

2020,
THE GAME
HAS CHANGED.
AND SO HAVE WE.

The COVID-19 pandemic.

The coronavirus caused unprecedented
change all over the world.

Those who weren't able to adapt suffered.

Forth adapted. Forth prospered.

I will try and think of something better.

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Message from the Chairman of the Board

In 2020 was a year of one of the greatest crises the world has faced that is the outbreak of COVID-19 which spread all over the world and it is still unable to predict when this crisis will end. I can only hope that a vaccine will be used to stop the spread of this disease as soon as possible which is likely to have some degree of success already.

The COVID-19 outbreak impact on the world economy enormously. There was a disruption of travel and the trade among countries. Business that used to be strong, such as retail or tourism business must adapt to survive but at the same time business related to technology is growing rapidly and become a new opportunity in the midst of a crisis because of the positive factors resulting from the transition to the "New normal" of people around the world.

In the midst of challenges and technological transitions that are occurring, Forth Business Group still continues to grow strongly with the vision of the management who always attaches great importance to technology research and development. This gives the group companies the ability to adapt rapidly and to create innovations that are in line with the new ways of living when combined with the availability of production capacity and experience in bringing new products to market. Therefore, the Group does not miss an opportunity to respond to the fast changing consumer demands. With its technological expertise, this results in the trust gained from both public and private organizations in developing projects, laying out various infrastructures continuously which helps the group of companies to have financial stability and is ready to expand the business continuously.

For the 2021 trend, economic analysts around the world are forecasting a 4-5% growth in the economy. If it is true, stagnation will disappear and the overall picture of the world will certainly be brighter.

Finally, I would like to thank you, shareholders as well as the management and all employees who work together to turn challenges into opportunities for the Group to become the technology leader capable of responding to global changes in a timely manner along with strictly adhering to the principles of corporate governance in order for the group of companies to grow steadily and sustainably.

Finally, I would like to thank you shareholders. As well as the management And all employees who work together to turn challenges into opportunities for the Group to become the technology leader capable of responding to global changes in a timely manner Along with strictly adhering to the principles of corporate governance In order for the group of companies to grow steadily and sustainably



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

Message from the Chairman of the Executive Committee

COVID-19 outbreak is changing our world. Every business needs to accelerate to adapt to the economic contraction, stagnating purchasing power and changing consumer behavior.

Although in 2020 the outbreak of COVID-19 inevitably affect the operations of the Forth group, this challenge becomes the opportunity for the Forth group, focusing on research and development product by itself, to prove itself as a technology expert. Through years Forth has researched and developed solutions that support future life including the development of electric vehicle chargers to meet the increasing demands of users along with raising the standard of work and service in various projects that the Company group is involved to make them ready for bigger projects in the future. As well as further innovation of fresh coffee vending machines and automates beverage maker which is in line with the new way of life in the coming of digital technology age.

Another thing that helps Forth quickly cope with the current situation is the business group restructuring that started two years ago. At present, all 3 business groups which are Enterprise Solutions Business, EMS business and smart service businesses use their own strengths to respond to the opportunities arising from the transition to the New Normal, and support each other in technology and business. This can help reduce the impact on the Company group from economic contraction due to the COVID-19 outbreak. Furthermore, the Company has responded to the crisis with prudently proactive. The Company was able to generate strong profit amid this challenging time.

Although no one has been able to predict when will this crisis end and how it will end but we can see the changing trends in consumer behavior that are taking place and develop products and services that are compliant with Future way of life. This is a challenging mission and a great opportunity of the Forth Group. I believe our availability of people, technology, and our dynamic adaptability will enable the Forth Group to thrive in the future steadily and sustainably.

I would like to take this opportunity to thank you all shareholders, directors, employees, customers, suppliers, business partners as well as all stakeholders, which have been essential part to the success of the Group over the passing time. The Group will continue to adhere to the principles of good governance along with a commitment to developing innovations that are beneficial to both business and society today and in the future.



(Mr. Pongchai Amatanon)
Executive Chairman



Board of Directors



Mr. Sanit Vorapunya

Chairman of the Board of Directors,
Independent Director



Mr. Pongchai Amatanon

Director,
Executive Committee,
Risk Management Committee



Mrs. Rangsee Lertripinyo

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



Mr. Somboon Muangklam

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



Mrs. Vilasinee Puddhikarant

Director,
Independent Director,
Audit Committee,
Nomination and Remuneration
Committee



Mrs. Porntip Lerttanongsak

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



Mr. Kaelic Amatanon

Director



Mrs. Matinee Wandeepirom

Director,
Nomination and Remuneration
Committee



Mr. Boonya Tantipanichapun

Director,
Executive Committee,
Risk Management Committee



Ms. Noparat Siripongpreeda

Director

Management Team

Mr. Pongchai Amatanon



Chief Executive Officer

Mrs. Rangsee Lertripinyo



Senior Executive Vice President

Mr. Chatchavin Pipatchotitham



Executive Vice President,
Risk Management Committee

Mr. Arin Jamnaree



Vice President of Accounting and Finance,
Corporate Secretary

Mr. Katanyoo Wilaikaew



Vice President of Research and
Development

Vision & Mission

Vision

“Forth Corporation Public Company Limited is an organization of research, development, production, distribution and service in all forms of information technology, communication and electronics including networks for, channels of excellent, complete and automated service and finance under good corporate governance by aiming for sustainable growth with social and environmental responsibility.”

Mission

- To encourage research and development in order to enlarge the business for various products and services.
- To restructure business plans underlying marketing dynamics and anticipations of organization's stakeholders.
- To fulfill the capacities of human resources on research and development, innovations, designs, explorations, manufacture, sales and marketing and distribution channels.
- To establish and maintain the customer satisfaction on our products and after sales services.
- To protect the interests of shareholders, customers, business partners, employees, social communities, environment and public sectors.



Key Milestones

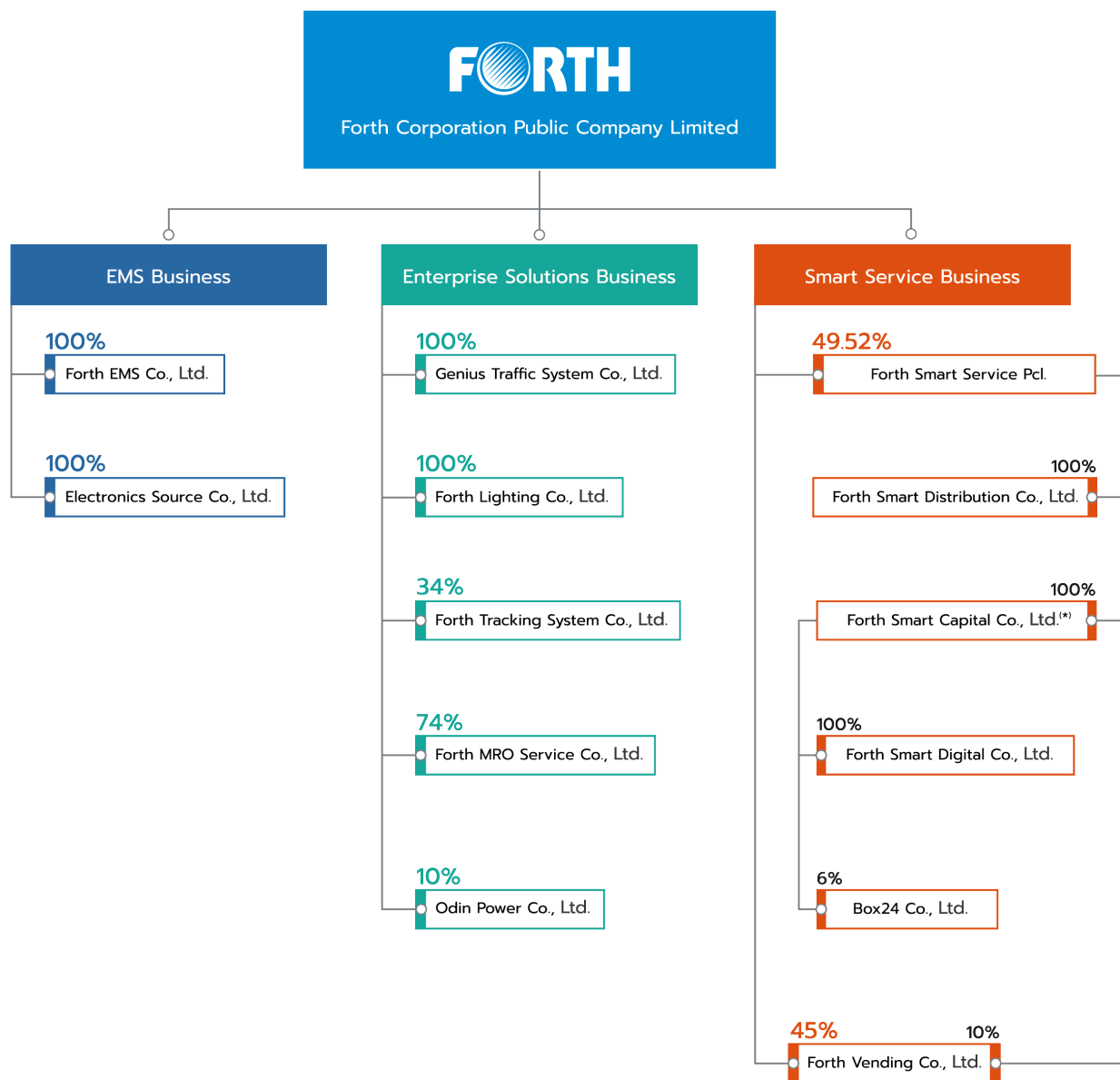
- 2019** Established Forth EMS Company Limited to operate manufacturing service business. One-stop electronic products.
- 2015** Established Forth Vending Company Limited to operate the business of vending machines.
- 2014** Forth Smart Service Company Limited was converted to Public Company Limited being listed on the Market for Alternative Investment (mai) under the stock name "FSMART".
- 2008** Established Forth Smart Service Company Limited to operate a service provider of mobile top-up and online payment via automatic kiosk. Under the trademark "Boonterm".
- 2005** Genius Communication System Company Limited converted to a public company limited under the name of Forth Corporation Public Company Limited, registered in the market under the share name "FORTH".
- 1989** Genius Communication System Company Limited was established to operate a manufacturing and distribution of telephone branches under the FORTH trademark and provide manufacturing and assembly services for electric circuits and electronic devices.

Major Changes and Developments in 2020

In 2020, Forth Corporation Public Company Limited (Company) and its affiliates have significant changes and developments as follows:

- The Company has repurchased 24,625,300 shares through the Stock Exchange of Thailand, representing 2.57 percent of the registered and paid-up capital.
- Forth Smart Service Public Company Limited has repurchased 26,858,700 shares through the Stock Exchange of Thailand, representing 3.36 percent of the registered and paid-up capital.
- The Company invested in Forth MRO Service Company Limited to operate aircraft hangar and aircraft maintenance business with a registered capital of 4 million baht (400,000 ordinary shares with a par value of 10 baht per share), the Company holds 74% of the registered capital.
- Forth Lighting Company Limited increased its registered capital from 10 million baht (100,000 ordinary shares with a par value of 100 baht) to 20 million baht (200,000 ordinary shares with a par value of 100). The Company purchased newly issued ordinary shares in order to maintain the exiting proportion of shares.
- Forth Smart Service Public Company Limited invested to establish Forth Smart Distribution Company Limited to operate the business of selling products and providing other services in connection with the automatic payment terminal tobacco distribution business and advertising media business with the registered capital of 200 million baht (20 million ordinary shares with a par value of 10 baht per share). Forth Smart Service Public Company Limited holds 99.97 percent of the registered capital.
- Forth Smart Trading Company Limited, a subsidiary of Forth Smart Service Public Company Limited, has changed its name to Forth Smart Capital Company Limited and has transferred some business which are business on selling products and providing other services in connection with the automatic payment terminal tobacco distribution business and advertising media business and most of the inventories and assets related, to Forth Smart Distribution Company Limited and has acquired additional shares of Forth Smart Digital Company Limited which makes owned shares increased from 60 percent to 99.99 percent.
- Forth Wending Company Limited increased its registered capital from 620 million baht (62 million common shares with a par value of 10 baht) to 670 million baht (67 million ordinary shares with a par value of 10 baht per share) by issuing 5 million newly issued ordinary shares with a par value of Baht 10 per share. The Company and Forth Smart Service Public Company Limited have exercised their rights to purchase newly issued ordinary shares in order to maintain the exiting proportion of shares.

Corporate Structure



(*) Formerly "Forth Smart Trading Co., Ltd."

Group Joint Venture

- Genius Joint Venture
- Forth Genius Joint Venture
- Forth and Yip In Tsoi Joint Venture
- Forth Survey Joint Venture
- Forth Group Joint Venture Co., Ltd.

Ceased operation

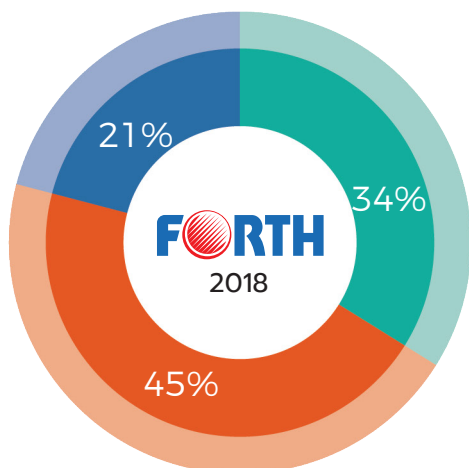
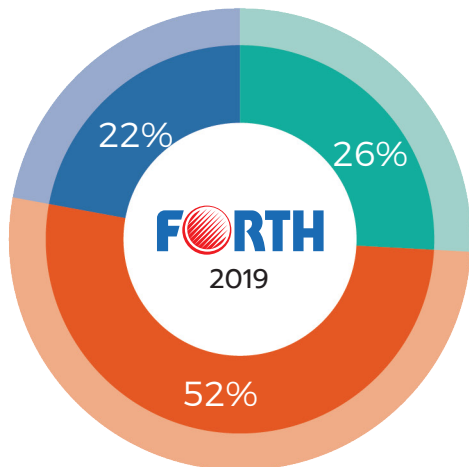
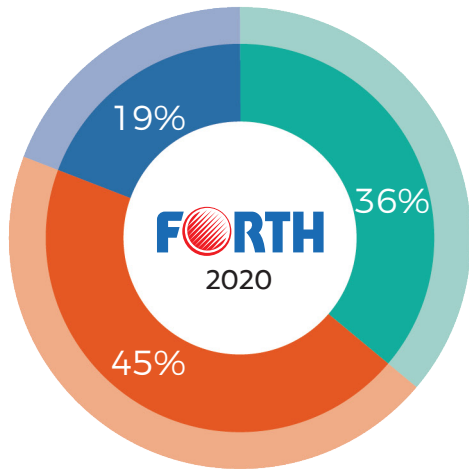
- Forth Consulting Co., Ltd.
- Forth Meter Co., Ltd.
- Forth Royal Joint Venture Co., Ltd.
- Forth Devons Joint Venture
- FPT Payment Technology JSC
- Mindmap Commtech Inc.

Financial Highlights

Financial Highlights	2020	2019	2018
Total revenues (Million THB)	7,082	6,803	8,080
Gross profit margin (Million THB)	1,531	1,537	1,769
Profit before finance cost and income tax expense (Million THB)	745	700	954
Net profit (Million THB)	439	331	526
Earnings per share (THB)	0.47	0.35	0.55
Dividend per share (THB)	0.32	0.42	0.55
Total assets (Million THB)	7,822	7,617	8,870
Total liabilities (Million THB)	5,594	5,171	6,364
Total shareholders' equity (Million THB)	2,228	2,446	2,506
Debt to equity ratio (time) (Million THB)	2.51	2.11	2.54
Return on equity (%)	20%	14%	21%
Return on assets (%)	6%	4%	6%
Book value per share (THB)	2.38*	2.55	2.61
Revenue Structure	2020	2019	2018
· EMS Business (Million THB)	1,262	1,457	1,658
· Enterprise Solutions Business (Million THB)	2,451	1,701	2,676
· Smart Service Business (Million THB)	3,078	3,361	3,481

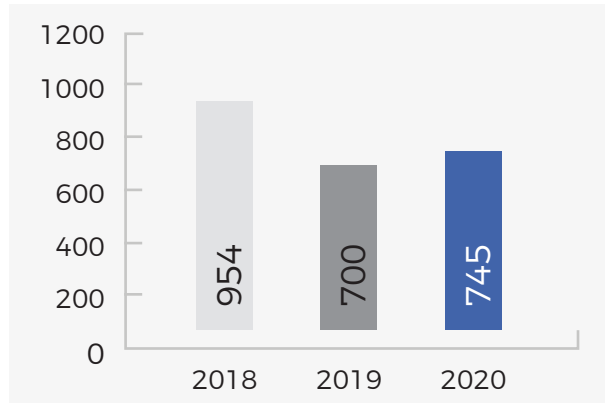
*Excluding treasury shares

Core Revenue Contribution

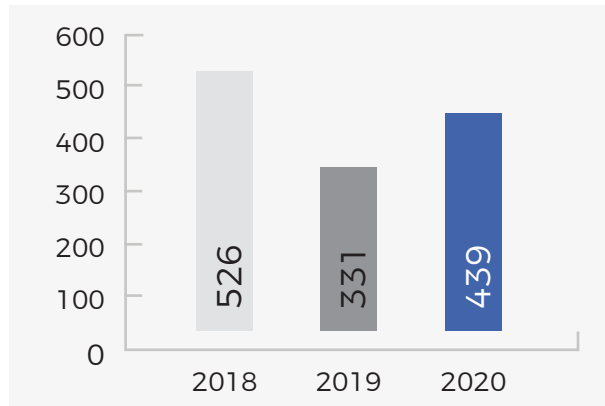


- EMS business
- Enterprise Solutions Business
- Smart Service Business

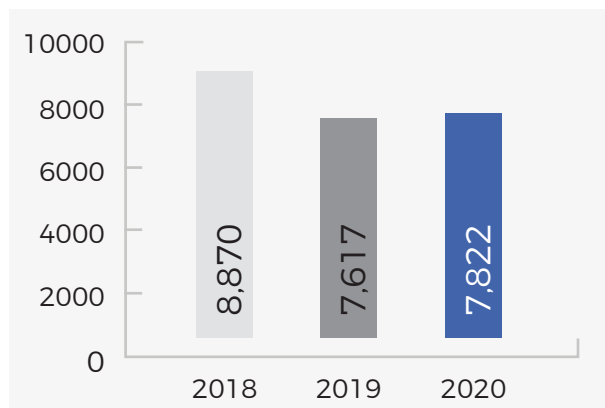
Profit before finance cost and income tax expense (Million THB)



Net profit (Million THB)



Total assets (Million THB)



Endless Innovation

Every single change always comes with
“Growth”

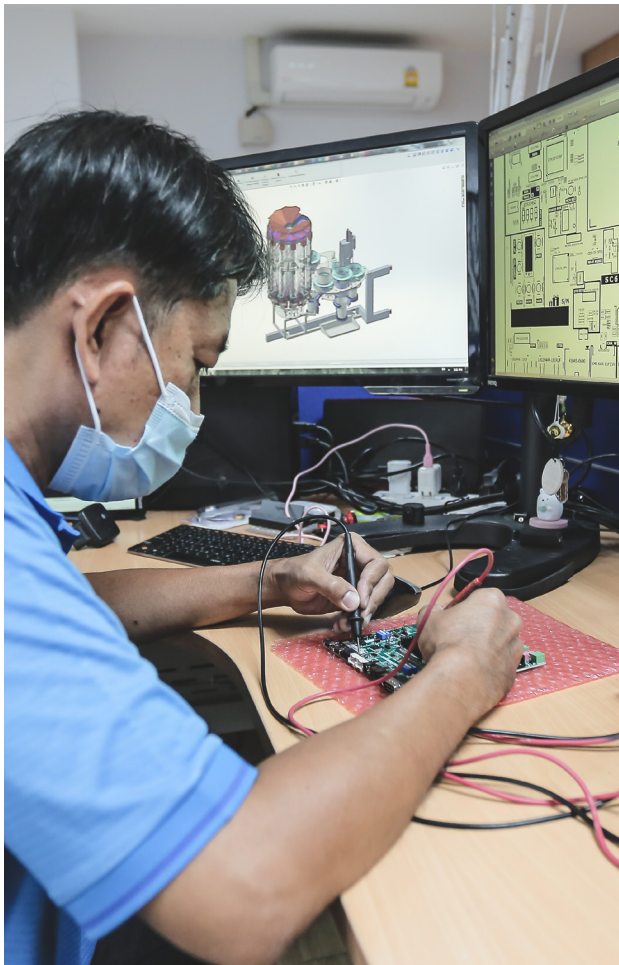


The Leader in Telecommunication and Electronic Technology in Thailand

Founded in 1989, FORTH Corporation public company limited (FORTH) has been the leader in development of telecommunication and electronic technology in Thailand. Our enthusiasm for developing new product has helped us to gain the trust of many organizations. We have been appointed to be the key contractor on Thailand's big telecom (TOT) and IoT projects and have been contracted as a manufacturer of various global brands. Moreover, FORTH is going forward into developing new product and services for digital technology age.

Innovation Center

Forth Corporation Public Company Limited is a Thai company devoted to ongoing research and development over the past three decades. With an R&D team of over 100 people, we work together to research, develop 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 realizes that in order to operate its business 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



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.

Research and Development

Electronic Monitoring Device

Forth's Research and Development team has designed and developed the second generation of an electronic personal tracking device, or Electronic Monitoring (EM), which is smaller and more efficient than the first generation. For use in court procedures to control and monitor temporarily released suspects or defendants with insufficient assets, the aim is to reduce the number of incarcerated prisoners and minimize social disparities. This device can monitor, check and limit travel distance. When worn on the ankle, the device enables identification of the released person's location and sends the released person's coordinates every two minutes. In addition, the device has real-time warnings when incidents occur such as when the device is hit, destroyed, cut or removed without permission. Moreover, the device supports current and future 4G standards with a more energy-efficient system.

Motorcycle EV Locker

Forth's research and development team has researched and developed the motorcycle EV locker for electric motorcycles with changeable batteries. Users can learn from their mobile phone application which stations have batteries available for instant changes, so this will save time in having to wait for charging. All they have to do is look at the distance and plan their route to a place where they can change their batteries. This will get people to recognize the convenience of electric motorcycles, so more of them can be used, which will cut down on pollution from emissions and gas with cost efficiency for users due to lower cost per kilometer.

Electric Vehicle Charging Stations

Forth's research and development team has studied and developed electric vehicle charging stations to continually charge electric vehicle batteries featuring both wall and station types that support standard J1772 Type 1 plugs (for American and Japanese cars) and 62196-2 Type 2 (for European cars). There are two electric vehicle charging stations models, those for sale that can charge electric vehicles automatically (stand-alone) and those with a model for payments to be made through the BeWallet application based on actual usage in order to keep up with modern technologies. Furthermore, the company has designed a DC charging system to reduce charging time per session, and it supports both CCS and Chademo. This will get more people to use electric vehicles, which will decrease pollution from emissions and gas with cost efficiency for users.

Internet of Things (IoT Gateway)

Forth's research and development team researched and developed an IoT gateway. Internet of Things or "IoT" means the connection of everything to the internet to allow humans to give instructions and control the function of a variety of devices through the internet very easily by just the tips of their fingers, such as by turning household appliances or other appliances in their daily lives on or off. The IoT gateway can do things like check temperatures, humidity and CCTVs and control electrical appliances and LED display control through the internet.

Internet Protocol (IP Nurse Call)

This is an internal communication system for medical facilities to use in contacts between patients and nurses, so patients can communicate with nurses any time they want without having to pick up the telephone. Pushing a single button can establish communication that's like being in the same room. IP Nurse Call is an expansion and enhancement of the features and stability of the traditional nurse call system by having all devices connected through the Internet Protocol (IP). This will boost nursing effectiveness, while building comfort and trust in patients and their relatives, especially when patients are in an emergency, as they can ask for help at any time. Forth's research and development team enhanced the capabilities of IP Nurse Call devices with bigger screens and more features to build a system for that's great for small and large hospitals alike.

Automatic Teller Machine (Mini ATM)

Forth's research and development team has developed an ATM machine to add another way to withdraw cash from various banks in certain places where the public cannot go to a bank ATM and for installation alongside bank ATMs. But this machine dispenses low-value banknotes that cannot be withdrawn from bank ATMs. In 2020, the company cut cost and size to turn it into a stand for the Boonterm top-up machine.

SIM Card Vending Machine

Forth's research and development team has designed and developed a SIM card vending machine that sells mobile phone SIM cards to expand upon the Boonterm top-up machine. The machine is in the form of a stand designed for connection to the Boonterm machine. The insides are made up of a SIM card vending machine and an ID card reader that supports customer identification and verification through the e-KYC system, which is the process for selling SIM cards.

Barista Bot

Forth's Research and Development team has designed and developed the fresh coffee vending machines and automates beverage maker that differentiate from general coffee machine. It is an innovation of automatic drinks maker machine, which can make a variety of drinks more than a hundred menus with the same taste in every glass in one machine.

Overview and Nature of Business

Forth Corporation Public Company Limited is a Thai company which has been operating since 1989 under the former name of Genius Communication System Company Limited with registered capital of 1 million baht to operate the business of manufacturing telephone exchanging station under the FORTH trademark and manufacturing and assembling circuit boards, electrical and electronic equipment. The company was listed on the Stock Exchange of Thailand and transformed into a public company in 2005.

Vision

Forth Corporation Public Company Limited is an organization of research, development, production, distribution, and service in all forms of information technology, communication and electronics including networks for, channels of excellent, complete and automated service and finance under good corporate governance by aiming for sustainable growth with social and environmental responsibility.

