





**DIGITAL
TRANSFORMATION**



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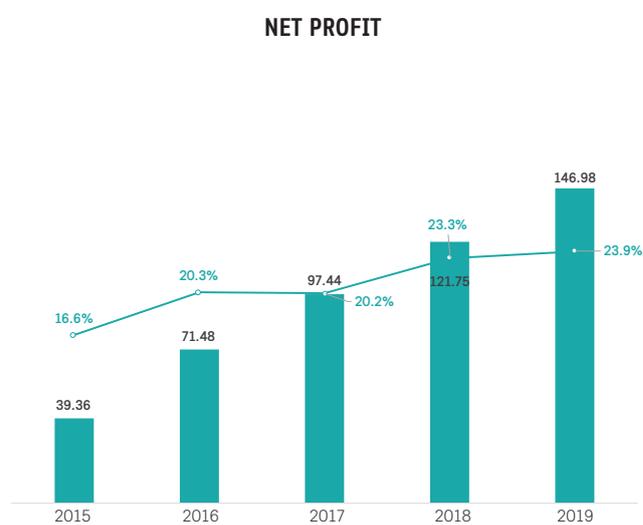
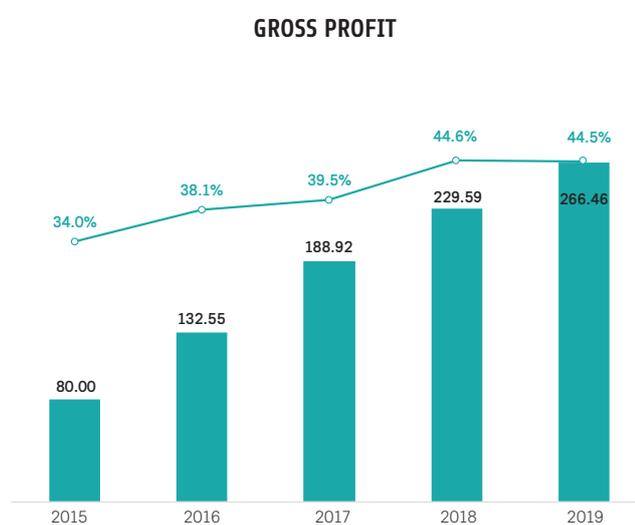
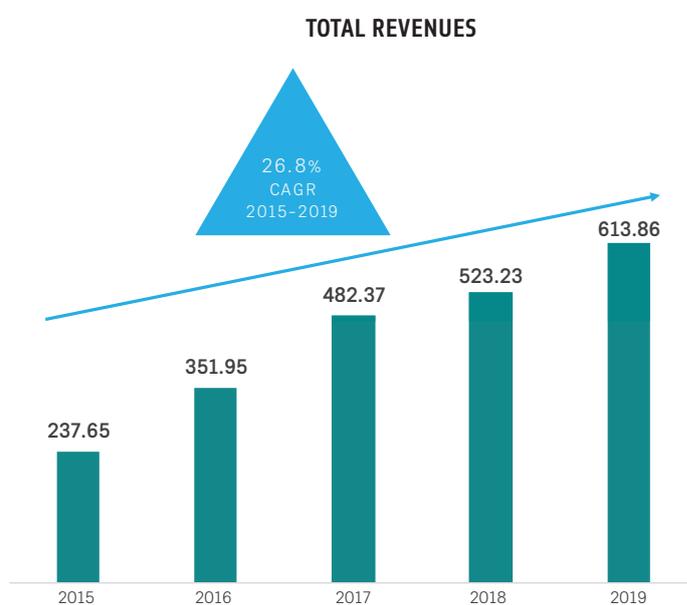
ATTACHED DOCUMENT

- 120 Information of Directors, the Executive Management and Company Secretary

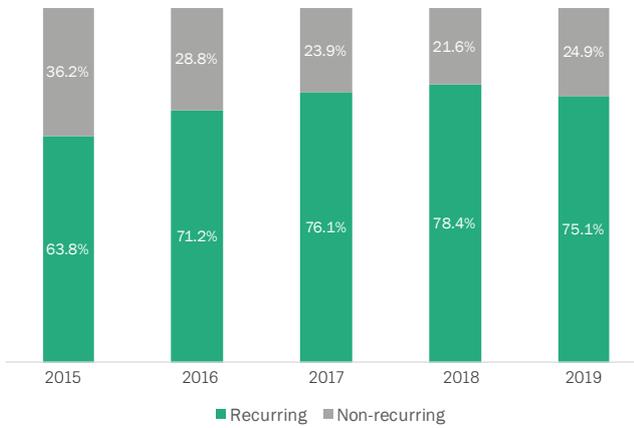
FINANCIAL HIGHLIGHTS

Unit million baht

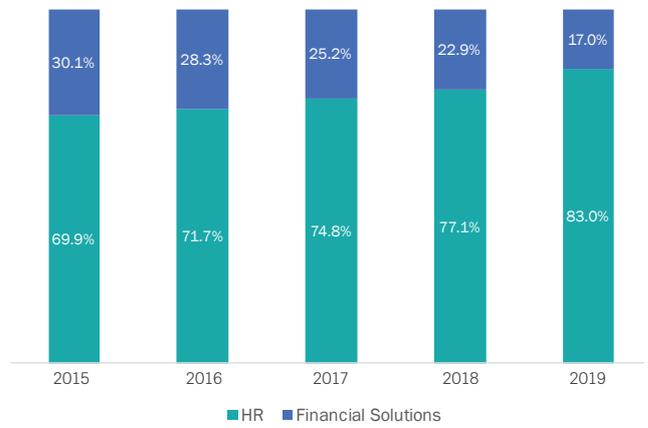
Type	2019	2018	2017	2016	2015
Sales and service income	598.85	515.11	478.88	347.68	235.59
Total revenues	613.86	523.23	482.37	351.95	237.65
Gross profit	266.46	229.59	188.92	132.55	80.00
Net profit	146.98	121.75	97.44	71.48	39.36
Total assets	1,372.78	1,226.79	1,156.11	438.58	366.05
Total liabilities	175.59	107.31	111.67	111.10	166.01
Shareholders's equity	1,197.19	1,119.48	1,044.44	322.48	200.04



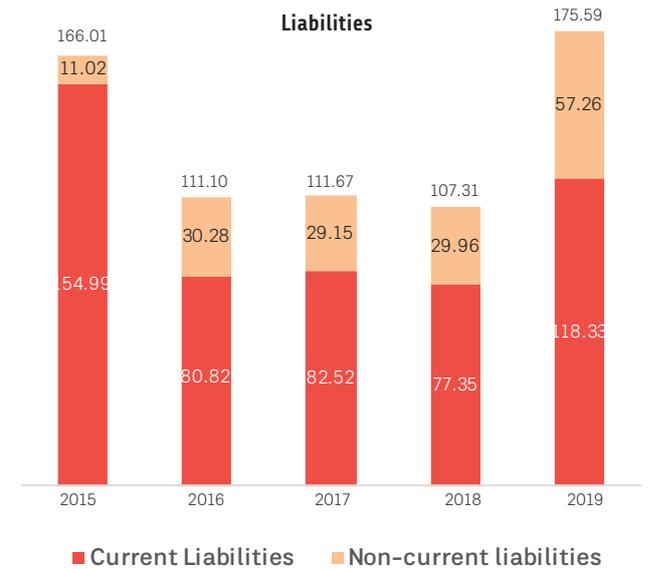
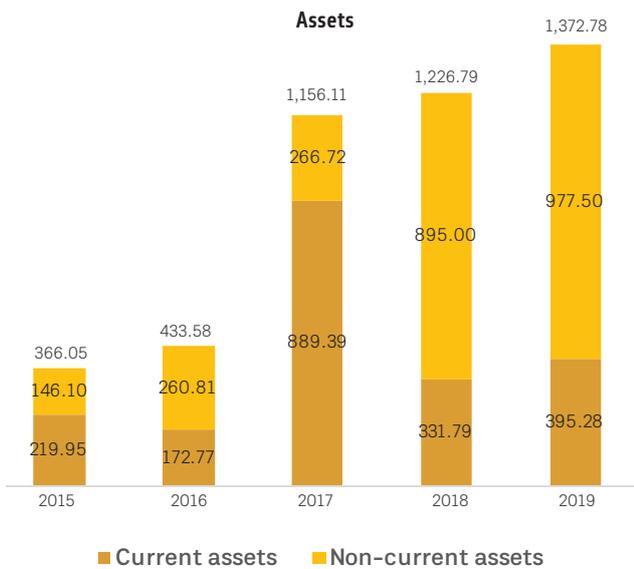
RECURRING VS NON-RECURRING REVENUES



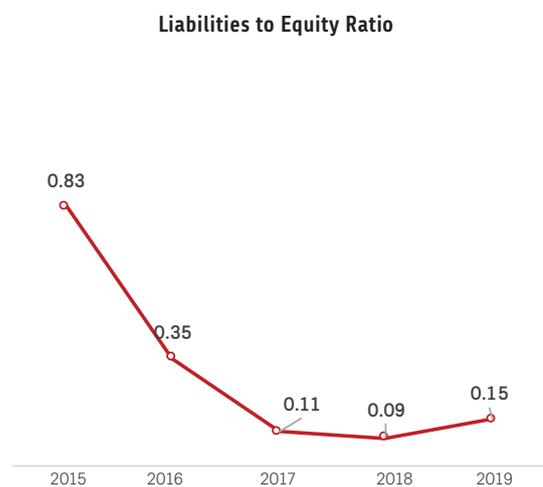
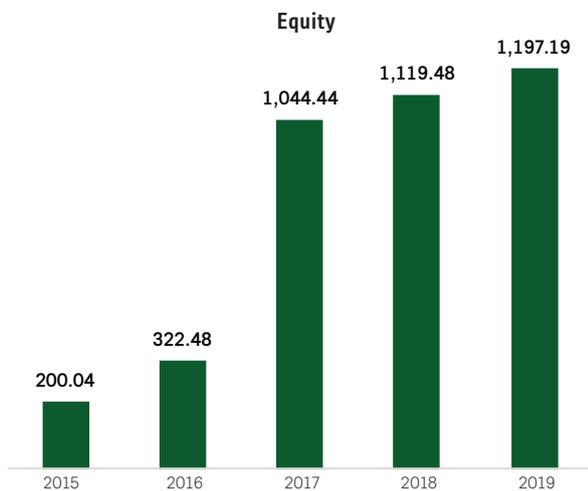
REVENUE BREAKDOWN



ASSETS AND LIABILITIES



EQUITY AND LIABILITIES TO EQUITY RATIO



MESSAGE FROM THE CHAIRMAN



Mr. Anotai Adulbhan

Chairman of the Board of Directors



Dear Shareholders,

On behalf of the Board of Directors of Humanica Public Company Limited ("HUMAN"), I am pleased to present another year of good progress for the Company, delivering significantly improved financial returns, and continuing to invest in an organised and structured manner towards future growth.

UPHOLDING OUR VALUES AND PRINCIPLES AS WE GROW

At HUMAN, we place great significance in good corporate governance practice, including consistent and transparent communication with our shareholders. We all have a responsibility in creating a sustainable business environment, and we at HUMAN will endeavour to find new ways to adopt good sustainability practices. Some initiatives include progressively switching to use from green energy such as solar powered energy and electric vehicles.

REWARDING OUR LOYAL SHAREHOLDERS

In appreciation of our valued shareholders for their unwavering support of HUMAN, the Board is pleased to recommend a final dividend of 0.06 baht per share. In addition to the interim dividend of 0.06 baht per share, the collective dividends of 0.12 baht per share represents a pay-out ratio of 68.46% against FY 2019 net profit.

BOARD CHANGES DURING THE YEAR

Our former Chairman, Mr. Thanwa Laohasiriwong has requested to step down to focus on his other appointments with effect from 13 November 2019. The Board would like to express its sincere

gratitude to Mr. Thanwa Laohasiriwong for his valuable contributions as Chairman and Independent Director of the Board during his 4 years of tenure of office.

I am grateful to my fellow directors in their faith in appointing me as the Chairman. We also like to welcome Mr. Pana Janviroj, joining our Board as director with effect from 25 February 2020. We believe his vast experiences in multi-media industry will add value and diversity to our Board.

WORDS OF APPRECIATION

I would like to take the opportunity to express my deepest thanks to our management team, staff and business associates for their commitment and contribution towards HUMAN in the past year, without which HUMAN's continued growth would not have been possible.

Further, I would like to thank my fellow directors for their guidance and faith in me, in helping to position HUMAN for long-term progress. Last but not least, I would like to extend my gratitude to our loyal shareholders for their support.

We will continue to work hard towards developing a more sustainable business for our customers, while enhancing our shareholders' value.



OUR VISION

We are a happy family of good attitude talents who share the same meaningful dreams and walk our values together to deliver world-class products and services to meet even unrecognized needs of our clients as well as their employees.

OUR MISSION

We help the employees of our clients work better and live happier.

OUR CORE VALUES

Excellence

Teamwork

Integrity

Openness

MESSAGE FROM THE CEO



Mr. Soontorn Dentham

Vice Chairman and Chief Executive Officer



On behalf of the Board of Directors, it is my pleasure to present to you Humanica Public Company's ("HUMAN", and together with its subsidiaries and associated companies, collectively the "Group") our annual report for the financial year ended 31 December 2019 ("FY 2019").

RECORD BREAKING YEAR DESPITE CHALLENGING OPERATING ENVIRONMENT

FY 2019 posed a challenging operating environment for the global economy, marked by trade tensions between U.S. and China, market fragility and fears of a global growth stagnation.

Closer to home, Thailand's economy has slowed its growth to 2.4% compared to 4.2% the year before. It was the weakest GDP growth in 5 years. Similarly in the other two markets we have operated in, the growth in Singapore was 0.7%, slower than 3.4% growth recorded in 2018 and the growth in Malaysia was 4.3%, the softest pace since 2016.

While these factors might have dampened overall sentiments, we are heartened that we ended FY2019 with a strong set of financials, including an all-time high revenue of 614 million baht. This is a testament to the robustness of the Group's strategy and soundness of our business model with strong support from our diversified customer base.

BROAD-BASED GROWTH SUPPORTS SOLID FINANCIAL PERFORMANCE

This financial year, we saw a strong 17.3% growth in revenue to hit a record 614 million baht. This growth was largely backed by improved sales performance across all 3 countries. In terms of business segments, sales growth was seen in HR Solutions segments while we suffered a reduction of revenue in Financial Solutions segment. Revenue from HR Solutions increased by 24.7% to 495 million baht due to broad based growth across all three markets, as well as, incorporating half-year results from Tiger Soft (1998) Company Limited ("TigerSoft"), a newly acquired subsidiary in FY2019 whilst revenue from Financial Solutions reduced by 12.1%.

Cost of service grew 16.4%, slightly lower than the growth in revenue of 17.3%, hence improving the gross margin slightly from 45.4% to 45.9%. SG&A increased by 23 million baht to 121 million baht in FY 2019 from FY 2018. This was mainly due to the fair value loss on currency due to the strengthening of Thai Baht, higher rental and other expenses came with the consolidation of TigerSoft and one-time adjustment due to the increase in severance cost provision.

Net profit before tax of the Group improved by 16.4% to 162 million baht in FY 2019 following the increase in gross profit. Correspondingly, net profit after tax recorded a 20.7% rise to 147 million baht due to a lower tax and contribution from associated companies.

Earnings per share for FY 2019 increased to 0.18 baht, from 0.15 baht in FY 2019. Our balance sheet remained robust with an increase in cash and bank balances to 159 million baht as at 31 December 2019, from 111 million baht as at 31 December 2018.

Liabilities to equity ratio rose slightly from 0.09 to 0.15 as at 31 December 2019 mainly due to the consolidation with TigerSoft. Overall our financial discipline enabled us to maintain a sound and healthy financial condition which put us a strong position to withstand any external adversities.

THAILAND REMAINS A BRIGHT SPOT FOR LONG-TERM GROWTH

During the year, we further entrenched our market position in Thailand with the successful completion of the acquisition of TigerSoft, an established HR & Payroll software provider for SME market in Thailand, and further expanded our market share in Thailand.

Looking ahead, the global economy is expected to face continued headwinds which may pose a threat to HUMAN's growth momentum, including the impacts from COVID-19 outbreaks, mounting trade tensions between China and the United States, volatility in currency and oil prices and overall risk of a recession. External risk factors may also lead to lower demand for HR or ERP solutions or delayed decision to embark on new solutions due to the lack of budget, given the industry's strong correlation with the overall economy. Despite the aforementioned uncertainties, we believe the future presents many opportunities for HUMAN.

With the acquisition of TigerSoft, HUMAN distributes a wider range of products across a broad spectrum of industries and market segments, with ability to bundle fully integrated clock devices with attendance solutions. Besides our strong customer centricity, we are also committed to enhancing our product offerings within our business model, to suit a wider host of customers. In particular, we are looking to transform our business into a centralised platform, linking up various business partners to serve our clients and their employees better in a true B2B2C model. This remains our mission "To help the employees of our clients to work better and live happier".

Supported by our deep expertise within the HR and ERP industry, we are well-positioned to seize any opportunities that the future

may present. We remain confident in the resilience of our business and we will persist at further strengthening our platform for the next wave of growth.

DIVIDEND

The Group's dividend policy is to secure not less than 50% dividend payments based on sustainable business results and we will continue our sincere efforts to declare dividends in coming years. We plan to distribute a total dividend of 0.12 baht per share for FY2019, representing a total of 68.46% of the year's net profit.

PEOPLE AND COMMUNITIES

At HUMAN, we are committed to the development of our people with a focus to build a Happy family based on mutual trust and respect while embracing our diversities. We encourage all employees to contribute to the communities where we live and work. At Company's level, we actively seek initiatives in doing our part for the environment such as adopting greener energy from the use of solar energy and electric cars, leasing commercial space with green design in mind. Collectively, we take steps to protect and sustain the environment we all share; our pioneering technology and innovation that builds a better future; the high-quality products we offer our customers; and, the financial return we offer our shareholders.

We have always found excitement in challenge, never forgetting our values of Excellence, Teamwork, Integrity and Openness that we bring to our mission.

Also on behalf of the Management Board, I would like to thank all our stakeholders for their confidence in HUMAN. I would like to especially thank our employees for their hard work and commitment throughout the year.

BOARD OF DIRECTORS



Mr. Anotai Adulbhan¹

Chairman of the Board of Directors



Mr. Thanwa Laohasiriwong²

Chairman of the Board of Directors and Independent Director



Mr. Soontorn Dentham

Vice Chairman and Chief Executive Officer



Mr. Anuphan Kitnitchiva

Independent Director



Mr. Patara Yongvanich

Chairman of the Audit Committee and Independent Director



Mr. Thannachart Numnonda

Audit Committee and Independent Director



Mr. Patai Padungtin³

Audit Committee and Independent Director



Mr. Pana Janviroj⁴

Independent Director

¹ Mr. Anotai Adulbhan was appointed on November 12, 2019 as Chairman to replaced Mr.Thanwa Laohasiriwong

² Mr. Thanwa Laohasiriwong resigned from the Independent Director on November 13, 2019

³ Mr. Patai Padungtin was appointed by the Meeting of Company's BOD No.1/2019 on January 31, 2019, replaced Mr. Supot Singhasaneh who resigned on November 13, 2018

⁴ Mr. Pana Janviroj was appointed on February 25, 2020, replacing Mr. Thanwa Laohasiriwong's as Independent Director

BOARD OF MANAGEMENT



Mr. Soontorn Dentham

Vice Chairman and
Chief Executive Officer



Ms. Chuenchom Techarungkiat

Chief Operating Officer - HR Solutions



Ms. Bee Bee Lim

Chief Operating Officer - International



Mrs. Sasithorn Hirunsak

Chief Operating Officer -
Financial Solutions



Ms. Hathaichanok Suwanjang

Chief Technology Officer



Mr. Sayan Wairangkoon¹

Director of Financial and Accounting Services
Chief Financial Officer and Company Secretary



Mr. Somsak Tantitanawat

Managing Director of Tiger Soft (1998)
Co., Ltd.

¹ Mr. Sayan Wairangkoon was appointed as CFO and Company Secretary on May 14, 2019, to replaced Mr.Thanawat Thawornpradit. Mr. Thanawat Thawornpradit resigned on May 14, 2019.

GENERAL INFORMATION AND OTHER SIGNIFICANTS MATTERS

Information about the Company

Company's name	HUMANICA PUBLIC COMPANY LIMITED
Stock code	Human
Registration number	0107560000338
Established	2003
Listed on the stock exchange	December 8, 2017
Business type	To provide the Human Resources Solutions (HR Solutions) comprising HR and Payroll Outsourcing Service (HPO) and distribution and implementation of HR solutions (HRS) and to provide financial solutions, comprising distribution and implementation of enterprise Resources Planning (ERP) and accounting and finance outsourcing service. No. 2 Soi Rongmuang 5, Rongmuang Road, Rongmuang Sub-District, Pathumwan District Bangkok 10330 Tel: +66 2 636 6999 Fax: +66 2 636 7168 Website: www.humanica.com
Registered capital	340,000,000.00 บาท
Paid-up capital	340,000,000.00 บาท
Par Value	Baht 0.50

Information about the legal entities held by the Company for over 10% of Paid-up Capital, as at December 31, 2019

Company's name	Professional Outsourcing Solutions Limited
Head office	No.2 Soi Rongmuang 5, Rongmuang Road, Rongmuang Sub-district, Pathumwan District, Bangkok 10330 Tel: +66 2 646 4222 Fax: +66 2 646 4200
Company's name	Humanica FAS Limited
Head office	No.2 Soi Rongmuang 5, Rongmuang Road, Rongmuang Sub-district, Pathumwan District, Bangkok 10330 Tel: +66 2 646 4222 Fax: +66 2 646 4200
Company's name	Humanica Asia Pte.Ltd.
Head office	146 Robinson Road #10-01 Singapore 068909 Tel: +65 6904 0866
Company's name	Humanica SDN.BHD.
Head office	5-3-17, Promenade, Persiaran Mahsuri, 11950 Bayan Lepas Baru, Penang, Malaysia Tel: +604 611 7772
Company's name	Tiger Soft (1998) Company Limited
Head office	No. 7 Vision Business Park Building, Floor 6-7, Soi Ramintra 55/8, Ramintra Road, Taraeng, Bangkok, Bangkok 10230 Tel: +66 2 347 0374 Fax: +66 2 347 0368
Company's name	Conicle Company Limited
Head office	No.32/168 Moo 1, Khlong Kluew Sub-district, Pak Kret District, Nonthaburi 11120
Company's name	Publica Holdings PTE. LTD.
Head office	10 Anson Road #23-14H, International Plaza, Singapore 079903
Company's name	Thailand land Development (Na Na 1994) Company Limited
Head office	No.17/6 Moo 3, Pet Kasem Road, Sisa Thong Sub-district, Nakhon Chai Si District, Nakhon Pathom 73120 Nakhon Pathom 73120

Other References

Registrar name	Thailand Securities Depository co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel: 0 2009 9000 Fax: 0 2009 9991 Website www.set.or.th/tsd
Auditor	Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. AIA Sathorn Tower, 23 rd - 27 th Floor South Sathorn Road, Yannawa Sub-District Sathorn District, Bangkok, 10120 Thailand Tel: +66 (0) 2034 0000 Fax:+66 (0) 2034 0100 Website: http://www.deloitte.com - Miss Wimolporn Boonyusthian Certified Public Accountant (Thailand), No. 4067 or - Mr.Choopong Surachutikarn Certified Public Accountant (Thailand), No. 4325 or - Miss Juntira Untrachaichoat Certified Public Accountant (Thailand), No. 6326

POLICIES AND OVERALL BUSINESS OPERATION



1. POLICIES AND OVERALL BUSINESS OPERATION

Humanica Public Company Limited (“Company” or “HUMAN”) was established on July 29, 2003 with the registered capital of 30.00 million Baht by Mr. Soontorn Dentham, the former partner and executive of Pricewaterhouse Coopers Thailand (PwC). Mr. Soontorn used to head global risk management solutions. He initiated many new businesses in Thailand for PwC, including operational risk and technology risk management and the Large-Scale Business Process Outsourcing (BPO) business.

In 2003, PwC restructured their business structure to define its service scope which led to the discontinue of the BPO business. Mr. Soontorn envisioned that technology will raise work efficiency and improve human resources managed, and thus he decided to take over the BPO business and establish a new enterprise to provide business process outsourcing in human resources with Seagate Technology (Thailand) Co., Ltd. as the first customer.

Initially, the Company offered HR solutions using imported software with in-house modifications to support operations in Thailand. Over time, this model was not adequate in addressing the expectations from customers. In 2005, the Company decided to develop its own software under the name “Humatrix” to support use in Thailand and to be in line with the accounting systems of world-class companies and the national income tax system.



Today, HUMAN is the Thailand’s leading provider of HR Technology and Outsourcing Services, as well as one of the leading reseller of SAP Business One solution. The Company employs approximately 350 people and operates branches in Singapore and Malaysia.

1.1 Vision Mission and Core Value

Our Vision

We are a happy family of good attitude talents who share the same meaningful dreams and walk our values together to deliver world-class products and services to meet even unrecognized needs of our clients as well as their employees.

Our Mission

We help the employees of our clients work better and live happier.

