a work from the electricity authority, such as a Smart Grid for systematic electricity management via an internet data connection between the electricity authority and the smart meter of the household. Projects from the court or justice department, such as prisoner's ankle strap (EM) for tracking and controlling the wearers and projects from other departments such as Trunk Radio, Traffic Light System, CCTV System, etc. The company plans to bid for the project continuously.

## Competitors

Competitors of the Enterprise Solution Business Group that operate the ICT industry with the same business model or similar to the business group, namely Samart Corporation Public Company Limited, Sky ICT Public Company Limited, ALT Telecom Public Company Limited, Advanced Information Technology Company Limited (public), etc.

## Enterprise Solutions Business Group Competitive Strategy

- Due to the company's development of various products, the company can meet the needs of customers and build a larger customer base. There are guidelines for implementing strategies in many areas such as
- Product development in new ways all the time and there are a variety of products that meet the needs of every target group.
- The credibility of a brand or company that has been around for more than 32 years shows its acceptance. Widely regarded in terms of quality and service, the company's new product offerings under the FORTH brand are accepted by consumers through reference standards from government auctions.
- Developing quality and fashionable products with competitive prices. Therefore, the company has adjusted the business direction that is more connected to the broadband business. It's an opportunity for the company to sell devices for high-speed Internet connections.
- Focusing on thorough and fast after-sales service 24 hours a day, 7 working days, both in terms of spare parts and repair service by a service team with expertise and ready to access the area as soon as notified. There are complete and modern repair tools with standardized operating procedures strictly in accordance with the company's requirements.
- Quality standards and properties of the company's products and products It has undergone qualification tests from various agencies to ensure its quality and durability. In addition, all the products that the company has produced and installed have outstanding features in terms of energy saving and quality that is recognized by government agencies in Bangkok and other provinces.
- Have the ability to compete in price because the company can purchase important raw materials directly from the manufacturer and can also purchase other raw materials through affiliated companies together with proper cost control. As a result, the company has a production cost that allows it to be able to set a competitive price with products from foreign manufacturers.

- Have sufficient raw materials and spare parts, due to the fact that the company has installed the company's products for many government agencies. Most of which have a guarantee for installation work. Therefore, there is sufficient availability of raw materials and spare parts reserves.

## Target Customer and Distribution Channels

Target Customers of Enterprise Solutions Business Group Will vary according to the nature of products and services that cover all sectors from both government and private sectors such as

- The call center system has a target group of private companies and is sold to government agencies.
- The Nurse Call system has targeted customers, namely hospitals and hospitals of government and private sectors across the country. that want to reinstall or to replace the original nurse call system.
- The automatic door arm opening and closing control system (Remote Car Access Control) has a target group of customers, namely villages, condominiums.
- Electronic tracking devices (EM Monitoring) for tracking agencies of the Ministry of Justice to use to monitor the person's identity instead of arrest or detention and can also apply the device in the same way to control monitoring in the fishing vessel system.
- The traffic signal system is the government agency responsible for the installation of traffic lights which can be divided into 5 main groups of customers according to the nature of the area of responsibility: Bangkok Metropolitan Administration, Department of Highways, Department of Rural Roads, local organization and customers from abroad.
- System for manufacturing and selling satellite vehicle tracking systems (GPS Tracking) for target customers and distribution channels. Focusing mainly on the transport operator market, but currently planning to use the tracking system to be in a variety of industries. This makes it able to support and meet the needs of customers in various business groups.
- Electronic water meter products, target customers and distribution channels have been focusing on the household market of the population in the country under the management of government agencies such as the Metropolitan Electricity Authority (MEA), the Provincial Electricity Authority (PEA).

By distributing telecommunication equipment and electronic equipment, under the trademark "FORTH", the company uses two distribution channels, namely,



direct sales with direct sales teams separated into different product lines who have the understanding of product characteristics and with the expertise in products distributed with a policy to sell directly to large projects customers. In addition, products are also sold through dealers (Dealer) who have experience in contacting various government agencies and have the ability to market for the company. The company also has more than 150 dealers across the country where they are all having the capability and basic knowledge

### **3. Smart Services Business Group**

Due to the fact that technology contributes to the expansion of more products and services, therefore, the company has applied its knowledge of communication technology and expertise in electronic equipment to develop various types of automated online kiosks that can provide both products and services such as top-up services, payment service and various financial transaction services, operated under the brand "Boonterm" as well as beverage and food products such as fresh coffee, tea, cocoa, soda and others operated under the brand "Tao Bin"

#### **3.1 Providing top-up services, receiving payments, and a complete range of financial transactions via online kiosks under the brand "Boonterm"**

**Mobile Service Market Industry** still continues to develop technologically especially from the driving force of the information service market (Non-voice), from the behavior of consumers who have stepped into the online internet society through the use of smart phones. In particular, the popularity of using online social networks is constantly expanding. With supporting factors in terms of smart phones, tablets and other IT devices at a price that is more accessible together with the situation of the epidemic of COVID-19 happenings and the fast telecommunication network technology. As a result, consumers turn to more channels for mobile phone top-up via various applications on smart phones among customers who primarily use cash or those with low incomes.

**Financial services industry** As commercial banks continuously try to reduce operating costs by reducing the number of branches and ATMs of banks across the country, while the demand for financial services remains high including money transfer transactions through ATMs of more than 300 million times a year and more than 2 billion ATM cash withdrawal transactions per year. Therefore, it is another good opportunity that Forth Smart Service Public Company Limited operates as a bank agent business for a total of 8 banks. In addition, the subsidiary has added electronic identity verification services and cash withdrawal services via Boonterm,

Mini ATMs to increase the potential of the comprehensive financial and credit services business. Smart Service Public Company Limited has started a loan business by using data from our in-depth customer base which makes it possible to consider, analyze and issue credit effectively within risk-worthiness limits. The company provides credit services in a variety of formats including granting credit to representatives of the company and installment loans for Boonterm customers such as mobile phones electrical appliances, etc.

**Electric vehicle industry** Due to air pollution problems and the amount of carbon that affects the environment, combustion vehicles is one of the problems coupled with rising fuel costs. As a result, consumers tend to switch to electric vehicles more and more continuously. The company has foreseen the trends of emerging technologies and changes in consumer behavior. Thus, it has developed an innovative electric vehicle charger or Electric Vehicle Charger (EV Charger) since the initial brand named "EV Net" became the current brand "GINKA EV or GINKA Charge Point" to support the growing demand for electric vehicles which is growing more and more. Forth Smart Service Public Company Limited is a service provider of GINKA EV with all management and payment system solutions. Nowadays, the government has started issuing policies that help support the electric vehicle market, such as exemption or reduction of import duties, reduce of the excise tax rate or provide subsidies according to specified conditions. This will increase the overall demand for electric vehicles supporting the growing electric vehicle industry.

#### **Strategies for conducting business Competitive Advantage from Economies of Scale and Management System**

New entrepreneurs who are looking to enter into the payment business and bank representatives face high barriers to entry such as economy of scale, capital requirement, knowledge and experience in management (Learning Curve), server system up to network building and agent management and after-sales service, etc. On the other hand, the company has the most service points in the country, with a network covering all areas nationwide, with more than 130,000 kiosks and over 1,700 cashier counters with a variety of services server performance and accuracy and the reliability of financial services through a standardized management system such as payment services Mobile SIM card sales and top-up service, providing services for deposits, transfers, withdrawals and borrowings, including loan payments which has been approved by the Bank of Thailand to appoint as a bank representative.

### **3.2 Providing product distribution services Bottled beverages and freshly brewed beverages via automated online vending machines under the brand "Tao Bin"**

#### **Non-alcoholic beverage industry**

The overview of the non-alcoholic beverages market in the country is estimated to be worth more than 200 billion baht, divided into various categories such as coffee, tea, milk, healthy beverages, etc. Currently, the non-alcoholic beverages market and coffee market are growing in line with the popularity of consumers coupled with the lifestyles of today's consumers who are more familiar with using vending machines. The company therefore has developed a new automatic vending machine which is a new innovation different from general automatic vending machines. It is a coffee machine and automatic beverage maker under the brand "Taobin", also known as "Taobin" Robotic Barista that will fill the gap in the traditional freshly brewed beverage market and it meets the needs of all groups of customers 24 hours a day and with a modern design, easy to use and maintain the same delicious taste of each drink menu in every machine. By the end of 2022, the company has more than 5,000 vending machines for beverages.

#### **Strategies for conducting business**

Automatic beverage dispenser or automatic cafe "Taobin" is considered a new innovation in the vending machine industry because it is automatic vending machines that can make a variety of beverages. It is able to brew hot, cold and blended beverages by freshly brewing cup-by-cup and from the fact that the company is the one who invented, developed and produced this automatic beverage dispenser, therefore, the company can continually modify or develop the Taobin tank including being able to repair all by ourselves.

- A wide variety of beverages such as fresh coffee, tea, milk, cocoa, iced tea, etc. to choose from more than 200 menus (both hot, cold and blended).
- Drinks with good taste from the selection of quality ingredients and the same standard taste in every glass.
- Provide the service to brew every new drink to maintain the best taste with levels of sweetness to choose from.
- High-pressure hot water rinsing service after each drink is brewed.
- Focusing on deliciousness, convenience, cleanliness and safety
- Using simple UX / UI and creating video graphics to provide information on the screen.
- Managed online with a central server, allowing the possibility to monitor sales and systems within the machine in real time, with high accuracy and speed.
- Providing 24-hour service.
- All forms of payment are supported (cash and QR code).
- There is a customer service center (Boonterm Call Center), phone number 1220 that takes care of the service users and helps solve problems for customers all 24/7 available.

#### **Co-development and Innovation**

Forth Group values the continuous development of new products and services, and every developed product of the Group will be patented to prevent counterfeiting, alteration or alteration of the products. The subsidiary has participated in the development of the software system along with data management and payment systems whether it is a "Taobin" kiosk, a robotic barista, a "Boonterm" top-up kiosk with identity verification and account opening services and electric vehicle charger "GINKA EV".

### (3) Procurement of Products and Services

#### 1. EMS Business Group

1.1 Contract manufacturing services for assembly of printed circuit boards and finished electronic products (PCBA and Box-build) Procurement of key raw materials used in the manufacture and assembly of telecommunication circuit boards and electronic Under the customer's brand, there are 2 methods:

1) The company is the supplier of all raw materials. This method of procurement of raw materials is applicable to turnkey production and 2) the customer prepares and delivers raw materials to the company for production which is a production to order (Consign Parts). In order to purchase raw materials for production in this line, the company will consider from branding and distributors with 3 forms as follows:

1. Brands and distributors are assigned by the customer.
2. The brand is assigned by the customer. The company selects the distributor by the company.
3. The company selects brands and distributors for customers.

In the event that the customer allows the company to supply raw materials. The company will select the brands and suppliers of raw materials by considering the importance of the quality, price and trade conditions by purchasing raw materials from the country and abroad both direct orders and through a subsidiary. The company may consider ordering from the manufacturer of raw materials that the customer already uses in the customer's products, and in the case that the customer is the supplier of raw materials, the company will receive raw materials from customers or from the manufacturer of raw materials in the amount that it is sufficient to meet the needs of usage in the production and assembly of electronic components, which the company does not have to procure

#### Manufacturing Technology

1. Surface Mount Technology (SMT) It is produced by placing electronic components on the surface of the circuit board on the same side as the copper pattern and then connecting that contact point. Most of them are Surface Mount Device (SMD) type circuit boards.
2. Pin Through Hole (PTH) It is produced by placing electronic components on the surface of the circuit board on the same side as the copper pattern and then connecting that contact point. Most of them are Surface Mount Device (SMD) type circuit boards.
3. Chip on Flexible Circuit (COF) It is produced by placing electronic components on a soft circuit board surface and then connecting that contact point which is similar to the SMT system.

The company uses three main production technologies for all products. In which the production of some products may use more than one technology by depending on the type of product.

#### 1.2 Procuring and distributing electronic parts and equipment

By being appointed as an official distributor of electronic parts and equipment in Thailand for many leading companies, both domestic and international brands, the company has a policy to determine the minimum amount of inventory. For general customers, it will be based on the history of raw material usage and estimated demand for raw materials in the procurement and distribution business of electronic parts and equipment. Details can be found in the table of raw materials and sources.

#### 2. Enterprise Solutions Business Group

Product sourcing or purchasing main raw materials such as electronic circuit boards, electronic parts, wires, plastics and connectors, the company's purchasing department will select raw materials by taking into account suitable prices and trade terms. The raw materials of most products in this line of business are purchased through domestic and international manufacturers and distributors including subsidiaries and does not have a policy to rely on purchasing raw materials from any single manufacturer or supplier to be used in Each objective of each project task and provide a full range of services from system installation, installation, management, after sales service and maintenance of various systems. In addition, the Company is a distributor of Kodiak brand private aircraft, including aircraft maintenance by procuring spare parts from abroad. Details can be found in the table of raw materials and sources.



### 3. Smart Services Business Group

3.1 Business of providing top-up services, payment acceptance and integrated finance has procured the Boonterm kiosk products from the company and various services on the kiosks from various service providers such as mobile phone operators in Thailand, utility organization or a representative for various banks. The company estimates the consumer's top-up demand based on the total daily top-up report from the company's system. together with the remaining balance or credit received from mobile phone service providers each day, in order to be able to provide services to customers who come to do various transactions appropriately. In terms of providing electric vehicle charging services, the procurement of products and services will be purchased directly from the Company.

**- More details can be found in the Annual Registration Statement (Form 56-1) of Forth Smart Service Public Company Limited –**

3.2 Business of providing automatic coffee and beverage vending machines (TAOBIN Robotic Barista) has procured automatic beverage vending machines from the Company and procuring raw materials for use as a mixture of beverages in the cabinet by selecting each type of raw materials of good quality from manufacturers both domestic and international, such as 100% pure milk powder without creamer imported from New Zealand or selecting 100% pure Arabica coffee beans from many quality plantations both from coffee farms in the country and abroad, as well as in every step of the brewing process, Forth Vending Co., Ltd. has a team of award-winning baristas with high expertise in making drinks to have a delicious, standardized taste, details can be found in the table of raw materials and sources.

## Main Raw Materials and Sources

List of raw materials/main goods		source
<b>1. EMS Business Group</b>		
▪ A group of electronic components made from semiconductors (Active device), such as diodes, ICs and transistors, etc.,		Japan, USA, Korea, Hong Kong, Taiwan, China
▪ A group of electronic components that are not manufactured from passive devices such as connectors and capacitors.		Japan, USA, Hong Kong, Taiwan, China, Thailand, Australia
▪ PCB board, electronic components		Thailand, Hong Kong, Malaysia, China, Taiwan, Japan, Switzerland, Singapore, United States, Germany, Philippines, Indonesia, Israel
▪ Cable		Thailand
▪ Plastic, Steel		Thailand, China
<b>2. Enterprise Solutions Business Group</b>		
▪ Electronic Components		Thailand, Japan, United States
▪ LED Light Bulb		Thailand, Japan, United States
▪ Communication Equipment, Telecommunication Circuits		Thailand, China, Japan, United States
▪ Electric meter, Water meter		Thailand, China
▪ CCTV and related equipment		Thailand
▪ Computer equipment		Thailand
<b>3. Smart Services Business Group</b>		
▪ Airtime (Mobile Prepaid)		The phone operator in Thailand
▪ Transfer and receive payments		Commercial bank and government and private agencies
▪ Coffee beans		Manufacturers in Asia, Africa and Thailand
▪ Milk		Newzerland
▪ Raw materials for making beverages		Thailand

### Environmental Impact

The company's production facilities have been certified with international standards such as ISO 14001:2015 (Environmental management systems), which is the international standard for environmental management systems ISO 45001:2018, the international standard for occupational health and safety management systems, and ISO 9001 :2015 (Quality Management System) International standard for quality management system. From the SGS accreditation institute, it has been accredited by both UKAS Management System and NAC in order to operate in compliance with environmental law.

In the past, the Company had no disputes or been sued for environmental impacts. And the company has always renewed the factory license from the Department of Industrial Works.

### Technical Assistance Contract

- None -

### (4) Assets used in business

#### 1.1 Assets used in business

As of December 31, 2022, the net book value is as follows:

Characteristics of Assets	Proprietary Asset	Net book value (Thousand Thai Baht)	Obligations
Land and improvements	Owner	770,858	Burden free
Buildings and improvements	Owner	232,385	Burden free
Machines and tools	Owner	1,955,289	Burden free
Vehicles	Owner	28,683	Burden free
Office equipment and furnishings	Owner	60,080	Burden free
Assets under construction	Owner	179,946	Burden free
<b>Total</b>		<b>3,227,241</b>	



## 12 Property Lease Agreement

As of December 31, 2022, the company and its subsidiaries have property lease agreements as follows:



Name	Type of Lease	Term of Contract	Total Value
Forth Corporation Public Company Limited	Land lease with office building	2013 - 2033	46,000,000
Genius Traffic System Company Limited	Renting land, factory buildings and buildings	2016 - 2026	10,314,750
Electronic Source Company Limited	Rent office space for sale and commercial buildings	2010 - 2035	9,601,890
Forth Smart Service Company Limited	Factory building rental and office buildings	2017 - 2026	53,051,000









## 13 Intangible Asset Details

As of December 31, 2022, the company and its subsidiaries have significant intangible assets as follows:

1. The company has a trademark "FORTH" for products manufactured and sold under the company's brand. However, the company does not measure and account for the company's intangible assets.
2. Forth Smart Service Public Company Limited has the trademark "Boonterm" for the Boonterm top-up machine. However, the subsidiary does not measure and record it as an intangible asset of the subsidiary.

### Important trademarks of the Company and its subsidiaries

	Owner of the mark	Request number	Registration number	Due date	Trademark image
1	Forth Corporation Pcl.	447496	Kor141398	2/07/2031	
2	Forth Corporation Pcl.	552474	Kor216058	12/05/2024	

Owner of the mark	Request number	Registration number	Due date	Trademark image
3 Forth Corporation Pcl.	552475	Kor216059	12/05/2024	
4 Forth Corporation Pcl.	960800	Bor69948	30/10/2024	
5 Forth Smart Service Pcl.	721275	Kor308512	9/02/2029	
6 Forth Smart Service Pcl.	785629	Kor340965	27/10/2030	
7 Forth Smart Service Pcl.	785630	Kor340966	27/10/2030	
8 Forth Smart Service Pcl.	785631	Kor340967	27/10/2030	
9 Forth Corporation Pcl.	1045015	171103661	22/10/2030	
10 Forth Corporation Pcl.	200142968	211123065	22/11/2030	

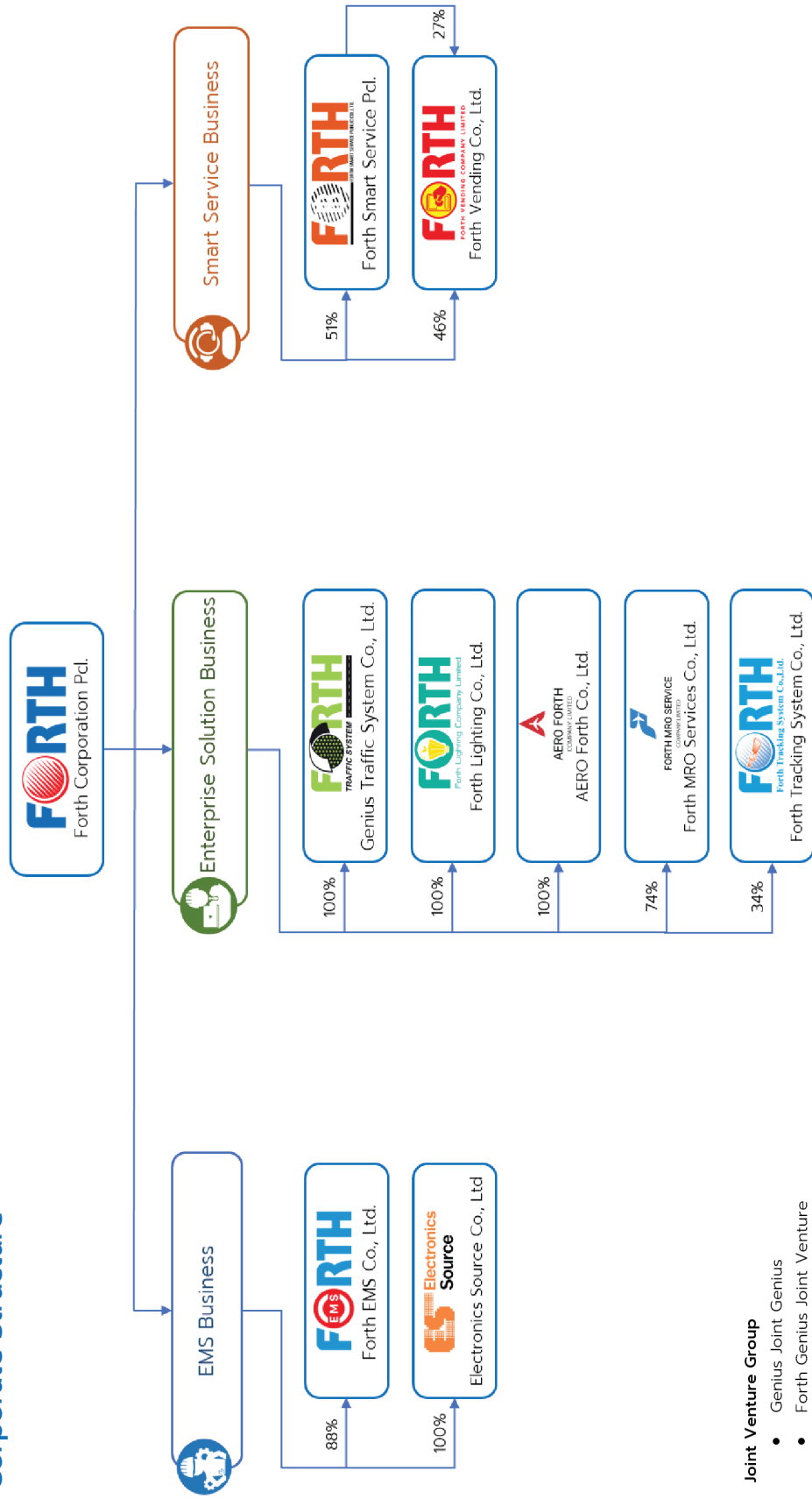
(5) Work in progress as of delivery on December 31, 2022

Project	Project Value (Baht)	Contract Period
1. Electronic tracking equipment rental project	832,500,000	2020 - 2023
2. Trunked Radio Digital Communication System Trading Project	787,333,800	2020 - 2024
3. Contract work to inspect, repair and maintain fibre optic cable networks	91,496,770	2020 - 2024
4. Project for the rental and installation of electronic equipment with related systems for monitoring or limiting the travel of persons for temporary release (Electronic Monitoring), Phase 5 and Phase 6	35,941,675	2020 - 2022



## 1.3 Corporate Structure

### 1.3.1. Corporate Structure



#### Joint Venture Group

- Genius Joint Genius
- Forth Genius Joint Venture
- Forth and Yip In Tsoi Joint Venture
- Forth Survey Joint Venture

**Forth Corporation Public Company Limited group consists of subsidiaries and associated companies as follows:**  
**18 subsidiaries**

1. Electronics Source Co., Ltd. (ES) operates the business of sourcing and distributing electronic components.
2. Genius Traffic System Co., Ltd. (GTS) operates a procurement and distribution business as well as installation of a complete traffic signal system CCTV and electronic signage.
3. Genius Joint Venture (JVG) received the right from BMA to install 40 intelligent traffic signs along with supervising and controlling traffic reports on intelligent traffic signs including the management of the control center and operating the business of collecting advertising benefits in the concession of intelligent traffic signs in Bangkok.
4. Forth Smart Service Public Company Limited (FSMART) operates business of online top-up and automatic mobile top-up services.
5. Forth Consulting Co., Ltd. (FCON) provides consulting services in data management and system management, data writing, training, marketing planning, distribution of computer programs and products related to computer.
6. Forth Lighting Co., Ltd. (FLT) engages in the business of procuring and distributing electric bulbs and lighting equipment.
7. Forth Meter Co., Ltd. (FMT) engages in the business of manufacturing electronic electricity meters.
8. Fort Vending Co., Ltd. (FVD) operates a service business selling fresh coffee and freshly brewed beverages through an automatic online vending machine (TAOBIN Café).
9. Mindmap Commtech Inc. (MC) operates as a provider of automatic mobile top-up and online top-up services in the Philippines (1).
10. Forth Smart Capital Co., Ltd. (FSC) operates a small business of occupational and/or personal loans.
11. Forth Smart Digital Co., Ltd. (FSD) operates as a marketplace for online trading and support the expansion of businesses related to electronic commerce (2).
12. Forth Genius Joint Venture (JVFG) operates a contractor service for installation of CCTV cameras and related equipment (3).
13. Forth EMS Co., Ltd. (FEMS) operates a complete business of manufacturing circuit boards and electronic and telecommunication equipment under the customer's brand.
14. Forth MRO Service Co., Ltd. (FMRO) operates an aircraft hangar and aircraft maintenance business at Don Mueang Airport.
15. Forth Smart Distribution Co., Ltd. (FSDT) operates business of selling other products and services related to the Boonterm kiosk (4).
16. Aeroport Co., Ltd. (ARF) operates aircraft service and aircraft maintenance business.
17. Forth Devons Company Limited (FDV) operates installation services, communication tools, telecommunication equipment and bidding for government works.
18. TAIM Co., Ltd. (TAIM) provides consulting services in data management and computer program system management.

**4 associated companies**

1. Forth Tracking System Co., Ltd. ("FTS") engages in the business of manufacturing vehicle-mounted satellite data transmission equipment.
2. FPT Payment Technology JSC ("FPT") operates as a provider of automatic mobile top-up and online top-up services in Vietnam (1).
3. Forth Survey Joint Venture operates a contract for improving the information system along the administrative boundary in the geospatial system.
4. Joint Venture Forth and Yip In Soi operates a business for the preparation of the Smart Metro Grid system.

Note: (1) Cessation of business operations

**Entities that own, directly and through, 10% or more of the total issued shares**

	Business name/ Location	Business	Share type	No. of Outstanding Shares	No. of Shareholding	Percentage Of Shareholding
1	Genius Traffic Systrm Co., Ltd. 77 Moo 11 Phuttamonthon 5 Road, Raikhing, Sampran, Nakornpathom 73210 Tel : 0-2811-7925 Fax : 0-2811-7935	Manufacture and distribution of traffic system	Common	2,000,000	1,999,994	100%
2	Electronics Source Co., Ltd. 256, 5 <sup>th</sup> Floor and 6 <sup>th</sup> Floor Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 Tel : 0-2062-4970 Fax : 0-2062-4999	Distribution of electronic parts	Common	500,000	499,994	100%
3	Genius Joint Genius 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Concession for traffic board project	-	-	-	90%
4	Forth Smart Service Pcl. 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 Tel: 0-2278-1777 Fax: 0-2279-7195	Online top-up services and automated prepaid mobile phone	Common	780,000,000	396,164,800	50.79% <sup>(1)</sup>
5	Forth Consulting Co., Ltd. 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400 Tel: 0-2265-6700, 0-2271-2888 Fax: 0-2265-6799, 0-2279-4888	Ceased the operations	Common	330,000	329,998	100%
6	Forth Lighting Co., Ltd. 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400 Tel: 0-2271-4888 Fax: 0-2271-3040-41	Manufacture and distribution of lamps and lighting equipment	Common	200,000	199,996	100%



	Business name/ Location	Business	Share type	No. of Outstanding Shares	No. of Shareholding	Percentage Of Shareholding
7	Forth Tracking System Co., Ltd. 252 S.P.E. Tower Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 Tel: 0-2615-0808 Fax: 0-2615-0809	Distribution of Electronic system	Common	300,000	101,991	34%
8	Forth Meter Co., Ltd. 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Ceased the operations	Common	4,000,000	3,399,997	85%
9	Forth Vending Co., Ltd. 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Management of vending machine	Common	140,000,000	64,449,967	46.04% <sup>(2)</sup>
10	Mindmap Commtech Inc. 8 <sup>th</sup> Floor, Salamin Building, 197 Salcedo, Legaspi Village, Makati City, Metro Manila, Philippines	Ceased the operations	Common	150,000	150,000	100%
11	FPT Payment Technology JSC FPT Tan Thuan Building – 2nd Floor. 29B - 31B - 33B, Tan Thuan Street, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, Dist.7, HCM City, Viet Nam	Ceased the operations	Common	4,200,000	1,260,000	30%
12	Forth Smart Capital Co., Ltd. 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 Tel : 0-2278-1777 Fax : 0-2279-7195	Selling products and services relating to Boontrem kiosk	Common	30,000,000	29,997,000	100% <sup>(3)</sup>
13	Odin Power Co., Ltd. 333/3 Moo 6 Bangpreang Bangbor, Samutprakarn 10560	Investment in renewable energy power plant companies	Common	4,000,000	400,000	10%

	Business name/ Location	Business	Share type	No. of Outstanding Shares	No. of Shareholding	Percentage Of Shareholding
14	Forth Smart digital Co., Ltd. 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Selling products and operate as a platform for online teading	Common	10,000,000	9,999,998	100% <sup>(4)</sup>
15	Forth Smart Distribution Company Limited 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Selling equipment and products related to the Boonterm kiosk and other product distribution	Common	20,000,000	19,994,000	100% <sup>(3)</sup>
16	Forth Genius Joint Venture 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Installing closed-circuit television camera	-	-	-	95%
17	Forth EMS Co., Ltd. 77 Moo 11 Phutthamonthon Sai 5 Road, Rai Khing Subdistrict, Sam Phran District, Prathom 73210	The production of circuit board and electronic and telecommunication equipment under the customer's brand	Common	40,000,000	34,999,994	87.50%
18	Forth Survey Joint Venture 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Contracting to improve the district information system in geographic information sytem	-	-	-	49%
19	Forth and Yip In Tsoi Joint Venture 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Smart Metro Grid system	-	-	-	50%
20	Forth MRO Services Co., Ltd. 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Aircraft Hangar and Aircraft Maintenance at Don Mueang Airport	Common	5,400,000	3,995,961	74%
21	AERO Forth Co., Ltd. 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	aircraft service and aircraft maintenance	Common	100,000	99,997	100%

	Business name/ Location	Business	Share type	No. of Outstanding Shares	No. of Shareholding	Percentage Of Shareholding
22	TAM Company Co., Ltd. 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Consulting services in data management and computer program system management	Common	100,000	99,997	100%
23	Forth Devons Co., Ltd. 1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400	Telecommunication equipment installation service and bidding for government projects	Common	5,000,000	374,999	75%

Remark:

(1) Including treasury stock that held by Forth Smart Service Pcl.

(2) 46% held by the company and 26.7 held by Forth Smart Services Pcl.

(3) 100% held by Forth Smart Services Pcl.

(4) 100% held by Forth Smart Capital Co.,

### 1.3.2 Persons who may have conflicts of interest hold shares in subsidiaries or associated company more than 10%

- None -

### 1.3.3 Relationship with major shareholder's business group

- None -

### 1.3.4. Shareholders

#### (1) List to major shareholders

TOP 10 Shareholder of the Company as at 30 December 2022, were as follows:

	Name		Number of shares (shares)	Percentage of Shareholding (%)
1	Amatanon family		514,773,700	53.62%
	Mr. Pongchai Amatanon	364,744,400		
	Mr. Kaelic Amatanon	57,924,000		
	Mrs. Rangsee Lettripinyo	50,235,500		
	Mrs. Wantana Amatanon	34,089,600		
	Mr. Chawin Lettripinyo	5,000,000		
	Ms. Rasinee Lettripinyo	530,900		
	Mr. Pattanun Amatanon	1,120,000		
	Ms. Watanya Amatanon	1,039,100		
	Ms. Thitaporn Amatanon	50,000		
	Mr. Autsila Amatanon	32,000		
	Ms. Pichamon Jarupanawet	8,200		
2	Thongtang family		61,238,100	6.38%
	Ms. Vi-orn Thongtang	17,350,850		
	Mr. Attikhun Thongtang	17,350,850		
	Mr. Att Thongtang	13,945,450		
	Mr. Itti Thongtang	12,590,950		
3	Siripongpreeda family		34,831,900	3.63%
	Mr. Poonsak Siripongpreeda	32,431,900		
	Mr. Somruek Siripongpreeda	2,400,000		
4	Thai NVDR Company Limited	33,112,310	33,112,310	3.45%
5	Ninnoennon family		26,745,898	2.79%
	Mr. Boonyong Ninnoennon	20,455,598		
	Ms. Boonyanit Ninnoennon	6,290,300		
6	Mrs. Matinee Wandeepirom	24,750,400	24,750,400	2.58%
7	Tantipanichapun family		24,731,400	2.58%
	Mrs. Vipawan Tantipanichapun	13,350,000		
	Mr. Boonya Tantipanichapun	11,361,400		
	Ms. Sakuntala Tantipanichapun	20,000		
8	Forth Corporation Public Company Limited	24,625,300	24,625,300	2.57%
9	Mr. Supat Phonggratanakul	21,157,300	21,157,300	2.20%
10	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	12,543,100	17,596,700	1.83%
11	Others		176,436,992	18.37%
	<b>SU</b>		<b>960,000,000</b>	<b>100.00%</b>



### 1.3.5 Agreement between major shareholders

- None -

## 1.4 Number of registered capital and paid-up capital

As of December 31, 2021, the company has a registered capital of 480 million baht, divided into 960 million common shares with a par value of 0.5 baht and issued and paid-up capital of 480 million baht, divided into 960 million common shares with a par value of 0.5 baht.

### The company's treasury stock

On July 17, 2019, the Board of Directors' meeting passed a resolution approving the share repurchase project for financial management purposes with a maximum share repurchase limit of not more than 300 million baht and the number of shares to be repurchased not more than 50,000,000 shares (par value 0.50 baht per share), representing not more than 5.21 percent of the total shares sold. The repurchase of shares will be carried out on the Stock Exchange of Thailand from August 15, 2019 to February 14, 2020, and the period for repurchase shares to be sold after 6 months from the completion of the share repurchase, but must not exceed 3 years. As of December 31, 2020, there are 24,625,300 common shares repurchased by the Company (par value of 0.5 baht per share), representing 2.57% of the total shares sold. The total value of treasury shares was 152.2 million baht and the Company had set aside retained earnings as a reserve for treasury shares in the amount of 152.2 million baht.

## 1.5 Issuance of other securities

- None -

## 1.6 Dividend Payment Policy

### 1.6.1 Company Policy

The Company has a policy to pay dividends of not less than 40% of net profit after corporate income tax and accumulated loss (if any) according to the separate financial statements. It depends on the performance, financial position, liquidity, and the need for expansion of operations, including the use of working capital for business management.

	2565	2564	2563	2562	2561
Net profit per share (Baht/share)	0.53	0.40	0.43	0.30	0.31
Dividend rate per share (Baht/share)	0.52	0.45	0.32	0.42	0.55
Dividend payout ratio per net profit (%)	98	113	76	140	177

Note: (\*) Separate financial statements

### 1.6.2 Subsidiaries Policy

Forth Smart Service Public Company Limited ("FSMART") has a policy to pay dividends of not less than 40% of net profit after deduction of income tax and all types of reserves as specified in the Articles of Association of the Company and as required by law if there is no other necessity and the dividend payment does not significantly affect the normal operations of the subsidiaries.

Other subsidiaries have a policy to pay dividends at the rate of not less than 20% of net profit after corporate income tax according to the subsidiaries' financial statements, depending on investment plans, other necessities and suitability in the future.

# 02 Risk Management

## 2.1. Risk Management Policy and Plan

The Company recognizes and places importance, effective risk management is crucial to corporate sustainability to build confidence in achieving goals under the changing business environment, respond to the needs of all stakeholders' needs and the prevention of potential losses caused by assorted volatility, while still allowing Company to safely pursue new business opportunities. Therefore, an international standard for risk management. It is considered that risk management is an essential component of every business process and must be connected at all levels for overall risk management for ultimate effectiveness.

## 2.2. Risk Factors Affecting the Company's Business Operations

### 2.2.1. Operational risk

#### Risk relating to project delivery

The operations of projects by the Company and its subsidiaries normally have duration of 3 months to 1 year depending upon project size. If the Company and its subsidiaries fail to deliver the project on the due date stated in the contract, the Company and its subsidiaries may be fined or lose credibility to the project operator. The penalty will affect the profitability of each project. Therefore, the Company and its subsidiaries have policy to closely and carefully monitor and manage projects. In the last 3 years, the Company and its subsidiaries were fined less than 0.05% of project's value. In order to prevent such risk, the Company and its subsidiaries always coordinate with customers and manufactures in order to solve problems in a timely manner.

#### Risk from dependence on an executive or a major shareholder

Mr. Pongchai Amatanon is the founder and Chief Executive Officer of the Company with experience in the business for a long time. With his vision as well as direct responsibility for policy-making and the Company's direction, if there are any changes to the Executive, the Company may confront with the business operation problems. The Company then established the organizational structure for decentralization by appointing professional boards with more working experiences as well as authorizing the deputy executives' level to participate in decision making and planning for future of the Company. In addition, the Company decentralized management to subsidiaries and associates. However, he still has significant role on main policy and management of the Company, subsidiaries while other executives are responsible for their business operations in depth. This aims to reduce risk reliance on the executive.

#### Risk from relying on main customers

EMS business operates a manufacturing plant that receives orders from large customers who relocate their production bases to Thailand. If there is an event that causes such large customers to encounter problems, they cannot do business. or if major customers cancel their production orders. However, the Company and its subsidiaries have strategies to expand new foreign customer bases in the electronics industry (IoT), medical device industry. and automotive industry Including adding a full range of consulting services and production planning for specific customers who want to create new electronic products to reduce the risk of relying on large customers.