Mission

- To encourage research and development in order to enlarge the business for various products and services.
- To restructure business plans underlying marketing dynamics and anticipations of organization's stakeholders.
- To fulfill the capacities of human resources on research and development, innovations, designs, explorations, manufacture, sales and marketing and distribution channels.
- To establish and maintain the customer satisfaction on our products and after sales services.
- To protect the interests of shareholders, customers, business partners, employees, social communities, environment and public sectors

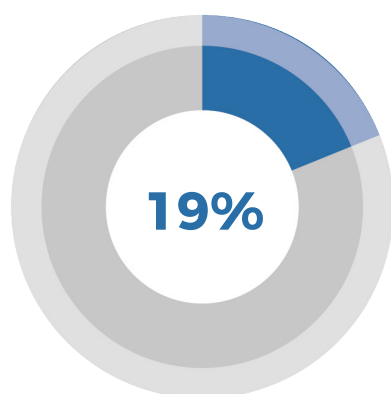
Corporate culture

F : Faithful	Faithful and Faith in the Organization
O : Optimist	Optimistic, Positive View, Good Attitude
R : Responsible	Responsibility
T : Thoughtful	Thorough, thoughtful
H : Harmony	Teamwork

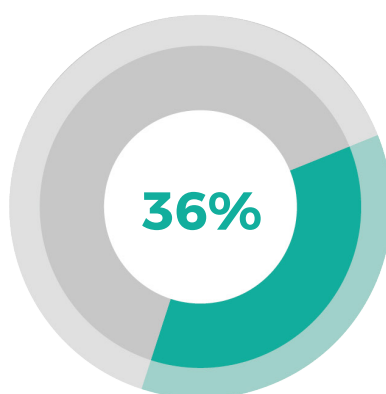
Revenue structure

	2020		2019		2018	
	Million THB	%	Million THB	%	Million THB	%
EMS Business						
- Manufacturing and distribution of telecommunication and electronics equipment under customer brands	425	6.00	521	7.66	673	8.33
- Distribution of electronics parts	837	11.82	936	13.76	985	12.19
Enterprise Solution Business						
- Procurement projects of government and state enterprise and projects of private organization	1,680	23.02	959	14.10	818	10.12
- Integration and Distribution of traffic light system and	745	10.52	670	9.85	1,767	21.87
- Development and implementation of ERP system	27	0.38	11	0.16	9	0.11
- Others	49	0.69	61	0.90	82	1.01
Smart Service Business	3,078	43.46	3,361	49.40	3,481	43.08
Total revenues from major business	6,791	95.89	6,519	95.83	7,815	96.72
Other revenues	291	4.11	284	4.17	265	3.38
Total revenues	7,082	100.00	6,803	100.00	8,080	100.00

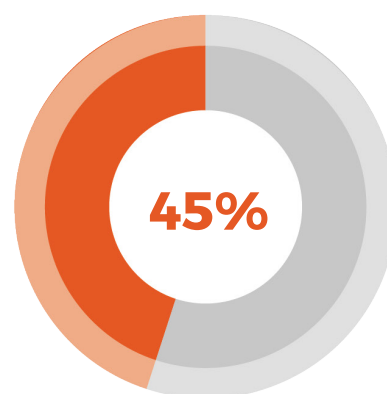
2020 Core Revenue Contribution



EMS Business



Enterprise Solution Business



Smart Service Business

Nature of Business

At present, the Company group has operated business ranging from manufacturing to selling products and services to customers. The customer groups includes both public and private organizations as well as general retail customers. The company has organized its business operations into 3 groups: EMS Business, Enterprise Solutions Business and Smart Services Business. The details of the business operation and the nature of the products or services of the Group are as follows:



01

EMS Business Group

EMS Business Group operates the business of manufacturing and assembling electronic circuit boards (Print Circuit Board Assembly (PCBA) and electronic devices both in the form of a turnkey and consigning part for both domestic customers and abroad as well as services for procurement and distribution of electronic parts and accessories for industrial factories and general customers ranging from semiconductor Electronic components to measuring and testing equipment.

This business group consists of 2 subsidiaries, Forth EMS Company Limited and Electronics Source Company Limited, with details as follows:



Business of Electronic Manufacture



Provides design, manufacture, assembly of circuit boards and electronic equipment with modern machines with a team of engineers and staffs with experience and expertise for customers in various industries, both local and abroad, such as circuit boards for electrical appliances, computer equipment circuit board, circuit boards for telecom equipment, vehicle tracking satellite equipment, circuit board for electric meters, including for the control system of equipment in various industries such as electrical appliances, telecom devices, medical devices and automotive (EV Charger). The production operation can be divided into 2 types: 1. Consign Parts and 2. Turn keys. The customers of the company are companies in the IT equipment group, Electrical equipment group, telecom equipment group and groups related to electronic equipment.

Business of Electronic Components and Equipment Distribution



Provides a supply and distribution of electronic parts and equipment. The products cover the semiconductor parts such as ICs, transistors, diodes, semiconductors, optoelectronics display device relay, battery, connector, electric buzzer, power switch, EMC, filter, thermal printer, capacitor, resistor, crystal oscillator, etc. which are the raw materials for the production of various electronic circuit boards including measuring and testing equipment as well as the mechanical arm technology system (Industrial Automation). The company has been trusted by the world leading companies both domestic and foreign by being appointed as an official distributor in Thailand such as FUJITSU, DELTA, MICROCHIP, KEC, SCHAFFNER, ETT, SILA, CPi, GIORY, EATON, OMRON, TAEIN, EPSON, FLLIKE and other leading companies with our consulting service, designing, model making, product prototyping, testing and complete delivery.

02

Enterprise Solutions Business Group

Enterprise Solutions Business Group operates a comprehensive telecommunication network business by providing contractor services for various projects of both public and private organizations covering site survey, design work, system implementation and installation work and improvement and maintenance of equipment and / or network of communication systems, such as fiber-optic high-speed Internet networks, traffic light control system, intelligent electric power system, information management system and business resource planning for organizations as well as procurement service and distribution of various equipment whether it is telecommunication equipment, lighting equipment (LED Street Light, LED Residential Light) and electronics devices, as well as procurement services, distribution and maintenance of aircraft.

This business group consists of Forth Corporation Public Company Limited and 5 subsidiaries which are Genius Traffic System Company Limited, Forth Lighting Company Limited, Forth Tracking System Company Limited, Aeroforth Company and Forth MRO Service Company Limited, with details as follows:

Business of Communication and Telecommunication Network

Provides installation services for telecommunication network system and information system by providing services ranging from design, system implementation, installation, and maintenance by a team of experienced and skilled engineers together with a team of potent and experienced project management with over 100 project management ranging from projects of millions of baht to over a billion baht value, such as telephone exchanging station and internet interchange projects (MSAN: Multi Service Access Node) or Smart Grid Project for managing of electricity systematically via internet connection between the departments of electricity and smart meters of households, as well as providing services for supplying and distributing telecommunication equipment and related equipment such as signaling equipment for operators of broadband network (FORTH WDM Access Switch), terminal equipment for WI-FI service providers (Modem & Router, Wi-Fi Access Point, Hot Spot Wi-Fi Access point), remote car access control devices, equipment and nurse call systems in Hospital, electricity meter and electronic water meter with money collection system (Electronics Meter), smart meter products, electronic tracking devices or prisoner anklet (EM: Electronic Monitoring) and electronic vessel tracking

devices (vessel EM) for controlling or tracking of persons and ships in a designated area.

Business of Tracking Systems Distribution

Provides distribution services for vehicle tracking systems via satellite, the distribution of data transmission devices via vehicle-mounted satellites (Vehicle Tracking) for recording vehicle usage via satellites with the GPS system (Global Positioning System) serves to report vehicle usage data such as the position of the vehicle, travel route and speed of use including the current status of vehicle to be reported and alert the operator of the vehicle if it goes off course or driving at a speed that exceeds the limit which allows users to manage vehicle usage more efficiently.

Business of Resource Management System Service

Provides enterprise resource management system for government organizations and state enterprises such as the Metropolitan Electricity Authority, State Railway of Thailand, Thai Airways International Plc., Etc.

Business of Electronic Meters Distribution

Provides the distribution service of electronic meters. The main products are electronic one-phase and three-phase kWh meters which are ready to be connected as an automated processing system via RS485 Interface or LAN or Ethernet and can be connected to the Billing program of the Company's PBX. In addition, the one-phase kWh meter with the RFID prepaid card and electronic water meter connected to an automatic processing system in conjunction with a kWh meter can be added via a wireless transmission device for automatic water reading

Business of Aircraft Distribution and Maintenance Repair and Operations Service

Conduct a business as the only dealer of Kodiak aircraft in Thailand along with providing aircraft maintenance services by a team of skilled technicians who provide services throughout the lifetime of the aircraft as well as being a one-stop Aircraft Repair Center (MRO) service provider that offers maintenance services for Commercial Aircraft and General Aircraft by scheduled maintenance such as when the aircraft has flown for the specified hours or the aircraft has been used for more than the period specified in the maintenance control plan e.g. 2 years (C-Check), major repair work, aircraft flying at elevated hours, or the aircraft has been in used for 8 Year (D-Check) and other repairs of aircraft according to each type of aircraft maintenance manual that has been defined.

Business of LED Lamps and Lighting Equipment Distribution

Provides services on procurement and distribution of a wide range of LED lighting products and lighting equipment such as LED Street Light, LED High Bay Light, which is suitable for use in high roof areas and where more light is required such as factories, warehouses, gas stations, supermarkets and sports stadiums, etc. LED lamp technology can save up to 80% of energy and last longer and generate less heat when compared to conventional light bulbs such as screw cap (E27), halogen lamp (MR16) or fluorescent lamp (T8).

Business of Traffic System Distribution

Provides a complete service of system setting up and products distribution product related to traffic light system since the company has expertise in SI (System Integration) which covers consulting, designing, contracting for installation and system management on the technology connection through a network that can be controlled centrally as well as system maintenance for both public and private organizations including sales of related equipment such as full color LED display (VMS), HID Electronic Ballast, lamp, signal, countdown timer for road crossing, CCTV cameras, flashing lights from solar energy, intelligent pedestrian signal system and traffic signal control system by computers.



Smart Grid

Smart Grid is the future of electric power management solutions by integrating technology in power generation, electrical transmission, electricity distribution and electricity users to work together to be able to acquire information or status of the power system as well as to be able to manage and solve problems in case of power failure appropriately and efficiently. The Company has developed an electronics meter or Smart Meter and set up a smart grid system with partners for the Smart Metro Grid System project.



Forth Taglock EM

"Forth Taglock EM" is a smart solution that the Company has invented to solve Thai prison congestion and reduce social disparities. The Forth Taglock EM is an electronic ankle harness used for track and monitor temporarily released suspects or defendants with insufficient securities instead of imprisonment. Those temporarily released will be required to wear a tracking device. The tracking device has a powerful tracking system that quickly reports to officers at the central control center when prisoners are out of bounds.

Aircraft Maintenance Repair and Operations Service (MRO)



Aircraft Maintenance Repair and Operation Service (MRO) is a maintenance service center for commercial aircraft and general aircraft in case of scheduled maintenance, flight hour maintenance as well as maintenance and repairing other aircraft parts according to the manual of each aircraft model. MRO will be ready for service by the end of 2022. Moreover, The Company has business of private aircraft distribution as well.

03

Smart Service Business Group

The Smart Service Business Group operates the business of providing top-up service, payment acceptance and banking agent through automatic online kiosks including personal loan services as well as the business of selling drinks and products through automatic vending machines.

This business group consists of 2 subsidiaries, Forth Smart Service Public Company Limited and Forth Vending Company Limited, with details as follows:

Business of Online Top-up and Payment Service through Automatic Kiosks

Provides electronic payment acceptance services, Bill payment service and electronic money service (e-Money) via automatic online "Boonterm kiosk", ranging from mobile phone top-up services, top-up money into an electronic wallet (e-Wallet), bill payment for services and products, banking and financial transaction services (Opening a bank account and cash deposit-withdrawal) and other services. It supports a total of 4 languages: Thai, English, Burmese and Cambodian. It is open 24 hours a day (24/7) including personal loan service for only agents who set up

Boonterm kiosks. The company has an e-wallet application called BeWallet that provides services same as Boonterm kiosks as well as other services to support the work in the company's ecosystem. The company operates a Boonterm kiosk business in the form of an agent network with a management model in collaboration with leading business partners. Apart from that, the company also offers gas vending machines and electric vehicle charging products to service customers who use petrol vehicles and electric vehicles.

- More details can be found in the Annual Report or the Annual Registration Statement (56-1) of Forth Smart Service Plc. -

Business of Selling Beverages and Products through Vending Machines

The company sells canned drinks and products through vending machines, with a wide variety of products for sale covering from canned or bottled beverages to snacks and consumer products. There is also a prepaid mobile phone service, top up the e-Wallet, deposit money into one's bank account and other services of Boonterm kiosk. The Boonterm automatic kiosk supports both cash and electronic money (QR Code) payments and is open 24 hours a day providing services in various areas such as factories, hospitals, workplaces, or airport link train stations in which all the service kiosks are all online kiosks. Therefore, the purchasing products or services can be checked in real time as well as they can also manage the replenishment or analyze the data for

each area appropriately. The nature of the business will be in the form of a service agent and a form of cooperation with business partners.

In addition, the company has a service for selling drinks through automatic beverage machines, which is considered a new innovation that is outstanding in the creation of a wide variety of beverage menus because it comes with a coffee grinding system, ice making system and brewing systems for various menus automatically in one device as if there is a robot barista (Barista Bot) to make drinks per glass ranging from tea, coffee, soft drinks, fruit juice, soda, whey protein and many more, 24 hours (24/7) with support payment can be made in cash and QR Code.

“Boonterm” Kiosk



Service point
130,000+ Kiosks

Language support
4 Language Usages
 (Thai, English, Burmese and Cambodia)

Fully services
Available 24 Hours (24/7)
 By self-service

The automatic online top-up machine or “Boonterm” kiosk has been developed to have more services and more intelligent system. The kiosk can be serve a varieties of services such as mobile top-up service, e-Wallet top-up service, game top-up service, utility and phone bills payment service as well as deposit money into bank accounts, and others. Moreover, in the late 2021, the boonterm kiosk will be serve a withdrawal and account opening with Full e-KYC service.



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HOT MILK ホットミルク — ICED MILK アイスミルク



HOT TEA ホットティー — ICED TEA アイスティー



FRUITY DRINKS フルーツ飲み物 — SODA ソーダ



PROTEIN SHAKES プロテインシェイク



“Tao Bin” Cafe

“Tao Bin” café is innovation of fresh coffee vending machines and automates beverage maker, invented by Thai people, that combines the best specialty ingredients with modern technology, cloud computing, and robotics. “Tao Bin” café machine has capability in making a variety of beverages, including fresh premium coffee with 100% of ground arabica coffee beans, and other drinks that seem like it's brewed by a top barista. Moreover, “Tao Bin” can also serve Thai favorite drinks such as iced tea, cocoa, lemon tea, fruit juice (lychee, strawberry, blueberry) or fruit juice with soda, as well as other soft drinks and fresh water. In addition, there is a service system of the Boonterm kiosk on Tao Bin cafe as well.

Premium coffees & Other beverages

100+ Choice of drinks

Fully-automate barista bot

Available 24 hours (24/7)

Cash and QR payments are supported

Quality, Consistency and convenience...

All in 1 square meter



Vending Machines



Service point
3,500+ Machines

Payment support
Cash and QR payments

Fully services
Available 24 Hours (24/7)
By self-service

The online vending machines sell beverage and products covering from canned or bottled water and beverages to snacks and consumer products. There is also a service system of the Boonterm kiosk such as mobile top-up service, e-Wallet top-up service depositing money into a bank account service, etc.

Electric Vehicle Charging Station



Electric cars are taking the streets more and more every year. Soon, electric vehicle charging systems will become an essential infrastructure. Thus, the Company has innovated electric vehicle charging equipment under the brand (EV NET), whether it is (1) portable electric car charger (IC-CPD) that can be carried anywhere which can support direct connection to the electrical system in residential or office buildings with no need to worry about finding a charging station and (2) charging station, which is a pedestal and wall type charger (Pedestal and Wall Type), which supports both European and Asian electric vehicles. It can charge in both AC Normal Charge and DC Quick Charge that can support maximum 120 kW (CCS 2), which can be installed in the parking area of houses, condos, office buildings or various stores. In addition, there is a solution that comes with a complete collection system for those who want to operate a commercial electric vehicle charging station, such as an electronic payment system with a built-in meter so there is no need to install an additional meter and there is a system to check electric charging data online.

Industry Overview and Business Direction

The world of technology is changing rapidly and at leaps and bounds with the advent of 5G technology that will make the linkage of electronic devices, data transfer as well as controlling various devices fast, accurate and real-time, which at the time of technology transition, there will be investment in infrastructure in various fields in many countries such as high-speed data networks (Fiber Optic), Smart Grid systems in telecommunication businesses, Electricity and other businesses of the public and private sectors from the government policies on Digital Economy and Thailand 4.0 that will enhance the country's economic competitiveness.

Adjusting the infrastructure to enter the 5G technology era is an opportunity for the company, which is one of the operators in the telecommunication and system implementation sectors that are involved in electronic equipment, telecommunication equipment and providing communication technology solutions for more than 30 years, especially as the company has its own research and development team, it is possible to develop products and services in response to technology changes along with changing the paradigm of operations quickly. In addition, the Forth Group operates businesses ranging from production, procurement and distribution of various electronic devices to services. This makes it possible to reach various customer groups such as the Government (B2G), Business (B2B), Retails (B2C).

EMS Business Group

The EMS business group continues to develop and improve production technology by adopting new technologies to increase efficiency and create added value to products to support new customers. Originally, most customers were customers in the IT and telecommunication industry. Currently expanding customer groups to the medical devices industry, automotive industry (Automotive, EV Charger) and electronic devices for communication between devices (IoT: Internet of Things) has increased, as well as adding a full range of services ranging from consulting, product design and development with customers who are business owners or startups that want to create their own products according to the company's expansion plans to expand the customer base to more international markets.

More than that the company is trusted by leading companies to be the distributor of mechanical arm technology (Industrial Automation) for industrial plants. The company has added a service in terms of system and equipment installation consultation in accordance with the nature of work of each factory to support the needs of manufacturing plants that want to adopt mechanical arm technology. The company anticipates that there will be an increasing trend in the future.

Enterprise Solutions Business Group

Enterprise Solutions Business Group has expertise and experience in providing telecommunication network services, SI (System Integration) work as well as maintenance of communications equipment and network along with an understanding of the rules, various practices of government jobs and state enterprises. With the potential of the

company, in addition to having a team of specialized engineers, the company also has its own engineering research and development team capable of developing product and innovative products such as tracking devices or prison ankle straps (EM: Electronic Monitoring), Smart Meter. Coupled with good business partners such as HP, CISCO or Huawei (HUAWEI), has enabled the company to expand its ability to bid on various projects such as work from the Electricity Authority, such as the Smart Grid system for managing electricity systematically through the Internet connection between departments of electricity and household Smart Meters, court work or justice agencies, such as prisoner ankle straps (EM) for tracking wearer control and work from other departments such as Trunk Radio, Traffic Light System, CCTV System, etc. The Company plans to continuously bid for the project and at the same time get more jobs from the private sector. Moreover, the company has expanded its business into aviation and aircraft maintenance business, which is an interesting business and will have the opportunity to expand in the future. Although there is a crisis of COVID-19 during this time but eventually the travel and the business of aviation will come back. The company anticipates that in the next 1-2 years, it will be the right time for the official opening of the service and will be able to support the increasing and growing flights again.

Smart Services Business Group

Smart Service Business Group, a service provider to distribute goods and services via vending machines to retail customers, continue to focus on strengthening the Boonterm vending machine business scattered throughout the country, both at the community and village level by expanding partnerships with existing partners and new partners of both the public and private sectors along with the addition of equipment to the kiosk with a camera and an ID card reader to support new and increasing services such as cash withdrawal service (Mini ATM), payment service for the Compulsory Motorcycle Insurance (CTPL), and motorcycle registration renewal, etc. The company focuses on the Boonterm kiosk as a full-fledged basic financial service point covering Deposit - Withdraw - Transfer - Open an account and providing credit loan by adding around 5,000 more of Boonterm service points and continue to expand the installation of petrol vending machines and more electric vehicle charging machines along with providing credit to a group of business operators with Boonterm. For the business of selling drinks and products through automatic vending machines, the company plans to launch "Cafe Auto" under the brand "Tao Bin" which is a new innovation of automatic beverage machines that can serve more than 80 premium quality beverages ranging from tea, coffee, soft drinks, fruit juice, soda, whey protein and more which can meet the needs of all groups of customers. It provides services in various areas such as office buildings, hospitals, educational institutes, and other places with the goal of 20,000 machines in 3 years. The company currently has various types of vending machines in service of more than 3,500 points in the market, all of which have the same service as Boonterm.

Risk Factors

The Company has reviewed and assessed significant risks on regular basis and has implemented a comprehensive risk framework to help controlling the risks to the acceptable level. In addition, the Company has diversified risks to other business lines apart from the main business for example the manufacturing and distributing of telecommunication products, telecommunication solution, the traffic light system, electronic meter, vehicle tracking system, enterprise resources planning consulting service, online top-up services and vending machine etc. The Company has assessed the main risks that can affect the business operation as follow:

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.

2. 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.

3. 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.

4. Marketing risk

Risk relating to change in government policy.

Telecommunication 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.

5. Risk affecting the rights or investments of holders of securities.

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

As at 15 March 2021 Amatanon family was the major shareholder of the Company with shareholding of 54.39%, 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.

Security and Shareholders Information and Dividend Payment Policy

Registered and paid-up capital

As on 31 December 2020, the Company has registered capital of Baht 480 million, consisting of 960 million ordinary shares with a par value of Baht 0.5 each. The Company's issued and paid-up capital is Baht 480 million, consisting of 960 million ordinary shares with a par value of Baht 0.5 each.

than 5.21 percent of the total number of shares in issue. The shares were to be repurchased on the Stock Exchange of Thailand from 15 August 2019 to 14 February 2020. The share resale period was determined after 6 months from the completion date of share repurchase but no later than 3 years

The Company's treasury shares

On 17 July 2019, the meeting of the Board of Directors 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 million shares (par value of Baht 0.5 each), which accounts for not more.

In 2020, the Company has purchased back 24,625,300 ordinary shares (par value of Baht 0.5 each), or 2.57 percent of total number of shares in issue, a total of Baht 152.2 million. In addition, the Company has already appropriated the required amount of retained earnings to a reserve for the treasury shares amounting to Baht 152.2 million.

Shareholders

Top 10 shareholders of the Company as at 15 March 2021, were as follows:

No.	Name		Number of shares (shares)	Percentage of shareholding (%)
1	Amatanon family Mr. Pongchai Amatanon Mrs. Rangsee Lertripinyo Mr. Kaelic Amatanon Mrs. Wantana Amatanon Mr. Chawin Lertripinyo Ms. Rasinee Lertripinyo Mr. Pattanun Amatanon Mr. Autsila Amatanon Ms. Nisa Amatanon Mr. Sitthichok Amatanon	366,744,400 59,465,500 57,924,000 34,089,600 1,500,000 1,494,400 400,000 261,400 191,300 57,600	522,128,200	54.39%
2	Thongtang family Ms. Vi-orn Thongtang Mr. Attikhun Thongtang Mr. Att Thongtang Mr. Itti Thongtang	17,350,850 17,350,850 13,945,450 12,590,950	61,238,100	6.38%
3	Ninnoennon family Mr. Boonyong Ninnoennon Ms. Boonyanit Ninnoennon	44,173,200 6,440,300	50,613,100	5.27%
4	Siripongpreeda family Mr. Poonsak Siripongpreeda Mr. Somruek Siripongpreeda	32,431,900 2,400,000	34,831,900	3.63%
5	Mrs. Matinee Wandeepirom	24,750,400	24,750,400	2.58%
6	Tantipanichapun family Mrs. Vipawan Tantipanichpun Mr. Boonya Tantipanichapun	13,350,000 11,361,400	24,711,400	2.57%
7	Forth Corporation Public Company Limited	24,625,300	24,625,300	2.57%
8	Phongratanakul family Mr. Supat Phongratanakul Mr. Somchai Phongratanakul	21,157,300 2,300	21,159,600	2.20%

No.	Name		Number of shares (shares)	Percentage of shareholding (%)
9	Mrs. Tarini Senjanthichai	12,543,100	12,543,100	1.31%
10	Thai NVDR Company Limited	12,525,600	12,525,600	1.30%
	Others		170,858,300	17.79%
Total			960,000,000	100.00%

Dividend payment policy

The Company has a policy to pay dividends of not less than 40% of net profit after corporate income tax and accumulated losses (if any) in the separate financial statements. However, the Board of Directors may require that the dividend payment be less than the rate specified above depending on the operating results, financial position, liquidity, and the need to expand the operation as well as use as working capital in the operating of the business.

Forth Smart Service Public Company Limited ("FSMART") has a policy to pay dividends of not less than 40 percent of

net profit after deduction of income tax and other reserves of all types as specified in the company's regulations and as required by law if there is no other necessity and the payment of the dividend does not affect the normal operation of the subsidiary significantly.