Our Core Value

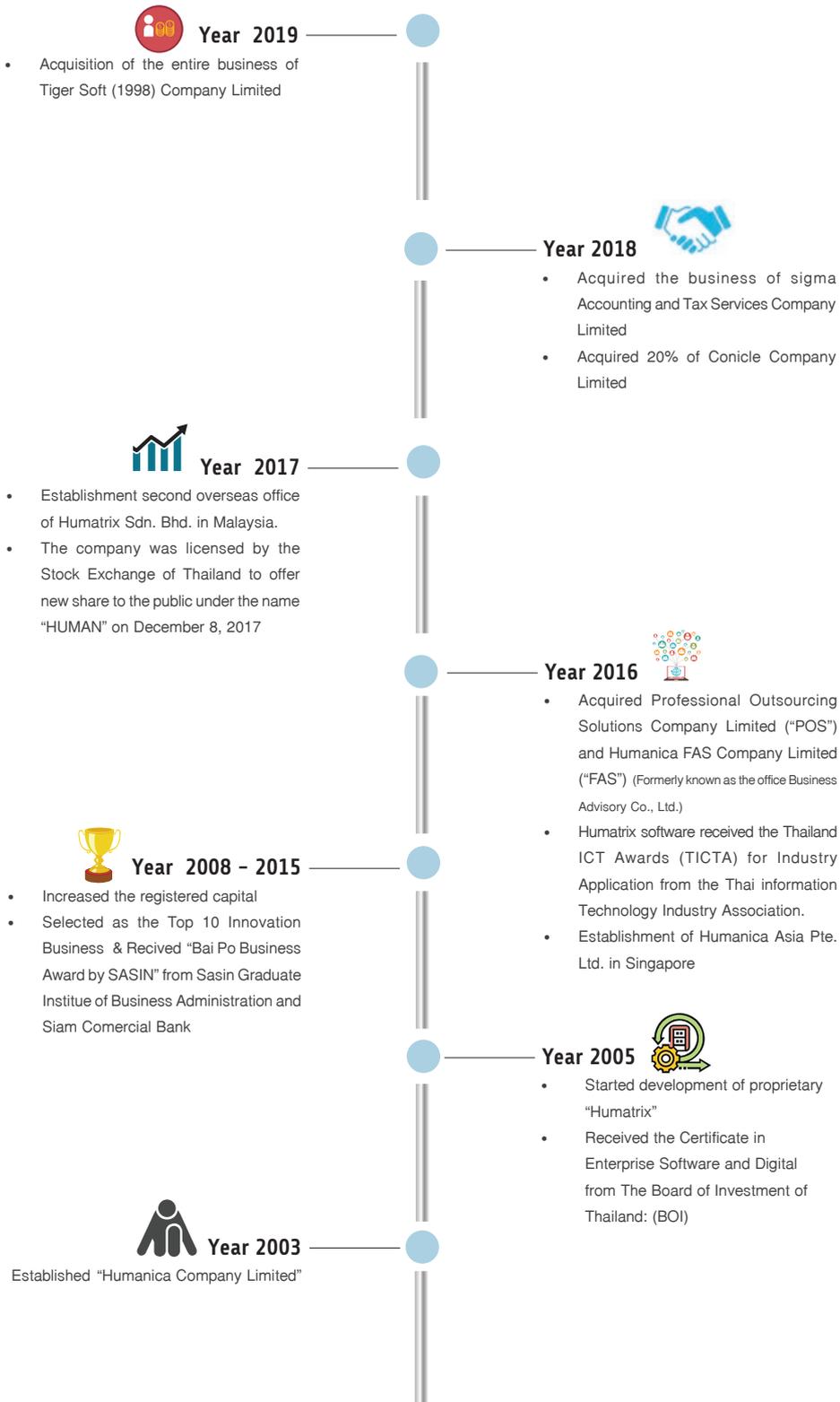
Excellence Teamwork Integrity Openness

1.2 SIGNIFICANT CHANGE AND GROWTH



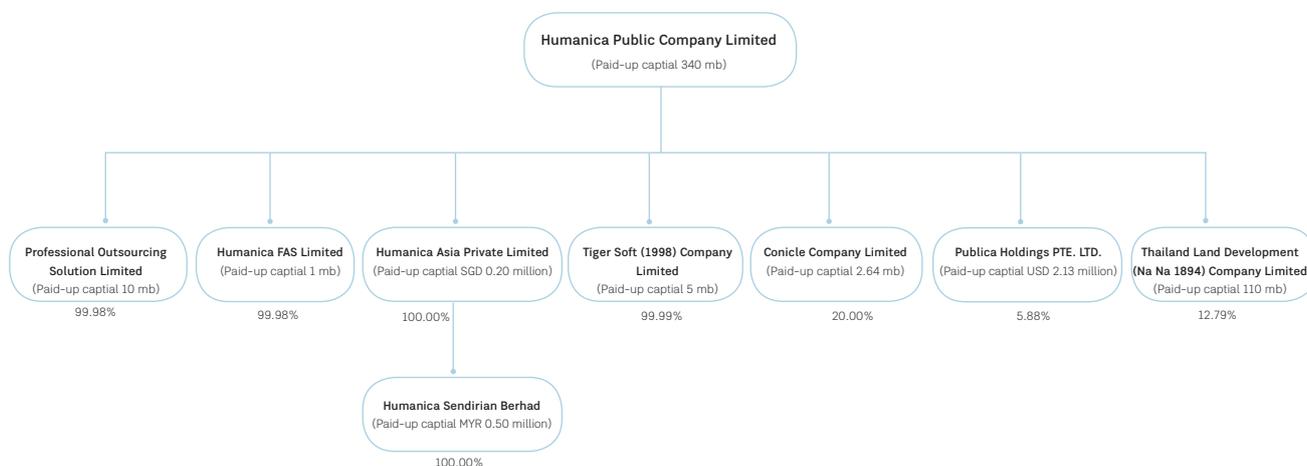
The significant milestones of the Company can be summarized as follows;

HUMANICA



1.3 THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company as at December 31, 2019 as follows:



The Company has subsidiaries and associates, details are classified by type of business are as follows.

Humanica Public Company Limited to provide the Human Resources Solutions (HR Solutions) comprising HR and Payroll Outsourcing Service (HPO) and distribution and implementation of HR solutions and to provide financial solutions, comprising distribution and implementation of Enterprise Resource Planning (ERP) and accounting and finance outsourcing services.

Professional Outsourcing Solutions Limited (“POS”) is an outsourcing company that provides payroll service and payroll outsourcing services. Including subcontracting service for salary preparation for small to medium sized businesses, it can carry up to meet the needs of today’s business.

Humanica FAS Limited (“FAS”) engages in the business of accounting and financial outsourcing. (Accounting and Finance Outsourcing).

Humanica Asia Private Limited (“HAP”) has established a subsidiary in Singapore, is our regional hub for services in Asia. Working together with Humanica Sendirian Berhad (“HSB”), to provide payroll outsourcing services and HAP accounting services and also work on the development network of partners to support the needs of customers in the Asian regional. The company currently serves clients in 6 countries.

Tiger Soft (1998) Company Limited is a provider of business application of systems management, HR and payroll programs, and distribution technologies, including record time such as time recording machines, face scanner, fingerprint scanner and the hand card machine, etc.

Conicle Company Limited engages information technology business, provides consulting, design, developing content, creating innovative educational solutions. Including sales of modern mobile based learning management solutions.

Publica Holdings PTE. LTD. established in Singapore, engages in the consulting, development and sales of human resource solutions software.

Thailand Land Development (Na Na 1994), Co., Ltd. (“TLD”) has ceased operation but possesses plots of land and constructions in Phetchaburi and Nakhon Chai Si District in Nakhon Pathom. TLD is seeking prospective buyers to purchase its assets.

1.4 RELATIONSHIP WITH THE BUSINESS GROUP OF MAJOR SHAREHOLDERS

The Company held shares in subsidiaries and associated companies as at December 31, 2019 as follows.

Company's name	Country of incorporation	Nature of Business	Registered capital	Paid-up shares (million share)	Shareholding (%)
Held directly by the Company					
1. Professional Outsourcing Solutions Limited	Thailand	Payroll outsourcing	10.00 million baht	0.10	99.98
2. Humanica FAS Limited	Thailand	Accounting and financial outsourcing	1.00 million baht	0.10	99.98
3. Humanica Asia Pte. Ltd.	Singapore	Payroll and accounting outsourcing	0.20 million SGD	0.20	100.00
4. Tiger Soft (1998) Company Limited	Thailand	implementation of human resource and payroll software and sales of advance access control devices	5.00 million baht	0.05	99.99
5. Conicle Company Limited	Thailand	Consulting, Design and sales software	2.64 million baht	0.03	20.00
6. Publica Holdings Pte. Ltd	Singapore	consulting, development and sales of human resource solutions software	2.13 million USD	2.13	5.88
7. Thailand Land Development (Na Na 1994) Company Limited	Thailand	Real estate	110.00 million baht	11.00	12.79
Held by Humanica Asia Pte. Ltd.					
1. Humanica SDN.BHD.	Malaysia	Payroll outsourcing	0.50 million MYR	0.50	100.00

NATURE OF BUSINESS

1. REVENUE STRUCTURE

The 2017-2019 revenue report is as follows;

Type of business	2017		2018		2019	
	M.Baht	%	M.Baht	%	M.Baht	%
1. Revenue from HR Solutions Business						
1.1 Revenue from HR & Payroll services	226.89	47.0	237.36	45.4	257.09	41.9
1.2 Revenue from Software	131.21	27.2	159.63	30.5	212.30	34.6
1.3 Revenue from product sales	-	-	-	-	25.66	4.2
Total revenue from HR Solutions	358.10	74.2	396.99	75.9	495.05	80.6
2. Revenue from Financial Solutions Business						
2.1 Revenue from ERP systems	96.99	20.1	98.94	18.9	80.77	13.2
2.2 Revenue from Finance & Accounting services	23.79	4.9	19.18	3.7	23.03	3.8
Total revenue from Financial Solutions	120.78	25.0	118.12	22.6	103.80	16.9
3. Other income*	3.49	0.8	8.12	1.5	15.01	2.4
Total revenue	482.37	100.0	523.23	100.0	613.86	100.0

Remarks *Other income consists of interest, dividends and profit from investment etc.



2. PRODUCTS AND SERVICES

Humanica Public Company Limited and its subsidiaries have two main business units, HR solutions and financial solutions. HR solutions comprise HR software licensing and HR & Payroll outsourcing services. Financial solutions include implementation of SAP Business One (SAPB1) Enterprise Resource Planning (ERP) systems and Oracle Netsuite Cloud ERP systems, and Finance & Accounting outsourcing services.

2.1 HR Solutions

2.1.1 Human Resources Information Systems (HRIS)

Since the inception of the company, we have pioneered the business model of large scale HR outsourcing service using an advance HR technology from India as a platform and localized the software to suit the needs of Thai companies. Realizing that it was not easy to find an advance HR technology with best-in-class features to serve the complex needs of large companies and yet comply with Thailand's labor, tax laws, and social security, we have taken the bold step to build our own HR technology.

The Company has our own proprietary HR technologies, Humatrix, our flagship HR system which caters to the mid-to-large size clients with complex requirement, or clients with sophisticated work rules or work flow.

Humatrix

After a years of research and tireless hard work, we launched a full web based Humatrix 5 using dot net technology in year 2011. Humatrix 5 was a break-through, both in term of technology and innovations, unparalleled in Thailand. With the new technology, we were named one of the Top Ten Business Innovation in year 2010 by National Innovation Agency Public Organization, Ministry of Science and Technology of Thailand.

We continue our quest to improve Humatrix over the years and in 2015, we launched Humatrix 8 as the next generation to Humatrix 5. Apart from an improved user interfaces with modern looks and feels, Humatrix 8's framework was further developed to support multi-company, multi-country with multi-dimension capability. We were focusing in matching or ever surpassing the capability of some well-known HR technology, working toward building our own world-class solution. By 2016, we have

localized Humatrix 8 beyond the shores of Thailand, now serving clients in Singapore, Malaysia and Japan. In the same year, we won the Best Industrial Application award given by the Association of Thai ICT Industry, Thailand's first Information Technology professional association.

2019 marked another milestone in the development of Humatrix whereby we have successfully transformed the solution to focus on employee's experiences. From the intuitive mobile-first design to the enriched new features, it was design with the employee's in mind to provide first class experiences.

Features of Humatrix 8

Humatrix is a pure web-based HR solution, allowing access anytime, anywhere on any devices. It has unique workflow designer to facilitate different workflow by employee category or level, enabling end-to-end transaction to take place digitally. Eligibility of entitlement, condition of application and approval workflow are all parts of configurable components, allowing great flexibility to meet most demanding work rules.

- **Mobility**

Humatrix has its own mobile application, available on iOS and Android, providing great mobility to workforce on the move. It transform the way employee does access their HR records and how their perform HR related transaction, everything now fit nicely in their pocket and is accessing anything at their fingertip

- **Connection with other systems via Humatrix Utility Gateway (HUG)**

Humatrix is designed to connect with third party HR system, such as SAP SuccessFactors, IBM Kenexa, Workday, PeopleSoft, Oracle, etc. It can efficiently and safely connect to exchange data on both organizational and employee data automatically using a scheduler. Our system can also make the real time connection via Application Program Interface (API) or Web Service.

- **Add-ons**

Humanica is the first partner in Thailand to be appointed as a Business Process Outsourcing Partner (BPO Partner) of SuccessFactors, an international renowned brand of leading developer of HRD software, SAP.

Our Key Offerings



This appointment allows us to seamlessly integrate SuccessFactor's talent management suite into Humatrix, offering a wider selection of services to the HR community. Collaboration with SuccessFactors, not only brings us the benefits of working with a world-class HCM vendor, it helps us to build capabilities in providing consulting solution in other HR module to complete our value proposition to our clients.

2.1.2 HR and Payroll Outsourcing Services

Humanica is responsible for end-to-end transactional and compliance tasks relating to HR and payroll outsourcing services administration, allowing our clients to focus on their core business and delivering what matters to them most. As a BPO partner, we collaborate with our clients to support their growth with our highly scalable BPO solution.

Our team of experts has deep knowledge of statutory rules and best practices, work tirelessly to guarantee our clients' payroll is always accurate and be on-time. We are the reliable pairs of hand whom our client can depend upon for timely processing of their HR or payroll matters. Most important, with our expertise, we help to drive productivity with automation using HR technology and reduces compliance risks for our clients.

Our services including providing helpdesk support directly to the employees of our clients.

We conduct our BPO businesses in accordance with ISO 27001 accredited standards, employing like-minded people to serve our clients.

2.2 Financial Solutions

Humanica provides services in accounting and financial management including enterprise resource planning system and accounting services as follows;

2.2.1 SAP B1 Enterprise Resource Planning (ERP)

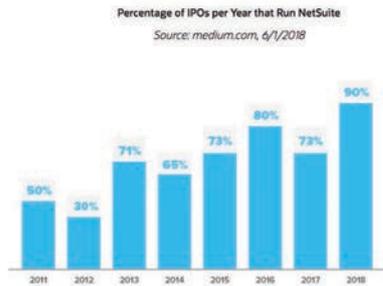
Humanica is a reseller and implementor of the SAP Business One (SAP B1) ERP system and Oracle Netsuite Cloud ERP systems.

Humanica has been a reseller of SAP B1, which is the world's leading software since 2006. We have since become a SAP Gold Partner, the highest level of recognition awarded by SAP for their systems partners. Apart from standard functions we have also developed additional add-ons to support the needs of Thai entrepreneurs such as Thai localization (VAT and withholding tax), Consignment, GL Consolidation, Fixed Assets Management, Purchase Requisition, Billing and Bank Transfer.

The executives who oversee the ERP team have more than 25 years of experience in ERP and more than 10 years in SAP implementation. The Humanica team has attended trainings in SAP Certified Application Associate - SAP B1 and also attended several of SAP courses such as SAP B1 Sales Training, SAP Product Training and etc. The Humanica team providing advisory services of ERP systems installation for customers in Thailand over 100 operations / projects in over past 10 years.

In 2019, seeing the opportunity in cloud ERP system, we collaborated with Netsuite to offer a well-established cloud-based ERP system to Thai markets. Netsuite was highly regarded as one of the leaders in the magic quadrant according to the Gartner's report published in May 2019.

NetSuite Dominates the Tech IPO Market



Through the work of various government-backed initiatives and agencies such as the National Innovation Agency (NIA) and True Digital Park, tech innovation and investment has become the cornerstone of the Thai government's efforts to transform the country into a digital economy. Entrepreneurs in Thailand's tech ecosystem have much to cheer for as the industry is on a strong growth trajectory. Such favorable conditions could lead to healthy demand for cloud ERP systems among the tech companies, who are often the early movers for cloud-based solutions.

3.2 HR Software Market Strategies

Humanica has created an HR ecosystem covering a wide range of solutions capable of meeting the needs of businesses of all sizes and industries. Coupled with our strategic partnership and acquisition of Tigersoft enabling us to establish a strong foothold in the SME market, Humanica's ecosystem truly has the competitive advantage in the HR industry.

Humanica operates an open platform ecosystem, to be able to connect with third party suppliers and develop the best-of-suite HR products for our clients. by creating a network of partners and alliances to offer unique value-added bundle of solutions to our clients.

The Company's decision to invest in Conicle Company Limited (Conicle) was a good strategy of expanding our ecosystem. Conicle, an expert in Learning & Development through its Learning Management systems (LMS) with the mission to "Modernize Learning for the modern world of work". Conicle has a large pool of learning and training contents that were developed under the collaboration of experts in various industries. With over 30 clients, 500,000 registered users, and 30 expert collaborators, this investment will also allow the Company to gain access this library of contents and in turn improve the functionalities of our HRIS,

Humatrix. This will ultimately attract further interest from enterprises looking to embrace learning and development in a modern and more user-centric way. The LMS platform and its online and mobile capabilities allow employees to learn outside the classroom and under their own conditions.

The Company also see potential in employees' health and wellness management. This is why Humanica has decided to partner with CXA group, a Singapore-based health technology startup, to introduce the "Flexi-Benefits" platform and Thailand's first data-driven health and wellness solutions marketplace. This platform will benefit both our clients and their employees by allowing employees to choose their benefits as well as additional products and services through an e-wallet model. Providing benefits preferences also ensures clients stay relevant amongst Gen Y and Millennials, the largest generation group in any company. Finally, these preferences can be used to further personalize and leverage better insurance deals in the future.

The Flexi-Benefits platform currently has already received high interest from prospective clients, with our partner, CXA group, already offering their one-stop, self-service platform to over 600 clients and 400,000 employees, in over 20 countries globally. Furthermore, Humanica is CXA's sole reseller and systems implementer in Thailand.

Finally, the Company sees the high potential for upselling in the massive SME market upon our acquisition of Tigersoft, a leader in the SME HR software market. With over 400,000 employees from 3,000 clients, this move has strengthened Humanica's presence in the HR software market.

This acquisition was a key strategy in ensuring Humanica Group maintains its leadership position as the leading HR solutions provider in Thailand.

3.3 Competitions

We continue to face challenges from competitions from local players, regional players and global players.

In ERP solutions, there wasn't a local ERP software developer capable of developing solution matching the world-class standard of SAP B1 or Oracle Netsuite. The competitions are among the various resellers or resellers of other global ERP solutions. We believe in our competitive advantage of having an experienced team of product specialists and our own technology specialists with deep knowledge of the Thai markets.

While we are one of the first movers in building a Thai-based HRIS solution, we faced competition from start-ups looking to get into the HR space. The threats are manageable today as it need years to develop a mature product. Hence, It is not easy for start-ups to turn profitable and secure enough funding to develop a mature HR product.

On the business process outsourcing services, we expect to see price depression in immediate future as both local and global players are trying to gain market share. Our strategy is for Humanica to build alliances with like-minded companies to compete with regional players. We will also build outsourcing capability in TigerSoft to provide payroll outsourcing services at a more competitive rate to compete with local players.

OUTLOOK AND NEW DEVELOPMENT

General

The ongoing US-China trade war triggered an export slump in Thailand in 2019, resulting in a domino effect on domestic sector of the economy. Pre COVID-19 era, it was already challenging with an expected growth of 3% amidst a global economy slowdown and subdued domestic consumption.

Growth in the Singapore economy continues to face headwinds in 2020, led by the downturn in electronics cycle and the continued US-China trade tensions. With Singapore recorded one of its lowest growth rates of 0.7% in 2019, the Singaporean government expects a mere 1% growth rate in 2020. Malaysia sees a brighter light of maintaining a 4.5% growth in 2020, mirroring that of 2019, backed by stronger domestic spending and a low inflation rate.

With the WHO declaring COVID-19 as a pandemic since 11 March 2020, the global economy outlooks are heading north with most countries expecting a drastic fall in their growth forecasts, potentially dragging economies into recessions. While most governments are unlocking financial aids to stimulate their economies, the impact of COVID-19 remains highly volatile at a grand scale that the world has not seen in recent decades.

On the whole, HUMAN expects challenges in the face of adversity but remains cautiously optimistic in achieving a steady revenue growth in Thailand given the synergies created upon the acquisition of Tiger Soft (1998) Limited (“TigerSoft”) and some good business opportunities that we have been pursuing in recent months. We expect growth in Singapore to be slowed while revenue growth in Malaysia is likely to be sustained, although the uncertain political environment may have negative effects on the economy and investment in general.

HR Solution Division

We believe the HR technology industry will experience continuing growth and evolution in 2020 as organizations turn to technology for further efficiency and productivity gains. This is especially true in the countries we are operating in, in part because companies operating in “talent-constrained environments” seek to invest in tools to help them better recruit, develop and support their workforces.

Another factor likely to drive the demand for HR technology is the implementation of the Thailand’s Personal Data Protection Act B.E. 2562 (“PDPA”) coming into compliance by May 27, 2020. HR leaders and technology solutions will play a growing role in helping to strike the right balance between employee trust and data privacy.

More than before, employees of today is expecting to be treated internally more like customers, and that includes how their personal data is handled, to a certain extent it’s up to HR to ensure that the policies and technology systems being used will provide the right level of transparency, as well as the right level of protection for employee data.”

Research and Development

HUMAN’s continual focus in innovations has borne fruits in 2019 with the launch of the mobile applications of our award winning Humatrix solution, as well as, completing the remaking of our employee self-services portal. The new Humatrix solution have a sleek modern look with rich features promoting employee’s experiences.

Here are the trends and developments for HUMAN as we turn the calendar to 2020.

Mobile-first Self-Service Technologies

HR functions have adopted technology platforms that include both employee self-service (ESS) and manager self-service (MSS) tools to make HR information more accessible.

To address the challenges of rising costs and the demands of a multi-generational workforce, employers need to deploy an increasingly diverse benefits strategy. A mobile-first strategy elevate “connectedness”, given the high level of smartphone users among their employees, allowing companies to their corporate objectives.

AI in HR Tech

As automation and digitalization continue to reshape job roles and skill needs, HR will need to create increasingly agile and effective reskilling strategies for workers-including training HR staff in data analysis, AI and other technology-related skills.

HUMAN will enhance its solutions to address the challenges workforces present for organisations by offering better analytics.

The rise of the health and wellbeing market

In 2020, we will collaborate with reliable partners in launching a flexi benefits services that comprises insurances, consulting, provision of flexi benefits platform and benefit outsourcing services in Thailand.

Most of the big healthcare providers are pouring money into new AI-based automated tools, and these can be mixed and matched to fit any workforce in the world. Wellbeing platforms can bring these applications together and create real behaviour change for your workforce with tools for mental and emotional health, stress reduction, physical fitness, diet, and financial wellbeing are beginning to proliferate.

Such a market does not exist years ago. Today this is a true segment of the tech market and HR and people teams should understand what's available to enhance the employee's experiences and bring on personalised benefits.

HUMAN will introduce Asia's leading health and benefits platform, allowing employees to make their own benefit choices which will improve employees' engagement and retention. While flexi benefits is relatively new to the Thai market but it trending globally and we expect the trend to gain popularity in Thailand.

We continue to strive to build a large employees' community to bring personalised and carefully curated services to the employee via a B to B to C model.

Financial Solution Division

Today's finance leaders know their ERP systems are a critical part of their business. ERP technology enables day-to-day operations, ensures data integrity and enhances business insights. To meet the challenges and leverage the opportunities of the digital economy and evolving technologies, companies are modernizing their ERP systems. That's where cloud applications come in. Cloud offerings are rapidly altering the ERP landscape and enable companies to meet and leverage new technologies.

HUMAN is proud to be appointed by Oracle NetSuite as their reseller in Thailand. Together with our continued association with SAP B1 products, we now have the ability to offer a wider

range of ERP solutions, be it on premise or cloud-based solutions. Our team of experienced professionals work tirelessly in delivering world class turn-key solutions, coupled with in-housed developed add-on modules for Thai compliances, providing the best in class experience to help our customers in their digitalization journey.

In the Accounting outsourcing segment, we continued to see opportunities in providing one-stop back office support to SMEs, comprises HR, payroll, accounting and finance operation, bookkeeping, VAT filing, preparation of financial statements and reporting package. We can also offer tailored solutions to include preparation of consolidated accounts and review of accounts. Most importantly, as a differentiator, we can offer a hybrid solution incorporation an SMEs centric Workplace solution with full suite of HR, Payroll and Financial functions while allowing clients to outsource some functions like payroll and accounting to us at an affordable rate. In this way, we look to serve the SMEs by addressing their concern of not been able to employ qualified payroll specialist or accountants, especially in current tight labour situation.

Overall

COVID-19 will have a significant impact on Asian economies through numerous channels, including sharp declines in domestic demand, lower tourism and business travel and supply chain disruptions. All these will in turn caused clients to be cautious with their spending on solutions.

We will continue to simulate sales by offering a bundle of value added services amidst a challenging market sentiments. We are blessed to be generating position cashflow and hence, we will continue to invest in innovations and development of our products to capture more market shares when the sentiments turn positive.

At HUMAN, we remain cautiously optimistic that FY2020 will suppress sales growth in FY2019 with an improvement in operating EBIT margin.

RISK FACTORS

The Company has managed risk by increasing operational efficiency corporate governance . To build confidence among the stakeholders improve the efficiency of the management system flexible management responding to changes efficiently and can protect the business Company products and services.