#### Financial risk

##### Risk from the liquidity of distribution to public sector

The target customers of our telecommunication business and related technology business are mainly public sectors, which the payment terms are usually longer than the private customers. This group has 60 days of average account receivable turnover depending on the budget of each department. The Company and its subsidiaries expected to acquire more revenue from them through auctions and also contractors. The Company and its subsidiaries therefore needed to manage efficiently liquidity system to support public sector's project. However, the Company and its subsidiaries have gained

experience and expertise from public projects for a long time and this enhances the professional liquidity management for the customers of the public sector and the ones of the long credit duration. The Company and its subsidiaries especially hold a circulating capital sufficient for supporting the long-term cash flow of those specific customers. Apart from that the Company and its subsidiaries also reserve sufficient loan provision and request additional loan from commercial banks to support efficient liquidity management in the long run.

### Marketing risk

#### Risk relating to change in government policy

communication business and related technology business involve in bidding projects from government agencies, which budget of the projects should be approved from government. Therefore, if there are any changes in the government policy, it might also impact on the Company's business opportunities. However, the Company monitors such policies closely and diversifies our business to retail business in order to minimize fluctuation of revenue and profit.

#### Risk from the obsolete products that results in changing of manufacturing technology

The Company and its subsidiaries produce and distribute electronic and telecommunication products, which are greatly subjected to changes in technology. Large number of inventories from slow distribution might result in obsolete products, which require high management cost. Hence, the Company and its subsidiaries continuously have consideration to set up the allowance for obsolete inventories in order to cover and to be realistic. However, the Company and its subsidiaries have a plan to manage and reduce overstocks by continuously meet with related departments such as production, sales and R&D to determine the methods to resolve on inventories turnover together with apply information technology system to improve production planning and sale forecasting, determine inventories level.

### Information Security Management Risk

The company and its subsidiaries have installed protective equipment for the computer network system and kept it up to date to prevent attacks on sensitive company data, and installed a computer virus protection program to prevent damage to the company's computer system, including installing a backup system to prevent data loss if the operating system and the primary storage system are damaged and cannot be restored. Moreover, the company made a contract to hire a company that distributes computer equipment and related software to maintain the system.

### Epidemic Risk

The company and its subsidiaries have been aware of the COVID-19 epidemic situation that may affect the operations of the Group. The company has implemented several control measures, including issuing announcements and regulations for preventing and controlling the epidemic within the company and factories and announcing that employees are not allowed to travel to risk areas according to the CCSA announcement. A punishment must be given if they break the regulations. Additionally, the company has an infection prevention management system, including placing partitions on the dining tables to keep people apart, offering alcohol gel and disinfectants at strategic locations, and encouraging employees to wash their hands correctly.

## 2.2.2. Investment Risks of Securities Holders

#### Risk from a shareholder group, which held of more than 50% of the Company's share capital

As at 30 December 2021 Amatanon family was still the major shareholder of the Company with shareholding of 53.80%, which is more than 50% of the Company's paid-up capital. As a result, this family is able to manipulate the resolution of shareholders' meeting in every agenda; either appointment of directors, the approval of other matters with a majority votes, exempt the matter related to law or article of association, which required at least three fourth votes of shareholders in meeting. However, it is impossible for minor shareholders to gather, vote and check and balance of power on the matter proposed by major shareholders

## 2.2.3. Investment Risks Foreign Securities

- None -

- Investors can get information about risk factors of Forth Smart Service Public Company Limited, which is the subsidiary, from the annual report and annual filing (Form One Report 56-1) of Forth Smart Service Public Company Limited. -

## 03 Sustainability

E S G

ENVIRONMENTAL

SOCIAL

GOVERNANCE

### 3.1 Sustainability Policy and Objectives

The Company has a policy related to sustainable development to be a guideline for conducting business under the principles of good corporate governance by taking into account the interests of stakeholders in all dimensions, including society, economy, environment, and complete compliance with relevant laws and regulations. Moreover, the Company emphasizes operating the business with good governance as well as participatory growth to be a part of raising the quality of life of the people along with sustainably creating value for society.

### 3.2 Managing Stakeholder Impact In the Value Chain

#### 3.2.1 Company's Value Chain

The Company focuses on running the business with good governance under sustainable development, considering stakeholders of every sector, which are significant to the continuity and sustainability of the business. The Company analyzes and predicts the impact of operating a business based on the value chain, along with predicting the expectation of both external and internal stakeholders, in order to understand the expectations of stakeholders from every sector and screen the significant issues of all aspects and to prevent the risk and impact, which might halt the business, as each process affects stakeholders differently.



### 3.2.2. Stakeholder Analysis in the Business Value Chain

Stakeholder Group	Communication Channels	Expectation	Response
<b>Employees</b>	<ol style="list-style-type: none"> <li>1. Performance evaluation</li> <li>2. Receiving complaints and comments from employees</li> <li>3. Other communication channels</li> </ol>	<ol style="list-style-type: none"> <li>1. Good compensation and welfare</li> <li>2. Good working environment</li> <li>3. Equality and fairness</li> <li>4. Work security and growth</li> </ol>	<ol style="list-style-type: none"> <li>1. Support and improve employees' potential.</li> <li>2. Pay proper and fair compensation.</li> <li>3. Evaluate their performance fairly.</li> <li>4. Respect their human rights and act equally.</li> </ol>
<b>Shareholders /Investor</b>	<ol style="list-style-type: none"> <li>1. Annual shareholder meeting</li> <li>2. Networking activities between listed companies and investors from Thailand Stock Exchange and factory visits</li> <li>3. Email, call and website contacts with the company</li> <li>4. annual report</li> <li>5. Quarterly results of operations report</li> <li>6. Disclosure of information through corporate communication channels</li> </ol>	<ol style="list-style-type: none"> <li>1. The company delivers good results and sustainable growth.</li> <li>2. The company communicates and provides significant information regularly.</li> <li>3. Good business governance</li> <li>4. Risk management system</li> <li>5. Good monitoring and control system</li> </ol>	<ol style="list-style-type: none"> <li>1. Hold the annual shareholders' meeting.</li> <li>2. Participate in the networking activities between listed companies and investors from the Thailand Stock Exchange and arrange the factory visits.</li> <li>3. Reveal the information accurately, completely and timely via the website and annual report.</li> <li>4. Investor relations are set up to answer questions and provide accurate and complete information regarding investment.</li> </ol>
<b>Customers</b>	<ol style="list-style-type: none"> <li>1. Receiving comments, suggestions and complaints from customers of each channel</li> <li>2. Joint activities</li> </ol>	<ol style="list-style-type: none"> <li>1. Quality products and services</li> <li>2. Responsibility to the products and services</li> <li>3. Align with the terms and conditions stated in the contracts.</li> <li>4. the quick help.</li> <li>5. Participate in company activities.</li> <li>6. Good relationship between the customers and the company</li> </ol>	<ol style="list-style-type: none"> <li>1. Sell quality products and services.</li> <li>2. Act with the customers based on the stated terms and conditions.</li> <li>3. Provide product and service information, listen and quickly and effectively solve problems for customers.</li> </ol>
<b>Suppliers</b>	<ol style="list-style-type: none"> <li>1. Factory visits</li> <li>2. Meetings</li> </ol>	<ol style="list-style-type: none"> <li>1. Operate the business with good ethics and good governance.</li> <li>2. Develop business cooperation together.</li> </ol>	<ol style="list-style-type: none"> <li>1. Act with the suppliers based on the stated terms and conditions.</li> <li>2. Develop and maintain sustainable relationships with suppliers and contractors.</li> </ol>

Stakeholder Group	Communication Channels	Expectation	Response
<b>Government Agencies</b>	1. Contact with the company via letters and electronic media.	1. Align with the terms and conditions stated in the contracts.	1. Align with the contracts, laws and standard of practice of the government.
<b>Competitor</b>	1. Meeting	1. Compete fairly, not distort or slander each other.	1. Align with the competitive business policy under the good competition frame.
<b>Creditors</b>	1. Meeting 2. Contact with the company via letters and electronic media.	1. Pay back the loans based on the agreement. 2. Cooperate with the additional information requests.	1. Align with the terms and conditions stated in the loan agreement strictly. 2. Cooperate with the financial institute to reveal the financial report properly.
<b>Community and Society</b>	1. Community relation activities arrangement, such as volunteer projects 2. Meetings and communication via several channels	1. Receive good care when getting affected by the business operations.	1. Approval based on international standards 2. Support activities which create public benefits to the community and society.

### Roles of Stakeholders

The Company has established a policy to treat each group of stakeholders according to the law or agreement with the Company. The Company should not take any action that violates the right of those stakeholders and compensation measures should be established in case stakeholders suffer damages from rights violations. This is also considered part of the Company's business ethics.

The Company gives importance to all groups of stakeholders, including shareholders, employees, customers, trade partners, creditors, society and the environment. In 2022, the Company has not received any complaints of unfair business practices against competitors and has provided products and services that are fair to partners – suppliers. Including can repay the loan according to the debt repayment conditions agreed.

### 3.3. Sustainability Management in Environmental Dimension

#### 3.3.1. Environmental Policy and Practices

The company focuses on effective environmental management according to standard systems and strictly adheres to prevent and reduce the impacts from the operations of the organization which may have an impact on the environment and nearby communities, as well as instilling and helping to adjust new behaviors for all employees in the organization to recognize the use of resources wisely according to the environmental policy that the company has placed such as controlling the air conditioning temperature in an office properly, turning off the air conditioner and turning off the lights during the lunch break, changing office lighting bulbs to LED bulbs throughout the office, turning on the light only at the working spaces, walking up and down the stairs instead of using the elevator, reusing one page of used paper for greater benefit, etc. In addition, the company has organized training on environmental measures, including efficient use of resources for all employees to gain knowledge and understanding and to continuously instill a sense of responsibility for the environment in employees

#### 3.3.2 Environmental Performance

##### Resource use and energy conservation

The Company continuously promotes and campaigns for employees to take part in taking care of the environment to make all employees aware of the impact resulting from the problem of environmental change and to create awareness of the conservation of energy and various resources, using resources sparingly and appropriately for use, such as

- The Company has public relations requesting cooperation from all employees to help turn off the lights and unplug the plugs every time if they are not in use to cultivate awareness of using energy in a valuable way. This can be done both at the workplace and at the employee's home.
- Ask for cooperation from employees to help inspect the use of electrical equipment during continuous holidays according to various festivals by turning off the lights and unplugging all electrical equipment to save energy and to prevent fire safety.
- Change to use digital documents instead of using paper for work, liaise including communication, public relations within the organization in order to reduce the use of paper resources.
- Employees are requested to use reused paper for general printing and photocopying including allowing employees to check the accuracy of documents from the screen before printing to help reduce unnecessary waste of paper.

##### Greenhouse gas management

The Company is considered a type of business that indirectly causes greenhouse gas emissions from electricity use. Electricity is one of the causes of global warming. Since coal is the main fuel for electricity generation in the world today. Coal is a fossil fuel that causes emissions of greenhouse gases into the atmosphere from combustion. For that reason, the company, therefore, has a campaign for executives and employees and behavior has been adjusted to reduce electricity consumption continuously. In addition, to help cultivate employees' awareness of environmental impact along with their duty performance, the Company has established guidelines for energy conservation such as

- Air conditioning is enabled only during operation
- The annual air conditioner maintenance schedule is checked to complete.
- Inspect and maintain machinery, electrical appliances, and equipment within the specified period.
- There is a car inspection measure for a specified period of time.
- travel together if going on the same route Always studying the route before leaving.
- Ask for cooperation for employees to waste separation types to help reduce the process and reduce the energy used in the waste disposal process.
- Campaign for employees to cloth bag, lunchbox, private tube every time. Reduce the amount of waste generated by disposable packaging

##### Packaging Choices

The Company aims to lessen the environmental impact and support the consumers to be a part of it by using the service of "Taobin" Robotic barista machine. When the consumers buy beverages from the Taobin machine, they can choose not to receive

the straw and lid to reduce the number of plastic usage

At present, company has chosen to use glass packaging and polypropylene or plastic tubes which is a type of PP plastic that can be passed on to sources for recycling or upcycling into new products.

### 3.4. Sustainability Management in Social Dimension

#### 3.4.1. Social Policy and Practices

The business operation for the organization's sustainable growth must consist of economic balance, environment and society. In the social dimension, the company has focused on growing its business with sharing and social responsibility by establishing policies and guidelines related to social responsibility, such as fair business operation, human rights respect, fair labor practices, responsibility to consumers and participation in community or social development by involving with various sectors of society in establishing a project that promotes increased incomes of the people in the community and organizing service activities that improve the well-being and quality of life of people in

#### 3.4.2. Social Performance

The Company has operated strictly according to the policy and practices towards stakeholders. In 2022 the Company has not received any complaints of human rights violations. The results of operations are as follows:

##### **Chuenjai vending machine project.**

The company group is committed to supporting the mission to make people with disabilities self-reliant and have a better quality of life. From the "Taobin Cheun Jai" project, 2% of sales will go through Kidkarndee Social Enterprise Co., Ltd., established by the Social Innovation Foundation which serves as a fund-raising axis supported by various agencies together with partners across the country in the selection of people with disabilities to join the project by having the company invest in installing all "Taobin machines" and the funding will be used to help the disabled to access job opportunities and careers in their own hometowns including improving housing for people with disabilities in order to have a better living.

**Projects to promote and support the development of the quality of life for the disabled.**

The company group aims to create opportunities and equal treatment for people with disabilities in order to be able to earn a living and support themselves and one's families. In 2022, the company has hired a total of 7 disabled people by employing under Section 33 of 6 people, encouraging disabled people to work in the workplace, employing under Section 35 (7) any other assistance of 1 person to support a career project for the disabled to work as their expertise in their own domicile. Those employees with disabilities are well paid and receive the same benefits and privileges as other employees of the company as well as being assigned suitable tasks for the disabled to be able to perform their duties with ease and safety.

#### **Safety, Occupational Health**

##### **Promotion of safety, occupational health**

The Company is committed to supporting and promoting management systems for occupational safety, health and working environments and consistently implements the policy. There are public relations communications to employees, visitors, contractors and related parties as well as dissemination to the public with the following policies:

- Conduct business in compliance with rules, regulations and laws on occupational safety, health and working environment.
- Provide support and encourage the implementation of safety activities occupational health and working environment to reduce accidents and occupational diseases.
- Procure and encourage all employees to wear appropriate standardized personal protective equipment and be safe in their work operations.

In 2022, there were no accidents arising from working.

#### **Employee care and human Capital Development**

People are the most valuable resource of the Company. The organization will grow sustainably with potential personnel and people that can adapt to keep up with changing situations. The Company has development training for employees along with good care on welfare to motivate employees of the Company to bring knowledge and competence together to drive the organization for sustainable growth.



- Caring for employees under the situation of the COVID-19 epidemic

Under the situation of the COVID-19 epidemic, the company has placed importance on protecting the safety and health of employees by establishing a team to closely monitor the situation and providing vaccines to cover employees and employees' families. The Company also arrange delivery of items for dealing with the epidemic situation to those involved thoroughly such as face masks, COVID-19 virus test kit (Antigen Test Kit, ATK) and Andrographis paniculate medicine. In this regard, the Company always encourages employees to be aware of prevention and be careful of themselves from being infected with COVID-19.

- Human Capital Development

The Company has a policy to develop the organization into a learning organization to support the growth of the business and keep up with the changes in the current economic and social conditions. Therefore, the company encourages

employees to improve their knowledge and ability to work by focusing on the creation of a process of knowledge transfer within the organization from knowledgeable personnel and expertise along with learning from outside to build a knowledge base and best practices by creating continuous learning from the individual, section and department level by developing learning from practice and transfer knowledge by work teaching and teamwork including learning from outside the organization. This includes personal development training and general seminars as well as specialist training in order to develop the capability of the employees for the better.

In 2022, employees in the Company's Group have an average of 12.2 hours of training to educate employees per person per year.

## Comparison hours of training to educate employees between 2018 – 2022

Average of training hours per person per year	2018	2019	2020	2021	2022
	24.68	12.74	22.99	11.13	12.2

## Customer Relationship Management

Business operations of the company considerably relate with customers and consumers; therefore, effective customer relationship management helps the company to increase customers' satisfaction level and improve the level of relationship between customers and the company. Furthermore, the company highlights customers' health and security management by maintaining the quality of products and services to be up to the standards, as well as researching new innovations to respond to the customers' and consumers' needs. This truly reflects the responsibility and concerns of the company towards customers and consumers. The company also highlights respecting the privacy of customers' and consumers' information and acting with every customer and consumer equally and fairly. In terms of receiving comments and complaints from customers and consumers, the company has set up the Call Center 1220 and the company's online media, such as Facebook, Official Line and Instagram for customers to contact us for 24 hours. When the company receives comments and complaints from customers and consumers, the examination and solution will be operated immediately to show sincerity in responding to the complaints and build trust among customers and consumers to rely on products and services of the company.



### Taobins are recyclable and up cycled.

Taobins use polypropylene (PP) plastic cups, known as durable plastic because PP type plastic is strong, tough, durable and resistant to impact and chemicals. It is also more heat resistant than PE plastic up to 300 degrees Fahrenheit and can receive a pressure of up to 100,000 pounds per square inch. In addition, the straws of Taobin are made of the same material, PP type, that can be passed on to the source for recycling or up cycling into new products as well.

### Save the world with Taobin

Have you ever heard that small things come together to become big things? Taobin would like our customers to look at the need for us to make the most out of one thing. The PP plastic, whether it's for a glass or a straw of Taobin, can be recycled and should not be discarded immediately. Customers can separate by emptying the glass, washing it, drying it, separating it from other waste, even separating plastic waste for recycling. Although this adds more steps to live life, but Taobin believes that the return will affect our world for the long run.



# 04 Management Discussion and Analysis: MD&A

## 4.1 Operating performance and information for the year ended 31 December 2022

Overall operating performance of the Group

Unit: Million Baht

	2022	2021	Increase (decrease)	Variance (%)
Total revenues	9,754	8,813	941	11%
Net profit	775	722	53	7%

The Group had total revenues for the year 2022 of Baht 9,754million, an increase of Baht 941 million or a 11% increase compared to the total revenues for the year 2021, which was Baht 8,813 million. This was mainly due to the increase of revenue from EMS business and smart service business.

The Group had net profit for the year 2022 of Baht 775 million, an increase of Baht 53 million or a 7% increase compared to the net profit for the year 2021, which was Baht 722 million. This was mainly due to the increase of gross profit.

### Analysis of revenues

	2022		2021		Increase (decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Revenues from main business</b>						
EMS business	4,154	43%	2,643	30%	1,511	57%
Enterprise solutions business	1,860	19%	2,976	34%	(1,116)	(38%)
Smart service business	3,417	35%	2,894	33%	523	18%
<b>Total revenues from main business</b>	<b>9,431</b>	<b>97%</b>	<b>8,513</b>	<b>97%</b>	<b>918</b>	<b>11%</b>
Other income	323	3%	300	3%	23	8%
<b>Total revenues</b>	<b>9,754</b>	<b>100%</b>	<b>8,813</b>	<b>100%</b>	<b>941</b>	<b>11%</b>

### EMS business

The Company had revenue from EMS business for the year 2022 of Baht 4,154 million, an increase of Baht 1,511 million or a 57% increase compared to the same period of the previous year which amounted to Baht 2,643 million. This was due to an increase in orders from one of the major customers of electronic circuit board manufacturing and assembly work and an increase in sales of some electronic components that are not currently available in the market.

### Enterprise solutions business

The Company had revenue from enterprise solutions business for the year 2022 of Baht 1,860 million, a decrease of Baht 1,116 million or a 38% decrease compared to the same period of the previous year which amounted to Baht 2,976 million. This was due to the decline of income from large projects such as setting up Smart Metro Grid system, the sale and installation of digital trunked radio system, which has been operating and gradually delivered the work since last year. In addition, in 2021, there was a revenue from the sale of bogie locomotive cranes, amounting to Baht 786 million.



### Smart service business

The Company had revenue from smart service business for the year 2022 of Baht 3,417 million, an increase of Baht 523 million or a 18% increase compared to the same period of the previous year which amounted to Baht 2,894 million. This was mainly due to an increase of revenue from TAOBIN vending machine business.

### Gross Profit and Gross Profit Margin

	2022		2021		Increase (decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
EMS business	712	17%	439	17%	273	62%
Enterprise solutions business	597	32%	716	24%	(119)	(17%)
Smart service business	981	29%	721	25%	260	36%
<b>Total Gross Profit</b>	<b>2,290</b>	<b>24%</b>	<b>1,876</b>	<b>22%</b>	<b>414</b>	<b>22%</b>

### EMS business

Gross profit for the year 2022 amounted to Baht 712 million, an increase of Baht 273 million or a 62% increase from the same period of the previous year, which had a gross profit of Baht 439 million. This was in line with the increase in revenue of EMS business.

Gross profit margin for the year 2022 was equal to 17%, which had no significant change compared to the same period of the previous year.

### Enterprise solutions business

Gross profit for the year 2022 amounted to Baht 597 million, a decrease of Baht 119 million or a 17% decrease from the same period of the previous year, which had a gross profit of Baht 716 million. This was in line with the increase in revenue of enterprise solutions business.

Gross profit margin for the year 2022 increased from 24% to 34% because the gross profit margin of project works realized in 2022 had a higher gross margin than project works realized in 2021.

### Smart service business

Gross profit for the year 2022 amounted to Baht 981 million, an increase of Baht 260 million or a 36% increase from the same period of the previous year, which had a gross profit of Baht 721 million. This was in line with the increase of revenue from TAOBIN vending machine business.

Gross profit margin for the year 2022 increased from 25% to 29%. This was in line with the increase in the proportion of the revenue of TAOBIN vending machine business, which has a higher gross profit margin.

### Expenses

	2022	2021	Increase (decrease)	
	Million Baht	Million Baht	Million Baht	%
Selling expenses	148	95	53	56%
Administrative expenses	1,123	956	167	17%
Finance cost	102	77	25	32%
Income tax expenses	231	192	39	20%

### Selling expenses

Selling expenses for the year 2022 amounted to Baht 148 million, an increase of Baht 53 million or 56% increase when compared to the same period of the previous year, which amounted to Baht 95 million. This was due to the increase in the commission for the production and assembly of the electronic circuit and promotion expense of TAOBIN vending machine business.

### Administrative expenses

Administrative expenses for the year 2022 amounted to Baht 1,123 million, an increase of Baht 167 million or 17% increase when compared to the same period of the previous year, which amounted to Baht 956 million. This was due to the change in the allocation of factory expenses to production cost to make the calculation of production costs more appropriate, resulting in lower production costs while increasing administrative expenses. In addition, it was caused by an increase in the doubtful debts of loans receivable, share-based payment expense and losses from the impairment of assets.

### Finance cost

Finance costs for the year 2022 amounted to Baht 102 million, an increase of Baht 25 million or 32% increase when compared to the same period of the previous year, which amounted to Baht 77 million. This was due to the increase in short-term loans and the increase in interest rates.

### Income tax expenses

Income tax expenses for the year 2022 amounted to Baht 231 million, an increase of Baht 39 million or a 20% increase when compared to the same period of the previous year, which amounted to Baht 192 million. It was in line with the increased profit.

### Financial position

#### Assets

Unit: Million Baht

	31 December 2022	31 December 2021	Increase (decrease)	% Variance
Current assets	6,759	5,808	951	16%
Non-current assets	4,627	3,010	1,617	54%
<b>Total assets</b>	<b>11,386</b>	<b>8,818</b>	<b>2,568</b>	<b>29%</b>

Total assets as at 31 December 2022 amounted to Baht 11,386 million, an increase of Baht 2,568 million or a 29% increase compared to the total assets as at 31 December 2021, which amounted to Baht 8,818 million. This was due to the increase in account receivables of EMS business and enterprise solutions business, inventories of EMS business and the acquisition of TAOBIN vending machines.

### The quality of assets

#### Trade account receivables

Unit: Million Baht

	Consolidated financial statements	
	31 December 2022	31 December 2021
Trade account receivables	2,067	1,512
Less: Allowance for expected credit losses	(94)	(94)
Trade account receivables - net	1,973	1,418

As at 31 December 2022 and 31 December 2021, the Group recorded an allowance for expected credit losses amounting to Baht 94 million and Baht 94 million, respectively. The Group recognises an allowance for expected credit losses on its trade receivables, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

## Inventories

Unit: Million Baht

	Consolidated financial statements	
	31 December 2022	31 December 2021
Inventories	2,583	1,927
Reduce cost to net realisable value	(489)	(480)
Inventories - net	2,094	1,447

As at 31 December 2022 and 31 December 2021, the Group had the reduction of cost to net realisable value amounting to Baht 489 million and Baht 480 million, respectively. The Group estimates net realisable value of inventories taking into the account fluctuations of price or cost directly related to events occurring after the end of the period, movements of inventories and the prevailing economic condition. Management believed that the reduce cost to net realisable value is adequate in the current circumstances.

## Source of fund

Unit: Million Baht

	31 December 2022	31 December 2021	Increase (decrease)	% Variance
Current liabilities	7,394	5,708	1,686	30%
Non-current liabilities	733	491	242	49%
<b>Total liabilities</b>	<b>8,127</b>	<b>6,199</b>	<b>1,928</b>	<b>31%</b>
<b>Total shareholders' equity</b>	<b>3,259</b>	<b>2,619</b>	<b>640</b>	<b>24%</b>

## Liabilities

Total liabilities as at 31 December 2022 amounted to Baht 8,127 million, an increase of Baht 1,928 million or a 31% increase compared to the total liabilities as at 31 December 2021, which amounted to Baht 6,199 million. This was mainly due to an increase in trade and other payables and short-term loans from banks.

## Shareholders' equity

Shareholders' equity as at 31 December 2022 amounted to Baht 3,259 million, an increase of Baht 640 million or a 24% increase compared to the shareholders' equity as at 31 December 2021, which amounted to Baht 2,619 million. This was due to an increase in capital surplus from share-based payment, net profit, and capital increase of non-controlling shareholders of the subsidiary and the reduction from dividend payment to the shareholders of the Company and non-controlling shareholders of the subsidiary.

## The appropriate of capital structure

Debt to equity ratio as at 31 December 2022 was 2.5: 1, which had no significant change compared to the debt to equity ratio as at 31 December 2021, which was 2.4: 1.

## Liquidity

### Cash flows

Unit: Million Baht

	2022	2021
Cash flows from (used in) operating activities	886	735
Cash flows from (used in) investing activities	(1,723)	(374)
Cash flows from (used in) financing activities	769	(249)

Cash flows from operating activities for the year 2022 amounted to Baht 886 million, an increase of Baht 151 million compared to the same period of the previous year, which amounted to Baht 735 million. This was due to the increased operating profit.

Cash flows used in investing activities for the year 2022 amounted to Baht 1,723 million, an increase of Baht 1,349 million compared to the same period of the previous year, which amounted to Baht 374 million. This was due to acquisition of TAOBIN vending machines, construction of factory building and buying land to support the business expansion of the Group in the future.

Cash flows used in financing activities for the year 2022 amounted to Baht 769 million. This was mainly due to short-term loans to use as working capital, long-term loans for the construction of the factory building and buying TAOBIN vending machines and increased capital from the non-controlling interests of the subsidiaries.

#### **Liquidity ratio**

Current ratio as at 31 December 2022 was 0.91:1 which was closed to the current ratio as at 31 December 2021, which was 1.02:1.



# 05 General Information & Other Material Information

## 5.1. General Information

<b>Company Name</b>	:	Forth Corporation Public Company Limited
<b>Security Name</b>	:	FORTH
<b>Company Registration</b>	:	0107548000471
<b>Number Paid-up Capital</b>	:	480,000,000 Baht (960,000,000 common shares of Baht 0.5 per value)
<b>Nature of Business</b>	:	Business of excellent research, development, production, distribution and service of information technology, all forms of communication and electronics including networks, channels of automated and complete financial services.
<b>Head Office's address</b>	:	1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok, 10400
<b>Branch address</b>	:	Branch No. 1 66/350 Moo 12 Raikhing, Sampran, Nakornprathom, 73210 Branch No. 2 77 Moo 11 Phuttamonton 5th Road, Raikhing, Sampran, Branch No. 3 Nakornprathom, 73210 Branch No. 4 66/18 Moo 12 Raikhing, Sampran, Nakornprathom, 73210 Branch No. 5 282, 284 Phaholyothin Road, Samsennai, Phayathai, Bangkok, 10400 Branch No. 6 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok, 10400 79/2 Moo 10 Raikhing, Sampran, Nakornprathom, 73210
<b>Website</b>	:	www.forth.co.th
<b>Telephone</b>	:	0-2265-6700, 0-2271-2888
<b>Facsimile</b>	:	0-2265-6799, 0-2279-4888
<b>Securities Registrar</b>	:	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel. 0-2009-9000 Fax. 0-2009-9991
<b>Auditors</b>	:	1. Ms. Waraporn Prapasirikul CPA (Thailand) No. 4579 and/or 2. Mr. Narong Puntawong CPA (Thailand) No. 3315 and/or 3. Ms. Sirirat Sricharoensup CPA (Thailand) No. 5419 EY Office Limited 193/136-137, 33rd Floor, Lake Rajada Office Complex Rajadapisek Road, Klongtoey, Bangkok, 10110 Tel: 0-2264-0777 Fax: 0-2264-0790

## 5.2. Other Material Information

- None -

## 5.3. Legal disputes

- None -

## 5.4. Secondary Market

- None -

## 5.5. Regular Financial Institution

- None -

Part

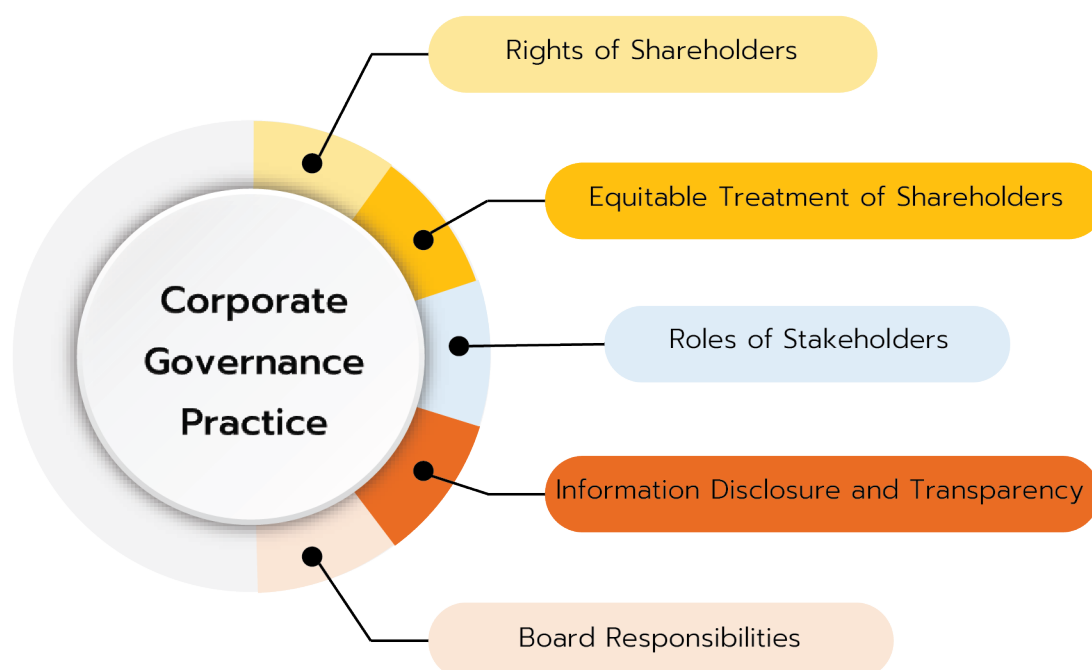
# 2

**Corporate Governance**

# 06 Corporate Governance

## 6.1 Overall of Policies and Corporate Governance Practice

Forth Corporation Public Company Limited is an organization that adheres to business operations under the principles of good corporate governance. There is quality management with integrity, transparency and accountability. Free from corruption Focus on creating maximum benefits for shareholders Taking into account the overall stakeholders The principles of good corporate governance of the Stock Exchange of Thailand (SET) and good corporate governance practices that are in line with international standards have been applied to develop into a framework for the Company's operations for the Board of Executives. and employees take it as a guideline for their work



### 6.1.1 Policies and guidelines and Corporate Governance Practice

Board of Directors as representatives of shareholders It is responsible for supervising the Company's operations in accordance with laws, announcements, regulations, rules and other laws. related as well as in accordance with the objectives and articles of association of the Company and to ensure that the management operates under the corporate governance policy social responsibility To promote confidence of shareholders, the public and all groups of stakeholders

#### Composition and appointment

1. The Board of Directors consists of at least 5 members of which not less than half (1 / 2) of the total number of directors must reside in Thailand and has qualifications for being a director according to the Public Limited Companies Act. and the Articles of Association including not having any prohibited qualifications according to the SEC's announcement regarding the requirements on the qualifications of executives of listed companies.
2. It consists of not less than 3 independent directors or should have no less than one-third of the entire board of directors.
3. Shareholders will consider and approve the appointment of the Board of Directors. The Board of Directors is to elect one director to be the

Chairman of the Board of Directors. In the event that the Board deems appropriate, one or more directors shall be elected as Vice Chairperson. The vice chairman has duties in accordance with the regulations in the business assigned by the chairman.

4. Appointment of directors of the Company shall be in accordance with the Articles of Association of the Company and relevant legal requirements. This must be transparent and clear. Consideration must include educational background and professional experience of that person with sufficient details for the benefit of the Board of Directors and shareholders' decision-making.
5. Be able to devote sufficient time to work as a company director.

When any person is appointed as a director of the company, the company will arrange for preparation for being a director and submit the director's handbook and other relevant information to all new directors in order to make them aware of their roles and duties as the Company's directors and arrange an orientation for the company's directors to get an overview of the company.

### Independent Directors

Independent directors are directors who are independent from major shareholders or a group of major holders and have the following qualifications :

1. Holding shares not more than 1% of the total number of shares entitled for voting of the Company, parent company, subsidiary company, associated company or juristic person that may have conflict, including shares held by related parties.
2. Not being a director assigned to be responsible for business administration in the normal course of business and authorized directors signing for the Company, staffs, employees, advisors who receive regular salary or the person with current control power of the Company, parent company, subsidiary company, associated company or juristic person that may have conflict unless such status has been terminated for not less than 2 years.
3. Not being an independent director of the Company in the group, i.e. parent company, subsidiary company, and company in which the parent company / subsidiary holds more than 50% of shares of a listed company.

4. Not having a relationship by blood or by being registered as a father, mother, spouse, sibling and child including spouses of children with executives, major shareholder, controlling person or a person who will be nominated as an executive or a person with control of the Company or subsidiary.
5. There is no business relationship with the Company, parent company, subsidiary company, associated company or person who may have conflict in a manner that may hinder independent judgment or the executive of a person who has a business relationship with the Company, the parent company, a subsidiary company, an associate company or a juristic person that may have conflict unless such status has been terminated for not less than 2 years.
6. There are no other characteristics that make it impossible to give independent opinions about the operations of the Company.

The qualifications of the above independent directors are equal to the rules relating to the independent committee of the SEC Office, except Article 3, which is higher than the criteria regarding the qualifications of the independent committee of the SEC.

### Director Nomination

The Board of Directors assign the Nomination and Remuneration Committee to determine the criteria and policies for the nomination of the Company's directors and sub-committee by considering the appropriateness of the factors, qualifications, abilities and various experiences of directors including considering recruiting, selecting and nominating the right person to hold the position of director of the company whose term has expired and / or in case of vacant positions and / or additional appointing which takes into account the necessary skills that are still lacking in the board according to the policy and criteria for nomination of directors as determined by the Company in order to propose the appointment from the Board of Directors and / or propose for approval from the shareholders' meeting, as the case may be. However, the nominating must provide sufficient details for the Board and shareholders' meeting to make decision.

The election of directors at the shareholders' meeting will use the voting method, whereby one shareholder has one vote per share which can be used to vote for the nominees individually or in multiple persons at the same time as the shareholders' meeting deems appropriate.



Such shareholders will not be able to divide their votes to any person more or less. The persons receiving the highest votes in descending order will be elected as directors equal to the number of directors that should be. If there are equal votes, let the person who is the chairman of the meeting casts an additional vote.

In the event that the position of the director is vacant due to other reasons other than the expiration of the term of the director, the Nomination and Remuneration Committee will consider nominating persons who are qualified and have no prohibited characteristics according to the law and propose to the Board of Directors to consider appointing to be directors in the next Board of Directors meeting unless the term of the director vacating office is less than 2 months, the person replacing the director will be in the position of the director for only the remaining term of the director whom he replaces and the appointment must receive votes of not less than three-fourths of the remaining directors.

In the recruitment of the Chief Executive Officer, the Nomination and Remuneration Committee will preliminarily consider in screening for the qualified persons with knowledgeable skills and experiences that are beneficial to the operations of the Company, who understand the business of the Company as well and are able to manage the work to achieve the objectives, targets set by the Board of Directors and propose to the Board of Directors for further approval.

### **Board Diversity**

Policy on Board Diversity Nomination of directors takes into account diversity in several aspects, including educational background, career experience, skills, and expertise without any regard for gender, age, nationality, origin, religious belief, or other differences.

### **Board Meetings**

The Company set prior annual meeting schedule and will inform the schedule to each director for preparation and arrangement for meeting participation. The Company has a policy for the minimum quorum; two-thirds of the directors are required to attend a meeting to be regarded as constituted quorum and details of directors' attendance for 2020 with total 7 meetings were disclosed in section of "Management structure". The Company delivers meeting invitation letter including the meeting agenda and enclosure documents to the directors at least 7 days in advance, except special sessions if necessary.

