

Market : mai
SERVICE : SERVICES



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FSMART

Forth Smart Service Public Company Limited

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Company Background

FSMART conducts main business as a service provider for prepaid mobile payments and other online payments via intelligent kiosks under the trademark of "Boonterm". The operating systems are franchise which operate by representatives and cooperation with business partners as a project such as 7-11, Tesco Lotus, Family Mart, Tops, BTS etc. In order to increase new customers and expand number of "Boonterm kiosk" nationwide.

Key Development of Company

- 2009 Began operating business as a service provider for prepaid mobile payments, other online payments via intelligent kiosks under the trademark of "Boonterm".
- 2014
 - Listed in the MAI, a stock exchange of Thailand on October 14, 2014.
 - Launched "Boonterm Counter Service", bill payment machine for grocery stores.
 - Expanded to advertising business through "Boonterm" network.
- 2015
 - Launched "Boonterm RO Water machine" to serve pure water with Reverse Osmosis and UV filtering systems.
 - Established Forth Vending Co., Ltd., the joint agreement with Forth Corporation PLC., Singha Corporation Co., Ltd. and SNC Former PLC. With registered capital of Bt80mn. In order to operate vending Machine business. FSMART has 10-percent stake in Forth Vending Co., Ltd.
 - Changed Boonterm kiosks from 7 to 10 inch screen.
 - Add a range of services with installation weight scale to Boonterm kiosks.
- Q1/2016 Was appointed as a sub agent of Krungthai Bank which approve by the Bank of Thailand in order to transfer money via Boonterm kiosks.
- Q2/2016 Launched money transfer service to Krungthai bank accounts via Boonterm kiosks nationwide.
- Q3/2016 Established Forth Smart Trading Co., Ltd., to sale goods and services related to the Boonterm kiosk which registered capital of Bt1mn FSMART has 97-percent stake in this subsidiary.
- Q4/2016 Was appointed as a sub agent of Kasikorn Bank which approve by the Bank of Thailand in order to transfer money via Boonterm kiosks, and launched in November 2016.

Stock Data

| | (30/11/16) | | |
|-------------------|------------|-----------|----------|
| | YTD | 2015 | 2014 |
| Paid-up (MB.) | 400.00 | 400.00 | 400.00 |
| Listed share (M.) | 800.00 | 800.00 | 800.00 |
| Par (B.) | 0.50 | 0.50 | 0.50 |
| Market Cap (MB.) | 15,120.00 | 12,320.00 | 6,000.00 |
| Price (B./share) | 18.90 | 15.40 | 7.50 |
| EPS (B.) | 0.36 | 0.34 | 0.24 |

Statistics (30/11/16)

| | P/E | P/BV | Div.Yield |
|-------------------|-------|-------|-----------|
| FSMART (x) | 41.52 | 14.42 | 1.48 |
| SERVICE - mai (x) | N/A | 4.22 | 2.01 |
| SERVICE - SET (x) | 40.91 | 3.88 | 1.76 |
| mai (x) | 60.53 | 3.57 | 1.34 |
| SET (x) | 17.96 | 1.90 | 3.11 |

Recent Research

- KTBST (29/11/16)
- FSS (14/11/16)

CG Report Score



THSI List

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Shareholder Structure (26/04/16)

| Shareholder | Shares (M.) | % |
|---|-------------|-------|
| Forth Corporation PLC. | 365.99 | 45.75 |
| Mr.Pongchai Amatanont | 36.67 | 4.58 |
| Mrs.Monthip Wittayakorn | 30.19 | 3.77 |
| Mr.Piriyarutch Phatrakitkasem | 30.16 | 3.77 |
| The Hongkong and Shanghai Banking Corporation Limited, Fund Services Department | 29.29 | 3.66 |
| Mr.Pracha Damrongsutthipong | 29.20 | 3.65 |
| Minor Shareholders | 143.38 | 17.92 |

Financial Ratios

| | 9M/2016 | 9M/2015 | 2015 | 2014 |
|-----------------|---------|---------|-------|-------|
| ROE (%) | 36.62 | 35.15 | 26.81 | 22.38 |
| ROA (%) | 20.07 | 19.99 | 17.57 | 14.64 |
| D/E (X) | 1.63 | 1.11 | 1.20 | 0.77 |
| GP Margin (%) | 25.62 | 26.59 | 26.61 | 25.14 |
| EBIT Margin (%) | 22.22 | 21.20 | 20.98 | 18.36 |
| NP Margin (%) | 16.99 | 16.30 | 16.14 | 13.18 |