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

Company dividends

Dividend payment	Year		
	2020	2019	2018
Net profit per share (Baht / share)	0.43	0.30	0.31
Dividend rate per share (Baht / share)	0.32	0.42	0.55
Dividend payout ratio per net profit (%)	76	141	175

Board of Directors Profile

Mr. Sanit Vorapunya

Position Chairman of BOD/ Independent Director

Date of Appointment July 8, 2005

Age 82

Education and Training Background

- M.A. (Econ.), University of Wisconsin, USA
- B.A. of Economics, Thammasat University
- Certification of Thailand National Defense College
- Director Accreditation Program (DAP) No. 24/2004, Thai Institute of Directors (IOD)

The relevant important positions of the other companies

Other Listed Companies

- Chairman of Audit Committee, Thai Summit Harness Public Company Limited
- Chairman of BOD, Southeast Insurance Public Company Limited
- Chairman of BOD, Southeast Life Insurance Public Company Limited
- Chairman of BOD, Southeast Capital Public Company Limited

None-listed Companies

- Director, Thai Research and Training Company Limited
- Director, Electronic Source Company Limited
- Director, Genius Traffic System Company Limited

Positions in Other Listed Companies 5

Positions in None-listed Companies 3

Experience over Past 5 Years

2018 - Present	Independent Director/ Chairman of BOD, Forth Corporation Public Company Limited
2015 - 2018	Chairman of BOD/ Independent Director/ Chairman of Audit Committee, Forth Corporation Public Company Limited
2006 - Present	Chairman of the Audit Committee, Thai Summit Harness Public Company Limited
2020 - Present	Chairman of BOD, Southeast Insurance Public Company Limited
2020 - Present	Chairman of BOD, Southeast Life Insurance Public Company Limited
2020 - Present	Chairman of BOD, Southeast Capital Public Company Limited
2009 - 2020	Director, Southeast Insurance Public Company Limited
2009 - 2020	Director, Southeast Life Insurance Public Company Limited
2009 - 2020	Director, Southeast Capital Public Company Limited
2006 - Present	Director, Electronic Source Company Limited
2006 - Present	Director, Genius Traffic System Company Limited
1996 - Present	Director, Thai Research and Training Company Limited

Company's Shares Possession (%) As of December 31, 2020

- None -

Mr. Pongchai Amatanon

Position Director/ Executive Committee/ Risk Management Committee

Date of Appointment July 8, 2005

Age 57

Education and Training Background

- B.A. 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)

The relevant important positions of the other companies

Other Listed Companies

- Director, Forth Smart Service Public Company Limited

None-listed Companies

- Director, Forth Vending Company Limited
- Director, Odin Power Company Limited
- Director, Forth Consulting Company Limited
- Director, Electronic Source Company Limited
- Director, Forth Tracking System Company Limited
- Director, Genius Traffic System Company Limited
- Director, Forth Smart Distribution Company Limited
- Director, Forth MRO Services Company Limited
- Director, Forth Smart Capital Company Limited
- Director, Forth Meter Company Limited
- Director, Forth Lighting Company Limited
- Director, Forth EMS Company Limited

Positions in Other Listed Companies 2

Positions in None-listed Companies 12

Experience over Past 5 Years

2005 - Present	Director/ Risk Management Committee/ Chief Executive Officer, Forth Corporation Public Company Limited
2017 - Present	Director/ Nomination and Remuneration Committee/ Executive Chairman, Forth Smart Service Public Company Limited
2008 - 2017	Director/ Executive Chairman, Forth Smart Service Public Company Limited
2017 - 2018	Director, Box 24 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, Genius Traffic System Company Limited
2002 - Present	Director, Forth Tracking System Company Limited
2002 - Present	Director, Forth Meter Company Limited
2016 - Present	Director, Odin Power Company Limited
2019 - Present	Director, Forth EMS Company Limited
2020 - Present	Director, Forth Smart Distribution Company Limited
2020 - Present	Director, Forth MRO Services Company Limited

Company's Shares Possession (%) As of December 31, 2020

41.75 (Including spouse and immature children)

Board of Directors Profile

Mrs. Rangsee Lertripinyo

Position Director/ Executive Vice President/ Risk Management Committee/ Nomination and Remuneration Committee

Date of Appointment July 8, 2005

Age 60

Education and Training Background

- BBA, Ramkhamhaeng University
- Director Accreditation Program (DAP) No. 30/2004, Thai Institute of Directors (IOD)
- Land and Building Tax Course, Omega World Class Institute
- IPO TOTAL STRATEGY Course, Omega World Class
- PROPERTY TAX, Omega World Class Institute

The relevant important positions of the other companies

Other Listed Companies

- Director/ Executive Vice President, Forth Smart Service Public Company Limited

None-listed Companies

- Director, Forth Smart Digital Company Limited
- Director, Forth Smart Capital Company Limited
- Director, Forth Vending Company Limited
- Director, Forth Lighting Company Limited
- Director, Forth Consulting Company Limited
- Director, Forth Meter Company Limited
- Director, Electronic Source Company Limited
- Director, Forth EMS Company Limited
- Director, Forth Group Joint Venture Company Limited

Positions in Other Listed Companies 2

Positions in None-listed Companies 9

Experience over Past 5 Years

- 2005 - Present Director/ Executive Committee/ Executive Vice President / Nomination and Remuneration Committee/ Risk Management Committee, Forth Corporation Public Company Limited
- 2017 - Present Director/ Executive Director, Forth Smart Service Public Company Limited
- 2008 - 2017 Director/ Nomination and Remuneration Committee / Executive Director, Forth Smart Service Public Company Limited
- 2016 - Present Director, Electronic Source Company Limited
- 2016 - Present Director, Forth Smart Capital Company Limited
- 2017 - Present Director, Forth Smart Digital Company Limited
- 2015 - Present Director, Forth Vending Company Limited
- 2013 - Present Director, Forth Lighting Company Limited
- 2011 - Present Director, Forth Consulting Company Limited
- 2018 - Present Director, Forth Meter Company Limited
- 2019 - Present Director, Forth EMS Company Limited
- 2019 - Present Director, Forth Group Joint Venture Company Limited

Company's Shares Procession (%) As of December 31, 2020

6.19

Mr. Kaelic Amatanon

Position Director

Date of Appointment July 8, 2005

Age 65

Education and Training Background

- Vocational Certificate, Accounting, Chetupon Commercial College
- Director Accreditation Program (DAP) No. 30/2004, Thai Institute of Directors (IOD)

The relevant important positions of the other companies

Other Listed Companies

- None -

None-listed Companies

- Director, Electronic Source Company Limited

Positions in Other Listed Companies 1

Positions in None-listed Companies 1

Experience over Past 5 Years

2005 - Present Director, Forth Corporation Public Company Limited

1988 - Present Director, Electronic Source Company Limited

Company's Shares Procession (%) As of December 31, 2020

6.03

Miss Noparat Siripongpreeda

Position Director

Date of Appointment April 23, 2018

Age 46

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)

The relevant important positions of the other companies

Other Listed Companies

- None -

None-listed Companies

- Director, Electronic Source Company Limited

Positions in Other Listed Companies 1

Positions in None-listed Companies 1

Experience over Past 5 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 Procession (%) As of December 31, 2020

- None -

Board of Directors Profile

Mr. Somboon Muangklam

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

Date of Appointment April 23, 2018

Age 69

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)

The relevant important positions of the other companies

Other Listed Companies

- Member of Bangkok Metropolitan Council
- Qualified Committee, the Institute for the Promotion of Teaching Science and Technology (IPST)

None-listed Companies

- None -

Positions in Other Listed Companies 1

Positions in None-listed Companies - None -

Experience over Past 5 Years

2018 - Present Director/ Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee, Forth Corporation Public Company Limited

2014 - Present Member of Bangkok Metropolitan Council

2013 - Present Qualified Committee, the Institute for the Promotion of Teaching Science and Technology (IPST)

2013 - 2018 Director, Workmen's Compensation Fund

Company's Shares Procession (%) As of December 31, 2020

- None -

Mrs. Vilasinee Puddhikarant

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

Date of Appointment April 23, 2018

Age 66

Education and Training Background

- B.A. of Economics, East Texas State University, Texas, USA.
- Certificate of Good Governance for Medical Executives, The Medical Council of Thailand
- Capital Market Academy (CMA), Capital Market Academy
- Director Certification Program (DCP) No. 134/2010, Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP) No. 29/2018, Thai Institute of Directors Association
- Strategic Customer Management Universal Network Intelligent, Singapore
- The 7 Habits of Highly Effective People KLC, United Kingdom
- MINI MBA

The relevant important positions of the other companies

Other Listed Companies

- Director, Rama 9 Hospital Public Company Limited
- Independent directors/ Executive Director SC Asset Public Company Limited

None-listed Companies

- None -

Positions in Other Listed Companies 3

Positions in None-listed Companies - None -

Experience over Past 5 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

2018 - 2020 Advisor, Thai Commercial Bank

2017 - 2020 Advisor, SCB Abacus Company Limited

2015 - 2020 Advisor, Advanced Info Service Public Company Limited

Company's Shares Procession (%) As of December 31, 2020

- None -

Board of Directors Profile

Mrs. Matinee Wandeepirom

Position Director/ Nomination and Remuneration Committee

Date of Appointment July 8, 2005

Age 59

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)

The relevant important positions of the other companies

Other Listed Companies

- None -

None-listed Companies

- Director, Genius Traffic System Company Limited

Positions in Other Listed Companies 1

Positions in None-listed Companies 1

Experience over Past 5 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 31, 2020

2.58

Mr. Boonya Tantipanichapun

Position Director/ Executive Committee/ Risk Management Committee

Date of Appointment July 8, 2005

Age 59

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

The relevant important positions of the other companies

Other Listed Companies

- None -

None-listed Companies

Director, Genius Traffic System Co., Ltd.

Positions in Other Listed Companies 1

Positions in None-listed Companies 1

Experience over Past 5 Years

2005 - Present Director/ Executive Director/ Risk Management Committee, Forth Corporation Public Company Limited

2002 - Present Director, Genius Traffic System Company Limited

Company's Shares Proportion (%) As of December 31, 2020

2.57 (Including spouse and immature children)

Mrs. Porntip Lerttanongsak

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

Date of Appointment April 23, 2018

Age 44

Education and Training Background

- Bachelor of Commerce and Accountancy Chulalongkorn University
- Director Accreditation Program (DAP) No. 152/2018 Thai Institute of Directors (IOD)
- Seminar on "TFRS 15 Content Summary and Case Study" on January 21, 2020
- Seminar on "Financial Reporting Standard No. 9 on Financial Instruments (TFRS 9)" on January 28, 2020.
- Seminar: Draft HKSA 600 (Revised), "Special Considerations - Audit of Group Money Dictatorships and the Work of Other Auditors" on September 25, 2020.
- Workshop on: "Auditing Using Data Analytics Techniques" on October 19, 2020.
- Participate in talks about "Provision for impairment of financial instruments (TFRS 9)" on November 23, 2020
- Seminar on "Summary of Financial Reporting Standards Found in the Performance of Listed Companies and Differences from Financial Reporting Standards No. 3" Business Combinations, Revised 2020 "on December 15, 2020.
- Training on "CCH Software Training" on January 6-9, 2020
- Be a lecturer for AST Master Co., Ltd.

The relevant important positions of the other companies

Other Listed Companies

- None -

None-listed Companies

- Audit Partner, AST Master Company Limited

Positions in Other Listed Companies 1

Positions in None-listed Companies - None -

Experience over Past 5 Years

2018 - Present Director/ Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee, Forth Corporation Public Company Limited

2017 - Present Audit Partner, AST Master Company Limited

2003 - 2016 Lead Audit Director, Deloitte Touche Tohmatsu jaiyos audit Company Limited

Company's Shares Proportion (%) As of December 31, 2020

- None -

Management Profile

Mr. Pongchai Amatanon

Position Chief Executive Officer

Age 57

Education and Training Background

- B.A. 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)

Company's Shares Proportion (%) As of December 31, 2020

41.75 (Including spouse and immature children)

Mrs. Rangsee Lertripinyo

Position Senior Executive Vice President

Age 60

Education and Training Background

- BBA, Ramkhamhaeng University
- Director Accreditation Program (DAP) No. 30/2004, Thai Institute of Directors (IOD)
- Land and Building Tax Course, Omega World Class Institute
- IPO TOTAL STRATEGY Course, Omega World Class
- PROPERTY TAX, Omega World Class Institute

Company's Shares Proportion (%) As of December 31, 2020

6.19

Mr. Chatchavin Pipatchotitham

Position Executive Vice President/ Risk Management Committee

Age 48

Education and Training Background

- MBA, Chulalongkorn University
- B.A. of Accounting, Thammasat University
- Director Certification Program (DCP) No. 288/2020, Thai Institute of Directors (IOD)

Company's Shares Proportion (%) As of December 31, 2020

- None -

Mr. Arin Jamnaree

Position Vice President of Accounting and Finance/
Corporate Secretary

Age 48

Education and Training Background

- MBA, Thammasat University
- B.A. of Accounting, Thammasat University

Company's Shares Proportion (%) As of December 31, 2020

- None -

Mr. Katanyoo Wilaikaew

Position Vice President of Research and Development

Age 50

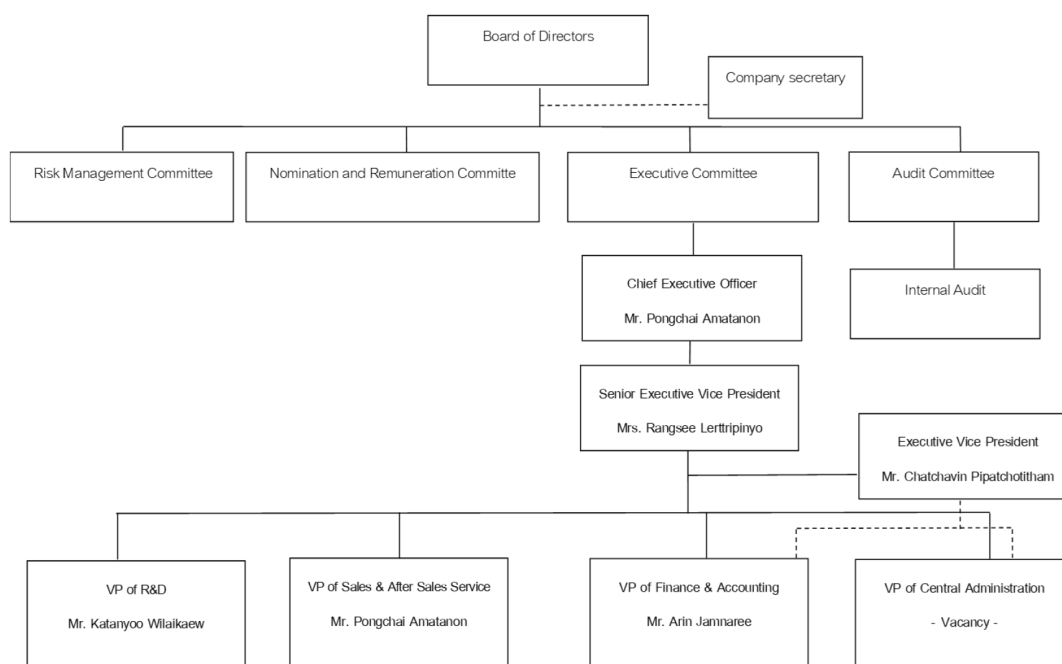
Education and Training Background

- B.A. of Electronics Engineering, Rajamangala Institute of Technology
- High Vocational Certificate of Electronics, Rajamangala Institute of Technology

Company's Shares Proportion (%) As of December 31, 2020

0.02

Management Structure



1. The Board of Directors and Sub-Committees

The management structure of the Company consists of 5 committees, including:

1. Board of Directors
2. Audit Committee
3. Risk Management Committee
4. Nomination and Remuneration Committee
5. Executive Committee

Details of each committee are as follows:

Board of Directors

The Board of Directors consists of 10 directors, 6 of which are executive directors or 60% of the total number of directors and 4 independent directors or 40 percent of the total number of directors.

List of the Board of Directors of the Company at 31 December 2019

Name	Position	No. of Meeting ¹
Mr. Sanit Vorapunya	Chairman of the Board of Directors	7/7
Mr. Somboon Muangklam	Director	6/7
Mrs. Vilasinee Puddhikarant	Director	7/7
Mrs. Porn-tip Lerttanongsak	Director	7/7
Ms. Nopparat Siripongpreeda	Director	7/7
Mr. Pongchai Amatanon	Director	7/7
Mrs. Rangsee Lertripinyo	Director	7/7
Mr. Kaelic Amatanon	Director	7/7
Mrs. Matinee Wandeepirom	Director	7/7
Mr. Boonya Tuntipanichapun	Director	7/7

Remark: ¹Attendance / Total number of meetings.

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.

Authorized Director for the Company

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

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.

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.

As of 31 December 2020, the Company has 4 independent directors from 10 directors of the Company, representing 40% of the Board of Directors and in accordance with the good corporate governance principles of the Stock Exchange of Thailand. The names of the independent directors are listed below:

Name	Position
Mr. Sanit Vorapunya	Independent Director
Mr. Somboon Muangklam	Independent Director
Mrs. Vilasinee Puddhikarant	Independent Director
Mrs. Pornthip Lerttanongsak	Independent Director

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:

- Being an independent director.
- 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.
- Not being a director of the parent company, subsidiary company and subsidiary in the same order.
- 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.

As at 31 December 2020, the Audit Committee consists of 3 members as follows:

Name	Position	No. of Meeting ¹
Mr. Somboon Muangklam	Chairman of the Audit Committee	3/4
Mrs. Vilasinee Puddhikarant	Audit Committee	4/4
Mrs. Pornthip Lerttanongsak ²	Audit Committee	4/4

Remark: ¹Attendance / Total number of meetings.

² Mrs. Pornthip Lerttanongsak is knowledgeable and experienced enough to be able to review the reliability of financial statements.

Scope of duties and responsibilities of Audit Committee

- Review to ensure that the Company has accurate and adequate financial reports.
- 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.
- 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.
- 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.
- 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.
- 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:
 - Opinions on the accuracy, completeness and reliability of the Company's financial report,
 - Opinions on the adequacy of the Company's internal control system,
 - Opinions on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - Opinions on the appropriateness of an auditor,
 - Opinions on the transactions that may lead to conflicts of interests,
 - The number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - Opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter,
 - 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.
- Perform any other tasks as assigned by the Board of Directors with the approval of the Audit Committee.
- 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.
 - Transaction that may cause conflicts of interest.
 - Corruption or irregularities or significant defects in the internal control system
 - Violation of the law on securities and exchange, regulations of the Stock Exchange of Thailand or laws related to the business of the Company.

Risk Management Committee

The Risk Management Committee has a term of 3 years. 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.

As at 31 December 2020, the Risk Management Committee consists of 5 members as follows:

Name	Position	No. of Meeting ¹
Mrs. Porntip Lerttanongsak	Chairman of the Risk Management Committee	1/1
Mr. Pongchai Amatanon	Risk Management Committee	1/1
Mrs. Rangsee Lerttripinyo	Risk Management Committee	1/1
Mr. Boonya Tuntipanichapun	Risk Management Committee	1/1
Mr. Chatchavin Pipatchotitham	Risk Management Committee	1/1

Remark: ¹Attendance/Total number of meetings.

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.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has a term of 3 years. 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.

As at 31 December 2020, the Nomination and Remuneration Committee consists of 4 members as follows:

Name	Position	No. of Meeting ¹
Mr. Somboon Muangklam	Chairman of the Nomination and Remuneration Committee	2/2
Mrs. Vilasinee Puddhikarant	Nomination and Remuneration Committee	2/2
Mrs. Rangsee Lerttripinyo	Nomination and Remuneration Committee	2/2
Mrs. Matinee Wandeepirom	Nomination and Remuneration Committee	2/2

Remark: ¹Attendance/Total number of meetings.

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

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
2. 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.

3. 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.

4. 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.

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

Executive Committee

As at 31 December 2019, the Executive Committee consists of 3 members as follows:

Name	Position
Mr. Pongchai Amatanon	Chairman of Executive Committee
Mrs. Rangsee Lerttripinyo	Executive Committee
Mr. Boonya Tuntipanichapun	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.

Management Team

The management of the Company as at 31 December 2020 consisted of:

Name	Position
Mr. Pongchai Amatanon	Chief Executive Officer/Vice President of Sales and After Sales Service
Mrs. Rangsee Lerttripinyo	Senior Executive Vice President
Mr. Chatchavin Pipatchotitham	Executive Vice President
Mr. Arin Jamnaree	Vice President of Accounting and Finance
Mr. Katanyoo Wilaikaew	Vice President of Research and Development

Scope of roles and responsibilities of Chief Executive Officer

1. Supervise the operation and / or daily management of the Company to be in accordance with policies, plans and budgets approved by the board of directors and / or the Executive Board of the Company.

2. Manage the business of the Company in accordance with the objectives, regulations, rules, requirements, orders,

and resolutions of the shareholders' meeting and / or resolutions of the board of directors and / or the executive Committee of the Company.

3. Have the authority to delegate authority and / or assign other persons to perform specific tasks for by delegating power and / or such assignments under the jurisdiction of the power of attorney and / or according to the regulations, requirements or orders that the Board of Directors of the Company and / or the Company has specified.

4. Follow up and evaluate the implementation of policies and guidelines for the Company's management to be effective in order to prevent business risks.

5. Consider the business contracting of the Company and other contracts which are beneficial to the Company including determining procedures and methods for preparing such contracts to present to the Executive Committee and / or the Board of Directors.

6. Consider hiring employees and appointing as well as transferring, transferring or retiring from being an employee including determine the wage rate or consider the allocation of wages, compensation, bonuses, rewards and welfare approved by the Board of Directors to employees or employees of the Company or any person acting for the Company.

7. Have the authority to issue orders, regulations, and announcements notes to ensure that the operations are in accordance with the policies and benefits of the Company and to maintain work discipline within the organization.

8. Perform other duties as assigned by the Board of Directors from time to time.

However, the authority and the power of attorney will not include the authority and / or delegation of authority to approve any transactions that he or a person may have conflicts, a conflict of interest or other benefits in conflict with the Company or its subsidiaries in accordance with the regulations of the Stock Exchange of Thailand Unless approved by the Board of Directors and / or the shareholders' meeting.

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 to be the company secretary as proposed by the Nomination and Remuneration Committee meeting with powers, duties and responsibilities as stipulated in the Securities and Exchange Act B.E. 2535 (and the revised version) as well as to act as the company secretary taking care of the activities of the board including coordinating to ensure the implementation of the resolutions of the Board of Directors with details of duties and responsibilities as follows:

Scope of duties and responsibilities of the Corporate Secretary

1. Provide basic advice to directors regarding the requirements, laws, rules and regulations involved including reporting changes and ensuring compliance and consistency.

2. Organize meetings as required by laws and regulations, prepare and maintain the minutes including coordinating for effective compliance with the resolutions of the Board of Directors or shareholders.

3. Supervise the disclosure of information and provide reports to regulatory agencies.

4. Encourage the orientation of new directors and arrange training on various courses for directors and executives.

5. Store and maintain important documents such as director registration, Board meeting invitation letter, Board meeting minutes, Annual reports, Notice of shareholders' meeting, Minutes of the shareholders' meeting and reports on the interests of directors or executives.

6. Perform other activities as specified by the Capital Market Supervisory Board.

- The Company has disclosed the qualifications of the company secretary in the annual filing (Form 56-1). -

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 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.

2. The Remuneration of Directors and Executives

The Company has clearly and transparently determined the policy for remuneration for directors. Consideration of remuneration for directors and high-level executives is based on duties and responsibilities performance of each director or executive including the operating results of the company in accordance with the compensation rate in the market or industry. The Company has determined the remuneration for directors as meeting allowances and annual gratuities.

Directors' remuneration which was approved by the Annual General Meeting of Shareholders for the year 2020 on 31 July 2020 is as follows:

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

Annual gratuity

The amount of gratuity is not more than Baht 1.5 million and shall be allocated to only the non-executive directors.

Remark: Bonus and other benefits such as health insurance, membership fees, golf courses, sports clubs, or membership clubs
- None -

Monetary remuneration

Unit: Baht

Name	Board of Directors		Audit Committee		Nomination and Remuneration Committee		Risk Management Committee	
	2020	2019	2020	2019	2020	2019	2020	2019
Mr. Sanit Vorapunya	606,000	606,000	-	-	-	-	-	-
Mr. Pongchai Amatanon	154,000	132,000	-	-	-	-	10,000	20,000
Ms. Rangsee Lertripinyo	154,000	154,000	-	-	20,000	20,000	10,000	20,000
Mr. Boonya Tuntipanichapun	154,000	154,000	-	-	-	-	10,000	20,000
Ms. Matinee Wandeepirom	154,000	154,000	-	-	20,000	20,000	-	-
Mr. Kaelic Amatanon	154,000	154,000	-	-	-	-	-	-
Mr. Chatchavin Pipatchotitham	-	-	-	-	-	-	10,000	20,000
Ms. Nopharat Siripongpreeda	154,000	154,000	-	-	-	-	-	-
Mr. Somboon Muangklam	132,000	132,000	523,500	573,000	30,000	30,000	-	-
Ms. Vilasinee Phuddikarant	154,000	132,000	559,800	513,600	20,000	20,000	-	-
Ms. Pornthip Lerttanongsak	154,000	154,000	559,800	559,800	-	-	15,000	30,000
Total	1,970,000	1,926,000	1,643,100	1,646,400	90,000	90,000	55,000	110,000

Executive Remuneration	2020	2019	2018
Executive Remuneration (Million Baht)	67.01	67.72	67.48
Number of Executive Director (Persons)	12	13	13
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
Other welfares	Executive transportation and mobile phone	Executive transportation and mobile phone	Executive transportation and mobile phone

Other remuneration

-None-

3. Human resource

The Company is confident that the growth of the Company depends on the cooperation and quality of the employees. Therefore, every employee is a center for sustainable development of the company.

The number of employees and remunerations

Number of employees of the company and subsidiaries (excluding directors and executives) can be summarized as follows:

Workplace	2020		2019		2018	
	Number (person)	Amount (Million Baht)	Number (person)	Amount (Million Baht)	Number (person)	Amount (Million)
Electronics Source Co., Ltd.	345	153.77	307	179.51	1,439	312.02
Genius Traffic System Co., Ltd.	230	95.90	199	96.90	204	94.33
Genius JV	341	104.27	310	99.20	306	101.73
Forth Smart Service Plc.	-	-	-	-	2	0.35
Forth Consulting Co., Ltd.	283	103.96	306	97.70	334	96.63
Forth Lighting Co., Ltd.	-	-	-	-	-	-
Forth Meter Co., Ltd.	13	7.45	18	7.42	12	4.41
Forth Vending Co., Ltd.	-	-	-	-	13	0.81
Electronics Source Co., Ltd.	54	16.52	64	11.87	45	9.53
Forth Smart Capital Co., Ltd. ¹	-	-	-	-	-	-
Forth Smart Digital Co., Ltd.	16	5.33	15	4.51	14	5.63
Forth Genius JV	-	-	-	-	-	-
Mindmap Commtech Inc.	-	-	-	-	-	-
Forth EMS Co.,Ltd.	758	174.69	706	61.58	-	-
Forth Group JV Co., Ltd.	-	-	-	-	-	-
Forth Devons JV	-	-	-	-	-	-
Forth MRO Services Co., Ltd.	-	-	-	-	-	-
Forth Smart Distribution Co., Ltd.	-	-	-	-	-	-
Total	2,040	661.89	1,925	533.67	2,369	625.44

Remark: ¹ change the name from the original Forth smart Trading Co., Ltd. to Forth Smart Capital Co., Ltd.

During the past 3 years, the Company did not have any significant labor dispute that would cause negative impact to the Company.

Rewards for motivation in other work

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.

Auditor's Remuneration

1) Audit Fees

The Company and its subsidiaries paid audit fees for 2020 to EY Office Limited amounting to Baht 6,805,500.

2) Non-audit fee

The Company and its subsidiaries paid compensation for other services to EY Office Limited in 2020, including service fees for observing the destruction of inventories of the Company in the amount of baht 70,000.

Corporate Governance

Corporate Governance Policy

The Company's Board of Directors recognized the good corporate governance is the best practice to generate the high beneficence to shareholders and stakeholders. Also, it can bring the achievement of business operation and sustainable development organization. Therefore, the Board of Directors had defined and approved the policy of corporate governance and code of conducts under good governance principle regarding the practice of The Stock Exchange of Thailand. The Board of Directors has reviewed the good corporate governance policy in accordance with the principles of good corporate governance for listed companies 2017 (CG Code) to ensure that the policies can be deployed according to the business context of the Company and the Board of Directors, executives as well as employees have accepted and applied strictly.

Compliance with the Principles of Good Corporate Governance

In 2020, the Company complied with the principles of good corporate governance in various matters as follows:

Section 1

Rights of Shareholders

The Company recognizes the importance of fundamental rights of shareholders and makes every effort to treat the shareholders equally and legally. The basic legitimated rights of shareholders include the rights to buy, sell, or transfer shares, rights on eligibility to receive dividend payment, the right to receive sufficient information in a timely manner to participate in shareholders' meetings, the right to vote on various businesses agenda, the right to appoint a proxy to participate, the right to vote on the annual appointment of directors and independent auditors, the right to give opinions and enquiry of business matters of the Company during the shareholders' meetings, the right to set up in advance on agenda and nominate any external candidate for director position. The Company has control corporate governance on shareholder right tasks and avoids any action that violated of any right of shareholders.

Organizing the Shareholders' meeting

The Company held the Annual General Meeting of Shareholders for the year 2020 in accordance with the regulations of the Stock Exchange of Thailand, guidelines for organizing the shareholders' meeting of the Securities and Exchange Commission (SEC) as well as using the Annual General Meeting Checklist, which is a project for assessing the quality of ordinary shareholders' meetings of listed companies. In the 2020 Annual General Meeting of Shareholders, the Thai Investors Association evaluated the general meeting of shareholders of the Company, which received 96 points from the full score of 100 points, higher than the average score of 93.10 points.

Meeting venue

Along with the Company's Articles, the Company is required to have an annual general meeting of shareholders within a period of 4 months from the end of the fiscal year. In 2020, the Company had held the Annual General Meeting of Shareholders on July 31, 2020 at 02.00 p.m., on the 7th floor at Forth Smart Service Office Building, 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok.