### **Board Assessments**

The Company has evaluated the performance of directors at least once a year on an annual basis to help the Board of Directors review the results, issues and obstacles during the past year. In the evaluation of the Board and sub-committees by individual and group assessment will be conducted. The Corporate Secretary will submit the evaluation form to all committee members. After that the evaluation form will be returned to the Corporate Secretary to summarize the results of the evaluation and summarize the performance of the Board of Directors for the year and report to the Board of Directors for further consideration.

### **Board Remuneration**

Remuneration for directors is determined by duties and responsibilities of directors including the performance of the directors as well as 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 of the top executives shall be in accordance with principles and policies specified by the Nomination and Remuneration Committee. Such remuneration is in the appropriated level and can be comparable with the rate of the same industry by taking into consideration duties, responsibilities and performance of the Company as well as performance of each top management. In addition, it must be able to motivate and retain the qualified and capable personnel. Annual remuneration and bonus of the top executives shall have the fixed consideration criteria by based on performance of the Company, overall economic conditions and individual performance.

### **Succession Plan**

The Board of Directors established the policy, basic of the selection of executives and succession plan for emergency case or retirement of the executives with transparent process. The board considers the person from education and competency including experience and business ethnic.

### Development of directors and managers

The Board of Directors requires the orientation of new directors in order for that they have knowledge and understanding of the business of the Company and related regulation operation and related law and regulation. Besides, the board has a policy to encourage all directors, executives and company secretaries to participate in training relating to management of the Company's operation. Such training shall be consistently help both internally and by outside institutions such as the Stock Exchange of Thailand, the Securities and Exchange Commission or Thai Institute of Directors (IOD).

### Corporate management and the management of subsidiaries and associates

The Board of Directors uses its authority to oversee and manage the Company's subsidiaries and associates according to the Company's objectives and Articles of Association, as well as in compliance to any resolutions passed at shareholders' meeting. The management and oversight is performed through the appointment of the Board of Directors, or by authorizing any other persons if necessary, to perform the business operations in compliance with the directions set by the Board of Directors to ensure good corporate governance and maximum benefits for the Company and its shareholders. The Company's Board of Directors will assign Chief Executive Officer to select and appoint eligible persons for the member of the Board of Directors of the subsidiaries and associates. Those persons are to be the member of the Company's Board of Directors. Selection criteria of the director position and management position included qualification, skill and working experiences. The nominated persons shall operate and/or oversee the activities of the subsidiaries and associates in accordance with the Company's policies and good corporate governance. Furthermore, they have to comply with regulations regarding connected transactions and the acquisition and disposals of assets, preparing correct and reliable financial information and financial statements, and maintaining sufficient and adequate internal control systems.

### Sub-committees

The Company has established 4 sub-committees: The Executive Committee, the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee. The qualification and duty of these sub-committees have been described in "the management structure" section.

## 6.1.2 Policies and practices related to shareholders and stakeholders

### Rights of Shareholders

The Company takes into account the various rights of the shareholders equally without any action that is a violation or deprivation of the existing rights of the shareholders including.

- The right to receive and check information of the Company truthfully, accurately, completely, and adequately, as well as in a timely manner and appropriate for decision-making.
- The right to express opinions, suggestions, or presentation of matters for the Board of Directors to consider for the best benefit of the Company's management.
- The right to acknowledge the rules and procedures for attending the meeting and receive sufficient information for consideration on each agenda before the meeting in an appropriate time and have the opportunity to ask questions at the meeting that the Board of Directors gives shareholders the opportunity to send questions in advance of the meeting date.
- The right to express an opinion, give feedback, and vote to jointly decide at the shareholders' meeting in the case of important changes in the Company's policies, such as defining or amending the regulations, Memorandum of Association, capital reduction, capital increase, approval of other special items.
- The right to elect and deprive directors of the Company individually and consider the remuneration of directors individually.
- The right to consider approving profit allocation and dividend payment.
- The right to appoint an auditor and determine the auditor's remuneration.

### Equitable Treatment of Shareholders

The Company has a policy to encourage equitable treatment for shareholders by emphasizing the equality of fundamental rights of shareholders, including minority and foreign shareholders. The Board of Directors will not take any action causing unfairness to shareholders. The Board of Directors has facilitated the minority shareholders in proposing the agenda of the shareholders' meeting in advance of the meeting, including the nomination of persons to be appointed as directors. The Board of Directors has clear and reasonable criteria for considering the appropriateness of defining the agenda proposed by the shareholders.

The Board of Directors has a policy not to add any agenda that is not notified in advance unnecessarily so that shareholders can study various information before deciding to attend the shareholders' meeting.

In case the shareholders are unable to attend the meeting in person, they have the right to appoint a proxy to a person who the shareholder deems appropriate to attend the meeting and vote on their behalf. The Company has nominated at least one independent director as an alternative to the proxy of the shareholders. In a shareholders' meeting, the Board of Directors gives the shareholders the right to vote on a one-share-one vote basis, and ballots are used in every agenda for transparency and accountability. The Company has measures to prevent the use of inside information to benefit oneself or others in an improper way that causes damage to the shareholders as a whole. If the shareholders' meeting is held via electronic media as e-Meeting, the shareholders can vote via the e-Meeting system and voting through the Company's system will also count one share per one vote as well.

The company has facilitated for shareholders unable to attend the meeting at the venue of the meeting by letting them attend the meeting through online channels.

### **Roles of Stakeholders**

The Company is aware and knows the importance of taking care of the Company's stakeholders to continuously build good relationships in business operations. The Company's stakeholders are shareholders, employees, customers, competitors, trading partners, creditors, and other entities, including related nearby communities. Stakeholders will be treated by the Company in accordance with their rights under applicable law or agreements with the Company. The Company will not take any action that violates the rights of those stakeholders. The company has established policies and guidelines for stakeholders in various groups and set compensation measures in the event that stakeholders are damaged from rights violations. Moreover, there is a process to foster cooperation between the Company and its stakeholders to create the wealth, financial stability, and sustainability of the Company.

### **Information Disclosure and Transparency**

The Company realizes the importance of disclosing information accurately, completely, and promptly, regardless of performance, financial position, financial statements, annual report (one report form), and other information as well as information that must be disclosed according to the period and important information that affects the Company's stock price according to the rules of the Stock Exchange of Thailand and the SEC for shareholders, stakeholders, and the general public can be equally informed of the Company's information.

The Company discloses information through various channels including the websites of the Stock Exchange of Thailand, SEC, and the Company ([www.forth.co.th](http://www.forth.co.th)). The Company has a policy to disclose information according to the requirements of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission in both the annual report and the invitation to the shareholders' meeting. The disclosed information is about the roles and duties of the Board of Directors and the Audit Committee, number of meetings, and the number of times the directors attended the Board of Directors' meeting in the past year as well as opinions from the performance of duties of the Audit Committee and the report of the Board of Directors' responsibility for the financial reports that is provided together with the auditor's report.

### **Policy on the Use of Inside Information and Securities Trading**

The Company realizes the importance of preventing the use of inside information. The Company has formulated a policy forbidding the Board of Directors, executives, officers, and employees from bringing information that may affect the Company's stock price, information that is disclosed and causes damage or disadvantage to the Company, information that is confidential and important, inside information that has not been released to the public, to disclose or seek benefits for oneself or others whether directly or indirectly or they receive a return or not, including not trading in the Company's securities using inside information.

The company has set a prohibition that personnel at all levels of the company as mentioned above including family members of all such personnel who have access to company insider information. facts that are material to changes in the price or value of securities and that have not yet been disclosed to the public are not permitted to use such information whether for securities trading or for oneself or another person unless required by law to do so or disclose inside information to other people directly or indirectly regardless of whether or not gaining any return including not trading the company's securities by using inside information.

### **Confidentiality Guidelines Data retention and the use of inside information**

Confidential information is defined as non-public information or information that, if disclosed to the public or falls into the hands of competitors, would cause serious impact to the Company, including all types of information provided to the company by partners and customers.

- Data security in the information system.

The Company has controlled and/or prevented access to the Company's information from third parties, and assign access rights to employees at different levels according to the authority and responsibility. Access to non-public information is non-restricted to only the Chief Executive Officer, Chief Financial Officer, Investor Relations Vice President, Company Secretary and Executive positions in various related fields as far as possible and disclosed to the Company's employees on a need-to-know basis only. Notification is known by employees that it is confidential information and has limited use.

- Organize a security system in the workplace to prevent access to and retrieval of confidential information and documents.

### **Penalties for using inside information**

Violators who use inside information for personal gain will be subject to disciplinary action starting from verbal warnings, a warning book cut wages, suspension without pay or may be dismissed depending on the intent of the act and the severity of the offense or may be punished according to the law by the relevant authorities, depending on the case.

### **Conflicts of interest policy**

The Board of Directors has set policy on conflict of interest by taking into account the maximum benefit of the Company. Directors, executives and employees are prohibited from engaging in any business that competes with the Company and they have to avoid acts that create conflicts of interest. The persons who are involved or have interest in the transaction must report to the Company about their relationship or interest in the transaction and do not participate in the decision making as well as do not have authority to approve such transaction. If the Company considers it to be an important transaction, the persons need to report to the Board for consideration and approval as appropriate. This is in line with the Company's good corporate governance policy that prohibits employees from doing anything that is contrary to the Company's business interests. The Company requires directors and related personnel to conduct a questionnaire on conflicts of interest for themselves and their related persons to confirm acknowledgment of the policy

including filling in the annual conflict of interest information and submitting the information to relevant functions such as accounting and finance, Procurement Division in order to use such information to further investigate and prevent conflicts of interest.

### **Anti-Corruption**

The Board of Directors recognize that conducting business with integrity, an ideology of anti-corruption of all forms is a basis that would lead to the success of the business and strengthen the organization for sustainable growth. Therefore, to express the unwavering of the business practices on unaffiliated with fraud and corruption, in the Board of Directors' Meeting No. 7/2019, there was a review of the anti-corruption policy by defining responsibilities, practices and requirements for more appropriate action. The Company has considered "Anti-corrupt policy" and made in manual as well as clarified the understanding and communication of their standard practice to directors, management, and employees of the Company and its subsidiaries to be clear guidelines. In addition, for anti-corruption to be conducted in accordance with the change of the business, regulatory and legal requirements, the Board of Directors will monitor and review the policy by delegated to the Company's Secretary to report the results of monitoring and appropriate evaluation of the policy at least annually.



## Report on changes in the holding of company shares by directors and senior shareholders

No	Name	Position	Number of allocated shares (shares)		Increase (decrease)
			31 December 2021	31 December 2022	
1	Mr. Sanit Vorapunya	Chairman of the Board of Directors Independent Director	-		-
	spouses and minor children		-	-	-
2	Mr. Somboon Muangkham	Director Independent Director Chairman of the Audit Committee Chairman of the Nomination and Remuneration Committee	-	-	-
	spouses and minor children		-	-	-
3	Mrs. Vilasinee Puddhikarant	Director Independent Director Audit Committee Nomination and Remuneration Committee	-	-	-
	spouses and minor children		-	-	-
4	Mrs. Porntip Lerttanongsak	Director Independent Director Audit Committee Chairman of the Risk Management Committee	-	-	-
	spouses and minor children		-	-	-
5	Mr. Pongchai Amatanon	Director Chairman of Executive Committee Risk Management Committee	366,744,400	364,744,400	(2,000,000)
	spouses and minor children		34,089,600	34,089,600	-
6	Ms. Pichamonchu Amatanon	Director Executive Committee Risk Management Committee Nomination and Remuneration Committee	8,200	8,200	-

No	Name	Position	Number of allocated shares (shares)		Increase (decrease)
			31 December 2021	31 December 2022	
	spouses and minor children		200,000	1,100,000	900,000
7	Mr. Kaelic Amatanon	Director	57,924,000	57,924,000	-
	spouses and minor children		-	-	-
8	Mrs. Matinee Wandeepirom	Director Nomination and Remuneration Committee	24,750,400	24,750,400	-
	spouses and minor children		-	-	-
9	Mr. Boonya Tuntipanichapun	Director Executive Committee Risk Management Committee	24,711,400	24,711,400	-
	spouses and minor children		13,350,000	13,350,000	-
10	Ms. Nopparat Siripongpreeda	Director	-	-	-
	spouses and minor children		-	-	-
11	Mr. Chatchavin Pipatchotitham	Asst. Chief Executive Officer	-	-	-
	spouses and minor children		-	-	-
12	Mr. Arin Jamnaree	Vice President of Accounting and Finance Corporate Secretary	-	-	-
	spouses and minor children		-	-	-

## 6.2 Code of Conducts

The Company's Code of Business Conduct has been prepared for the Board of Directors, executives and all employees at all levels in all departments. used as a guideline for work to operate in the same direction under the framework of ethics, morality, and honesty for order equality This is to build a foundation and maintain the image of the company. To be an organization with sustainable growth which covers various subjects that the company pays attention It consists of the following main topics :

1. Respect for laws and human rights principles
2. Supporting the political sector
3. Conflicts of Interest and Conflicts of Interest
4. Confidentiality of data storage and use of inside information
5. Treatment of customers and consumers
6. Treatment of competitors
7. Treatment of Shareholders
8. Purchasing, Procurement and Treatment of Suppliers
9. Responsibility to the community and society as a whole
10. Treatment of Directors management and staff
11. Internal Control and Internal Audit
12. Receiving, giving gifts property or any other benefit
13. SAFETY, HEALTH AND ENVIRONMENT
14. non-infringement of intellectual property or copyright and the use of information technology systems

You can study the business ethics at the company's website at

[https://investor.forth.co.th/policies\\_and\\_important\\_documents/https://investor.forth.co.th/policies\\_and\\_important\\_documents/](https://investor.forth.co.th/policies_and_important_documents/https://investor.forth.co.th/policies_and_important_documents/)

## 6.3 Milestones of policy, guidelines, and corporate governance of this past year

### 6.3.1 Significant Change and Development of Corporate Governance

In the year 2022 Board of Directors has developed a corporate governance system following the principles of good corporate governance as follows :

1. Board of Directors has reviewed the charter of the committee sub-committees Policies and practices related to good corporate governance The policy and charter have been revised in the areas that deserve to be amended, namely risk management policy. Board Charter
2. Board of Directors It has been approved that the Company allows shareholders to participate in the proposal of meeting agendas and to nominate directors for the 2022 Annual General Meeting of Shareholders.
3. Board of Directors Approved the annual performance appraisal form of the Board of Directors. Both faculty and individual forms, including an annual performance appraisal form.
4. Board of Directors A meeting was held among non-executive directors 1 time.

## 6.3.2 Unaccomplished Principles of Good Corporate Governance for Listed Companies 2017

In 2022, the Board of Directors considered and reviewed the implementation of the Principles of Good Corporate Governance for Listed Companies 2017 (CG Code) to the business context of the Company and recorded unaccomplished principles and reasons as part of the Board of Directors' resolution.

The Company's unaccomplished principles and reasons are as follows:

Item of no compliance	Reasons
The Company should provide training to employees to educate them about the anti-corruption policies and practices of the Company.	The Company is in the process of considering the training of its employees. However, the Company has set up a policy against corruption to prevent any involvement in corruption by defying duties and responsibilities, guidelines and appropriate operating procedures for clarity and understanding. It also communicates on the standards of practice to all directors, executives, staffs and employees of the Company as well as its subsidiaries.
The Board of Directors should provide and disclose business ethics and / or code of ethics for directors, executives and employees of the Company. The ethics and / or ethical guidelines should also be defined and disclosed including the follow up on such practices.	The Company has been operating and conducting its ethics and business ethics. However, the official code of conduct has not been formally printed.
The Board of Directors should clearly state the term of the independent director in the corporate governance policy for no more than 9 years without exception.	A Board of Directors, namely, Mr. Sanit Vorapanya, is an independent director for a period of more than 9 years. Office of the SEC. However, the Board of Directors has considered that Mr. Sanit Vorapanya has qualifications in accordance with the qualifications of the independent committee of the SEC.
The Board of Directors should evaluate the annual performance of the CEO of the organization.  The Board should disclose short-term and long-term CEO remuneration policies including the performance of the CEO.	Because the top executive (CEO) of the organization is in the board of directors and the Company arranges for an evaluation of the Board of Directors on a group basis
คณะกรรมการควรพิจารณาแต่งตั้ง CG Committee	บริษัทยังไม่ได้มีการแต่งตั้ง CG Committee



### 6.3.3 Other Practices Following the Principles of Good Corporate Governance in Support of the Assessment

The company has been assessed according to the Corporate Governance Report of Listed Companies Year 2022 (Corporate Governance Report: CGR) by the Thai Institute of Directors (IOD). The evaluation results showed that the company had a CGR score of very good or 4. Dow and the company received the AGM Checklist, with a score of 98 percent.

The company has always focused on operating its business in accordance with the principles of good corporate governance. In addition to the information presented on various topics, the Company also complies with the principles of good corporate governance in other areas as follows :

- Functions of Investor Relations

The Board of Directors strongly emphasizes the importance of disclosure of both financial and nonfinancial information in an accurate, complete, transparent, thorough, and timely manner. For benefit the shareholders and investors in their decision-making, the Company publicizes the information to both domestic and international investors and stakeholders through various channels, for example, disclosing the information and reports via the SET, the SEC, news release, and the Company's website under the heading of Investor Relations <https://www.investor.forth.co.th> The information disclosed on the website is always updated. It includes the Company's business operation, past operating results, financial reports, Management Discussion & Analysis, stock prices, shareholder information, shareholder structure, dividend payment, annual registration statement (Form 56-1), annual report (Form 56-2), notice of shareholders' meeting, minutes, news disclosed to the SET, press release as well as IR presentation prepared for investor meetings, both domestically and internationally.

To ensure that the functions have been performed by the Investor Relations in an accurate, complete, and transparent manner as well as in compliance with the laws, public regulations, and the Company's regulations and the SET's regulations, the Investor Relations will

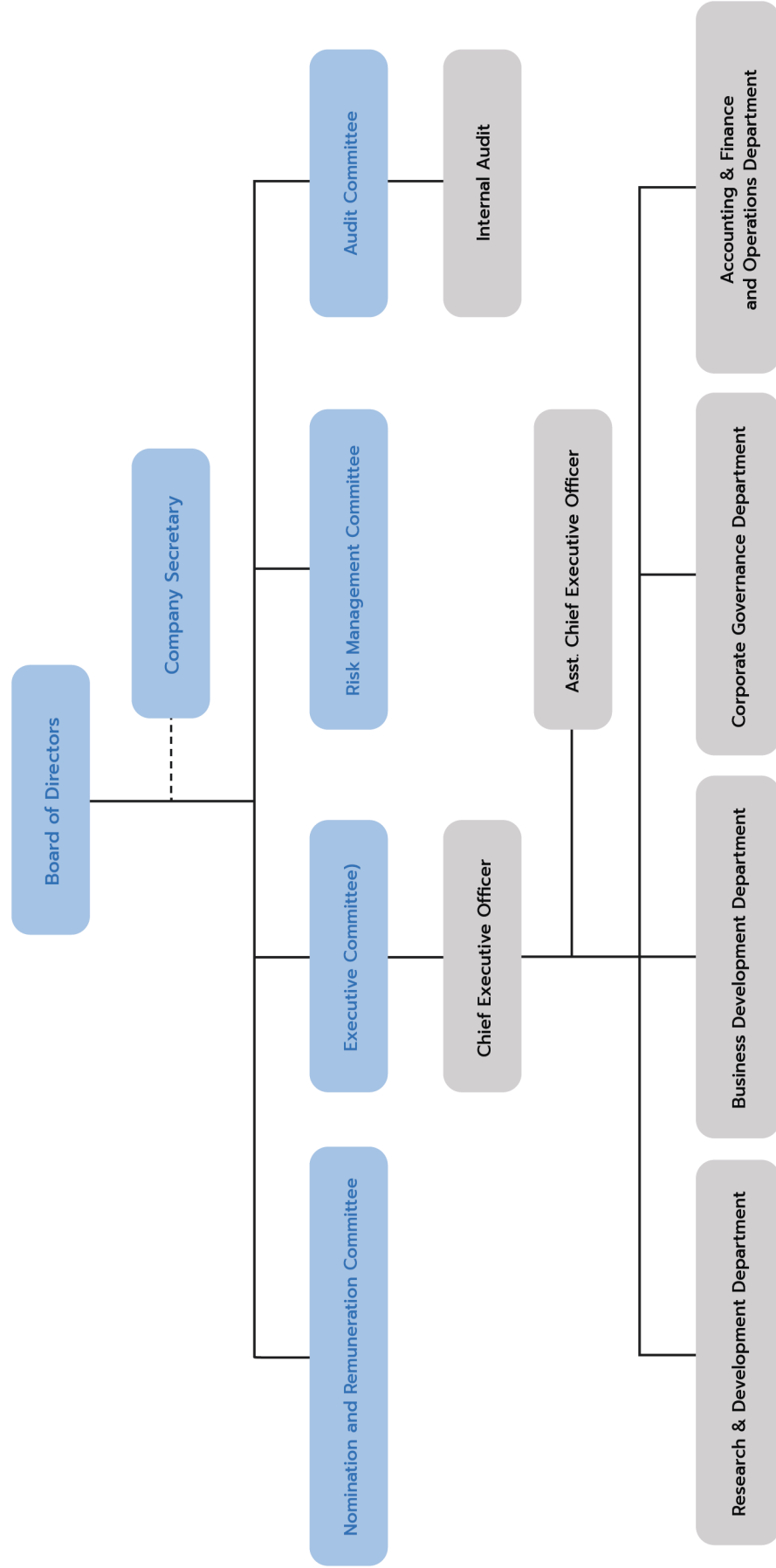
The Company's senior executives give priority to the enhancement of good relationships with the investors by allocating their time to participate in the activities organized by the Investor Relations to announce the Company's policies and business directions and hold investor meetings on a regular basis.

In 2022, the COVID-19 outbreak situation obstructed the Company's investor meetings both domestically and internationally; however, the Company changed communication channels with the investors by adopting electronic means. The documents and VDOs related to investor meetings are publicized on the Company's website under the heading of Investor Relations to allow investors' access to comprehensive retrospective database. the Company has continuously carried out a variety of forms of activities to enable the senior executives and Investor Relations to meet and provide the information to related persons in different opportunities as follows :

(One-on-One Meeting/ Company visit)	Number of Times	18
(Conference Call)	Number of Times	55
(Analyst & Fund Manager Meeting)	Number of Times	1
(Opportunity Day)	Number of Times	4

# 07 Corporate Governance Structure and Key Information About the Board, Sub-Committees, Management, Employees, and Others

## 7.1. Corporate Governance Structure as of 31 December 2022,

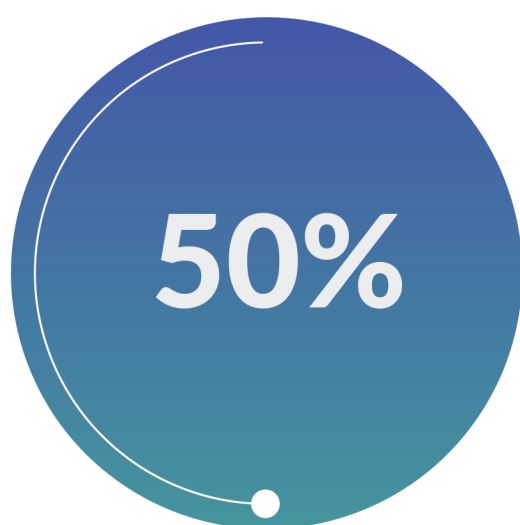


## 7.2. Directors' Information

### 7.2.1. The Composition of the Board of Directors

- Board of Directors consists of 10 directors, 5 of which are male directors or 50% of all directors. 5 female directors, representing 50 percent of the total number of directors which are 6 executive directors, representing 60 percent of the total number of directors. and 4 independent directors, representing 40 percent of the total number of directors.
- Board of Directors has appropriate qualifications and is consistent with the Company's business direction and strategy, as well as having a wide range of knowledge, abilities, skills and experiences, identified through Board Skill Matrix preparation.

All directors are fully qualified according to the law, such as the Public Limited Company Act and the Securities and Exchange Act and do not have any prohibited characteristics according to the laws and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand. of Thailand.



**Male**



**Female**

**60%**

Executive  
Committee



**40%**

Non-Executive  
Committee



**40%**

Independent  
Director



## 7.2.2 The Board Information and the Authorized Director

### Board of Directors

As of December 31, 2022, the company Board of Directors had 10 members, as follows :

Name	Position	Director Type
Mr. Sanit Vorapunya	Chairman of the Board of Directors/ Independent Director	Independent Director
Mr. Somboon Muangkham	Director/ Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee	Independent Director
Mrs. Vilasinee Puddhikarant	Director/ Independent Director/ Audit Committee/ Nomination and Remuneration Committee	Independent Director
Mrs. Porntip Lerttanongsak	Director/ Independent Director/ Audit Committee/ Chairman of the Risk Management Committee	Independent Director
Ms. Nopparat Siripongpreeda	Director	Director
Mr. Pongchai Amatanon	Director/ Risk Management Committee/ Chairman of Executive Committee	Director
Ms. Pichamon Amatanon	Director/ Risk Management Committee/ Nomination and Remuneration Committee/ Executive Committee	Director
Mr. Kaelic Amatanon	Director	Director
Mrs. Matinee Wandeepirom	Director/ Nomination and Remuneration Committee	Director
Mr. Boonya Tuntipanichapun	Director/ Risk Management Committee/ Executive Committee	Director

### Authorized Director for the Company

Authorized directors consist of Mr. Pongchai Amatanon, signed with Mr. Kaelic Amatanon or Mrs. Matinee Wandeepirom Ms. Pichamon Amatanon, totaling 2 persons and the Company's seal.



## 7.2.3 Roles Duties and Responsibilities of the Board of Directors

### Scope of duties and responsibilities of the Board of Directors

1. The Board of Directors must perform duties in accordance with the laws, the Company's objectives and regulations as well as the resolution of the shareholders' meeting with honesty and carefulness to protect the interests of the company.
2. Arrange for an annual general meeting of shareholders within 4 months from the end of the accounting period of the Company.
3. Arrange for a Board meeting at least once in 3 months' time.
4. Arrange for the Company balance sheet and profit and loss statement at the end of the accounting period which is audited by the auditor and presented to the shareholders' meeting for consideration and approval.
5. The director may appoint any other person to operate the business of the Company under the control of the director or may authorize such person to have the authority as the director deems appropriate and the Board of Directors may cancel, revoke, change or amend such authority as deemed appropriate. In this regard, the authorization must not have the characteristics of giving power to the attorney to consider and approve items that may have conflicts, have interests or have conflicts of interest with the company except for approval of items that are in accordance with the policies and criteria approved by the Board of Directors.
6. Determine policies and directions of the Company's operations including effectively and efficiently supervising the management to comply with the policy and strategies defined.
7. Determine the vision, mission, policies and business strategies of the Company and review them every year.
8. Consider to approve the Company's investment and annual budget.
9. Supervise the Company's operation to comply with the Securities Exchange Act including the regulations and requirement of the Securities and Exchange Commission i.e., connected transactions or acquisition or disposal of assets according to the regulations of the Stock Exchange of Thailand and the laws related to the business of the Company

10. Consider the management structure, appoint the Board of Executive Directors, Chief Executive Officer and other sub-committees, as well as evaluate the performance of Chief Executive Officer in order to follow up the progress of achievement of the Company's objectives.
11. Directors must inform the Company directly and indirectly of any conflicts of interest, such as holding shares of the company or affiliated companies in increasing or decreasing numbers, etc.

However, the director must not conduct business or become a partner or to be a director in other juristic persons that operate the same business and compete with the business of the Company, whether for their own benefit or for others unless he has informed the shareholders' meeting prior to the appointment.

### Scope of approval authority of the Board of Directors

The Board of Directors has the scope of authority to approve various matters as summarized below :

- Consider administrative work.
- Consider approving of the business plan and business strategy.
- Consider and approve the annual budget.
- Consider and approve vision and mission.
- Consider approving various matters in the management of decision making.
- Consider operational tasks.
- Consider and approve various policies.
- Consider and approve the application for permission from the government agency.
- Consider and approve various matters as specified by the Public Limited Companies Act

### Role of the Chairman

Role of the Chairman covers the duties mentioned above and other mentioned below :

- Acting as Chairman of the Board of Directors Meeting.
- Casting vote in the event that the Board of Directors' meeting has 2 equal votes.
- Calling the Board of Directors meeting.
- Acting as the chairman of the shareholders' meeting

## 7.3 Information Sub-Committees

### 7.3.1 Information Sub-Committees

คณะกรรมการบริษัทได้แต่งตั้งคณะกรรมการชุดย่อยเพื่อช่วยปฏิบัติงานในการกำกับดูแลกิจการของบริษัทอย่างใกล้ชิดในแต่ละด้านและเสนอความเห็นต่อคณะกรรมการบริษัท คณะกรรมการชุดย่อยประกอบด้วย 1. คณะกรรมการตรวจสอบ 2. คณะกรรมการบริหารความเสี่ยง 3. คณะกรรมการสรรหาและกำหนดค่าตอบแทน และ 4. คณะกรรมการบริหาร โดยมีอำนาจหน้าที่ และบทบาทความรับผิดชอบดังนี้

#### 1. Audit Committee

An office term of Audit Committee is same as the Board of Directors. The Company has determined the qualifications of the Audit Committee as follows :

1. Being an independent director.
2. Not being a director assigned by the Board of Directors to make decisions on the operation of the Company, the parent company, subsidiary company, associated company, same-level subsidiary or juristic person that may have conflict of interest.
3. Not being a director of the parent company, subsidiary company and subsidiary in the same order.
4. There are at least 1 member of the Audit Committee with sufficient knowledge and experience to review the reliability of financial statements.

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

#### Scope of duties and responsibilities of Audit Committee

1. Review to ensure that the Company has accurate and adequate financial reports.
2. Review the internal control system and internal audit system that are appropriate and effective and consider the independence of the internal audit unit as well as approve the appointment, transfer, terminate the employment of the head of the internal audit department or any other agency responsible for internal audit.
3. Review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand and laws related to the business of the company.
4. Consider, select, propose to appoint and terminate employment of the person who is independent to act as the auditor of the company including offering compensation for such persons to the Board of Directors in order to provide an opinion to the shareholders' meeting. However, there shall be meetings held with the auditor without the management attending the meeting at least 1 time per year.
5. Consider connected transactions or transactions that may have conflicts of interest to be in accordance with the laws and regulations of the Stock Exchange of Thailand and the Office of the SEC in order to ensure that such transactions are reasonable and highly beneficial to the Company.
6. Prepare the report of the Audit Committee to be disclosed in the Company's annual report which must be signed by the Chairman of the Audit Committee and contain at least the following information:
  - (1) pinions on the accuracy, completeness and reliability of the Company's financial report,
  - (2) Opinions on the adequacy of the Company's internal control system,
  - (3) Opinions on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
  - (4) Opinions on the appropriateness of an auditor,
  - (5) Opinions on the transactions that may lead to conflicts of interests,
  - (6) The number of the audit committee meetings, and the attendance of such meetings by each committee member,
  - (7) Opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter,
  - (8) Other transactions which, according to the audit committee's opinion, should be known by the shareholders and general investors,

subject to the scope of duties and responsibilities assigned by the Company's board of directors.

7. Perform any other tasks as assigned by the Board of Directors with the approval of the Audit Committee.
8. In performing the duties of the Audit Committee, if there are any doubts found or suspected of having the following transactions or actions which may have a significant impact on the financial position and operating results of the Company, the Audit Committee shall report to the Board of Directors of the Company for rectification within the time that the Audit Committee deems appropriate.
  - (1) Transaction that may cause conflicts of interest.
  - (2) Corruption or irregularities or significant defects in the internal control system
  - (3) Violation of the law on securities and exchange, regulations of the Stock Exchange of Thailand or laws related to the business of the Company.

## 2. Risk Management Committee

An office term of Risk Management Committee is same as the Board of Directors. The Company has determined the qualifications of the Risk Management Committee as follows :

1. Being the executive director of the company and / or experts and was appointed by the Board of Directors.
2. The committee consists of at least 3 directors with at least 1 independent director.

The Risk Management Committee shall call the meeting when seen as appropriate (at least 1 time a year) and has power to call for an additional meeting as necessary.

### Scope duties and responsibilities of the Risk Management Committee

1. Define the risk management policy and set the overall risk management framework of the Company which covers various types of risks especially the strategic risk, operational risk, financial and accounting risk, compliance risk and information system risk, etc.
2. Lay down such strategies in line with the risk management policies by assessing, monitoring and controlling the Company's overall risks to stay at an acceptable level.
3. Support and encourage cooperation in the Company's overall risk management; and review the sufficiency of the risk management policy and system, as well as the effectiveness of the system and compliance with the policy.

4. Provide an assessment and analysis of damage that may occur systematically and continuously in both normal and crisis situations to ensure that risk surveys cover all processes of business operations.
5. Support and develop risk management continuously throughout the organization and comply with international standards.
6. Regularly report to the Board of Directors on what needs to be improved to comply with the policies and strategies.
7. The Risk Management Committee can hire external consultants to seek advice at the Company's expense which must be approved by the Board of Directors.
8. Perform other duties as assigned by the Board of Directors.

## 3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is equal to the term of office of a director of the Company. The Company has determined the qualifications of the Nomination and Remuneration Committee as follows :

1. Being the executive director of the Company and / or experts and was appointed by the Board of Directors.
2. The Committee must consist of at least 3 directors, with independent directors not less than half of the whole committee.
3. The Chairman of the Nomination and Remuneration Committee should be an independent director to be able to perform duties and express opinions independently.

The Nomination and Remuneration Committee shall provide or call the meeting as it deems appropriate at least 2 time a year and has power to call for additional meetings as necessary as well as perform duties as assigned by the Board of Directors.

### Scope of duties and responsibilities of the Nomination and Remuneration Committee

#### Nominating

1. Determine criteria and policies for recruiting the Company's directors and sub-committees by considering the appropriateness of the number, structure and composition of the board, determine the qualifications of directors to propose to the Board of Directors and / or propose to the shareholders' meeting, as the case may be.
2. Recruit, select and propose persons to be directors of the Company, Sub-committee, top management and company secretary present to the Board of Directors Recruit, select and propose persons to be directors of the Company, Sub-committee, top management and company secretary present to the Board of Directors meeting and / or

shareholders to consider and approve in case of vacancy due to completion of the term and in other cases.

3. Perform any other duties related to the determination of remuneration as assigned by the Board of Directors.

#### **Remuneration**

1. Propose a remuneration policy, guidelines for payment remuneration and other benefits for directors in the Board of Directors, Sub-committee and senior management to be appropriate with the responsibilities in accordance with the Company's performance and market conditions are always.
2. Determine the necessary and appropriate remuneration, both monetary and non-monetary of the Board of Directors on an individually each year by considering the appropriateness of obligations, responsibility, performance and comparison with companies in similar businesses and benefits expected from the directors to propose to the Board of Directors for approval and present to the shareholders' meeting for approval.
3. Report on policies, principles / reasons for determining remuneration for directors and executives according to the regulations of the Stock Exchange of Thailand by disclosing in the annual information disclosure form (56-1) and the annual report.
4. Perform any other duties related to the determination of remuneration as assigned by the Board of Directors

#### **4. Executive Committee**

##### **Scope of duties and responsibilities of Executive Committee**

1. To operate and manage the business of the Company in accordance with the objectives, regulations, policies, rules, requirements, orders and resolutions of the board of directors and/or the shareholders' meeting resolution in all respects.
2. To determine policies, business plans, directions, strategies, budgets and the main management structure and various administrative powers of the Company in business operations including monitoring and following up the Company's performance to achieve the goal.

3. Consider the annual budget allocation as proposed by the management before proposing to the Board of Directors for approval including considering and approving changes to the annual budget. If there is no Board of Directors meeting, it has to be presented to the Board of Directors for acknowledgment at the next meeting.
4. Consider and approve the withdrawal of money to conduct business as usual including approving important investment expenditures as specified in the annual budget as assigned by the Board of Directors or as the Board of Directors had previously approved in principle.
5. To be a management advisor on matters relating to financial policy, marketing, personnel management and other operations.
6. Define organizational structure, organizational management power including the appointment, hiring, transfer, determination of wages, compensation, bonus, executive level employees and termination of employing.
7. To be able to authorize one or more directors or any other person to perform any act which is under the control of the Executive Committee or may authorize such person with power as the Executive Committee deems appropriate and within the time that the Executive Committee deems appropriate which the Board of Directors may cancel, withdraw, change or amend the authorized person or that power as appropriate.
8. Take other actions as assigned by the Board of Directors from time to time.

However, the authority of the Executive Committee does not include approval of any items that may have conflicts or any items that the Executive Committee or a connected person to the Executive Committee have an interest or benefits or any other manner that has a conflict with the company or subsidiary according to the rules of the Stock Exchange of Thailand. The approval of such transactions must be submitted to the Board of Directors and / or the shareholders' meeting for consideration and approval as specified by the Company's regulations or related laws.



## 7.3.2 Sub-Committees

### 1. Audit Committee

As at December 31, 2022 the Audit Committee consists of 3 members as follows:

However, the third audit committee has sufficient knowledge and experience to be able to review the reliability of the financial statements.