1. BUSINESS RISKS

The Company's key marketing strategy aims to further expand market share by strengthening and expanding its market channels, including its subsidiaries and partnership network. We will continue to enhance end-user product experience in the ever changing landscape of HR and Financial industry. We believe in collaborating with partners, strengthening our capabilities in distributing a wider range of products, which will eventually bring us more opportunities and allow us to differentiate our product with distinct advantages.

Apart from introducing and implementing products, we will continue to add on outsourcing services to further strengthen our relationship with our client as our strategy to keep our competitor at a distance.

We summarized our business risk as follow:

- **Risk from market entry of international companies**

We may face competition from international HR software companies entering Thailand market and compete with us. However, to develop an effective HR software for Thai market is not easy due to the complexity of Thai tax system and requirements. The new entrants will require time and fund to research and develop a software for Thailand market. Most international software companies likely to opt to be a partner of local software developers in Thailand to manage their clients or distribute their product. This may be an advantage for us as we can be the partner of choice for leading HR companies like SAP, IBM and Workday
- **Risk of copyright violation**

As a software developer, we closely guard our most valuation intellectual property, preventing it from been reproduced or modified for economic gains. The Company's software is protected by Copyright Act B.E 2537. The Company registers the copyright of Humatrix 5, Humatrix 7 and Humatrix 8 with Department of Intellectual Property to prevent the reproduction, adaptation or unauthorized usage. The customers have to receive the valid license key from the Company which is configured according to requirements of each customer.

We also take steps to ensure that we safeguard our source code in our day-to-day operation.

- **Risk of reliance on third party partners**

We have contractual arrangement with various third party partners in distributing their products or white label their product and enhance it for our business. There are risk on our business if any of the partners decide to terminate our agreement.

However, as most of our partners are well established international companies and we diligently fulfil or even surpass our obligations toward the agreement, we believe that the risks is low. The Company continually give full support to our partners, invest in developing and promoting their product. We also maintain has long established good relationship with our partners.

2. OPERATION RISKS

- **Risk of disruption in information technology system**

Data security and disruption in our information system remains high on our risk as it will directly and severely impact our services. The Company will continue to invest in improving our technology and infrastructure, apply industrial best practices and diligently monitor our activities to adhere to policies and procedures certified by professional assessor to ensure that we watch our risks carefully. We will continue to work with security expert for yearly certification, as well as, have knowledge on new security product or services to strengthen our information technology system.
- **Risk of reliance on key management staff**

As in any businesses, our people is our most important asset, The loss of key management staff can impact our business, including the morale of the employees and the confidence of our clients and business partners, even causes a dent in our company image.

Apart from putting in place a good remuneration package and cultivate good culture with exciting career progression, we will take measures to reduce impact of loss of key management staff by rotating roles and duties and ensuring that we have sufficient job coverage. Most of our key management employees has been with the Company for 5 years and above, and they are committed to serve the Company in many more years to come.

3. FINANCIAL RISKS

- **Exchange Rate Risk**

The Company and its subsidiaries collect its dues and make payment mainly in local currencies, except for a very small amount of receivables and an intercompany load extended to its subsidiary to fund operating expenses.

- **Interest Rate Risk**

The Company and its subsidiaries expose to interest rate risk related primarily to their interest-bearing cash at banks, short-term loans and long-term loans. However, since most of the Company and its subsidiaries' financial assets and liabilities bear fixed interest rates or floating interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

- **Credit Risk**

The Company and its subsidiaries are exposed to credit risk primarily with respect to the trade receivables. Such risk is managed by adopting appropriate credit control policies and procedures to mitigate the credit risk.

- **Liquidity Risk**

The Company can be subject to unforeseen shortfall in cash. Our corporate finance unit actively monitors the liquidity position of the Group and always maintains an adequate level of cash and/or credit lines to meet our financial obligations and to mitigate the effects of fluctuations in cash flows.

LEGAL DISPUTES

- As of December 31, 2019, the Company and the group company have no legal disputes.

MAJOR SHAREHOLDERS

1. MAJOR SHAREHOLDERS

Number of Registered Capital and Paid-Up Capital

The Company's issued and paid-up capital is at 340.00 mb and the registered capital is at 680.00 mb common shares with the par value of 0.50 Baht and all shares have been paid-up

Shareholders

The shareholder's structure of the Company as of December 30, 2019 can be summarized as followed:

No.	List of Shareholder Name	As of Dec 30, 2019	
		No. of Shares	%
1	Group of Mr. Soontorn Dentham	261,777,200	38.5
	Mr. Soontorn Dentham	261,277,200	38.4
	Mrs. Pensiri Dentham	500,000	0.1
2	BTS Group Holdings Public Company Limited	86,324,000	12.7
3	BBHISL NOMINEES LIMITED	28,049,964	4.1
4	STATE STREET EUROPE LIMITED	23,188,436	3.4
5	Thai NVDR Company Limited	20,378,728	3.0
6	Aberdeen Small Cap Fund	13,110,900	1.9
7	Bualuang Long Term Equity Fund	12,187,200	1.8
8	BNY MELLON NOMINEES LIMITED	10,157,700	1.5
9	Mr. Choengchai Charoenchitseriwong	10,084,000	1.5
10	Ms. Pathiya Tunkarn	9,682,500	1.4
	Total number of 10 major shareholders	474,940,628	69.8
	Other shareholders	205,059,372	30.2
	Total no. of shares	680,000,000	100.0

2. DIVIDEND PAYMENT POLICY

Dividend Payment Policy

The company has a policy to pay dividends at a rate of not less than 50% of net profit from the separate financial statements of the company, after the deduction of corporate income tax and legal reserve allocation of the company. However, the Company may consider paying dividends differently from the above mentioned policy depending on company's performance, liquidity and working capital requirement for business expansion, as well as, external factors such as economic conditions.

Explanation

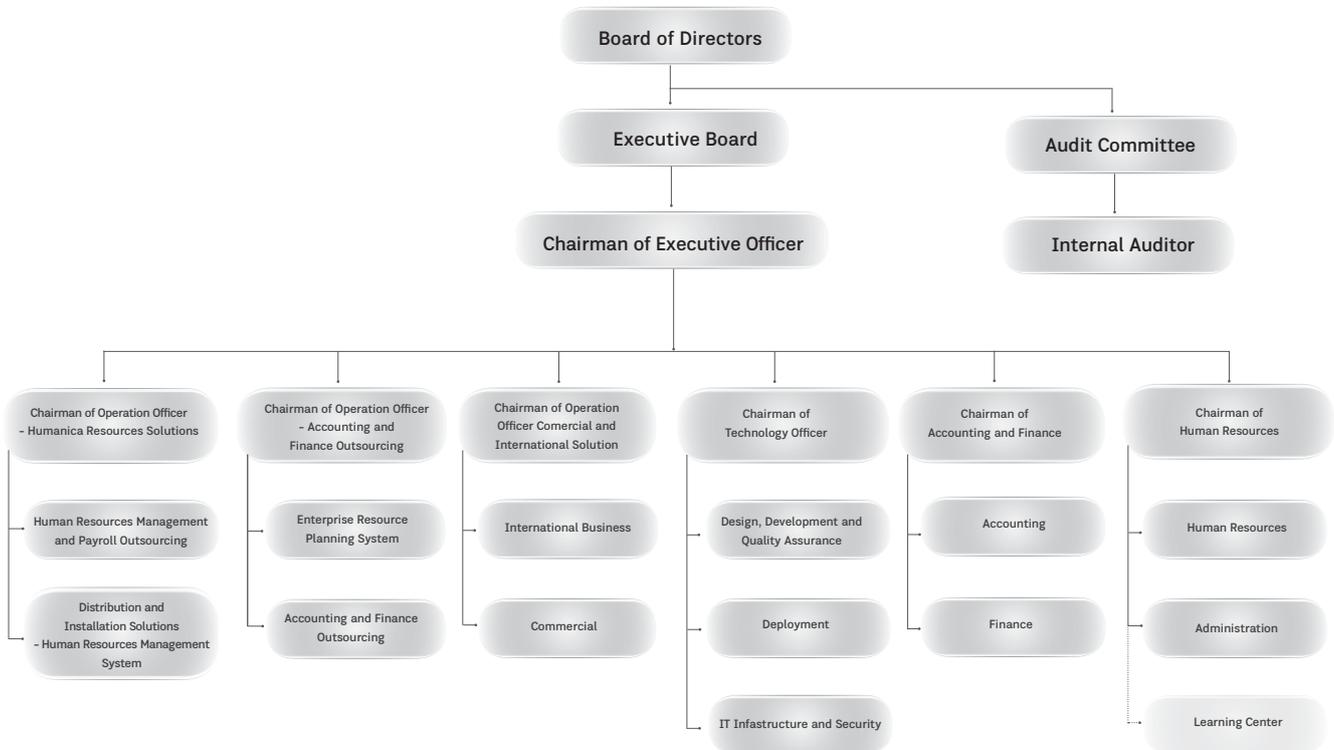
This dividend payment policy has been approved by the Board of Directors No. 1/2017 on August 11, 2017, which defined the basic principle for dividend payment. However, the Company must proposed the amount of dividends for the shareholders' approval according to Thai law and regulation. Dividend payment must be paid from the net profit of the Company according to the separate financial statements of the Company is lower or there is no profit, the dividend payment must be adjusted in accordance with those circumstances.

In 2019, the Company paid dividend as follows:

- The Board of Directors approved the payment of interim dividends from the net profit for the first half of fiscal period 2019 on August 13, 2019, amounting to 0.06 baht per share to the shareholders of the Company whose names appear in the shareholders' register book (Record Date) on August 28, 2019, totaling 40.80 million baht
- The Board of Directors proposed that shareholders consider and approve the dividend payment from the net profit for the second half of fiscal period 2019 on April 27, 2020, amounting to 0.06 baht per share, totaling 40.80 million baht to shareholders according to the list of shareholders whose names appear in the register book (Record Date) as of May 8, 2020 and paying dividend on May 26, 2020
- The Company paid dividend for the year 2019 performance in the amount of 0.12 baht per share, or a total amount of 81.60 million baht or equivalent to the dividend payment rate of 68.5 percent.

MANAGEMENT STRUCTURE

1. MANAGEMENT STRUCTURE



BOARD OF DIRECTORS

The Company's Board of Directors comprises the following 7 members::

	Name-Surname	Position
1. Mr. Anotai	Adulbhan ¹	Chairman of the board and Independent Director
2. Mr. Thanwa	Laohasiriwong ²	Chairman of the board and Independent Director
3. Mr. Soontorn	Dentham	Vice Chairman of the Board
4. Mr. Anuphan	Kitnitchiva	Independent Director
5. Mr. Patara	Yongvanich	Chairman of Audit Committee and Independent Director
6. Mr. Thanachart	Numnonda	Independent Director and Audit Committee
7. Mr. Patai	Padungtin ³	Independent Director and Audit Committee
8. Mr. Pana	Janviroj ⁴	Independent Director

¹ Mr. Anothai Adulphan was appointed as Chairman on November 12, 2019 in place of Mr. Thanwa Laohasiriwong

² Mr. Thanwa Laohasiriwong resigned from the position of Independent Director on November 13, 2019

³ Mr. Patai Padungtin was appointed by the Meeting of Company's BOD No.1/2019 on January 31, 2019, replaced Mr Supot Singhasaneh who resigned on November 13, 2018

⁴ Mr. Pana Janviroj was appointed on February 25, 2020, replacing Mr. Thanwa Laohasiriwong's as Independent Director.

Authorized Directors

The authorized directors are Mr. Soontorn Dentham and Mr. Anotai Adulbhan had jointly signed and affixed the Company's seal.

Board of Directors

The Board of Directors Comprised of experts who are knowledgeable, capable and experienced. Specific expertise that is beneficial to the Company does not have prohibited qualifications as follows:

1. There is no record of criminal offenses in relation to property committed in dishonesty
2. There is no record of any potential conflict of interest with the Company during the past year.

Authority of Board of Directors

1. Directors are authorized to manage the Company in compliance with objectives, regulations and resolutions of shareholders' meeting.
2. The Board of Directors may authorize one or more directors or any party on their behalf.
3. The Board of Directors has to organize one meeting within three months at the Company's headquarter or at any branch offices or adjacent provinces.
4. The Board of Directors has to organize the ordinary meeting of shareholders within four months after the end of fiscal year, and call on the extraordinary shareholders' meeting any time upon proper grounds.

AUDIT COMMITTEE

The audit committee of the Company, there are a total of 3 persons, consisting of:

	Name-Surname	Position
1. Mr. Patara	Yongvanich ¹	Chairman of Audit Committee
2. Mr. Thanachart	Numnonda	Audit Committee
3. Mr. Patai	Padungtin ²	Audit Committee

Remark: ¹He is the Director with the adequate knowledge and experience that can review the reliability of the financial statement (More details in Attachment 1 about the Managements and the authorized control person of the Company) with Mr. Thanawat Thawornpradit as the secretary of Audit Committee.

² Mr. Patai Padungtin was appointed by the Meeting of Company's BOD No.1/2019 on January 31, 2019, replaced Mr. Supot Singhasaneh who resigned on November 13, 2018

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors passed a resolution to appoint the Nomination and Remuneration Committee No. 1/2018 on February 23, 2018, Total 4 persons consist of:

	Name-Surname	Position
1. Mr. Anotai	Adulbhan ¹	Chairman of the Nomination and Remuneration Committee
2. Mr. Thanwa	Laohasiriwong ²	Chairman of the Nomination and Remuneration Committee
3. Mr. Soontorn	Dentham	Member of the Nomination and Remuneration Committee
4. Mr. Patara	Yongvanich	Member of the Nomination and Remuneration Committee

¹ Mr. Anothai Adulphan was appointed as Chairman of the Nomination and Remuneration Committee on November 12, 2019 in place of Mr.Thanwa Laohasiriwong.

² Mr. Thanwa Laohasiriwong resigned from the position of Independent Director on November 13, 2019

The Nomination and Remuneration Committee meeting allowance of 5,000 baht per time.

The Attendance of Directors in 2019

Name-Surname	Numbers of Meeting Attendance / Number of Total Meeting		
	(BOD)	AC	NRC
1. Mr. Anotai Adulbhan ¹	5/5	-	-
2. Mr. Thanwa Laohasiriwong ²	5/5	-	1/1
3. Mr. Soontorn Dentham	5/5	-	1/1
4. Mr. Anuphan Kitnichiva	5/5	-	-
5. Mr. Patara Yongvanich	4/5	3/4	1/1
6. Mr. Thanachart Numnonda	5/5	4/4	-
7. Mr. Patai Padungtin ³	5/5	4/4	-

¹ Mr. Anotai Adulbhan was appointed by the Board of Directors on November 12, 2019 in place of Mr. Thanwa Laohasiriwong

² Mr. Thanwa Laohasiriwong resigned from the position of Independent Director on November 13, 2019 as according to the Board of Directors Meeting No.5/2019 on November 12, 2019

³ Mr. Patai Padungtin was appointed by the board of Directors No.1/2019 on January 31, 2019 as a Director / Audit Committee.

EXECUTIVE COMMITTEE

The Executive Committee of the Company has the total number of 6 persons, consisting of:

Name-Surname	Position
1. Mr. Soontorn Dentham	Chairman of Executive Committee
2. Ms. Chuenchom Techarungkiat	Executive Committee
3. Ms. Bee Bee Lim	Executive Committee
4. Mrs. Sasithorn Hirunsak	Executive Committee
5. Ms. Hathaichanok Suwanjang	Executive Committee
6. Mr. Sayan Wairangkoon ¹	Executive Committee

¹ Mr. Sayan Wairangkoon was appointed by the Board of Directors on May 14, 2019 as CFO and Company Secretary in place of Mr. Thanawat Thawornpradit who resigned on May 14, 2019

EXECUTIVE

The Company has the total number of 7 persons, consisting of:

Name-Surname	Position
1. Mr. Soontorn Dentham	Vice Chairman and Chief Executive Officer
2. Ms. Chuenchom Techarungkiat	Chief Operating Officer - HR Solutions
3. Ms. Bee Bee Lim	Chief Operating Officer - International
4. Mrs. Sasithorn Hirunsak	Chief Operating Officer - Financial Solutions
5. Ms. Hathaichanok Suwanjang	Chief Technology Officer
6. Mr. Sayan Wairangkoon ¹	Director of Financial & Accounting Service, CFO and Company Secretary
7. Mr. Thanawat Thawornpradit ²	Chief Accounting and Financial Officer and Company Secretary

¹ Mr. Sayan Wairangkoon was appointed as CFO and Company Secretary on May 14, 2019, to replaced Mr. Thanawat Thawornpradit who resigned on May 14, 2019.

² Mr. Thanawat Thawornpradit resigned from Chief Financial Officer and Company Secretary on May 14, 2019.

Authority of the Management

1. Making decision of the Company's significant transactions, setting up a mission, objectives. Guidelines, policies which includes overseeing the Company's overall operation, outputs, customers' relation and to be responsible to the Board of Directors.
 2. Setting up organization structure under his/her scope of responsibilities, appointment and process of work together with internal controls.
 3. Setting up an efficient system and process of work together with internal controls.
 4. Approvals of expenditure for projects or investments according to limits approved by the Board of Directors.
 5. Hiring, appointing, dismissing, setting up remuneration rates, rewards annual increase and bonus to his/her subordinates.
 6. Act as a Company's representative in any related business dealing with the external parties to an utmost benefit to the Company.
 7. Managing the Company's general business.
3. Supervise the disclosure and report the information in the responsible area according to the regulations and rules of the Securities Exchange of Thailand and Securities and Exchange Commission as well as the relevant laws.
 4. Prepare and store the following documents.
 - 4.1 Director registration
 - 4.2 Invitation to the board meeting and minutes of the meeting of shareholders
 - 4.3 Invitation to the Shareholders' Meeting and Minutes of Shareholders' Meeting
 - 4.4 Company's Annual Report
 - 4.5 Report on The stakeholders of Directors and Managements

The power was given to the management in approval of any business operation specified by the Board of Directors, except any acts which have conflict of interests to the Company or any acts which require approval from the shareholders in any related transactions or acquiring and disposing of the Company's assets which have to be in line with the SET's regulations. The Company is considering to specify the authority of the individual management to comply with the Company's business operation.

REMUNERATION OF DIRECTORS AND EXECUTIVES

Remuneration of Directors

The Company's Board of Directors had fixed the clear remuneration policy. There are Nomination and Remuneration Committee established to contemplate and fix the remuneration which is subject to yearly revision. Remuneration of Director, company has defined by suitability, duty, responsibility assigned and in line with the Company's financial status and operation results, performance of committee and sub-committee. The remuneration shall be comparable to the listed companies of similar business size in the same industry and shall be enough to attract the qualified directors to perform the duties in the target direction.

COMPANY SECRETARY

In the Board of Directors Meeting No.1/2018 on January 31, 2019, the Board of Directors Passed a resolution to appoint Mr. Thanawat Thawornpradit as the Company Secretary to comply with the Securities and Exchange Act (No.4), B.E. 2008 and Good Corporate Governance of the company. In the meeting, No.1/2019 on May 14, 2019, the Board of Directors has appointed Mr. Sayan Wairangkoon, Chief Financial Officer is a company secretary which was appointed by the Board of Directors meeting on May 14, 2019 to replace Mr. Thanawat Thawornpradit who resigned on May14, 2019 with the main responsibilities as follow:

1. Supervise and provide suggestions to Directors and Managements about the compliance in laws, requirements, regulations, and rules of the Company and monitor for the accurate and regular practice.
2. Responsible in arranging the Meeting of the Company's Board of Directors and Shareholders' Meeting as well as coordinating to have the practice according to the meeting's resolution.

The company sought the approval of remuneration of the directors from the shareholders' meeting for year 2019 hold on April 29, 2019

Position	The amount of meeting allowance (baht/person/time)
Chairman of Directors	35,000
Directors	25,000
Chairman of Audit Committee	30,000
Audit Committee	25,000
Chairman of Nomination and Remuneration Committee	5,000
Member of the Nomination and Remuneration Committee	5,000

Remarks:

- The directors meeting allowances for the year, 2019 are equal to the directors' meeting allowance for the year, 2018. (The company will pay the said meeting allowances only for the Chairman of the Board of Directors. Non-Executive Directors Independent Directors who hold positions in the Board of Directors Audit committee and the Nomination and Remuneration Committee attending the meeting.
- Other compensation: No compensation other benefits.

The remuneration of the Board of Directors for the year 2019

Name-Surname	The remuneration of the Board of Director (Unit: Baht)			
	Board of Directors (BOD)	Audit committee AC	The Nomination and Remuneration Committee NRC	Total
1. Mr. Anotai Adulbhan ¹	125,000	-	-	125,000
2. Mr. Thanwa Laohasiriwong ²	175,000	-	5,000	180,000
3. Mr. Soontorn Dentham	-	-	-	-
4. Mr. Anuphan Kitnichiva	125,000	-	-	125,000
5. Mr. Patara Yongvanit	100,000	90,000	5,000	195,000
6. Mr. Thanachart Numnonda	125,000	105,000	-	230,000
7. Mr. Patai Padungtin ³	100,000	100,000	-	200,000
Total	750,000	295,000	10,000	1,055,000

¹ Mr. Anotai Adulbhan was appointed as Chairman of Board of Directors on November 12, 2019 in place of Mr.Thanwa Laohasiriwong.

² Mr. Thanwa Laohasiriwong resigned from the position of Independent Director on November 13, 2019 as according to the Board of Directors Meeting No. 5/2019 on November 12, 2019.

Executives remuneration

The remuneration of 7 executives in the year 2019 amounted to 25 million baht in comparison to year 2018 with an amount of 24 million baht. Such remuneration includes salaries, bonuses and contributions to the provident fund.

PERSONNEL

Number of Personnel

As of December 31, 2019 and 2018, the Company has a total of 541 employees and 339 employees respective (excluding 7 executives) as follows

Division	Number of Employees (Persons)	
	31 December 2018	31 December 2019
1. Human Resources Solutions (HR Solutions)		
• Human Resource Management and Payroll Outsourcing (HPO)	153	172
• Distribution and Resources Management System Solution (HRS)	15	12
2. Management, Accounting and Finance Solutions (Financial Solution)		
• Enterprise Resource Planning (ERP)	35	35
• Accounting and Finance Outsourcing	16	27
3. International Business	18	20
4. Technology		
• Design & Development and Quality Assurance	32	44
• Deployment	15	10
• IT Infrastructure & Security	6	11
5. Solution Delivery	16	11
6. Tiger Soft	-	156
7. Accounting and Finance	8	9
8. Human Resources and Administration (HR and Admin)	25	35
Total	339	541

Labor Dispute

-None-

Remuneration of Employees

Cash Remuneration

In the year 2019, the Company paid compensation to employees (Excluding executive) in the amount of 239 million baht and 194 million baht in 2018, which are compensation in the form of salaries, bonus, overtime, contributions to the provident fund and other welfares.

HUMAN RESOURCES DEVELOPMENT POLICY

The Company and its subsidiaries place an importance in the human resources development by supporting and providing opportunities for all employees at all levels to develop additional knowledge and capabilities, to be appropriated with the positions and the assigned responsibilities and for the progress of oneself and the Companies in the future. The trainings are arranged for the employees regularly, which can be divided as follows:

- Internal training by providing training on all matters related to the company's service, such as Project Management and Coding for software development Also the courses for human resources development of the Company, such as the New Manager Program. There are trainings from the Company's specialists and inviting the lecturers who have expertise in the company themselves, experiences and provide various suggestions for employees to be able to develop for use in their responsibilities.
- External training by sending employees to attend various training related to the Company's services to increase the efficiency of service such as Big data, Cloud Computing, and labor legislation, etc. to increase the potential of the employees of the Company and subsidiaries as appropriate.

Moreover, in the future, the company will establish learning center, which will support the development of the personnel in the Company and its subsidiary to have the knowledge and be prepared to support the growth of the Company

CORPORATE MANAGEMENT AND GOVERNANCE

CORPORATE GOVERNANCE POLICY

The Company's Board has established the policy on corporate governance, business ethics, and work performance practices. The policy is reviewed annual or as appropriate so as to keep up with current situations and business environment while conforms with guidelines set forth by the SET, SEC, and relevant governance agencies. In so doing is to uplift the Company's corporate governance(CG) practices to meet international standards, to better create long-term good performances: to better take on all changes, create value, and responsive to shareholders, stakeholders, and society.

The Board of Directors has specified and supervised the consideration and resolution for review and amend the corporate governance policy for creating sustainable business value. This aims at building up confidences of shareholders and stakeholders seen as essence for long-term business value and returns to shareholders. The Company's Board, as the leader of the organization has implemented appropriately perform its duties attaching to the following 8 principle.

Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

The Board of Directors should understand and be aware of their leadership's role and responsibilities to ensure that the organization adopts good corporate governance by setting objectives and goals for the business. Approving vision and mission, core values, directions, policies and strategies, and allocating vital resources for use in Company business operations. The Board of Directors will also reconsider and review the Company's vision, mission and strategies on a regular basis such that Management and employees have unified aims and direction going forward. In addition, the Board of Directors should review and approve business plans implemented by the Management are closely monitored through regular performance evaluations and reporting of operational results.

The Board of Directors monitors that Directors and Executives perform their duty of care with loyalty and ensure that the operations are properly carried out in accordance with the laws, rules, regulations and resolutions of shareholders' meetings as well as in line with Company's policies or guidelines (such as investments and transactions that have significant impact on the business, related party transactions, property acquisitions/dispositions, dividend payments, etc.)

The Board of Directors has a good understanding of their roles and responsibilities, which are clearly defined and separated from those of the Management, Chairman of the Board and Chief Executive Officer to provide a balance of power and transparency in management.

Principle 2: Define Objectives that Promote Sustainable Value Creation

The Board of Directors is responsible for overseeing that the business has clear and suitable and sustainable objectives in designing the business model and communicating the Company's values and vision to everyone to drive the Company as a whole in a unified direction.