Before the meeting date

To allow shareholders to have sufficient time to study the information, The Company had assigned the Thailand Securities Depository Co., Ltd. as the share registrar of the Company to be the delivery of the meeting invitation including supporting

documents, the meeting agenda and documents for attending the meeting at least 7 days prior to the meeting date. Such documents aim to help shareholders have sufficient information to consider and vote on each agenda item and facilitate shareholders to exercise fully their rights. The documents contained:

- Facts and reasons along, with the opinion of the Board of Directors for each agenda.
- Important information such as the history of individual directors and the definition of independent directors for consideration in the agenda regarding the election of directors to replace those retiring by rotation and details of remuneration for directors and sub-committees for proposing to consider and approve the directors' remuneration.
- Details of the meeting procedure and proxy of the shareholders, which shareholders can appoint independent directors to be proxy and shareholders can specify their opinion on voting in the proxy form.
- The Company gives importance to respecting the rights of shareholders. In the 2020 Annual General Meeting of Shareholders, the Company did not add any agenda or change important information at the meeting suddenly.
- The Company has published the invitation letter and documents for the shareholders' meeting on the Company's website. (www.forth.co.th) before the meeting and notifying such announcement to the Stock Exchange of Thailand to allow shareholders to have sufficient time to study the information in advance before receiving the information in the form of printed documents.

Meeting date

The Company arranged and facilitated the registration of meeting attendance for shareholders to with transparency and convenient. Especially, the Company granted an opportunity to shareholders to ask questions and make any suggestion in the following topics.

- Encourage directors, senior manager, the auditor attended the shareholders' meeting to answer questions and acknowledge the opinions of the shareholders. In the year 2020, there were 10 directors attending the meeting from 10 persons, representing 100 percent of the total number of directors.
- Conducting the shareholders' meeting in accordance with the agenda set out in the notice of the shareholders' meeting.
- Provide equal opportunities to express opinions, asking questions to the meeting on each agenda according to the agenda. The chairman of the meeting concentrated and answered questions in every issue by recording the meeting completely.
- The Chairman of the Board of Directors at the meeting had allocated sufficient time and conducted the meeting appropriately and transparently by voting and summarizing the resolution of each agenda.
- Arrange to use ballots in every agenda for transparency and verification by counting votes. The Company will count 1 share to 1 vote and hold a majority vote as a resolution of the normal agenda. If the votes are equal, the chairman of the meeting will cast his vote in addition to voting as a shareholder. The voting on special occasions would be complied with the company's regulations or laws and regulations of relevant agencies.
- The shareholders, which have special benefits from any agenda, are not permitted to vote on that agenda.
- The Company hired outsource law advisor as inspector to review agenda resolution and voting results.

After the date of meeting

In 2020, the Company publicized the resolutions of the Annual General Meeting of Shareholders through the Stock Exchange of Thailand a day after meeting concerning the voting results on each agenda and submitted the minutes of Annual General Meeting of Shareholders which identified name of directors and executives attended the meeting, and the voting result of agree, disagree, or abstain the vote right on each agenda and informed the key issue on question and answer from shareholders including an explanation in detail from executives to The Stock Exchange of Thailand and related regulators within 14 days as well as post all information in the Company's website (www.forth.co.th).

Section 2

Equitable Treatment of Shareholders

The Company has a policy to support equitable treatment of shareholders by giving priority to the basic rights of shareholders as follows:

a) Right to appoint proxies to attend and vote in the shareholders' meeting

Shareholders unable to participate in the meeting had the right to appoint proxies to the meeting. Proxies could be external person or independent directors nominated by the Company appointed to participate in voting on behalf of the shareholders. The assigned shareholder must submit proxy forms with voting right detail and attach ID card or passport or other identification document to the Company before the day of Annual General Meeting of Shareholders. The Company sent a notice to call the Annual General Meeting of Shareholders including proxy forms as an attachment with the notice or the shareholders can download from the Company's website (www.forth.co.th).

b) Rights to propose additional agenda

The Company gives shareholders the opportunity to propose additional agenda items in addition to the annual general meeting agenda. In proposing additional agenda items, can be proposed by the processes as follows:

- Shareholders who need to propose any additional issue to be included in the agenda items have to attach the information and the reason supporting, facts, and necessary document in proposed the Annual General Meeting agenda form, which can be download on the Company's website (www.forth.co.th) or contact the Company directly to get the form.
- The Company will verify the shareholders' rights of the proposer who want to add the additional agenda of the meeting and who were registered as shareholders at the closing date of the shareholders register book. The criteria for considering the agenda proposed by the person to be added as an additional agenda is that it must relate to the business operation or may have a significant impact on the operation of the Company. If the Board of Directors has approved the proposed agenda, it will be included as a meeting agenda and stated that it was the agenda proposed by the shareholders. However, the matters that do not pass the approval of the Board of Directors, the Company will inform shareholders via the Company's website.

c) Right to propose qualified persons to be elected as directors

The shareholders have right to propose qualified persons for the director nomination. The persons, who are proposed must have qualifications according to the criteria as follows:

- Having the qualification according to the Public Company Act, Securities and Exchange Act and the Good Corporate Governance.

- Having educational qualifications, working experience, or other properties as specified by the Company.
- Must devote sufficient time and fully devoting their ability for the best benefit of the Company which is considered a duty, and ready to regularly attend the Company meeting.
- Should not serve board positions of more than 5 listed companies.

The Board of Directors will consider those qualified persons to propose in the Annual General Meeting of Shareholders for the resolution. However, if the Board of Directors do not select those persons to propose in the meeting, those candidates will be proposed in the Annual General Meeting of Shareholders without opinion of directors for final resolution. The documents, which must be attached for the proposal, are (1) the form of director nomination's proposal and (2) the personal information of the person who are proposed to be elected as directors or confirmation agreement from securities/agencies which the data owner must sign off and certify the accuracy of documents. Those documents must be submitted and delivered to the Company within issued date by registered mail.

d) Usage of inside information

The Company has policy to limit the use of inside information to only the directors, executive directors or higher executives within the Company. Financial statements that went through the validation would be kept with the Vice President of Accounting and Finance. The other confidential information would be used for consulting in the management level only. The Company set penalties to the related person for the use of inside information which causes damage to the Company.

e) The governance concerning securities trading of insiders

The Company has a policy not to allow employees, executives and those who know internal performance information, financial statements or other information that affect the securities price of the Company, disclose to outsiders or those who are not involved and prohibiting trading of securities during 1 month period before financial statements or other information that affect the price of the Company's securities will be made public. The Company has penalties with related persons in case of using the internal information to create price for the Company's securities.

Furthermore, the directors and the executives must report the change of Company's security holding to the Securities and Exchange Commission which based on the regulation of the Securities and Exchange Commission and the Stock Exchange of Thailand under Section 59 of the Act on Securities and Stock Exchange B.E.2535. They acknowledged the punishment pursuant, also required to be disclosed is the change in ownership of assets by a spouse and immature children within 3 days from the change. They have to inform the Company's Corporate Secretary to make the record of the change and summarize the number of securities of each director and executive individually for presenting to the Board of Directors in the next Board of Directors' meeting.

Section 3

Roles of Stakeholders

The Company has given the rights and importance to stakeholders in all groups, including shareholders, customers, employees, partners, creditors as well as environment and society by focusing on treating various groups of stakeholders as follows:

Shareholders

The Company takes into account the interests of shareholders at the highest level by striving to operate the business for sustainable and stable growth with increased competitiveness and risk management to add value to the Company in the long term.

Employees

- The Company considers human resources as the most valuable asset who have personal rights and have the right to be protected from violating personal rights including the right to be treated and get equal opportunities. The Company pays attention to the determination of compensation welfare care as well as the safety of employees according to the following details:

- **Compensation of Employees**

The Company determines the employee's compensation to be in accordance with the Company's operating results, both in the short and long-term period, and it also reflects the employee's knowledge and competency based on Key Performance Indicator (KPI) as a remuneration management tool. This includes other welfares and payment schedule that is appropriate and comparable to other companies in the industry, in order to maintain and motivate the employees for the Company's achievement.

- **Welfare and fringe benefit of employees**
 1. Accident insurance
 2. Life and health insurance
 3. Provident Fund and Social Security Fund
 4. Subsidy money for the death of employee and their parents, spouse, and children
 5. Employee's uniform and sport field for employee activities
 6. Annual New Year Party, Outing Trip and Sport Day
 7. The employee reward for whom has completed 10 and 20 years of work.
 8. Medical check every year and vaccination against influenza
- **Employee Development Policy**

The Company has a policy to develop the organization as Learning Organization, in order to support the business growth and keep up with the economic and social changing. Therefore, the Company encourages employees to improve their knowledge and competency for the jobs by focusing on in-house knowledge transfer by skilled and knowledgeable personnel, together with external learning for developing knowledge base and best practices through continuous learning at individual, division and department levels. The learning is to be developed by practices, and the knowledge will be transferred through on-the-job teaching and teamwork, including external learning consisting of personal development training and seminars in general as well as a specific training to improve the employee's potentiality.

In 2020, the employees of the Company group had an average of 22.99 training hours per each per year. The training courses are as follow:

- **Internal training course** i.e. EV charger Forth installation course, EMC tracking system course, Training for Nurse Call System installation, Training for Gate Barrier installation, CSR seminar, etc.
- **External training course** i.e. AED 4 and CPR training, Visualize IT with Power BI program, Electric pole operation training, CGR Workshop 2020 "Enhancing Good Corporate Governance based on CGR Scorecard", 2020 AGM Assessment SHLD/FSCOM usage training, etc.

- **Employee Safety Policy**

The Company is committed to process of occupational health and safety management system or OHSAS 18001 (version 2007) which emphasizes on the safety and health of employees through a design of systems and tools for the maximum safety according to the API Standard. For instance, the employees in the production department are required to wear gloves, ground wires and shoes to relieve static electricity buildup. This includes installation of fire protective and extinguishing equipment such as water spray, fire alarm, smoke detector, etc. This consists of risk estimation for all operating locations and provision of fire evacuation and protection drills for the employees annually.

In 2020, there were no incidents of occupational accidents, according to the occupational accident statistic of the Group.

Customers

The Company aims to promote customer satisfaction by offering high quality products and full integrated services through ISO 9001 standard (version 2008). The Company pays attention and holds itself accountable to customers, and more importantly, provides high significance to the protection of their confidential information.

Moreover, the Company provides Forth Service Call Center to take care of customer's problems both pre and post sales. The customers can complain, consult, use service of installation and fix products of business communication system. The customers can contact as below address:

Forth Service Call Center

226/25, 26 Phaholyothin Road Samsennai, Phayathai, Bangkok, 10400

Tel: 0-2615-0606 ext. 2199

Fax: 0-2615-0606

Email: service@forth.co.th

Competitors

The Company has policy on fair business operation and will not distort any fact or information, commit a swindle, or use any other improper approaches for the competition. The Company performs business under the proper rules of competition. The Company does not seek to obtain the competitors' confidential information by dishonest or inappropriate means such as bribing the competitors' employees including not competing with slandering, bullying or distorting facts of competitors.

Business Partners

The Company respects to provide goods and services with standard, and aims to create and keep long-term relationship with counter party and contract party with clear objectives in quality of product and services; therefore, the Company has procedure to deal the business with counter parties as follows:

- Selection of partners based on price and quality with competition by information that is received fairly and transparently.
- In business negotiations, directors, executives and employees of the Company must refrain from accepting money, gifts, assets or dishonest benefits from business partners or contractors.
- Payment to partners and contractors on time according to the terms of payment agreed strictly.
- Protect information and keep it confidential between the business partners and contractor.
- Practice with integrity, reliability and inform partners and contractor of the relevant laws, regulations and policies.

Lenders

The Company strictly complies with the loan agreement by repaying the loan according to the schedule and cooperated with financial institutions in disclosing financial reports and other information as required correctly and completely as well as supervising the collateral and cooperate in solving problems together if there is a case that the contract cannot be fulfilled.

Government agencies

The Company is committed and ready to follow the principles of corporate governance, legal penalties and standards of conduct of related state agencies.

Copyright and Intellectual Property Policy and Procedures

The Company has defined policies and guidelines on non-infringement of intellectual property and operates businesses lawfully according to any agreements about intellectual

property, trade secret and respect for other persons' intellectual property. This covers requirement of authentic computer programs and strict prohibition on illegal computer software uses and installations.

Policy and Procedures for Effective Use of Resources

The Company has policy and procedures for effective use of resources by energy saving and recycle such as controlling air-conditioner's temperature properly, turning off air-conditioner and lights during lunch break, changing the office's lights to LED, Installation of solar power generation systems, turning on lights as necessary for working, using stairs instead of elevators, using reused paper, etc.

Social Responsibility

The Company focuses on business operations together with social responsibility. Procedures for the social responsibility are determined such as good governance, fair business operation, human rights respect, fair treatment of labor, consumer responsibilities, collaboration for community or social development, and environment protection, with details stated in the "Social Responsibility".

Measurement for Environment care

The Company gives consideration to environment and takes special precautions to prevent any adverse effects on the environment and its surrounding communities. The Company's plant is certified by the ISO 14001 (2004) for the environmental management system by the SGS. The certification is under both UKAS and NAC for the compliance with the environmental laws, and this ensures that the Company's plant will not release any industrial waste into the environment. This is started from the plant's design by providing waste management, electronic waste sorting systems as well as Wet Scrubber system for treatment of dust and smoke caused by the production process, and purification of air before being released into the environment. This includes continuous improvement of the environmental management works.

In addition, the Company has defied policies and guidelines for environmental preservation through promotion of education and training employees in the organization to be aware of the responsibility towards the environment and the standard of safety management on duty, including campaigning to use resources in the most cost-effective and efficient manner under relevant laws and regulations.

The mechanism of stakeholders' complaint

- Complaint

The Company develops communication channel to deal with appeal from all stakeholders mention above. Stakeholder who possesses appeal must submit documentary appeal to the Company secretary as mentioned address below, and then the Company secretary will review and process their appeal to the audit committee, the Board of Directors or executive director for improvement by:

- 1) In the case of complaints from shareholders, they will be forwarded to the Audit Committee and / or the Board of Directors. In this case, the shareholder may contact the Chairman of the Audit Committee directly or at the Company address specified.
- 2) In the case of complaints of customers, general public partners, they will be sent to the management team to find a solution and report to the Board of Directors.
- 3) In the case of complaints from creditors, the complaints will be sent to the management team. or the management may consider submitting such complaints to the Board of Directors for further consideration.

The stakeholders can make complaint and suggestion the Company's directors and audit committees through the following detail of contact person and address:

Corporate Secretary

Forth Corporation Public Company Limited

1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok, 10400

Tel: 0-2265-6700

Fax: 0-2265-6799

- Whistleblower Protection

Whistleblower's personal information will be kept confidential. The Company will give priority to security and safety of the whistleblower. The whistleblower will disclose a source of information or related persons only as necessary. In case of any troubles suffered by the whistleblower resulting from it, the Company will determine a protection measure followed by an appropriate and fair process.

Section 4

Disclosure and Transparency

The Company is aware of the significance of accurate, complete and timely disclosure of financial information, operational results, financial reports, annual report, annual filing (Form 56-1), and information to be periodically disclosed as well as other information, including material information which may affect prices of the Company's securities, in accordance with the rules of the SEC Office and the Stock Exchange of Thailand, and ensures equal access to such information for shareholders, stakeholders, together with general public. The Company discloses the information via numerous channels, namely, websites of the SEC Office and the Stock Exchange, and the Company's website (www.forth.co.th).

The Company has a policy to disclose information in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission in the annual report and AGM invitation letter of shareholders' meeting about the roles and duties of the Board of Directors and audit committee, the number of meetings and number of directors attending the board meeting in the past year as well as comments from the duties of the Audit Committee and presented the report on the responsibility of the Board of Directors to the financial report together with the auditor's report.

Information Disclosure channels

The Company has set up a department of Investor Relations to serve as a channel for disclosure and clarification of the Company's information so that all sectors can be informed of the Company's information clearly, equally, accurately, completely and in a timely manner. Investor relations are responsible for communicating with shareholders, Institutional investor Securities analyst, investors and others as well as responsible for the dissemination of the Company's information on IR web page in the Company's website with regular updates so that investors or shareholders can receive news on a regular basis. In this regard, the Company has established the investor relations code of conduct in order to ensure fair performance of the investor relations in accordance with the principles of good corporate governance as follows:

The investor relations ethics

1. Conduct duties with integrity.
2. Disclose necessary information completely and fairly to all relevant groups equally.
3. Allow all relevant groups to access and enquire the information.
4. Perform duties by mainly adhering to benefits of the shareholders and the stakeholders.
5. Preserve confidential information of the Company and must not use inside information for personal gain.

Related parties can contact the IR of the Company as follows:

Investor Relations Department

1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok,
10400

Tel : 0-2265-6700 Ext. 1224

Fax : 0-2265-6799

Website : <http://www.investor.forth.co.th>

Email : investor@forth.co.th

The Company has specified a period of non-communication with analysts and investors (silent periods) with respect to financial results, including not holding press conferences or disclosing financial information publicly by executive and/or investor relation officers, at least fourteen (14) days prior to the quarterly and yearly result release so as to avoid any unfair treatment and possibly affecting the Company's share price.

Section 5

Responsibilities of The Board of Directors

The Board of Directors has an important role in corporate governance. For the best benefit of the Company, shareholders and stakeholders, the Company has a policy regarding to committees as follows:

The Board of Directors' structure

The Board of Directors consists of 10 directors who are 4 independent directors, representing 40% of total members to counterbalance the Board. The qualifications of the Company's independent directors are equivalent to the regulations of the Securities and Exchange Commission. Qualifications of independent director, name list and responsibility of the Board of Directors and selection process have been disclosed in section of "Management structure".

Position in Other Listed Company

The Company established the policy that defied the term of service of each director and managing director is able to hold the position in the Board of Directors not more than 5 listed companies. However, the Company has not defied the term of service of directors yet, but the Company considers the knowledgeable competency of directors to retain their term of services instead.

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

The Performance of Board of Directors

Policy and Business Direction

The Board of Directors has clearly defined the vision and mission by disclosing them in the topic "Vision and Mission". The Board reviews and approves the policy and direction of business operations on a yearly basis to provide the Company with a strategic plan to achieve effectively, efficiently, and in line with its vision, mission and compliance with the annual strategic plan for the business operation.

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.

Risk management policy

The Company determined risk management policy by risk assessment of the incident both inside and outside the Company as follows:

1. Determining the risk management plan of each unit within the Company according to the Company's master plan and the risks of business operations that may occur so that the risk management plan is in line with the business plan and goals.
2. Risk management according to the risk management plan mentioned above, each responsible unit will prioritize the risks from assessing opportunities and the impact that such risks will have on the organization. Then determine the measures to manage risks as appropriate with an internal audit unit to coordinate and participate in reviewing risks according to such risk reduction measures.
3. The above risk management measures will be monitored and reviewed by the Risk Management Committee which consists of management from all relevant departments. The meeting will be held every quarter to monitor and review the results of such risk management. The internal audit unit will monitor and review the risk management of each company or unit in order to achieve the objectives set by the Company.

Quorum and Meeting

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.

The Meeting of Non-Executive Directors

The Company provides the meeting of non-executive directors appropriately in order to give opportunity to non-executive directors to discuss problems and suggestion for company operation development.

Code of conduct

The Board of Directors encourages the preparation of business ethics for directors, executives and employees which is considered a general burden and responsibility of all for the maximum benefit of the stakeholders of the Company as well as creating credibility in the business that will make the Company grow sustainably.

The policy of internal information usage

The Company established a policy to prohibit employees and management from gaining access to internal information relating to the Company's operation, as well as the buying and selling of the Company's securities from the date information is known until the date the information is made public, especially trading within 1 month before financial statement public announcement. Information that should not be disclosed cannot be circulated for the purpose of increasing the value of the Company's securities.

In addition, directors and executives must report the ownership of the Company's securities to the Securities and Exchange Commission regarding the Statement Act B.E. 2535, as well as they acknowledged the punishment pursuant, also required to be disclosed when the change emerged in ownership of securities by a spouse and immature children. The directors and executives must submit a copy of the notification to the Company on the same date the notification is submitted to the Securities and Exchange Commission. The notification is required to be submitted within 3 working days.

Guide for remuneration of the directors and top executives

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.

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).

Self-Assessment of the Board of Directors

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.

Criteria for self-assessment of the Board and sub-committees are as follows:

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

From the 2020 assessment which been completed were as follows:

- The assessment which been completed by the Board members, the Board of Directors of the Company has a very good evaluation by obtaining average score 98.28%
- The assessment which been completed by the Board members individually, the Board of Directors of the Company has an excellent evaluation by obtaining average score 96.91%

- The assessment which been completed by the sub-committees, the sub-committees has excellent evaluation by obtaining average score 97.76%

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.

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.

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.

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.

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.

Principles for Board

In accordance with good Corporate Governance principles for the listed company in 2017 (CG Code), the Board of Directors is required to apply the guidelines for the Board of Directors to proper implementation for beneficially creating value for the Company sustainably. The 8 practice guidelines for the Directors are as follows:

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

The implementation of corporate governance code for Listed Companies 2017

In terms of good corporate governance in compliance with the principles of good corporate governance for listed companies 2017 (CG Code) that the Company has not yet implemented, the Company will use it as a guideline for appropriate deployment including below:

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
The Board of Director should appoint CG Committee.	The Board of Directors has not appointed CG Committee.

Report of Changes in Shareholding of the Board of Directors and Executives

No.	Name	Position	Number of shares (shares)		Increase (Decrease)
			As of 7 January 2020	As of 31 December 2020	
1	Mr. Sanit Vorapunya	Chairman of BOD Independent Director	-	-	-
	Spouse and minor children		-	-	-
2	Mr. Somboon Muangklam	Director Independent Director Chairman of Audit Committee Chairman of Nomination and Remuneration Committee	-	-	-
	Spouse and minor children		-	-	-
3	Mrs. Vilasinee Puddhikarant	Director Independent Director Audit Committee Nomination and Remuneration Committee	-	-	-
	Spouse and minor children		-	-	-
4	Mrs. Porntip Lerttanongsak	Director Independent Director Audit Committee Chairman of Risk Management committee	-	-	-
	Spouse and minor children		-	-	-
5	Mr. Pongchai Amatanon	Director Executive Committee Chief Executive Officer Risk Management Committee	366,744,400	366,744,400	-
	Spouse and minor children		34,089,600	34,089,600	-
6	Mrs. Rangsee Lerttripinyo	Director Executive Committee Senior Executive Vice President Risk Management Committee Nomination and Remuneration Committee	59,465,500	59,465,500	-
	Spouse and minor children		-	-	-
7	Mr. Kaelic Amatanon	Director	57,924,000	57,924,000	-
	Spouse and minor children		-	-	-
8	Mrs. Matinee Wandeepirom	Director Nomination and Remuneration Committee	24,750,400	24,750,400	-
	Spouse and minor children		-	-	-
9	Mr. Boonya Tantipanichapun	Director Executive Committee Risk Management Committee	11,361,400	11,361,400	-
	Spouse and minor children		13,350,000	13,350,000	-
10	Mrs. Noparat Siripongpreeda	Director	-	-	-
	Spouse and minor children		-	-	-
11	Mr. Chatchavin Pipatchotitham	Executive Vice President Risk Management Committee	-	-	-
	Spouse and minor children		-	-	-
12	Arin Jamnaree	Vice President of Accounting and Finance Company secretary	-	-	-
	Spouse and minor children		-	-	-
13	Mr. Katanyoo Wilaikaew	Vice President of Research and Development	156,000	156,000	-
	Spouse and minor children		-	-	-

Corporate Social Responsibility Report

Forth Corporation Public Company Limited and affiliates operate business by adhering to the principles of corporate governance, environmental protection along with the development of society and communities. Corporate Social Responsibility (CSR) activities of Group of Companies works for sustainability that encompasses three dimensions: Environment, Social, and Governance.

1. Governance Receiving notification of complaints.

As the Company has provided a channel for receiving a complaint in case of finding clues of non-compliance with the Code or behavior that may imply fraud or misconduct of people in the organization, in 2020, no clue has been given about complaint. (More details for complaint submission are in the topic "Corporate Governance")

Anti-corruption

According to the Company's clearly defined measures to punish personnel who commit corruption according to the sequence, in 2020, no clue has been given about corruption.

Evaluation of good corporate governance

As for the evaluation of good corporate governance by the Thai Institute of Directors Association (IOD), the company was rated "very good".

2. Social sustainability

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 the community through the following activities and projects:

Blood donation project

The Company continuously encourages and supports its employees to donate blood to alleviate suffering and reduce the lack of blood in the blood bank continuously every year.

Chuenjai vending machine project

The Company is committed to supporting the mission to make people with disabilities become self-reliant and have a better quality of life, with 5% of the sales of "Chuenjai vending machine" to support access to job and career opportunities and housing improvements for people with severe disabilities. In 2020, the company supports the movement of access to employment opportunities for 3,000 people with disabilities and funding for the improvement of housing conditions for 50 persons.

The enhancement and improvement of disabled life quality project

The Company aims to create equal opportunities and treatment for people with disabilities to be able to work for themselves and their families. In 2020, the company hired 9 people with

disabilities to be employees of the company and support funding to pursue an occupation that is suitable for the disabled in accordance with the Promotion and Development of the Quality of Life of Persons with Disabilities Act 2007 and the amendment (No. 2) BE 2556, where all persons with disabilities receive appropriate remuneration as well as benefits and rights equally with the general staff of the company and are also assigned the appropriate tasks for them to be able to work with ease and safety.

Safety, Occupational Health and Human Resource Development

Promotion of safety, occupational health

Under the operational guidelines that aim to create a culture and cultivate a sense of safety in the organization, the company also promotes safety by applying principles to various activities to make employees realize the importance of work performance in order for personnel at all levels to pay attention and be aware of their responsibility in performing their work with cautiousness, in 2020 there are training courses as follows:

- Safety for operators.
- Practical training course for the use of AED 4 and CPR defibrillators

In 2020, the statistics of work-related accidents of the group companies shows that there was no accidents from working.

Employee care and human resource 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 a 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.

- **Employee care**
In 2019, 2,040 people were consisted of 345 corporate employees and 1,695 of the affiliated companies. Total employee compensation in the form of salaries, bonuses, contributions to the provident fund and other benefits of total employees were 661.89 million baht.
- **Human resource 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

In 2020, employees in the Company's Group have an average of 22.99 hours of training to educate employees per person per year.

3. Environment

The Company is aware of the importance of protecting the environment in order to prevent and to be responsible for the impacts that may arise from its operations both inside and outside the workplace. The Company and its subsidiaries have an environmental management system ISO14001 along with the environment policy to promote the development and creation of innovations that reduce the impact that may occur as well as to prepare various measures to enable the most efficient use of resources.

Resource use and energy conservation

The Company has promoted and campaigned for employees to take part in caring for the environment so that all employees have an awareness of energy conservation using energy and various resources as necessary and suitable for use. The projects on resource use and energy conservation are as follows.

1. Public relations materials asking for cooperation from all employees to help turn off the lights and unplug the power plug after every use to create awareness of the valuable use of energy and this can be done both at work and at the employee's home.
2. Seeking cooperation from employees to help inspect the use of electrical equipment during the long holidays by unplugging and turning off all types of electrical equipment to save energy and help reduce the occurrence of fire.
3. Campaigning to reduce paper use and switch to electronic systems instead of paper for printing documents and use media as Line or E-mail.
4. Using reuse paper for print documents and photocopies including checking the document from the screen before

printing the document instead of printing documents to edit to help reduce the amount of waste paper.