Capital Structure

| | 9M/2016 | 9M/2015 | 2015 | 2014 |
|-------------------------|----------|----------|----------|----------|
| Current Liabilities | 1,490.69 | 1,035.39 | 1,217.82 | 701.89 |
| Non-Current Liabilities | 213.65 | 9.25 | 1.95 | 73.02 |
| Shareholders' Equity | 1,048.67 | 940.48 | 1,017.52 | 1,009.78 |

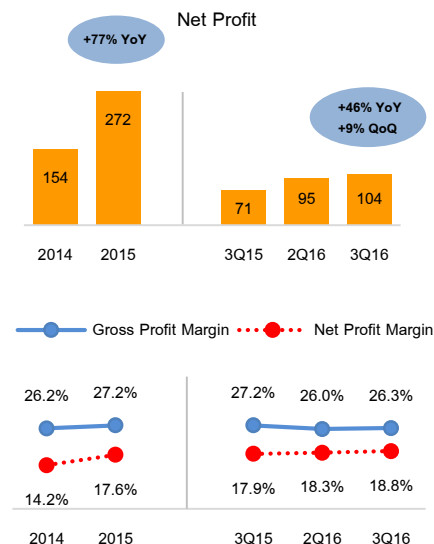
Financial Summary

Income Statement Summary

(Unit: Million Baht)

| | 2014 | 2015 | YoY | 3Q15 | 2Q16 | 3Q16 | QoQ | YoY |
|--|--------------|--------------|--------------|------------|------------|------------|-------------|--------------|
| Income from rendering of top-up service (Commission) | 436 | 640 | 46.8% | 164 | 222 | 237 | 7.0% | 45.0% |
| Income from rendering of services through online top-up machines "Boonterm kiosk" (Service charge) | 642 | 893 | 39.1% | 231 | 293 | 318 | 8.3% | 37.7% |
| Entrance fee income | 7 | 2 | -71.4% | 0 | 0 | 0 | -14.8% | -95.1% |
| Advertising income | 3 | 12 | 300.0% | 2 | 5 | 0.1 | -98.1% | -95.7% |
| Total revenue from core business | 1,088 | 1,547 | 42.2% | 397 | 520 | 555 | 6.7% | 39.7% |
| Cost of services | 803 | 1,126 | 40.2% | 289 | 385 | 409 | 6.3% | 41.2% |
| Gross profit | 285 | 421 | 47.7% | 108 | 135 | 146 | 7.9% | 35.8% |
| Service & Administrative expenses | 131 | 165 | 25.9% | 41 | 44 | 47 | 6.4% | 15.7% |
| Operating profit | 154 | 256 | 66.2% | 67 | 91 | 99 | 8.7% | 48.0% |
| Other income/1 | 59 | 98 | 66.1% | 24 | 34 | 34 | 0.9% | 41.3% |
| Finance cost | -19 | -13 | 31.6% | -3 | -6 | -8 | 33.5% | 154.3% |
| Income tax expenses | -40 | -68 | 70.0% | -17 | -24 | -21 | -11.4% | 21.4% |
| Net profit | 154 | 272 | 76.6% | 71 | 95 | 104 | 9.4% | 47.3% |

¹Other income consists of other revenue and sales profit



Business Plan

FSMART aims to expand the number of kiosks on annual average of 24,000 kiosks. And projected that the total receipt amount through "Boonterm kiosk" would grow at a CAGR of 29% per year (2016-2018). If implemented as planned, at the end of 2018, the "Boonterm kiosk" will have more than 138,000 kiosks nationwide together with launching of new products and services such as weight scale, Boonterm RO Water machine, money transfer service, e-wallet etc. To drive the total receipt amount through "Boonterm kiosk" increased to Bt33,000mn in 2018.