HUMAN's vision, mission, core values and objectives are

Vision

We are a happy family of good attitude talents who share the same meaningful dreams and walk our values together to deliver world-class products and services to meet even unrecognized needs of our clients as well as their employees.

Mission

We help employees of our clients work better and live happier.

Core Values

1. **Excellence:** We are passionate about meeting even the unrecognized needs of our customers and delivering values for our shareholders. We and committed to excellence and innovation.
2. **Teamwork:** We work together as a team. We respect each other and celebrate our diversity.
3. **Integrity:** We act with integrity and we are accountable for all of our action, including safety, protecting the environment and supporting our communities.
4. **Openness:** We uphold our values and communicate honestly and openly.

Objectives

1. Encourage most companies to digitalis their HR & Payroll processes with Humanica as we strive to provide a versatile solution, combining the flexibility for both technology and services.
2. Develop our Humatrix software to be generally accepted as one of the best HR Systems in Asia within 5 years.

3. Expand our eco-system to include end-to-end modules for HR solution and Finance & Accounting through partnership with like-minded partners.
4. Be among the market leading service provider for one stop back office support service provider, including finance & accounting outsourcing services in Thailand.
5. Expand business to strategic countries in Asia in five years by Merger & Acquisition, organic growth or the establishment of business partnerships.
6. Build B-B-C digital business and expand the reach to our virtual community.

The Company includes our vision, mission and core values, and the objectives of the Company in the orientation of new employees and always communicate them to employees during Company events.

In defining such objectives, the Board of Directors has taken into account environmental conditions, changing factors, adoptions of innovation and suitable technologies, the needs of customers and stakeholders as well as the business readiness, expertise and competitiveness while displaying the attributes of corporate governance, accountability, integrity and transparency. The Board of Directors has defined both financial and non-financial objectives suitably consistent with the business environment and potential while being mindful of setting goals that may lead to unlawful acts or unethical conduct.

**Principle 3:
Strengthen Board Effectiveness**

The Board of Directors regularly determine and review the Board Structure, in term of size, composition, and proportion of independent Directors so as to ensure its leadership in achieving the main objectives.

Principle 3.1: Board Structure

The Board of Directors has entrusted the Nomination and Compensation Committee (NC) to make consideration and proposal on the Board Structure, in term of size, composition, and the proportion of independent Directors as suitable for its determination and review.

The NC shall ensure that the Board of Directors consists of fully qualified Directors in accordance with the law and related rules with diversified qualifications on the aspects of specific skills, experiences, competencies and characteristics necessary for successful attainment of the Company's objectives and can foster understanding and respond to the needs of stakeholders.

The proportion of the Board of Directors shall consist of not less than 1/3 non-executive Directors that reflect and appropriate balance of power. In the current structure of the Board of Directors, there are 4 non-executive Directors among a total of 7 Directors, which is appropriate to its size, category and business complications in accordance with the Corporate Governance Code.

Principle 3.2: Board Chairman and Board's Operating Elements

The Board of Directors, under the leadership of the Chairman, perform their duties in overseeing the Company with impartiality and transparency, take into account the best interests of the Company and refrain from giving any advantages to any persons. The Board Chairman and Chief Executive officer (CEO) must not be the same person and their duties shall clearly be divided:

The main duties of the Chairman and CEO are as follows:

Roles of the Chairman

The Chairman has the duties pursuant to the law and is the leader of the Board of Directors for the following operations:

- Monitor controls and keep follow-ups to ensure that the Board has efficiently discharged their duties to attain the Company's objectives;
- Oversee that all Directors have participated in enhancing the creation of an organizational culture with ethics and good corporate governance;
- Ensure important matters are included into the meeting agenda and jointly determine the agenda with the CEO;
- Allow ample time for the management to propose the matters and allocate sufficient time for Directors to discuss important matters, prudentially and thoroughly. Empower Directors to use their prudential discretion; and provide ample opportunities for discussions and expression of opinions independently.

Roles of the CEO

- The CEO is appointed by the Board of Directors, and chairs the Management Committee;
- The CEO is responsible for management of the Company in general and shall report to the Board of Directors.

THE BOARD OF DIRECTORS

Qualifications

The Board of Directors of fully qualified members, free from prohibited characteristics, under the Public Limited Companies Act B.E. 2535, Securities and Exchange Act B.E. 2535, as well as relevant rules and notifications determined by the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) and other governing bodies, and has diversified skills, professions, specializes expertise, useful experience, and knowledge and understanding of the Company business.

Term of Office

The Company requires that term of directorship be in accordance with its Articles of Association and consistent with the Public Limited Companies Act B.E. 2535 and that one third of the Directors shall retire by rotation at each Annual General Meeting of the Shareholders.

Roles and Responsibilities of the Board of Directors

Roles and responsibilities of the Board of Directors set forth under the Charter of Board of Directors are as follows:

1. Consider and approve important issues on Company operations, such as vision, mission, strategy, goals, plans, financial budget, and risk management
2. Follow up and care to ensure the Management Committee carry out the established policies and work plans with efficiency and effectiveness;
3. Ensure long-term business continuity, staff development and Management succession plan;
4. Provide an approved corporate governance policy in writing and review of the policy and its implementation at least once a year;
5. Promote the production of the Code of Business Conduct in writing for Directors, Executives, and all employees to understand the standards of the Code of Business Conduct used by the Company in its operations, with monitoring to ensure that the Code of Business Conduct is strictly followed;
6. Carefully consider any potential conflicts of interests to ensure a clear guideline towards the overall interests of the Company and shareholders when it comes to transactions with potential conflicts of interests. The Board shall ensure full compliance with procedural and disclosure requirements for transactions with potential conflicts of interests;
7. Establish risk management policy covering the whole organization, to be implemented by Management with regular reporting to the Board of Directors. The effectiveness of risk management should be reviewed at least once a year, and disclosing significant changes in risk factors, including issuing early warning and disclosing irregular transactions;
8. Give opinions about the sufficiency of internal control and risk management in the annual report;
9. Outline clear procedures for whistle blowers or interested parties to “blow the whistle” through established procedures or by reporting directly to the Company; and
10. Provide a regulatory mechanism of monitoring the operation of subsidiaries or investment of the Company; consider appointing suitable persons as subsidiary’s Director to promote control in accordance with Company’s policies in line with applicable laws and rules.

COMMITTEES

1. AUDIT COMMITTEE

Structure of the Audit Committee (AC) comprises of 3 independent Directors, appointed by the Board of Directors and are selected from the list of non-executive Directors with the approval of the Board of Director

Qualification

All members of the AC shall, in the judgment of the Board, be financially literate, which at a minimum means being familiar with basic finance and accounting practices. At least one member of the AC shall, in the judgment of the Board, have accounting or adequate financial management expertise.

Term of Office

1. Term of Office
The Term of office for members of AC including the Chairman shall be three years. In the case that a member of the AC leaves for reasons other than normal expiration of term of office, the Board shall appoint a fully qualified person to fill in as a replacement. In this respect, such person shall assume the remaining term of office of the replaced member.
2. Term of Office Re-election
Upon completing term of office, a member of Audit Committee shall be eligible for re- election with total time in office not exceeding 9 years.
3. Resignation prior to Completing Term of Office
If any of the Audit Committee members desire to relinquish his term of office prior to the normal expiration of his term of office, his resignation shall be made in writing stating reason for the resignation. Such resignation must be submitted to the Chairman of the Board.

Roles and Responsibilities of the Audit Committee

Roles and responsibilities of the AC set forth under the Charter of AC are as follows:

1. Review the Company and the entities of the Group's financial reporting processes to ensure their accuracy and adequacy while coordinating with external auditors and members of the Management Committee responsible for preparing financial reports. The AC may suggest issues to be reviewed or audited by external auditors during their audit of the Company and the entities of the Group.
2. Review internal control and internal audit processes including business operations and IT framework to ensure that they are suitable and efficient.
3. Decide on the organization and qualification of individuals of the Internal Auditor of the Company and to determine the degree of independence from the Management, as well as to appoint or dismiss the Internal Auditor.
4. Review related party transactions or transactions that may lead to conflicts of interest, including the accuracy and completeness of the Company's disclosure of such information, to ensure that they comply with the laws and SET regulations, and are reasonable and for optimal benefit for the Company.
5. Perform any other tasks as assigned by the Company's board of directors, with the approval of the AC.

Meetings of the Audit Committee

The AC meeting is to be arranged at least once every quarter, and set up in advance for the whole year.

The AC reports its findings and gives its suggestions to the Board of Directors on significant issues found. Occasionally, the Chairperson of AC may call for a special meeting of the AC or invite any Executives of the Company to join and consider a particular financial matter. If it is found or suspected that there is a transaction or any acts which may materially affect the Company's financial and operating results, the AC shall report to the Board of Directors within the period of time that the AC deems fit.

2. NOMINATION AND COMPENSATION COMMITTEE

Nomination and Compensation Committee (NC)'s structure consists of, at least 3 Directors and, at least one of them must be an independent Director.

Qualification

Members of the NC shall possess knowledge and experience and shall be well-versed in the Company's business as well as having management experience with leading companies displaying good corporate governance.

Term of Office

Term of office of the members and Chairman of the NC is 3 (three) years or the remaining term of the directorship, whichever is earlier.

Roles and Responsibilities of the Nomination and Compensation Committee

The roles and responsibilities of the NC set forth under the Charter of the NC are as follows:

1. Review the structure and the composition of the Board annually and submit the structure to the Board for consideration and/or to the Annual General Meeting (AGM) for approval;
2. Recruit qualified candidates to be company's directors by the transparent mechanism, including considering candidates proposed by retail investors for Board of Director consideration;
3. Review with the CEO the succession plans including proposing the succession name lists annually;
4. Review and recommend to the Board the remuneration of each member of the Board, its Committees and Chairman;
5. Review the performance of the CEO and recommend his/her remuneration to the Board for approval; and
6. Carry out such other duties as may be assigned by the Board of Directors.

Meetings of Nomination and Compensation Committee

The NC shall meet to consider the criteria and method for nominating Directors and independent Directors. Additionally, the NC must regularly review criteria and methods of nomination to be suitable with the Company's business.

3. MANAGEMENT COMMITTEE

The Management Committee comprises the 6 highest Managers of Operations, Technology, Commercial, Finance, Human Resources, and one Director as the CEO to perform as the Management Committee Chairman.

Qualification

The Management Committee (MC) shall possess knowledge and experience in business, management and be good leaders with skills in determining business strategies while also possessing high responsibility and competency to drive and manage the Company to achieve goals, vision and mission.

Roles and Responsibilities of the Management Committee

The MC must report on performance, clarify and give recommendations to the Board of Directors on significant issues, market development, goal and strategy; and must immediately report to the Board of Directions of the Company.

The MC is crucial driving the Company to achieve good performance, corporate governance, and attract talented personnel to work with.

Duties of MC are as follows:

1. Organize, carry out and supervise business operations of the Company and Group for the accomplishment of the business and budget plan of each year;
2. Understand the resolution of the Board of Directors and prepare the business operations by implementing Company's policies and continuing development of such policies;
3. Prepare the Company budget and business plan;
4. Implement designated strategies of the Company in order to improve the sustainability of the Company and the Group;
5. Develop, care for and review the performance of personnel assigned in their care;
6. Act with integrity in assessing the operation of the Company and report to the Board of Directors in a timely manner in the event of any irregularity affecting the Company or the Group;
7. Review risk management processes and impact mitigation measures, and assess work plan in carrying out the business and corporate governance risk of the Group and report its findings to the board of directors; and
8. Define the remuneration policies and structure throughout the Group to be appropriate, fair and competitive with the market based on performance and values of the Company.

Meetings of the Management Committee

The Management Committee holds meetings at least once every quarter but not less than 6 times a year and may call for additional meetings as necessary. The Management Committee shall consider significant issues regarding safety, occupational health, operations, business administration, finance and accounting, risk management, important financial transactions, Company's plan and Company's budget. The Management Committee should further propose any significant issues to the Board of Directors for acknowledgement and/or approval.

Principle 3.3: Nomination of the Directors

When nominating independent Directors, Directors and CEO; the Board of Directors shall ensure that the process of nominating candidates is transparent. The NC is assigned to screen and select candidates who are fully qualified with the right knowledge, expertise and records of accomplishment useful for the Company's business operation and possess a good understanding of the business, and is able to lead the Company to achieve the set objectives, goals, business plans as determined by the Board of Directors.

Subsequently, the NC shall propose the candidates for the Board of Directors' consideration. In the case of directorship, NC shall, with the approval of the Board of Directors, propose the candidates to the shareholders with adequate information about the candidates to support their decision-making.

Election of each Director is made by the majority of votes of shareholders during shareholders' meeting. Every year, the Board of Directors shall invite the shareholders and Directors to propose suitable candidate for NC's consideration.

The nominated Directors must meet the qualifications of the Company's AOA, laws, regulations of SET, SEC and Capital Market Supervisory Committee.

Principle 3.4: Remuneration of the Directors

In determining remuneration (either in cash or in kind) of Directors, the Board of Directors has assigned the NC to carry out a transparent process and propose its recommendations to the shareholders' for approval during the AGM. The policy, basis of calculation and criteria for remuneration payment for each Director position must be proposed for shareholders' approval. The proposed remuneration shall be suitable and sufficient to predispose the Board of Directors to lead the Company to achieve both short-term and long-term goals, without making excessive remuneration payment.

The NC evaluates the performance of the CEO in accordance with the norm and criteria agreed with the CEO, based on Company operating results, achieved performance of long-term strategic objectives, and management development. The results of the evaluation are tabled to the Board of Directors for approval on an annual basis, and are communicated to CEO by the NC.

Remuneration of the CEO is in accordance with the criteria approved by the Board of Directors within a framework.

Principle 3.5: Meetings of the Board of Directors

Board Meeting schedule is determined yearly in advance and communicated to individual Directors, allowing them to spare time to attend the meetings.

The Chairman and CEO shall jointly consider and ensure that important matters are included in the meeting agenda, and give each Director the opportunity and freedom to propose agenda matters beneficial to the Company. The Notices of Meeting and supporting document will be sent to Directors at least 7 days in advance.

The number of meetings of the Board of Directors is determined to suit the duties and responsibilities of Company Directors and the nature of Company business. The Company provides its performance report regularly to the Board to enable the Board to provide timely supervision of the Management's performance. Most of Directors shall attend not less than 75% of all Board Meetings held in a year.

The Chairman shall allocate enough time for the Management to propose matters and discuss crucial problems in a careful and thorough manner and shall promote careful exercise of discretion. In this connection, all Directors should pay attention to all issues brought to the meeting, including corporate governance issues. Directors having interest, whether directly or indirectly, will not be eligible to vote and will have to leave the meeting during the consideration of the relevant agenda.

At every meeting, there should be at least 2/3 of the number of directors present to form a quorum for a Board of Directors' meeting. The resolution passed by the Board of Directors needs the majority of the number of directors attending the meeting.

All Directors shall have a good understanding of their roles, responsibilities and the nature of Company business, and all of them have dedicated reasonable time and effort in the carrying out their duties. To ensure that the Company has a strengthened Board of Directors, all its members are free to express their opinions independently, committed to keeping themselves updated at all time, and are committed to performing their duties with honesty and integrity in best interests of the Company with fairness towards all the shareholders.

Principle 3.6: Corporate Governance for Subsidiaries and Associated Companies

The Board of Directors will appoint qualified candidates for the primary corporate governance of subsidiaries and associated companies. The appointment shall be determined according to shareholding proportion of subsidiaries and Associated Companies.

The Directors and/or Executives appointed by the Board of Directors shall have the duty to manage and administrate the businesses of subsidiaries and/or associated Companies to be in line and in compliance with the Company's policies and direction. The scope of duties and responsibilities of the appointed Directors and Executives shall be clearly determined and reviewed from time to time.

In making decisions for key business operations of the subsidiaries, the Directors of the subsidiaries are required to seek approval from the Board of Directors before implementing any plans. Approvals from the Board of Directors is also necessary for significant activities, such as the change in share capital and cessation of subsidiaries' businesses. The Company has set up suitable and comprehensive monitoring and internal control mechanism within the subsidiaries such that any significant transactions of the subsidiaries are to be resolved by the Board or the Company shareholder meetings.

Principle 3.7: Evaluation of the Board of Directors

The Board of Directors and Board Committee conducts a self-evaluation at least once a year to jointly considered their achievements, problems and corrective actions.

The Company Secretary prepares and reviews the evaluation form for correction and completeness and in compliance with the criteria required by the regulators. Subsequently, the Company Secretary will summarize the result of the evaluation on the performance of the Board of Directors as well as the strength and improvement areas before proposing to the Board of Directors for its consideration. The Board of Directors will review the result of the evaluation in order to improve their performance.

The results of each key area are calculated in percentage, whereby 85 per cent or more = excellent, more than 75 per cent = very good, more than 65 per cent = good, more than 50 per cent = average, and less than 50 per cent = need improvement. It can be concluded from the evaluation results that the Board of Directors and Committees have performed their duties in accordance with the Corporate Governance Code and the Code of Business Conduct of the Company with most of the performance are determined to be at the level of excellent.

Principle 3.8: Development of the Board of Directors and the Executives

The Board of Directors promotes and facilitates training for those involved in corporate governance, such as Directors, Audit Committee members, Nomination and Compensation Committee members, Executives, the Company Secretary, and personnel whose functions are related to continuous corporate governance, including attendance of such training courses organized by the Thai Institute of Directors (IOD), other courses by other entities, and in-house training.

Following the subsequent appointment of a new Director, the Company will have important documents and useful information such as the Directors Manual, Organizational Standard Operating Procedures (SOP), and Code of Business Conduct delivered to them. In addition, the new Director's orientation will include an introduction to the nature of business, policies, and business operational guidelines of the Company to get the new Director acquainted with the Company's policy and corporate governance.

The Board of Directors has made available a leadership development program, and the CEO has reported to the Board of Directors on the results of the regular implementation of the program along with consideration of a succession plan.

The Board of Directors requires CEO to provide a development and succession plan annually, with consultation with the Nomination and Compensation Committee, in preparation for its succession planning of key management position.

Principle 3.9: The Board and Company Secretary Operations

The Board ensures meeting agendas are provided in advance to enable Directors to manage their time for participation in the meetings.

The Board of Directors has access to additional information from the CEO, Company Secretary, or other delegated Executives within the established policy and, where necessary, the Board of Directors may seek independent opinions from third party consultants or professionals.

The Board of Directors has appointed a Company Secretary to perform duties in providing legal advice and regulatory requirements as well as overseeing the Board's activities and coordinating among Board of Directors to ensure that the Board's resolutions are complied with.

Principle 4: Ensure Effective CEO and People Management**Principle 4.1: CEO Nomination and Development of Key Executives**

The Board has entrusted the Nomination and Compensation Committee (NC) to carry out actions on the nomination and development of the CEO and key executives to ensure that they possess necessary knowledge, skills and experience to drive the organization to achieve its objectives.

Nomination of the CEO

The NC has been entrusted by the Board of Directors to make considerations on the nomination rules and procedures in nominating persons possessing the qualifications to hold the position of CEO the Company's top management positions.

NC shall review and recommend the list of potential candidates subject to appropriate qualification and experience for consideration and approval of the Board of Directors.

Key Executives Development and People Management

The Board of Directors supports and enhances the ongoing in-house training and development program for Directors, Executives and personnel relating to corporate governance including the training and development programs in various fields that increases knowledge and experience useful to performing their corporate duties.

Principle 4.2: Appropriate Remuneration Structure and Performance Evaluation

The Board of Directors, under the recommendation of the Nomination and Compensation Committee, has defined the remuneration structure that motivates the CEO key executives and other personnel of all levels to perform their duties in alignment with the objectives of the organization and business in the long term.

The Board of Directors, at the recommendation of the Management Committee, has approved the appropriate combination of salary and other short-term remuneration, such as bonuses, and long-term remuneration and ensured that the Management Board has clearly defined and communicated policies relating to the performance evaluations to the whole organization.

The CEO's performance evaluation is conducted every year by the NC, which is entrusted to conduct such evaluation and submit the result of the evaluation and suggested remuneration to CEO to the Board of Directors for approval.

The Board of Directors has considered and given its approval on the criteria in the performance evaluation and the remuneration structure of CEO and monitoring the CEO to ensure that he/she conducts the performance evaluations of key executives in alignment with said performance evaluation principles.

Principle 4.3: Effective Human resources management and development programmes

All Employees are the most valuable resource in driving the Company towards its objectives, thus, they are the most important factor contributing to the corporate success of the Company. Our employees are required to carry out their duties in alignment with our corporate commitment and culture. Our employees shall thrive to achieve excellence on their work by collaborating as a team, doing what is right, challenging current convention and constantly innovating. At all times, adhere to the highest standards ethically and to care for our environment and communities, as we would care for our future.

In order to motivate our employees, the Company has define a remuneration administration scheme based on the principle of impartiality and equity, taking into consideration factors such as competency and accountability of each position, labour market rates and Company's pay scale. We rely upon workforce analytics tools such as performance appraisal, labour market surveys and corporate compensation structure to determinate comprehensive and competitive remunerations appropriate for the work scope and responsibility. We strive to pay competitively to boost morale and enthusiasm of the employees to work toward achieving the objectives of the Company. We offer bonus payments to all employees which is tie to the achievement of the Company's annual performance target.

Apart from the salaries and bonuses, we provide other welfares to all employees to help lessen their burdens on the expenses in their lives and sustain their financial well-being such as provident fund contributions, cost of living subsidies, free transport buses, life insurances, and health insurances including OPD& IPD except for providing by Social Security Fund etc.

The Company periodically reviewed and altered its welfare scheme to align with the economic and social situation and allow flexibility to suit employee's need that may change overtime. We offer scheme such as the ability to select percentage of provident fund to contribute into their accounts, flexible working hours etc.

Furthermore, Company provide on-going trainings to educate the Company's employees in financial planning and the company encourages all employee to participate in ownership of the company by giving them the right to buy during the initial Public Offering (IPO) when listed in SET.

The Company and the subsidiary place an important in the human resources development by encouraging and giving the opportunity for employees in all levels to develop their abilities appropriate for their position and the assigned responsibilities, as well as, for the progress of oneself and contributes to the Company in the future. We arranged trainings for the employees regularly, which can be divided as follows:

1. In-house training

Providing training on matters relevant with the service of the Company, such as project Management and Coding for software development. Also the courses for soft skill development such as New Manager Program. The training is provided by the Company's specialists and supplement with external trainers lecturers tailored specifically to our need, to pass on knowledge, experiences, and suggestions to the enable our employees to apply what they learn in carrying out their duties.

2. Public training

Identify suitable courses offered by training specialist or training center and send our employees to attend these seminar or courses in the matters relevant with the service of the Company. This is to enhance the performance and knowledge of our employees in new area of technology such as Big Data, Cloud Computing, as well as, to consistently update on compliance matters such as labor legislation, to increase the potential of the employees in our Company.

In the future, the Company will establish Learning Center, which will support the development of the personnel in the Company and its subsidiaries and be well prepared to support the growth of the Company.

Principle 5 Nurture Innovation and Responsible Business

Principle 5.1: Innovation Creation

The Company understands the importance of innovation in our industry. We constantly bring new products and business ideas in a commercially viable manner to stay ahead of our competitors and create value for stakeholders. In addition, the Company wishes to embrace innovative activities as part of its overall business strategy.

Innovation project are typically riskier than most other kinds of investment and likely to require a long-term productive governance framework for innovation, promoting a more cooperative and flexible business culture that embraces risk-taking and uncertainty as an intrinsic aspect of our business activity.

The board sees themselves as less of a controller, and more as an advisor and source of tangible and intangible resources. They also have a key role to play in ensuring that creativity and experimentation is guided with professional management and a strong focus on the commercially viable innovations.

Principle 5.2: Business Operations with Corporate Social and Environmental Responsibilities

The Company sees the importance of the continuous care of all stakeholders. The Company encourages co-operation and trust between the Company and all groups of stakeholders continuously at all times, be it its employees, communities around the business establishments, shareholders, customers, suppliers, creditors, government, competitors and auditors.

The Company realizes the importance of ensuring that all stakeholders' rights are properly observed and engage various groups of stakeholder in a manner in line with the rules and regulations of SET, SEC as well as related laws.

1. Shareholders

The Company respects the rights of its shareholders and recognizes its duty in ensuring fair treatment of all shareholders as well as the fundamental rights stipulated by laws and the Articles of Association of the Company, such as the rights to attend the Annual General Meeting of Shareholders, the opportunity to propose agenda items in advance, election of directors, receive Company's information, including financial information, etc. The Company is committed to conduct the business with transparency and to create long-term growth and returns to the shareholders.

2. Customers

The Company is committed to continuously creating innovative technology to offer products and services that meet the true needs of its customers in terms of both quality and fair price. The Company provides maintenance services and updates for software and other services as agreed with our customers. The Company continuously upgrade its information security measures to meet industry's standards and appoint third parties to certify its data centres or process management.

3. Suppliers/Business Partners

The Company adheres to a framework of fair and transparent trade competition and strictly complies with the trading terms and conditions agreed upon. The Company determines appropriate and fair sale prices, taking into account the reasonableness, quality, and entailed services. In addition, regulations regarding procurement and operations are clearly established, including refrain from demanding benefits from suppliers and avoid purchasing products from suppliers that violate human right or laws.

4. Creditors

The Company treats creditors fairly and complies strictly with all agreed terms and payment schedules. In the case, any event that might significantly impacts the Company's financial position, the Company shall promptly inform its lenders and will together work out potential solutions to minimise damages to all parties.

5. Competitors

The Company abides by the framework of international fair trade and competition and will not damage the reputation of competitors through false accusations.