In terms of water management, the Company is aware of the importance of water resource management. Water is an important factor for the sustenance of various living things. The company has campaigned for employees to recognize the importance of using water with the most value and efficiency by putting up a campaign banner for employees to help save water consumption.

Greenhouse gas management

The Company is considered an indirect emission business from electricity consumption which is one of the reasons that cause global warming. Due to the production of electricity, coal, fossil fuel is used and that causes the release of greenhouse gases into the atmosphere from the combustion of the fuel. For that reason, the Company continuously campaigns for executives and employees to reduce electricity consumption. In addition, the Company has cultivated the employees' consciousness to take into account the impact on the environment along with the performance of their duties by striving to be a sustainable environmentally friendly business. Therefore, the Company has established the energy conservation practices to operate in the same direction for both the company and its subsidiaries as follows:

- Use the air conditioner equal to the operating time.
- Check the annual air conditioning maintenance schedule to complete.
- Check and maintain machinery, electrical appliances and equipment according to the schedule.
- Check the car condition for the specified period.
- Share the vehicle together. If you go the same route and always study the route before traveling.
- Waste classification to help reduce steps and reduce energy in waste disposal.

Social activities in 2020

Blood Donation Project



Cheunjai Vending Machine Project

- Support local fishing boats for fishing and housing improvement at Nong Chik District, Pattani Province



- Support for planting and resting non-toxic veggie and melon for career work at Khanu Woralaksaburi District, Kamphaeng Phet Province



Internal Control and Risk Management

Summary of the Board of Directors and the Audit Committee's opinions about the Company's Internal Control Systems

In the meeting of the Board of Directors No. 1/2021 on February 25, 2021 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 of time.

In addition, the auditor of the Company, EY Office Limited which is the financial auditor of the year 2020 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.

Internal Control of the Audit System for the year 2020, internal auditors had chosen to inspect the main work systems of Forth Corporation Public Company Limited by inspecting all 1 system, namely service system. Genius Traffic System Company Limited by inspecting all 1 system, sales system and Electronics Source Company Limited by inspecting all 2 system, namely sales system and procurement systems. including monitoring of internal audit results of all 4 systems. In addition, the Company monitored the risk management and assesses the annual internal control system. The consideration of the annual audit plan was mainly based on business and risk factors. These factors were monitored on a regular basis in order to adjust the annual audit plan if it was found that there were more important risk factors. The audit results would be presented and reported to the audit committee meeting and the board of directors in order to consider and implement further improvements. In the internal audit control system for the year 2020, the internal auditors did not find any significant defects in the internal control system.

The report of the Audit Committee is presented in 2019 Annual Report and in the attachment of annual filing (Form 56-1).

Information about the internal audit

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 of the annual filing (Form 56-1)

Prevention of the Involvement in 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. 72019, 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.

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.

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
Company Secretary: arin@forth.co.th

- Company website:

www.forth.co.th

- Suggestion box / comment / complaint within the Company

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 criminal litigation if found to be a violation of intention.

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.

Connected Transactions

During 2020, the Company and its subsidiaries entered into 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 2019 and 2020 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 2020	31 December 2019
Expense							
Purchase of goods/services	Forth Tracking System Co., Ltd.	X			X	19.13	7.75
Rental expense	Mr. Pongchai Amatanon		X	X		0.24	0.24
	Mrs. Rangsee Lertripinyo			X		0.90	0.90
	Mrs. Punnee Siripongpreeda			X		-	-
Administrative expenses	Forth Tracking System Co., Ltd.	X			X	0.26	0.12
Revenue							
Sale of goods/services	Forth Tracking System Co., Ltd.	X			X	5.86	10.33
	Forth and Yip In Tsoi Joint Venture	X				101.80	-
Other income	Forth Tracking System Co., Ltd.	X			X	0.03	0.05
	Forth and Yip In Tsoi Joint Venture	X				1.63	0.01
Guarantee fee income	Forth and Yip In Tsoi Joint Venture	X				0.72	0.04
Interest income	Forth and Yip In Tsoi Joint Venture	X				0.73	-
dividend income	Forth Tracking System Co., Ltd.	X			X	5.10	6.83

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 guarantee fee rates for associated credit facilities of the Company are based on the guarantee fees of the companies that are received from the Financial Institutions Council.

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.

Report of Risk Management Committee

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, Mrs. Rangsee Lerttripinyo, Mr. Boonya Tuntipanichapun 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 2020, 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 2020, 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 2021.

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.



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. Rangsee Lertripinyo and Mrs. Matinee Wandeepirom 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 2020, 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. Consider the determination of remuneration for directors from the Company's operating results, business size and responsibilities of the Board of Directors comparing with other companies that are in the same industry as the Company and presented to the Annual General Meeting of Shareholders in 2020 for further approval.
2. Considering the nomination of directors to replace the resigned and retired directors by considering the appropriate qualifications in various fields in accordance with the business strategy of the Company to propose to the Board of Directors for consideration and to propose to the general meeting of shareholders for appointment.
3. Review the qualifications of directors and sub-committees.
4. Consider the training courses of the company to develop the knowledge of the employees in the operation of the company.

(Mr. Somboon Muangklam)
Chairman of the Nomination and Remuneration Committee

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 2020, 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 2020 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 2020. 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.

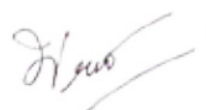
According to the financial statements for the year ending 31 December 2021, the Audit Committee has proposed for appointing EY Office Limited to pursue the Company's auditors same as the prior year since it is a reputable auditing firm and also is recognized best practice on auditing standards widely accepted. The appointment of the Company's auditor will be proposed to the Annual General Meeting of Shareholders for 2021 which will be held in April 2021 for next approval.



(Mr. Somboon Muangklam)
Chairman of Audit Committee



(Mrs. Vilasinee Puddhikarant)
Audit Committee



(Mrs. Porntip Lerttanongsak)
Audit Committee

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 2020, 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 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Forth 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 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

I draw attention to Note 1.2 and Note 3 (a) to the consolidated financial statements.

Due to the impact of the Coronavirus disease 2019 pandemic, in preparing the financial statements for the year ended 31 December 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to The Impact of Coronavirus disease 2019 Pandemic issued by the Federation of Accounting Professions.

My opinion is not qualified in respect of these matters.

Key Audit Matters

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

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

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

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, accounting for 27 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 10 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 Wisutthiyon

Certified Public Accountant (Thailand) No. 7480

EY Office Limited

Bangkok: 25 February 2021

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents		740,575,424	681,811,432	71,237,918	181,448,422
Current investment	8	-	50,000,000	-	-
Trade and other receivables	7, 9	1,449,436,764	1,584,787,439	207,148,155	329,705,834
Short-term loans to related parties	7	30,000,000	-	93,465,000	72,465,000
Unbilled receivables		379,968,520	496,135,337	197,962,923	94,738,525
Inventories	10	893,543,831	978,891,619	225,948,259	328,011,980
Current portion of loans receivable	11	38,605,915	25,044,635	-	-
Current portion of finance lease receivable	12	89,381,179	-	89,381,179	-
Other current financial assets		304,783	-	304,783	-
Other current assets					
Advances payment for goods		376,447,940	27,026,762	137,610,881	9,477,524
Prepaid telephone charges		206,621,145	128,563,225	-	-
Others		104,447,964	103,944,936	11,071,522	25,233,454
Total current assets		4,309,333,465	4,076,205,385	1,034,130,620	1,041,080,739
Non-current assets					
Restricted bank deposits	13	794,000	441,500	-	-
Other long-term investments		-	31,151,815	20,000,000	20,000,000
Other non-current financial assets		31,151,815	-	-	-
Investments in subsidiaries	14	-	-	1,230,603,995	1,156,068,115
Investments in associates	15	16,042,391	33,463,788	24,252,736	24,252,736
Loans receivable - net of current portion	11	50,155,488	27,657,853	-	-
Finance lease receivable - net of current portion	12	141,637,659	-	141,637,659	-
Investment properties	16	103,934,775	103,745,141	830,274,161	845,186,910
Property, plant and equipment	17	2,512,357,507	2,809,031,719	308,575,111	321,817,020
Right-of-use assets	22	133,351,106	-	69,653,486	-
Intangible assets	18	114,268,285	112,706,219	2,466,209	5,076,357
Leasehold rights		-	14,903,271	-	14,903,271
Deferred tax assets	27	266,911,840	285,754,006	77,075,383	71,898,389
Other non-current assets		142,435,568	121,956,487	114,475,286	99,906,235
Total non-current assets		3,513,040,434	3,540,811,799	2,819,014,026	2,559,109,033
Total assets		7,822,373,899	7,617,017,184	3,853,144,646	3,600,189,772

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	19	2,672,658,476	2,679,515,576	1,395,658,476	1,345,015,576
Trade and other payables	7, 20	1,177,206,202	1,052,938,123	278,955,614	245,092,646
Current portion of long-term loans	21	130,172,982	283,736,809	130,172,982	73,745,709
Current portion of long-term lease liabilities	22	18,070,967	-	4,064,117	-
Advances received from customers		392,493,466	177,233,944	222,357,723	143,429,603
Corporate income tax payable		23,516,406	25,753,907	-	-
Other current liabilities					
Retention received from service representatives		625,075,765	579,739,098	-	-
Others		97,251,805	120,905,885	43,255,939	46,142,482
Total current liabilities		5,136,446,069	4,919,823,342	2,074,464,851	1,853,426,016
Non-current liabilities					
Long-term loans, net of current portion	21	190,691,728	116,695,040	190,691,728	116,695,040
Long-term lease liabilities - net of current portion	22	102,099,392	-	56,805,054	-
Provision for long-term employee benefits	23	160,251,253	132,452,499	50,899,161	37,239,202
Other non-current liabilities		4,673,817	1,958,393	-	-
Total non-current liabilities		457,716,190	251,105,932	298,395,943	153,934,242
Total liabilities		5,594,162,259	5,170,929,274	2,372,860,794	2,007,360,258
Shareholders' equity					
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
Other deficits		(243,460,685)	(119,988,151)	-	-
Retained earnings					
Appropriated - statutory reserve	24	48,000,000	48,000,000	48,000,000	48,000,000
Appropriated - treasury shares reserve	33	152,206,025	36,835,920	152,206,025	36,835,920
Unappropriated		649,458,771	739,835,475	589,725,975	702,271,637
Treasury ordinary shares	33	(152,206,025)	(36,835,920)	(152,206,025)	(36,835,920)
Other components of shareholder's equity		(4,166,564)	(3,554,996)	-	-
Equity attributable to owners of the Company		1,292,389,399	1,506,850,205	1,480,283,852	1,592,829,514
Non-controlling interests of the subsidiaries		935,822,241	939,237,705	-	-
Total shareholders' equity		2,228,211,640	2,446,087,910	1,480,283,852	1,592,829,514
Total liabilities and shareholders' equity		7,822,373,899	7,617,017,184	3,853,144,646	3,600,189,772

Statement of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit or loss:					
Revenues	28				
Sales		2,015,585,047	1,867,549,467	666,314,305	573,859,546
Services		4,051,951,271	4,097,440,571	720,437,242	428,225,756
Revenues from project work		724,017,333	553,896,866	408,626,334	305,864,966
Other income					
Dividend income		-	-	383,393,852	344,342,682
Gain on partial business transfer	35	-	-	-	42,426,977
Others		291,049,223	284,962,526	76,699,720	59,395,211
Total revenues		7,082,602,874	6,803,849,430	2,255,471,453	1,754,115,138
Expenses					
Cost of sales		1,513,982,680	1,495,127,960	539,187,388	484,137,346
Cost of services		3,144,666,630	3,032,323,152	602,003,127	323,992,740
Cost of project work		601,999,514	453,975,115	341,494,101	245,633,305
Selling and distribution expenses		117,090,447	104,125,769	33,752,590	26,811,012
Administrative expenses		861,083,793	920,757,826	299,385,355	357,761,280
Total expenses		6,238,823,064	6,006,309,822	1,815,822,561	1,438,335,683
Profit from operating activities		843,779,810	797,539,608	439,648,892	315,779,455
Share of profit (loss) from investments in associates	15.2	(12,321,846)	4,827,862	-	-
Finance cost		(86,839,900)	(101,990,156)	(42,677,679)	(40,870,568)
Profit before income tax expenses		744,618,064	700,377,314	396,971,213	274,908,887
Income tax (expenses) revenues	27	(98,744,395)	(94,543,497)	3,883,540	8,907,123
Profit for the year from continuing operations		645,873,669	605,833,817	400,854,753	283,816,010
Loss for the year from discontinued operations - net of tax	35	-	-	-	(3,756,068)
Profit for the year		645,873,669	605,833,817	400,854,753	280,059,942

Statement of comprehensive income (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Other comprehensive income:					
<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					
		(611,568)	2,103,761	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax					
		(611,568)	2,103,761	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial losses					
	23	(4,985,229)	-	(6,467,273)	-
Less: Income tax effect					
	27	1,160,764	-	1,293,455	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax					
		(3,824,465)	-	(5,173,818)	-
Other comprehensive income for the year					
		(4,436,033)	2,103,761	(5,173,818)	-
Total comprehensive income for the year					
		641,437,636	607,937,578	395,680,935	280,059,942
Profit attributable to:					
Equity holders of the Company					
From continuing operations					
		438,835,215	331,356,062	400,854,753	283,816,010
From discontinued operations - net of tax					
		-	-	-	(3,756,068)
Total equity holders of the Company					
		438,835,215	331,356,062	400,854,753	280,059,942
Non-controlling interests of the subsidiaries					
		207,038,454	274,477,755		
		645,873,669	605,833,817		
Total comprehensive income attributable to:					
Equity holders of the Company					
From continuing operations					
		429,192,845	333,459,823	395,680,935	283,816,010
From discontinued operations - net of tax					
		-	-	-	(3,756,068)
Total equity holders of the Company					
		429,192,845	333,459,823	395,680,935	280,059,942
Non-controlling interests of the subsidiaries					
		212,244,791	274,477,755		
		641,437,636	607,937,578		
Basic earnings per share					
Profit attributable to equity holders of the Company					
From continuing operations					
		0.47	0.35	0.43	0.30
From discontinued operations					
		-	-	-	-
Total					
		0.47	0.35	0.43	0.30

Statement of changes in shareholders' equity

Forth Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

	Consolidated financial statements											(Unit: Baht)
	Equity attributable to owners of the Company											
	Other surpluses (deficits)			Retained earnings			Other components of equity -		Equity attributable to non-controlling interests of the subsidiaries		Total shareholders' equity	
	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	Capital surplus (deficit) from changes in shareholding in subsidiaries	Total other surpluses (deficits)	Statutory reserve	Appropriated Treasury shares reserve	Unappropriated Treasury shares	Exchange differences on translation of financial statements in foreign currency	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
Balance as at 1 January 2019	480,000,000	40,891,171	(89,291,831)	48,000,000	-	848,381,179	(5,658,757)	1,684,879,639	821,604,920	2,506,484,559		
Profit for the year	-	-	-	-	-	331,356,062	-	331,356,062	274,477,755	605,833,817		
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the year	-	-	-	-	-	331,356,062	-	331,356,062	274,477,755	605,833,817		
Treasury shares during the period (Note 33)	-	-	-	-	-	(36,835,920)	2,103,761	(36,835,920)	-	(36,835,920)		
Transferred unappropriated retained earnings to treasury shares reserve (Note 33)	-	-	-	-	-	(36,835,920)	-	(36,835,920)	-	(36,835,920)		
Dividend payment (Note 32)	-	-	-	-	-	(403,065,846)	-	(403,065,846)	-	(403,065,846)		
Purchases of investments in the subsidiary	-	-	(71,587,491)	-	-	-	-	(71,587,491)	(22,766,194)	(94,353,685)		
Increase in non-controlling interests of the subsidiary from investment in subsidiary	-	-	-	-	-	-	-	-	114,482,680	114,482,680		
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary (Note 14 (b))	-	-	-	-	-	-	-	-	(248,539,456)	(248,539,456)		
Balance as at 31 December 2019	480,000,000	40,891,171	(160,879,322)	48,000,000	36,835,920	739,835,475	(3,554,966)	1,506,850,205	939,237,705	2,446,087,910		

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

Consolidated financial statements												(Unit: Baht)		
Equity attributable to owners of the Company														
	Other surpluses (deficits)				Retained earnings			Other components of equity -		Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity			
	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	Capital surplus (deficit) from changes in shareholding in subsidiaries	Appropriated	Treasury shares reserve	Statutory reserve	Treasury shares reserve	Unappropriated	Treasury shares	Exchange differences on translation of financial statements in foreign currency			Total equity attributable to owners of the Company		
Issued and fully paid-up share capital	Share premium	480,000,000	382,557,877	40,891,171	(180,879,322)	(119,988,151)	48,000,000	36,835,920	739,835,475	(36,835,920)	(3,554,996)	1,506,850,205	939,237,705	2,446,087,910
Balance as at 1 January 2020 - before restated		480,000,000	382,557,877	40,891,171	(180,879,322)	(119,988,151)	48,000,000	36,835,920	739,835,475	(36,835,920)	(3,554,996)	1,494,895,685	939,237,705	2,434,133,390
Cumulative effect of changes in accounting policy due to the adoption of new financial reporting standard (Note 4)		-	-	-	-	-	-	-	(11,954,520)	-	-	(11,954,520)	-	(11,954,520)
Balance as at 1 January 2020 - as restated		480,000,000	382,557,877	40,891,171	(180,879,322)	(119,988,151)	48,000,000	36,835,920	727,880,955	(36,835,920)	(3,554,996)	1,482,941,165	939,237,705	2,422,178,870
Profit for the year		-	-	-	-	-	-	-	438,835,215	-	-	438,835,215	207,039,454	645,874,669
Total comprehensive income for the year		-	-	-	-	-	-	-	(9,039,802)	-	(611,568)	(9,651,370)	5,206,337	(4,445,033)
Other comprehensive income for the year (loss)		-	-	-	-	-	-	-	429,804,413	-	(611,568)	429,192,845	212,244,791	641,437,636
Treasury shares during the year (Note 33)		-	-	-	-	-	-	-	-	(115,370,105)	-	(115,370,105)	-	(115,370,105)
Transferred unappropriated retained earnings to treasury shares reserve (Note 33)		-	-	-	-	-	-	115,370,105	(115,370,105)	-	-	-	-	-
Dividend payment (Note 32)		-	-	-	-	(2,752,287)	-	-	(392,856,492)	-	-	(392,856,492)	(5,681,212)	(8,443,499)
Change in equity interests of the subsidiary (Note 14.1 and 14.7)		-	-	-	(2,752,287)	(2,752,287)	-	-	-	-	-	(2,752,287)	(5,681,212)	(8,443,499)
Treasury stock purchased back by the subsidiary during the year (Note 34)		-	-	-	(120,720,247)	(120,720,247)	-	-	-	-	-	(120,720,247)	(43,535,223)	(164,255,470)
Increase in share capital of the subsidiary during the year (Note 14.3)		-	-	-	-	-	-	-	-	-	-	-	67,500,090	67,500,090
Established new subsidiary (Note 14.6 and Note 14.8)		-	-	-	-	-	-	-	-	-	-	-	1,055,030	1,055,030
The subsidiary dissolved and repayment of share capital to non-controlling interests of the subsidiary (Note 14.5)		-	-	-	-	-	-	-	-	-	-	-	(2,500)	(2,500)
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary (Note 14 (b))		-	-	-	-	-	-	-	-	-	-	-	(234,986,440)	(234,986,440)
Balance as at 31 December 2020		480,000,000	382,557,877	40,891,171	(284,351,856)	(243,460,685)	48,000,000	152,206,025	649,458,771	(152,206,025)	(4,166,564)	1,297,389,396	935,822,241	2,233,211,640

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

	Separate financial statements							(Unit: Baht)
	Issued and fully paid-up share capital	Share premium	Retained earnings			Treasury shares	Total shareholders' equity	
			Statutory reserve	Appropriated	Unappropriated			
				Treasury shares reserve				
Balance as at 1 January 2019	480,000,000	362,557,877	48,000,000	-	862,113,461	-	1,752,671,338	
Profit for the year	-	-	-	-	280,059,942	-	280,059,942	
Total comprehensive income for the year	-	-	-	-	280,059,942	-	280,059,942	
Treasury shares during the year (Note 33)	-	-	-	-	-	(36,835,920)	(36,835,920)	
Transferred unappropriated retained earnings to treasury shares reserve (Note 33)	-	-	-	36,835,920	(36,835,920)	-	-	
Dividend payment (Note 32)	-	-	-	-	(403,065,846)	-	(403,065,846)	
Balance as at 31 December 2019	480,000,000	362,557,877	48,000,000	36,835,920	702,271,637	(36,835,920)	1,592,829,514	
Balance as at 1 January 2020	480,000,000	362,557,877	48,000,000	36,835,920	702,271,637	(36,835,920)	1,592,829,514	
Profit for the year	-	-	-	-	400,854,753	-	400,854,753	
Other comprehensive income for the year (loss)	-	-	-	-	(5,173,818)	-	(5,173,818)	
Total comprehensive income for the year	-	-	-	-	395,680,935	-	395,680,935	
Treasury shares during the year (Note 33)	-	-	-	-	-	(115,370,105)	(115,370,105)	
Transferred unappropriated retained earnings to treasury shares reserve (Note 33)	-	-	-	115,370,105	(115,370,105)	-	-	
Dividend payment (Note 32)	-	-	-	-	(392,856,492)	-	(392,856,492)	
Balance as at 31 December 2020	480,000,000	362,557,877	48,000,000	152,206,025	589,725,975	(152,206,025)	1,480,283,852	

Cash flow statement

For the year ended 31 December 2020

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) before tax				
From continuing operations	744,618,064	700,377,314	396,971,213	274,908,887
From discontinuing operations	-	-	-	(3,756,068)
Total	744,618,064	700,377,314	396,971,213	271,152,819
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	502,341,868	472,209,122	54,705,860	59,049,110
Amortisation for intangible assets	20,045,919	14,981,697	2,610,148	4,204,270
Amortisation for leasehold right and others	-	1,124,908	-	1,124,908
Write-off of equipment	5,174,610	4,196,372	-	-
Loss from destruction of inventories	6,910,183	-	-	-
Allowance for expected credit losses/doubtful accounts (reversal)	15,727,389	16,817,675	(1,691,345)	14,537,748
Decrease of inventories to net realisable value (reversal)	29,983,701	26,130,881	25,731,851	(3,065,844)
Loss from impairment on equipment (reversal)	2,893,475	(3,362,976)	2,370,997	(3,132,874)
Unrealised loss on exchange	4,067,684	764,037	4,366	991,130
Gain on sales of equipment	(1,233,229)	(3,093,971)	-	(1,247,336)
Gain on partial business transfer	-	-	-	(42,426,977)
Share of (profit) loss from investments in associates	12,321,846	(4,827,862)	-	-
Dividend income	-	-	(383,393,852)	(344,342,682)
Increase in provision for long-term employee benefits	26,335,393	47,096,694	7,312,667	20,128,741
Interest income	(14,842,597)	-	(4,807,343)	-
Interest expenses	80,226,303	80,365,462	40,264,589	38,612,834
Profit from operating activities before changes in operating assets and liabilities	1,434,570,609	1,352,779,353	140,079,151	15,585,847
Operating assets (increase) decrease				
Trade and other receivables	113,168,425	1,078,816,839	125,898,615	512,643,424
Inventories	48,453,904	(37,296,223)	76,331,870	(105,586,483)
Loans receivable	(41,699,792)	(52,702,488)	-	-
Unbilled receivables	116,166,817	145,104,655	(103,224,397)	74,534,513
Advances payment for goods	(349,421,177)	(940,982)	(128,133,356)	(1,216,683)
Prepaid telephone charges	(78,057,920)	8,046,970	-	-
Finance lease receivable	(231,018,838)	-	(231,018,838)	-
Other current financial assets	(304,783)	-	(304,783)	-
Other current assets	(3,590,135)	(24,793,966)	14,258,979	3,445,256
Other non-current assets	3,930,570	24,778,030	2,397,024	3,678,646
Operating liabilities increase (decrease)				
Trade and other payables	112,370,256	(514,400,734)	33,568,531	(23,369,475)
Advances received from customers	215,259,523	135,456,856	78,928,120	128,252,659
Cash paid for long-term employee benefits	(3,521,867)	-	(119,980)	-
Other current liabilities	30,207,284	(18,879,056)	500,800	5,065,072
Cash flows from operating activities	1,366,512,876	2,095,969,254	9,161,736	613,032,776
Cash received from interest income	14,097,366	-	3,073,164	-
Cash received from income tax	974,628	5,973,249	-	-
Cash paid for interest expenses	(74,277,423)	(80,566,181)	(37,656,557)	(39,109,871)
Cash paid for corporate income tax	(102,337,529)	(139,078,728)	(16,966,075)	(16,431,118)
Net cash flows from (used in) operating activities	1,204,969,918	1,882,297,594	(42,387,732)	557,491,787

Cash flow statement (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Decrease (increase) in restricted bank deposits	(352,500)	9,477,500	-	-
Decrease (increase) in current investment	50,000,000	(50,000,000)	-	-
Proceeds from sales of equipment	1,520,004	6,841,855	-	1,714,309
Proceeds from sales of computer software	-	-	-	9,410,908
Proceeds from partial business transfer	-	-	-	249,000,000
Acquisition of investment properties	-	-	-	(19,427,915)
Acquisition of property, plant and equipment	(184,808,075)	(339,543,344)	(22,506,932)	(28,863,443)
Acquisition of computer software	(21,607,984)	(22,374,007)	-	(16,545,361)
Acquisition of right-of-use assets	(3,281,434)	-	-	-
Increase in short-term loans to related parties	(37,400,000)	-	(65,400,000)	(50,000,000)
Cash receipts from loans to related parties	7,400,000	-	44,400,000	23,690,000
Cash receipts from dividend of subsidiaries and associate	5,099,550	6,833,397	383,393,852	344,342,682
Increase in investment in subsidiaries	(8,443,500)	(94,355,685)	(82,143,380)	(434,903,035)
Increase in investment in associates	-	(3,004,880)	-	(3,004,880)
Cash received from decrease in share capital of subsidiary	-	-	7,600,000	-
Cash received from dissolution and repayment of share capital from the subsidiary	-	-	7,500	-
Cash paid for loan to employee	(4,500,000)	-	-	-
Cash received from loan to employee	125,000	-	-	-
Net cash flows from (used in) investing activities	(196,248,939)	(486,125,164)	265,351,040	75,413,265
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from banks	(6,857,100)	(316,551,934)	50,642,900	(99,113,350)
Cash receipts from long-term loans	200,000,000	17,000,000	200,000,000	17,000,000
Repayments of long-term loans	(279,567,139)	(536,502,623)	(69,576,039)	(161,685,062)
Repayment of liabilities under finance lease agreement	-	(1,151,130)	-	-
Repayments of liabilities under lease agreement	(24,250,245)	-	(6,259,000)	-
Dividend paid	(392,611,568)	(403,065,846)	(392,611,568)	(403,065,846)
Cash paid for purchase of treasury ordinary shares of the Company	(115,370,105)	(36,835,920)	(115,370,105)	(36,835,920)
Cash paid for purchase of treasury ordinary shares of the subsidiary	(164,255,470)	-	-	-
Dividend paid to non-controlling interests of the subsidiaries	(234,986,411)	(248,539,456)	-	-
Proceed from non-controlling interests of the subsidiaries from increase in share capital of the subsidiaries	68,555,120	114,462,680	-	-
The subsidiary dissolved and repayment of share capital to non-controlling interests of the subsidiary	(2,500)	-	-	-
Net cash flows used in financing activities	(949,345,418)	(1,411,184,229)	(333,173,812)	(683,700,178)
Increase (decrease) in translation adjustments	(611,569)	496,731	-	-
Net increase (decrease) in cash and cash equivalents	58,763,992	(14,515,068)	(110,210,504)	(50,795,126)
Cash and cash equivalents at beginning of year	681,811,432	696,326,500	181,448,422	232,243,548
Cash and cash equivalents at end of year	740,575,424	681,811,432	71,237,918	181,448,422
Supplemental disclosures of cash flows information				
Non-cash transactions				
Transfer assets under finance lease to right-of-use assets	2,946,312	-	-	-
Transfer leasehold rights to right-of-use assets	14,903,271	-	14,903,271	-
Transfer long-term advance payment to right-of-use assets	3,366,000	-	-	-
Transfer other current liabilities to right-of-use assets	5,953,978	-	3,387,342	-
Payable for acquisition of right-of-use asset	1,584,274	-	1,584,274	-
Transfer asset under construction to investment property	1,365,006	-	1,365,006	-
Payable for purchase of equipment	9,139,893	-	-	-
Payable for dividend payment	244,953	-	244,924	-
Acquisition of motor vehicle under finance lease agreement	-	2,981,456	-	-
Receivable - subsidiary from partial business transfer	-	-	-	11,218,884
Partial business transfer by offset of debts	-	-	-	76,678,765

Notes to consolidated financial statement

For the year ended 31 December 2020

1. General information

1.1 Corporate 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.

1.2 Coronavirus disease 2019 Pandemic

A second wave of the Coronavirus disease 2019 pandemic has slowed down economic recovery, and is adversely impacting most businesses and industries. This situation has affected the Group’s business activities in terms of changing consumer behaviors and limiting consumer spending, which have affected the Group’s revenue in part of financial business online service, sale of goods and services through automatic machines. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities. In this regards, the management has exercised estimates and judgement on various matters in assessing to impact if the situation changes.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Forth Corporation Public Company Limited (“the Company”) and the following subsidiaries (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholdings	
			<u>2020</u>	<u>2019</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	Concession for traffic board project	Thailand	100*	100*
Forth Smart Service Plc.	Payment service via automatic teller machines	Thailand	53	51
Forth Consulting Co., Ltd.	Consulting service for information management and computer software management	Thailand	100	100
Forth Lighting Co., Ltd.	Manufacture and distribution of lamps and lighting equipment	Thailand	100	100
Forth Meter Co., Ltd.	Distribution of electronic meter	Thailand	85	85
Forth Vending Co., Ltd.	Management of vending machines	Thailand	50**	50**
Mindmap Commtech Inc.	Payment service via automatic teller machines (cease operation)	Philippines	100	100
Joint Venture Forth Genius	Turnkey on installation of CCTV	Thailand	100***	100***
Forth EMS Co., Ltd.	Manufacture and distribution of telecommunication equipment, electronic equipment and assembly electronic parts	Thailand	99.99	99.99
Forth Group Joint Venture Co., Ltd.	Engineering services	Thailand	54	54
Forth Devons Joint Venture	Engineering services	Thailand	75	75
Forth MRO Service Co., Ltd.	Airplane, aircraft and battleship maintenance	Thailand	74	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholdings	
			2020 %	2019 %
<u>Subsidiaries held through subsidiaries of the Company</u>				
Forth Smart Capital Co., Ltd. (Formerly known as "Forth Smart Trading 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	-
Forth Smart Digital Co., Ltd.	E-Commerce	Thailand	100	60

* 20% of the shares are held by the Company, 80% by Genius Traffic System Co., Ltd.