Name	Position
Mr. Somboon Muangklam	Chairman of the Audit Committee
Mrs. Vilasinee Puddhikarant	Audit Committee
Mrs. Pornthip Lerttanongsak	Audit Committee

### 2. Risk Management Committee

As at 31 December 2022, the Risk Management Committee consists of 5 members as follows:

Name	Position
Mrs. Porntip Lerttanongsak	Chairman of the Risk Management Committee
Mr. Pongchai Amatanon	Risk Management Committee
Mr. Boonya Tuntipanichapun	Risk Management Committee
Mr. Chatchavin Pipatchotitham	Risk Management Committee
Ms. Pichamon Amatanon	Risk Management Committee

### 3. Nomination and Remuneration Committee

As at 31 December 2022, the Nomination and Remuneration Committee consists of 4 members as follows:

Name	Position
Mr. Somboon Muangklam	Chairman of the Nomination and Remuneration Committee
Mrs. Vilasinee Puddhikarant	Nomination and Remuneration Committee
Mrs. Matinee Wandeepirom	Nomination and Remuneration Committee
Ms. Pichamon Amatanon	Risk Management Committee

### 4. Executive Committee

As at 31 December 2022, Executive Committee consists of 3 members as follows:

Name	Position
Mr. Pongchai Amatanon	Chairman of Executive Committee
Mr. Boonya Tuntipanichapun	Executive Committee
Ms. Pichamon Amatanon	Executive Committee

## 7.4 Details of Executives

### 7.4.1 Names of Executives

As of 31 December 2022, the Executive consists of 5 members as follows:

Name	Position
Mr. Pongchai Amatanon	Chief Executive Officer
Mr. Chatchavin Pipatchotitham	Assistant Chief Executive Officer
Mr. Arin Jamnaree	Vice President of Accounting and Finance
Ms. Pichamon Amatanon	Assistant VP of Central Office Administration
Mr. Pattanan Amatanon	Assistant Vice President of Project Development
Mr. Chawin Lerttripinyo	Assistant Vice President of Research and Development

### 7.4.2 Policy of Remuneration to Executives

#### Guidelines for determining the remuneration of directors and senior management

Directors' remuneration is determined by the duties and scope of responsibility of the directors, including the performance of the directors and the performance of the company in accordance with the rate of compensation 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 proposing to the shareholders' meeting to approve the remuneration of top executives in accordance with the principles and policies set by the Nomination and Remuneration Committee. The compensation is at an appropriate level comparable to that of the same industry, taking into account the obligations and responsibility which is linked to the performance of the company and the performance of each senior management to be able to motivate and retain quality personnel. The annual compensation and bonuses for senior management have certain criteria to be considered, by considering the Company's operating results, Overall economic conditions and individual performance.

### 7.4.3 Executive Remuneration

ค่าตอบแทน	ปี 2565	ปี 2564	ปี 2563
<ul style="list-style-type: none"> <li><b>Monetary Remuneration</b></li> </ul>			
Executive Remuneration (Million Baht)	67.93	87.77	67.01
Number of Executive Director (Persons)	13	15	12
Fringe Benefit	Salary, Social Security Fund, Provident Fund, Bonus, gas and car maintenance	Salary, Social Security Fund, Provident Fund, Bonus, gas and car maintenance	Salary, Social Security Fund, Provident Fund, Bonus, gas and car maintenance
<ul style="list-style-type: none"> <li><b>Other Remuneration</b></li> </ul>			
Other welfares	Executive transportation and mobile phone	Executive transportation and mobile phone	Executive transportation and mobile phone

## 7.5 Personnel

### Number of Employees and Remunerations as of December 31, 2022

There are 1,762 female staff and 1,720 male employees.

Workplace	2022		2021		2020	
	Number (person)	Amount (Million Baht)	Number (person)	Amount (Million Baht)	Number (person)	Amount (Million Baht)
Forth Corporation Plc.	364	167.94	365	237.22	345	153.77
Electronics Source Co., Ltd.	229	118.04	204	120.16	230	95.90
Genius Traffic System Co., Ltd.	310	110.15	301	104.59	341	104.27
Forth EMS Co.,Ltd.	1,827	29.30	939	204.89	758	174.69
Forth Smart Service Plc.	397	127.22	383	110.34	283	103.96
Forth Lighting Co., Ltd.	16	9.55	15	8.33	13	7.45
Forth Vending Co., Ltd.	319	70.32	89	21.89	54	16.52
Forth Smart Capital Co., Ltd.	-	-	-	-	-	-
Forth Smart Digital Co., Ltd.	15	7.15	16	6.52	16	5.33
Forth Devons JV	5	1.52	-	-	-	-
Mindmap Commtech Inc.	-	-	-	-	-	-
Forth Genius JV	-	-	-	-	-	-
Forth Group JV Co., Ltd.	-	-	-	-	-	-
Forth MRO Services Co., Ltd.	-	-	-	-	-	-
Forth Smart Distribution Co., Ltd.	-	-	-	-	-	-
Aero Forth Co., Ltd.	-	-	-	-	-	-
TAIM Co., Ltd.	-	-	-	-	-	-
<b>Total</b>	<b>3,482</b>	<b>641.18</b>	<b>2,312</b>	<b>813.94</b>	<b>2,040</b>	<b>661.89</b>

The Company and subsidiaries as well as the employees of the Company and its subsidiaries jointly set up a provident fund in accordance with the Provident Fund Act BE 2530, the Company and its subsidiaries and employees pay monthly contributions to the fund at the rate of 3 percent of salary.

## 7.6 Other Significant Information

### 7.6.1 Name List of people assigned.

#### Corporate Secretary

The Board of Directors Meeting No. 3/2017 on August 11, 2017, resolved to approve the appointment of Mr. Arin Jamnaree, Director of Accounting and Finance Department, to hold the position of company secretary According to the Nomination Committee meeting and set the compensation offered

#### Person in Charge of Accounting and Finance Supervision

Mr. Arin Jamnaree, Accounting and Finance Director  
This person is a person who has complete qualifications and is suitable for holding the position of the highest responsible person in the accounting and finance department. It is also a person who is an accountant who has qualifications and conditions of being an accountant in accordance with the rules prescribed in the announcement of the Department of Business Development.

#### Head of Internal Audit

The Audit Committee Meeting No. 2/2019, on May 13, 2019, appointed Mr. Kanop Sae-Tang as the Internal Audit Manager. Acting as Head of Internal Audit Department It is responsible for evaluating the efficiency and sufficiency of the internal control system and auditing the booking operations throughout the organization, including affiliated companies.

### 7.6.2 Head of Investor Relations

The company assigned Mr. Chatchawin Pipatchottham to Assistant Chief Executive Officer acting as Head of Investor Relations,  
1053/1 Phaholyothin Road, Phaya thai sub district, Phaya thai district, Bangkok 10400  
Tel : 0-2265-6700 ext. 1224  
Fax : 0-2265-6799  
Website : <http://www.investor.forth.co.th>  
Email : [investor@forth.co.th](mailto:investor@forth.co.th)

### 7.6.3 Auditor's Remuneration

#### Audit fee

The Company and its subsidiaries paid audit fees for 2022 to EY Office Limited amounting to Baht 8,855,000

#### Non-audit fee

- None -



# 08 Report on Corporate Governance

## 8.1. Performance Summary of the Board of Directors for the Previous Year

### 8.1.1. Performance Summary of the Board of Directors for the Previous Year

#### 1. Independent Directors

##### Nomination of Independent Directors

In the nomination of independent directors, the Company considers the persons with qualifications of independent director as follows:

##### Independent Director's Qualification

Definition of Independent Directors Independent directors are directors who are independent from major shareholders or a group of major holders and have the following qualifications:

1. Holding shares not more than 1% of the total number of shares entitled for voting of the Company, parent company, subsidiary company, associated company or juristic person that may have conflict, including shares held by related parties.
2. Not being a director assigned to be responsible for business administration in the normal course of business and authorized directors signing for the Company, staffs, employees, advisors who receive regular salary or the person with current control power of the Company, parent company, subsidiary company, associated company or juristic person that may have conflict unless such status has been terminated for not less than 2 years.
3. Not being an independent director of the Company in the group, i.e. parent company, subsidiary company, and company in which the parent company / subsidiary holds more than 50% of shares of a listed company.
4. Not having a relationship by blood or by being registered as a father, mother, spouse, sibling and child including spouses of children with executives, major shareholder, controlling person or a person who will be nominated as an executive or a person with control of the Company or subsidiary.
5. There is no business relationship with the Company, parent company, subsidiary company, associated company or person who may have conflict in a manner that may hinder independent judgment or the executive of a person who has a business relationship with the Company, the parent company, a subsidiary company, an associate company or a juristic person that may have conflict unless such status has been terminated for not less than 2 years.

6. There are no other characteristics that make it impossible to give independent opinions about the operations of the Company.

The qualifications of the above independent directors are equal to the rules relating to the independent committee of the SEC Office, except Article 3, which is higher than the criteria regarding the qualifications of the independent committee of the SEC.

##### Nomination of the Board of Directors and the Executives

The Board of Directors assign the Nomination and Remuneration Committee to determine the criteria and policies for the nomination of the Company's directors and sub-committee by considering the appropriateness of the factors, qualifications, abilities and various experiences of directors including considering recruiting, selecting and nominating the right person to hold the position of director of the company whose term has expired and / or in case of vacant positions and / or additional appointing which takes into account the necessary skills that are still lacking in the board according to the policy and criteria for nomination of directors as determined by the Company in or der to propose the appointment from the Board of Directors and / or propose for approval from the shareholders' meeting, as the case may be. However, the nominating must provide sufficient details for the Board and shareholders' meeting to make decision.

The election of directors at the shareholders' meeting will use the voting method, whereby one shareholder has one vote per share which can be used to vote for the nominees individually or in multiple persons at the same time as the shareholders' meeting deems appropriate. Such shareholders will not be able to divide their votes to any person more or less. The persons receiving the highest votes in descending order will be elected as directors equal to the number of directors that should be. If there are equal votes, let the person who is the chairman of the meeting casts an additional vote.

In the event that the position of the director is vacant due to other reasons other than the expiration of the term of the director, the Nomination and Remuneration Committee will consider nominating persons who are qualified and have no prohibited characteristics according to the law and propose to the Board of

Directors to consider appointing to be directors in the next Board of Directors meeting unless the term of the director vacating office is less than 2 months, the person replacing the director will be in the position of the director for only the remaining term of the director whom he replaces and the appointment must receive votes of not less than three-fourths of the remaining directors.

In the recruitment of the Chief Executive Officer, the Nomination and Remuneration Committee will preliminarily consider in screening for the qualified persons with knowledgeable skills and experiences that are beneficial to the operations of the Company, who understand the business of the Company as well and are able to manage the work to achieve the objectives, targets set by the Board of Directors and propose to the Board of Directors for further approval.

### Term of positions

In every year, one-third or approximately one-third of the Board of Directors must retire from the position. Directors who retire from the position may be reappointed for another term and the chosen one will be in position from the nominated date until the next Annual General Meeting of Shareholders.

### The orientation of new directors

For the new directors and executives, the Company would supply basic company information such as the organization structure, management structure, nature of business, main products, rules and regulation and laws relevant to the Company including the Securities and Exchange Commission and the Stock Exchange of Thailand's regulation and law. This will facilitate the new director's understanding of the Company's operation and the duties and responsibilities associated with being a director or independent director.

### Succession Plan

The Board of Directors established the policy, basic of the selection of executives and succession plan for emergency case or retirement of the executives with transparent process. The board considers the person from education and competency including experience and business ethnic.

### Development of directors

The Board of Directors requires the orientation of new directors in order for that they have knowledge and understanding of the business of the Company and related regulation operation and related law and regulation. Besides, the board has a policy to encourage all directors, executives and company secretaries to participate in training relating to management of the Company's operation. Such training shall be consistently help both internally and by outside institutions such as the Stock Exchange of Thailand, the Securities and Exchange Commission or Thai Institute of Directors (IOD).

In 2021, the company has organized training and sent directors to attend various training courses. that is beneficial to the performance of the directors' duties as follows:

Directors/Executives	Training course/ seminar
Mr. Somboon Muangklam	<ul style="list-style-type: none"> <li>Seminar on "In the midst of the global economic crisis caused by epidemics, war, energy and inflation, how should the business sector adjust strategies to catch up with the world, to survive the crisis and to grow sustainably"</li> </ul>
Ms. Pornthip Lerttanongsak	<ul style="list-style-type: none"> <li>Seminar on "In the midst of the global economic crisis caused by epidemics, war, energy and inflation, how should the business sector adjust strategies to catch up with the world, to survive the crisis and to grow sustainably"</li> <li>Workshop on the topic "Audit of digital asset accounts"</li> <li>Training on the use of standard manuals of "Quality Management (TSQM) for Thai Auditing"</li> <li>Training on "Ethics of Professional Accountants" only for certified public accountants, Class 4</li> </ul>
Mr. Arin Jamnaree	<ul style="list-style-type: none"> <li>Webinar "Thai Financial Reporting Standards"</li> <li>Webinar "accounting standards related to Property, Plan and Equipment"</li> <li>Webinar "ความเข้าใจเกี่ยวกับสินทรัพย์ดิจิทัลกับบทบาทของ CFO"</li> <li>Webinar "PDPA for Accounting and Finance"</li> </ul>

## Directors Evaluation

### Directors Evaluation

The Board of Directors approved self-evaluation forms for the year 2020, including a collective performance evaluation form, an individual performance evaluation form, and a sub-committee performance evaluation form as follows:

#### Collective Performance Evaluation

The collective performance evaluation consists of 6 topics:

- (1) Structure and Qualifications
- (2) Roles, Duties and Responsibilities
- (3) Meetings
- (4) Performing Duties
- (5) Relationship with the Executives
- (6) Self-Development and Executive Development. The evaluation process is as follows:

1. The Nomination and Remuneration Committee considers evaluation forms and submit them to the Board of Directors for approval.
2. The Board of Directors conducts a collective self-evaluation at least once a year.
3. The Corporate Secretary collects evaluation forms from directors, prepares a summary of results to be proposed to the Board of Directors for consideration, and undergoes improvements according to the Board of Directors' opinions.

The results of Board of Directors' individual performance evaluation for the year 2022 got an excellent score

### Individual Performance Evaluation

The individual performance evaluation consists of 3 topics:

- (1) Ethics and Performance of Duties of Director
- (2) Strategy Formulation, governance, and Monitoring of Operations
- (3) Responsibility to Stakeholders. The evaluation process is as follows:

1. The Nomination and remuneration Committee considers evaluation forms and submit them to the Board of Directors for approval.
2. The Board of Directors conducts a self-evaluation at least once a year.
3. The Corporate Secretary collects evaluation forms from directors and prepares a summary of results to be proposed to the Board of Directors for consideration.

The results of Board of Directors' individual performance evaluation for the year 2022 มีคะแนนเฉลี่ยหรือเฉลี่ย: 99.38

#### Sub-committees Performance Evaluation

The process for sub-committee's performance evaluation are as follows:

1. Each sub-committee prepares an evaluation form, of which the content covers meetings, and performance of duties. The Nomination and Remuneration Committee then submits it to the Board of Directors for approval.
2. Each sub-committee conducts a self-evaluation at least once a year.
3. The Secretary of each sub-committee collects evaluation forms from directors and prepares a summary.

of results to be proposed to each sub-committee and then to the Board of Directors for consideration. The results of performance evaluation for the year 2022 of the Audit Committee, the Risk Policy Committee, and the Nomination and Remuneration Committee got an excellent score

### Nomination and Appointment of the President and Chief Executive Officer

The company measures performance outcomes as KPIs (Key Performance Indicators), including its own performance, common practices of peer listed companies of comparable sizes, roles and responsibilities, executive development, and overall economic circumstances.

## 8.1.2. Meeting Attendance and Remuneration of Individual Directors

### Summary of Board meeting attendance

In 2022, the Board of Directors held 7 meetings (3 special agendas) and 1 annual general meeting of shareholders.

Name	Position	Meeting		
		AGM	EGM	BOD
Mr. Sanit Vorapunya	Chairman of BOD	1/1	-	7/7
Mr. Somboon Muangklam	Director			
	Chairman of the Audit Committee	1/1	-	7/7
	Chairman of Nomination and Remuneration Committee			
Mrs. Vilasinee Puddhikarant	Director			
	Audit Committee	1/1	-	7/7
	Nomination and Remuneration Committee			
Mrs. Porntip Lerttanongsak	Director			
	Audit Committee	1/1	-	7/7
	Chairman of Risk Management Committee			
Ms. Nopparat Siripongpreeda	Director	1/1	-	7/7
Mr. Pongchai Amatanon	Director	1/1	-	7/7
	Risk Management Committee			
Mr. Kaelic Amatanon	Director	1/1	-	7/7
Mrs. Matinee Wandeepirom	Director	1/1	-	7/7
	Nomination and Remuneration Committee			
Mr. Boonya Tuntipanichapun	Director	1/1	-	7/7
	Risk Management Committee			
Mr. Chatchavin Pipatchotitham	Risk Management Committee	1/1	-	7/7
Ms. Phichamonchu Amatanon	Director			
	Risk Management Committee	1/1	-	6/7
	Nomination and Remuneration Committee			

## Remuneration of Board of Directors and Sub-committees

### Criteria for Payment of Remuneration to Directors

The Board of Directors assign the Nomination and Remuneration Committee to determine the criteria and policies for the nomination of the Company's directors and sub-committee by considering the appropriateness of the factors, qualifications, abilities and various experiences of directors including considering recruiting, selecting and nominating the right person to hold the position of director of the company whose term has expired and / or in case of vacant positions and / or additional appointing which takes into account the necessary skills that are still lacking in the board according to the policy and criteria for nomination of directors as determined by the Company in order to propose the appointment from the Board of Directors and / or propose for approval from the shareholders' meeting, as the case may be.

### Board Remuneration

Directors' remuneration approved by the 2022 Annual General Meeting of Shareholders held on April 22, 2022 are as follows:

#### Meeting Allowance

	Per each meeting attendance/ Baht
<b>Board of Directors</b>	
Chairman of the Board of Directors	33,000
Member of the Board of Directors	22,000
<b>Audit Committee</b>	
Chairman of the Audit Committee	49,500
Member of the Audit Committee	46,200
<b>Risk Management Committee</b>	
Chairman of Risk Management Committee	15,000
Member of the Risk Management Committee	10,000
<b>Nomination and Remuneration Committee</b>	
Chairman of Nomination and Remuneration	15,000
Member of the Nomination and Remuneration Committee	10,000

**Remark:** Bonus and other benefits such as health insurance, membership fees, golf courses, sports clubs, or membership clubs - None -  
**Annual gratuity** The amount of gratuity is not more than Baht 1.5 million and shall be allocated to only the non-executive directors.

#### Monetary remuneration

Name	Board of Directors		Audit Committee		Nomination and Remuneration Committee		Risk Management Committee	
	2022	2021	2022	2021	2022	2021	2022	2021
Mr. Sanit Vorapunya	606,000	606,000	-	-	-	-	-	-
Mr. Pongchai Amatanon	154,000	154,000	-	-	-	-	20,000	20,000
Ms. Rangsee Lerttripinyo	-	110,000	-	-	-	10,000	-	10,000
Mr. Boonya Tuntipanchapun	154,000	154,000	-	-	-	-	20,000	20,000
Ms. Matinee Wandeepirom	154,000	154,000	-	-	20,000	20,000	-	-
Mr. Kaelic Amatanon	154,000	154,000	-	-	-	-	-	-
Mr. Chatchavin Pipatchotitham	-	-	-	-	-	-	20,000	20,000
Ms. Nopharat Siripongpreeda	154,000	154,000	-	-	-	-	-	-
Mr. Somboon Muangklam	154,000	154,000	573,000	573,000	30,000	30,000	-	-
Ms. Vilasinee Phuddikarant	154,000	154,000	559,800	559,800	20,000	20,000	-	-
Ms. Pornthip Lerttanongsak	154,000	154,000	559,800	559,800	-	-	30,000	30,000
Ms. Pichamon Amatanon	132,000	22,000	-	-	10,000	10,000	20,000	10,000
<b>Total</b>	<b>1,970,000</b>	<b>1,970,000</b>	<b>1,692,600</b>	<b>1,692,600</b>	<b>80,000</b>	<b>90,000</b>	<b>110,000</b>	<b>110,000</b>

**Other remuneration** - None -



## Oversight of subsidiaries, associates, and joint-venture companies

The Board of Directors uses its authority to oversee and manage the Company's subsidiaries and associates according to the Company's objectives and Articles of Association, as well as in compliance to any resolutions passed at shareholders' meeting. The management and oversight is performed through the appointment of the Board of Directors, or by authorizing any other persons if necessary, to perform the business operations in compliance with the directions set by the Board of Directors to ensure good corporate governance and maximum benefits for the Company and its shareholders. The Company's Board of Directors will assign Chief Executive Officer to select and appoint eligible persons for the member of the Board of Directors of the subsidiaries and associates. Those persons are to be the member of the Company's Board of Directors. Selection criteria of the director position and management position included qualification, skill and working experiences. The nominated persons shall operate and/or oversee the activities of the subsidiaries and associates in accordance with the Company's policies and good corporate governance. Furthermore, they have to comply with regulations regarding connected transactions and the acquisition and disposals of assets, preparing correct and reliable financial information and financial statements, and maintaining sufficient and adequate internal control systems.

### 8.1.3. Monitoring Compliance of Corporate Governance Policy and Guidelines

#### (1) Prevention of Conflict of Interest

The Board of Directors has set policy on conflict of interest by taking into account the maximum benefit of the Company. Directors, executives and employees are prohibited from engaging in any business that competes with the Company and they have to avoid acts that create conflicts of interest. The persons who are involved or have interest in the transaction must report to the Company about their relationship or interest in the transaction and do not participate in the decision making as well as do not have authority to approve such transaction. If the Company considers it to be an important transaction, the persons need to report to the Board for consideration and approval as appropriate.

#### (2) Prevention of Misuse of Insider Information

Forth Corporation Public Company Limited realizes the importance of preventing the use of inside information. The Company has formulated a policy forbidding the Board of Directors, executives, officers, and employees from bringing information that may affect the Company's stock price, information that is disclosed and causes damage or disadvantage to the Company, information that is confidential and important, inside information that has not been released to the public, to disclose or seek benefits for oneself or others whether directly or indirectly or they receive a return or not, including not trading in the Company's securities using inside information. The Company has set guidelines to prevent the use of inside information as follows:

##### Preventive Guidelines for the Use of Inside Information

1. Educate directors and executives about their duty in reporting securities holdings and acquisition or disposition of securities of one's own, spouses and minor children to the Office of the Securities and Exchange Commission and penalties under the Securities and Exchange Act, B.E. 2535 (1992) (including any amendments).
2. Assign directors and executives of the Company, including spouses and minor children to prepare and disclose a report on securities holding and changes in the Company's securities holdings to the Office of the Securities and Exchange Commission and send a copy of this report to the Company on the same day the report is submitted to the Office of the Securities and Exchange Commission, which must be within 3 business days.
3. It is forbidden for directors, executives, officers, and employees knowing inside information about the Company's performance and material inside information that affects or may affect the change in the securities price to trade the Company's securities during a period of one month before the disclosure of the financial statements or inside information to the public and the notification of that information to the Stock Exchange of Thailand.
4. Directors, executives, officers, and employees are prohibited from using the Company's inside information that has an impact or may affect the change in the price of the Company's securities, which have not been disclosed to the public but they have known, for buying, selling, offering for purchase, offering for sale, or inducing other persons to buy, sell, offer for purchase or sale of shares or other securities (if any), either directly or indirectly that may cause damage to the Company, whether for one's benefit or others, or revealing

such facts for others to do so, regardless of whether they receive benefits or not.

5. Directors, executives, officers, and employees are prohibited from disclosing internal information, confidentiality of the Company and the confidential information of the Company's partners that they have known from their duties to third parties although such disclosure will not cause damage to the Company and its partners. Such information must be used for the benefit of the Company's business operations only. It is prohibited for the directors, executives, officers, and employees of the Company to use secrets or inside information of the Company to seek benefits for themselves or others whether directly or indirectly and whether they receive any benefits or not.

#### **Policy Violations and Penalties**

Any act that violates the said rules will be considered a disciplinary offense in accordance with the work regulations. The violating persons are considered the appropriate punishment from verbal admonition, written warnings, probation, and termination of employment and employment status.

#### **(3) Anti-Corruption**

The Board of Directors recognize that conducting business with integrity, an ideology of anti-corruption of all forms is a basis that would lead to the success of the business and strengthen the organization for sustainable growth. Therefore, to express the unwavering of the business practices on unaffiliated with fraud and corruption, in the Board of Directors' Meeting No. 7/2019, there was a review of the anti-corruption policy by defining responsibilities, practices and requirements for more appropriate action. The Company has considered "Anti-corrupt policy" and made in manual as well as clarified the understanding and communication of their standard practice to directors, management, and employees of the Company and its subsidiaries to be clear guidelines. In addition, for anti-corruption to be conducted in accordance with the change of the business, regulatory and legal requirements, the Board of Directors will monitor and review the policy by delegated to the Company's Secretary to report the results of monitoring and appropriate evaluation of the policy at least annually.

#### **Anti-corruption Definition**

Corruption means any types of bribery; an offering, giving, promising or agreeing to give, demanding or accepting money, assets, or other inappropriate benefits from the government officers, government sectors, private sectors, or responsible person either in direct or indirect action so that such person could proceed or disregard his/her function in order to acquire, retain the business, recommend specific

company to the entity, or achieve any improper benefits in business transaction. Exception shall be applied in case of laws, regulation, statement, standard, custom, or business traditions enable to do so.

#### **Anti-corruption Policy**

Directors, management and employees are prohibited from operating or accepting every type of corruption both in direct or indirect manner that constitutes corruption for the benefit of themselves, their family members, friends, or acquaintances whether they are in the position of being the recipient, the provider or the proponent. The policy covers every business and related department in every country.

#### **Duties and Responsibilities**

1. The Board of Directors has duties and responsibilities to establish a policy, conduct monitoring, and provide a system for supporting efficient anti-corruption efforts, in order to ensure that all persons are aware of, and recognize the importance of anti-corruption, as well as to foster anti-corruption values as part of the organization's culture.
2. The Audit Committee has duties and responsibilities to review the financial and accounting reporting system, internal control system, internal audit system, and risk management system, to ensure that they comply with international standards and are expedient, appropriate, up-to-date and effective. The Audit Committee also has duties to serve as an agent for whistleblowing on corrupted action or behavior related to the personnel of the organization, conduct an investigation and fact finding over the reported case, and present the case to the Board of Directors to jointly determine the appropriate disciplinary action and remediation plan.
3. Chief Executive Officer and management have duties and responsibilities to manage the implementation of anti-corruption action plan and impartially communicate the plan to the employees and their related persons, review the appropriateness of the systems, procedures and measures of each function to match the changing business environment, rules, regulations and relevant legislation. They also have the duty to assist the Audit Committee in investigating the facts as notified or the work assigned by the Audit Committee regarding the investigation of fraudulent and corruption. They can delegate tasks to the management team who can help identify the facts.
4. Internal Audit Department has duties and responsibilities to audit and review the business

operations whether they are accurate and complied with policy, guidelines, approval authority, implement requirements, laws, and stipulations of the regulatory authorities, in order to assure that the internal controls are sufficient and suitable for probable risk in corruption. The internal auditor is to report the findings to the Audit Committee.

#### Practice Guidelines

1. Directors, management, and employees at all levels must comply with the anti-corruption policy by avoiding involving with any course of corruption in direct or indirect manner.
2. Employees shall not be negligent in any corruption conditions involved directly with the Company. All employees must notify such act to supervisors or responsible person, including collaborate with investigation.
3. Employees must be aware of the importance of dissemination, knowledge sharing and communications with other relevant person(s) who involve or affect the Company so that those parties shall conform effectively to the anti-corruption policy.
4. The Company is committed to cultivating and maintaining a corporate culture that adheres to corruption is unacceptable.

#### Implementation Requirements

1. The anti-corruption policy covers to Human Resource Management process starting from recruitment, promotion, training, evaluation, and benefits provided to staff. Every supervisor in every level must communicate to staff in order to apply in business transaction under their responsibility and to monitor such implementation to be the most effective.
2. For the purpose of clarity in dealing with matters that are exposed to a high risk of corruption, the Company's directors, management members, and employees at all levels must be careful when dealing with the following:
  - 2.1 Gifts, Hospitality and Expenses  
Giving or accepting gifts, entertainment and hospitality activities must not be intended to induce or refrain from any wrongdoing, nor should it be illegal or customary.
  - 2.2 Charitable contributions or sponsorships  
Giving or receiving charitable contributions or sponsorships must be transparent and lawful. The Company must ensure that no charitable contribution or sponsorship is used as a subterfuge for bribery.
  - 2.3 Business relationships and government procurement  
All dealings and interactions with the public sector must be transparent and honest and must comply with applicable laws.

#### Risk assessment and internal control

1. To require management to assess the risk of possible corruption related to the Company's business operations by specifying high-risk events and assess the risk level, both the chance of occurrence and the impact on an annual basis.
2. Arrange for an inspection process to assess the internal control system that covers important work systems such as procurement, contract preparation, budgeting and control including the accounting system, paying/accepting payments etc. and providing suggestions on appropriate solutions.
3. Establish an annual internal audit plan and present the audit report to the audit committee and the Board of Directors respectively.
4. Monitoring the evaluation of the implementation of the risk management plan as well as reviewing risks in order to be able to make preventive plans in a timely and consistent manner.

#### (4) Whistleblowing

##### Measures and channels for reporting clues or complaints

The Company has established measures to report clues or complaints about illegal acts, business ethics or behavior that may indicate corruption of directors, executives, or employees in the organization by organizing various communication channels to provide opportunities for employees and stakeholders to report clues or complainants to the Company properly and conveniently. The whistleblowers must specify the details of the clues or complaint, including name, address, telephone number that can be contacted and send to channels provided as specified by the Company.

1. Channels for receiving clues or complaints of corruption.

The company has set up channels for giving clues or receiving complaints as follows:

- mail  
Chairman of the Board or the Chairman of the Audit Committee  
Forth Corporation Public Company Limited  
1053/1 Phahonyothin Road, Phaya Thai Sub-district, Phaya Thai District, Bangkok 10400
- Email:  
Chairman of the Audit Committee: [somboon.m@outlook.com](mailto:somboon.m@outlook.com)  
Company Secretary: [arin@forth.co.th](mailto:arin@forth.co.th)
- Company website: [www.forth.co.th](http://www.forth.co.th)
- Suggestion box / comment / complaint within the Company

## 2. Protection and confidentiality measures

In order to protect the rights of the complainants and informants in good faith, the company will conceal names, address or any information that can identify the complainant or informant and keep the information of the complainants and informants confidential which is limited to those responsible for conducting investigations of complaints that can access information.

In case of a complaint regarding the corruption of the executive Senior management, the Audit Committee will protect the whistleblower or the complainant, the witness and the person who provided the information in the investigation for not to suffer from any danger, unrighteousness arising from whistle blowing, complaint, witnessing or giving information.

Those responsible for performing duties relating to complaints, are responsible for keeping data, complaints and evidence of the complainants and informants confidential and not to share the information with other people who do not have any responsibilities unless the disclosure of duties required by law.

## Policy violations and penalties

1. If the accused acts of actual corruption, the offender (directors, executives, employees) will be disciplined and the offender may be subject to legal punishment.
2. Direct supervisors who ignore wrongdoing or acknowledge that there was a wrongdoing but do not proceed with the management in accordance with this policy, supervisors are subject to disciplinary action and may be subject to legal punishment.
3. Not being aware of this policy and / or related laws will not be used as an excuse for non-compliance.
4. Directors, executives, or related parties disclose the information of the whistleblower and the documents and evidence or not kept secret, that person will be disciplined unless it is disclosed as required by law.
5. Violation or non-compliance with this policy whether by the directors, any executive or staff member, they will be investigated in accordance with the disciplinary process of the company. In addition, there may be civil and

## 8.2. Performance Report of the Audit Committee for the Previous Year

### 8.2.1. Number of Meeting Attendance

#### Audit Committee

In 2022, the committee met 4 times, below are the meeting attendance records

Name	Position	Meeting attendance/total (times)
Mr. Somboon Muangklam	Chairman of the Audit Committee	4/4
Ms. Vilasinee Phuddikarant	Audit Committee	4/4
Ms. Pornthip Lerttanongsak	Audit Committee	4/4



## 8.2.2. Explanation of Performance Results of the Audit Committee

The Audit Committee of the Company has the main duties and responsibilities to support the Board of Directors in overseeing the matters relating to the preparation and disclosure of information in financial reports, the effectiveness of risk management and internal control systems, the compliance with relevant laws, rules, and regulations, the monitoring of qualifications, expertise and adequacy of working team and independence of both internal auditor and external auditor of the Company as well as the evaluation on the effectiveness of performance of internal auditor. The Audit Committee reports its performance as well as recommendations to the Board of Directors whenever the Audit Committee has any queries or opinions that there should be improvements regards to internal control, financial reports or other matters found. The Audit Committee will promptly report any queries or recommendations in various matters to the Board of Directors. The Audit Committee's performance of duties can be concluded as follows:

1. To review to ensure that the company has accurate and sufficient financial reports.
2. To review to ensure that the Company has an internal control system and an internal audit system that are suitable and effective and consider the independence of the internal audit unit as well as to approve the consideration, appointment, transfer, and dismissal of the head of the internal audit unit or any other unit responsible for internal audits.
3. To review the Company's compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand and laws related to the company's business.
4. To consider, select, and propose to appoint an independent person to act as the Company's auditor and propose the remuneration of such persons including attending the meeting with the auditor without the management attending the meeting at least once a year.
5. To consider connected transactions or items that may have conflicts of interest to comply with the law and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and for the best benefit of the Company.
6. To prepare a report of the Audit Committee to be disclosed in the Company's annual report. Such such report must be signed by the

Chairman of the Audit Committee and must contain at least the following information:

- (a) an opinion on the correctness, completeness, and credibility of the Company's financial reports;
  - (b) an opinion on the adequacy of the Company's internal control system
  - (c) opinions on compliance with the law on securities and exchange
  - (d) an opinion on the suitability of the auditor
  - (e) Opinions on transactions that may have conflicts of interest
  - (f) Number of Audit Committee Meetings and the attendance of each audit committee
  - (g) opinions or overall observations received by the Audit Committee in the performance of its duties in accordance with the Charter;
  - (h) Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors
7. In performing the duties of the Audit Committee, if it is found or suspected of any of the following items or actions which may have a significant impact on the financial position and operating results of the Company, the Audit Committee shall report to the Board of Directors for improvement within the time the Audit Committee deems appropriate.
    - (a) Conflict of Interest transaction
    - (b) Corruption or irregularity or significant defect in the internal control system
    - (c) Violation of the law on securities and exchange Regulations of the Stock Exchange of Thailand or laws related to the company's businessIf the company's board of directors or executives not taking action to make improvements within the specified time, any member of the Audit Committee may report such transactions or actions to the Securities and Exchange Commission. or the Stock Exchange of Thailand.
  8. To support and monitor the Company to have an efficient risk management system.
  9. To update and amend the Audit Committee Charter and presented to the Board of Directors for approval
- In addition, the Audit Committee has completely and independently performed its duties in accordance with the charter assigned by the Board of Directors to ensure that the Company has efficient and adequate corporate governance, including the operations of the company is for the best interests of the shareholders as a whole, fairly and equally without conflicts of interest and has a sufficient and appropriate internal control system.

- Details appear in Attachment 6 Report of the Audit Committee -



## 8.3. Summary of performance of other Directors

### 8.3.1. Number of meeting attendances of sub-committees

#### Risk Management Committee

In 2022, the risk management committee met 2 times, below are the meeting attendance records.

Name	Position	Meeting attendance/total (times)
Mrs. Porntip Lerttanongsak	Chairman of Risk Management Committee	2/2
Mr. Pongchai Amatanon	Risk Management Committee	2/2
Ms. Phichamonchu Amatanon	Risk Management Committee	2/2
Mr. Boonya Tuntipanichapun	Risk Management Committee	2/2
Mr. Chatchavin Pipatchotitham	Risk Management Committee	2/2

#### Nomination and Remuneration Committee

In 2022, the Nomination and Remuneration committee met 2 times, below are the meeting attendance records.

Name	Position	Meeting attendance/total (times)
Mr. Somboon Muangklam	Chairman of Nomination and Remuneration Committee	2/2
Ms. Phichamonchu Amatanon	Nomination and Remuneration Committee	1/2
Mrs. Matinee Wandeepirom	Nomination and Remuneration Committee	2/2
Mrs. Vilasinee Puddhikarant	Nomination and Remuneration Committee	2/2

### 8.3.2. Report on performance of sub-committees

#### Risk Management Committee Report

Dear Shareholders,

The Risk Management Committee is appointed by the Board of Directors which consists of 5 directors, with Mrs. Pornthip Lerttanongsak as the Chairman of the Committee, Mr. Phongchai Amatanon, Mr. Boonya Tuntipanichapun, Ms. Phichamonchu Amatanon and Mr. Chatchavin Pipatchotitham as members of the Risk Management Committee.

The Risk Management Committee has performed the duties assigned by the Board of Directors which is defined in the charter of Risk Management Committee with a duty to acknowledge, determine risk management policy and strategies aligning with risk management policies as well as pushing and following up on cooperation in risk management and regularly report to the Board of Directors about the risks of the organization.

In 2022, the Risk Management Committee held 2 meetings of which results were reported to the Board of Directors in summary with important results as follows:

1. Consider and acknowledge the risks of the organization in 2022, the causes of the risks and the impact and approve the guidelines to cope with risk.
2. Consider and approve the risk management plan for the year 2023.

However, from the performance of risk management in the past year, the Risk Management Committee is confident that the Company's risk management process functions efficiently. Moreover, the executives of the Company is aware of the importance of risk management and is ready to support the risk management continuously.