6. Communities

The company carries out its business in fairness for every stakeholder and is committed to be a socially responsible Company by cultivating and encouraging its employees to be conscious of becoming a good and responsible citizen who strives for the betterment of their communities and society.

7. Employees

The Company considers its employees a valuable asset and treats them fairly about work opportunities, remuneration, training and development, and quality and safety of working environment. The Company establishes an employee benefits management policy with clear practice guidelines. The benefits include provident fund, annual check-ups, reimbursement of medical expenses at certain amount for each level, group health insurance (IPD), group accident insurance etc.

The Code of Business Conduct applies to all employees who works for the Company and its subsidiaries. Violating the standards will subject an employee to severe disciplinary action, including immediate termination. In addition, the Company also relies on each employee to report any violations of the law or any of these standards in accordance with the Company procedures.

Principle 5.3: Resource Allocation and Management

The Board of Directors ensure that in attaining business objectives, the Management has reviewed, developed, and supervised the efficient and effective use of resources by always taking into account the internal and external factors.

Principle 5.4: Corporate Level Information Technology Management

The Board has established a framework for governance of enterprise information technology (IT) align with the Company's business needs complies with the relevant laws, regulatory requirements and standards relating to the use of technology. The Board has overseen the Management Committee in carrying out measures of risk management covering IT management risks, such as business continuity plan, incident management and asset management, etc.

The Management Committee has implemented policies and measures on IT security that was accredited with ISO/IEC 270001:2013 under the category of the information security management system applicable for system and network administration for our industry.

The code of business conduct require employees to be mindful of the intellectual property rights of the Company and others, including using the name, trademarks, logos or printed materials

Principle 6 Strengthen Effective Risk Management and Internal Control

Principle 6.1: Risk Management and Internal Control

The Board has monitored controls to ensure that the Company has risk management and internal control systems to enable it to achieve its objectives effectively while in compliance with the relevant laws up to both domestic and international standards. Thus, an appropriate and adequate internal control is defined for Company's business operations align with the relevant laws, rules, regulations and requirements to reduce operational risks.

In addition, the Board of Directors engage the services of qualified independent internal auditor to carry out internal control audit as determined by the Audit Committee and approved by the Board of Directors.

The Board of Directors places importance in evaluating risk management consistently and look out for early warning signals and keeps tabs to ensure that Management Committee regularly reviews its risk management policy, at least, once a year.

Principle 6.2: Formation of the Audit Committee

The Board of Directors has set up the Audit Committee that can perform their duties effectively and independently. All Committee members are independent Directors fully qualified in accordance with the criteria prescribed by SET and SEC.

The Board has defined the role and duties of the Audit Committee in the Charter of Audit Committee.

Principle 6.3: Management and Monitoring Conflicts of Interest

The Board of Directors has set up procedure in managing conflicts of interest that might occur between the Company, the Management and Directors, including preventing the inappropriate use of Company's assets, information, and any transactions between related parties.

Monitoring the Use of Insider Information

The Company's Code of Business Conduct set preventive measures for a Director, and Executive or an employee may use insider information to exploit benefits for themselves or for the benefit of another person. In this respect, the Board of Directors has implemented the Blackout Period Policy where Directors, Executives and any employees perceived having insider information are prohibited from trading the Company's shares during the period of 30 days before the disseminations of the significant financial information to the public. Directors and Executives must declare changes to their shareholding in accordance with the requirements of SEC under Section 59 of the Security and Exchange Act, B.E. 2535 within 3 days from the date of the change. The Company Secretary shall be notified accordingly such that a summary on the number of the securities held by the Directors and Executives can be submitted to the Board of Directors as needed.

Possible Conflict of Interest Transaction

The Company places importance in monitoring controls over possible conflict of interest transaction. The Board therefore oversees to ensure that possible conflict of interest transactions are managed and monitored through practical guidelines and procedures so that such transactions are undertaken in accordance with the guidelines with proper disclosure as required by law.

In the situations whereby employees think that conflicts may arise and in might or even appear to impair their judgment, they must immediately inform their supervisor to resolve the situation in a fair and transparent manner. In the event of such situation, the affected personnel shall refrain from participating in any decision making or procuring a product or services

Report Preparation on Conflict of Interest

The Board has set up guidelines that Directors must declare his/her interest prior to the consideration of Board meeting agenda and such interests must be documented in the Minutes of Meeting every time. In addition, the Board of Directors also ensures that the Directors having significant interest must not participate in the meeting of such agenda. Moreover, Directors and Executives shall report their own interests and those of related persons whenever there is a change. The Company Secretary shall prepare report to advise the Board of Directors during each Board of Directors' Meeting.

Principle 6.4: Policy and Practical Procedures of Anti-Bribery and Anti-Corruption

The Code of Business Conduct of Directors and Employees incorporates the policy and procedures of Anti-Bribery and Anti-Corruption with established guidelines as follows:

1. All directors, executives and employees shall be responsible for and is to strictly comply with this standard operating procedure.
2. Establish procedural guidelines on the recording of financial information and internal control measures by assigning the Finance and Accounting Department to monitor strict controls, review documentary evidences, substantiating business reasons in disbursing money to the third persons.
3. Assign Internal Auditor to audit internal control system regularly and to check any irregularities that may lead to corruption.
4. If any information or complaints bearing reasonable ground indicate the presence of corruption or a violation of the law or Company's code, the HR department shall take action to improve or correct the situation immediately. The complainant or informant can be assured of confidentiality of his/her reporting or whistle blowing.
5. The Company communicates the guidelines on anti-bribery and anti-corruption constantly and regularly both through training and online media. Training on Anti Bribery and Anti-Corruption is also included as a part of a new employee's orientation and communicated to contractors and suppliers at the beginning of business relation establishment.

Principle 6.5: Mechanism for Handling Complaints and Actions in case of Whistle Blowing.

The Board has established a mechanism and process for handling complaints and whistle blowing by having multiple channels in place to record, track, resolve, and report complaints and feedback of stakeholders.

The Board of Directors has monitored controls to ensure that the Company has clear whistle blowing guidelines including processes on information verification, operations and reporting to the Board as well as oversight to ensure that the appropriate whistle blower protection measures are in good faith. In addition, set up protections of the informants and whistle blowers including persons whom the complaints are lodged against.

The Company also set up alternate channel to enable all groups of stakeholders to make their reports or lodge their complaints on matter that may cause damages to the Company directly to the Board of Directors. There will be persons assigned to receive the reports or complaints, carry out the investigation and report to the Company's Board of Directors to settle complaints lodged with clear policy protecting people giving information.

Principle 7 Ensure Disclosure and Financial Integrity

Principle 7.1: Financial Report Preparation and Significant Information Disclosure

The Board of Directors is responsible in ensuring the quality in financial report preparation process so that information stated in the financial report is accurate and in accordance with the generally acceptable accounting standard and that duly audited by independent auditors. The Board take into its considerations factors such as adequacy of the internal control system, observations of the auditors and comments of Audit Committee to determine the quality of the financial report preparation.

The Board is also responsible for approving the disclosure of financial information in accordance with relevant rules, standards and practical guideline. The Board has monitored controls over disclosed information, such as financial statements and annual reports to adequately reflect the Company's financial status and operational result. The Board also conduct management discussions and analysis or MD&A to supplement the quarterly financial statement disclosure to enable the investors to understand changes occurring to the Company's financial statements and operational result.

Principle 7.2: Financial Liquidity and Solvency

The Board has monitored controls to ensure that the Management regularly assess the Company's financial status and submit relevant reports to the Board on a regular basis. The Board shall jointly collaborate with the Management to fine remedial solutions to correct any adverse situation in a timely manner should there be any indicative signal of a problem with financial liquidity and solvency.

Principle 7.3: Remedial Actions to Solve Financial Problems

In approving any transactions or presenting any recommendations to shareholders, the Board ensure that such transactions will not affect the continuity of the business operations or its solvency.

The Board must monitor controls to ensure that Company has plans or other mechanisms to solve financial problems closely monitored such plans or mechanism to ensure that operations are carried on with due care and in compliance with the requirements in disclosing information in a manner impartial to various group of stakeholders. The Management should also monitor the follow-up actions to solve problems and regularly report the latest situation. The Board must ensure that any decision made in solving financial problems to be carried out in a reasonable manner.

Principle 7.4: Sustainability Report Preparation

The Board consider the need to disclose information in accordance with domestic and international laws, ethical code, anti-corruption policy, fair treatments of employees and stakeholders, respects of human rights, social and environmental responsibilities when defining its policy. Such policy shall be disclosed in the annual report.

The Board of Directors has monitored controls to ensure that the Management has appointed a person to be responsible for investor relations, performs duties in communicating with shareholders and other stakeholders in an appropriate, and timely manner.

The appointed person undertakes to communicate with third parties; including investors, institutional investors, analysts, and government agencies with equality and fairness and the Company gives such parties opportunities to visit our Executives where appropriate. The information provided is information disclosed to the public, which is accurate, not misleading and sufficient for investors to make investment decisions. The Board must ensure that the communication and information disclosed to the public is appropriate, equal, timely, and communicated through proper channels.

Principle 7.5: Person responsible for Investor Relations

The Company regularly had meetings with individual investors, institutional investors, and securities analysts in person or via calls. We also publish our information through the Company's website on a regular basis. Investors can direct their enquiries to the CEO or designated person looking after Investor Relations.

Principle 7.6: Application of IT Technology for Use in Information Disseminations

Apart from disseminating information such as Annual Registration Statement (Form 56-1) and annual report, through capital market channel in accordance with the established criteria, the Company will regularly disclosed information in Thai and English through the Company's website at www.humanica.com according to Corporate Governance Code for Listed Companies.

**Principle 8
Ensure Engagement and Communication with Shareholders****Principle 8.1: Participating in Decision Making**

The Company's Board of Directors is aware of and places importance on the rights of our shareholders (including institutional shareholders) and the Company shall not perform any acts in manner likely to violate the rights of our shareholders. The Company adopts the policy of encouraging, and facilitating our shareholder to exercise their fundamental rights such as participating in shareholders' meetings, casting ballots during meeting in person or by proxy. Allowing shareholders to appoint or remove Directors fix Directors' remunerations, appoint auditor, and vote on other significant matters such as allocation of dividends, stipulations or revision of Articles of Association, capital decrement of increment etc.

The Board of Director ensures that the shareholders can take part in making important decisions and issues specified by laws. Issues affecting the direction of the business operation are listed in the meeting agenda and proposed for the shareholders' approval.

The Company's Board of Directors supports shareholders' participation by allowing minority shareholders to propose the meeting agenda prior to the shareholders' meeting. The Board will consider including such proposed matters as the meeting agenda. If the Board reject any request, they shall provide an explanation at the shareholders' meeting. Additionally, the Board provides a mechanism allowing minority shareholders suggest candidate to participate in the nominations and appointments of Directors. The threshold of eligible shareholding is set at five percentages (5%) of the Company's total number of the eligible voting shares. The Board shall disclose such criteria to shareholders in advance before the date of the shareholders' annual general meeting. The Company will also encourage and allow shareholders to submit questions before AGM by specifying the criteria for question submission in advance and disseminating such criteria on the Company's website.

The Board of Directors shall ensure that the Notices of Shareholders' Meeting contain correct, complete and adequate information. The notice must clearly specify the meeting agenda and be forwarded to the shareholders along with related documents. The said information should be uploaded to the Company's website, at least 30 days before the date of the meeting. Such Notices of Shareholders' Meeting and relevant documents shall be made entirely in English and disseminated together along with the Thai versions every time.

Principle 8.2: Actions on Shareholders Meeting Date

The Board of Directors ensures that information, date, time, and place of the meeting, as well as, the meeting agendas are provided with adequate supportive explanations and reasons on each agenda specified in the Notices of Shareholders' Meeting without to enable the shareholders to understand and study the information of the Company prior to the meeting

The Board has monitored controls to ensure the shareholders' meeting is carried out in an orderly manner with transparency, efficiency and facilitation to shareholders to be able to exercise their rights.

The Board of Directors shall not limit the opportunity of any shareholders in attending meeting or cause undue burden on shareholders to attend meeting. The company shall send Proxy Letters along with the Notices of Meeting, to allow shareholder to appoint their proxies to represent them in the meeting. The Board will not ask shareholders or proxies to produce any documents or evidences of identification that exceed applicable legal and regulatory requirements.

The Board of Directors provides the opportunity for shareholders unable to attend meeting themselves to appoint the independent Directors or other persons as the proxies to participate and cast their votes in the meeting and encourages the shareholders to use Form B Proxy Letter and nominate the independent Directors as their options in delegating their proxies.

All Directors, relevant Executives and Directors of committees should attend the meeting to answer questions from shareholders on Company-related matters.

The Company conducts the meetings in a transparent manner. At the start of the meeting the Chairman of the Board shall assign the Company Secretary to explain number of attendance, proportion of shareholders attending the meeting themselves and by proxies, steps and methods in displaying result of the ballots including giving shareholders the opportunity to discuss issues and make inquiries on the issues. The ballot result on each agenda showing

number of votes in agreement, disagreement or abstained from voting should be displayed. The Board ensures that copies of the shareholders' minutes of meeting will be submitted to the Stock Exchange of Thailand with 14 days from the shareholders' meeting date and ensure that the Minutes of Shareholders' Meeting consists of following information, at least:

1. Names of Directors and Management in attendance and proportion of attending and non-attending Directors.
2. Method of vote casting and counting, meeting resolutions and vote casting result ("approved", "disapproved" and "abstained from voting") on each agenda.
3. Issues of inquiries and replies in the meeting including names of inquirers (where possible) and repliers.



**CORPORATE SOCIAL
RESPONSIBILITY**

CORPORATE SOCIAL RESPONSIBILITY

Over the past 16 years, the Company has operate our business on the basis of good corporate governance and respecting human rights with environmental, social and economic responsibilities. We take into account the expectations of all stakeholders, including government, private and civil society sectors, combining collective knowledge, expertise and experience to support sustainable development in environmental, social and economic aspects.

In 2019, the company organized various activities regarding the environmental and social responsibilities as follows.

ENVIRONMENTAL ASPECT

- **Green Building (LEED: Leadership in Energy and Environmental Design)**

The Company continuously pays attention to environmental preservation and development. It can be seen from various policies within the company i.e. encouraging employees to save energy, having a water dispenser for staff and growing plants around the building. One thing that clearly reflects this intention is selection of our office premises.

We are very honored to obtain a long lease for our head office, located at MPK2 Building, 2 Soi Rong Mueang 5, Rong Mueang Road, Rong Mueang Subdistrict, Pathumwan District, Bangkok 10330. Our like-minded landlord, MPK Progress Company Limited, shares our passion in sustainability and is constantly seeking to improve the energy efficiency of the building by redesigning to be certified as Green Building LEED standard¹, Gold level.

¹LEED (Leadership in Energy and Environmental Design) is an internationally recognized green building certification system, verifying that a building was designed and built using strategies aimed at improving energy saving, water efficiency, CO2 emissions reduction and etc. It is developed by the U.S. Green Building Council (USGBC).

In order to maintain green building standards, the Company is committed to comply with regulations as follows:

- o **Energy and Atmosphere (EA)**

The Company promotes energy efficiency, uses renewable energy and plans to reduce energy consumption of the building.

Besides promoting energy conservation of our way of life in the office, we also adopt the use of Solar energy with the installation of Solar panels on our rooftop. In 2019, the green energy produced by our Solar System contributed a total of 42 MWh, 19% of our full year consumption of 225 MWh. Encouraged by the good result, we plan to install additional solar panels with the target to increase the solar energy generation to 60+ MWh, boosting the % green energy to around 30% of total energy consumption.

To put this in layman's term, after the installing of more solar panels, we will be saving energy sufficient to power the energy needs of 23 persons in one year.



- o **Location and Transportation (LT)**

The Company promotes reduced usage of private cars by selecting an office within 10-mins walking distance to public train system. In addition, we also provide 2-way shuttle service to ferry our staff from train station using electric van. The electrical van is provided to ferry the employees during weekdays from BTS National Stadium to the office and vice versa after working hours. The company also have plans to expand the route from MRT Hua Lumphong to the office in year 2020.

Apart from providing a service of care to our employees, the use of fully electric vehicle also emphasize our intention to use green energy. We also provide multiple charging stations for electric vehicles within our parking facilities to encourage our staff to switch to electric vehicles.

- o **Integrative Process (IP)**

The office building has been carefully designed to be as environmentally friendly as possible.

- o **Water Efficiency (WE)**

The Company properly manages all water resources in the building, reduces water consumption and provides wastewater treatment.

- o **Materials and Resources (MR)**

The Company thoughtfully selects environment-friendly materials and resources for construction. There is a waste separation area for recycling and reducing waste from construction.



o **Indoor Environment Quality (IEQ)**

The Company manages climate control to help building users stay comfortable and in good health by providing ventilation system, selecting low volatile toxic substances materials, using natural light and designing the building to see the outside atmosphere.

o **Innovation in Design (ID)**

The Company adapts new styles of building designs and deploys new methods or criteria for sustainable building.

SOCIAL ASPECT

The company realizes the importance of promoting, supporting, and returning profits to society by donating money and support various activities. Throughout the year 2019, the Company had a total donation amount of 279,928 baht. We made charitable donation to various organizations and projects such as Association of the Physically Handicapped of Thailand, Thai Disabled Development Foundation, Graduate Studies of Thammasat University Alumni Association, Graduate Studies of Mahidol University Alumni Association, Volunteer Project, Rak-Thai Project, White-Heart Project as well as the Welfare of Bangkok Revenue Department.

Details of other social activities that the Company has participated and supported can be summarized as follows.

- **Walk-Run Charity “Kao-Duay-Tham 3rd on November 24, 2019 at Bowonniwet Vihara, Bangkok**
The Company, led by its Chief Executive Officer, always value and support social activities. The Company participated in the Walk-Run Charity “Kao-Duay-Tham” for the

3rd consecutive years. The objective of the charity is to help remote patients who cannot afford treatment in 18 hospitals. This activity was organized by Somdet Phra Nyanasamvara Somdet Phra Sangharaj Wat Bovoranives Vihara Foundation under Royal Patronage and related agencies to carry on the aspiration of Somdet Phraya Sangworn Patriarch His Highness. The Company donated 25,200 baht, with a total of 42 employees participating in the activity.

- **Offer monetary help to Thai Red Cross for the flood victims in Ubonratchathani on 9 October 2019.**

Flooding situation in Ubonratchathani during the September 2019 has widely affected many provinces. The Company was aware of the sufferings of local peoples and took part in disaster reliefs. The company donated 75,000 baht to the Thai Red Cross for flood victims in Ubonratchathani, providing consumer goods, drugs, medical supplies and drinking water, including transportation services for local people distributing ready-to-eat meals to the victims.

- **Be the market leader in sharing new trends of the industry**
As leading company in Human Resources industry, the Company set up seminar regularly to share HR trends and insightful information. The company has continuously organized the annual seminar for the 4 years. In 2019 the Company has promptly arranged the knowledge sharing seminar regarding personal data protection law, right after the introduction of the privacy law. Our event titled “Fact on Privacy Act - An HR Perspective” was well received by nearly 200 participants from over 136 leading companies. The speaker, Associate Professor Kanathip Thongraweewong



was a specialist in Business Laws, Data Privacy Protection Laws and Cybercrime Laws shared useful knowledge on privacy law to the delight of our participants. The seminar was held on 25 July 2019 at Eastin Grand Hotel Sathorn.



- **Supporting local communities**

In 2019, at the invitation of Chiang Mai University, the Company's executives visited the University to understand its initiatives in supporting local startups and matching the skillsets of their students to provide services to these startups, such as helping to design packaging and product prototypes.

Encouraged by the efforts of the University, the Company decided to set up a branch office in Chiang Mai located within Northern Science Park, which is a research compound build for budding startups supported by the University. We are glad to be part of the ecosystem build by the University, setting ourselves to provide essential services in term of HR, payroll and accounting support to members of this community, encouraging aspiring entrepreneurship.



INTERNAL CONTROL AND RISK MANAGEMENT

OPINIONS ABOUT THE INTERNAL CONTROL SYSTEM OF THE BOARD OF DIRECTORS

On a yearly basis, the Board of Directors Assessed the internal control system of the Company together with the Audit Committee from the report of the effectiveness of internal control from internal auditors and the report of the audit committee including the questioning of information from the Executive division. It can be conclude that from the evaluation of the internal control system of the Company in various aspects, consisting of 5 components consisting off

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Board of Directors had considered that the Company had the adequate and appropriate internal control system by which the Company had provided the adequate number of personnel in the operation of such system effectively and able to lead the business operation of the Company to be in accordance with the good corporate governance and transparency. Moreover, the Company had provided the monitoring activities to monitor the performance of the Company and the subsidiary from the improper or unauthorized usage from the Directors or Managements. Also, there is the adequate monitoring system in terms of doing the transaction with the person that may have conflicts or the related person.

OPERATION ABOUT THE INTERNAL CONTROL SYSTEM OF THE COMPANY

The Company has the Audit Committee to review the Company in having the appropriate and effective internal control system and internal audit as well as to review the operations of the Company to be in accordance with the laws on securities and stock exchange, the requirements of the Stock Exchange of Thailand and laws relating to the business of the Company. The Audit Committee will have a meeting together at least every quarter. To consider and operate to have the accurate financial report and the complete and sufficient information disclosure, including to the consideration of connected the related party transaction or the transaction that may have the conflicts of interest to be in accordance with the laws and requirements of the Capital Market Supervisory Board. And the stock market in the meeting, the auditor will attend the meeting make comments from the audit of the Company.

For the efficiency of the internal control system of the Company, the Company had employed ACM Consulting Company Limited to audit the internal control system of the Company since the year 2015 . The internal auditor had prepared the evaluation result and examined the internal control system of the Company and directly reported to the Audit Committee simultaneously. The Company has improved the operating systems in various departments according to the recommendations of the internal auditors thoroughly.

On a yearly basis, the Audit Committee and the Board of Directors will review the performance of the appointed internal auditor and consider their performance, fees and scope of works for the coming year before deciding on the reappointment or appointing a new internal auditor.

OPINIONS ABOUT THE INTERNAL CONTROL SYSTEM OF THE INTERNAL AUDITOR

From year 2015 till today, ACM Consulting Company Limited (ACM), the independent internal audit office (Outsource), had examined and monitored the management system in the main areas of the Company and its subsidiary, which consist of the environmental control, the income and debtors process, the capital and the project management process, the procurement and creditor process, the human resources process, the accountant and finance process, and the information technology process and had given the suggestions to the Company and the subsidiary to make the adjustment in order to increase the check and balance in the operation of all work system, which will be the simultaneous quality development of the internal control system and result in the Company and the subsidiary to have the good corporate governance system, in which the Company and its subsidiary have resolved various issues according to ACM's recommendations, all issues which has reported the progress of the said amendment to the Audit Committee to be informed and result in the Company and the subsidiary to have the good corporate governance system, in which the Company and its subsidiary have resolved various issues according to ACM's recommendations, all issues which has reported the progress of the said amendment to the Audit Committee to be informed.

HEAD OF THE INTERNAL AUDIT AND HEAD OF COMPLIANCE OF THE COMPANY

The Company had employed the outsource, which is ACM Consulting Company Limited, in auditing the internal control of the Company and the subsidiary since the year 2015 and ACM Consulting Company Limited had assigned Miss Atcharaphon Manasan to be the Head of Internal Audit. The qualifications of the Head of Audit are as follow:

Internal Auditor:	ACM Consulting Company Limited	
	Miss Atcharaphon Manasan Managing Director	
Education Degree:	Master Degree in Financial Accounting, Chulalongkorn University	
	Bachelor Degree in Accounting, Chulalongkorn University	
Certificate:	Certified Internal Auditor	
	Certified Public Accountant	
	Certified in Control Self-Assessment	
Work Experiences:		
Apr. 2011 - Present	Managing Director	ACM Consulting Co., Ltd.
2010 - Mar. 2011	Vice Chairman of Executive Officer	Piyavate Hospital Pcl.
2007 - 2009	Deputy Director of the Corporate Governance, the Risk Management, and the Control and Internal Audit	PricewaterhouseCoopers ABAS CO., Ltd.
2006	Director of Accounting and Finance	Magnecomp Precision Technology Plc.
1995 - 2005	Senior Audit Manager	PricewaterhouseCoopers ABAS Co., Ltd.

RELATED PARTY TRANSACTIONS

Related party transactions are defined as transactions which are similar to or competitive with one another or have any other connection that may cause a conflict of interest between the Company and the person concerned. Related party transactions between the Company and all related persons or all companies. The Company will comply normal trade policy and business conditions in accordance with predefined processes in and appropriately, transparently and correctly according to the rule, by considering the benefits of the Company's stakeholders including adequate disclosure of information in accordance with the regulations of the Stock Exchange of Thailand and the office of the Securities and Exchange Commission.

OPERATIONAL AND MEASURES FOR APPROVING RELATED PARTY TRANSACTIONS

The company has established measures for entering into connected transactions of the company. With persons who may have conflicts. The Audit Committee will be provided to give an opinion on the necessity of entering into the transaction. Reasonability And the price suitability of that item by considering various conditions To be in accordance with the normal course of business operations at the market price. Which can be compared with prices incurred with third parties. In the event that the Audit Committee has no expertise in the consideration of any connected transactions that may occur will provide individuals with special expertise, such as auditors, property appraisers, law offices, etc. that are independent from the company. And the persons who may have conflicts give opinions on the said transactions. In order to be used in the decision of the audit committee. For the audit committee to present to the meeting of the board of directors or shareholders as the case may be.

In the event that a related transaction occurs, the benefit of the company, subsidiaries and shareholders will be taken into account. Through the process of consideration under the company's regulations and subsidiaries and through the relevant committees, the company and subsidiaries. There may be future connected transactions. The company therefore approves the principle for the management to approve the said transaction. If those transactions have a trade agreement in the same way that a reasonable person would do with a general contracting party in the same situation with a bargaining power that does not influence the status of a director, executive or other concerned the company will prepare a summary report of the transaction to be reported to the board of directors' meeting as requested by the Company's board of directors.