** 45% of the shares are held by the Company, 10% by Forth Smart Service Plc.

*** 95% of the shares are held by the Company, 5% by Genius Traffic System Co., Ltd.

- 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 statement 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 statement 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

a) New financial reporting standards that became effective in the current year

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

Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

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

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

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

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

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

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

TFRS 16 Leases

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

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

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

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

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

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

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

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

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- To measure the fair value of unquoted equity investments using the fair value as at 1 January 2020.
- Not to use information relating to the COVID-19 situation in determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to use information relating to the COVID-19 situation that may affect financial forecasts used in measuring the fair values of investment property.

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

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

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

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

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

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

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

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2019	The effect of		1 January 2020
		Financial reporting standards related		
		to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Current investments	50,000	(50,000)	-	-
Trade and other receivables	1,584,787	(5,611)	-	1,579,176
Unbilled receivables	496,135	(7,691)	-	488,444
Current portion of loans receivable	25,045	-	-	25,045
Other current financial assets	-	50,000	-	50,000
Non-current assets				
Other long-term investments	31,152	(31,152)	-	-
Other non-current financial assets	-	31,152	-	31,152
Loans receivable - net of current portion	27,658	(947)	-	26,711
Property, plant and equipment	2,809,031	-	(2,947)	2,806,084
Right-of-use assets	-	-	154,852	154,852
Leasehold rights	14,903	-	(14,903)	-
Deferred tax assets	-	2,294	-	2,294
Other non-current assets	121,956	-	(3,366)	118,590

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2019	The effect of		1 January 2020
		Financial reporting		
		to financial instruments	TFRS 16	
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	1,052,938	-	(3,387)	1,049,551
Current portion of lease liabilities	-	-	18,286	18,286
Other current liabilities	120,906	-	(2,646)	118,260
Non-current liabilities				
Lease liabilities - net of current portion	-	-	121,383	121,383
Shareholders' equity				
Retained earnings - unappropriated	739,836	(11,955)	-	727,881

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2019	The effect of		1 January 2020
		Financial reporting		
		to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Non-current assets				
Other long-term investments	20,000	(20,000)	-	-
Other non-current financial assets	-	20,000	-	20,000
Right-of-use assets	-	-	74,484	74,484
Leasehold rights	14,903	-	(14,903)	-
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	245,093	-	(3,387)	241,706
Current portion of lease liabilities	-	-	3,930	3,930
Non-current liabilities				
Lease liabilities - net of current portion	-	-	59,038	59,038
Shareholders' equity				
Retained earnings - unappropriated	702,272	-	-	702,272

4.1 Financial instruments

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Recognition of an allowance for expected credit losses on financial assets	14,249	-
Less: Income tax effect	(2,294)	-
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	11,955	-

As at 1 January 2020, classifications and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amounts are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	The former carrying amount	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortised cost	Total
Financial assets as at				
1 January 2020				
Cash and cash equivalents	682	-	682	682
Other current financial assets	50	-	50	50
Trade and other receivables	1,585	-	1,579	1,579
Unbilled receivables	496	-	488	488
Loans receivable	53	-	52	52
Other non-current financial assets	31	31	-	31
Total financial assets	2,897	31	2,851	2,882

(Unit: Million Baht)

	Separate financial statements			
	The former carrying amount	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortised cost	Total
Financial assets as at				
1 January 2020				
Cash and cash equivalents	181	-	181	181
Trade and other receivables	330	-	330	330
Short-term loans to related parties	72	-	72	72
Unbilled receivables	95	-	95	95
Other non-current financial assets	20	20	-	20
Total financial assets	698	20	678	698

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

4.2 Leases

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

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	124	85
Add: Option to extend lease term	51	-
Less: Short-term leases and leases of low-value assets	(1)	-
Add: Others	1	1
Less: Deferred interest expenses	(38)	(23)
Increase in lease liabilities due to the adoption of TFRS 16	137	63
Liabilities under finance lease agreements as at 31 December 2019	3	-
Lease liabilities as at 1 January 2020	140	63
Weighted average incremental borrowing rate (% per annum)	1.85 - 6.08	1.85 - 4.58
Comprise of:		
Current lease liabilities	18	4
Non-current lease liabilities	122	59
	140	63

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

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Land and land improvement	4	-
Building and building improvements	129	74
Office equipment	1	-
Motor vehicles	9	-
Advertising billboard	12	-
Total right-of-use assets	155	74

5. Significant accounting policies

5.1 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 allowances and price promotions 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 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.

5.2 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.

5.3 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.

5.4 Inventories

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

5.5 Investments in subsidiaries, joint ventures and associates

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

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

5.6 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.

5.7 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.

5.8 Intangible assets and amortisation

Intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment assets (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite useful lives are as follows:

Computer software	3, 5, 10 years
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5.9 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.

5.10 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.

5.10.1 The Group as a lessee

Accounting policies adopted since 1 January 2020

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	1 - 16	years
Office equipment	3, 4	years
Motor vehicles	2 - 4	years
Advertising billboard	2	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.

Accounting policies adopted before 1 January 2020

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

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

5.10.2 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. 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.

5.11 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.

5.12 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 or other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

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

5.13 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.

5.14 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.

5.15 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.

5.16 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, 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 neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

Impairment of financial assets

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

Accounting policies adopted before 1 January 2020

Trade and other receivables

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

Investments

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

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

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

5.17 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.

5.18 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 asset or liability 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 categorise 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.

6. 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:

Consolidation of subsidiaries that the Company holds less than half of shares

The management of the Company determined that the Company has control over certain subsidiaries in which the Company holds less than half of shares, as follows: Forth Vending Company Limited: Even though the Company holds 45% of shares and voting rights, which is less than half, Forth Smart Service Public Company Limited, one of the subsidiaries, holds 10% of the shares. As a result, the Company and its subsidiary are major shareholders, together holding more than half of shares, and have the ability to direct the significant activities of this company. As a result, Forth Vending Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control.

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 and unbilled receivables

In determining an allowance for expected credit losses of trade receivables, other 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.

Net realisable value of inventories

The management uses judgement to estimate net realisable value of inventories taking into account fluctuations of price or cost directly related to events occurring after the end of the reporting period and 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.

7. Related party transactions

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

		(Unit: Million Baht)			
		Consolidated		Separate	
Pricing policy		financial statements		financial statements	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Purchases of raw materials	Compared to market price	-	-	3	216
Purchases of goods	Agreed price	-	-	244	-
Sales of goods	Agreed price	-	-	125	360
Service income	Agreed price	-	-	1	2
Revenue from project work	Agreed price	-	-	8	1
Other income	Agreed price	-	-	16	23
Dividend income	As declared	-	-	378	337
Interest income	Interest at 3.0 - 5.0 % per annum	-	-	3	2
Rental income	Agreed price	-	-	45	32
Cost of project work	Agreed price	-	-	16	25
Selling and administrative expenses	Agreed price	-	-	9	1
<u>Transactions with associates</u>					
Sales of goods	Agreed price	32	10	26	5
Service income	Agreed price	8	-	8	-
Revenue from project work	Agreed price	67	-	67	-
Other income	Agreed price	2	-	1	-
Dividend income	As declared	-	-	5	7
Interest income	Interest at 4.5 % per annum	1	-	1	-
Cost of project work	Agreed price	19	8	19	8
<u>Transactions with director</u>					
Rental expenses	Agreed price	-	2	-	1

As at 31 December 2020 and 2019, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade and other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	17,183	202,986
Associates	41,724	341	41,045	56
Directors	426	2,988	103	2,478
Total	42,150	3,329	58,331	205,520
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful debts)	-	-	(12,240)	(11,728)
Total trade and other receivables - related parties	42,150	3,329	46,091	193,792
<u>Trade and other payables - related parties (Note 20)</u>				
Subsidiaries	-	-	33,705	47,664
Associates	18,888	11,575	18,865	11,535
Directors	24	108	24	18
Total trade and other payables - related parties	18,912	11,683	52,594	59,217

Short-term loans to related parties

As at 31 December 2020 and 2019, the balance of short-term loans to related parties and the movement of such loans as at 31 December 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Subsidiaries	-	-	80,617	89,661
Associate	30,000	-	30,000	-
Total	30,000	-	110,617	89,661
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful debts)	-	-	(17,152)	(17,196)
Total short-term loans to related parties, net	30,000	-	93,465	72,465

(Unit: Thousand Baht)

		Consolidated financial statements			
		Balance as at			Balance as at
		31 December	Increase	Decrease	31 December
Relationship		2019	during the year	during the year	2020
Joint Venture Forth and Yip In Tsoi	Associate	-	37,400	(7,400)	30,000
Total short-term loans to related parties, net		-	37,400	(7,400)	30,000

(Unit: Thousand Baht)

		Separate financial statements				
		Balance as at			Unrealised	Balance as at
		31 December	Increase	Decrease	loss on	31 December
Relationship		2019	during the year	during the year	exchange	2020
Forth Meter Co., Ltd.	Subsidiary	12,465	-	-	-	12,465
Forth Lighting Co., Ltd.	Subsidiary	10,000	13,000	(2,000)	-	21,000
Mindmap Commtech Inc.	Subsidiary	17,196	-	-	(44)	17,152
Forth EMS Co., Ltd.	Subsidiary	50,000	15,000	(35,000)	-	30,000
Joint Venture Forth and Yip In Tsoi	Associate	-	37,400	(7,400)	-	30,000
Total		89,661	65,400	(44,400)	(44)	110,617
Less: Allowance for expected credit losses (2019: Allowance for doubtful debts)		(17,196)	-	-	44	(17,152)
Total short-term loans to related parties, net		72,465	65,400	(44,400)	-	93,465

Directors and management's benefits

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Short-term employee benefits	81,920	68,985	49,922	46,594
Post-employment benefits	7,738	9,904	3,687	4,126
Total	89,658	78,889	53,609	50,720

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in note 36.6 to the consolidated financial statements.

8. Current investment

As at 31 December 2019, Forth Smart Capital Company Limited (the subsidiary held by Forth Smart Service Public Company Limited) had current investment with local commercial bank in the form of fixed deposit amounting to Baht 50 million. Such investment carried interest rate at 1.5 percent per annum and due for redemption within February 2020.

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade receivables - related parties</u>				
Age on the basis of due dates				
Not yet due	25,222	267	25,319	92,090
Past due				
Up to 3 months	5,923	-	5,933	42,174
3 - 6 months	-	-	19	9,399
6 - 12 months	-	-	264	4,924
Over 12 months	-	-	10,120	10,157
Total	31,145	267	41,655	158,744
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful debts)	-	-	(10,157)	(10,157)
Total trade receivables - related parties, net	31,145	267	31,498	148,587
<u>Trade receivables - unrelated parties</u>				
Age on the basis of due dates				
Not yet due	262,409	228,178	72,991	14,044
Past due				
Up to 3 months	184,689	241,330	60,541	46,390
3 - 6 months	6,341	29,713	549	2,844
6 - 12 months	5,405	29,737	111	17,987
Over 12 months	117,399	111,596	39,393	40,608
Total	576,243	640,554	173,585	121,873
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful debts)	(83,644)	(81,160)	(14,883)	(17,119)
Total trade receivables - unrelated parties, net	492,599	559,394	158,702	104,754

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Other receivables</u>				
Interest receivables	403	-	-	-
Accrued income	209,644	275,677	1,483	30,288
Less: Allowance for expected credit losses (2019: Allowance for doubtful debts)	(4,623)	(4,000)	-	-
Accrued income - net	205,021	271,677	1,483	30,288
Advances to unrelated parties	43,410	41,847	20,970	20,970
Less: Allowance for expected credit losses (2019: Allowance for doubtful debts)	(41,001)	(40,007)	(20,946)	(20,946)
Advances to unrelated parties - net	2,409	1,840	24	24
Other receivables - service representatives	683,642	736,783	-	-
Other receivables - unrelated parties	25,433	13,984	3,068	3,068
Less: Allowance for expected credit losses (2019: Allowance for doubtful debts)	(2,220)	(2,220)	(2,220)	(2,220)
Other receivables - unrelated parties - net	23,213	11,764	848	848
Advances to related parties	408	2,996	115	2,488
Other receivables - related parties	402	66	2,411	40,163
Accrued income from related parties	10,080	-	10,944	2,078
Interest receivables from related parties	115	-	3,206	2,047
Less: Allowance for expected credit losses (2019: Allowance for doubtful debts)	-	-	(2,083)	(1,571)
Interest receivables from related parties - net	115	-	1,123	476
Total other receivables - net	925,693	1,025,126	16,948	76,365
Total trade and other receivables - net	1,449,437	1,584,787	207,148	329,706

10. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Raw materials	433,331	469,982	(166,929)	(163,892)	266,402	306,090
Work in process	75,883	32,448	(9,636)	(5,684)	66,247	26,764
Finished goods	655,776	778,396	(239,538)	(223,454)	416,238	554,942
Goods in transit	19,647	32,797	-	-	19,647	32,797
Project in progress	125,010	58,299	-	-	125,010	58,299
Total inventories	1,309,647	1,371,922	(416,103)	(393,030)	893,544	978,892

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Raw materials	169,634	220,197	(140,645)	(132,758)	28,989	87,439
Work in process	4,988	5,167	(4,659)	(981)	329	4,186
Finished goods	197,544	276,607	(125,924)	(111,757)	71,620	164,850
Goods in transit	-	13,238	-	-	-	13,238
Project in progress	125,010	58,299	-	-	125,010	58,299
Total inventories	497,176	573,508	(271,228)	(245,496)	225,948	328,012

During the current year, the Group reduced cost of inventories by Baht 30 million and reversed the write-down of cost of inventories by Baht 7 million (2019: Baht 26 million) (the Company only: Baht 26 million (2019: reversed the write-down of cost of inventories by Baht 3 million)), to reflect the net realisable value. This was included in cost of sales.

11. Loans receivable - net

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

(Unit: Thousand Baht)

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

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

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

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

12. Finance lease receivables

As at 31 December 2020 and 2019, the balances and movement of finance lease receivables are as follows:

	(Unit: Thousand Baht)			
	Consolidated/Separate financial statements			
	31 December 2020			
	Portion due	Portion due	Portion due	Total
within one year	but within five years	after five years		
	after one year			
Finance lease receivables	94,083	140,216	7,507	241,806
Less: unearned interest income	(4,702)	(5,877)	(209)	(10,788)
Present value of minimum lease payment	89,381	134,339	7,298	231,018

	(Unit: Thousand Baht)
	Consolidated financial statements/Separate financial statements
	<hr/>
Balances as at 31 December 2019	-
Addition during the year	231,018
	<hr/>
Balances as at 31 December 2020	231,018
Less: Current portion of finance lease receivables	(89,381)
	<hr/>
Finance lease receivables - net of current portion	<u>141,637</u>

Finance lease receivables represent finance lease receivables of two lease agreements. As at 31 December 2020, the outstanding balance amounting to Baht 38.6 million which the debtor is to settle the installments following finance lease agreement to the Company totally 72 installments between July 2020 and June 2026. However, the Company did not receive any payment as a result of the impact of the Coronavirus disease 2019 pandemic. The debtor, therefore wrote a letter requesting a rescheduling of debt settlement per the agreement, whereby only penalties would be paid until the debtor's business is able to operate normally. During 2020, the Company received penalty payments totaling Baht 0.7 million from the debtor.

In January 2021, the debtor paid for settle the installments following finance lease agreement.

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. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Cost		Allowance for impairment		Carrying amounts based on cost method - net		Dividend received during the years	
	2020	2019	2020	2019	2020	2019	2020	2019
Subsidiaries held by the Company								
Electronics Source Co., Ltd.	54,976	54,976	-	-	54,976	54,976	90,000	40,000
Genius Traffic System Co., Ltd.	200,056	200,056	-	-	200,056	200,056	30,000	25,000
Joint Venture Genius	3,000	3,000	-	-	3,000	3,000	-	-
Forth Smart Service Plc.	396,223	394,939	-	-	396,223	394,939	253,544	250,660
Forth Consulting Co., Ltd.	30,000	30,000	(30,000)	(30,000)	-	-	-	-
Forth Lighting Co., Ltd.	20,000	10,000	-	-	20,000	10,000	-	-
Forth Meter Co., Ltd.	18,000	18,000	(18,000)	(18,000)	-	-	-	-
Forth Vending Co., Ltd.	301,499	234,000	-	-	301,499	234,000	-	-
Mindmap Commtech Inc.	76,764	76,764	(76,764)	(76,764)	-	-	-	-
Joint Venture Forth Genius	950	8,550	-	-	950	8,550	4,750	21,850
Forth EMS Co., Ltd.	250,000	250,000	-	-	250,000	250,000	-	-
Forth Group Joint Venture Co., Ltd.	540	540	-	-	540	540	-	-
Forth Devons Joint Venture	-	7	-	-	-	7	-	-
Forth MRO Service Co., Ltd.	3,360	-	-	-	3,360	-	-	-
Subsidiaries held through								
Forth Smart Service Plc.								
Forth Smart Capital Co., Ltd.	-	-	-	-	-	-	-	-
Forth Smart Distribution Co., Ltd.	-	-	-	-	-	-	-	-
Subsidiary held through								
Forth Smart Capital Co., Ltd.								
Forth Smart Digital Co., Ltd.	-	-	-	-	-	-	-	-
Total	1,355,368	1,280,832	(124,764)	(124,764)	1,230,604	1,156,068	378,294	337,510

14.1 During the current year, the Company purchased 199,000 additional ordinary shares of Forth Smart Public Company Limited (the subsidiary) through the Stock Exchange of Thailand (SET) for Baht 1.3 million. In addition, as described in Note 34 to the consolidated financial statements, Forth Smart Service Public Company Limited bought back 26,858,700 treasury shares, amounting to Baht 164.2 million, through SET. Following the Company's purchase of ordinary shares of the subsidiary and the subsidiary made additional share repurchase, the Company's shareholding in the subsidiary increased from 50.7% to 52.6%.

The Company recorded the excess of the acquisition price over the attributable net book value of the investment amounted to Baht 0.9 million in shareholders' equity under the caption of "Capital surplus (deficit) from changes in shareholding in subsidiaries" in the consolidated financial statements.

14.2 On 23 April 2020, the Extraordinary General Meeting of Shareholders of Forth Lighting Company Limited (the subsidiary), passed a resolution to increase its registered share capital from Baht 10 million (100,000 ordinary shares with a par value of Baht 100 each) to Baht 20 million (200,000 ordinary shares with a par value of Baht 100 each) by issuing the new 100,000 ordinary shares with a par value of Baht 100 each to its existing shareholders in proportion to their shareholding. The subsidiary registered the increased share capital with the Ministry of Commerce on 27 April 2020. The Company had already made payment for such share capital.

14.3 On 31 October 2019, the Extraordinary General Meeting of the shareholders of Forth Vending Company Limited (the subsidiary), passed a resolution to approve an increase in the registered share capital from Baht 320 million (32,000,000 ordinary shares with a par value of Baht 10 each) to Baht 620 million (62,000,000 ordinary shares with a par value of Baht 10 each) through the issue and offering of 30,000,000 additional ordinary shares with a par value of Baht 10 each to the existing shareholders in proportion to their shareholding. The Company and Forth Smart Service Public Company Limited (the subsidiary) acquired 13,499,985 ordinary shares with a par value of Baht 10 each, amounting to Baht 134,999,850 million and 3,000,000 ordinary shares with a par value of Baht 10 each, amounting to Baht 30,000,000, respectively, in order to maintain their existing shareholding.

On 30 November 2019, Forth Vending Company Limited (the subsidiary), called up 66.67% of the par value of its share capital of Baht 200 million, and the Company and Forth Smart Service Public Company Limited (the subsidiary) had already paid such amount.

On 24 January 2020, Forth Vending Company Limited (the subsidiary), called up 33.33% of its par value, and the Company and Forth Smart Service Public Company Limited (the subsidiary) paid in the called up shares of Baht 45 million and Baht 10 million, respectively.

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

On 29 September 2020, Forth Vending Company Limited called up the proportion of the Company and Forth Smart Service Public Company Limited (the subsidiary), 2,249,997 ordinary shares with a par value of Baht 10 each, amounting to Baht 22.5 million, and 500,000 ordinary shares with a par value of Baht 10 each, amounting to Baht 5 million, respectively. Subsequently, the Company and the subsidiary already paid in this amount on 5 October 2020 and Forth Vending Company Limited registered the increase in this paid-up share capital with the Ministry of Commerce on 8 October 2020.

- 14.4 On 18 May 2020, the Counterparty Meeting of Joint Venture Forth Genius (the subsidiary) passed a resolution to decrease the joint venture's share capital by Baht 8 million, from Baht 9 million to Baht 1 million since it had sufficient liquidity. Joint Venture Forth Genius has already returned the reduced share capital to the Company and its counterparty in proportion to their investments in the current year.
- 14.5 On 17 March 2020, Forth Devons Joint Venture (the subsidiary) had crossed the name from VAT registration entrepreneur with the Revenue Department due to dissolution the business and already repayment of share capital to the ventures during the current year.
- 14.6 On 16 March 2020, Forth MRO Service Company Limited was incorporated with a registered share capital of Baht 4 million (400,000 ordinary shares with a par value of Baht 10 each), which is principally engaged in the operation of aircraft hangar and maintenance business. The Company holds 74% of these shares or amounting of Baht 3 million. In addition, the Company paid in 10% of share capital on behalf of Airports of Thailand Public Company Limited, amounting to Baht 0.4 million, in order to obtain the right to extend the term of the rights to use state land at Don Mueang International Airport granted by the Royal Thai Air Force for 15 years.
- 14.7 In order to supporting the continuous business growth of the Group, the Board of Directors' Meeting of Forth Smart Capital Company Limited (Formerly known as "Forth Smart Trading Company Limited") (the subsidiary held by Forth Smart Service Public Company Limited) held on 11 May 2020 passed the following resolutions:
- 14.7.1) To approve the purchase of 4,000,000 ordinary shares of Forth Smart Digital Company Limited (the subsidiary held by Forth Smart Capital Company Limited) amounting to Baht 7.2 million from a director of the subsidiary. Following the acquisition of these ordinary shares, its shareholding in Forth Smart Digital Company Limited increased from 60.00% to 99.99%.

Details of the acquisition are as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
Purchase price of investment in subsidiary	7,160
Less: Non-controlling interests of subsidiary adjustment	(5,356)
Capital deficit from change in shareholding interest in subsidiary	1,804

14.7.2) To approve the business restructuring by way of partial business transfer, whereby Forth Smart Capital Company Limited is to transfer its sale of goods and rendering of services relating to online top-up machines, distribution of tobacco, advertising business, including inventories and assets relating to such businesses to Forth Smart Distribution Company Limited, a newly established subsidiary, as described in Note 14.8 to the consolidated financial statements. The partial business transfer was to be made at fair value. Subsequently, on 27 May 2020, the Annual General Meeting of Shareholders of Forth Smart Capital Company Limited passed a resolution approving this business restructuring.