(Mrs. Pornthip Lerttanongsak)

Chairman of the Risk Management Committee

## Report of the Nomination and Remuneration Committee

Dear Shareholders,

Nomination and Remuneration Committee Appointed by the board of directors Which consists of 4 members in which Mr. Somboon Muangklam, Independent Director is the Chairman of the Nomination and Compensation Committee, Mrs. Vilasinee Puddhikant, Mrs. Matinee Wandeepirom and Ms. Phichamonchu Amatanon are the Nomination and Compensation Committee.

The Nomination and Remuneration Committee performs duties as assigned by the Board of Directors which is defined in the Charter of the Nomination and Remuneration Committee which is responsible for recruiting qualified persons to serve as directors of the Company, directors in various sub-committees and determine the necessary and appropriate remuneration of the directors. In addition, the Nomination and Remuneration Committee has considered the development plan for directors to improve knowledge and capabilities related to the business of the Company in order to create confidence for the shareholders that all persons who are directors are qualified, knowledgeable and have the potential to work to create maximum benefits for the Company and shareholders.

In 2022, the Nomination and Remuneration Committee arranged 2 meetings in which all directors attended all the 2 meetings and reported the meeting results to the Board of Directors for acknowledgment. The important results from the meeting are as follows:

1. Determine the directors' remuneration and gratuities for the year 2022 by considering the Company's operating results, business size and responsibilities of the Board of Directors comparing with other companies in the same industry as the Company and present to the Annual General Meeting of Shareholders for the year 2022 for approval.
2. Consider recruiting and nominating persons to be elected as directors to replace those who are due to retire by rotation by taking into account the appropriate qualifications in various fields in line with the company's business strategies to be proposed to the Board of Directors for consideration and further submission to the Annual General Meeting of Shareholders for approval.
3. Review the charter of the Nomination and Remuneration Committee and presented to the Board of Directors' meeting for further approval.



**(Mr. Somboon Muangklam)**

Chairman of Nomination and Remuneration Committee

# 09 Internal Control and Connected Transactions

## 9.1. Internal Control

### 9.1.1. Adequacy and appropriateness of the Company's internal control system

The Board of Directors realizes the importance of having a good, effective, adequate, and appropriate internal control system for operations according to the principles of good corporate governance. The Audit Committee is therefore assigned to review the internal control system. The Internal Audit Department, which is independent and directly reported to the Audit Committee, shall continually review the performance of various departments based on professional internal audit standards. It shall then report the results to the Audit Committee to review and assess the effectiveness and adequacy for achievement of objectives and goals in business operations. This shall lead to the minimization of potential losses, including accurate and reliable financial reports with complete and adequate disclosure of information during a reasonable period. The Company's internal control system has been developed and continuously improved in accordance with the guidelines of the Securities and Exchange Commission, as reference from the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which consists of five components as follows:



## 1. Control Environment

The Company is committed to good and effective internal control of culture and environment in all departments. The executives and employees shall perform their roles, duties, and responsibilities in the internal control with honesty, fairness, and transparency. They shall also treat all stakeholders with honesty according to the principles in the Code of Conduct and Corporate Governance Policy. The Company communicates its expectations based on those principles to the executives and employees to practice, follow, and evaluate through the internal audit process and performance appraisal based on their common goals as well as short-term and long-term business plans, including the Corporate Key Performance Indicator (Corporate KPI) to assess the performance of various departments. The Company's Board of Directors have appointed sub-committees to assist and support the duties of the Board of Directors, namely Executive Committee, Nomination and Remuneration Committee, Audit Committee, and Risk Management Committee, with clearly defined charters of the roles and duties for all committees. The Company clearly defines the roles and duties of the Board of Directors separately from the Management in term of operations. There is an organizational structure to support business operations for the achievement of objectives by considering the suitability of various factors and the division of duties in order to ensure the audit according to the principles of good internal control, chain of command in the organizational structure, as well as duties and responsibilities in the job description. The Company also establishes the schedule of authority to officially determine the approval authority for transactions.

The Company has a policy for human resource management in order to recruit qualified personnel with knowledge and competence according to the demands, including continuous personnel promotion and development for their potential perform.

## 2. Risk Assessment

The Company establishes a risk management policy as part of good corporate governance, including other specified policies in accordance with the risk management framework and trainings on risk management to the executives and employees, so they can integrate it as an important part of the Company's business operations in all departments. The Company's risk management process is based on a good risk management framework. It consists of risk identification and risk assessment with both internal and external factors that may affect the achievement of goals, such as strategic financial risks, investment, legal and regulatory compliance, etc. Additionally, there is an assessment on the likelihood and level of potential impacts, which the

Company prescribes to all executives and employees to be responsible for risk management, while having a risk management unit to oversee the compliance with regulations as well as coordinate, advise, and follow up on risk management of various departments with regular progress reports to the Risk Management Committee for the analysis and consideration of adequate and appropriate measures to avoid or reduce potential impacts on the Company.

## 3. Control Activities

The Company sets operational controls in manuals and procedures of working processes, such as the level and limit of approval authority, division of approval responsibilities, records of accounting entries and information, as well as the maintenance of clear assets for verification and balance with both preventive control measures and detection of any abnormalities. The Company also develops security control measures through the security policy of information technology system, including audit operations by the IT Audit Department to improve the internal control of the information system. The Company has a policy to prevent conflict of interests which is part of good corporate governance policy by prohibiting directors, executives, and employees from seeking personal benefits. In addition, there is another policy of making connected transactions as a guideline in case that the Company has transactions with persons who may have conflicts of interest or connected individuals. The consideration of connected transactions shall be reported to the Audit Committee's meeting. Also, the Company has an internal control unit of which the personnel are equipped with knowledge and expertise in an internal control system to continuously support the development of core business processes of various departments as appropriate and consistent with organizational or business changes. The analysis, design, preparation, and plan of processes and measures is established as appropriate for internal control and risk management, including having guidelines for various operations with consultation, advice, and suggestions to different units agencies for the development of appropriate and adequate internal control.



#### 4. Information and Communication

The Company focuses on the importance of accurate, reliable, and timely information and data communication systems, which shall be managed to cover overall operations and communications for the use of data and information in a timely decision-making, with effective security systems and emergency plans to protect data and information from any hazards and damages of catastrophic accidents. In this regard, the Company has a policy to store documents by categorizing them to be appropriate, complete, and verifiable.

The company has established an investor relations unit which is a unit that coordinates with various investors so that investors or interested parties can contact and inquire about the Company's information. In addition, the Company has provided a channel through which internal persons or third parties can submit complaints, details can be found in the topic of whistle blowing channels or complaints.

#### 5. Monitoring Activities

The Company has an internal audit unit which directly reports and receives supervision from the Audit Committee. The Internal Audit Unit shall audit all business units in accordance and could assess the sufficiency and efficiency of internal control system. It is also complied with the Company's policies and rules under international standards for the practice of professional internal auditing by designing the Company's structure. The Internal Audit Unit can fully access to information and operations of the Company without restrictions, while expressing their opinions on the audit results independently. The issues from the audit and the audit results shall be reported to the executives and Managing Director as a summary and reviewed by the Audit Committee's meeting. The executives are directly responsible for correcting the internal control system with support from the Internal Control Unit. The internal Audit Unit shall regularly monitor and oversee the progress in resolving problems, with periodic overview progress reports on issues being currently addressed to the OLT to ensure timely and appropriate resolutions. This year, the Audit Committee has held a meeting to consider various issues as assigned by the Board of Directors, including the reviewing of audit results and the effectiveness of the management's resolutions to follow on the correction of internal control system with the Internal Audit Unit, as well as the reviewing of financial reports and adequate disclosure of information to the management.

#### 9.1.2. Internal control system audit during the year

Auditing of the internal control system for the year 2022, the internal auditor has chosen to audit the main work system of Forth Corporation Public Company Limited of 1 work system which is the service system of Genius Traffic System. Co., Ltd. of 1 system, namely sales system and Electronic Source Co., Ltd. of 2 systems, namely sales system and procurement system including monitoring the results of the internal audit of all 4 systems. In addition, the Company has followed up on risk management and assessed the internal control system annually. In considering the formulation of the annual audit plan, the business environment and risk factors are mainly used. These factors are regularly monitored for changes in order to adjust the annual audit plan when more significant risk factors are identified. The audit results will be presented and reported to the Audit Committee meeting and the Board of Directors for further consideration and improvement. In examining the internal control system for the year 2021, the internal auditor did not find any material deficiencies in the internal control system.

#### 9.1.3. Summary of the Audit Committee's opinions

In the meeting of the Board of Directors No. 1/2022 on February 25, 2022 with the Audit Committee attending the meeting, the Board of Directors had evaluated the internal control system by asking information from the executives about the adequacy of the internal control system in 5 areas, namely the organization and environment, risk management, control of the operations of the management, information and communication systems and the follow up system which the Board evaluated and commented that the Company has sufficient internal control system on the transaction with major shareholders, directors, executives or those related to such persons and have internal control systems in all 5 areas that are appropriate and sufficient to protect assets caused by improper use or without executive authority including internal audits that are independent in monitoring and evaluating the internal control. In the past, the Company had no significant deficiencies in the internal control system. Furthermore, the Company also has a system to store important documents that allow directors, auditors and legal authorities to be able to verify within a reasonable period.

In addition, the auditor of the Company, EY Office Limited which is the financial auditor of the year 2022 had assessed the effectiveness of the internal control of the Company as deemed necessary and did not find any significant deficiencies in the internal control system.

#### **9.14. Opinion of the Audit Committee to the Internal Audit Unit**

The Audit Committee Meeting No. 2/2019, held on May 13, 2019, appointed Mr. Kanapos Sae-Tang as the Internal Audit Manager, Chief of Internal Audit which was responsible for evaluating the efficiency and sufficiency of the internal control system and inspecting the operations of the Company and affiliated companies.

The consideration and approval of the appointment of internal auditors has been approved by the audit committee with qualifications of the internal auditor presented in the attachment.

#### **9.15. Guidelines for the appointment, removal and transfer of the head of the internal audit department Cases that are not the duty of the Audit Committee.**

The company has no guidelines. because it is the duty of the Audit Committee

## 9.2. Connected transactions.

### 9.2.1 Information on connected transactions with persons who may have conflicts

During 2022, the Company and its subsidiaries entered inter-company transactions with related companies or persons that may cause conflict of interest. These businesses may be related by being the shareholder or having common shareholder or common director, details of which are disclosed in Notes to the financial statements. Details of significant inter-company transactions for the years ended 31 December 2022 and 2021 can be summarized in the table below

Type of transaction	Related company/person	Relationship				Transaction value (Million baht)	
		Associate	Major shareholder	Director/ Close person of director	Common shareholders/ common directors	31 December 2022	31 December 2021
<b>Expense</b>							
Purchase of goods/services	Forth Tracking System Co., Ltd.	X			X	21.03	21.71
Rental expense	Mr. Pongchai Amatanon		X	X		0.25	0.25
	Ms. Pichamon Amatanon			X		0.26	-
	Mrs. Rangsee Lerttripinyo			X		-	0.37
	Mrs. Punnee Siripongpreeda			X		-	-
Administrative expenses	Forth Tracking System Co., Ltd.	X			X	0.10	0.29
<b>Revenue</b>							
Sale of goods/	Forth Tracking System Co., Ltd.	X			X	13.41	2.75
	Forth and Yip In Tsoi Joint Venture	X				38.04	105.49
	Mr. Pongchai Amatanon		X	X		0.50	-
Other income	Forth Tracking System Co., Ltd.	X			X	0.01	0.02
	Forth and Yip In Tsoi Joint Venture	X				2.69	3.28
	Mr. Pongchai Amatanon		X	X		6.61	3.46
Guarantee fee income	Forth and Yip In Tsoi Joint Venture	X				0.72	0.72
Interest income	Forth and Yip In Tsoi Joint Venture	X				5.49	2.29
dividend income	Forth Tracking System Co., Ltd.	X			X	10.20	6.83

## 9.2.2 The necessity and reasonableness of the transactions

### 1. Normal business transaction

Purchase of goods/service	The policy for purchase of goods or services from the related parties is the same as those for general partners. Prices are negotiated with a view to achieving the reasonable gross profit margin and competitiveness.
Sale of goods/service	The policy for sale of goods or services to the related parties is same as those of general partner. Prices are negotiated with a view to achieving the reasonable gross profit margin and competitiveness.

### 2. Supporting normal business transaction

Rental expense	This expense was incurred from land and building rental, used for business place of the Company and its subsidiaries from connected persons. The price is set in accordance with market price and/or acquisition cost plus related expenses with the justified condition and reason.
Rental income	This income was derived from building rental, used for business place of an associate. The price is set in accordance with market price and/or acquisition cost plus related expenses with the justified condition and reason.
Other income	The policy for sale of goods or services to the related parties is same as those of unrelated parties. Prices are negotiated with a view to achieving the reasonable price and condition.
Dividend income	Dividends received from investments in associates It depends on the operating results of the associated companies and in accordance with the resolutions of the board of directors or the shareholders' meetings of the associated companies.
Administrative expenses	The policy for purchase of goods or services from the related parties is same as those of unrelated parties. Prices are negotiated with a view to achieve the reasonable price and condition.

### 3. Transaction regarding offer or receipt of financial of financial assistance

Interest income	The Company has policy to determine interest rate of loan granted to an associate by refer to interest rate of the Company's loans which obtained from the financial institutions.
Guarantee fee income	The policy for specifying the guaranteed fee rates for associated credit facilities of the Company are based on the guaranteed fees of the companies that are received from the Financial Institutions Council.

## 9.2.3 Measures or procedures for approval of connected transactions.

In case of a connected transactions between the Company and a person who may have a conflict of interest or has a stake or may have conflicts of interest in the future, the Audit Committee will give opinions on the necessity of entering into the transaction and the appropriateness of the price of the transaction by considering the conditions to be in line with the nature of business operations in the industry and comparing to the price of outsiders or market prices. If the Audit Committee is not proficient in the consideration of connected transactions, the Company will arrange the independent expert or the Company's auditor to give comments on such connected transactions to be used for the decision of the Board of Directors, the Audit Committee or shareholders, as is the case. The committees who have a stake are not allowed to vote on the transaction. In addition, the connected transactions will be disclosed in the notes to financial statements audited or reviewed by the Company's auditors. Moreover, the connected transaction shall comply with the laws of securities and exchange and the regulations, notifications, orders or requirements of the Securities and Exchange Commission. Those who may have conflicts of interest or have a stake in the connected transactions will not have the right to vote on such connected transactions.

**Part**

# 3

**Financial Statements**



## The Board of Directors' Responsibilities Report to Financial Statements

The Board of Directors has considered the financial statements of Forth Corporation Public Company Limited and its subsidiaries including the financial information disclosed in the annual report and deemed that the financial statements have been prepared in accordance with Thai Financial Reporting Standards, using appropriate accounting policies consistently employed by the Company, as well as applying careful judgments and best estimation. The sufficient and transparent disclosure of important information was provided in the notes to the financial statements for the benefit of the shareholders and general investor.

The Board of Directors has arranged and maintained an efficient internal control system to ensure that accounting records are correct, complete and adequate to protect the Company's assets and uncover weakness to prevent fraud or materially irregular operations.

The Board of Directors has appointed an audit committee comprising of independent directors whose qualification have met requirement of the Stock Exchange of Thailand. They are responsible for the quality of financial statements and internal control system, whose comments on these issues are stated in the Audit Committee Report which has been attached in the annual report

The Board of Directors opined that the consolidated financial statements of Forth Corporation Public Company Limited and its subsidiaries for the year ended 31 December 2022, which the audit committee have already reviewed with the management and the Company's auditors, presented fairly, in all material respects, the financial position and operating results in accordance with Thai Financial Reporting Standards.



(Mr. Sanit Vorapanya)  
Chairman of the Board of Directors



(Mr. Pongchai Amatanon)  
Chief Executive Officer

## **Independent Auditor's report**

To the Shareholders of Forth Corporation Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of Forth Corporation Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Forth Corporation 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 Corporation Public Company Limited and its subsidiaries and of Forth Corporation Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matters

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

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

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

### *Revenue recognition*

The Group is principally engaged in the sales of technology and telecommunications related products, and generates revenue from sales to a large number of customers with a variety of different commercial terms. Revenue from sales is one of the Group's significant accounts and it directly affects the Group's profit or loss for the year. I therefore focused on the recognition of sales income.

I have examined the revenue recognition of the Group by assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, on a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period and reviewing credit notes issued by the Group after the period-end date. I also performing analytical procedures of disaggregated data to detect possible irregularities in sales transactions throughout the period.

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

The service income in the consolidated financial statements included service income from rendering of services through online top-up machines of a subsidiary, representing 18 percent of total revenue in the consolidated financial statements. There are numerous transactions through online top-up machines with a variety of services and the income from the rendering of these services 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 subsidiary 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 online top-up machines in comparison with the rates stipulated for collection from users of online 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.

#### *Provision for diminution in value of inventory*

Estimating the net realisable value of inventory, as disclosed in Note 9 to the consolidated financial statements, is an area of significant management judgment and the Group's products are technology-related, and are thus at the risk of becoming obsolete when there are technological changes. Consequently, there is a risk with respect to the amount of provision set aside for diminution in the value of inventory.

I assessed the internal controls of the Group relevant to the determination of provision for diminution in the value of inventory by making enquiry of responsible executives, gaining an understanding of the controls and assessed the method and the assumptions applied by management in determining such provision. The procedures that I performed included gaining an understanding of the basis applied in determining provision for diminution in value of inventory, and reviewing the consistency of the application of that basis. In addition, I compared the data on inventory aging report prepared by product category, reviewed inventory movement, and comparing of proceeds from sales transactions occurring after the date of the financial statements with the cost of inventory.

#### **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:

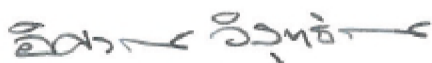
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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 2023

**Forth Corporation Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 December 2022**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	780,987,921	849,506,949	107,525,923	142,184,554
Trade and other receivables	6, 8	2,977,354,258	2,313,627,406	561,109,749	294,958,289
Short-term loans to related parties	6	-	80,000,000	33,553,444	113,465,000
Unbilled receivables		210,788,426	298,731,251	132,267,840	205,923,136
Inventories	9	2,093,272,160	1,446,905,744	240,906,036	277,305,369
Current portion of long-term assets					
Loans receivable	10	84,882,685	32,638,291	-	-
Hire purchase and finance lease receivables	11	79,479,462	104,776,117	71,454,140	99,697,173
Other current assets					
Advances payment for goods		209,157,672	163,576,036	90,149,757	95,998,673
Prepaid telephone charges		87,816,852	115,662,854	-	-
Others		175,264,887	138,613,045	10,873,552	15,237,477
		6,699,004,323	5,544,037,693	1,247,840,441	1,244,769,671
Assets held for sale	12	59,505,706	263,638,818	-	-
<b>Total current assets</b>		<b>6,758,510,029</b>	<b>5,807,676,511</b>	<b>1,247,840,441</b>	<b>1,244,769,671</b>
<b>Non-current assets</b>					
Restricted bank deposits	13	452,000	443,000	-	-
Other non-current financial assets	14	25,000,000	25,000,000	25,000,000	25,000,000
Investments in subsidiaries	15	-	-	1,635,152,065	1,292,903,775
Investments in associates	16	53,075,432	47,322,543	23,252,756	23,252,756
Long-term assets - net of current portion					
Loans receivable	10	112,012,738	68,072,122	-	-
Hire purchase and finance lease receivables	11	24,175,452	50,309,913	20,803,672	46,631,806
Investment properties	17	467,424,839	101,624,135	1,154,410,750	817,693,471
Property, plant and equipment	18	3,227,241,432	2,098,454,102	477,271,488	309,449,017
Right-of-use assets	23	197,410,759	155,474,561	58,557,416	64,635,945
Intangible assets	19	116,237,480	112,548,750	3,824,196	3,974,250
Deferred tax assets	29	301,447,339	257,521,352	83,190,823	79,156,578
Other non-current assets		102,485,764	93,168,389	71,885,622	69,500,624
<b>Total non-current assets</b>		<b>4,626,963,235</b>	<b>3,009,938,867</b>	<b>3,553,348,788</b>	<b>2,732,198,222</b>
<b>Total assets</b>		<b>11,385,473,264</b>	<b>8,817,615,378</b>	<b>4,801,189,229</b>	<b>3,976,967,893</b>

Forth Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from banks	20	3,766,118,065	2,879,817,828	1,993,118,065	1,411,105,415
Trade and other payables	6, 21	2,077,406,141	1,492,449,508	500,406,596	351,050,085
Current portion of long-term liabilities					
Long-term loans from banks	22	278,158,692	202,129,181	168,158,692	202,129,181
Lease liabilities	23	43,996,104	22,925,909	4,984,041	5,203,298
Advances received from customers		316,226,846	268,713,368	243,774,889	151,653,687
Income tax payable		142,745,698	91,030,191	-	-
Other current financial liabilities	24	62,765,279	9,884,076	-	-
Other current liabilities					
Retention received from service representatives		598,824,267	644,156,052	-	-
Others		107,288,590	96,953,651	36,361,988	34,208,351
<b>Total current liabilities</b>		<b>7,393,529,682</b>	<b>5,708,059,764</b>	<b>2,946,804,271</b>	<b>2,155,350,017</b>
<b>Non-current liabilities</b>					
Long-term liabilities - net of current portion					
Long-term loans from banks	22	163,866,807	198,792,823	153,866,807	198,792,823
Lease liabilities	23	153,780,528	125,183,142	50,415,678	53,900,588
Other non-current financial liabilities	24	260,173,996	-	-	-
Provision for long-term employee benefits	25	155,617,462	166,868,490	44,803,600	45,623,783
<b>Total non-current liabilities</b>		<b>733,438,793</b>	<b>490,844,455</b>	<b>249,086,085</b>	<b>298,317,194</b>
<b>Total liabilities</b>		<b>8,126,968,475</b>	<b>6,198,904,219</b>	<b>3,195,890,356</b>	<b>2,453,667,211</b>

Forth Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
960,000,000 ordinary shares of Baht 0.5 each		480,000,000	480,000,000	480,000,000	480,000,000
Issued and fully paid-up					
960,000,000 ordinary shares of Baht 0.5 each		480,000,000	480,000,000	480,000,000	480,000,000
Share premium		362,557,877	362,557,877	362,557,877	362,557,877
Surplus from share-based payment	15	44,450,000	-	-	-
Other deficits		(249,767,929)	(225,314,293)	-	-
Retained earnings					
Appropriated - statutory reserve	26	48,000,000	48,000,000	48,000,000	48,000,000
Appropriated - treasury shares reserve	35	152,206,025	152,206,025	152,206,025	152,206,025
Unappropriated		1,417,639,547	1,044,842,891	714,740,996	632,742,805
Treasury ordinary shares	35	(152,206,025)	(152,206,025)	(152,206,025)	(152,206,025)
Other components of shareholders' equity		(8,040,023)	(7,256,297)	-	-
Equity attributable to owners of the Company		2,094,839,472	1,702,830,178	1,605,298,873	1,523,300,682
Non-controlling interests of the subsidiaries		1,163,665,317	915,880,981	-	-
<b>Total shareholders' equity</b>		<b>3,258,504,789</b>	<b>2,618,711,159</b>	<b>1,605,298,873</b>	<b>1,523,300,682</b>
<b>Total liabilities and shareholders' equity</b>		<b>11,385,473,264</b>	<b>8,817,615,378</b>	<b>4,801,189,229</b>	<b>3,976,967,893</b>



Forth Corporation Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
<b>Profit or loss:</b>					
<b>Revenues</b>	27				
Sales		5,131,686,134	3,771,672,866	1,631,333,558	391,446,050
Services		3,642,337,962	3,784,320,854	612,782,539	608,888,009
Revenues from project work		657,004,767	957,009,940	361,547,479	645,126,819
Other income					
Dividend income		-	-	445,918,937	311,060,265
Others		323,406,121	299,722,589	87,790,006	68,378,475
<b>Total revenues</b>		<u>9,754,434,984</u>	<u>8,812,726,249</u>	<u>3,139,372,519</u>	<u>2,024,899,618</u>
<b>Expenses</b>					
Cost of sales		4,150,909,918	3,063,096,156	1,540,647,761	348,693,451
Cost of services		2,441,465,761	2,830,920,160	383,644,213	426,670,533
Cost of project work		548,744,614	742,799,080	293,483,383	486,430,151
Selling and distribution expenses		148,180,899	95,506,353	18,188,556	23,481,171
Administrative expenses		1,122,912,394	955,564,228	357,340,685	327,883,688
<b>Total expenses</b>		<u>8,412,213,586</u>	<u>7,687,885,977</u>	<u>2,593,304,598</u>	<u>1,613,158,994</u>
<b>Profit from operating activities</b>		<u>1,342,221,398</u>	<u>1,124,840,272</u>	<u>546,067,921</u>	<u>411,740,624</u>
Share of profit from investments in associates	16.2	15,951,989	39,113,529	-	-
Finance cost		(101,560,404)	(76,691,808)	(51,690,870)	(43,424,430)
<b>Profit before income tax (expenses) revenues</b>		<u>1,256,612,983</u>	<u>1,087,261,993</u>	<u>494,377,051</u>	<u>368,316,194</u>
Income tax (expenses) revenues	29	(231,403,408)	(191,863,349)	4,770,829	2,081,196
<b>Profit for the year</b>		<u>1,025,209,575</u>	<u>895,398,644</u>	<u>499,147,880</u>	<u>370,397,390</u>

Forth Corporation Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(783,726)	(3,089,733)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(783,726)	(3,089,733)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain	25	24,457,395	-	4,686,464	-
Less: Income tax effect	29	(4,782,957)	-	(937,293)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		19,674,438	-	3,749,171	-
<b>Other comprehensive income for the year (loss)</b>		<b>18,890,712</b>	<b>(3,089,733)</b>	<b>3,749,171</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>1,044,100,287</b>	<b>892,308,911</b>	<b>502,897,051</b>	<b>370,397,390</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		774,899,112	722,764,680	499,147,880	370,397,390
Non-controlling interests of the subsidiaries		250,310,463	172,633,964		
		<b>1,025,209,575</b>	<b>895,398,644</b>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		792,911,790	719,674,947	502,897,051	370,397,390
Non-controlling interests of the subsidiaries		251,188,497	172,633,964		
		<b>1,044,100,287</b>	<b>892,308,911</b>		
<b>Earnings per share</b>					
Basic earnings per share	31	0.83	0.77	0.53	0.40

(Unit: Baht)		
	Total	
	Shareholders' equity	
	28,211,640	
	35,398,644	
	(3,089,733)	
	32,308,911	
	27,377,560	
	245,070	
	25,230,150	
	-	
	99,904,052	
	18,711,159	

For the year ended 31 December 2022

	Consolidated financial statements											(Unit: Bath)
	Equity attributable to owners of the Company											
	Other surpluses (deficits)				Retained earnings				Other components of shareholders' equity - Exchange differences			
	Issued and fully paid-up share capital	Share premium	Surplus from share-based payment	Capital surplus (deficit) from changes in shareholding in subsidiaries	Total other surplus (deficit)	Appropriated		Treasury ordinary shares	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
						Statutory reserve	Treasury shares reserve					
	480,000,000	362,557,877	-	(266,205,464)	(225,314,293)	48,000,000	152,206,025	1,044,842,891	(7,256,297)	2,618,711,159		
	-	-	-	-	-	-	-	774,899,112	-	2,618,711,159		
	-	-	-	-	-	-	-	18,796,404	(783,726)	2,618,711,159		
	-	-	-	-	-	-	-	793,695,516	(783,726)	2,618,711,159		
	-	-	-	-	-	-	-	(420,898,860)	-	2,618,711,159		
	-	-	-	-	-	-	-	-	-	2,618,711,159		
	-	-	44,450,000	-	-	-	-	-	-	2,618,711,159		
	-	-	-	-	-	-	-	-	-	2,618,711,159		
	-	-	-	(24,453,636)	(24,453,636)	-	-	-	(24,453,636)	2,618,711,159		
	-	-	-	-	-	-	-	-	-	2,618,711,159		
	-	-	-	-	-	-	-	-	-	2,618,711,159		
	480,000,000	362,557,877	44,450,000	(290,659,100)	(249,767,929)	48,000,000	152,206,025	1,417,639,547	(8,040,023)	3,258,504,789		
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Forth Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

	Separate financial statements						(Unit: Baht)
	Issued and fully paid-up share capital	Share premium	Retained earnings				
			Appropriated		Unappropriated	Treasury ordinary shares	
			Statutory reserve	Treasury shares reserve			
<b>Balance as at 1 January 2021</b>	480,000,000	362,557,877	48,000,000	152,206,025	589,725,975	(152,206,025)	1,480,283,852
Profit for the year	-	-	-	-	370,397,390	-	370,397,390
Total comprehensive income for the year	-	-	-	-	370,397,390	-	370,397,390
Dividend payment (Note 34)	-	-	-	-	(327,380,560)	-	(327,380,560)
<b>Balance as at 31 December 2021</b>	480,000,000	362,557,877	48,000,000	152,206,025	632,742,805	(152,206,025)	1,523,300,682
<b>Balance as at 1 January 2022</b>	480,000,000	362,557,877	48,000,000	152,206,025	632,742,805	(152,206,025)	1,523,300,682
Profit for the year	-	-	-	-	499,147,880	-	499,147,880
Other comprehensive income for the year	-	-	-	-	3,749,171	-	3,749,171
Total comprehensive income for the year	-	-	-	-	502,897,051	-	502,897,051
Dividend payment (Note 34)	-	-	-	-	(420,898,860)	-	(420,898,860)
<b>Balance as at 31 December 2022</b>	480,000,000	362,557,877	48,000,000	152,206,025	714,740,996	(152,206,025)	1,605,298,873



**Forth Corporation Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 December 2022**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit before tax	1,256,612,983	1,087,261,993	494,377,051	368,316,194
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	512,379,970	492,359,656	46,062,674	47,388,302
Amortisation for intangible assets	21,898,857	19,760,699	1,265,253	1,218,078
Write-off of equipment	1,723,013	2,427,515	431,786	-
Allowance for asset impairment (reversal)	(3,029,823)	7,012,650	-	-
Reversal the reduction of inventories to net realisable value from damaged and obsolete inventories	(37,484,777)	(1,550,068)	(33,593,691)	-
Reversal of the allowance for expected credit losses from bad debt write-offs	(1,800,008)	(180,945)	-	-
Allowance for expected credit loss	52,402,781	17,813,260	7,444,985	3,317,023
Decrease of inventories to net realisable value (reversal)	46,468,002	65,800,106	(17,685,542)	40,282,048
Allowance for loss from impairment of equipment (reversal)	16,232,736	(3,500,836)	-	(2,880,829)
Loss on fair value adjustments of other non-current financial assets	-	11,151,815	-	-
Unrealised loss (gain) on exchange rate	(20,523,695)	24,291,949	(7,444,304)	8,896,435
Loss (gain) on sales of equipment	(4,190,828)	96,346	(450,660)	41,230
Gain on long-term lease modification	(176,703)	-	-	-
Gain on financial lease cancellation	(10,255)	-	-	-
Share-based payment	44,450,000	-	-	-
Share of profit from investments in associates	(15,951,989)	(39,113,529)	-	-
Dividend income	-	-	(445,918,937)	(311,060,265)
Increase in provision for long-term employee benefits	15,935,237	16,453,408	3,866,281	3,987,102
Interest income	(35,427,289)	(21,128,008)	(10,001,367)	(9,303,497)
Interest expenses	82,194,208	64,682,492	48,216,721	40,781,554
Profit from operating activities before changes in operating assets and liabilities	1,931,702,420	1,743,638,503	86,570,250	190,983,375
Operating assets (increase) decrease				
Trade and other receivables	(598,957,057)	(869,778,840)	(266,114,329)	(89,915,997)
Inventories	(655,349,641)	(617,611,951)	87,678,567	(91,639,158)
Loans receivable	(133,118,630)	(19,031,643)	-	-
Unbilled receivables	87,942,824	81,860,403	73,655,296	(7,960,213)
Advances payment for goods	(45,581,636)	212,871,904	5,848,916	41,612,208
Prepaid telephone charges	27,846,002	90,958,291	-	-
Hire purchase and finance lease receivables	(17,506,801)	(10,157,968)	-	-
Cash received from hire purchase and finance lease receivables	67,002,131	89,436,087	56,254,291	89,704,263
Other current assets	(34,942,019)	(41,272,198)	4,363,926	(4,165,955)
Other non-current assets	(12,263,583)	61,252,310	(1,440,694)	63,064,182
Operating liabilities increase (decrease)				
Trade and other payables	531,881,999	296,577,043	154,905,373	61,500,469
Advances received from customers	47,513,477	(123,780,098)	92,121,202	(70,704,035)
Cash paid for long-term employee benefits	(2,728,870)	(9,836,172)	-	(9,262,480)
Other current liabilities	(34,996,847)	17,818,426	2,153,637	(9,047,589)
Cash flows from operating activities	1,158,443,769	902,944,097	295,996,435	164,169,070
Cash received from interest income	27,821,582	17,677,177	5,994,151	4,392,324
Cash received from income tax	14,286,401	8,915,070	13,892,729	-
Cash paid for interest expenses	(73,773,267)	(58,922,117)	(44,680,207)	(37,958,118)
Cash paid for income tax	(240,452,389)	(135,859,277)	(15,038,478)	(18,089,521)
<b>Net cash flows from operating activities</b>	<b>886,326,096</b>	<b>734,754,950</b>	<b>256,164,630</b>	<b>112,513,755</b>

**Forth Corporation Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from investing activities</b>				
Decrease (increase) in restricted bank deposits	(9,000)	351,000	-	-
Cash received from sale of assets held for sale	170,000,000	-	-	-
Cash paid for purchase of non-current financial assets	-	(5,000,000)	-	(5,000,000)
Cash received from sales of equipment	6,774,827	2,184,524	4,598,361	472,224
Cash paid for purchase of investment property	(349,619,146)	-	(349,619,146)	-
Acquisition of plant and equipment	(1,616,262,267)	(311,882,174)	(198,096,182)	(25,736,035)
Acquisition of intangible assets	(25,587,587)	(18,041,165)	(1,115,200)	(2,726,119)
Cash paid for short-term loans to related parties	(90,000,000)	(50,000,000)	(97,300,000)	(54,000,000)
Cash received from short-term loans to related parties	170,000,000	-	172,000,000	34,000,000
Cash receipts from dividend of subsidiaries and associate	10,199,100	6,833,397	445,918,937	311,060,265
Increase in investments in subsidiaries	-	-	(342,448,290)	(64,554,780)
Cash received from decrease in share capital of subsidiaries	-	-	200,000	2,255,000
Cash received from share capital return				
from subsidiary and associate	-	999,980	-	999,980
Cash received from loan to employee	1,320,000	330,000	-	-
<b>Net cash flows from (used in) investing activities</b>	<b>(1,723,184,073)</b>	<b>(374,224,438)</b>	<b>(365,861,520)</b>	<b>196,770,535</b>
<b>Cash flows from financing activities</b>				
Increase in bank overdrafts and short-term loans from banks	894,794,745	198,664,844	582,012,650	15,446,940
Cash receipts from long-term loans	235,366,807	200,000,000	115,366,807	200,000,000
Repayment of long-term loans from banks	(194,263,312)	(119,942,706)	(194,263,312)	(119,942,706)
Cash received from sale and leaseback of equipment	337,646,000	-	-	-
Repayment of lease liabilities	(39,281,780)	-	(7,338,334)	-
Repayment of long-term lease liabilities	(16,542,436)	(25,451,559)	-	(6,490,887)
Dividend paid	(420,739,552)	(327,351,001)	(420,739,552)	(327,351,001)
Dividend paid to non-controlling interests of the subsidiaries	(145,909,507)	(199,904,052)	-	-
Increase in non-controlling interests from newly established subsidiaries	-	245,070	-	-
Increase in non-controlling interests from capital increase of the subsidiaries	118,051,710	25,230,150	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>769,122,675</b>	<b>(248,509,254)</b>	<b>75,038,259</b>	<b>(238,337,654)</b>
<b>Decrease in translation adjustments</b>	<b>(783,726)</b>	<b>(3,089,733)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(68,519,028)</b>	<b>108,931,525</b>	<b>(34,658,631)</b>	<b>70,946,636</b>
Cash and cash equivalents at beginning of year	849,506,949	740,575,424	142,184,554	71,237,918
<b>Cash and cash equivalents at end of year</b>	<b>780,987,921</b>	<b>849,506,949</b>	<b>107,525,923</b>	<b>142,184,554</b>

**Forth Corporation Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Supplemental disclosures of cash flows information</b>				
Non-cash transactions				
Transfer investment property to building improvements	-	1,250,136	-	-
Transfer tools and equipment to assets held for sale	-	263,638,818	-	-
Transfer property and plant to investment properties	17,761,783	-	-	-
Payable for acquisition of right-of-use assets	92,666,088	47,105,817	972,288	2,034,567
Payable for purchase of equipment	20,144,911	3,727,472	303,403	526,000
Payable for dividend payment	159,308	29,559	159,308	29,559
Increase (decrease) in right-of-use assets from long-term lease modification	(8,299,602)	-	111,625	-
Decrease in right-of-use assets from lease cancellation	(948,861)	-	-	-

## Forth Corporation Public Company Limited and its subsidiaries

### Notes to consolidated financial statements

For the year ended 31 December 2022

#### 1. General information

Forth Corporation Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of electronic equipment and project work relating to design and install telecommunication equipment. The registered address of the Company is at 1053/1, Phaholyothin Road, Phayathai, Phayathai, Bangkok.