Furthermore, the Audit Committee shall examine related party transactions that may occur in the future with persons with potential conflicts of interest or stakeholders and gives opinions on the necessity and rationale of such transactions. In the case where the Audit Committee does not have the expertise in considering such transactions, the company will have independent experts or its auditors give opinions on the transactions on which the company and its subsidiaries or the shareholders, whichever is applicable, will base their decisions and when the Audit Committee approved the opinions in related party transaction and must be propose to the company's board of directors for approval as unanimous vote. In any case, the company will always disclose such transactions in its audited financial statements.

INFORMATION DISCLOSURE

In approving the related party transaction, the Company takes into consideration the interests of the Company, its subsidiaries, and its shareholders. Such transactions are subjected to due procedures based on the regulations of the Company and its subsidiaries.

In the year 2019, there were related transactions between the Companies and its subsidiaries or related parties which has been disclosed in the notes to the annual financial statement as at 31 December 2019 (item 4).

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The financial statements of Humanica Public Company Limited and its subsidiaries have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547. The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated October 11, 2016, issued under the Accounting Act B.E. 2543. The Company has chosen with careful consideration its accounting policies, which are proper to its business operations, and has always strictly adhered to these policies in all material respect. All material information has been sufficiently disclosed in the notes to the financial statements.

The Board of Directors of the Company is held accountable for correctness, completeness and timelines of the aforementioned financial statements, including financial data as shown in the annual report. The Board has also adopted effective internal control system which provides a reasonable basis and assurance that the financial data reported are accurate, complete and adequate to protect assets and prevent possible misappropriation including other operational irregularities in the operations of the Company.

The Audit Committee, consisting of three independent directors performing its duties in compliance with The Stock Exchange of Thailand guidelines under the Best Practice Guidelines for Audit Committees, assists the Board of Directors by overseeing internal and external audit matters on its behalf, and operates under a written charter adopted by the Committee and the Board of Directors. The report of the Audit Committee and the report of the independent auditor appear in this annual report.



Mr. Anotai Adulbhan

Chairman of the Board of Directors



Mr. Soontorn Dentham

Vice Chairman and Chief Executive Officer

NOMINATION AND REMUNERATION COMMITTEE'S REPORT

Dear Shareholders

The Board of Directors passed a resolution to appoint the Nomination and Remuneration Committee No. 1/2018 on February 23, 2018, Total 4 persons consist of:

- | | | |
|----|---------------------------------------|---|
| 1. | Mr. Anotai Adulphan ¹ | Chairman of the Nomination and Remuneration Committee |
| 2. | Mr. Thanwa Laohasiriwong ² | Chairman of the Nomination and Remuneration Committee |
| 3. | Mr. Soontorn Dentham | Member of the Nomination and Remuneration Committee |
| 4. | Mr. Patara Yongvanich | Member of the Nomination and Remuneration Committee |

¹ Mr. Anotai Adulphan was appointed as Chairman of the Nomination and Remuneration Committee on November 12, 2019 in place of Mr. Thanwa Laohasiriwong

² Mr. Thanwa Laohasiriwong resigned from the position of Independent Director on November 13, 2019.

During the year 2019, the Nomination and Remuneration Committee had a total of 1 meeting and reported the results of each meeting to the Board of Directors with the summary as follows:

Roles and Responsibilities of the Nomination and Remuneration Committee

1. To consider the renewal of qualified persons to be appointed as the Company's directors in place of the directors who are retired by rotation to propose to the Board of Directors.
2. To consider the annual performance and the bonus rate for the year 2019 and the rate of salary increase for the year 2020 for the Chief Executive Officer and to propose to the Board of Directors.
3. To consider the budget for the employees' annual bonus payment in 2019, and salary increase, promotion, budget for position adjustments and budget for salary increases for special cases for the year 2020 to propose to the Board of Directors.
4. To consider the criteria and practices regarding employment of retired employees.
5. To consider self-assessment of the Nomination and Remuneration Committee for the year 2019 in accordance with the criteria specified by the Company.
6. Considering and approving the determination of remuneration of directors, meeting allowances for 2020 and directors' gratuity for the year 2020.
7. To consider the performance evaluation of the year 2019 of the Chief Executive Officer. To present to the Board of Directors Approve.



Mr. Anotai Adulphan

Chairman of the Nomination and Remuneration Committee

REPORT OF THE AUDIT COMMITTEE

The Audit Committee comprises 3 independent directors and performed its duties as assigned by the Board of Directors under a written Charter adopted by the Audit Committee and approved by the Board of Directors and in compliance with the regulations of the Stock Exchange of Thailand (SET).

In 2019, the Audit Committee held 4 meetings. In the meetings, the Audit Committee discussed with the Management, the Internal Audit and the Company's External Auditors as appropriate and/or necessary. The Audit Committee's main activities are summarized below:

1. Financial Reports Review

The Audit Committee reviewed quarterly, annually and consolidated financial statements for the year 2019 of Humanica Public Company Limited and subsidiaries, including connected party transactions and items with potential conflicts of interest with the Management and the Internal Auditor and External Auditor. The Audit Committee discussed with the External Auditor on the accuracy and completeness of the financial statements, significant adjustment which affected to the financial statements, adequacy and suitability of account recording methods, audit scope, accuracy and adequacy of information disclosure as well as the External Auditors' independence. These were to ensure that the financial statements were prepared in conformity with legal requirements and generally accepted accounting principles, reliable and timely, and information was sufficiently disclosure.

2. Internal Audit Oversight

The Audit Committee reviewed and approved an Internal Audit annual plan 2019 including the budget to support the plan. The Audit Committee reviewed the audit performance, audit findings and recommendation on a monthly basis. The Audit Committee provided recommendations and monitored corrective actions for significant aspects for good governance and adequate internal control where the improvements were required, the Audit Committee was satisfied that management had taken appropriate remedial actions.

3. Internal Control Effectiveness Review

The Audit Committee reviewed the internal control system together with Internal Auditor and External Auditor on a quarterly basis by reviewing stewardship of properties, resource assumption, prevention or reduction of errors or damage, losses, waste, or corrupt practices, operations, credibility of financial reports, and compliance with relevant laws and regulations. The Company's External Auditor agreed that no significant issues or shortcomings were found.

4. Risk Management Review

The Audit Committee reviewed the Company's risk management mechanism of the risks arising from both internal and external. The Audit Committee also reviewed the efficiency and suitability of risk management processes regularly and provided recommendations for improvement.

5. Appointment of the External Auditors for 2019

The Audit Committee recommended the appointment of auditors as listed below;

1. Ms. Wimolporn Boonyusthian Certified auditor No. 4067 or
2. Mr. Choopong Surachutikarn Certified auditor No. 4325 or
3. Ms. Juntira Juntrachaichoat Certified auditor No. 6326

from Deloitte Touche Tohmatsu Jaiyos Company Limited as the Company's External Auditors for 2019, including the audit fee which has been proposed to the Board of Directors for consideration and approved at the annual shareholders' meeting 2019.

The Audit Committee performed its duties and responsibilities stated in its Board-approved charter with competence, experience, care, prudence, and adequate independence for the equitable benefit of stakeholders. Whilst reviewing the quarterly and annual financial statements for 2019, and the above-mentioned assessments performed by the External and Internal Auditors, the Audit Committee did not note noncompliance of the Company's activities with the Securities and Exchange Act and with rules and regulations of the Stock Exchange of Thailand.

For and on behalf of the Audit Committee
Humanica Public Company Limited



Mr. Patara Yongvanich
Chairman of the Audit Committee

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR YEAR ENDED DECEMBER 31, 2019

OVERALL GROUP PERFORMANCE

Table 1: Overall Financial Performance

	Jan-Dec 2018	%	Jan-Dec 2019	%	Change	% YoY
	Unit: million baht					
Revenue	523.23	100.0%	613.86	100.0%	90.63	17.3%
Cost	285.52	54.6%	332.39	54.1%	46.87	16.4%
Gross Profit	237.71	45.4%	281.47	45.9%	43.76	18.4%
SG&A	97.59	18.7%	120.70	19.7%	23.11	23.6%
EBIT	140.12	26.8%	160.77	26.2%	20.65	14.8%
Share of Gain in Associates	-	-	1.94	0.3%	1.94	-
Interest Expenses	0.63	0.1%	0.43	0.1%	(0.20)	(31.7%)
EBT	139.49	26.7%	162.28	26.4%	22.79	16.4%
Tax	17.74	3.4%	15.30	2.5%	(2.44)	(13.6%)
Net Profit After Tax	121.75	23.3%	146.98	23.9%	25.23	20.7%

Revenue from service

For the full year of 2019, The Humanica Group of Companies ("HUMAN" or the "Company") delivered a revenue of 613.86 mb (2018: 523.23 mb), an increase of 90.63 mb or 17.3%. Revenue from HR Solutions contributed 98.06 mb or 24.7% to our growth year-on-year upon consolidating the result of our newly acquired subsidiary, Tiger Soft (1998) Company Limited ("TigerSoft"). Revenue from our Financial Solutions decreased by 14.32 mb or -12.1%.

Our overall recurring revenue grew 11.4% to 449.58 mb (2018: 403.58mb), of which recurring revenue in HR Solution increased by 41.65 mb or 12.2%. The acquisition of TigerSoft changes the composition of recurring vs non-recurring revenue for HR Solutions as the business model of TigerSoft is heavy-weighted on non-recurring revenue. As a result of consolidation, non-recurring revenue increased by 37.97 mb or 33.8% increase year-on-year.

Recurring revenue from Financial Solutions increasing by 4.35 mb or 7.0% but offset by the reduction in non-recurring revenue by 18.67 mb or -33.3%.

Other Income

Other income has increased by 6.89mb or 84.9% to 15.01mb (2018: 8.12 mb) as a result of realized gains on investments, interest income from convertible bonds, as well as return from investing surplus cash in money market products.

Cost of Services

Our cost of service increased by 43.87 mb or 16.4% to 332.39 mb (2018: 285.52 mb). The growth in cost of services was in line with the growth in revenue. As the end of 2019, we have slightly improved the gross margin from 45.4% to 45.9%.

Gross Profit

As a result of overall improvements in productivity, we achieved a gross profit of 281.47 mb (2018: 237.71mb), an increase of 43.76 mb or 18.4%.

Selling and Administration expense

Selling and administration expense ("SG&A") closed at 120.70 mb (2018: 97.59 mb), increased by 23.11mb or 23.6%. SG&A consists of mainly indirect staff costs, office rental and depreciation & amortization. The increase in SG&A is mainly attributed to the consolidation of TigerSoft's result, higher rental and computer cost as we have expanded our office space, as well as, 4.14 mb of exchange losses booked as a result of strengthening of Thai Baht.

Net profit after Tax

The net profit after tax closed at 146.98 mb (2018: 121.75 mb), improving by 25.23 mb or 20.7% due to a combination of reasons including consolidating the result of TigerSoft, increase in revenue and other income but partially offset by higher SG&A.

1. Revenue Structure

Table 2: The break down revenue by business entities.

Type of Revenue	Jan-Dec 2018		Jan-Dec 2019	
	Million Baht	%	Million Baht	%
1. HR Solutions				
1.1 Human Resources and Payroll Outsourcing services	237.35	45.4%	257.09	41.9%
1.2 Income from software and human resources system	159.63	30.5%	212.30	34.6%
1.3 Income from sales of hardware	-	-	25.66	4.2%
Total revenues from HR solutions	396.99	75.9%	495.05	80.6%
2. Financial Solutions				
2.1 Enterprise Resource Planning (ERP)	98.94	18.9%	80.77	13.2%
2.2 Accounting & Finance Outsourcing	19.18	3.7%	23.03	3.8%
Total revenue from financial solutions	118.12	22.6%	103.80	16.9%
3. Other income¹	8.12	1.6%	15.01	2.4%
Total revenue	523.23	100.0%	613.86	100.0%

¹ Other income consist of interest income, dividend income and gain on investment.

In Table 2, The Company's revenue structure comprises 2 business units, HR Solutions and Financial Solutions with HR Solutions representing 80.6% of our revenue while Financial services representing 16.9% and other income representing a small 2.4%.

HR Solutions

Revenue from HR Solutions closed at 495.05mb (2018: 396.99mb), increasing by 98.06 mb or 24.7%. This increase is mainly due to taking in the half-year result of TigerSoft, as well as, organic growth of existing business in HR technology and services in local and overseas markets. With the acquisition of TigerSoft, the Company is able to expand its business to hardware, such as clock devices to deliver bundled solution to clients together, Humanica and Tiger will be able to offer a suitable HR technology to every segment of the market from small to large corporations.

We will leverage on Tiger's strong presences and excellence reputation in the SME segment and introduce additional features such as modern employee self-services bundled with payroll outsourcing at a competitive rate. We hope to serve the SMEs in providing quality services to help them with payroll compliance work at affordable rate.

Financial Solutions

Revenue from Financial Solutions contributed 103.80 mb (2018: 118.12 mb), 14.32 mb or 12.1% less than last year. We had a drop of 18.17 mb in the implementation revenue from our ERP division due to resource constraints which delay the delivery of the product. The dip in ERP was partially compensated by an increase in the accounting and financial outsourcing of 3.85mb, representing an increase of 3.8%

We have being appointed by Oracle Netsuite as a reseller in second half of 2019. This collaboration brings new opportunities for clients who prefer a cloud-based ERP solution. Netsuite is the market leader in Cloud ERP and we believe this collaboration will enhance our market share in ERP business in the near future.

The recurring and non-recurring income:

Table 3: The break down revenue by recurring & non-recurring revenue

HR Solutions	Jan-Dec 2018	%	Jan-Dec 2019	%	% YoY
Revenues-Recurring	341.48	86.0%	383.13	77.4%	12.2%
Revenues-Non Recurring	55.51	14.0%	111.92	22.6%	101.6%
Total Revenues	396.99	100.0%	495.05	100.0%	24.7%

Financial Solutions	Jan-Dec 2018	%	Jan-Dec 2019	%	% YoY
Revenues-Recurring	62.10	52.6%	66.45	64.0%	7.0%
Revenues-Non Recurring	56.02	47.4%	37.35	36.0%	(33.3%)
Total Revenues	118.12	100.0%	103.80	100.0%	(12.1%)

Grand Total Recurring	403.58	78.3%	449.58	75.1%	11.4%
Grand Total Non- Recurring	111.53	21.7%	149.27	24.9%	33.8%
Grand Total Revenues	515.11	100.0%	598.85	100.0%	16.3%

Overall, the Company's recurring revenue decreased from 78.3% in 2018 to 75.1% this year, while non-recurring revenue increased to 24.9% from 21.7%.

The switch in the composition of revenue between recurring and non-recurring income are due to the consolidation of TigerSoft's result. Tiger's business model is heavy weighted on non-recurring revenue due to the on premises sales for its software and the sales of hardware.

Non-recurring revenue in the HR Solution grew 56,41 mb but was partially offset by a dip in EPR's implementation revenue of 18.67 mb, netting an increase of 37.74 mb or 33.8%. Both HR Solutions and Financial Solutions continued its year-on-year growth momentum on recurring income by 12.2% and 7.0% respectively.

2. Financial position

Table 4: Overall Financial position

Unit: million baht

	As of Dec 31, 2018	%	As of Dec 31, 2019	%	Change YoY	%
Assets						
Cash	111.34	9.1%	159.47	11.6%	48.13	43.2%
Current investments	100.00	8.2%	83.07	6.1%	(16.93)	(16.9%)
Trade & Other receivable	118.32	9.6%	138.82	10.1%	20.50	17.3%
Inventory	-	-	9.42	0.7%	9.42	-
Other current Asset	2.14	0.2%	4.50	0.3%	2.36	110.3%
Other long-term investments	569.79	46.4%	558.38	40.7%	(11.41)	(2.0%)
Non-Current asset	325.20	26.5%	419.12	30.8%	93.92	28.9%
Total Assets	1,226.79	100.0%	1,372.78	100.0%	145.99	11.9%
Liabilities						
Current liability	77.35	6.3%	118.33	8.6%	40.98	53.0%
Non-Current liability	29.96	2.4%	57.26	4.2%	27.30	91.1%
Total liabilities	107.31	8.7%	175.59	12.8%	68.28	63.6%
Net Assets	1,119.48	91.3%	1,197.19	87.2%	77.71	6.9%
Equity	1,119.48	91.3%	1,197.19	87.2%	77.71	6.9%

(a) Total assets

Total asset as at December 31, 2019 stand at 1,372.78mb, an increase of 145.99mb or 11.9%. The main reason for the increase is due to higher trade receivables, inventory and cash on hand, upon the consolidation of TigerSoft.

Cash surplus increased by 48.13mb or 43.2% due to cash flow generated from operations and good working capital management.

(b) Total Liabilities

Total liability as of December 31, 2019 was 175.59mb, increasing by 68.28mb or 63.6%, mainly due to the booking of revenue received in advance for new projects and recognition of various unearned revenue from consolidation of TigerSoft.

The amount will be recognized progressively as revenue within a 12-month timeframe.

(c) Shareholders' equity

Total shareholder's equity as of December 31, 2019 was 1,197.19mb, increasing by 77.71mb or 6.9% YoY, mainly contributed from operating profits.

3. Cash Flow Statement

Million Baht	Jan-Dec 2018	Jan-Dec 2019
Net cash provided by (used in)		
Cash Flow from Operating (CFO)	200.85	200.06
Cash Flow from Investing (CFI)	(123.10)	(62.03)
Cash Flow from Financing (CFF)	(54.16)	(87.48)
Decrease in translation adjustments	(0.40)	(2.41)
Net increase (decrease) in cash and cash equivalents	23.19	48.14

Cash Flow from Operating Activities

CFO as of December 31, 2019 was 200.06mb, closing at the same amount last year. The management will consider using the surplus CFO in investment or any other activities to create better value for the Company.

Cash Flow from Investing Activities

CFI as of December 31, 2019 was - 62.03mb due to purchase of shares in TigerSoft.

Cash Flow from Financing Activities

CFF as of December 31, 2019 was -87.48mb, mainly due to dividend payout. After IPO fund raising, the Company has no financing project as we have ample funds for a working capital and other investment plans.

INDEPENDENT AUDITOR'S REPORT

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS

HUMANICA PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Humanica Public Company Limited and its subsidiaries (the "Group") and the separate financial statements of Humanica Public Company Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Humanica Public Company Limited and its subsidiaries and of Humanica Public Company Limited as at December 31, 2019, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 11 to the financial statements, the subsidiary of the Company acquired the entire business of Sigma Accounting and Tax Services Company Limited on July 1, 2018, which the Group updated the fair values of the identifiable assets acquired and liabilities assumed and the fair value allocation at the entire business acquisition date based upon the final appraisal reports dated November 6, 2019 from the independent appraiser and other necessary information obtained within one year from the business acquisition date in accordance with Thai Financial Reporting Standard No. 3 (revised 2018) "Business Combination". As a result, the consolidated statement of financial position as at December 31, 2018, and the related consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, , which are presented as corresponding figures, have been restated accordingly, to reflect new information obtained about the facts and circumstances that existed as of the business acquisition date.

Other Matter

The consolidated statement of financial position of Humanica Public Company Limited and its subsidiaries and the separate statement of financial position of Humanica Public Company Limited as at December 31, 2018 (before restatements and reclassifications as described in Notes 11 and 33 to the financial statements), presented herein as corresponding figures, were audited by other auditors, whose report thereon dated February 25, 2019, expressed an unmodified opinion on those statements with an emphasis of matter paragraph regarding the acquisition of a business in a subsidiary and the acquisition of investment in an associate, which the Company was currently in a process of measuring fair value on the acquisition dates of the identifiable assets acquired and liabilities assumed of the subsidiary and had not yet completed the measurement.

Key Audit Matters

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

Key Audit Matters	Audit Responses
<p>Business acquisition</p> <p>During the year ended December 31, 2018, the Group acquired the entire business of Sigma Accounting and Tax Services Company Limited for a total of Baht 24.60 million. As at December 31, 2018, the Group provisionally recorded the acquisition using a best estimate of the values of the assets acquired and liabilities assumed, determined by applying the acquisition method. Subsequently in 2019, the Group then updated the fair values of the identifiable assets acquired and liabilities assumed and allocated the fair values at the business acquisition date based upon the final appraisal report dated November 6, 2019 from the independent appraiser and other necessary information obtained from the business acquisition date in accordance with Thai Financial Reporting Standard No. 3 (revised 2018) "Business Combination".</p> <p>We have focused on this business acquisition since it is material to the financial statements as a whole, and management was required to exercise substantial judgment when appraising the fair values of the assets acquired and liabilities assumed, including recognized goodwill.</p> <p>Details of the business acquisition were disclosed in the Note 11 to the financial statements.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none">- Examining the terms and conditions of the agreement and inquire with management as to the nature and objectives of the acquisition.- Reviewing the final appraisal report of assessing the calculation of the fair value of assets acquired and liabilities assumed specified in the documentation of measurement under the acquisition method as prepared by an independent valuation specialist, by considering the methods and significant assumptions used by the independent valuation specialist in calculating the fair value of assets and liabilities and evaluating the expertise, ability and integrity of the independent valuation specialist.- Involving our valuation specialist to evaluate the financial parameter applied to the discount rate, identification of the intangible assets, valuation methodology and mathematical accuracy.- Assessing the rationale of goodwill recognized from the business combination.- Considering the presentation and related disclosures.

Key Audit Matters	Audit Responses
<p>Goodwill</p> <p>The Group has goodwill of Baht 53.39 million as at December 31, 2019. We have focused on the consideration of the impairment of goodwill because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill as at the end of reporting period.</p> <p>Accounting policies of goodwill and details of goodwill were disclosed in the Notes 3.8 and 16 to the financial statements, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> - Testing the significant assumptions applied by management in preparing estimates of the cash flows expected to be realized from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections. - Evaluating the discount rate applied by management through analysis of the weighted average cost of capital of the Group and of the industry and involving internal specialist to assist in the assessment of this information by comparing it to external sources based on the specialist's knowledge and past experience, tested the calculation of the realizable values of the assets using the selected financial model. - Considering the presentation and related disclosures.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Group.