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

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

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

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	
	2020	2019	2020	2019	2020	2019	2020	2019
	(%)	(%)						
Forth Smart Service Plc.	47	49	669.8	724.4	219.1	283.5	235.0	248.5
Forth Vending Co., Ltd.	50	50	245.1	201.2	(23.7)	(13.6)	-	-

(Unit: Million Baht)

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

Summarised information about financial position

(Unit: Million Baht)

	Forth Smart Service Plc.		Forth Vending Co., Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current assets	1,425	1,263	172	229
Non-current assets	2,027	2,225	425	367
Current liabilities	2,181	2,161	38	139
Non-current liabilities	141	14	2	2

Summarised information about comprehensive income

(Unit: Million Baht)

For the years ended 31 December

	Forth Smart Service Plc.		Forth Vending Co., Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue	3,066	3,371	226	212
Profit (loss)	458	571	(48)	(27)
Other comprehensive income	11	-	-	-
Total comprehensive income	469	571	(48)	(27)

Summarised information about cash flow

(Unit: Million Baht)

For the years ended 31 December

	Forth Smart Service Plc.		Forth Vending Co., Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flow from operating activities	1,061	918	2	76
Cash flow used in investing activities	(138)	(206)	(208)	(219)
Cash flow from (used in) financing activities	(763)	(804)	150	224
Net increase (decrease) in cash and cash equivalents	160	(92)	(56)	81

15. Investments in associates

15.1 Details of associates:

(Unit: Thousand Baht)

Company's name (Nature of business)	Country of incorporation	Shareholding percentage		Consolidated financial statements				Separate financial statements					
		2020 (%)	2019 (%)	Cost 2020	Cost 2019	Carrying amounts based on equity method 2020	Carrying amounts based on equity method 2019	Cost 2020	Cost 2019	Allowance for impairment of investments 2020	Allowance for impairment of investments 2019	Carrying amounts based on cost method - net 2020	Carrying amounts based on cost method - net 2019
FPT Payment Technology JSC* (Payment service via automatic teller 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	22,553	19,410	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	(18,565)	2,000	2,000	2,000	-	-	2,000	2,000
Forth Royal Joint Venture Co., Ltd.*** (Sales of aircraft with equipment)	Thailand	50	50	1,000	1,000	1,000	1,000	1,000	1,000	-	-	1,000	1,000
Total				31,753	31,753	16,042	33,464	31,753	31,753	(7,500)	(7,500)	24,253	24,253

* In process of dissolution

** Not yet started to operation

*** In process of liquidation

15.2 Share of comprehensive income and dividend received

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

Company's name	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Forth Tracking System Co., Ltd.	8,243	4,828	-	5,100
Joint Venture Forth and Yip In Tsoi	(20,565)	-	-	-
Total	(12,322)	4,828	-	5,100

15.3 Summarised financial information about material associates

Summarised information about financial position

Company's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues		Profit (loss)	
	31 December	2020	2019	2020	2019	2020	2019	31 December	2020	2019
FPT Payment Technology JSC*	Currency	42,000	42,000	40	40	1	1	-	-	-
Forth Tracking System Co., Ltd.	VND	30	30	115	99	46	36	108	108	20
Joint Venture Forth and Yip In Tsoi	THB	4	4	645	165	637	162	230	-	(4)

* In process of dissolution

16. Investment properties

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

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Land	Building	Total	Land and land improvement	Office building for rent	Total
As at 31 December 2020						
Cost	83,918	22,575	106,493	655,921	342,972	998,893
Less: Accumulated depreciation	-	(2,558)	(2,558)	(384)	(168,235)	(168,619)
Net book value	83,918	20,017	103,935	655,537	174,737	830,274
As at 31 December 2019						
Cost	83,918	21,210	105,128	655,921	341,607	997,528
Less: Accumulated depreciation	-	(1,383)	(1,383)	(308)	(152,033)	(152,341)
Net book value	83,918	19,827	103,745	655,613	189,574	845,187

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	103,745	104,806	845,187	493,953
Acquisition of assets	-	-	-	19,429
Transfers	1,365	-	1,365	479,568
Depreciation charged	(1,175)	(1,061)	(16,278)	(5,309)
Accumulated depreciation on transfers	-	-	-	(142,454)
Net book value at end of year	103,935	103,745	830,274	845,187

The fair value of the investment properties as at 31 December 2020 and 2019 stated below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land and office building held for rent	103,935	103,745	904,452	903,087

The fair value of the land has been determined based on market prices, while that of the office building held for rent has been determined using the cost approach.

17. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements									
	Land	Land improvement	Building and building improvements	Machinery	Tools and equipment	Office equipment	Motor vehicles	Assets under construction	Total	
Cost										
As at 1 January 2019	784,631	1,515	573,494	697,782	3,173,253	322,023	129,110	360	5,682,168	
Additions	-	-	22,358	4,912	285,654	8,561	11,294	9,731	342,510	
Disposals/written-off	-	-	-	(179,969)	(77,176)	(1,078)	(3,901)	-	(262,124)	
Transferred in (out)	-	-	2,159	-	-	82	-	(2,241)	-	
Translation adjustment	-	-	-	-	(122)	(42)	-	-	(164)	
As at 31 December 2019	784,631	1,515	598,011	522,725	3,381,609	329,546	136,503	7,850	5,762,390	
Effect from TFRS 16 (Note 4)	-	-	-	-	-	-	(3,205)	-	(3,205)	
As at 1 January 2020	784,631	1,515	598,011	522,725	3,381,609	329,546	133,298	7,850	5,759,185	
Additions	-	-	1,218	160	161,513	13,342	9,513	8,202	193,948	
Disposals/written-off	-	-	-	(934)	(21,204)	(1,829)	(2,065)	(2,650)	(28,682)	
Transferred in (out)	-	-	569	-	8,693	-	-	(10,627)	(1,365)	
Translation adjustment	-	-	-	-	(122)	(42)	-	-	(164)	
As at 31 December 2020	784,631	1,515	599,798	521,951	3,530,489	341,017	140,746	2,775	5,922,922	

(Unit: Thousand Baht)

	Consolidated financial statements									
	Land	Land improvement	Building and building improvements	Machinery	Tools and equipment	Office equipment	Motor vehicles	Assets under construction	Total	
Accumulated depreciation										
As at 1 January 2019	-	234	249,531	642,352	1,459,277	224,104	113,696	-	2,689,194	
Depreciation for the year	-	69	36,811	11,178	386,475	30,308	6,307	-	471,148	
Depreciation on disposals/written-off	-	-	-	(179,516)	(70,060)	(1,039)	(3,578)	-	(254,193)	
Translation adjustment	-	-	-	-	(99)	(38)	-	-	(137)	
As at 31 December 2019	-	303	286,342	474,014	1,775,593	253,335	116,425	-	2,906,012	
Effect from TFRS 16 (Note 4)	-	-	-	-	-	-	(258)	-	(258)	
As at 1 January 2020	-	303	286,342	474,014	1,775,593	253,335	116,167	-	2,905,754	
Depreciation for the year	-	76	36,922	6,389	398,209	29,588	6,772	-	477,956	
Depreciation on disposals/written-off	-	-	-	(293)	(19,066)	(1,797)	(2,065)	-	(23,221)	
Translation adjustment	-	-	-	-	(99)	(38)	-	-	(137)	
As at 31 December 2020	-	379	323,264	480,110	2,154,637	281,088	120,874	-	3,360,352	
Allowance for impairment loss										
As at 1 January 2019	-	-	-	-	49,349	1,194	194	-	50,737	
Additions during the year	-	-	-	-	3,655	-	-	-	3,655	
Decrease during the year	-	-	-	-	(7,018)	-	-	-	(7,018)	
Translation adjustment	-	-	-	-	(23)	(4)	-	-	(27)	
As at 31 December 2019	-	-	-	-	45,963	1,190	194	-	47,347	
Additions during the year	-	-	-	-	4,571	-	-	-	4,571	
Decrease during the year	-	-	-	-	(1,678)	-	-	-	(1,678)	
Translation adjustment	-	-	-	-	(23)	(4)	-	-	(27)	
As at 31 December 2020	-	-	-	-	48,833	1,186	194	-	50,213	

	Separate financial statements										(Unit: Thousand Baht)	
	Land	Land improvement	Building and building improvements			Machinery	Tools and equipment	Office equipment	Motor vehicles	Assets under construction		Total
			Land	improvement	building							
Cost												
As at 1 January 2019	411,425	1,515	416,827	631,137	204,104	122,061	52,869	360	1,840,298			
Additions	-	-	2,010	3,388	14,460	2,834	3,357	2,800	28,849			
Disposals/written-off	-	-	-	(179,969)	(32,964)	(27)	(2,500)	-	(215,460)			
Transferred in (out)	-	-	2,158	-	-	82	-	(2,240)	-			
Transfer out due to partial business transfer to a subsidiary (Note 35)	-	-	-	(414,279)	(1,653)	(41,204)	(15,355)	-	(472,491)			
Transferred from investment properties	(204,021)	(1,515)	(274,032)	-	-	-	-	-	(479,568)			
As at 31 December 2019	207,404	-	146,963	40,277	183,947	83,746	38,371	920	701,628			
Additions	-	-	663	-	15,318	1,660	1,488	3,378	22,507			
Transferred in (out)	-	-	250	-	1,763	-	-	(3,378)	(1,365)			
As at 31 December 2020	207,404	-	147,876	40,277	201,028	85,406	39,859	920	722,770			
Accumulated depreciation												
As at 1 January 2019	-	232	206,006	579,871	162,605	91,510	47,264	-	1,087,488			
Depreciation for the year	-	69	17,622	7,162	22,175	4,905	1,807	-	53,740			
Depreciation on disposals/written-off	-	-	-	(179,518)	(32,962)	(27)	(2,500)	-	(215,007)			
Transfer out due to partial business transfer to a subsidiary (Note 32)	-	-	-	(367,238)	(1,653)	(20,535)	(15,042)	-	(404,468)			
Transferred to investment properties	-	(301)	(142,153)	-	-	-	-	-	(142,454)			
As at 31 December 2019	-	-	81,475	40,277	150,165	75,853	31,529	-	379,299			
Depreciation for the year	-	-	7,211	-	19,907	2,801	2,094	-	32,013			
As at 31 December 2020	-	-	88,686	40,277	170,072	78,654	33,623	-	411,312			

As at 31 December 2020, allowance for impairment in the consolidated financial statement amounting to Baht 47 million (2019: Baht: 47 million), represents allowance for impairment of equipment of Mindmap Commtech Inc. (subsidiary), which ceased its operation in 2017.

As at 31 December 2020, 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 2,199 million (2019: Baht 1,603 million) (the Company only: Baht 1,228 million (2019: Baht 890 million)).

As at 31 December 2020 and 2019, land and building as presented in the consolidated financial statements are the portion of the Company's investment properties that it has leased to its subsidiaries.

18. Intangible assets

Intangible assets is consist of computer software. The net book value of computer software as at 31 December 2020 and 2019 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
As at 31 December 2020:		
Cost	185,473	23,301
Less: Amortisation	(71,205)	(20,835)
Net book value	<u>114,268</u>	<u>2,466</u>
As at 31 December 2019:		
Cost	163,865	23,301
Less: Amortisation	(51,159)	(18,225)
Net book value	<u>112,706</u>	<u>5,076</u>

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	112,706	105,314	5,076	44,676
Acquisition	21,608	22,374	-	16,545
Disposals	-	-	-	(9,411)
Amortisation	(20,046)	(14,982)	(2,610)	(4,204)
Transfer out due to partial business transfer to a subsidiary (Note 35)	-	-	-	(42,530)
Net book value at end of year	114,268	112,706	2,466	5,076

19. Bank overdrafts and short-term loans from banks

(Unit: Thousand Baht)

	Interest rate (% per annum)	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Short-term loans from banks	1.7 - 2.5	2,498,140	2,652,500	1,221,140	1,318,000
Trust receipts	1.5	174,518	27,016	174,518	27,016
Total		2,672,658	2,679,516	1,395,658	1,345,016

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 36.6 to the consolidated financial statements.

20. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade payables - unrelated parties	588,901	541,855	67,862	92,628
Trade payables - related parties	17,502	11,552	45,911	58,954
Other payables - unrelated parties	221,748	238,383	2,160	3,133
Other payables - related parties	23	23	4,602	165
Other payables - director	24	108	24	18
Accrued expenses - unrelated parties	347,645	261,017	156,340	90,115
Accrued expenses - related parties	1,363	-	2,057	80
Total trade and other payables	1,177,206	1,052,938	278,956	245,093

21. Long-term loans

Loan	Borrower	Lender	Loan Facility (Million Baht)	Interest rate	Repayment schedule	(Unit: Thousand Baht)			
						Consolidated financial statements		Separate financial statements	
						2020	2019	2020	2019
(1)	The Company	Local bank	126	Fixed interest rate	60 monthly installments (ending 2022)	44,746	67,119	44,746	67,119
(2)	The Company	Local bank	50	Fixed interest rate	30 monthly installments (ending 2021)	3,240	23,280	3,240	23,280
(3)	The Company	Local bank	105	Fixed interest rate	60 monthly installments (ending 2023)	61,379	83,042	61,379	83,042
(4)	The Company	Local bank	17	Fixed interest rate	34 monthly installments (ending 2022)	11,500	17,000	11,500	17,000
(5)	The Company	Local bank	200	Fixed interest rate	33 monthly installments (ending 2023)	200,000	-	200,000	-
(6)	Forth Smart Service Plc.	Local bank	200	Fixed interest rate	36 monthly installments (ending in 2020)	-	33,333	-	-
(7)	Forth Smart Service Plc.	Local bank	200	Refer to 1M THBFIX + a margin as stipulated in the agreement	36 monthly installments (ending in 2020)	-	52,778	-	-
(8)	Forth Smart Service Plc.	Local bank	200	Fixed interest rate	36 monthly installments (ending in 2020)	-	49,880	-	-
(9)	Forth Smart Service Plc.	Local bank	200	Fixed interest rate	33 monthly installments (ending in 2020)	-	74,000	-	-
	Total					320,865	400,432	320,865	190,441
	Less: Current portion of long-term loans					(130,173)	(283,737)	(130,173)	(73,746)
	Long-term loans - net of current portion					190,692	116,695	190,692	116,695

21.1 In September 2020, the Company entered into a long-term loan agreement with a local bank to obtain a long-term loan facility of Baht 200 million (fully drawn down). Interest is charged at fixed rate per annum. The loan is to be repaid in 33 monthly installments starting from January 2021 (ending in 2023).

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

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

21.3 According to the conditions stipulated in the loan agreements, the Company agrees not to mortgage or otherwise encumber its assets with any other parties throughout the loan period. In addition, the Company has to comply with certain covenants, pertaining to matters such as maintaining certain financial ratios.

22. 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 1 - 11 years.

22.1 Right-of-use assets

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

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Land	Buildings	Office equipment	Motor vehicles	Advertising billboard	
Net book value as at						
31 December 2019	-	-	-	-	-	-
Effect from the adoption of TFRS 16 (Note 4)	4,476	134,868	739	2,947	11,822	154,852
Net book value as at						
1 January 2020	4,476	134,868	739	2,947	11,822	154,852
Additions during the year	-	3,606	-	1,259	-	4,865
Write-off during the year	-	(3,156)	-	-	-	(3,156)
Depreciation for the year	(145)	(16,065)	(227)	(862)	(5,911)	(23,210)
Net book value as at						
31 December 2020	4,331	119,253	512	3,344	5,911	133,351

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings	Motor vehicles	Total
Net book value as at 31 December 2019	-	-	-
Effect from the adoption of TFRS 16 (Note 4)	74,484	-	74,484
Net book value as at 1 January 2020	74,484	-	74,484
Additions during the year	325	1,259	1,584
Depreciation for the year	(6,258)	(157)	(6,415)
Net book value as at 31 December 2020	68,551	1,102	69,653

22.2 Lease liabilities

The outstanding balance of lease liabilities as at 31 December 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Lease payments	151,726	81,074
Less: Deferred interest expenses	(31,556)	(20,205)

23. 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		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits				
at beginning of year	132,452	86,401	37,239	35,211
Included in profit or loss:				
Current service cost	21,371	18,149	5,817	7,011
Interest cost	4,791	4,048	1,496	1,660
Past service cost	173	24,899	-	11,458
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	10,536	-	3,562	-
Financial assumptions changes	11,809	-	4,245	-
Experience adjustments	(17,359)	-	(1,340)	-
Benefits paid during the year	(3,522)	(1,045)	(120)	-
Transfer out due to partial business transfer (Note 35)	-	-	-	(18,101)
Provision for long-term employee benefits				
at end of year	<u>160,251</u>	<u>132,452</u>	<u>50,899</u>	<u>37,239</u>

The Group expects to pay Baht 9.5 million of long-term employee benefits during the next year (2019: Baht 0.8 million) (the Company only: Baht 8.9 million (2019: Baht 0.8 million)).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit of the Group is 13 - 25 years (the Company only: 13 years (2019: 13 - 23 years, the Company only: 23 years)).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate	1.5 - 2.2	2.6 - 3.5	1.5	3.5
Salary increase rate	4.0 - 6.0	4.2 - 7.5	6.0	6.8
Turnover rate	1.0 - 34.4	0.0 - 31.1	6.7 - 28.7	0.0 - 31.1

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

(Unit: Thousand Baht)

	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(17,114)	20,524	(3,859)	4,515
Salary increase rate	19,409	(16,592)	4,188	(3,668)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(16,295)	20,228	(5,669)	7,098

(Unit: Thousand Baht)

	As at 31 December 2019			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(14,835)	18,349	(2,746)	3,159
Salary increase rate	19,043	(15,699)	3,396	(3,009)
	<u>Increase 10%</u>	<u>Decrease 10%</u>	<u>Increase 10%</u>	<u>Decrease 10%</u>
Turnover rate	(6,548)	7,666	(2,694)	3,017

24. 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.

25. Revenue from contracts with customers

Disaggregated revenue information

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Type of goods or service:				
Sale of goods	2,015,585	1,867,549	666,314	573,859
Revenues from project work	724,017	553,897	408,626	305,865
Rental and equipment maintenance services	993,828	726,576	714,918	420,959
Service income	210,122	244,678	5,520	7,267
Revenues from services through online top-up machines	953,212	1,266,125	-	-
Revenue from rendering of top-up service for prepaid phone, receipt of other online services	1,894,790	1,860,062	-	-
Total revenue from contracts with customers	6,791,554	6,518,887	1,795,378	1,307,950
Timing of revenue recognition:				
Revenue recognised at a point in time	5,073,709	5,238,414	671,834	581,126
Revenue recognised over time	1,717,845	1,280,473	1,123,544	726,824
Total revenue from contracts with customers	6,791,554	6,518,887	1,795,378	1,307,950

26. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Salaries and wages and other employee benefits	768,432	744,978	195,413	333,620
Depreciation and amortisation	522,387	484,068	57,316	64,378
Raw materials and consumables used	808,784	694,150	67,025	592,771
Changes in finished goods and work in progress	79,185	9,938	79,242	(31,767)
Service expense for data transferring system	97,757	101,870	-	-
Bank fee from money transfer service	196,187	151,457	-	-
Repair and maintenance cost of top-up machines	39,588	28,184	-	-

27. Income tax

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	76,452	106,347	-	-
Adjustment in respect of current income tax of previous year	(5)	34	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	22,297	(11,838)	(3,884)	(8,907)
Income tax expenses (revenues) reported in profit or loss	<u>98,744</u>	<u>94,543</u>	<u>(3,884)</u>	<u>(8,907)</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax relating to actuarial losses	1,161	-	1,293	-

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	744,618	700,377	396,971	274,908
Applicable tax rate (%)	20	20	20	20
Accounting profit before tax multiplied by applicable tax rate	148,924	140,075	79,394	54,982
Adjustment in respect of current income tax of previous year	(5)	34	-	-
Deferred tax assets which were not recognised during the year	(1,520)	(1,622)	(1,520)	886
Deferred tax which was not recognised in previous year but utilised during current year	287	53	287	-
Effect of elimination entries on the consolidated financial statements	(1,101)	-	-	-
Effects of:				
Promotional privileges (Note 28)	(3,448)	(2,199)	(3,448)	(2,082)
Non-deductible expenses	7,806	6,145	3,644	4,866
Additional expense deductions allowed	(55,876)	(56,916)	(358)	(509)
Tax-exempted revenue	-	-	(76,679)	(68,869)
Revenue treated as revenues under the Revenue Code	1,390	1,322	1,390	1,322
Revenue not treated as revenues under the Revenue Code	(4,900)	-	(4,900)	-
Tax losses utilized during the year	(3,183)	-	(1,694)	-
Unused tax losses of current year	10,370	7,239	-	-
Others	-	412	-	497
Total	(47,841)	(43,997)	(82,045)	(64,775)
Income tax expenses (revenues) reported in profit or loss	98,744	94,543	(3,884)	(8,907)

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	11,964	6,806	2,397	523
Allowance for diminution in value of inventories	81,375	76,692	54,245	49,099
Allowance for asset impairment	1,488	1,107	576	102
Unrealised profit from inter-sales transactions	130,850	159,132	-	-
Provision for long-term employee benefits	31,165	25,698	10,180	7,448
Provisions	1,506	6,319	1,113	4,726
Tax losses carried forward	8,564	10,000	8,564	10,000
Total	<u>266,912</u>	<u>285,754</u>	<u>77,075</u>	<u>71,898</u>

As at 31 December 2020, the subsidiaries have unused tax losses totaling Baht 228 million (2019: Baht 94 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 expire by 2025.

28. 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.

In addition, the Company has received various tax privileges from the Board of Investment pursuant to the investment promotion certificates No. 60-0766-1-04-01-0. Subject to certain imposed conditions, the privileges include an income tax exemption on total profit derived from the promoted operations not over than 50% of capital value for improving efficiency production for a period of 3 years from the date the promoted operations begin generating revenues. Subsequently, the Company transferred promotional privileged of such certificates to Forth EMS Company Limited (the subsidiary) due to business restructuring by way of partial business transfer to such subsidiary as described in Note 35 to the consolidated financial statements. However, as at 31 December 2020, the subsidiary has not generated revenues from promoted operation.

A 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. 1699(4)/2557. 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. However, as at 31 December 2020, the subsidiary has not generated revenues from promoted operation.

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 2020 and 2019, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Sales	178,261	8,298	1,837,324	1,859,251	2,015,585	1,867,549
Services	40,993	42,709	4,010,958	4,054,732	4,051,951	4,097,441
Revenues from project work	-	-	724,017	553,897	724,017	553,897
Other income	552	-	290,498	284,963	291,050	284,963
Total revenues	<u>219,806</u>	<u>51,007</u>	<u>6,862,797</u>	<u>6,752,843</u>	<u>7,082,603</u>	<u>6,803,850</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Sales	177,428	9,530	488,886	564,330	666,314	573,860
Services	40,993	42,709	679,444	385,517	720,437	428,226
Revenues from project work	-	-	408,626	305,865	408,626	305,865
Other income	552	-	459,542	446,164	460,094	446,164
Total revenues	<u>218,973</u>	<u>52,239</u>	<u>2,036,498</u>	<u>1,701,876</u>	<u>2,255,471</u>	<u>1,754,115</u>

29. 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.

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit for the year from continuing operations (Thousand Baht)	438,835	331,356	400,855	283,816
Loss for the year from discontinued operations (Thousand Baht)	-	-	-	(3,756)
Weighted average number of ordinary shares (Thousand shares)	937,154	958,235	937,154	958,235
Earnings per share from continuing operations (Baht per share)	0.47	0.35	0.43	0.30
Earnings per share from discontinued operations (Baht per share)	-	-	-	-

30. 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.

The following tables present revenue, profit and total assets information regarding the Group's operating segments for the years ended 31 December 2020 and 2019 were as follow:

	(Unit: Million Baht)									
	Electronics manufacturing service business ¹⁾		Enterprise solutions business ²⁾		Smart service business ³⁾		Eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues										
Revenues from external customers	1,262	1,457	2,451	1,701	3,078	3,361	-	-	6,791	6,519
Inter-segment revenues	466	380	146	305	15	12	(627)	(697)	-	-
Total revenues	1,728	1,837	2,597	2,006	3,093	3,373	(627)	(697)	6,791	6,519
Segment operating profit	348	264	520	472	663	801	-	-	1,531	1,537
Unallocated income (expenses):										
Other income									291	285
Selling and distribution expenses									(117)	(104)
Administrative expenses									(861)	(921)
Share of profit (loss) from investments in associates									(12)	5
Finance cost									(87)	(102)
Profit before tax expense									745	700
Income tax expenses									(99)	(95)
Profit for non-controlling interests of the subsidiaries									(207)	(274)
Profit for the years attributable to equity holders of the Company									439	331

Segment assets of the Group as at 31 December 2020 and 2019 were as follows:

	(Unit: Million Baht)											
	Electronics manufacturing service business ¹⁾		Enterprise solution business ²⁾		Smart service business ³⁾		Unallocated assets		Eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Property, plant and equipment	148	165	44	49	1,935	2,323	309	322	76	(50)	2,512	2,809
Other assets	1,103	1,078	793	860	2,679	2,138	3,544	3,278	(2,809)	(2,546)	5,310	4,808
Total assets	1,251	1,243	837	909	4,614	4,461	3,853	3,600	(2,729)	(2,596)	7,822	7,617

Geographic information

The Group is operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2020 and 2019, the Group has no major customers with revenue of 10% or more and entity's revenue.

31. Provident fund

The Company, its subsidiaries and their employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. Employees, the Group 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 2020 amounting to approximately Baht 9 million (2019: Baht 8 million) (the Company only: Baht 3 million (2019: Baht 4 million)) were recognised as expenses.

32. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend paid per share (Baht)
Dividends for 2018	The 2019 Annual General Meeting of the Company's shareholders on 24 April 2019	288,000	0.30
Interim dividend paid from profit for the six-month period ended 30 June 2019	The Board of Directors' Meeting on 13 August 2019	115,066	0.12
Total		403,066	0.42
Interim dividend paid from retained earnings and profit for the year of 2019	The Board of Directors' Meeting on 26 March 2020	280,612	0.30
Interim dividend paid from profit for the six-month period ended 30 June 2020	The Board of Directors' Meeting on 14 August 2020	112,244	0.12
Total		392,856	0.42

33. Treasury ordinary shares/appropriated retained earnings for treasury shares reserve

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

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	Treasury shares	Appropriated retained earnings for treasury shares
Balance as at 31 December 2019	36,836	36,836
Purchase/record during the year	115,370	115,370
Balance as at 31 December 2020	<u>152,206</u>	<u>152,206</u>

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 2019, the Company had purchased back 6,413,900 ordinary shares (par value of Baht 0.5 each), or 0.67% of total number of shares in issue, for a total of Baht 36.8 million.

In addition, during the current year, the Company had additional purchased back 18,211,400 ordinary shares (par value of Baht 0.5 each), for a total of Baht 115.4 million. The share repurchased period approved by the Board of Directors of the Company has been expired on 14 February 2020. The Company, therefore, has repurchased a total of 24,625,300 ordinary shares or 2.57% of total number of shares in issue, for a total of Baht 152.2 million under this shares repurchase program. The Company has already allocated unappropriated retained earnings amounting to Baht 152.2 million to a reserve for the treasury shares.

34. Treasury ordinary shares of the subsidiary

Change in treasury shares and appropriated retained earnings for treasury shares of Forth Smart Service Public Company Limited (the subsidiary) for the year ended 31 December 2020 were summarised below.