Investment Highlight

- FSMART's operating results had continued its momentum because of having the most of transaction points in Thailand with the number of Boonterm kiosks, as of September 2016 was 85,656 kiosks, increased 19,789 kiosks or 83% of 24,000 kiosks, the annual expansion plan. As a result, the total receipt amount increased to Bt16,007mn in nine-month periods ended of 2016.
- New services which launched early 2016, have been growing steadily. At present, FSMART services for 2 banks, Krungthai and Kasikorn which increase portion of other top up revenue to grow higher. In case of weight scale, FSMART reached the target to install 20,000 units of weight scale in 3Q16 and also increase number of transactions. Furthermore, FSMART planned to launch new product, Refuel machine in 4Q16.

Risk Factors

Risk factors and prevention of major risks are as follows:

- Competition in the online top-up machines market.** The market competition has risen by the increasing of new competitors. Because of the needs of customers who want to find a quick and easy channel to top-up their prepaid mobile.

FSMART created a competitive advantage by improving the service efficiency of "Boonterm kiosk" to make it easy, fast and reliable. With the plan to expand the kiosks nationwide, including services offering which is diverse and different from competitors to meet the customer needs, such as weight scale, money transfer services etc. And also has customer service call center is available 24 hours a day.

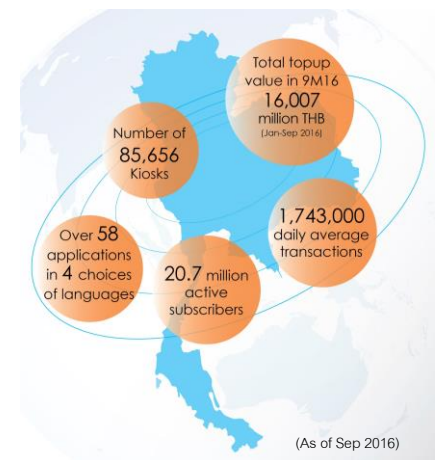
- Changes in consumer behavior.** The customers be able to choose a variety of payment channels for prepaid mobile payments or other online payments through convenience stores, ATMs, internet or prepaid through an application on smart phones. So there may be a risk if the customers change behavior or there is other channels to meet the customer needs over the online top-up machine.

However FSMART expected that the customers may not change their behavior soon. Due to the social and economic conditions and consumer behavior to use technology that has not change. And FSMART still confident that the "Boonterm kiosk" will be able to provide facilities and services to the customers with the most comprehensive transaction points in Thailand. And able to top-up with a minimum of 10 baht.

Company Structure



Business Highlight



Company's Products & Services



Disclaimer: เอกสารฉบับนี้จัดทำขึ้นโดยบริษัทจดทะเบียน โดยมีวัตถุประสงค์เพื่อเผยแพร่ข้อมูลของบริษัทต่อผู้ลงทุนเพื่อใช้เป็นข้อมูลประกอบการตัดสินใจลงทุนเท่านั้น มิได้มีวัตถุประสงค์เพื่อชี้ชวนหรือจูงใจให้ซื้อขายหลักทรัพย์ของบริษัท ซึ่งผู้ลงทุนควรใช้ดุลยพินิจในการนำข้อมูลมาใช้ตัดสินใจลงทุนอย่างรอบคอบ โดยบริษัทจะไม่รับผิดชอบต่อความเสียหายใดๆ ที่เกิดจากการนำข้อมูลเหล่านี้ไปใช้ประกอบการตัดสินใจลงทุน หากผู้ลงทุนมีข้อสงสัยเพิ่มเติมเกี่ยวกับข้อมูลของบริษัท สามารถหาข้อมูลเพิ่มเติมได้ที่รายงาน 56-1 รายงานประจำปี หรือสารสนเทศที่บริษัทได้แจ้งผ่านสำนักงานคณะกรรมการกำกับหลักทรัพย์และตลาดหลักทรัพย์ (ก.ล.ด.) และ/หรือตลาดหลักทรัพย์แห่งประเทศไทย ทั้งนี้ บริษัทขอสงวนสิทธิ์ในการแก้ไขเพิ่มเติมเปลี่ยนแปลงข้อมูลในเอกสารฉบับนี้โดยมิต้องแจ้งให้ผู้ลงทุนทราบล่วงหน้า รวมทั้งห้ามมิให้ผู้ใดนำเอกสารหรือข้อมูลในเอกสารดังกล่าวไปทำซ้ำ ตัดแปลง หรือเผยแพร่ต่อสาธารณชนไม่ว่าทั้งหมดหรือบางส่วนโดยไม่ได้รับอนุญาตจากบริษัท