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company'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 Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 our 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 and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

-
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

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



Wimolporn Boonyusthian
Certified Public Accountant (Thailand)
Registration No. 4067

BANGKOK
February 25, 2020

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

STATEMENTS OF FINANCIAL POSITION

HUMAINCA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

As at December 31, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		As at	As at	As at	As at
		December 31, 2019	December 31, 2018 "Restated"	December 31, 2019	December 31, 2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5.1	159,474	111,335	74,780	64,486
Temporary investments	6	83,068	100,000	83,068	100,000
Trade and other current receivables	7	138,816	118,318	83,844	92,399
Inventories	8	9,417	-	-	-
Other current assets		4,500	2,137	4,344	1,236
Total Current Assets		<u>395,275</u>	<u>331,790</u>	<u>246,036</u>	<u>258,121</u>
NON-CURRENT ASSETS					
Restricted bank deposits	9	1,050	4,889	700	4,889
Investment in associate	10	24,634	22,700	22,700	22,700
Investment in subsidiaries	11	-	-	252,865	122,865
Other long-term investments	12	558,382	569,794	558,382	569,794
Long-term loan to subsidiary	4	-	-	13,000	20,000
Building improvement and equipment	13	40,106	51,213	29,787	46,606
Goodwill	11, 16	53,388	53,388	-	-
Other intangible assets	11, 14	142,052	165,452	101,593	117,938
Computer software under development	15	27,433	12,033	27,482	12,099
Unallocated costs of business acquisition	11	110,634	-	-	-
Deferred tax assets	23	6,278	3,888	1,635	3,645
Other non-current assets	17	13,544	11,644	9,186	9,510
Total Non-current Assets		<u>977,501</u>	<u>895,001</u>	<u>1,017,330</u>	<u>930,046</u>
TOTAL ASSETS		<u><u>1,372,776</u></u>	<u><u>1,226,791</u></u>	<u><u>1,263,366</u></u>	<u><u>1,188,167</u></u>

STATEMENTS OF FINANCIAL POSITION (continued)

HUMAINCA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

As at December 31, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		As at	As at	As at	As at
		December 31, 2019	December 31, 2018 "Restated"	December 31, 2019	December 31, 2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	18	100,667	58,910	71,221	55,232
Current portion of liabilities under hire-purchase and finance lease agreements	19	1,237	5,880	1,213	5,743
Income tax payable		4,367	3,228	-	-
Other current liabilities		12,055	9,328	7,436	6,613
Total Current Liabilities		118,326	77,346	79,870	67,588
NON-CURRENT LIABILITIES					
Liabilities under hire-purchase and finance lease agreements	19	2,640	3,877	2,640	3,853
Deferred tax liabilities	11, 23	7,542	9,387	-	-
Provision for long-term employee benefits	20	42,346	15,134	23,005	13,919
Other non-current liabilities		4,735	1,563	3,922	1,563
Total Non-current Liabilities		57,263	29,961	29,567	19,335
TOTAL LIABILITIES		175,589	107,307	109,437	86,923
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
680,000,000 ordinary shares of Baht 0.5 each		340,000	340,000	340,000	340,000
Issued and paid-up share capital					
680,000,000 ordinary shares of Baht 0.5 each, fully paid		340,000	340,000	340,000	340,000
Share premium on ordinary shares		649,124	649,124	649,124	649,124
Capital reserve for share-based payment transactions		5,145	5,145	5,145	5,145
Capital deficit from changes in shareholding in subsidiary		(12,666)	(12,666)	-	-
Retained earnings					
Appropriated - Legal reserve	21	22,710	16,751	22,710	16,751
Unappropriated	11	179,421	122,552	119,933	90,507
Other components of shareholders' equity		13,452	(1,423)	17,017	(283)
Total equity attributable to owners of the parent		1,197,186	1,119,483	1,153,929	1,101,244
Non-controlling interests		1	1	-	-
TOTAL SHAREHOLDERS' EQUITY		1,197,187	1,119,484	1,153,929	1,101,244
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,372,776	1,226,791	1,263,366	1,188,167

STATEMENTS OF COMPREHENSIVE INCOME

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

For The year ended December 31, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2019	2018	2019	2018
			"Restated"		
REVENUES					
Revenue from sales and rendering services	27	598,853	515,112	379,758	377,360
Dividend income		5,275	1,607	22,274	18,607
Other income		9,736	6,514	36,596	22,832
Total Revenues		<u>613,864</u>	<u>523,233</u>	<u>438,628</u>	<u>418,799</u>
EXPENSES					
Cost of sales and rendering services		332,393	285,521	222,635	219,612
Selling expenses		19,106	4,641	10,445	4,620
Administrative expenses	11	101,594	75,978	78,729	61,376
Loss on contract termination		-	16,967	-	16,967
Finance costs		430	634	405	608
Total Expenses		<u>453,523</u>	<u>383,741</u>	<u>312,214</u>	<u>303,183</u>
Share of profit from investment in associate		1,934	-	-	-
Profit before income tax expense		162,275	139,492	126,414	115,616
Income tax expense	11, 23	(15,299)	(17,740)	(7,215)	(11,484)
PROFIT FOR THE YEAR		<u>146,976</u>	<u>121,752</u>	<u>119,199</u>	<u>104,132</u>
OTHER COMPREHENSIVE INCOME					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of financial statements		(2,425)	(756)	-	-
Gain (loss) on changes in value of available-for-sale investments, net of income tax		17,300	(348)	17,300	(348)
Total other comprehensive income that may be reclassified to profit or loss in subsequent periods		<u>14,875</u>	<u>(1,104)</u>	<u>17,300</u>	<u>(348)</u>
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods					
Actuarial gain (loss), net of income tax		(2,548)	1,994	(2,214)	2,015
Total other comprehensive income that will not be reclassified to profit or loss in subsequent periods		<u>(2,548)</u>	<u>1,994</u>	<u>(2,214)</u>	<u>2,015</u>
Total other comprehensive income for the year		<u>12,327</u>	<u>890</u>	<u>15,086</u>	<u>1,667</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>159,303</u></u>	<u><u>122,642</u></u>	<u><u>134,285</u></u>	<u><u>105,799</u></u>

STATEMENTS OF COMPREHENSIVE INCOME (continued)

HUMAINCA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

For The year ended December 31, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2019	2018	2019	2018
			"Restated"		
PROFIT ATTRIBUTABLE TO:					
Owners of the parent	11	146,976	121,751	119,199	104,132
Non-controlling interests		-	1	-	-
PROFIT FOR THE YEAR		<u>146,976</u>	<u>121,752</u>	<u>119,199</u>	<u>104,132</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the parent	11	159,303	122,641	134,285	105,799
Non-controlling interests		-	1	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>159,303</u>	<u>122,642</u>	<u>134,285</u>	<u>105,799</u>
Earnings per share					
Basic earnings attributable to owners of the Company per share (Baht)	25	<u>0.22</u>	<u>0.18</u>	<u>0.18</u>	<u>0.15</u>

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

For The year ended December 31, 2019

UNIT : THOUSAND BAHT

Notes	Issued and paid-up share capital	Premium on ordinary shares	Capital reserve for share-based payment transactions	Capital deficit from changes in shareholding in subsidiary	Retained earnings		Other components of shareholders' equity	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests	Total shareholders' equity
					Appropriated	Unappropriated					
	340,000	649,124	5,145	(12,666)	11,544	51,613	(383)	65	1,044,442	1	1,044,443
	-	-	-	-	-	121,752	-	-	121,752	1	121,753
	-	-	-	-	-	1,994	(757)	(348)	889	-	889
	-	-	-	-	-	123,746	(757)	(348)	122,641	1	122,642
26	-	-	-	-	-	(47,600)	-	-	(47,600)	-	(47,600)
	-	-	-	-	-	-	-	-	-	(1)	(1)
	-	-	-	-	5,207	(5,207)	-	-	-	-	-
	340,000	649,124	5,145	(12,666)	16,751	122,552	(1,140)	(283)	1,119,483	1	1,119,484
	340,000	649,124	5,145	(12,666)	16,751	122,712	(1,140)	(283)	1,119,643	1	1,119,644
11	-	-	-	-	-	(160)	-	-	(160)	-	(160)
	340,000	649,124	5,145	(12,666)	16,751	122,552	(1,140)	(283)	1,119,483	1	1,119,484
	-	-	-	-	-	146,976	-	-	146,976	-	146,976
	-	-	-	-	-	(2,548)	(2,425)	17,300	12,327	-	12,327
	-	-	-	-	-	144,428	(2,425)	17,300	159,303	-	159,303
26	-	-	-	-	-	(81,600)	-	-	(81,600)	-	(81,600)
	-	-	-	-	5,959	(5,959)	-	-	-	-	-
21	340,000	649,124	5,145	(12,666)	22,710	179,421	(3,565)	17,017	1,197,186	1	1,197,187

Notes to the financial statements form an integral part of these statements

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

HUMAINCA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

For The year ended December 31, 2019

UNIT : THOUSAND BAHT

	Note	Issued and paid-up capital	Share premium on ordinary shares	Capital reserve for share-based payment transactions	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
					Appropriated	Unappropriated	Surplus (deficit) on changes in value of available-for-sale investments	Total other components of shareholders' equity	
Balance as at January 1, 2018		340,000	649,124	5,145	11,544	37,167	65	65	1,043,045
Profit for the year		-	-	-	-	104,132	-	-	104,132
Other comprehensive income for the year		-	-	-	-	2,015	(348)	(348)	1,667
Total comprehensive income for the year		-	-	-	-	106,147	(348)	(348)	105,799
Dividends paid	26	-	-	-	-	(47,600)	-	-	(47,600)
Transfer unappropriated retained earnings to legal reserve		-	-	-	5,207	(5,207)	-	-	-
Balance as at December 31, 2018		340,000	649,124	5,145	16,751	90,507	(283)	(283)	1,101,244
Balance as at January 1, 2019		340,000	649,124	5,145	16,751	90,507	(283)	(283)	1,101,244
Profit for the year		-	-	-	-	119,199	-	-	119,199
Other comprehensive income for the year		-	-	-	-	(2,214)	17,300	17,300	15,086
Total comprehensive income for the year		-	-	-	-	116,985	17,300	17,300	134,285
Dividends paid	26	-	-	-	-	(81,600)	-	-	(81,600)
Transfer unappropriated retained earnings to legal reserve	21	-	-	-	5,959	(5,959)	-	-	-
Balance as at December 31, 2019		340,000	649,124	5,145	22,710	119,933	17,017	17,017	1,153,929

Notes to the financial statements form an integral part of these statements

STATEMENTS OF CASH FLOWS

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

For The year ended December 31, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements	Financial Statements	Financial Statements	Financial Statements
		2019	2018	2019	2018
			"Restated"		
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax expense		162,275	139,492	126,414	115,616
Adjustments to reconcile profit before income tax expense to net cash provided by (used in) operating activities					
Depreciation and amortization		51,242	46,557	39,494	36,817
Allowance for doubtful accounts (Reversal)		(829)	(4,133)	985	(4,133)
Gain on diminution in value of inventories		(524)	-	-	-
Loss on write-off of equipment		625	91	625	-
Gain on sale of equipment		-	(1,174)	-	(6)
Long-term employee benefit expenses		7,428	2,953	5,960	1,776
Gain on disposal of temporary and other long-term investments		(4,849)	(1,883)	(4,849)	(1,883)
Share of profit from investment in associate		(1,934)	-	-	-
Unrealized loss on foreign exchange rate		2,588	617	2,453	724
Dividend income		(5,275)	(1,607)	(22,274)	(18,607)
Interest expenses		430	634	405	608
Profit from operating activities before changes in operating assets and liabilities		211,177	181,547	149,213	130,912
Operating assets (increase) decrease					
Trade and other current receivables		(4,401)	31,134	7,755	21,716
Other current assets		2,541	(2,616)	(3,108)	(20)
Other non-current assets		(5,560)	(312)	(3,220)	(413)
Operating liabilities increase (decrease)					
Trade and other current payables		16,251	(7,602)	10,988	(7,335)
Other current liabilities		(8,664)	754	824	249
Other non-current liabilities		3,172	1,563	2,359	1,563
Cash received from operating activities		214,516	204,468	164,811	146,672
Cash paid for interest expenses		(430)	(634)	(405)	(608)
Cash paid for income tax expense		(18,720)	(7,520)	(9,182)	(4,731)
Refund income tax expense		4,689	4,533	3,750	4,533
Net cash from provided by operating activities		200,055	200,847	158,974	145,866

STATEMENTS OF CASH FLOWS (continued)

HUMAINCA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

For The year ended December 31, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2019	2018	2019	2018
			"Restated"		
CASH FLOWS FROM INVESTING ACTIVITIES					
Increase in restricted bank deposits		3,839	221	4,189	221
Cash paid for acquisition of temporary and other long-term investments		(679,920)	(930,043)	(679,920)	(930,043)
Cash received from sales of temporary and other long-term investments		732,100	911,218	732,100	911,218
Cash paid for acquisition of building improvement and equipment		(5,006)	(37,188)	(3,377)	(36,265)
Cash received from sales of equipment		-	1,326	-	102
Cash paid for development/acquisition of computer software		(19,202)	(22,944)	(18,603)	(22,966)
Cash received from short-term loan to related party		-	-	-	12,086
Cash received from long-term loan to related party		-	-	7,000	(20,000)
Dividends received		5,275	1,607	22,274	18,607
Cash paid for acquisition of entire business		(99,111)	(24,600)	(125,000)	-
Cash paid for investment in associate		-	(22,700)	-	(22,700)
Net cash used in investing activities		(62,025)	(123,103)	(61,337)	(89,740)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of bank overdrafts		-	(857)	-	(857)
Cash paid for advances from related party		-	(41)	-	-
Cash paid for liabilities under hire-purchase and finance lease agreements	5.2	(5,880)	(5,664)	(5,743)	(5,279)
Dividends paid		(81,600)	(47,600)	(81,600)	(47,600)
Net cash paid financing activities		(87,480)	(54,162)	(87,343)	(53,736)
Exchange differences from translation of financial statements		(2,411)	(389)	-	-
Net increase in cash and cash equivalents		48,139	23,193	10,294	2,390
Cash and cash equivalents as at January 1,		111,335	88,142	64,486	62,096
Cash and cash equivalents as at December 31,	5.1	159,474	111,335	74,780	64,486

Notes to the financial statements form an integral part of these statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

For The year ended December 31, 2019

1. GENERAL INFORMATION

Humanica Public Company Limited (the “Company”) is a public company incorporated and domiciled in Thailand. The registered office of the Company is 2 Soi Rong Muang 5, Rong Muang Road, Rong Muang, Pathumwan, Bangkok.

The Company was listed on the Stock Exchange of Thailand in December 2017.

The principal businesses of the Company and its subsidiaries are involved in providing human resource outsourcing and payroll services, sales and providing implementation services of human resource systems, sales of and providing implementation services of computer software for enterprise resource planning, and sales of advance access control devices.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 The Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2018) “Presentation of Financial Statements”, which was effective for financial year beginning on or after January 1, 2019 onwards, and the Regulations of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statements (No. 2) B.E. 2559” dated October 11, 2016.

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 under the historical cost basis except as disclosed in the significant accounting policies.

2.2 Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			December 31, 2019 (Percent)	December 31, 2018 (Percent)
<u>Subsidiaries held directly by the Company</u>				
Professional Outsourcing Solutions Limited	Provide payroll services	Thailand	99.98	99.98
Humanica FAS Limited	Provide accounting outsourcing and financing services	Thailand	99.98	99.98
Humanica Asia Pte. Ltd.	Provide payroll outsourcing services and human resource management software consulting services	Singapore	100.00	100.00
Tiger Soft (1998) Co., Ltd.	Provide implementation of human resource and payroll software and sales of advance access control devices	Thailand	99.99	-
<u>Subsidiary held by Humanica Asia Pte. Ltd.</u>				
Humanica SDN. BHD.	Provide payroll outsourcing services and human resource management software consulting services	Malaysia	100.00	100.00

- 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, and 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 Company and its subsidiaries have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries and associate under the cost method.

2.4 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Company has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

2.5 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when it becomes effective. The Group's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any material impact on the financial statements of the Group in the period of initial application, except the financial reporting standards as follows:

Group of Financial Instruments Standards

Thai Accounting Standards ("TAS")

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards ("TFRS")

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations ("TFRIC")

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These Standards will supersede the Standards and Interpretations relating to the financial instruments upon its effective date.

The Group's management is in the process to assess the impact of these Financial Instruments Standards on the financial statements of the Group in the period of initial application.

Thai Financial Reporting Standards No. 16 "Leases"

This TFRS provides a comprehensive model for the identification if lease arrangements and their treatment in the financial statements of both lessees and lessors.

This TFRS will supersede the following lease Standards and Interpretations upon its effective date, which are Thai Accounting Standard No.17 "Leases", Thai Accounting Standard Interpretation No.15 "Operating Lease - Incentives", Thai Accounting Standard Interpretation No.27 "Evaluating the Substance of Transactions involving the Legal Form of a Lease" and Thai Financial Reporting Standard Interpretation No.4 "Determining whether on Arrangement contains a Lease".

For lessee accounting, there are significant changes to lease accounting in this TFRS by removing the distinction between operating and finance leases under TAS 17 and requiring a lessee to recognize a right-of-use asset and a lease liability at commencement for all leases, except for short-term- leases and leases of low value assets. However, the lessor accounting treatment continues to require a lessor to classify a lease either as an operating lease or a finance lease, using the same concept as TAS 17.

The Group's management is in the process to assess the impact of this TFRS on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents include cash, savings account deposits, current account deposits and not exceeding 3 months fixed deposits, and short-term investments which are not exceeding 3 months duration for repayment with no obligation commitment, but exclude deposits in the Company and its subsidiaries' name for customer accounts.

3.2 Trade receivables

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

3.3 Recognition and amortization customers' deposits

Cash deposits received from customers for payments of payroll and other expenses for customers are recorded in cash accounts and client fund accounts as assets and liabilities, respectively, of the Company and its subsidiaries for their internal control purposes. As at the statement of financial position date, the Company and its subsidiaries exclude these amounts from both the assets and liabilities and present only the assets that belong to the Company and its subsidiaries.

3.4 Inventories

Inventories are carried at the lower of cost or net realizable value, and adjusted by allowance for deteriorated or obsolete inventories and for diminution in value of inventories. The cost of inventories are calculated by using the first-in, first-out method.

3.5 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- b) Investment in marketable securities held for trading purposes are classified as current assets and are carried at fair value. Gain or loss on changes in market values are recognized in the statement of profit or loss and other comprehensive income. The fair value of trading investments is determined as last bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand. If the Company disposes part of its holding investments, the deemed cost of the part sold is determined using the weighted average method. On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized as gain (loss) on disposal of trading investments.
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- d) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortized cost. The premium/discount on debt securities is amortized by the effective rate method with the amortized amount presented as an adjustment to the interest income.
- e) Investment in an associate is accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method.

3.6 Building improvement and equipment

Building improvement and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of building improvement and equipment is calculated by costs using the straight-line method over their estimated useful lives, as follows:

Building improvement	3 - 5 years
Office equipment	5 years
Computer	3 - 5 years
Vehicles	5 years

Dismantling, moving and renovating asset location cost in which the Company obligates when receiving such asset are recognized as the cost of assets and depreciated them.

3.7 Intangible assets

Intangible assets acquired through business combination are initially recognized at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognized at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortized 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 amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to the statement of profit or loss and other comprehensive income.

A summary of the intangible assets with finite useful lives is as follows:

Computer software for operating	3 - 5 years
Internally generated computer software	10 years
Trademark	15 years
Customer relationship	7 years

3.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognized as gain in the statement of profit or loss and other comprehensive income.

Goodwill is carried at cost less any accumulated impairment losses (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company and its subsidiaries' cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company and its subsidiaries estimate the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized in statement of profit or loss and other comprehensive income. Impairment losses relating to goodwill cannot be reversed in future period.

3.9 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the building improvement and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. An impairment loss is recognized 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognized in the statement of profit or loss and other comprehensive income.

In the assessment of asset impairment if there is any indication that previously recognized impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

3.10 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund and the employee joint investment program are recognized as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company's and its subsidiaries' contributions are recognized as expenses when incurred.

Defined benefit plan

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from post-employment benefits are recognized immediately in other comprehensive income.

3.11 Provisions

The Company and its subsidiaries will record provisions when it is highly certain that obligations will occur at present legally or reliable estimate as a result of past events. These obligations are expected to cause an outflow of resources embodying economic benefits resulting to settle such obligations and these amounts to be paid can be estimated reliably. If there is expectation to recover payment toward estimated liabilities certainly by all or part, the returned payment will be recognized as separate asset but its amount must not be more than related estimated liabilities and the expense related to liability estimates is shown in the statement of profit or loss and other comprehensive income at amount net by recognized amount of expense to be recovered.

3.12 Leases

Operating lease

Lease in which substantially the risks and ownership of assets remain with the lessor is accounted for as operating lease. Rental applicable to such operating leases are charged to the statement of profit or loss and other comprehensive income using the straight-line method over the lease period.

Finance lease

Lease in which substantially all the risk and reward of ownership, other than legal title is transferred to the Company is accounted for as a finance lease. The Company capitalized the asset and recorded liabilities in the statements of financial position of lessee in the amount at the lower of estimated present value of the underlying lease payments or at the fair value of the leased asset at the contractual date. The leased assets are depreciated using the straight-line method over their estimated useful lives. Financial charge is calculated by the effective interest rate method over the term of contracts. Financial charge and depreciation are recognized as expenses in the statement of profit or loss and other comprehensive income.

3.13 Finance costs

Finance costs such as interest expenses and similar costs are charged to the statement of profit or loss and other comprehensive income for the year in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.14 Foreign currency transactions

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Monetary assets and liabilities in foreign currencies outstanding at the statement of financial position date are translated into Baht at the exchange rates ruling on that date. Exchange gains or losses either realized or unrealized are included as incomes or expenses in the statement of profit or loss and other comprehensive income for the year.

The financial statements of overseas subsidiaries are translated to Thai Baht in preparation of the consolidated financial statements as follows:

- a. Assets and liabilities are translated to Thai Baht at the foreign exchange rates ruling at statement of financial position date.
- b. Shareholders' equity is translated to Thai Baht at the foreign exchange rates on the transaction date.
- c. Revenues and expenses are translated to Thai Baht at average foreign exchange rates during the year.

Gain (loss) on translation of the financial statements prepared in foreign currencies are presented as other components of equity under shareholders' equity.

3.15 Share-based payment transactions

Granting right to equity securities purchase to employees or individuals is considered share-based payment transaction when it does not appear that the right to equity securities purchase has an objective other than a payment for goods or services provided to the Company.

The Company will record the difference between fair value and purchase price of equity securities at the date on which the options are granted as expenses in profit or loss, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

3.16 Related parties

Related parties with the Company and its subsidiaries represent individuals or enterprises which have the controlling power over the Company and its subsidiaries or are controlled by the Company and its subsidiaries either directly or indirectly, or under the common control with the Company and its subsidiaries. Furthermore, the related parties also represent the associates and the parties who hold the shares with voting rights, either directly or indirectly, and have significant influence to the Company, important managers, directors or employees of the Company and its subsidiaries who have power to plan and control the operations of the Company and its subsidiaries, including the close family members who can persuade or have power to persuade to act in compliance with said persons and businesses that said persons who have control power or significant influence, either directly or indirectly.

3.17 Revenue recognition

Revenue from sales

Revenue from sales of software license is recognized at the point when the significant control has been transferred to the buyer. Revenue from sales is the invoiced value, excluding value added tax, after deducting discounts and allowances.

Revenue from sales of goods is recognized when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over goods and has the primary responsibility when the risks of obsolescence and loss in relation to the goods. A receivable is recognized by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from rendering services

Revenue from rendering services is recognized overtime when services have been rendered taking into account the stage of completion.

Revenue from rendering services from software implementation and revenue from rendering services under system development and implementation agreements is recognized overtime when services have been rendered on the basis of the percentage of completion, as assessed by the Company's project manager. Revenues from unbilled services that have already been rendered under the agreements are presented under the caption of "Contract asset" in the statement of financial position, while revenue received before it is earned or before service is rendered is presented as "Contract liability" in the statement of financial position. A loss provision for a project is provided in full when it is highly likely that the total cost of the project will exceed total service revenues.

Revenue from rendering services from providing system maintenance service is recognized by the period of service in the service agreement using the straight-line method.

Revenue from rendering services from other service contract is recognized at the point of time when the service is rendered.

Interest income

Interest income is recognized on an accrual basis based on the effective interest rate.

Dividends

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

3.18 Expense recognition

Other expenses are recognized on an accrual basis.

3.19 Income tax expense

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current tax liability is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). The Company and its subsidiaries recognize deferred tax liabilities for all temporary differences, and recognize deferred tax assets for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amounts of deferred tax assets are reviewed at each statement of financial position date. Deferred tax assets shall be reduced to the extent that utilized taxable profits decreased. Any such reduction shall be reversed to the extent that it becomes probable that the Company and its subsidiaries have sufficient taxable profit to allow total or part of the asset to be recovered.

The Company and its subsidiaries measure deferred tax assets and deferred tax liabilities at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

In the consolidated financial statements, deferred tax assets and deferred tax liabilities are recognized by each company in the Group, and deferred tax asset of one company in the Group is offset against deferred tax liability of another company in the Group if, and only if, the companies concerned have a legally enforceable right to make or receive a single net payment and the companies intend to make or receive such a net payment or to recover the asset and settle the liability simultaneously.

3.20 Earnings per share

The calculations of basic earnings per share were based on the profit for the year attributable to equity holders divided by the weighted average number of ordinary shares held by outsiders outstanding during the year net of treasury stocks. The calculations of diluted earnings per share (if any) were based on the weighted average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.21 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 market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company and its subsidiaries take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

3.22 Significant accounting judgments and estimates

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

Estimated of service revenues from software implementation and service revenue from system development contract with implementation

The Company recognizes service revenue from software implementation and service revenue from system development contract with implementation by reference to the stage of completion, when the outcome of a service can be estimated reliably. The stage of completion is measured by reference to the management's judgment based on their best knowledge of the current events and arrangements and their experience of the business, based on information from the project managers.

Building improvement and equipment/Depreciation and intangible assets

In determining depreciation of building improvement and equipment and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values of the building improvement and equipment and intangible assets and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review building improvement and equipment and intangible assets are subject to if there is an indication they may be impaired and impairment losses are recorded in the year when it is determined that their recoverable amount is lower than the carrying amount.

Goodwill and intangible assets

The recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

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.

4. RELATED PARTY TRANSACTIONS

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

	Consolidated financial statements		Separate financial statements		(Unit: Thousand Baht) Pricing policy
	2019	2018	2019	2018	
<u>Transactions with subsidiaries</u> (eliminated from the consolidated financial statements)					
Service income	-	-	5,249	4,604	As agreed
Management fee	-	-	14,640	14,040	Contract price
Dividend income	-	-	17,000	17,000	As announcement
Interest income	-	-	315	336	At rate of 1.8 percent per annum
Rental income	-	-	3,516	2,580	As agreed
Other income	-	-	1,199	918	As agreed
Service expense	-	-	1,518	3,947	As agreed
Software development cost	-	-	1,265	1,384	As agreed
Other expense	-	-	4	9	As agreed
<u>Transactions with related parties</u>					
Service income	720	659	720	659	As agreed
Software rental expense	8,078	8,481	8,078	8,481	Contract price

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

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Trade receivables - related parties (see Note 7)				
Associate	16	5	-	-
Related party	-	284	-	284
Total trade receivables - related parties	16	289	-	284
Other receivables - related parties (see Note 7)				
Subsidiaries	-	-	2,356	12,628
Total other receivables - related parties	-	-	2,356	12,628

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Contract assets - related parties (see Note 7)				
Associate	-	74	-	-
Total contract assets - related parties	-	74	-	-
Accrued interest - related parties (see Note 7)				
Subsidiaries	-	-	20	-
Total accrued interests - related parties	-	-	20	-
Loan to related party (see Note 4.1)				
Subsidiary	-	-	13,000	20,000
Total loan to related party	-	-	13,000	20,000
Other payables - related party (see Note 18)				
Subsidiary	-	-	124	5,350
Total other payables - related party	-	-	124	5,350
Accrued expenses - related party				
Associate	653	714	653	714
Total accrued expenses - related party (See Note 18)	653	714	653	714

4.1 On June 15, 2018, the Company entered into a loan agreement to provide a loan to Humanica FAS Limited (Subsidiary) totaling Baht 32 million. The loan carries interest at the rate of 1.8 percent per annum, has no collateral and is repayable at call. However, the Company has no plan to call the loan within one year, the Company classified them as non-current asset in the financial statements.