#### 2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, 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 Corporation Public Company Limited (“the Company”) and the following subsidiaries (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholdings	
			<u>2022</u>	<u>2021</u>
			%	%
<u>Subsidiaries held by the Company</u>				
Electronics Source Co., Ltd.	Trading of electronic parts	Thailand	100	100
Genius Traffic System Co., Ltd.	Sale and installation of light boards and traffic systems	Thailand	100	100
Joint Venture Genius	Grant for the construct and maintenance of 125 billboards project	Thailand	20	20
Forth Smart Service Plc.	Collection service via online top-up machines	Thailand	53	53

Company's name	Nature of business	Country of incorporation	Percentage of shareholdings	
			2022	2021
			%	%
Forth Consulting Co., Ltd.	Consulting service for information management and computer software management	Thailand	100	100
Forth Lighting Co., Ltd.	Trading of lamps and lighting equipments	Thailand	100	100
Forth Meter Co., Ltd.	Distribution of electronic meter	Thailand	85	85
Forth Vending Co., Ltd.	Management and beverage distribution via vending machines	Thailand	46	45
Mindmap Commtech Inc.	Payment service via online top-up machines (cease operation)	Philippines	100	100
Joint Venture Forth Genius	Turnkey on installation of CCTV	Thailand	95	95
Forth EMS Co., Ltd.	Manufacture and distribution of telecommunication equipment, electronic equipment and assembly electronic parts	Thailand	88	100
Forth Group Joint Venture Co., Ltd.	Engineering services	Thailand	54	54
Forth MRO Service Co., Ltd.	Maintenance services for airplanes, aircraft, and battleships	Thailand	74	74
Aero Forth Co., Ltd.	Sales of aircraft, aircraft hangar and maintenance business, and flight training	Thailand	100	100
TAIM Co., Ltd.	Providing air information service	Thailand	100	100
Forth Devons Co., Ltd.	Bid work project from the government, the military, state enterprise and private company	Thailand	75	75

Subsidiaries held through subsidiaries of the Company

**Subsidiaries held through**

**Forth Smart Service Plc.**

Forth Smart Capital Co., Ltd.	Provide nano finance and personal loan services	Thailand	100	100
Forth Smart Distribution Co., Ltd.	Distribution of goods and rendering of service relating to online top-up machines	Thailand	100	100
Forth Vending Co., Ltd.	Management and beverage distribution via vending machines	Thailand	27	19

**Subsidiaries held through**

**Forth Smart Capital Co., Ltd.**

Forth Smart Digital Co., Ltd	Conducting electronic commerce business	Thailand	100	100
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Company's name	Nature of business	Country of incorporation	Percentage of shareholdings	
			2022	2021
			%	%

**Subsidiaries held by Genius**

**Traffic System., Ltd.**

Joint Venture Genius	Grant for the construct and maintenance of 125 billboards project	Thailand	80	80
Joint Venture Forth Genius	Turnkey on installation of CCTV	Thailand	5	5

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statements of financial position.
- h) The excess of book value of net assets, acquired in subsidiaries under common control, over the price at which they were exchanged is presented in other components of equity in the consolidated statements of changes in shareholders’ equity under the caption “Retained earnings of subsidiaries arising from the Company swapping shares of subsidiaries at a price lower than net book value of the subsidiaries as at the acquisition date”.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

### **3. New financial reporting standards**

#### **3.1 New financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

### **4. Significant accounting policies**

#### **4.1 Revenues recognition**

##### *Sales of goods*

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

##### *Rendering of services*

Service revenue is recognised at a point in time upon completion of the service.

Service revenue from rendering maintenance services is recognised over time when services have been rendered taking into account the stage of completion, measuring based on a straight-line basis over the contractual terms.

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

#### *Revenues from project work*

Revenues from project work are recognised when services have been rendered taking into account the stage of completion, measuring based on comparison of actual costs incurred up to the end of the year and total anticipated costs to be incurred to completion.

The recognised revenues which are not yet due per the contracts have been presented under the caption of “Unbilled receivables” in the statements of financial position. The amounts recognised as unbilled receivables are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The amount that the entity receives or entitles to receive from customers, but the entity has performance obligations to transfer goods or services to customers. Such amount is shown under the caption of “Advances received from customers” in the statements of financial position. Revenue is recognised when contract’s obligations are completely performed.

The service-type warranties provided customers with a service in addition to the assurance that the service complies with agreed-upon specifications are recognised as revenue over the period in which the service is provided.

#### *Rental income*

Rental income is recognised on the straight-line basis over the period of rental.

#### *Dividends*

Dividends are recognised when the right to receive the dividends is established.

#### *Other income*

Other income comprised interest income, 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 subsidiary 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/money transfer 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 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.

### **4.2 Cost of project work**

Cost of project work are recognised in accordance with the percentage of work completed based on total estimated costs. Provision for anticipated losses on project is made in the accounts in full when the possibility of loss is ascertained.

### **4.3 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.4 Inventories**

Finished goods and work in process are valued at the lower of cost (first-in, first-out method and weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs, labour cost and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of cost (first-in, first-out method and weighted average method) and net realisable value and are charged to production costs whenever consumed.

### **4.5 Investments in subsidiaries and associates**

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method less allowance for impairment (if any).

#### 4.6 Investment properties

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of investment properties is included in determining income.

No depreciation is provided on land classified as investment properties.

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

#### 4.7 Property, plant and equipment and depreciation

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

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

Land improvement	20	years
Building and building improvements	5, 20	years
Machinery	5, 10	years
Motor vehicles	5, 10	years
Others	3, 5, 8	years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

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

#### 4.8 Intangible assets and amortisation

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 the straight-line 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 assets with finite useful lives are computer software which has useful lives of 3, 5 and 10 years.

#### **4.9 Related party transactions**

Related parties comprise individuals and 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 associates and individuals 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 operating direction of the Group.

#### **4.10 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.

##### **4.10.1 The Group as a lessee**

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

##### **Right-of-use assets**

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

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

Land	6, 8	years
Building	2 - 16	years
Office equipment	3, 4	years
Motor vehicles	2 - 5	years
Advertising billboard	5	years

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

### ***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.

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

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

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

#### **4.11 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.12 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset, investment property 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.

#### **4.13 Customer loyalty program**

The Group launched a customer loyalty program for registered members, under which customers earn points upon purchases of drinks from TAO BIN Your Robotic Barista vending machines. The points earned can be redeemed for free drink codes to be used with these vending machines in accordance under the conditions and within the periods set by the Group.

The fair value of accumulated points is determined based on the average cost of the drinks that can be redeemed. The Group recorded such fair value based on the estimated customer redemption rates as a deduction against revenues from beverage sales and as deferred revenues. Revenues are recognised when the customers use the free drink code.

#### **4.14 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, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

### *Defined benefit plans*

The Group has obligations in respect of the severance payments to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

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

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

## **4.15 Provisions**

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

## **4.16 Income tax**

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

### **Current income tax**

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

### **Deferred tax**

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

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

#### **4.17 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade 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. These financial assets include derivatives and non-listed equity investments.

##### **Classification and measurement of financial liabilities**

Except for derivative 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 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 trade and other receivables, loans receivable, hire-purchase and finance lease receivables, and unbilled receivables, the Group applies a simplified approach in calculating expected credit losses (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. ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

### **4.18 Forward currency contracts**

The Group uses derivative, forward currency contracts, to hedge its foreign currency risk.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss.

### **4.19 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical assets or liabilities or when a quoted market price is not available, the Group measures fair value using valuation techniques 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 categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### **4.20. Share-based payment**

The Group receives services from employees as consideration for equity instruments of the Group in the forms of share. Share-based compensation plan operates an equity-settled. The fair value of the employee services received by the Group in exchange for the Group's equity instruments is determined at grant date. Fair value is recognised as an expense in the Group's profit or loss over the vesting period with a corresponding increase in equity.

The fair value of services received by the Group should be measurable directly. If the fair value cannot be measured reliably, the Group measures the value of the services by reference to the fair value of the equity instruments granted as consideration. This is referred to as the indirect method.

The Group measures the value of the services received by reference to the fair value of the equity instruments granted. The Group measures the fair value of the equity instruments granted using the Group's present value method.

### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

## **Revenue from contracts with customers**

### ***Identification of performance obligations***

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

### ***Determination of timing of revenue recognition***

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

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

### **Allowance for expected credit losses of trade receivables, other receivables, loan receivables, hire-purchase and finance lease receivables and unbilled receivables**

In determining an allowance for expected credit losses of trade receivables, other receivables loans receivables hire-purchase and finance lease receivables and unbilled 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.

### **Reduction of inventory cost to net realisable value**

In determining the reduction of inventory cost to net realisable value, the management exercises judgement in estimating the net realisable value of inventory based on the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. The management also exercises judgement in estimating the expected losses from stock obsolescence based on the movements of inventories and the prevailing economic condition.

### **Property, plant and equipment and depreciation**

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

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

### **Estimated cost of project work / Provision for loss on project work**

In determining estimated cost of project work, the management is required to make judgment regarding estimate cost and related expenses to be incurred to complete the project, and to review the estimated cost on a regular basis and when it is determined that actual costs materially differ from the estimates.

In addition, the management is required to apply judgment in estimating loss it expects to be realised on project work based on estimated cost of the project. This estimate takes into account project progress, actual cost and the current circumstances.

### **Post-employment benefits under defined benefit plans**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

## 6. 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 Group and those related parties.

		(Unit: Million Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Pricing policy		2022	2021	2022	2021
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Purchases of goods	Agreed price	-	-	1,418	233
Sales of goods	Agreed price	-	-	1,468	211
Service income	Agreed price	-	-	1	1
Other income	Agreed price	-	-	14	11
Dividend income	As declared	-	-	436	304
Interest income	Interest at 3.0 - 5.0% per annum	-	-	2	2
Rental income	Agreed price	-	-	46	45
Selling and administrative expenses	Agreed price	-	-	47	11
<u>Transactions with associates</u>					
Sales of goods	Agreed price	21	58	8	55
Service income	Agreed price	11	11	11	11
Revenue from project work	Agreed price	19	39	19	39
Other income	Agreed price	3	4	3	1
Dividend income	As declared	-	-	10	7
Interest income	Interest at 4.5% per annum	5	2	5	2
Cost of project work	Agreed price	21	22	21	22
<u>Transactions with directors</u>					
Sales of goods	Agreed price	1	-	-	-
Other income	Agreed price	7	3	7	3



As at 31 December 2022 and 2021, the balances of the accounts between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b><u>Trade and other receivables - related parties</u></b>				
<b>(Note 8)</b>				
Subsidiaries	-	-	118,800	141,188
Associates	47,088	48,039	47,088	48,039
Directors	2,137	835	1,258	499
Total	49,225	48,874	167,146	189,726
Less: Allowance for expected credit losses	(3,705)	-	(16,217)	(14,489)
<b>Total trade and other receivables - related parties, net</b>	<u>45,520</u>	<u>48,874</u>	<u>150,929</u>	<u>175,237</u>
<b><u>Unbilled receivables - related party</u></b>				
Associates	230	10,481	230	10,481
<b>Total unbilled receivables - related party</b>	<u>230</u>	<u>10,481</u>	<u>230</u>	<u>10,481</u>
<b><u>Right-of-use assets - related party</u></b>				
Directors	703	908	-	-
<b>Total right-of-use assets - related party</b>	<u>703</u>	<u>908</u>	<u>-</u>	<u>-</u>
<b><u>Trade and other payables - related parties</u></b>				
<b>(Note 21)</b>				
Subsidiaries	-	-	209,177	135,161
Associates	15,011	14,666	14,982	14,643
Directors	-	3	-	-
<b>Total trade and other payables - related parties</b>	<u>15,011</u>	<u>14,669</u>	<u>224,159</u>	<u>149,804</u>
<b><u>Advances received from customers - related parties</u></b>				
Subsidiaries	-	-	-	966
Associate	84,974	48,106	85	48,106
<b>Total advances received from customers - related parties</b>	<u>84,974</u>	<u>48,106</u>	<u>85</u>	<u>49,072</u>
<b><u>Lease liabilities - related party</u></b>				
Directors	776	974	-	-
<b>Total lease liabilities - related party</b>	<u>776</u>	<u>974</u>	<u>-</u>	<u>-</u>

### Short-term loans to related parties

As at 31 December 2022 and 2021, the balance of short-term loans to related parties and the movement of such loans are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at			Balance as at
	31 December	Increase	Decrease	31 December
Loans to related parties	2021	during the year	during the year	2022
Joint Venture Forth and Yip In Tsoi	80,000	90,000	(170,000)	-
<b>Total short-term loans to related parties, net</b>	<b>80,000</b>	<b>90,000</b>	<b>(170,000)</b>	<b>-</b>

(Unit: Thousand Baht)

	Separate financial statements				
	Balance as at	Increase	Decrease		Balance as at
	31 December	during	during	Unrealised gain	31 December
Loans to related parties	2021	the year	the year	on exchange	2022
Forth Meter Co., Ltd.	12,465	300	-	-	12,765
Forth Lighting Co., Ltd.	21,000	7,000	(2,000)	-	26,000
Mindmap Commtech Inc.	18,527	-	-	465	18,992
Joint Venture Forth and Yip In Tsoi	80,000	90,000	(170,000)	-	-
Total	131,992	97,300	(172,000)	465	57,757
Less: Allowance for expected credit losses	(18,527)	(5,212) <sup>(1)</sup>	-	(465)	(24,204)
<b>Total short-term loans to related parties, net</b>	<b>113,465</b>	<b>92,088</b>	<b>(172,000)</b>	<b>-</b>	<b>33,553</b>

<sup>(1)</sup> These are allowance for expected credit losses of Baht 3.8 million for Forth Lighting Co., Ltd. and of Baht 1.4 million for Forth Meter Co., Ltd.

### Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	81,530	86,653	40,139	49,901
Post-employment benefits	2,058	2,274	1,069	1,266
Total	<u>83,588</u>	<u>88,927</u>	<u>41,208</u>	<u>51,167</u>

### Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 36 to the consolidated financial statements.

## **7. Cash and cash equivalents**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	17,560	6,805	200	200
Current account	144,159	210,481	310	2,865
Saving account	618,587	631,643	107,016	139,120
Deposits at banks with restrictions	682	578	-	-
Total	<u>780,988</u>	<u>849,507</u>	<u>107,526</u>	<u>142,185</u>

As at 31 December 2022, bank deposits in saving accounts and deposits at banks with restrictions above, carried interests between 0.10 and 0.60 percent per annum (2021: between 0.05 and 0.50 percent per annum) (the Company only: between 0.10 and 0.60 percent per annum (2021: between 0.05 and 0.50 per annum)).

Deposits at banks with restrictions are bank deposits maintained at minimum levels for advance received from customers in accordance with the notification of the Bank of Thailand regarding "Stipulation of Guidelines, Procedures and Conditions for Electronic Money Business", this required the subsidiary to maintain, at all times, bank deposits in an amount not less than the amount of deposits received from customers.

## 8. Trade and other receivables

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - related parties</u>				
Age on the basis of due dates				
Not yet due	-	1,909	99,992	124,998
Past due				
Up to 3 months	-	132	189	137
6 - 12 months	742	40,696	742	40,663
Over 12 months	45,676	4,848	57,291	16,110
Total	46,418	47,585	158,214	181,908
Less: Allowance for expected credit losses	(3,705)	-	(12,783)	(11,692)
Total trade receivables - related parties, net	42,713	47,585	145,431	170,216
<u>Trade receivables - unrelated parties</u>				
Age on the basis of due dates				
Not yet due	873,580	460,338	181,157	65,373
Past due				
Up to 3 months	320,529	913,530	144,435	34,945
3 - 6 months	69,928	20,120	61,867	-
6 - 12 months	11,537	9,096	60	318
Over 12 months	791,089	108,749	30,836	32,938
Total	2,066,663	1,511,833	418,355	133,574
Less: Allowance for expected credit losses	(93,603)	(93,456)	(8,201)	(13,890)
Total trade receivables - unrelated parties, net	1,973,060	1,418,377	410,154	119,684
Total trade receivables - net	2,015,773	1,465,962	555,585	289,900
<u>Other receivables - related parties</u>				
Other receivables	1,087	181	1,714	3,353
Advances	308	303	604	-
Accrued income	894	499	2,089	1,187
Interest receivables	518	306	4,525	3,278
Less: Allowance for expected credit losses	-	-	(3,434)	(2,797)
Interest receivables - net	518	306	1,091	481
Total other receivables - related parties, net	2,807	1,289	5,498	5,021

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Other receivables - unrelated parties</u>				
Other receivables	125,856	62,420	2,220	2,220
Less: Allowance for expected credit losses	(4,880)	(2,220)	(2,220)	(2,220)
Other receivables - net	120,976	60,200	-	-
Other receivables - service representatives	700,104	669,705	-	-
Advances	42,587	42,891	20,970	20,970
Less: Allowance for expected credit losses	(41,498)	(41,676)	(20,946)	(20,946)
Advances - net	1,089	1,215	24	24
Accrued income	139,137	119,494	689	699
Less: Allowance for expected credit losses	(4,685)	(4,685)	(686)	(686)
Accrued income - net	134,452	114,809	3	13
Interest receivables	2,153	447	-	-
Total other receivables - unrelated parties, net	958,774	846,376	27	37
Total other receivables - net	961,581	847,665	5,525	5,058
Total trade and other receivables - net	2,977,354	2,313,627	561,110	294,958

The normal credit term is 30 to 60 days.

Movement of expected credit loss of trade receivables are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at the beginning of the year	(93,456)	(83,644)	(25,582)	(25,040)
Allowance for expected credit losses	(9,353)	(11,696)	-	(542)
Amount written off	1,800	181	-	-
Reversal	3,720	1,770	4,598	-
Translation adjustment	(19)	(67)	-	-
Balance at the end of the year	(97,308)	(93,456)	(20,984)	(25,582)



## 9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Raw materials	1,024,603	778,046	(220,907)	(201,324)	803,696	576,722
Work in process	123,123	77,228	(9,587)	(10,244)	113,536	66,984
Finished goods	1,162,007	827,906	(251,152)	(261,096)	910,855	566,810
Goods in transit	134,678	123,238	-	-	134,678	123,238
Project in progress	138,196	120,841	(7,689)	(7,689)	130,507	113,152
Total inventories	<u>2,582,607</u>	<u>1,927,259</u>	<u>(489,335)</u>	<u>(480,353)</u>	<u>2,093,272</u>	<u>1,446,906</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Raw materials	171,526	166,762	(164,503)	(151,138)	7,023	15,624
Work in process	7,298	4,734	(4,657)	(4,683)	2,641	51
Finished goods	217,710	296,414	(116,975)	(148,000)	100,735	148,414
Goods in transit	-	64	-	-	-	64
Project in progress	138,196	120,841	(7,689)	(7,689)	130,507	113,152
Total inventories	<u>534,730</u>	<u>588,815</u>	<u>(293,824)</u>	<u>(311,510)</u>	<u>240,906</u>	<u>277,305</u>

Movement of reduction cost of inventories to net realisable value are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at the beginning of the year	(480,353)	(416,103)	(311,510)	(271,228)
Addition	(46,650)	(70,363)	(15,908)	(40,282)
Reversal as a result of written off of the obsolete inventories	37,485	1,550	33,594	-
Reversal	183	4,563	-	-
Balance at the end of the year	<u>(489,335)</u>	<u>(480,353)</u>	<u>(293,824)</u>	<u>(311,510)</u>

The Group reduced cost of inventories to reflect the net realisable value. This was included in cost of sales.

## 10. Loans receivable

(Unit: Thousand Baht)

	Consolidated financial statements					
	Amount due					
	Within 1 year		Over 1 year		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Loans receivable and accrued interest	114,107	42,185	136,298	72,354	250,405	114,539
Less: Accrued interest	(3,852)	(1,105)	-	-	(3,852)	(1,105)
Less: Allowance for expected credit losses	(25,372)	(8,442)	(24,285)	(4,282)	(49,657)	(12,724)
Loans receivable - net	<u>84,883</u>	<u>32,638</u>	<u>112,013</u>	<u>68,072</u>	<u>196,896</u>	<u>100,710</u>

As at 31 December 2022, such loans carry interest rate at 5 % to 25 % per annum (2021: 5% to 25% per annum) and the terms of the agreements are generally between 1 year to 8 years (2021: 1 year to 8 years). The loans are unsecured.

As at 31 December 2022 and 2021, the balances of loans to service representatives and personal loans receivable classified by aging are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Not yet due or past due not more than 1 month	185,811	101,502
Past due 1 to 3 months	19,479	1,325
Past due 3 to 6 months	27,485	4,446
Past due 6 to 12 months	5,760	3,560
Past due over 12 months	11,870	3,706
Total	250,405	114,539
Less: Deferred interest income	(3,852)	(1,105)
Less: Allowance for expected credit losses	(49,657)	(12,724)
Loans receivable - net	196,896	100,710
Less: Current portion	(84,883)	(32,638)
Loans receivable - net of current portion	<u>112,013</u>	<u>68,072</u>

Movement of loan receivable for the year ended 31 December 2022 are as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
<b>Balance as at 31 December 2021</b>	100,710
Increase during the year	212,152
Collection during the year	(79,032)
Allowance for expected credit losses	(36,934)
<b>Balance as at 31 December 2022</b>	196,896
Less: Current portion	(84,883)
<b>Loan receivables - net of current portion</b>	112,013

#### 11. Hire purchase and finance lease receivables

As at 31 December 2022 and 2021, hire purchase and finance lease receivables classified by types of receivables are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u>2022</u>	<u>2021</u>
Hire purchase receivables	46,688	46,120
Finance lease receivables	56,966	108,966
Hire purchase and finance lease receivables	103,654	155,086

The outstanding balance of a hire purchase receivable as at 31 December 2022 amounted to Baht 35.3 million (2021: Baht 37.4 million) is a debtor who has effected by the spread of the Coronavirus disease 2019. The debtor, therefore, wrote a letter requesting a rescheduling of debt installment settlement per the agreement, whereby only penalties would be paid until the debtor's business is able to operate normally. During 2022, the Company received penalty payments of Baht 1.1 million (2021: Baht 1.1 million). This debtor started to pay the debt installment per the agreement commencing from August 2022.

As at 31 December 2022 and 2021, the balances and movement of hire purchase and finance lease receivables are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Portion due within		Portion due		Total	
	one year		after one year			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Hire purchase and finance lease receivables	88,597	108,445	27,395	54,083	115,992	162,528
Less: Unearned interest income	(3,938)	(3,669)	(1,918)	(3,773)	(5,856)	(7,442)
Present value of minimum lease payment	84,659	104,776	25,477	50,310	110,136	155,086
Less: allowance for expected credit loss	(5,180)	-	(1,302)	-	(6,482)	-
Hire purchase and finance lease receivables	79,479	104,776	24,175	50,310	103,654	155,086

(Unit: Thousand Baht)

	Separate financial statements					
	Portion due within		Portion due more than			
	one year		one year		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Hire purchase and finance lease receivables	73,326	102,398	22,521	49,704	95,847	152,102
Less: Unearned interest income	(1,355)	(2,701)	(1,717)	(3,072)	(3,072)	(5,773)
Present value of minimum lease payment	71,971	99,697	20,804	46,632	92,775	146,329
Less: allowance for expected credit loss	(517)	-	-	-	(517)	-
Hire purchase and finance lease receivables	71,454	99,697	20,804	46,632	92,258	146,329

Movement of hire purchase and finance lease receivables for the year ended 31 December 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Balances as at 31 December 2021</b>	155,086	146,329
Increase during the year	17,504	-
Collection during the year	(67,000)	(56,254)
Realised interest income	4,547	2,700
Allowance for expected credit losses	(6,483)	(517)
<b>Balances as at 31 December 2022</b>	103,654	92,258
Less: Current portion	(79,479)	(71,454)
<b>Hire purchase and finance lease receivables - net</b>	<u>24,175</u>	<u>20,804</u>

## 12. Assets held for sale

On 12 November 2021, Forth Vending Company Limited (the subsidiary) entered into a sale and purchase agreement with Sabuy Technology Public Company Limited (“Sabuy”), whereby the subsidiary will sell its vending machines, spare parts and related equipment for a total of not more than Baht 340 million. The payment term is divided into 2 installments. The first installment of Baht 170 million, due on 1 March 2022, was already received. The second installment of Baht 170 million is expected to be received within January 2023.

During the current year, the subsidiary delivered vending machines with a carrying amount of Baht 204.1 million to “Sabuy”. The subsidiary expects to deliver the rest of the assets specified in the agreement within one year.

On 2 February 2023, the subsidiary and Sabuy agreed to revise a sales and purchase agreement for vending machines, spare parts, and related equipment by postpone the due date of the second installment from January 2023 to February 2023. As at 31 December 2022, the Group therefore, still classified these assets as assets held for sales.

## 13. Restricted bank deposits

These represent the subsidiaries’ fixed deposits which are pledged with bank to secure letter of guarantee issued by banks on behalf of the subsidiaries in respect of certain performance bonds required in the normal course of business.

## 14. Other non-current financial assets

Details of other non-current financial assets as at 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Non-listed equity investment</u>				
Odin Power Co., Ltd.	25,000	25,000	25,000	25,000
Box 24 Co., Ltd. <sup>(1)</sup>	-	-	-	-
Total	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

<sup>(1)</sup> Held by Forth Smart Capital Company Limited



## 15. Investments in subsidiaries

### a) Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)								
Company	Cost		Allowance for impairment		Carrying account based on cost method - net		Dividend received during the years	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Held by the Company</u>								
Electronics Source Co., Ltd.	54,976	54,976	-	-	54,976	54,976	69,999	20,000
Genius Traffic System Co., Ltd.	200,056	200,056	-	-	200,056	200,056	65,000	60,000
Joint Venture Genius	1,400	1,600	-	-	1,400	1,600	380	2,375
Forth Smart Service Plc.	396,223	396,223	-	-	396,223	396,223	158,466	221,852
Forth Consulting Co., Ltd.	30,000	30,000	(30,000)	(30,000)	-	-	-	-
Forth Lighting Co., Ltd.	20,000	20,000	-	-	20,000	20,000	-	-
Forth Meter Co., Ltd.	18,000	18,000	(18,000)	(18,000)	-	-	-	-
Forth Vending Co., Ltd.	563,000	346,500	-	-	563,000	346,500	-	-
Mindmap Commtech Inc.	76,764	76,764	(76,764)	(76,764)	-	-	-	-
Joint Venture Forth Genius	95	95	-	-	95	95	-	-
Forth EMS Co., Ltd.	350,000	250,000	-	-	350,000	250,000	141,875	-
Forth Group Joint Venture Co., Ltd.	540	540	-	-	540	540	-	-
Forth MRO Service Co., Ltd.	45,358	20,160	-	-	45,358	20,160	-	-
Aero Forth Co., Ltd.	1,000	1,000	-	-	1,000	1,000	-	-
TAIM Co., Ltd.	1,000	1,000	-	-	1,000	1,000	-	-
Forth Devons Co., Ltd.	1,504	754	-	-	1,504	754	-	-
<u>Held by Forth Smart Service</u>								
Forth Smart Capital Co., Ltd.	-	-	-	-	-	-	-	-
Forth Smart Distribution Co., Ltd.	-	-	-	-	-	-	-	-
Forth Vending Co., Ltd.	-	-	-	-	-	-	-	-
<u>Held by Forth Smart Capital</u>								
Forth Smart Digital Co., Ltd.	-	-	-	-	-	-	-	-
<u>Held by Genius Traffic System</u>								
Joint Venture Genius	-	-	-	-	-	-	-	-
Joint Venture Forth Genius	-	-	-	-	-	-	-	-
Total	<u>1,759,916</u>	<u>1,417,668</u>	<u>(124,764)</u>	<u>(124,764)</u>	<u>1,635,152</u>	<u>1,292,904</u>	<u>435,720</u>	<u>304,227</u>

### 15.1 Investments in Joint Venture Genius

On 17 March 2022, the Counterparty Meeting of Joint Venture Genius (the subsidiary) passed a resolution to decrease the joint venture's registered and paid-up share capital by Baht 1 million, from Baht 8 million to Baht 7 million since it has sufficient liquidity. The Joint Venture Genius had already returned the reduce share capital to the Company amounting to Baht 0.2 million and its counterparty in proportion to their investments in the first quarter of the current year.

### 15.2 Investments in Forth Vending Company Limited ("Forth Vending")

During the current year, Forth Vending called up the remaining 75% of its par value of the new shares issued in accordance with the Extraordinary General Meeting of Shareholders of Forth Vending on 5 March 2021 totaling Baht 300 million. The Company and Forth Smart Service Public Company Limited ("Forth Smart Service") had made payment for the called-up share amounting to Baht 135 million and Baht 105 million, respectively.

On 29 April 2022, the Annual General Meeting of Shareholders of Forth Vending passed a resolution to approve an increase in the registered share capital from Baht 1,070 million (107,000,000 ordinary shares with a par value of Baht 10 each) to Baht 1,400 million (140,000,000 ordinary shares with a par value of Baht 10 each) by issuing the new 33,000,000 ordinary shares with a par value of Baht 10 each. The Company exercised the rights to purchase such issued shares in proportion to its shareholding and also acquired Forth Vending's ordinary shares in the portion that existing shareholders waived their right to subscribe totaling 16,300,000 ordinary shares with a par value of Baht 10 each, amounting to Baht 163 million. Forth Smart Service exercised the rights to purchase such issued shares in proportion to its shareholding and also acquired Forth Vending's ordinary shares in the portion that existing shareholders waived their right to subscribe totaling 16,700,000 ordinary shares with a par value of Baht 10 each, amounting to Baht 167 million.

Subsequently, during the current year, Forth Vending called up additional 50% of its par value or amounting to Baht 165 million. The Company and Forth Smart Service have made payment for the called-up share amounting to Baht 81.50 million and Baht 83.50 million, respectively. The outstanding balance of uncalled share from the Company and Forth Smart Service is a total of Baht 165 million.

Following of the acquisitions of the above ordinary shares, below are the Group's percentage of shareholdings of Forth Vending.

	Percentage of shareholdings	
	Before the acquisition	After the acquisition
	(%)	(%)
The Company	45.00	46.04
Forth Smart Service	19.35	26.71

The Group recorded the difference between the purchase price of investment and the adjusted non-controlling interest of the subsidiary amounting to Baht 15.3 million under the caption of “Deficit from changes in shareholding in subsidiaries” in the consolidated financial statements. Details are below:

	(Unit: Thousand Baht)
	Consolidated financial statement
Cash paid for acquisition of Forth Vending - the Company	216,500
Cash paid for acquisition of Forth Vending - Forth Smart Service	188,500
Less: Cash paid for acquisition of Forth Vending - non-controlling interest of Forth Smart Service	(89,346)
Less: Adjustment to non-controlling interest of Forth Vending	(304,659)
Deficit from change in shareholding in Forth Vending	10,995

### 15.3 Investments in Forth EMS Company Limited (“Forth EMS”)

On 7 April 2022, the Annual General Meeting of Shareholders of Forth EMS passed a resolution to approve an increase in the registered share capital from Baht 250 million (25,000,000 ordinary shares with a par value of Baht 10 each) to Baht 350 million (35,000,000 ordinary shares with a par value of Baht 10 each) by issuing the new 10,000,000 ordinary shares with a par value of Baht 10 each to its existing shareholders in proportion to their shareholdings. The subsidiary had already registered the increase in share capital with the Department of Business Development, Ministry of Commerce and received the full amount of share payment in the second quarter of the current year.

On 12 May 2022, the Extraordinary General Meeting of Shareholders of Forth EMS passed a resolution to approve an increase in the registered share capital from Baht 350 million (35,000,000 ordinary shares with a par value of Baht 10 each) to Baht 400 million (40,000,000 ordinary shares with a par value of Baht 10 each) by issuing the new 5,000,000 ordinary shares with a par value of Baht 10 each to the subsidiary’s executives at the exercise price lower than fair value of the issued shares. The Company’s shareholding in the subsidiary decreased from 100% to 87.5% and there was deficit from change in shareholding in subsidiary amounting to Baht 13.5 million, recorded under the caption of “Deficit from changes in shareholding in subsidiaries” in the consolidated financial statements. The subsidiary had already received the full amount of share payment and registered the increase in share capital with the Department of Business Development, Ministry of Commerce in the second quarter of the current year.

As a result of the capital increase, the Group recognised share-based payment expense amounting to Baht 44.5 million in the consolidated statement of comprehensive income along with the increase in shareholders' equity under the caption of "Surplus from share-based payment" in the consolidated financial statements.

#### 15.4 Investments in Forth Devons Company Limited ("Forth Devons")

On 22 March 2022, the Extraordinary General Meeting of Shareholders of Forth Devons passed a resolution to approve an increase in the registered share capital from Baht 1 million (100,000 ordinary shares with a par value of Baht 10 each) to Baht 5 million (500,000 ordinary shares with a par value of Baht 10 each) by issuing the new 400,000 ordinary shares with a par value of Baht 10 each to its existing shareholders in proportion to their shareholdings. The subsidiary had already registered the increase in share capital with the Department of Business Development, Ministry of Commerce.

Subsequently, the subsidiary called up 25% of its par value, amounting to Baht 1 million. The Company has paid for the called-up share amounting to Baht 0.75 million in the third quarter of the current year.

#### 15.5 Investments in Forth MRO Service Company Limited ("Forth MRO Service")

On 29 April 2022, the Extraordinary General Meeting of Shareholders of Forth MRO Service passed a resolution to approve an increase in the registered share capital from Baht 24 million (2,400,000 ordinary shares with a par value of Baht 10 each) to Baht 54 million (5,400,000 ordinary shares with a par value of Baht 10 each) by issuing 3,000,000 new ordinary shares with a par value of Baht 10 each to its existing shareholders in proportion to their shareholdings. The subsidiary registered the increase in share capital with the Department of Business Development, Ministry of Commerce and received payment for the shares in the third quarter of the current year. The Company's investment in the new ordinary shares, totaling Baht 25.2 million, included payment for 10% of share capital made on behalf of Airports of Thailand Public Company Limited, amounting to Baht 3 million.

#### b) Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit or loss allocated to non-controlling interests during the years		Dividend paid to non-controlling interests during the years	
	2022	2021	2022	2021	2022	2021	2022	2021
	(%)	(%)						
Forth Smart Service Plc.	47	47	664	670	137	200	143	200
Forth Vending Co., Ltd.	40	45	408	231	107	(16)	-	-
Forth EMS Co., Ltd	12	-	85	-	24	-	3	-

**c) Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling**

Summarised information about statement of comprehensive income for the year ended 31 December 2022 and 2021

(Unit: Million Baht)

Company	Current assets		Non-current assets		Current liabilities		Non-current liabilities	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Forth Smart Service Plc.	1,170	1,209	1,706	1,810	1,649	1,764	111	126
Forth Vending Co., Ltd.	693	556	1,672	232	696	153	325	16
Forth EMS Co., Ltd.	2,174	1,256	465	186	1,588	1,001	231	43

Summarised information about comprehensive income for the year ended 31 December 2022 and 2021

(Unit: Million Baht)

Company	Revenue		Profit (loss)		Other comprehensive income		Total comprehensive income	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Forth Smart Service Plc.	2,424	2,885	289	421	-	-	289	421
Forth Vending Co., Ltd.	1,243	226	261	(39)	-	-	261	(39)
Forth EMS Co., Ltd.	4,586	2,047	366	150	7	-	373	150

Summarised information about cash flow for the year ended 31 December 2022 and 2021

(Unit: Million Baht)

Company	Cash flow from operating activities		Cash flow used in investing activities		Cash flow from (used in) financing activities		Net increase (decrease) in cash and cash equivalents	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Forth Smart Service Plc.	738	1,027	(348)	(257)	(403)	(863)	(13)	(94)
Forth Vending Co., Ltd.	334	10	(1,275)	(54)	896	97	(45)	53
Forth EMS Co., Ltd.	(52)	(180)	(87)	(48)	231	247	92	19



## 16. Investments in associates

### 16.1 Details of associates:

		Consolidated financial statements				Separate financial statements				(Unit: Thousand Baht)			
Company's name  (Nature of business)	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
		2022 (%)	2021 (%)	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<i>Held by the Company</i>													
FPT Payment Technology JSC* (Payment service via online top-up machines)	Vietnam	30	30	18,549	18,549	11,049	11,049	18,549	18,549	(7,500)	(7,500)	11,049	11,049
Forth Tracking System Co., Ltd. (Distribution of vehicle tracking equipment)	Thailand	34	34	10,199	10,199	27,870	26,654	10,199	10,199	-	-	10,199	10,199
Forth Survey Joint Venture** (Project work)	Thailand	49	49	5	5	5	5	5	5	-	-	5	5
Joint Venture Forth and Yip In Tsoi (Project work)	Thailand	50	50	2,000	2,000	14,151	9,615	2,000	2,000	-	-	2,000	2,000
<i>Held by Forth Smart Service</i>													
Forth Smart Sabuy Tech Co., Ltd. (Provision for services and sales of goods through vending machine)	Thailand	50	-	-	-	-	-	-	-	-	-	-	-
Total				30,753	30,753	53,075	47,323	30,753	30,753	(7,500)	(7,500)	23,253	23,253

\* In process of dissolution

\*\* Not yet started to operation

On 11 November 2021, the Board of Directors' Meeting of Forth Smart Service Public Company Limited (the subsidiary) passed a resolution to acknowledge the plan to establish a new joint venture with Sabuy Technology Public Company Limited ("Sabuy") with a registered share capital of Baht 1 million (100,000 ordinary shares with a par value of Baht 10 each). The subsidiary and Sabuy will hold interest of 50% in such joint venture.