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

On 19 December 2019, the Board of Directors' Meeting of Forth Smart Service Public Company Limited (the subsidiary), approved a share repurchase program for financial management propose with a budget of up to Baht 320 million, to repurchase no more than 45,000,000 shares (par value of Baht 0.5 each), accounting for not more than 5.63% of the total number of shares in issue. The shares are to be repurchased through the Stock Exchange of Thailand between 3 January 2020 and 2 July 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 3 January 2020 and 2 July 2020, the subsidiary had purchased back a total of 26,858,700 ordinary shares (par value of Baht 0.5 each), or 3.36% of the total number of shares in issue, for a total of Baht 164.2 million under this share repurchase program. The subsidiary has already allocated unappropriated retained earnings amounting to Baht 164.2 million to a reserve for the treasury shares. The share repurchased period approved by the Board of Directors of the subsidiary has been expired on 2 July 2020.

As a result of the repurchase shares as discussed above, the Company's shareholding and non-controlling interest in the subsidiary changed. To reflect the changes in their relative interests in the subsidiary, the Company adjusted the carrying amount of the changes in controlling interests in the shareholders' equity under the caption of "Capital surplus (deficit) from changes in shareholding in subsidiary" in the consolidated financial statements amounting to Baht 120.7 million.

35. Business restructurings and discontinued operations

On 17 July 2019, the Board of Directors' Meeting of the Company passed a resolution approving the business restructuring by way of partial business transfer. In this regard, the Company is to transfer its Electronics Manufacturing Service Business, assets, liabilities and human resources relating to such business to Forth EMS Company Limited. The value of such partial business transfer will equal to book value or adjusted book value or fair value, depending on types of assets and liabilities of transferred business as at the date of business transfer. On 23 August 2019, the Extraordinary General Meeting of the Company's shareholders No.1/2019 passed a resolution approving this business restructuring.

In July and August 2019, the Company transferred assets, liabilities and human resources relating to such business to its subsidiary at a value of Baht 337 million which have a net book value of Baht 295 million. The Company had gain from this partial business transfer amounting to Baht 42 million which recognised in the profit or loss in the separated financial statements of the third quarter of 2019.

The operation results of the Company's Electronics Manufacturing Service Business transfer to the subsidiary which is discontinued operations in the Company's separated financial statement are as follows:

	(Unit: Thousand Baht)
	Separated financial statements
	<u>2019</u>
Revenues	
Sales	299,862
Services	92,209
Other income	7,374
Loss on exchange rate	(4,171)
Total revenues	<u>395,274</u>
Expense	
Cost of sales	267,958
Cost of services	85,090
Selling and distribution expenses	4,996
Administrative expenses	40,816
Total expenses	<u>398,860</u>
Loss before finance cost and income tax expense	(3,586)
Finance cost	(170)
Loss for the year from discontinued operations	<u><u>(3,756)</u></u>

The Company did not present separate cash flows from the discontinued operations since the Company was unable to clearly distinguish these cash flows.

36. Commitments and contingent liabilities

36.1 Short-term leases and leases of low-value assets and service agreements commitments

The Group has entered into several lease and services agreements in respect of office equipment, consulting services and security employment service. The terms of the agreements are generally between 1 and 4 years. Commitments relating to the rentals and service fees under these leases were as follows:

Payable within:	(Unit: Million Baht)	
	2020	2019
In up to 1 year	7	4
In over 1 and up to 4 years	3	-

36.2 Consulting service commitment

A subsidiary has entered into agreement for obtaining consulting service to expand international business of the subsidiary. The term of agreement is 2 years. Commitment relating to the service fee under this consulting service agreement was as follows:

Payable within:	(Unit: Thousand US dollar)	
	2020	2019
In up to 1 year	14.4	79.2
In over 1 and up to 2 years	-	79.2

36.3 Capital commitments

As at 31 December 2020, the subsidiaries had capital commitments of approximately Baht 6 million, relating to the purchases of oil vending machines and computer software.

36.4 Other commitments

As at 31 December 2020, the Group had commitments amounting to Baht 77 million, USD 1 million and JPY 3 million in relation to the agreements to purchase of goods (2019: Baht 92 million, USD 0.3 million and JPY 4 million).

36.5 Significant long-term agreement commitment

In July 2019, the Company entered into an international dealer agreement with a company that appointed the Company as its international aircraft dealer. The Company is committed to terms and conditions indicated in the agreement and to future minimum purchase orders and manage sale and marketing plan as stipulated under the agreement. Such agreement will terminate on 31 December 2022.

Future minimum lease payments required under the agreement were as follows:

	(Unit: Million US dollar)	
	2020	2019
Payable within:		
In up to 1 year	2.5	2.5
In over 1 and up to 3 years	2.5	5.0

36.6 Guarantees

- a) The Company has guaranteed loan and credit facilities of its subsidiaries and associate amounting to Baht 1,127 million and Baht 287 million, respectively (2019: Baht 984 million).
- b) As at 31 December 2020, there were outstanding bank guarantees amounting to approximately Baht 1,486 million (2019: Baht 829 million) issued by banks on behalf of the Group, of which Baht 525 million (2019: Baht 391 million) was on behalf of the Company only. These were in respect of certain performance bonds as required in the normal course of business of the Group.
- c) As at 31 December 2020, Forth Smart Service Public Company Limited (the subsidiary) has bank guarantees of approximately Baht 3 million, which have been issued by a bank to provide guarantee to the Revenue Department for any tax liabilities that would arise in relation to the tax assessment as described in Note 36.7 to the consolidated financial statements.
- d) As at 31 December 2020, the Company has outstanding commitment under the letter of credit with domestic and foreign suppliers amounting to Baht 9 million, USD 250 thousand and EUR 11 million.

36.5 Tax assessment

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

On 3 December 2020, the Tax Appeal Committee considered the appeal and reached a decision to release the subsidiary from the tax under the letter notifying it of assessment of stamp duty, since the agreements were not documents listed in the stamp duty schedule and the subsidiary therefore had no obligation to pay stamp duty. In addition, on 4 February 2021, the subsidiary redeemed bank guarantees issued by a bank on behalf of the subsidiary in relation to the tax assessment.

37. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	2020			2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets for which fair value are disclosed						
Investment properties	-	-	104	-	-	104
Foreign currency forward contracts	-	-	-	-	(0.2)	-

(Unit: Million Baht)

	Separate financial statements					
	2020			2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets for which fair value are disclosed						
Investment properties	-	-	904	-	-	903

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On 3 December 2020, the Tax Appeal Committee considered the appeal and reached a decision to release the subsidiary from the tax under the letter notifying it of assessment of stamp duty, since the agreements were not documents listed in the stamp duty schedule and the subsidiary therefore had no obligation to pay stamp duty. In addition, on 4 February 2021, the subsidiary redeemed bank guarantees issued by a bank on behalf of the subsidiary in relation to the tax assessment.

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(Unit: Million Baht)

	Consolidated financial statements					
	2020			2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets for which fair value are disclosed						
Investment properties	-	-	104	-	-	104
Foreign currency forward contracts	-	-	-	-	(0.2)	-

(Unit: Million Baht)

	Separate financial statements					
	2020			2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets for which fair value are disclosed						
Investment properties	-	-	904	-	-	903

38. Financial instruments

38.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, current investment, trade receivables, other receivables, unbilled receivables, loans to, 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, and deposits with financial institutions. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables, other 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 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 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 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, current investment, loans to, bank overdrafts, short-term loans, long-term loans and lease liabilities which bear interest. Most of the Group' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	As at 31 December 2020						
	Fixed interest rates			Floating		Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	505	236	741	0.05 - 0.65
Trade and other receivables	-	-	-	-	1,449	1,449	-
Unbilled receivables	-	-	-	-	380	380	-
Loan to service representatives	37	48	-	-	4	89	5.00 - 25.00
	37	48	-	505	2,069	2,659	
Financial liabilities							
Bank overdrafts and short- term loans from banks	2,673	-	-	-	-	2,673	1.50 - 2.50
Trade and other payables	-	-	-	-	1,177	1,177	-
Long-term loans	130	191	-	-	-	321	3.60 - 4.00
Lease liabilities	18	102	-	-	-	120	1.85 - 6.08
	2,821	293	-	-	1,177	4,291	

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2019							
	Fixed interest rates			Floating		Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	538	144	682	0.10 - 1.60
Current investments	50	-	-	-	-	50	1.50
Trade and other receivables	-	-	-	-	1,585	1,585	-
Unbilled receivables	-	-	-	-	496	496	-
Loan to service representatives	22	28	-	-	3	53	5.00 - 10.00
	72	28	-	538	2,228	2,866	
Financial liabilities							
Bank overdrafts and short-term loans from banks	2,680	-	-	-	-	2,680	2.01 - 2.65
Trade and other payables	-	-	-	-	1,053	1,053	-
Long-term loans	284	116	-	-	-	400	3.60 - 4.00
	2,964	116	-	-	1,053	4,133	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2020							
	Fixed interest rates			Floating		Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	70	1	71	0.05 - 0.55
Trade and other receivables	-	-	-	-	207	207	-
Short-term loans to related parties	93	-	-	-	-	93	0.03 - 0.45
Unbilled receivables	-	-	-	-	198	198	-
	93	-	-	70	406	569	
Financial liabilities							
Bank overdrafts and short-term loans from banks	1,396	-	-	-	-	1,396	1.50 - 1.95
Trade and other payables	-	-	-	-	279	279	-
Long-term loans	130	191	-	-	-	321	3.60 - 4.00
Lease liabilities	4	57	-	-	-	61	1.85 - 4.58
	1,530	248	-	-	279	2,057	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2019							
	Fixed interest rates			Floating		Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	176	5	181	0.10 - 1.00
Trade and other receivables	-	-	-	-	330	330	-
Short-term loans to related parties	72	-	-	-	-	72	3.00 - 4.00
Unbilled receivables	-	-	-	-	95	95	-
	<u>72</u>	<u>-</u>	<u>-</u>	<u>176</u>	<u>430</u>	<u>678</u>	
Financial liabilities							
Bank overdrafts and short-term loans from banks	1,345	-	-	-	-	1,345	2.04 - 2.52
Trade and other payables	-	-	-	-	245	245	-
Long-term loans	74	116	-	-	-	190	3.60 - 4.00
	<u>1,419</u>	<u>116</u>	<u>-</u>	<u>-</u>	<u>245</u>	<u>1,780</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 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2020</u> (Million)	<u>2019</u> (Million)	<u>2020</u> (Million)	<u>2019</u> (Million)	<u>2020</u> (Baht per 1 foreign currency unit)	<u>2019</u>
US dollar	3.2	4.7	2.2	2.5	29.9497	30.1540
Japanese yen	-	-	-	0.6	0.2891	0.2759
Vietnamese dong	1.2	1.2	-	-	0.0013	0.0013

Foreign exchange contracts outstanding of the Group as at 31 December 2020 and 2019 are summarised below:

2020			
Foreign currency	Bought amount	Contractual exchange rate of bought amount	Maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	8	29.82 - 31.33	February 2021 - December 2021

2019			
Foreign currency	Bought amount	Contractual exchange rate of bought amount	Maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2	30.07 - 30.62	January 2020 - July 2020

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 as at 31 December 2020 based on contractual undiscounted cash flows:

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Bank overdrafts and short-term loans					
from banks	1,393,140	1,279,518	-	-	2,672,658
Trade and other payables	-	1,177,206	-	-	1,177,206
Long-term loans	-	130,173	190,692	-	320,865
Lease liabilities	-	23,636	58,124	69,966	151,726
Advances received from customers	-	392,493	-	-	392,493
Retention received from service representatives	625,076	-	-	-	625,076
	<u>2,018,216</u>	<u>3,003,026</u>	<u>248,816</u>	<u>69,966</u>	<u>5,340,024</u>

(Unit: Thousand Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Short-term loans from financial institutions	421,140	974,518	-	-	1,395,658
Trade and other payables	-	278,956	-	-	278,956
Long-term loans	-	130,173	190,692	-	320,865
Lease liabilities	-	6,732	23,564	50,778	81,074
Advances received from customers	-	222,358	-	-	222,358
	421,140	1,612,737	214,256	50,778	2,298,911

38.2 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 statement of financial position.

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

39. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 2:5:1 (2019: 2.1:1) and the Company's was 1:6:1 (2019: 1.3:1).

40. Event after the reporting period

40.1 Established new subsidiary

On 20 January 2021, Aero Forth Company Limited was incorporated with a registered share capital of Baht 1 million (100,000 ordinary shares with a par value of Baht 10 each), which is principally engaged in the operation of sales of aircraft, aircraft hangar and maintenance business, and flight training. The Company holds 99.99% of these shares or amounting of Baht 1 million.

40.2 Dividend payment

On 9 February 2021, a Board of Directors' meeting of Forth Tracking System Company Limited, one of the associates, passed a resolution to approve an interim dividend payment paid from unappropriated retained earnings as at 31 December 2020 and profit for the year 2020 of Baht 67 per share, a total of Baht 20 million. The dividend is scheduled be paid on 11 February 2021.

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

On 25 February 2021, the Company's Board of Directors' meeting passed a resolution to propose its Annual General Meeting of Shareholders approve a dividend payment at Baht 0.32 per share from the 2020 operating results. In this regard, the Company paid an interim dividend at Baht 0.12 per share, totaling Baht 112 million during the year 2020 to the shareholders, therefore, the remaining dividend payable will be Baht 0.20 per share, or totaling Baht 187 million.

41. Reclassification

The Group has reclassified certain amount in the financial position as at 31 December 2019 to conform to the current year's classifications. The reclassifications had no effect to previously reported net profit or shareholders' equity

(Unit: Thousand Baht)

	As at 31 December 2019			
	Consolidated financial Statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Other current assets	103,945	142,906	25,233	55,758
Other non-current assets	121,956	82,997	99,906	69,382

42. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2021.

Management discussion and analysis of financial position and operating results

Overall operating performance of the Group

Unit: Million Baht

	2020	2019	Increase (decrease)	Variance (%)
Total revenues	7,082	6,803	279	4%
Net profit	439	331	108	33%

Total revenues for the year 2020 amounted to Baht 7,082 million, an increase of Baht 279 million or a 4% increase compared to the total revenues for the year 2019, which were Baht 6,803 million. This was mainly due to the increase in revenue from the enterprise solutions business.

Net profit for the year 2020 amounted to Baht 439 million, an increase of Baht 108 million or a 33% increase compared to the net profit for the year 2019, which was Baht 331 million. It was mainly due to a decrease in administrative expenses.

Analysis of revenues

	2020		2019		Increase (decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues from main business						
EMS business	1,262	18%	1,457	21%	(195)	(13%)
Enterprise solutions business	2,451	35%	1,701	25%	750	44%
Smart service business	3,078	43%	3,361	50%	(283)	(8%)
Total revenues from main business	6,791	96%	6,519	96%	272	4%
Other income	291	4%	284	4%	7	2%
Total revenues	7,082	100%	6,803	100%	279	4%

EMS business

Revenue from the Electronics manufacturing service (EMS) business for the year 2020 amounted to Baht 1,262 million, a decrease of Baht 195 million or a 13% decrease compared to the same period of the previous year, which was Baht 1,457 million. This was mainly due to the COVID-19 epidemic, causing the global economic slowdown and lowering the demand for electronic products in the world market.

Enterprise solutions business

Revenue from the Enterprise solutions business for the year 2020 amounted to Baht 2,451 million, an increase of Baht 750 million or a 44% increase compared to the same period of the previous year, which was Baht 1,701 million. This was due to income from various projects such as Smart Metro Grid system, procurement and installation of IP Core Router and DWDM equipment, electronic monitoring rental and maintenance, repair and modification of fiber optic cable network and sale of aircraft under finance lease agreement.

Smart service business

Revenue from smart service business for the year 2020 amounted to Baht 3,078 million, a decrease of Baht 283 million or an 8% decrease compared to the same period of the previous year, which was Baht 3,361 million. This was mainly due to the impacts of COVID-19, drought, storms, and flooding, reducing purchasing power of middle and lower consumers.

Gross Profit and Gross Profit Margin

	2020		2019		Increase (decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
EMS business	348	28%	264	18%	84	32%
Enterprise solutions business	520	21%	472	28%	48	10%
Smart service business	663	22%	801	24%	(138)	(17%)
Gross Profit	1,531	23%	1,537	24%	(6)	-

EMS business

Gross profit for the year 2020 amounted to Baht 348 million, an increase of Baht 84 million or a 32% increase compared to the same period of the prior year, which was Baht 264 million, and gross profit margin for the year 2020 increased from 18% to 28%. This was due to the increase in gross profit from production and assembly of electronic circuit board, as well as a decrease in cost reduction of inventories to net realisable value. The Group has implemented various measures to control production costs and manage inventories more efficiently.

Enterprise solutions business

Gross profit for the year 2020 amounted to Baht 520 million, an increase of Baht 48 million, or a 10% increase compared to the same period of the previous year, which was Baht 472 million, and gross profit margin for the year 2020 decreased from 28% to 21%. This was due to some projects which were high-value projects but had low gross profit margins, as well as an increase in the cost reduction of inventories to net realisable value.

Smart service business

Gross profit for the year 2020 amounted to Baht 663 million, a decrease of Baht 138 million, or a 17% decrease compared to the same period of the previous year, which was Baht 801 million, and gross profit margin for the year 2020 decreased from 24% to 22%. This was in line with the decline in revenue from Boonterm kiosks, as well as an increase in depreciation and repair and maintenance costs for vending machines and related spare parts.

Expenses

	2020	2019	Increase (decrease)	
	Million Baht	Million Baht	Million Baht	%
Selling expenses	117	104	13	13%
Administrative expenses	861	920	(59)	(6%)
Finance cost	87	102	(15)	(15%)
Income tax expenses	99	95	4	4%

Selling expenses

Selling expenses for the year 2020 amounted to Baht 117 million, an increase of Baht 13 million or a 13% increase compared to the same period of the previous year, which was Baht 104 million. This was due to the increase in promotional expenses for Boonterm kiosk agents.

Administrative expenses

Administrative expenses for the year 2020 amounted to Baht 861 million, a decrease of Baht 59 million or a 6% decrease compared to the same period of the previous year, which was Baht 920 million. This was due to the decrease in expenses such as doubtful debts and long-term employee benefits.

Finance cost

Financial cost for the year 2020 amounted to Baht 87 million, a decrease of Baht 15 million or a 15% decrease compared to the same period of the previous year, which was Baht 102 million. This was due to the decline in short-term borrowings and long-term borrowings.

Income tax expenses

Income tax expenses for the year 2020 amounted to Baht 99 million, which had no significant change compared to the same period of the previous year, which was Baht 95 million.

Financial position**Assets**

Unit: Million Baht

	31 December 2020	31 December 2019	Increase (decrease)	% Variance
Current assets	4,309	4,076	233	6%
Non-current assets	3,513	3,541	(28)	(1%)
Total assets	7,822	7,617	205	3%

Total assets as at 31 December 2020 were Baht 7,822 million, an increase of Baht 205 million or a 3% increase compared to the total assets as at 31 December 2019, which were Baht 7,617 million. The increase was mainly due to the advance payment for goods and prepaid telephone charges of Forth Smart Service Public Company Limited.

The quality of assets**Trade account receivables**

Unit: Million Baht

	Consolidated financial statements	
	31 December 2020	31 December 2019
Trade account receivables - unrelated parties	607	641
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(84)	(81)
Trade account receivables - net	523	560

As at 31 December 2020 and 2019, the Group recorded an allowance for expected credit losses amounting to Baht 84 million and Baht 81 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 2020	31 December 2019
Inventories	1,310	1,372
Reduce cost to net realisable value	(416)	(393)
Inventories - net	894	979

As at 31 December 2020 and 2019, the Group recorded the reduction of cost to net realisable value amounting to Baht 416 million and Baht 393 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 2020	31 December 2019	Increase (decrease)	% Variance
Current liabilities	5,136	4,920	216	4%
Non-current liabilities	458	251	207	82%
Total liabilities	5,594	5,171	423	8%
Total shareholders' equity	2,228	2,446	(218)	(9%)

Liabilities

Total liabilities as at 31 December 2020 amounted to Baht 5,594 million, an increase of Baht 423 million or a 8% increase compared to the total liabilities as at 31 December 2019, which was Baht 5,171 million. It was mainly due to an increase in advance received from customers and lease liabilities.

Shareholders' equity

The shareholders' equity as at 31 December 2020 amounted to Baht 2,228 million, a decrease of Baht 218 million or a 9% decrease, compared to the shareholders' equity as at 31 December 2019, which was Baht 2,446 million. The change was due to net profit, dividend payment to the shareholders, capital increase of non-controlling shareholders of the subsidiary, and share repurchase of the Company and the subsidiary.

The appropriate of capital structure

The debt-to-equity ratio as at 31 December 2020 was 2.5:1, increased from the debt-to-equity ratio as at 31 December 2019, which was 2.1: 1. This was due to the decrease in shareholders' equity resulting from the dividend payment to shareholders and the share repurchase of the Company and the subsidiary, as well as an increase in total liabilities resulting from the increased liabilities related to project work.

LiquidityCash flows

Unit: Million Baht

	2020	2019
Cash flows from (used in) operating activities	1,205	1,882
Cash flows from (used in) investing activities	(196)	(486)
Cash flows from (used in) financing activities	(949)	(1,411)

Cash flows from operating activities for the year 2020 amounted to Baht 1,205 million, a decreased of Baht 677 million compared to the same period of the previous year, which amounted to Baht 1,882 million. This was due to the increase in working capital i.e. trade and other receivables, finance lease receivables, advance payment for goods, prepaid telephone charges, inventories and trade and other payables etc.

Cash flows used in investing activities for the year 2020 amounted Baht 196 million, a decreased of Baht 290 million compared to the same period of the prior year, which amounted to Baht 486 million. This was due to the decrease in current investment, property, plant and equipment and investment in the subsidiary.

Cash flows used in financing activities for the year amounted to Baht 949 million, a decrease of Baht 462 million compared to the same period of the previous year, which amounted to Baht 1,411 million. It was due to the decrease in long-term borrowings and share repurchase of the Company and the subsidiary.

Liquidity ratio

Current ratio as at 31 December 2020 was 0.84:1, which was closed to the current ratio as at 31 December 2019, which was 0.83:1.

Other Significant Information

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

Item No.	Business name/Location	Business type	Share type	No. of Outstanding shares	No. of Shareholding	Percentage of Shareholding
1	Genius Traffic System Co., Ltd. 77 Moo 11 Phuttamonthon 5 Road, Raikhing, Sampran, Nakornpathom 73210 Tel: 0-2811-7925, Fax: 0-2811-7935	Distribution of traffic system	Common	2,000,000	1,999,994	100.00%
2	Electronics Source Co., Ltd. 256, 5 th Floor and 6 th Floor Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 Tel: 0-2062-4970, Fax: 0-2062-4999	Distribution of electronic parts	Common	500,000	499,994	100.00%
3	Genius Joint Venture 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Concession for traffic board project	-	-	-	100.00%
4	Forth Smart Service Plc. 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	800,000,000	396,164,800	49.52% ⁽¹⁾
5	Forth Consulting Co., Ltd. 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400 Tel: 0-2265-6700, 0-2271-2888 Fax: 0-2615-0615, 0-2279-4888	Consulting service for management and computer software management	Common	330,000	329,998	100.00%
6	Forth Lighting Co., Ltd. 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400 Tel: 0-2271-4888, Fax: 0-2271-3040-41	Manufacture and distribution of lamps and lighting equipment	Common	200,000	199,996	100.00%
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	Procurement and distribution of vehicle tracking system	Common	300,000	101,991	34.00%
8	Forth Meter Co., Ltd. 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Distribution of Electronic Meter	Common	4,000,000	3,399,997	85.00%
9	Forth Vending Co., Ltd. 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Management of vending machine	Common	67,000,000	36,849,967	55.00% ⁽²⁾
10	Mindmap Commtech Inc. 8th Floor, Salamin Building, 197 Salcedo, Legaspi Village, Makati City, Metro Manila, Philippines	Ceased the operations	Common	150,000	150,000	100.00%
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	30.00%
12	Forth Smart Capital Co., Ltd. (5) 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400 Tel: 0-2278-1777, Fax: 0-2279-7195	Personal Loan/ Nano-Finance	Common	30,000,000	29,997,000	100.00% ⁽³⁾
13	Odin Power Co., Ltd. 333/3 Moo.6 Bangpreang Bangbor, Samutprakarn 10560	Investment in renewable energy power plant companies	Common	2,000,000	200,000	10.00%
14	Forth Smart Digital Co., Ltd. 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Selling products and operate as a platform for online trading	Common	10,000,000	9,999,998	100.00% ⁽⁴⁾
15	Forth Smart Distribution Co., Ltd. 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Selling products and operate as a platform for online trading	Common	20,000,000	19,994,000	100.00% ⁽⁵⁾

Item No.	Business name/Location	Business type	Share type	No. of Outstanding shares	No. of Shareholding	Percentage of Shareholding
16	Forth Genius Joint Venture 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Installing Closed-circuit television camera	-	-	-	100.00%
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	25,000,000	24,999,994	100.00%
18	Forth Survey Joint Venture 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Contracting to improve the district information system in geographic information system	-	-	-	49.00%
19	Forth Devons Joint Venture 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Ceased operation	-	-	-	75.00%
20	Forth and Yip In Tsoi Joint Venture 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Smart Metro Grid system.	-	-	-	50.00%
21	Forth Royal Joint Venture Co.,Ltd. 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Aircraft distribution	Common	200,000	99,998	50.00%
22	Forth Group Joint Venture Co.,Ltd. 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Removing machinery/ equipment	Common	100,000	54,000	54.00%
23	Forth MRO Services Co.,Ltd. 1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400	Aircraft hangar and aircraft maintenance	Common	400,000	295,977	74.00%

Remark: (1) Including treasury stock that held by Forth Smart Service Plc.
(2) 45% held by the Company and 10% held by Forth Smart Service Plc.
(3) 100% held by Forth Smart Service Plc.
(4) 100% held by Forth Capital Plc.
(5) Formerly Forth Smart Trading Co., Ltd.

General Information

Company Name	:	Forth Corporation Public Company Limited
Security Name	:	FORTH
Company Registration Number Pai-up	:	0107548000471
Capital	:	480,000,000 Baht (960,000,000 common shares of Baht 0.5 per value)
Nature of Business	:	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.
Head Office's address	:	1053/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok, 10400
Branch address	:	<u>Branch No. 1</u> 66/350 Moo 12 Raikhing, Sampran, Nakornprathom, 73210 <u>Branch No. 2</u> 77 Moo 11 Phuttamonton 5th Road, Raikhing, Sampran, Nakornprathom, 73210 <u>Branch No. 3</u> 66/18 Moo 12 Raikhing, Sampran, Nakornprathom, 73210 <u>Branch No. 4</u> 282, 284 Phaholyothin Road, Samsennai, Phayathai, Bangkok, 10400 <u>Branch No. 5</u> 256 Phaholyothin Road, Samsennai, Phayathai, Bangkok, 10400 <u>Branch No. 6</u> 79/2 Moo 10 Raikhing, Sampran, Nakornprathom, 73210
Website	:	www.forth.co.th
Telephone	:	0-2265-6700, 0-22712888
Facsimile	:	0-2265-6799, 0-22794888
References		
Securities Registrar	:	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel. 0-2009-9000 Fax. 0-2009-9000
Auditors	:	1. Ms. Isaraporn Wisuthiyan, Auditor License 7480 and/or 2. Ms. Supanee Triyanantakul Auditor License 4498 and/or 3. Mr. Preecha Arunnara Auditor License 5800 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



For more information of the Company, please refer to the Annual filing (Form 56-1) at www.sec.or.th or the Company's website





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