Subsequently, on 24 March 2022, the subsidiary and Sabuy registered Forth Smart Sabuy Tech Company Limited (such company is considered as an associate of the subsidiary) with the Department of Business Development, Ministry of Commerce. The subsidiary holds 50,000 shares at the par value of Baht 10 each of Forth Smart Sabuy Tech Company Limited. As at 31 December 2022, the joint venture has not yet called up the capital from the subsidiary and Sabuy.

On 24 January 2023, the subsidiary has paid the full amount of share payment.

## 16.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit from investments		Dividend received	
	in associates during the years		during the years	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Forth Tracking System Co., Ltd.	11,415	10,934	10,199	6,833
Joint Venture Forth and Yip In Tsoi	4,537	28,180	-	-
Total	15,952	39,114	10,199	6,833

## 16.3 Summarised financial information about material associates

Summarised information about financial position and comprehensive income.

(Unit: Million Baht)

	Forth Tracking System		Joint Venture Forth and	
	Co., Ltd.		Yip In Tsoi	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Paid-up capital	30	30	4	4
Total assets	121	125	139	541
Total liabilities	45	48	111	513
Total revenue	118	116	271	495
Profit	34	28	9	20

## 17. Investment properties

The net book value of investment properties as at 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Land and land improvement	Building	Total	Land and land improvement	Office building for rent	Total
As at 31 December 2022						
Cost	448,062	24,813	472,875	1,005,307	343,204	1,348,511
Less: Accumulated depreciation	(350)	(5,100)	(5,450)	(885)	(193,215)	(194,100)
Net book value	447,712	19,713	467,425	1,004,422	149,989	1,154,411
As at 31 December 2021						
Cost	83,918	21,210	105,128	655,921	342,972	998,893
Less: Accumulated depreciation	-	(3,504)	(3,504)	(460)	(180,740)	(181,200)
Net book value	83,918	17,706	101,624	655,461	162,232	817,693

A reconciliation of the net book value of investment properties for the years 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	101,624	103,935	817,693	830,274
Addition	349,619	-	349,619	
Depreciation	(1,580)	(1,061)	(12,901)	(12,581)
Transferred from (to) property, plant and equipment	17,762	(1,250)	-	-
Net book value at end of year	467,425	101,624	1,154,411	817,693

As at 31 December 2022, the fair value of the investment properties amounted to Baht 462 million in the consolidated financial statements and Baht 1,343 million in the separate financial statements.

The fair value has been determined based on the valuation performed by an independent valuer, using market approach for land, while building and office building held for rent has been determined using the replacement cost approach and income approach.

## 18. Property, plant and equipment

	Consolidated financial statements								(Unit: Thousand Baht)
	Building and								
	Land	Land improvement	building improvements	Machinery	Tools and equipment	Office equipment	Motor vehicles	Assets under construction	
<b>Cost</b>									
As at 1 January 2021	784,631	1,515	599,798	521,951	3,530,489	341,017	140,746	2,775	5,922,922
Additions	-	-	7,699	34,471	236,619	20,184	9,401	7,236	315,610
Disposals/written-off	-	-	(33)	(8,851)	(66,174)	(14,403)	(4,125)	-	(93,586)
Transferred in (out)	-	-	-	-	1,295	-	-	(1,295)	-
Transferred from investment properties	-	-	1,365	-	-	-	-	-	1,365
Classified as assets held for sale	-	-	-	-	(426,845)	-	-	-	(426,845)
Translation adjustment	-	-	-	-	430	149	-	-	579
As at 31 December 2021	784,631	1,515	608,829	547,571	3,275,814	346,947	146,022	8,716	5,720,045
Additions	-	-	3,041	90,202	1,329,668	28,095	14,102	171,300	1,636,408
Disposals/written-off	-	-	(3,982)	(7,069)	(13,547)	(8,694)	(5,638)	-	(38,930)
Transferred in (out)	-	-	-	-	70	-	-	(70)	-
Transferred to investment properties	(14,757)	-	(3,370)	-	-	-	-	-	(18,127)
Translation adjustment	-	-	-	-	(122)	(44)	-	-	(166)
As at 31 December 2022	769,874	1,515	604,518	630,704	4,591,883	366,304	154,486	179,946	7,299,230

(Unit: Thousand Baht)

## Consolidated financial statements

	Building and							Assets under construction	Total
	Land	Land improvement	building improvements	Machinery	Tools and equipment	Office equipment	Motor vehicles		
<b>Accumulated depreciation</b>									
As at 1 January 2021	-	379	323,264	480,110	2,154,637	281,088	120,874	-	3,360,352
Depreciation for the year	-	76	31,350	8,760	390,065	28,487	7,178	-	465,916
Depreciation on disposals/written-off	-	-	(33)	(7,612)	(63,411)	(14,055)	(3,767)	-	(88,878)
Transferred from investment properties	-	-	115	-	-	-	-	-	115
Classified as assets held for sale	-	-	-	-	(163,206)	-	-	-	(163,206)
Translation adjustment	-	-	-	-	350	135	-	-	485
As at 31 December 2021	-	455	354,696	481,258	2,318,435	295,655	124,285	-	3,574,784
Depreciation for the year	-	76	21,784	15,906	406,548	17,422	7,583	-	469,319
Depreciation on disposals/written-off	-	-	(3,981)	-	(16,373)	(8,011)	(6,259)	-	(34,624)
Transferred from investment properties	-	-	(366)	-	-	-	-	-	(366)
Translation adjustment	-	-	-	-	(99)	(38)	-	-	(137)
As at 31 December 2022	-	531	372,133	497,164	2,708,511	305,028	125,609	-	4,008,976



[illegible]

(Unit: Thousand Baht)

## Separate financial statements

	Land	Building and building improvements	Machinery	Tools and equipment	Office equipment	Motor vehicles	Assets under construction	Total
<b>Cost</b>								
As at 1 January 2021	207,404	147,876	40,277	201,028	85,406	39,859	920	722,770
Additions	-	-	-	20,821	3,017	232	2,192	26,262
Transferred in (out)	-	(33)	-	(1,193)	(1,157)	(1,364)	-	(3,747)
As at 31 December 2021	207,404	147,843	40,277	220,656	87,266	38,727	3,112	745,285
Additions	-	-	-	23,618	2,555	6,045	166,182	198,400
Disposals/written-off	-	(3,981)	(2)	(10,369)	(2,843)	(1,000)	-	(18,195)
As at 31 December 2022	207,404	143,862	40,275	233,905	86,978	43,772	169,294	925,490
<b>Accumulated depreciation</b>								
As at 1 January 2021	-	88,686	40,277	170,072	78,654	33,623	-	411,312
Depreciation for the year	-	7,343	-	15,263	2,856	2,292	-	27,754
Depreciation on disposals/written-off	-	(33)	-	(1,057)	(1,003)	(1,140)	-	(3,233)
As at 31 December 2021	-	95,996	40,277	184,278	80,507	34,775	-	435,833
Depreciation for the year	-	7,287	-	13,599	2,973	2,139	-	25,998
Depreciation on disposals/written-off	-	(3,981)	(2)	(6,227)	(2,837)	(568)	-	(13,615)
As at 31 December 2022	-	99,302	40,275	191,650	80,643	36,346	-	448,216

(Unit: Thousand Baht)

	Separate financial statements						
	Land	Building and building improvements	Machinery	Tools and equipment	Office equipment	Motor vehicles	Assets under construction
							Total
<b>Allowance for impairment loss</b>							
As at 1 January 2021	-	-	-	2,883	-	-	2,883
Decrease during the year	-	-	-	(2,880)	-	-	(2,880)
As at 31 December 2021	-	-	-	3	-	-	3
Decrease during the year	-	-	-	-	-	-	-
As at 31 December 2022	-	-	-	3	-	-	3
<b>Net book value</b>							
As at 31 December 2021	207,404	51,847	-	36,375	6,759	3,952	309,449
As at 31 December 2022	207,404	44,560	-	42,252	6,335	7,426	477,271
<b>Depreciation for the years</b>							
2021 (Baht 5 million included in service cost and cost of project work, and the balance in selling and distribution and administrative expenses)							27,754
2022 (Baht 3 million included in service cost and cost of project work, and the balance in selling and distribution and administrative expenses)							25,998

As at 31 December 2022, the subsidiary has outstanding balance of equipment under the sales and leaseback contract (Note 24 to consolidated financial statements) amounted to Baht 293.2 million (2021: None). The sale and leaseback contracts has 30 monthly installments commencing from June 2022 to May 2027.

As at 31 December 2022, certain equipment items of the Group had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 2,124 million (2021: Baht 1,753 million) (the Company only: Baht 304 million (2021: Baht 290 million)).

As at 31 December 2022, the Baht 687 million net book value of land and building as presented in the consolidated financial statements are presented under the investment properties in the separate financial statements because the Company leased to its subsidiaries.

## 19. Intangible assets

Intangible assets is intangible assets. The net book value of computer software as at 31 December 2022 and 2021 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 31 December 2022:		
Cost	229,103	27,142
Less: Amortisation	(112,866)	(23,318)
Net book value	116,237	3,824
As at 31 December 2021:		
Cost	203,515	26,027
Less: Amortisation	(90,966)	(22,053)
Net book value	112,549	3,974

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	112,549	114,268	3,974	2,466
Acquisition	25,588	18,042	1,115	2,726
Amortisation	(21,900)	(19,761)	(1,265)	(1,218)
Net book value at end of year	116,237	112,549	3,824	3,974

## 20. Bank overdrafts and short-term loans from banks

(Unit: Thousand Baht)

	Interest rate (% per annum)	Consolidated		Separate	
		financial statements		financial statements	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term loans from banks	2.12 - 2.95	3,766,118	2,498,106	1,993,118	1,411,105
Trust receipts	1.7	-	381,712	-	-
Total		<u>3,766,118</u>	<u>2,879,818</u>	<u>1,993,118</u>	<u>1,411,105</u>

Bank overdrafts and revolving credit facilities of the Group are secured by transfers of most of collection rights for their project works. In addition, the Company guaranteed the facilities of the subsidiaries as described in Note 36 to the consolidated financial statements.

## 21. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade and other payables - related parties</u>				
Trade payables	15,009	14,643	213,784	147,780
Other payables	2	23	10,356	1,019
Accrued expenses	-	3	19	1,005
Total trade and other payables - related parties	<u>15,011</u>	<u>14,669</u>	<u>224,159</u>	<u>149,804</u>
<u>Trade and other payables - unrelated parties</u>				
Trade payables	1,284,665	1,014,209	87,893	148,650
Other payables	436,956	238,572	82,869	6,958
Accrued expenses	340,774	225,000	105,486	45,638
Total trade and other payables - unrelated parties	<u>2,062,395</u>	<u>1,477,781</u>	<u>276,248</u>	<u>201,246</u>
Total trade and other payables	<u>2,077,406</u>	<u>1,492,450</u>	<u>500,407</u>	<u>351,050</u>



## 22. Long-term loans from banks

Loan		Loan Facility	Drawdown	Interest rate	Repayment schedule	(Unit: Thousand Baht)			
						Consolidated financial statements		Separate financial statements	
		(Million)	(Million)			2022	2021	2022	2021
(1)		126	126	Fixed interest rate	60 monthly installments (January 2018 to December 2022)	-	22,373	-	22,373
(2)		105	105	Fixed interest rate	60 monthly installments (January 2019 to December 2023)	18,053	39,716	18,053	39,716
(3)		17	17	Fixed interest rate	34 monthly installments (January 2020 to December 2022)	-	5,500	-	5,500
(4)		200	200	Fixed interest rate	33 monthly installments (January 2021 to October 2023)	60,606	133,333	60,606	133,333
(5)		200	200	Fixed interest rate	11 quarterly installments (March 2022 to September 2024)	128,000	200,000	128,000	200,000
(6)		420 <sup>(1)</sup>	115	1M THOR + a margin as stipulated in the agreement	48 monthly installments (November 2023 to October 2027)	115,367	-	115,367	-
(7)		300 <sup>(2)</sup>	120	1M BIBOR + a margin as stipulated in the agreement	12 monthly installments (February 2023 to January 2024)	120,000	-	-	-
Total						442,026	400,922	322,026	400,922
Less: Current portion of long-term loans						(278,159)	(202,129)	(168,159)	(202,129)
Long-term loans - net of current portion						163,867	198,793	153,867	198,793

(1) For construction of new factory

(2) Guarantee by the Company and Forth Smart Service Public Company Limited

In December 2022, the subsidiary entered into a long-term loan agreement with a local bank to obtain a long-term loan facility of Baht 500 million. Interest is charged at fixed rate per annum. This loan is payable on quarterly installment commencing from the fifteenth month after the first withdrawal date, this loan had not yet been draw down and are guaranteed by the Company and Forth Smart Service Public Company Limited.

According to the conditions stipulated in the loan agreements, the Group agrees not to mortgage or otherwise encumber its assets with any other parties throughout the loan period. In addition, the Group has to comply with certain covenants, pertaining to matters such as maintaining certain financial ratios.

## 23. Leases

The Group as a lessee has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 2 - 16 years (the Company only: 2 - 14 years).

### 23.1 Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings	Office equipment	Motor vehicles	Advertising billboard	Total
<b>Net book value as at</b>						
<b>1 January 2021</b>	4,331	119,253	512	3,344	5,911	133,351
Additions during the year	-	3,258	-	15,964	28,283	47,505
Depreciation for the year	(580)	(14,312)	(227)	(4,352)	(5,911)	(25,382)
<b>Net book value as at</b>						
<b>31 December 2021</b>	3,751	108,199	285	14,956	28,283	155,474
Additions during the year	-	66,585	-	26,081	-	92,666
Lease cancellation	-	(948)	-	-	-	(948)
Lease modification	-	(899)	-	(3,306)	(4,094)	(8,299)
Depreciation for the year	(206)	(27,094)	(277)	(8,538)	(5,417)	(41,482)
<b>Net book value as at</b>						
<b>31 December 2022</b>	3,545	145,843	58	29,193	18,772	197,411

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings	Motor vehicles	Total
<b>Net book value as at 1 January 2021</b>	68,551	1,102	69,653
Additions during the year	-	2,035	2,035
Depreciation for the year	(5,814)	(1,239)	(7,053)
<b>Net book value as at 31 December 2021</b>	62,737	1,898	64,635
Additions during the year	972	-	972
Lease modification	-	112	112
Depreciation for the year	(5,701)	(1,461)	(7,162)
<b>Net book value as at 31 December 2022</b>	58,008	549	58,557

## 23.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Lease payments	225,871	177,876	70,433	76,664
Less: Deferred interest expenses	(28,094)	(29,767)	(15,033)	(17,560)
Total	197,777	148,109	55,400	59,104
Less: Portion due within one year	(43,996)	(22,926)	(4,984)	(5,203)
<b>Lease liabilities - net of current portion</b>	<b>153,781</b>	<b>125,183</b>	<b>50,416</b>	<b>53,901</b>

Movement of the lease liabilities account during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at beginning of year	148,109	120,171	59,104	60,870
Additions	92,666	47,106	972	2,034
Lease modification	(8,476)	-	112	-
Lease cancellation	(959)	-	-	-
Accretion of interest	5,719	5,884	2,550	2,691
Repayments	(39,282)	(25,052)	(7,338)	(6,491)
Balance at end of year	197,777	148,109	55,400	59,104

A maturity analysis of lease payments is disclosed in Note 39.1 to the consolidated financial statements under the liquidity risk.

### 23.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	41,482	25,382	7,162	7,053
Interest expense on lease liabilities	5,719	5,884	2,550	2,691
Expense relating to short-term leases	38,157	16,144	3,060	91
Expense relating to leases of low-value assets	587	382	8	-

### 24. Other financial liabilities

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
<u>Other current financial liabilities</u>		
Liabilities under foreign exchange contracts	150	9,884
Liabilities under sale and leaseback agreement		
Amount paid according to sale and leaseback agreement liability	74,315	-
Less: Deferred interest	(11,700)	-
	62,615	-
Total other current liabilities	62,765	9,884
<u>Other non-current liabilities</u>		
Liabilities under sale and leaseback agreement		
Amount paid according to sale and leaseback agreement liability	280,716	-
Less: Deferred interest	(20,542)	-
	260,174	-
Total other non-current financial liabilities	260,174	-
Total other financial liabilities	322,939	9,884

A maturity analysis of other financial liabilities is disclosed in Note 39.1 to the consolidated financial statements under the liquidity risk.

Movement of liability under sale and leaseback agreement for the year ended 31 December 2022 are summarised below:

	(Unit: Thousand Baht)
	Consolidated financial statements
Book value at the beginning of the year	-
Addition	337,646
Accretion of interest	1,685
Payment	(16,542)
Book value at the end of the year	322,789

## 25. Provision for long-term employee benefits

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	2022	2021
<b>Provision for long-term employee benefits</b>		
<b>at beginning of year</b>	166,868	160,251
Included in profit or loss:		
Current service cost	13,299	13,874
Interest cost	2,636	2,579
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	2,549	-
Financial assumptions changes	(30,241)	-
Experience adjustments	3,235	-
Benefits paid during the year	(2,729)	(9,836)
<b>Provision for long-term employee benefits</b>		
<b>at end of year</b>	155,617	166,868

The Group expects to pay Baht 19.7 million of long-term employee benefits during the next year (2021: Baht 14.4 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefits of the Group is 12 - 23 years (2021: 13 - 25 years) (the Company only: 12 years (2021: 13 years)).



Significant actuarial assumptions are summarised below:

	(Unit: % per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Discount rate	3.1 - 4.1	1.5 - 2.2	3.1	1.5
Salary increase rate	4.0 - 6.0	4.0 - 6.0	6.0	6.0
Turnover rate	1.0 - 34.4	1.0 - 34.4	6.7 - 28.7	6.7 - 28.7

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(14,756)	17,535	(3,056)	3,553
Salary increase rate	16,912	(14,543)	3,361	(2,956)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(13,542)	16,588	(4,531)	5,611

	(Unit: Thousand Baht)			
	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(21,154)	18,011	(3,512)	4,822
Salary increase rate	18,611	(22,011)	4,963	(3,713)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(21,749)	19,759	(5,930)	8,247

## 26. 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% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 27. Revenue from contracts with customers

### Disaggregated revenue information

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Type of goods or service:</b>				
Sale of goods	5,131,686	3,771,673	1,631,334	391,446
Revenues from project work	657,005	957,010	361,547	645,127
Rental and equipment maintenance services	896,762	891,763	607,506	604,418
Service income	555,158	232,211	5,277	4,470
Revenues from services through				
online top-up machines	1,669,815	1,910,217	-	-
Service for prepaid phone, receipt of				
other online services	520,603	750,130	-	-
<b>Total revenue from contracts with customers</b>	<b>9,431,029</b>	<b>8,513,004</b>	<b>2,605,664</b>	<b>1,645,461</b>
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	7,877,262	6,664,231	1,636,611	395,916
Revenue recognised over time	1,553,767	1,848,773	969,053	1,249,545
<b>Total revenue from contracts with customers</b>	<b>9,431,029</b>	<b>8,513,004</b>	<b>2,605,664</b>	<b>1,645,461</b>

## 28. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Salaries and wages and other employee benefits	1,104,529	860,945	221,050	221,730
Depreciation and amortisation	534,279	512,120	47,328	48,606
Raw materials and consumables used	3,556,475	1,660,340	11,680	9,380
Changes in finished goods and work in progress	(379,996)	(173,475)	301,148	(98,616)
Benefit sharing to service representatives	1,059,105	1,289,997	-	-
Bank fee from money transfer service	201,458	241,763	-	-
Service expense for data transferring system	81,984	88,003	-	-
Repair and maintenance cost of top-up machines	34,034	38,717	-	-

## 29. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Current income tax:</b>				
Current income tax charge	278,871	182,428	-	-
Adjustment in respect of current income tax of previous year	850	45	201	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(48,318)	9,390	(4,972)	(2,081)
<b>Income tax expenses (revenues) reported in profit or loss</b>	231,403	191,863	(4,771)	(2,081)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax relating to actuarial gains	4,783	-	937	-

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit before tax	1,256,613	1,087,262	494,377	368,316
Applicable tax rate (%)	20	20	20	20
Accounting profit before tax multiplied by applicable tax rate	251,323	217,452	98,875	73,663
Adjustment in respect of current income tax of previous year	850	45	201	-
Deferred tax assets which were not recognised during the year	2,265	723	-	599
Deferred tax which was not recognised in previous year but utilised during current year	(3,266)	(3,475)	(1,380)	(3,475)
Effect of elimination entries on the consolidated financial statements	2,272	(5,754)	-	-
Effects of:				
Promotional privileges (Note 30)	2,503	8,162	2,503	8,613
Non-deductible expenses	8,257	9,369	2,224	1,965
Share base payment	8,890	-	-	-
Additional expense deductions allowed	(1,916)	(21,671)	(322)	(420)
Tax-exempted dividend income	-	-	(89,184)	(62,212)
Revenue treated as revenues under the Revenue Code	1,724	1,333	1,724	1,333
Revenue not treated as revenues under the Revenue Code	(19,940)	(22,313)	(19,940)	(22,313)
Tax losses utilised during the year	(26,315)	(1,529)	-	-
Unused tax losses of current year	3,536	9,258	-	-
Others	1,220	263	528	166
Total	(22,041)	(17,128)	102,467	(72,868)
Income tax expenses (revenues) reported in profit or loss	231,403	191,863	(4,771)	(2,081)

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Deferred tax assets</b>				
Allowance for expected credit losses	21,743	12,439	2,557	2,462
Allowance for diminution in value of inventories	95,476	92,499	58,765	60,764
Allowance for asset impairment	4,725	941	-	-
Unrealised profit from inter-sales transactions	126,611	109,409	-	-
Unrealised loss from forward contract	-	1,966	-	-
Provision for long-term employee benefits	30,590	32,287	8,961	9,125
Provisions	4,081	3,420	748	2,246
Liability under sale and leaseback agreement	6,061	-	-	-
Tax losses carried forward	12,160	4,560	12,160	4,560
<b>Total</b>	<b>301,447</b>	<b>257,521</b>	<b>83,191</b>	<b>79,157</b>

As at 31 December 2022, the subsidiaries have unused tax losses totaling Baht 18 million (2021: Baht 138 million), on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the unused tax losses. Such unused tax losses will gradually expire from 2023 to 2027.

### 30. Promotional privileges

The Company has received various tax privileges under the Investment Promotion Act B.E. 2520 from the Board of Investment (BOI) pursuant to the investment promotion certificates No. 1231(4)/2558. Subject to certain imposed conditions, the privileges include an income tax exemption on profit derived from the promoted operations for a period of 8 years from the date the promoted operations begin generating revenues (November 2014) and an exemption from import duty on imported raw materials and supplies used in production for export.

The subsidiary has received various tax privileges from the Board of Investment pursuant to the investment promotion certificates No. 62-1342-1-04-1-2. Subject to certain imposed conditions, the privileges include an exemption from import duty on imported raw materials used in production for export.



Another subsidiary has received various tax privileges under the Investment Promotion Act B.E. 2520 from the Board of Investment (BOI) pursuant to the investment promotion certificates No. 58-2258-0-00-2-0. Subject to certain imposed conditions, the privileges include an income tax exemption on profit derived from the promoted operations for a period of 8 years from the date the promoted operations begin generating revenues (January 2015).

The Group's operating revenues for the years ended 31 December 2022 and 2021, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>						
Sales	-	533	5,131,686	3,771,140	5,131,686	3,771,673
Services	45,156	41,125	3,597,182	3,743,196	3,642,338	3,784,321
Revenues from project work	-	-	657,005	957,010	657,005	957,010
Other income	1,014	1,933	322,392	297,789	323,406	299,722
<b>Total revenues</b>	<u>46,170</u>	<u>43,591</u>	<u>9,708,265</u>	<u>8,769,135</u>	<u>9,754,435</u>	<u>8,812,726</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>						
Sales	-	-	1,631,334	391,446	1,631,334	391,446
Services	45,156	41,125	567,627	567,763	612,783	608,888
Revenues from project work	-	-	361,547	645,127	361,547	645,127
Other income	1,014	1,933	532,695	377,506	533,709	379,439
<b>Total revenues</b>	<u>46,170</u>	<u>43,058</u>	<u>3,093,203</u>	<u>1,981,842</u>	<u>3,139,373</u>	<u>2,024,900</u>

### 31. Earnings per share

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

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit for the year (Thousand Baht)	774,899	722,765	499,148	370,397
Weighted average number of ordinary shares				
(Thousand shares)	935,375	935,375	935,375	935,375
Earnings per share (Baht per share)	0.83	0.77	0.53	0.40

### 32. Segment information

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments as follows:

- 1) Electronics manufacturing service business is a business segment that sources, manufactures and distributes electronics parts, both work manufactured order and general equipment.
- 2) Enterprise solutions business is a business segment that bids for project work, sources, subcontracts and install various systems for the government and private sectors.
- 3) Smart service business is a business segment that provides online financial transaction service and sells products and service through vending machines.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions

Revenue and profit information regarding the Group's operating segments for the years ended 31 December 2022 and 2021 were as follows:

(Unit: Million Baht)

	Electronics manufacturing service business <sup>1)</sup>		Enterprise solutions business <sup>2)</sup>		Smart service business <sup>3)</sup>		Eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Revenues</b>										
Revenues from external customers	4,154	2,643	1,860	2,976	3,417	2,894	-	-	9,431	8,513
Inter-segment revenues	1,869	532	1,484	240	12	11	(3,365)	(783)	-	-
<b>Total revenues</b>	<u>6,023</u>	<u>3,175</u>	<u>3,344</u>	<u>3,216</u>	<u>3,429</u>	<u>2,905</u>	<u>(3,365)</u>	<u>(783)</u>	<u>9,431</u>	<u>8,513</u>
<b>Segment operating profit</b>	<u>712</u>	<u>439</u>	<u>597</u>	<u>716</u>	<u>981</u>	<u>721</u>	<u>-</u>	<u>-</u>	<u>2,290</u>	<u>1,876</u>
<b>Unallocated income (expenses):</b>										
Other income									323	300
Selling and distribution expenses									(148)	(95)
Administrative expenses									(1,123)	(956)
Share of profit from investments in associates									16	39
Finance cost									(102)	(77)
Profit before tax expenses									<u>1,256</u>	<u>1,087</u>
Income tax expenses									(231)	(192)
Profit for non-controlling interests of the subsidiaries									(250)	(173)
<b>Profit for the years attributable to equity holders of the Company</b>									<u>775</u>	<u>722</u>

Segment assets of the Group as at 31 December 2022 and 2021 were as follows:

(Unit: Million Baht)

	Electronics manufacturing service business <sup>1)</sup>		Enterprise solution business <sup>2)</sup>		Smart service business <sup>3)</sup>		Unallocated assets		Eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Property, plant and equipment	247	171	52	49	2,366	1,349	477	309	86	221	3,228	2,099
Other assets	3,368	2,083	1,058	1,122	3,346	2,972	4,324	3,668	(3,938)	(3,126)	8,158	6,719
Total assets	3,615	2,254	1,110	1,171	5,712	4,321	4,801	3,977	(3,852)	(2,905)	11,386	8,818

### Geographic information

The Groups' segments operating revenues for the years ended 31 December 2022 and 2021, are present below.

	Electronics manufacturing service business <sup>1)</sup>		Enterprise solution business <sup>2)</sup>		Smart service business <sup>3)</sup>		Eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Thailand	3,408	1,812	3,344	3,216	3,429	2,905	(3,365)	(783)	6,816	7,150
Oversea	2,615	1,363	-	-	-	-	-	-	2,615	1,363
Total	6,023	3,175	3,344	3,216	3,429	2,905	(3,365)	(783)	9,431	8,513

### Major customers

For the year 2022, the Group has revenue from one major customer in amount of Baht 2,362 million (2021: Baht 1,132 million), arising from sales by the electronics manufacturing service business segment.

### 33. Provident fund

The Group and its employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Group and its employees contribute to the fund monthly at a rate of 3% of basic salary. The funds, which are managed by Bangkok Capital Asset Management Company Limited, TISCO Asset Management Company Limited, and American International Assurance Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 10 million (2021: Baht 10 million) (the Company only: Baht 4 million (2021: Baht 4 million)) were recognised as expenses.

### 34. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend paid per share (Baht)
Dividends for 2020	The 2020 Annual General Meeting of the Company's shareholders on 22 April 2021	187,075	0.20
Interim dividend paid from profit for the six-month period ended 30 June 2021	The Board of Directors' Meeting on 11 August 2021	140,306	0.15
Total		327,381	0.35
Dividends for 2021	The 2021 Annual General Meeting of the Company's shareholders on 22 April 2022	280,593	0.30
Interim dividend paid from profit for the six-month period ended 30 June 2022	The Board of Directors' Meeting on 15 August 2022	140,306	0.15
Total		420,899	0.45



### **35. Treasury shares/appropriated retained earnings for treasury shares reserve**

On 17 July 2019, the Board of Directors' Meeting of the Company approved a share repurchase program for financial management propose with a budget of up to Baht 300 million, to repurchase no more than 50,000,000 shares (par value of Baht 0.50 each), which accounts for not more than 5.21% of the total number of shares in issue. The shares are to be repurchased on the Stock Exchange of Thailand between 15 August 2019 and 14 February 2020. 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 15 August 2019 to 14 February 2020, the Company had purchased back a total of 24,625,300 ordinary shares, or 2.57% of the total number of shares in issue, for a total of Baht 152.2 million under this share repurchase program. The Company has already allocated unappropriated retained earnings amounting to Baht 152.2 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 14 February 2020.

On 11 August 2021, the Board of Directors' Meeting of the Company passed a resolution to resell 24,625,300 shares repurchased from shareholders (treasury ordinary shares) during 30 August 2021 to 13 February 2023 (6 months after the completion date of the share repurchase but not later than 3 years). In the event that the Company is unable to dispose of all repurchased shares within the resale period, the Company is to reduce its registered and paid-up share capital by cancellation of any remaining unsold treasury ordinary shares.

During the current year, the Company has not yet sold such treasury ordinary shares.

### 36. Commitments and contingent liabilities

	Consolidated financial statements				Separate financial statements			
	2022		2021		2022		2021	
Short-term leases and lease of low-value assets and service agreements commitments								
Leases	Baht	17.6 million	Baht	2.9 million	-		Baht	1.0 million
Service agreements	Baht	6.0 million	Baht	5.3 million	Baht	1.9 million	Baht	2.3 million
Capital commitments								
Building and building improvements construction contracts	Baht	247.2 million	Baht	3.3 million	Baht	245.6 million	-	
Agreement to purchases of equipment	Baht	6.8 million	Baht	12.7 million	-		-	
	USD	0.2 million	-		-		-	
	EUR	0.3 million	-		-		-	
Agreement to purchases of computer software	Baht	5.2 million	Baht	4.1 million	-		-	
Other commitments								
Agreements to purchase of goods and services	Baht	1,166.6 million	Baht	204.2 million	Baht	900.5 million	Baht	6.0 million
	USD	40.9 million	USD	26.1 million	USD	7.7 million	USD	4.0 million
	JPY	28.7 million	JPY	14.7 million	-		-	
	EUR	1.6 million	EUR	0.4 million	-		EUR	0.1 million
Letter of credit	USD	0.3 million	USD	0.3 million	USD	0.3 million	USD	0.3 million
	EUR	0.6 million	EUR	0.6 million	-		-	
Guarantees								
Guarantees for trade payable	Baht	161.2 million	Baht	164.2 million	-		-	
Project guarantees	Baht	1.052 million	Baht	926.4 million	Baht	730.6 million	Baht	882.1 million
Utilities guarantees	Baht	9.0 million	Baht	3.1 million	Baht	5.7 million	Baht	0.7 million

As at 31 December 2022, The Company has guaranteed loan and credit facilities of its subsidiaries and associate amounting to Baht 1,771 million and Baht 287 million, respectively (31 December 2021: Baht 1,092 million and Baht 287 million, respectively).

### 37. Litigation

On 9 April 2021, a project subcontractor filed a lawsuit against the Company and an unrelated company as venturers of Joint Venture Forth and Yip In Tsoi (the associate) as defendants with the Supreme Court of Victoria, Australia on the grounds of wrongful termination and breach of IT Support Service contract and claimed for damages of USD 2.1 million.

Subsequently, after the management of the Company and such unrelated company carefully reviewed the details of plaint, legal advisor in Australia has been appointed and discussed for further consult with the case. As the project subcontractor incapable to meet the milestone requirement and to deliver service within the contract milestone, the associate therefore informed the termination of the IT Support service contract. Since the case is pending consideration and unable to assess the damages, the Company's management, therefore, did not record any contingent liabilities in the current period's financial statements.

Subsequently, 23 February 2023, the Supreme Court of Victoria, Australia instructed the Company, along with other unrelated companies, to enter into a mediation process with a project subcontractor. As a result, the Company and an unrelated company agreed to pay a total of USD 300,000 to the subcontractor. The Company is currently in the process of signing a mediation agreement with the subcontractor to resolve the matter.

### 38. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)					
	Consolidated financial statements					
	2022			2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets measured at fair value through profit and loss</b>						
Non-listed equity investments	-	-	25	-	-	25
<b>Liabilities measured at fair value</b>						
Foreign currency forward contracts	-	-	-	-	10	-
<b>Assets for which fair value are disclosed</b>						
Investment properties	-	-	462	-	-	104

(Unit: Million Baht)

	Separate financial statements					
	2022			2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>						
<b>through profit and loss</b>						
Non-listed equity investments	-	-	25	-	-	25
<b>Assets for which fair value are</b>						
<b>disclosed</b>						
Investment properties	-	-	1,343	-	-	904

## 39. Financial instruments

### 39.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, other receivables, unbilled receivables, loans to, receivable under hire purchase and finance lease receivables, trade and other payables, bank overdrafts and short-term loans from banks, long-term loans and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Group is exposed to credit risk primarily with respect to trade receivables, other receivables, unbilled receivables, loans receivable, receivable under hire purchase and finance lease agreements and deposits with financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statements of financial position.

#### ***Trade receivables, other receivables, hire purchase and finance lease receivables and unbilled receivables***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, outstanding trade receivables, other receivables, loans receivable, hire purchase and finance lease receivables and unbilled receivables are regularly monitored.

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. Generally, trade receivables, other receivables, loans receivable, hire purchase and finance lease receivables and unbilled receivables are written-off according to the Group's policy with consider as appropriate.

#### ***Cash deposits with financial institutions***

The Group manages the credit risk from balances with 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 the 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 are two types of market risk comprising interest rate risk and foreign currency risk. The Group's risk management policy is disclosed in the interest rate risk and foreign currency risk topic, respectively.

#### ***Interest rate risk***

The Group is exposed to interest rate risk relates primarily to its cash at banks, loans to, loan receivable, receivable under hire purchase and finance lease agreements, bank overdrafts, short-term loans, long-term loans and lease liabilities 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 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2022							
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	619	162	781	0.10 - 0.60
Trade and other receivables	-	-	-	-	2,977	2,977	-
Unbilled receivables	-	-	-	-	211	211	-
Loan receivables	85	112	-	-	-	197	5.00 - 25.00
Hire purchase and finance lease receivables	80	24	-	-	-	104	1.45 - 3.00
	<u>165</u>	<u>136</u>	<u>-</u>	<u>619</u>	<u>3,350</u>	<u>4,270</u>	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from banks	3,766	-	-	-	-	3,766	2.12 - 2.95
Trade and other payables	-	-	-	-	2,077	2,077	-
Long-term loans from banks	261	66	-	115	-	442	2.75 - 4.00
Lease liabilities	44	111	43	-	-	198	1.85 - 6.08
Other financial liabilities	63	260	-	-	-	323	3.45 - 4.10
Retention received from service representatives	-	-	-	-	599	599	-
	<u>4,134</u>	<u>437</u>	<u>43</u>	<u>115</u>	<u>2,676</u>	<u>7,405</u>	

(Unit: Million Baht)

## Consolidated financial statements

As at 31 December 2021

	Fixed interest rates			Floating		Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	632	217	849	0.05 - 0.50
Trade and other receivables	-	-	-	-	2,314	2,314	-
Short-term loans to related parties	80	-	-	-	-	80	4.50
Unbilled receivables	-	-	-	-	299	299	-
Loan receivables	32	68	-	-	1	101	5.00 - 25.00
Hire purchase and finance lease receivables	105	50	-	-	-	155	0.79 - 3.00
	<u>217</u>	<u>118</u>	<u>-</u>	<u>632</u>	<u>2,831</u>	<u>3,798</u>	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from banks	2,880	-	-	-	-	2,880	1.50 - 2.12
Trade and other payables	-	-	-	-	1,492	1,492	-
Long-term loans from banks	202	199	-	-	-	401	3.20 - 4.00
Lease liabilities	23	76	49	-	-	148	1.85 - 6.68
Other financial liabilities	-	-	-	-	10	10	-
Retention received from service representatives	-	-	-	-	644	644	-
	<u>3,105</u>	<u>275</u>	<u>49</u>	<u>-</u>	<u>2,146</u>	<u>5,575</u>	

(Unit: Million Baht)

## Separate financial statements

As at 31 December 2022

	Fixed interest rates			Floating		Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	107	1	108	0.10 - 0.60
Trade and other receivables	-	-	-	-	561	561	-
Short-term loans to related parties	34	-	-	-	-	34	3.00 - 5.00
Unbilled receivables	-	-	-	-	132	132	-
Hire purchase and finance lease receivables	71	21	-	-	-	92	1.85 - 3.00
	<u>105</u>	<u>21</u>	<u>-</u>	<u>107</u>	<u>694</u>	<u>927</u>	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from banks	1,993	-	-	-	-	1,993	2.12 - 2.95
Trade and other payables	-	-	-	-	500	500	-
Long-term loans from banks	151	56	-	115	-	322	3.48 - 4.00
Lease liabilities	5	16	34	-	-	55	1.85 - 4.58
	<u>2,149</u>	<u>72</u>	<u>34</u>	<u>115</u>	<u>500</u>	<u>2,870</u>	

(Unit: Million Baht)

## Separate financial statements

As at 31 December 2021

	Fixed interest rates			Floating		Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	139	3	142	0.05 - 0.50
Trade and other receivables	-	-	-	-	295	295	-
Short-term loans to related parties	113	-	-	-	-	113	3.00 - 5.00
Unbilled receivables	-	-	-	-	206	206	-
Hire purchase and finance lease receivables	100	46	-	-	-	146	1.85 - 3.00
	<u>213</u>	<u>46</u>	<u>-</u>	<u>139</u>	<u>504</u>	<u>902</u>	
<b>Financial liabilities</b>							
Bank overdrafts and short-term loans from banks	1,411	-	-	-	-	1,411	1.50 - 1.91
Trade and other payables	-	-	-	-	351	351	-
Long-term loans from banks	202	199	-	-	-	401	3.20 - 4.00
Lease liabilities	5	16	38	-	-	59	1.85 - 4.58
	<u>1,618</u>	<u>215</u>	<u>38</u>	<u>-</u>	<u>351</u>	<u>2,222</u>	

### Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	16.1	8.3	8.1	13.1	34.4731	33.3310
Japanese yen	-	-	0.1	0.1	0.2594	0.2891
Vietnamese dong	-	0.8	-	-	-	0.0015
Euro	-	-	0.8	11.2	36.6630	37.3706

Foreign exchange contracts outstanding of the Group as at 31 December 2022 and 2021 are summarised below:

2022			
Foreign currency	Bought amount	Contractual exchange rate of bought amount	Maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.7	34.02 - 34.28	February 2023 - April 2023

2021			
Foreign currency	Bought amount	Contractual exchange rate of bought amount	Maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.4	33.43 - 33.73	April 2022 - July 2022
Euro	10.6	36.80 - 39.88	January 2022 - March 2022

### Liquidity risk

The Group monitors the liquidity risk through the use of bank overdrafts, short-term loans from financial institutions and lease liabilities. The Group has 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 access to concentration of risk with respect to refinancing its debt and determined it to be low. The Group has 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 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements					
As at 31 December 2022					
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Bank overdrafts and short-term loans					
from banks	160,000	3,606,118	-	-	3,766,118
Trade and other payables	-	2,077,406	-	-	2,077,406
Long-term loans	-	285,853	164,961	-	450,814
Lease liabilities	-	51,132	126,688	48,051	225,871
Other financial liabilities	-	74,465	280,716	-	355,181
Retention received from service representatives	598,824	-	-	-	598,824
	<u>758,824</u>	<u>6,094,974</u>	<u>572,365</u>	<u>48,501</u>	<u>7,474,214</u>

(Unit: Thousand Baht)

Consolidated financial statements					
As at 31 December 2021					
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Bank overdrafts and short-term loans					
from banks	602,106	2,277,712	-	-	2,879,818
Trade and other payables	-	1,492,450	-	-	1,492,450
Long-term loans	-	206,512	203,943	-	410,455
Lease liabilities	-	28,971	92,300	56,605	177,876
Other financial liabilities	-	9,884	-	-	9,884
Retention received from service representatives	644,156	-	-	-	644,156
	<u>1,246,262</u>	<u>4,015,529</u>	<u>296,243</u>	<u>56,605</u>	<u>5,614,639</u>



(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2022				
	On	Less than 1	1 - 5	Over	
	demand	year	years	5 years	Total
Bank overdrafts and short-term loans					
from banks	140,000	1,853,118	-	-	1,993,118
Trade and other payables	-	500,407	-	-	500,407
Long-term loans	-	172,889	154,927	-	327,816
Lease liabilities	-	4,921	16,541	33,874	70,433
	140,000	2,5231,335	171,468	33,874	2,876,677

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Bank overdrafts and short-term loans					
from banks	424,105	987,000	-	-	1,411,105
Trade and other payables	-	351,050	-	-	351,050
Long-term loans	-	206,512	203,943	-	410,455
Lease liabilities	-	7,743	24,164	44,757	76,664
	424,105	1,552,305	228,107	44,757	2,249,274

## 39.2 Fair values of financial instruments

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

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

## 40. 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 and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods. As at 31 December 2022, the Group's debt-to-equity ratio was 2.5:1 (2021: 2.4:1) and the Company's was 2.0:1 (2021: 1.6:1).

## 41. Event after the reporting period

### 41.1 Dividend Payment

- a) On 7 February 2023, a Board of Directors' meeting of Forth Tracking System Company Limited, the associate, passed a resolution to approve an interim dividend payment paid from unappropriated retained earnings and from profit for the year 2022 of Baht 100 per share, or a total of Baht 30 million. The dividend is scheduled be paid on 9 February 2023.
- b) On 20 February 2023, a Board of Directors' meeting of Forth EMS Company Limited, the subsidiary, passed a resolution to propose its Annual General Meeting of Shareholders approve a dividend payment paid from profit for the year 2022 of Baht 0.20 per share, or a total of Baht 160 million. The dividend is scheduled be paid on 3 May 2023. The dividend payment depends on its Annual General Meeting of Shareholders approval.
- c) On 22 February 2023, a Board of Directors' meeting of Forth Vending Company Limited, the subsidiary, passed a resolution to propose its Annual General Meeting of Shareholders approve a dividend payment paid from profit for the year 2022 of Baht 0.64 per share, or a total of Baht 90 million. The dividend is scheduled be paid on 3 May 2023. The dividend payment depends on its Annual General Meeting of Shareholders approval.
- d) On 23 February 2023, a Board of Directors' meeting of Forth Smart Service Plc., the subsidiary, passed a resolution to propose its Annual General Meeting of Shareholders approve a dividend payment paid from profit for the year 2022 of Baht 0.36 per share, In this regard, the subsidiary already paid an interim dividend at Baht 0.20 per share, totaling Baht 150.6 million, during the year 2022 to the shareholders, therefore the remaining dividend payable will be Baht 0.16 per share, or totaling Baht 120.5 million. The dividend is scheduled be paid on 3 May 2023. The dividend payment depends on its Annual General Meeting of Shareholders approval.
- e) On 24 February 2023, a Board of Directors' meeting of the Company, passed a resolution to propose its Annual General Meeting of Shareholders approve a dividend payment paid from profit for the year 2022 of Baht 0.52 per share, In this regard, the Company already paid an interim dividend at Baht 0.15 per share, totaling Baht 140.3 million, during the year 2022 to the shareholders, therefore the remaining dividend payable will be Baht 0.37 per share, or totaling Baht 346.1 million. The dividend is scheduled be paid on 8 May 2023. The dividend payment depends on its Annual General Meeting of Shareholders approval.

#### **41.2 Increased capital/change in the par value/transform to a public limited company**

On 10 February 2023, the Extraordinary General Meeting of the shareholders of Forth EMS Company Limited No. 1/2023 (subsidiary) (Forth EMS) passed the resolutions approving the following significant matters:

- a) A change in par value of Forth EMS's ordinary shares from Baht 10 per share (40,000,000 shares) to Baht 0.5 per share (800,000,000 shares).
- b) An increase in Forth EMS's registered share capital from Baht 400 million (800,000,000 ordinary shares with a par value of Baht 0.5 each), to Baht 560 million (1,120,000,000 ordinary shares with a par value of Baht 0.5 each) through the issuance of 320,000,000 new ordinary shares with a par value of Baht 0.5 each to be allocated to the initial public offering (IPO).
- c) A conversion of a limited company into public company and change of the subsidiary's name from "Forth EMS Company Limited" to "Forth EMS Public Company Limited".

Forth EMS registered the change in the par value of its ordinary shares, the increase in its registered share capital, the conversion into public company and the change of name with the Ministry of Commerce on 15 February 2023.

#### **41.3 Plan for initial public offering (IPO) of Forth EMS and issuance and offering of newly-issue ordinary shares of Forth EMS to the directors, executives, and employees of Forth EMS**

On 24 February 2023, the Company's Board of Directors' meeting, passed a resolution to the Annual General Meeting of the shareholders for approval of the following matters:

- a) The issuance and offering of newly issue ordinary shares of Forth EMS (Note 41.2), for the initial public offering (IPO) and the listing of Forth EMS on the Stock Exchange of Thailand, with the percentage of shares to be offered through the IPO to not exceed 28.57% of the total paid-up capital of Forth EMS after the IPO.

After the IPO, the Company will have equity interest in Forth EMS not less than 62.5% of the paid-up capital of Forth EMS.

- b) Issuance and offering of newly-issue ordinary shares of Forth EMS to the directors, executives, and employees of Forth EMS ("Forth EMS's ESOP") of up to 56,000,000 shares and not more than 25% of the IPO's shares and not more than 7.14% of the total paid-up share capital of Forth EMS after the IPO, at the offer price equal to the IPO's price.

#### **41.4 Share capital reduction / cancellation of treasury share**

On 24 February 2023, the Company's Board of Directors' meeting, passed a resolution approving the reduction of the Company's registered and paid-up share capital of Baht 12.3 million from Baht 480 million (960,000,000 ordinary shares with a par value of Baht 0.5 par value) to Baht 467.7 million (935,374,700 ordinary shares with a par value of Baht 0.5 par value) by cancelling the 24,625,300 treasury shares under the share repurchase program for financial management purpose as approved by the Board of Directors dated 17 July 2019 due to expiration of the resale period. The Company is in a process of reduction of such shares with the Ministry of Commerce.

#### **42. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2023.

**Part**

# 4


**Certification of Accuracy**

## Certification of Information and Data Accuracy


Having carefully verified the information and data shown in this annual registration statement / annual report (Form 56-1 One Report), the company certifies that they are completely accurate, factual, and not misleading or lacking in essential detail. In addition:

- (1) The financial statements and data summarized in annual registration statement / annual report (Form 56-1 One Report) show essentially accurate information and data about its financial standing, performance, and cash flow of the company and its subsidiaries.
- (2) It has put in place a good information and data disclosure system to ensure that it discloses essential details about itself and its subsidiaries completely and accurately, while ensuring due compliance.
- (3) It has put in place a good internal control system and ensured due compliance with such system. the company has provided internal control system assessment details as of December 31st, 2022, to the external auditor and the Audit Committee, including defects and key changes in the internal control system together with wrongdoing potentially affecting the preparation of the financial reports for itself and its subsidiaries.

As evidence that all documents are identical to those certified by the company, the company has assigned Mr. Arin Jamnaree to put her initials on every page of the documents. Therefore, if him initials are missing on any given page, the company will disown such data.

Name	Position	Signature
Mr. Pongchai Amatanon	Chief Executive Officer	

### Authorized person

Name	Position	Signature
Mr. Arin Jamnaree	Vice President of Accounting and Finance, Corporate Secretary	



## Attachment 1

### Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary

1. Information Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary

## Mr. Sanit Vorapunya

**Chairman of BOD/ Independent Director**  
**Age 84 years**

**Date of Appointment as a Director** July 8, 2005

### **Education and Training Background**

- Master of (Econ.), University of Wisconsin, USA
- Bachelor of Economics, Thammasat University
- Certification of Thailand National Defense College
- Director Accreditation Program (DAP) No. 24/2004, Thai Institute of Directors (IOD)

### **Board Member/ Management in Other Listed Company**

#### **Other Listed Companies**

- None -

#### **Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)**

- None -

#### **Position in Other Company/ Organization/ Institution**

- None -

### **Working Experiences in the 5 Preceding Years**

- 2005 – Present Chairman of the Board of Directors/ Independent Director, Forth Corporation Plc
- 2006 – Present Director, Electronic Source Co., Ltd.
- 2006 – Present Director, Genius Traffic System Co., Ltd.
- 1996 – Present Director, Thai Research and Training Co., Ltd.
- 2006 – 2022 Chairman of the Audit Committee, Thai Summit Harnes Plc.
- 2020 – 2022 Chairman of BOD, Southeast Life Insurance Plc.
- 2020 – 2022 Chairman of BOD, The Southeast Insurance Plc.
- 2020 – 2022 Chairman of BOD, The Southeast Capital Co., Ltd.
- 2009 – 2020 Director, Southeast Life Insurance Plc.
- 2009 - 2020 Director, The Southeast Insurance Plc.
- 2009 - 2020 Director, The Southeast Capital Co., Ltd.
- 2015 - 2018 Chairman of the Board of Directors/ Independent Director/ Audit Committee, Forth Corporation Plc

### **Company's Shares Procession (%) As of December 30, 2022**

- None -

### **Family Relationship among Directors and Executives**

- None -

## Mr. Pongchai Amatanon

**Director/ Chief Executive Officer/  
Risk Management Committee**  
Age 59 years

**Date of Appointment as a Director** July 8, 2005

### **Date of Appointment as a Director**

- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Certification of Thailand National Defense College Batch 58
- Top executives' program, Capital Market Academy, Batch 14
- Director Accreditation Program (DAP) No. 30/2004, Thai Institute of Directors (IOD)

### **Board Member/ Management in Other Listed Company**

#### **Other Listed Companies**

- Director/ Nomination and Remuneration Committee/ Executive Chairman, Forth Smart Service Company Limited

#### **Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)**

- Director, Government Pharmaceutical Organization (GPO)
- Director, Aero Forth Company Limited
- Director, Forth Smart Distribution Company Limited
- Director, Odin Power Company Limited
- Director, Forth Smart Capital Company Limited
- Director, Forth Vending Company Limited
- Director, Forth Lighting Company Limited
- Director, Forth Consulting Company Limited
- Director, Electronic Source Company Limited
- Director, Forth Meter Company Limited
- Director, Forth Tracking System Company Limited
- Director, Genius Traffic System Company Limited
- Director, Forth MRO Services Company Limited

**Position in Other Company/ Organization/ Institution**  
14 Companies 1 Organizations

### **Working Experiences in the 5 Preceding Years**

- 2017 – Present Director/ Nomination and Remuneration Committee/ Executive Chairman, Forth Smart Service Public Company Limited
- 2005 – Present Director / Chief Executive Officer/ Risk Management Committee, Forth Corporation Public Company Limited
- 2021 – Present Director, Government Pharmaceutical Organization
- 2021 – Present Director, Aero Forth Company Limited
- 2020 – Present Director, Forth Smart Distribution Company Limited
- 2020 – Present Director, Forth MRO Services Company Limited
- 2019 – 2020 Independent Director/ Audit Committee, Thai Airways International Public Company Limited
- 2019 - Present Director, Forth EMS Company Limited
- 2016 – Present Director, Odin Power Company Limited
- 2016 – Present Director, Forth Smart Capital 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 Meter Company Limited
- 2002 – Present Director, Forth Tracking System Company Limited
- 2002 – Present Director, Genius Traffic System Company Limited

### **Company's Shares ProceSSION (%) As of December 30, 2022**

41.75 % (Including spouse and immature children)

### **Family Relationship among Directors and Executives**

Father of Mr. Pattanan Amatanon, Brother of Mr. Kaelic Amatanon





## Mr. Kaelic Amatanon

**Director**

**Age 67 years**

**Date of Appointment as a Director** July 8, 2005

### **Education and Training Background**

- Vocational Certificate, Accounting, Chet upon Commercial College
- Director Accreditation Program (DAP) No. 30/2004, Thai Institute of Directors (IOD)

### **Board Member/ Management in Other Listed Company**

#### **Other Listed Companies**

- None -

#### **Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)**

- Director/ Executive Director, Electronic Source Company Limited

#### **Position in Other Company/ Organization/ Institution**

1 Companies

### **Working Experiences in the 5 Preceding Years**

- 2005 - Present Director, Forth Corporation Public Company Limited
- 1988 - Present Director/ Executive Director, Electronic Source Company Limited

### **Company's Shares Proportion (%) As of December 30, 2022**

6.03 %

### **Family Relationship among Directors and Executives**

Brother of Mr. Pongchai Amatanon



## Mr. Somboon Muangklam

**Director/ Independent Director/  
Chairman of Audit Committee/  
Chairman of Nomination and Remuneration Committee**  
Age 71 years

**Date of Appointment as a Director** April 23, 2018

### Education and Training Background

- B.A. of Laws Program (LL. B), Ramkhamhaeng University
- Barrister at Law, the Institute of Legal Education Thai Bar Association
- Director Accreditation Program (DAP) No. 77/2009 Thai Institute of Directors (IOD)

### Board Member/ Management in Other Listed Company

#### Other Listed Companies

- None -

#### Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)

- None -

#### Position in Other Company/ Organization/ Institution

- None -

### Working Experiences in the 5 Preceding Years

- 2018 - Present Director/ Independent Director/  
Chairman of the Audit Committee/  
Chairman of the Nomination and  
Remuneration Committee,  
Forth Corporation Public Company Limited
- 2014 - 2022 Member of Bangkok Metropolitan Council  
Qualified Committee, the Institute for the  
Promotion of Teaching Science and  
Technology (IPST)
- 2013 - 2021
- 2013 - 2018 Director, Workmen's Compensation Fund

### Company's Shares Procession (%) As of December 30, 2022

- None -

### Family Relationship among Directors and Executives

- None -

## Mrs. Vilasinee Puddhikarant

**Director/ Independent directors/ Audit Committee/  
Nomination and Remuneration Committee**  
Age 68 years

**Date of Appointment as a Director** April 23, 2018

### Education and Training Background

- B.A. of Economics, East Texas State University, Texas, USA.
- Director Certification Program (DCP) No. 134/2010, Thai Institute of Directors Association
- Advanced Audit Committee Program (AAP) No. 29/2018, Thai Institute of Directors Association
- Certificate of Good Governance for Medical Executives, The Medical Council of Thailand
- Capital Market Academy (CMA), Capital Market Academy
- Strategic Customer Management Universal Network Intelligent, Singapore
- The 7 Habits of Highly Effective People KLC, United Kingdom
- MINI MBA

### Board Member/ Management in Other Listed Company

#### Other Listed Companies

- Director, Rama 9 Hospital Public Company Limited
- Independent directors/ Executive Director SC Asset Public Company Limited

#### Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)

- None -

#### Position in Other Company/ Organization/ Institution

2 Companies

### Working Experiences in the 5 Preceding Years

- 2018 - Present Director/ Independent Director/ Audit Committee/ Nomination and Remuneration Committee, Forth Corporation Public Company Limited
- 2017 - Present Director, Rama 9 Hospital Public Company Limited
- 2016 - Present Independent directors/ Executive Director SC Asset Public Company Limited
- 2017 - 2020 Advisor, SCB Abacus Company Limited
- 2018 - 2020 Advisor, Thai Commercial Bank
- 2015 - 2020 Advisor, Advanced Info Service Public Company Limited

### Company's Shares Procession (%) As of December 30, 2022

- None -

### Family Relationship among Directors and Executives

- None -





## Miss Noparat Siripongpreeda

**Director**

**Age 48 years**

**Date of Appointment as a Director April 23, 2018**

### Education and Training Background

- B.A. of Economics, Chulalongkorn University
- Director Accreditation Program (DAP)  
No. 154/2018, Thai Institute of Directors (IOD)
- Senior Leader of Team Course (Shell, 2013)
- Women's Career Development Program (Shell, 2013)

### Board Member/ Management in Other Listed Company

#### Other Listed Companies

- None -

#### Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)

- Director/ Electronic Source Company Limited

#### Position in Other Company/ Organization/ Institution

1 Companies

### Working Experiences in the 5 Preceding Years

- 2018 - Present Director, FORTH Corporation Public Company Limited
- 2018 - Present Director, Electronic Source Company Limited
- 2008 - 2016 Cluster Sale & Operations Planning Manager  
(SEA & East Distributions), Shell Eastern Petroleum (Pte) Limited

### Company's Shares Proportion (%) As of December 30, 2022

- None -

### Family Relationship among Directors and Executives

- None -



## Mrs. Matinee Wandeepirom

Director/ Nomination and Remuneration Committee

Age 61 years

**Date of Appointment as a Director** July 8, 2005

### Education and Training Background

- B.A. of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Director Accreditation Program (DAP) No. 30/2004, Thai Institute of Directors (IOD)

### Board Member/ Management in Other Listed Company

#### Other Listed Companies

- None -

#### Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)

- Director/ Executive Director, Genius Traffic System Company Limited

#### Position in Other Company/ Organization/ Institution

1 Companies

### Working Experiences in the 5 Preceding Years

- 2005 - Present Director/ Nomination and Remuneration Committee, FORTH Corporation Public Company Limited
- 2002 - Present Director/ Executive Director, Genius Traffic System Company Limited

### Company's Shares Procession (%) As of December 30, 2022

2.58 %

### Family Relationship among Directors and Executives

Sister and wife of Mr. Pongchai Amatanon



## Mr. Boonya Tantipanichapun

**Director/  
Executive Committee Risk Management Committee  
Age 61 years**

**Date of Appointment as a Director** July 8, 2005

### **Education and Training Background**

- B.A. of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Director Accreditation Program (DAP) No. 30/2004, Thai Institute of Directors (IOD)
- Certification of Thailand National Defense College Batch 60
- Top executives' program, Capital Market Academy, Batch 23

### **Board Member/ Management in Other Listed Company**

#### **Other Listed Companies**

- None -

#### **Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)**

- Director/ Executive Director, Genius Traffic System Company Limited

#### **Position in Other Company/ Organization/ Institution**

1 Company

### **Working Experiences in the 5 Preceding Years**

- 2005 – Present Director/ Nomination and Remuneration Committee, FORTH Corporation Public Company Limited
- 2002 - Present Director/ Executive Director, Genius Traffic System Company Limited

### **Company's Shares Proportion (%) As of December 30, 2022**

2.57 % (Including spouse and immature children)

### **Family Relationship among Directors and Executives**

- None -





## Mrs. Porntip Lerttanongsak

**Director/ Independent Director/ Audit Committee/  
Chairman of Risk Management Committee**  
Age 46 years

**Date of Appointment as a Director** 23 April 2018

### **Education and Training Background**

- Bachelor, Commerce and Accountancy  
Chulalongkorn University
- Director Accreditation Program (DAP)  
No. 152/2018 Thai Institute of Directors (IOD)
- TAS19 Calculate Employee Benefits and TFRS9  
Provision for Impairment of Financial Instruments
- Course "Overall TFRS 9 and auditing excellence  
2021"
- Training on "The role of the auditor in risk  
assessment and IT application control audit"

### **Board Member/ Management in Other Listed Company**

**Other Listed Companies**

- None -

**Positions in Other Organizations / Institutes /  
Businesses (Non-Listed Company)**

- Audit Partner, AST Master Company Limited

**Position in Other Company/ Organization/  
Institution**

1 Company

### **Working Experiences in the 5 Preceding Years**

- 2018 - Present Director/ Independent Director/  
Audit Committee/  
Chairman of Risk Management Committee,  
Forth Corporation Public Company Limited
- 2017 - Present Audit Partner, AST Master Company Limited

### **Company's Shares ProceSSION (%) As of December 30, 2022**

- None -

### **Family Relationship among Directors and Executives**

- None -

## Ms. Pichamon Amatanon

**Director/ Executive Committee/  
Risk Management Committee/  
Nomination and Remuneration Committee  
Assistant VP of Central Office Administration  
Age 29 years**

**Date of Appointment as a Director** November 12, 2021

### **Education and Training Background**

- Bachelor of Engineering Chulalongkorn University
- Director Accreditation Program (DAP)  
No. 188/2021 Thai Institute of Directors (IOD)

### **Board Member/ Management in Other Listed Company**

#### **Other Listed Companies**

- None -

#### **Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)**

- Director, Electronic Source Company Limited
- Director, Forth Meter Company Limited
- Director, Forth Consulting Company Limited
- Director, Forth Lighting Company Limited
- Director, Forth Smart Capital Company Limited
- Director, Forth Smart Digital Company Limited
- Director, Forth Vending Company Limited

#### **Position in Other Company/ Organization/**

**Institution**

1 Company

### **Working Experiences in the 5 Preceding Years**

- 2021 – Present Director,  
Electronic Source Company Limited
- 2021 – Present Director,  
Forth Meter Company Limited
- 2021 – Present Director,  
Forth Consulting Company Limited
- 2021 – Present Director,  
Forth Lighting Company Limited
- 2021 – Present Director,  
Forth Smart Capital Company Limited
- 2021 – Present Director,  
Forth Smart Digital Company Limited
- 2564 – 2565 Director,  
Forth EMS Public Company Limited
- 2013 – 2020 Sr. Technology Consultant PWC Thailand
- 2015 – Present Director, Forth Vending Company Limited

### **Company's Shares ProceSSION (%) As of December 30, 2022**

0.02% (Including spouse and immature children)

### **Family Relationship among Directors and Executives**

Wife of Mr. Phatthanan Amatanon



## Mr. Chatchavin Pipatchotitham

**Risk Management Committee /  
Assistant to Chief Executive Officer  
Age 50 years**



### Education and Training Background

- Bachelor of Accounting, Thammasat University
- Master of MBA, Chulalongkorn University
- Capital Market Academy Programs No 24
- Director Certification Program (DCP)  
No. 288/2020 Thai Institute of Directors (IOD).

### Board Member/ Management in Other Listed Company

#### Other Listed Companies

- Director TQR Public Company Limited

#### Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)

- Director, Forth EMS Public Company Limited
- Director, Forth Smart Distribution Company Limited
- Director, Forth Smart Capital Company Limited

#### Position in Other Company/ Organization/ Institution

5 Companies

### Working Experiences in the 5 Preceding Years

- 2010 – present Risk Management Committee/  
Assistant to Chief Executive Officer,  
Forth Corporation Public Company Limited
- 2020 – Present Director,  
Forth Smart Distribution Company Limited
- 2019 – Present Director,  
Forth EMS Public Company Limited
- 2016 – Present Director,  
Forth Smart Capital Company Limited
- 2020 – Present Director, TQR Public Company Limited

### Company's Shares Procession (%) As of December 30, 2022

- None -

### Family Relationship among Directors and Executives

- None -



## Mr. Pattanan Amatanon

**Assistant Vice President of Project Development**  
**Age 31 years**

### Education and Training Background

- Bachelor of Electrical & Electronic Eng, Imperial College London
- Master of MA Management, Imperial College London

### Board Member/ Management in Other Listed Company

#### Other Listed Companies

- None -

#### Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)

- Director, Forth Smart Digital Company Limited
- Director, Forth Smart Capital Company Limited
- Director, Forth Smart Distribution Company Limited
- Director, Forth EMS Public Company Limited
- Director, Genius Traffic System Company Limited
- Director, Forth MRO Services Company Limited
- Director, Forth Meter Company Limited
- Director, Forth Devons Company Limited
- Director, Aero Forth Company Limited
- Director, A.I.M. Co., Ltd.

#### Position in Other Company/ Organization/ Institution

10 Companies

### Working Experiences in the 5 Preceding Years

- 2021 – Present Director, A.I.M. Co., Ltd.
- 2021 – Present Director, Aero Forth Company Limited
- 2021 – Present Director, Forth Devons Company Limited
- 2020 – Present Director, Forth MRO Services Company Limited
- 2020 – Present Director, Forth Smart Distribution Company Limited
- 2019 – Present Director, Forth EMS Public Company Limited
- 2018 – Present Director, Forth Meter Company Limited
- 2017 – Present Director, Forth Smart Digital Company Limited
- 2016 – Present Director, Genius Traffic System Company Limited

### Company's Shares Proportion (%) As of December 30, 2022

0.12% (Including spouse and immature children)

### Family Relationship among Directors and Executives

Son of Mr. Pongchai Amatanon

Husband of Ms. Pichamon Amatanon

Cousin of Mr. Chawin Lerttripyong



## Mr. Arin Jamnaree

**Corporate Secretary/  
President of Accounting and Finance  
Age 50 years**

### Education and Training Background

- Bachelor of Accounting, Thammasat University
- Master of MBA, Thammasat University
- Economic update for CFO
- Driving Digital Transformation of the Finance and Accounting
- Training on TFRS
- Training on Accounting standards related to Property, Plant, and Equipment

### Board Member/ Management in Other Listed Company

#### Other Listed Companies

- None -

#### Positions in Other Organizations / Institutes / Businesses (Non-Listed Company)

- None -

#### Position in Other Company/ Organization/ Institution

- None -

### Working Experiences in the 5 Preceding Years

- 2017 – Present    Company Secretary  
Forth Corporation Public Company Limited
- 2008 – Present    Director of Accounting and Finance,  
Forth Corporation Public Company Limited

### Company's Shares Procession (%) As of December 30, 2022

- None -

### Family Relationship among Directors and Executives

- None -

## 2. Duties and responsibilities of company secretary

The company secretary shall perform his or her duties in accordance with section 89/15 and section 89/16 of Securities and Exchange Act (No.4) B.E. 2551, which come into force on August 31, 2008. The company secretary shall perform his or her duties with responsibilities, care, honesty and in compliance with laws, Article of Association and Objective of the Company, resolution of the Board of Director, and resolution of the shareholders' meeting. In performing this duty, the Company Secretary has duties and responsibilities disclosed on corporate website [www.investor.forth.co.th](http://www.investor.forth.co.th) under corporate information section. or scan the QR code



# Attachment 2

## Details of the Directors of the Subsidiaries

List of Directors	Subsidiaries																	
	ES	GTS	JVG	FSMART	FCON	FLT	FMT	FVD	MC	FSC	FSD	JVFG	FEMS	FMRO	FSDT	ARF	FDV	TAIM
Mr. Sanit Vorapanya	/	/																
Mr. Pongchai Amatanon	/	/	/	/,//	/	/	/	/,//	/,X	/		/		/	/	/		
Mrs. Rangsi Lerttripinyo			/						/			/						
Mr. Kaelic Amatanon	/,//																	
Mrs. Matinee Wandeepirom		/,//	/									/						
Mr. Boonya Tantipanichapun		/,//	/									/						
Mr. Poonsak Siripongpreeda	/																	
Ms. Noparat Siripongpreeda	/,//																	
Mr. Sitthichok Amatanon						/												
Mr. Pattanan Amatanon		/					/			/	/		/	/	/	/	/	/
Mr. Chawin Lerttripinyo						/	/	/,//					/					
Mr. Pichit Nimkul				/,X														
Mr. Damrong Kaewprasit				/														
Mr. Boonchai Sowannichkul				/														
Pol.Lt. Gen Boriharn Siang-arom				/														
Admiral Kraisor Chansuwanich				/														
Mr. Siwaphan Ratanavirojwong				/														
Mr. Chatchavin Pipatchotitham										/			/		/			
Mr. Phurit Bhirombhakdi								/										
Mr. Sattadon Sattabut								/										
Mr. Narongsak Lertsuptavee				/,//						/	/				/			
Mrs. Veronica Tercio									/									
Mr. Worasak Tantiwong									/									
Mr.Jimson Magada									/									
Ms. Rasinee Lerttripinyo				/,//						/	/				/			
Mr. Atsila Amatanon						/								/		/		/
Ms. Sasisupa Sukonthasub								/						/				
Mr. Thawan Thianthong														/				
Mr. Keerati Kitmanawat														/				
Sqn.Ldr. Somchanok Tiemtiewrat														/				
Flg.Off. Chamnan Samdangrit																	/	
Ms. Pussadee Damkerngsuradet																	/	
Mr. Ban Yomjinda																		/
Ms. Watanya Amatanon								/,//										
Ms. Pichamon Amatanon	/				/	/	/	/		/	/	/						
Mr. Somkid Thaiphon								/,//										

List of Directors	Subsidiaries																	
	ES	GTS	JVG	FSMART	FCON	FLT	FMT	FVD	MC	FSC	FSD	JVFG	FEMS	FMRO	FSDT	ARF	FDV	TAIM
Ms. Nisa Amatanon													/,//					
Mr. Arthorn Sinsawat													/,X					
Ms. Nongram Laohaareedilok													/					
Mr. Chatchai Saksilapachai													/					
Mr. Laksika Amatanon													/,//					
Mr. Pichai Duangtaweesub													/,//					
Mr. Chumpol Rimsakron								/,X										
Mr. Thanetr Khumchoedchoochai								/										
Mr. Thawatchai Jittrapanun								/										

หมายเหตุ:

1. / = กรรมการ X = ประธานกรรมการ // = กรรมการบริหาร
2. บริษัท อีเลคทรอนิกส์ โซลิวชั่น จำกัด (ES)  
บริษัท จีเนียส กราฟฟิค ซิสเต็ม จำกัด (GTS)  
กิจการร่วมค้า Genius (JVG)  
บริษัท ฟอรัท สมาร์ท เซอร์วิส จำกัด (มหาชน) (FSMART)  
บริษัท ฟอรัท คอนซัลติ้ง จำกัด (FCON)  
บริษัท ฟอรัท ไลท์ติ้ง จำกัด (FLT)  
บริษัท ฟอรัท มิเตอร์ จำกัด (FMT)  
บริษัท ฟอรัท เวเนดิง จำกัด (FVD)  
Mindmap Commtech Inc. (MC)  
บริษัท ฟอรัท สมาร์ท แคปิตอล จำกัด (FSC)  
บริษัท ฟอรัท สมาร์ท ดิจิตอล จำกัด (FSD)  
กิจการร่วมค้า ฟอรัท จีเนียส (JVFG)  
บริษัท ฟอรัท อีเอ็มเอส จำกัด (FEMS)  
บริษัท ฟอรัท เอ็มอาร์ไอ เซอร์วิส จำกัด (FMRO)  
บริษัท ฟอรัท สมาร์ท ดิสทริบิวชั่น จำกัด (FSDT)  
บริษัท แอโร ฟอรัท จำกัด (ARF)  
บริษัท ฟอรัท ดีวอนส์ จำกัด (FDV)  
บริษัท ทีเอไอเอ็ม จำกัด (TAIM)

## Attachment 3

### Details of Head of Internal Audit

Mr. Kanapos Sae-Tang

Age 43 years

Internal Audit Manager

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#### Education/ Training

- Bachelor of Business Administration Raja Mangala Institute of Technology Bangkok Technical Campus
- Certificate CPIAT
- Certificate of Internal Auditor of Thailand (CPIAT), No.67
- Tools and Techniques for the audit Manager
- Value-Added Business Control: The Right Way to Manage Risks
- Risk Based Audit
- Internal Audit Practice, Course 2 (Federation of Accounting Professions under the Royal Patronage of His Majesty the King)

#### Experience

- 2019 – present Internal Audit Manager, Forth Corporation Public Company Limited
- 2007 – 2018 Internal Audit Manager, Central Group
- 2005 – 2007 Internal Auditor, Mitr Phol Company Limited



# Attachment 4

## Operating Assets and Details of Assets Assessment

### Operating Assets

Details appear under "Operating Assets"

### Asset Revaluation

- None -

## Attachment 5

### Corporate Governance Policy and Code of Conduct

#### Corporate Governance Policy

Company discloses a full report of corporate governance policies and guidelines on the Company's website, [www.forth.co.th](http://www.forth.co.th). It can be viewed in the "Investor Relations" or scan QR code.



#### Code of Conduct

Company discloses a full report of Business Ethics on the Bank's website, [www.forth.co.th](http://www.forth.co.th). It can be viewed in the "Investor Relations" or scan QR code.



# Attachment 6

## Report of the Audit Committee

The Audit Committee, appointed by the Company's Board of Directors, consists of three independent directors who have performed their duties in compliance with capability under their responsibility and authority assigned in correspondence with the good practices of the Audit Committee. In 2022, the Audit Committee had held 4 meetings with all 3 Audit Committee members attended all the five meetings as well as the external auditors, the management and the internal auditors to present the information and suggestions on related agendas and the resolutions of main discussions were:

1. To review the quarterly and annual financial report of 2022 before proposing to the Board of Directors to certify and approve in consideration of the accounting standards of the financial report and sufficient disclosure of information.
2. To consider the audit plan, acknowledge the auditing result together with the recommendations of the internal auditors relating to the analysis of the internal audit control system and present them to the Board of Directors to for revision as appropriate including follow up the progress of the improvement of deficiencies in order to ensure the efficient internal audit control considering the risk of all factors.
3. To review for ensuring that the Company complied with good practices for listed the practices of the Company under the promulgation of the Stock Exchange of Thailand including compliance with regulations and laws related to Company's business.
4. To review and propose opinions on connected transactions or transactions with conflict of interests as well as consider ensuring the disclosure of the correct and complete information.
5. To assess the independence of the external auditors and consider the appointment and remuneration of auditors for 2020.
6. The audit committee has evaluated its own performance for the year 2022. The result of the evaluation is at an excellent level. And have already reported to the Board of Directors

The Audit Committee has expressed their opinion that the quarterly and annual financial statements and financial report were conducted in accordance with Thai Financial Reporting Standards as well as the disclosure of the complete, correct and sufficiently detailed connected transactions. In addition, the Company has provided an internal control system with an efficient auditing mechanism as well as effective balance system. Moreover, the Company has kept a strong hold on the practices regarding to the laws and regulations of the Stock Exchange of Thailand, corporate government, business ethics and related business laws.

According to the financial statements for the year ending 31 December 2023, the Audit Committee has proposed for appointing EY Office Limited to pursue the Company's auditors same as the prior year since it is a reputable auditing firm and also is recognized best practice on auditing standards widely accepted. The appointment of the Company's auditor will be proposed to the Annual General Meeting of Shareholders for 2023 which will be held in April 2023 for next approval.



(Mr. Somboon Muangklam)

Chairman of Audit Committee



(Mrs. Vilasinee Puddhikarant)

Audit Committee



(Mrs. Porntip Lerttanongsak)

Audit Committee





# 56-1 ONE REPORT

FORTH CORPORATION PUBLIC COMPANY LIMITED

Forth Corporation Public Company Limited

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