During the year 2019 and 2018, movement of loan to related party were as follow:

		(Unit: Thousand Baht)			
		Separate financial statements			
Loans to	Related by	Balance as at January 1, 2019	Increase during the year	Decrease during the year	Balance as at December 31, 2019
Humanica FAS Limited	Subsidiary	20,000	-	(7,000)	13,000
Total		20,000	-	(7,000)	13,000

		(Unit: Thousand Baht)			
		Separate financial statements			
Loans to	Related by	Balance as at January 1, 2018	Increase during the year	Decrease during the year	Balance as at December 31, 2018
Humanica FAS Limited	Subsidiary	-	32,000	(12,000)	20,000
Total		-	32,000	(12,000)	20,000

Directors and management's remuneration

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

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Short-term employee benefits	25.0	23.3	15.8	17.9
Post-employment benefits	3.0	2.4	2.7	2.4
Total	28.0	25.7	18.5	20.3

5. CASH AND CASH EQUIVALENTS

5.1 Cash and cash equivalents

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Cash	671	591	541	541
Bank deposits	217,856	150,535	124,839	89,975
<u>Less</u> Deposits in the Company and its subsidiaries' name for customer accounts	(59,053)	(39,791)	(50,600)	(26,030)
Total cash and cash equivalents	159,474	111,335	74,780	64,486

As at December 31, 2019, bank deposits in savings accounts carries interest at the rate of 0.10 to 0.38 percent per annum (2018: between 0.10 to 0.38 percent per annum).

5.2 Changing in liabilities from financing activities

	(Unit: Thousand Baht) Consolidated Financial Statements			
	Balance as at January 1, 2019	Financing cash flows	Non-cash change	Balance as at December 31, 2019
Liabilities under hire-purchase and finance lease agreements	9,757	(5,880)	-	3,877
Total	9,757	(5,880)	-	3,877

	(Unit: Thousand Baht) Consolidated Financial Statements			
	Balance as at January 1, 2018	Financing cash flows	Non-cash change	Balance as at December 31, 2018
Liabilities under hire-purchase and finance lease agreements	9,822	(5,664)	5,599	9,757
Total	9,822	(5,664)	5,599	9,757

	(Unit: Thousand Baht)			
	Separate Financial Statements			
	Balance as at January 1, 2019	Financing cash flows	Non-cash change	Balance as at December 31, 2019
Liabilities under hire-purchase and finance lease agreements	9,596	(5,743)	-	3,853
Total	<u>9,596</u>	<u>(5,743)</u>	<u>-</u>	<u>3,853</u>

	(Unit: Thousand Baht)			
	Separate Financial Statements			
	Balance as at January 1, 2018	Financing cash flows	Non-cash change	Balance as at December 31, 2018
Liabilities under hire-purchase and finance lease agreements	9,275	(5,279)	5,600	9,596
Total	<u>9,275</u>	<u>(5,279)</u>	<u>5,600</u>	<u>9,596</u>

6. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consisted of:

	(Unit : Thousand Baht)	
	Consolidated/ Separate Financial Statements 2019	2018
Investment in trading securities - cost	53,000	-
Unrealized gain on changes in value of investments	183	-
Investments in trading securities - fair value	<u>53,183</u>	<u>-</u>
Held-to-maturity debt securities - amortized cost	29,885	-
Structure notes	-	100,000
Total temporary investment	<u>83,068</u>	<u>100,000</u>

As at December 31, 2019, the held-to-maturity debt securities are unsubordinated convertible bonds valued at USD 1 million with an interest rate of 8% per annum. The bonds are for 24 months from the date of the convertible bonds (13 September 2018) with the conversion conditions as specified in the agreement.

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, consisted of:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
<u>Trade receivables - related parties</u>				
Age on the basis of due dates				
Past due				
Up to 3 months	16	289	-	284
Total trade receivables - related parties (see Note 4)	16	289	-	284
<u>Trade receivables - others</u>				
Age on the basis of due dates				
Not yet due				
	52,683	50,106	30,208	34,547
Past due				
Up to 3 months	44,732	27,749	22,388	18,215
3 - 6 months	3,560	4,386	1,558	3,761
6 - 12 months	4,786	1,590	2,554	1,577
Over 12 months	4,524	2,866	4,316	2,780
Total	110,285	86,697	61,024	60,880
Less: Allowance for doubtful debts	(2,520)	(1,449)	(2,434)	(1,449)
Total trade receivables - others, net	107,765	85,248	58,590	59,431
Total trade receivables - net	107,781	85,537	58,590	59,715
<u>Other receivables</u>				
Other receivables - related parties (see Note 4)	-	-	2,356	12,628
Other receivables - others	357	7,865	346	231
Advance payments for services	2,740	-	2,601	-
Prepaid expenses	3,354	4,453	1,886	4,246
Contract assets - related parties (see Note 4)	-	74	-	-
Contract assets - others	24,584	22,289	18,045	15,579
Accrued interest - related party (see Note 4)	-	-	20	-
Total	31,035	34,681	25,254	32,684
Less: Allowance for doubtful debts	-	(1,900)	-	-
Total other receivables - net	31,035	32,781	25,254	32,684
Total trade and other current receivables - net	138,816	118,318	83,844	92,399

During 2018, the Company wrote off accrued service income of Baht 17 million to loss on termination of agreements because the customers terminated the agreements relating to installation of human resources systems.

Other receivables - others as at December 31, 2018 included receivables under separation agreement as described in Note 29.1.

8. INVENTORIES

Inventories as at December 31, consisted of:

	(Unit: Thousand Baht)	
	Consolidated	
	Financial Statements	
	December 31,	December 31,
	2019	2018
Finished goods	9,437	-
Goods in transit	304	-
Total	<u>9,741</u>	<u>-</u>
Less: Allowance for diminution in value	<u>(324)</u>	<u>-</u>
Total inventories	<u><u>9,417</u></u>	<u><u>-</u></u>

As at July 1, 2019, the group acquired inventories from the business question of Tiger Soft (1998) Co., Ltd. in net amount of Baht 10.57 million which consisted of the cost of Baht 11.42 million and allowance for diminution in value of Baht 0.85 million.

Movements in the allowance for diminution in value of inventories for the year ended December 31, 2019 are as follows:

	(Unit: Thousand Baht)
	Consolidated
	Financial
	Statements
Balance as at January 1, 2019	-
Allowance for diminution in value of inventories transferred from business acquisition	848
Adjustment of net realizable value for the period	<u>(524)</u>
Balance as at December 31, 2019	<u><u>324</u></u>

9. RESTRICTED BANK DEPOSITS

As at December 31, 2019 and 2018, the Company has fixed deposits pledged with the banks to secure the issuance of bank guarantees by the bank (see note 29.3).

10. INVESTMENT IN AN ASSOCIATE

Investment in an associate as at December 31, is as follows:

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Consolidated financial statements Carrying amounts based on equity method		(Unit: Thousand Baht) Separate financial statements	
			2019 (%)	2018 (%)	2019	2018	2019	2018	2019	2018
Conical Company Limited	Consulting, design and sales software	Thailand	20	20	22,700	22,700	24,634	22,700	22,700	22,700
Total					<u>22,700</u>	<u>22,700</u>	<u>24,634</u>	<u>22,700</u>	<u>22,700</u>	<u>22,700</u>

On December 24, 2018, the Company entered into a Shareholders Agreement to invest in 5,275 additional ordinary shares capital of Conicle Company Limited (“Conicle”), with a par value of Baht 100 each, at a price of Baht 4,303.32 per share, or a total of Baht 22.70 million. As a result of the acquisition, the Company held 20 percent of all issued shares of Conicle, and classified its investment as investment in an associate. The Company made a payment for these acquisition shares on December 26, 2018 (acquisition date).

Summarized financial information of an associate

Financial information of an associate as at December 31, as follows:

Fund	Paid-up capital		Total assets		Total liabilities		Total revenues for the years		(Unit: Million Baht) Profit (loss) for the years	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Conical Company Limited	2.64	2.64	58.50	38.85	17.72	7.69	33.84	16.70	9.62	1.20

1. INVESTMENTS IN SUBSIDIARIES

Details of investments in subsidiaries as presented in the separate financial statements as at December 31, are as follows:

Company's name	Paid-up capital		Percentage of shareholding		Cost		(Unit: Thousand Baht) Dividend income	
	2019	2018	2019 (%)	2018 (%)	2019	2018	2019	2018
Subsidiaries held directly by the Company								
Professional Outsourcing Solutions Limited	Baht 10 million	Baht 10 million	99.98	99.98	72,899	72,899	17,000	17,000
Humanica FAS Limited	Baht 1 million	Baht 1 million	99.98	100.00	29,999	29,999	-	-
Humanica Asia Pte. Ltd.	SGD 0.20 million	SGD 0.20 million	100.00	100.00	19,967	19,967	-	-
Tiger Soft (1998) Co., Ltd.	Baht 5 million	-	99.99	-	130,000	-	-	-
Subsidiary held by Humanica Asia Pte. Ltd.								
Humanica SDN. BHD.	MYR 0.50 million	MYR 0.50 million	100.00	100.00	-	-	-	-
Total investments in subsidiaries					252,865	122,865	17,000	17,000

On February 23, 2018, the meeting of the Company's Board of Directors passed a resolution approving the acquisition by Humanica FAS Limited, one of the subsidiaries, of the entire business of Sigma Accounting and Tax Services Company Limited which is engaged in accounting and tax advisory business. The subsidiary entered into the entire business transfer agreement on June 15, 2018 and paid Baht 24.6 million for the acquisition on September 30, 2018. The subsidiary acquired the entire business with the effective date of the transfer on July 1, 2018 (the effective date).

During 2019, the Group engaged an independent appraiser to appropriate the fair value of identifiable assets acquired and liabilities assumed and allocation of fair value at the acquisition date. The Group received the purchase price allocation report dated November 6, 2019 from the independent appraiser. The Group applied Thai Financial Reporting Standard No. 3 (revised 2018) "Business Combinations" to recognize this business combination transaction. The following summarizes the major classes of consideration transferred and the recognized fair value of assets acquired and liabilities assumed at the business acquisition date:

	(Unit : Thousand Baht)
	As at July 31, 2018 (Restated)
Trade and other current receivables	2,470
Building improvements and equipment	24
Intangible assets	11
Customer relationship asset	5,206
Deferred tax assets	35
Undue output tax	(162)
Non-current provision for employee benefits	(175)
Deferred tax liabilities	(1,041)
Identifiable assets and liabilities - net	6,368
Consideration transferred	24,600
Goodwill	18,232

Based on the information from the purchase price allocation report of an independent appraiser dated November 6, 2019 and other relevant factors obtained since the business acquisition date, the Group considered the fair values of assets acquired and liabilities assumed from the business acquisition and recorded the difference amount between the consideration transferred and the net of the identifiable assets acquired from such business acquisition in the account "Goodwill" in the amount of Baht 18.23 million. The Group retrospectively adjusted the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and would have affected the measurement of the amounts recognized as of that date. Therefore, the consolidated statement of financial position as at December 31, 2018, has been restated accordingly.

The effects of the restatement were summarized as follows:

	(Unit : Thousand Baht)		
	Balance as previously reported	Effect of the restatement	Balance as restated
Consolidated statement of financial position as at December 31, 2018			
Assets			
Goodwill	35,156	18,232	53,388
Other intangible assets	160,621	4,831	165,452
Unallocated costs of business acquisition	22,257	(22,257)	-
Total assets	1,225,985	806	1,226,791
Liabilities and shareholders' equity			
Deferred tax liabilities	8,421	966	9,387
Unappropriated retained earnings	122,712	(160)	122,552
Total liabilities and shareholders' equity	1,225,985	806	1,226,791
Consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2018			
Administrative expenses	75,778	200	75,978
Income tax expense	17,780	(40)	17,740
Profit for the year	121,912	(160)	121,752
Profit attributable to:			
Owners of the parent	121,911	(160)	121,751
Total comprehensive income attributable to:			
Owners of the parent	122,801	(160)	122,641

On August 13, 2019, the Board of Directors' meeting of the Company passed a resolution to acquire Tiger Soft (1998) Co., Ltd. ("TGS"), a provider of human resource and payroll software and sales of advance access control devices, in total consideration of Baht 130 million. Subsequently on September 26, 2019, the Company paid for the business acquisition in amount of Baht 125 million with the remaining balance of Baht 5 million to be payable within the next 12 months, subject to price adjustment (if any) after verifying the assets and liabilities specified in the sales and purchase agreement.

On June 28, 2019, the Company entered into the Interim Management agreement with the previous owner of TGS in order to agree the term for providing the power over TGS to the Company including providing the rights to variable return of TGS beginning from July 1, 2019 onwards. Therefore, the Company has had ability to control over assets and liabilities of TGS since July 1, 2019 and then prepared its consolidated financial statements which include the result of operations of TGS since July 1, 2019, onwards.

Net book value of assets and liabilities of TGS as at July 1, 2019 are as follows:

	(Unit : Thousand Baht)
Consideration for acquisition	130,000
Value of net assets acquired	<u>(19,366)</u>
Unallocated costs of business acquisition	<u>110,634</u>

The value of net assets acquired as at July 1, 2019, are as follows:

	(Unit : Thousand Baht)
Assets	
Cash and cash equivalents	25,889
Trade and other current receivables	15,217
Inventories	10,571
Other current assets	3,227
Equipment - net	7,238
Computer software - net	969
Deferred tax assets	3,672
Other non-current assets	721
Total assets	<u>67,504</u>
Liabilities	
Trade and other current payables	20,506
Other current liabilities	11,390
Non-current provision for long-term employee benefits	16,242
Total liabilities	<u>48,138</u>
Net asset value acquired	<u>19,366</u>

During 2019, the Company is in the process of assessing the fair value of business acquired at the acquisition date to allocate costs of the business acquisition to such identifiable items. The assessment process is ongoing and mainly relates to the identification and valuation of intangible assets and certain tangible assets. It is to be completed within the period of 12 months from the acquisition date allowed under Thai Financial Reporting Standard No. 3 (revised 2018). During the measurement period, the Company will retrospectively adjust the provisional amounts recognized at the acquisition date, to recognize additional assets or liabilities, and adjust profit or loss to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The Company therefore recorded the excess of the acquisition cost of business over the net asset value as a separate item in the consolidated statement of financial position as at December 31, 2019 under the caption of “Unallocated costs of business acquisition”.

12. OTHER LONG-TERM INVESTMENTS

Other long-term investments as at December 31, are as follows:

	(Unit: Thousand Baht)	
	Consolidated/	
	Separate financial statements	
	2019	2018
Investments in available-for-sale securities - cost	521,908	537,955
Add: Surplus on changes in value of investments	21,089	(353)
Investments in available-for-sale securities - fair value	<u>542,997</u>	<u>537,602</u>
Debt securities held-to maturity - amortized cost	-	32,192
Other investment - cost	22,558	7,173
Less: Allowance for impairment of investments	<u>(7,173)</u>	<u>(7,173)</u>
Other investment - net	<u>15,385</u>	-
Total other long-term investments	<u>558,382</u>	<u>569,794</u>

During the year 2019 and 2018, the Company sold available-for-sale securities with book values totaling Baht 562 million and Baht 761 million, respectively, and recognized gains (after tax) on the sales in profit or loss, amounting to Baht 3.7 million and Baht 1.4 million, respectively.

13. BUILDING IMPROVEMENT AND EQUIPMENT

(Unit: Thousand Baht)

	Consolidated financial statements				Total
	Building improvement	Office equipment	Computer	Vehicles	
Cost:					
As at January 1, 2018	23,589	17,982	75,092	4,049	120,712
Additions	14,645	6,546	15,915	5,600	42,706
Transfer from business acquisition	-	209	627	-	836
Disposals/write-off	(21,045)	(4,539)	(925)	(4,049)	(30,558)
Translation adjustment	(78)	(25)	(51)	-	(154)
As at December 31, 2018	17,111	20,173	90,658	5,600	133,542
Additions	155	1,332	3,913	-	5,400
Transfer from business acquisition	1,080	2,558	3,863	9,210	16,711
Disposals/write-off	-	(1,941)	(226)	(401)	(2,568)
Translation adjustment	(174)	(63)	(94)	-	(331)
As at December 31, 2019	18,172	22,059	98,114	14,409	152,754
Accumulated depreciation:					
As at January 1, 2018	19,881	13,098	51,923	3,858	88,760
Depreciation for the year	4,306	2,720	15,158	933	23,117
Depreciation on transfer from business acquisition	-	194	614	-	808
Depreciation on disposals/write-off	(21,045)	(4,420)	(800)	(4,049)	(30,314)
Translation adjustment	(22)	(8)	(12)	-	(42)
As at December 31, 2018	3,120	11,584	66,883	742	82,329
Depreciation for the year	3,512	2,753	15,468	1,814	23,547
Depreciation on transfer from business acquisition	644	1,452	2,166	5,211	9,473
Depreciation on disposals/write-off	-	(1,940)	(226)	(400)	(2,566)
Translation adjustment	(70)	(24)	(41)	-	(135)
As at December 31, 2019	7,206	13,825	84,250	7,367	112,648
Net book value:					
As at December 31, 2018	13,991	8,589	23,775	4,858	51,213
As at December 31, 2019	10,966	8,234	13,864	7,042	40,106
Depreciation for the years					
2019 (Baht 7.24 million included in cost of sales and services, and the remaining balance in administrative expenses)					23,547
2018 (Baht 9 million included in cost of sales and services, and the remaining balance in administrative expenses)					23,117

(Unit: Thousand Baht)

Separate financial statements

	Building improvement	Office equipment	Computer	Vehicles	Total
Cost:					
As at January 1, 2018	16,820	13,893	67,392	-	98,105
Additions	14,137	6,231	15,897	5,600	41,865
Disposals/write-off	(16,821)	(2,070)	(104)	-	(18,995)
As at December 31, 2018	14,136	18,054	83,185	5,600	120,975
Additions	117	1,159	2,101	-	3,377
Disposals/write-off	-	(1,846)	-	-	(1,846)
As at December 31, 2019	14,253	17,367	85,286	5,600	122,506
Accumulated depreciation:					
As at January 1, 2018	15,202	9,783	47,282	-	72,267
Depreciation for the year	3,728	2,473	14,057	743	21,001
Depreciation on disposals/write-off	(16,821)	(1,974)	(104)	-	(18,899)
As at December 31, 2018	2,109	10,282	61,235	743	74,369
Depreciation for the year	2,840	2,321	13,914	1,120	20,195
Depreciation on disposals/write-off	-	(1,845)	-	-	(1,845)
As at December 31, 2019	4,949	10,758	75,149	1,863	92,719
Net book value:					
As at December 31, 2018	12,027	7,772	21,950	4,857	46,606
As at December 31, 2019	9,304	6,609	10,137	3,737	29,787
Depreciation for the years					
2019 (Baht 5.18 million included in cost of sales and services, and the remaining balance in administrative expenses)					20,195
2018 (Baht 7 million included in cost of sales and services, and the remaining balance in administrative expenses)					21,001

As at December 31, 2019, the Company and its subsidiaries had vehicles and equipments with net book value of Baht 3.8 million (2018: Baht 8.7 million) (The Company only 2019: Baht 3.7 million, 2018: Baht 8.6 million) which were acquired under hire-purchase and finance lease agreements.

As at December 31, 2019, the Company and its subsidiaries had building improvement and equipments which were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation loss of those assets amounted to approximately Baht 73 million (2018: Baht 47 million) (The Company only 2019: Baht 67 million, 2018: Baht 42 million).

14. OTHER INTANGIBLE ASSETS

The net book value of intangible assets as at December 31, are as follows:

	Consolidated financial statements			(Unit: Thousand Baht) Separate financial statements	
	Computer software	Tradename	Customer relationship "Restated"	Total	Computer software
Cost:					
As at January 1, 2018	171,532	20,478	38,441	230,451	161,840
Additions	2,422	-	-	2,422	2,419
Transfer in	30,006	-	-	30,006	30,006
Transferred from business acquisition	100	-	5,206	5,306	-
Translation adjustment	(150)	-	-	(150)	-
As at December 31, 2018	203,910	20,478	43,647	268,035	194,265
Additions	678	-	-	678	95
Transfer in	3,483	-	-	3,483	3,483
Transferred from business acquisition	2,417	-	-	2,417	-
Disposals/write-off	(12,704)	-	-	(12,704)	(12,559)
Translation adjustment	(273)	-	-	(273)	-
As at December 31, 2019	197,511	20,478	43,647	261,636	185,284
Accumulated amortisation:					
As at January 1, 2018	65,517	2,663	10,713	78,893	60,511
Amortisation for the year	16,383	1,365	5,492	23,240	15,816
Amortisation on transferred from business acquisition	94	-	375	469	-
Translation adjustment	(19)	-	-	(19)	-
As at December 31, 2018	81,975	4,028	16,580	102,583	76,327
Amortisation for the year	20,095	1,365	6,235	27,695	19,299
Amortisation on transferred from business acquisition	1,447	-	-	1,447	-
Amortisation on disposals/write-off	(12,078)	-	-	(12,078)	(11,935)
Translation adjustment	(63)	-	-	(63)	-
As at December 31, 2019	91,376	5,393	22,815	119,584	83,691
Net book value:					
As at December 31, 2018	121,935	16,450	27,067	165,452	117,938
As at December 31, 2019	106,135	15,085	20,832	142,052	101,593
				Consolidated	Separate
				financial statements	financial statements
Amortisation for the years					
2019				27,695	19,299
2018				23,240	15,816

15. COMPUTER SOFTWARE UNDER DEVELOPMENT

The net book value of computer software under development as at December 31, are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Net book value at beginning of the year	12,033	21,458	12,099	21,458
Development of computer software	15,400	20,581	15,383	20,647
Transfer out	-	(30,006)	-	(30,006)
Net book value at end of the year	<u>27,433</u>	<u>12,033</u>	<u>27,482</u>	<u>12,099</u>

16. GOODWILL

Goodwill in consolidated statement of financial position as at December 31, consisted of:

	(Unit: Thousand Baht)	
	2019	2018 "Restated"
Professional Outsourcing Solutions Limited	19,679	19,679
Humanica FAS Limited	<u>33,709</u>	<u>33,709</u>
	<u>53,388</u>	<u>53,388</u>

The recoverable amount of each cash generating unit (CGU) is determined based on a value-in-use calculation, using cash flow projections extracted from financial budgets approved by the management. The cash flow projections cover a five-year period for Professional Outsourcing Solutions Limited and Humanica FAS Limited.

Key assumptions used in value in use calculations are summarized below:

	Professional Outsourcing Solutions Limited		Humanica FAS Limited	
	2019	2018	2019	2018
Growth rate	4% - 6%	3% - 8%	4% - 6%	3% - 5%
Pre-tax discount rate	6%	12%	6%	12%

The management determined the growth rate based on past performance and its expectations of market development. The discount rate used is pre-tax and reflect specific risks relating to the relevant segments.

The management believes that there is no impairment loss for goodwill as at December 31, 2019.

17. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consisted of:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Deposits	9,687	5,933	7,791	4,745
Withholding tax deducted at source	3,857	4,803	1,395	3,857
Others	-	908	-	908
Total other non-current assets	<u>13,544</u>	<u>11,644</u>	<u>9,186</u>	<u>9,510</u>

18. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, consisted of:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Trade payables - others	3,315	4,047	2,485	4,047
Other payables - related parties (see Note 4)	-	-	124	5,350
Other payables - others	5,791	2,088	2,207	1,495
Accrued expenses - related party (see Note 4)	653	714	653	714
Accrued expenses - others	43,740	31,312	32,098	22,877
Contract liabilities	47,168	20,749	33,654	20,749
Total trade and other payables	<u>100,667</u>	<u>58,910</u>	<u>71,221</u>	<u>55,232</u>

19. LIABILITIES UNDER HIRE-PURCHASE AND FINANCE LEASE AGREEMENTS

Liabilities under hire-purchase and finance lease agreements as at December 31, consisted of:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Liabilities under hire-purchase and finance lease agreements	4,217	10,510	4,193	10,341
Less Deferred interest	<u>(340)</u>	<u>(753)</u>	<u>(340)</u>	<u>(745)</u>
Total	3,877	9,757	3,853	9,596
Less Portion due within one year	<u>(1,237)</u>	<u>(5,880)</u>	<u>(1,213)</u>	<u>(5,743)</u>
Liabilities under hire-purchase and finance lease agreements - net of current portion	<u>2,640</u>	<u>3,877</u>	<u>2,640</u>	<u>3,853</u>

The Company and its subsidiaries entered into the hire-purchase and finance lease agreements with leasing companies for rental of equipment and motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 5 years.

Future minimum lease payments required under the hire purchase and finance lease agreements were as follows:

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Less than 1 year		1 – 5 years		Total	
	2019	2018	2019	2018	2019	2018
Future minimum lease payments	1,427	6,293	2,790	4,217	4,217	10,510
Deferred interest	(190)	(413)	(150)	(340)	(340)	(753)
Present value of future minimum lease payments	<u>1,237</u>	<u>5,880</u>	<u>2,640</u>	<u>3,877</u>	<u>3,877</u>	<u>9,757</u>

	(Unit: Thousand Baht)					
	Separate financial statements					
	Less than 1 year		1 – 5 years		Total	
	2019	2018	2019	2018	2019	2018
Future minimum lease payments	1,403	6,148	2,790	4,193	4,193	10,341
Deferred interest	(190)	(405)	(150)	(340)	(340)	(745)
Present value of future minimum lease payments	<u>1,213</u>	<u>5,743</u>	<u>2,640</u>	<u>3,853</u>	<u>3,853</u>	<u>9,596</u>

20. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

Provision for long-term employee benefits, which represents compensation payable to employees after they retire as at December 31, were as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Provision for long-term employee benefits at beginning of the year	15,134	14,987	13,919	14,345
Acquisition of a subsidiary	16,242	-	-	-
Included in profit or loss:				
Current service cost	3,585	2,341	2,504	1,632
Interest cost	588	298	453	244
Past service cost	3,612	-	3,361	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	3,185	(193)	2,768	(170)
Experience adjustments	-	(2,299)	-	(2,349)
Increase from transferred of employee	-	-	-	217
Provision for long-term employee benefits at end of the year	<u>42,346</u>	<u>15,134</u>	<u>23,005</u>	<u>13,919</u>

The Company and its subsidiaries expect that it will not pay for long-term employee benefits Baht 1.2 million during next year. (Separate financial statements: Baht 1.2 million) (2018: Nil).

As at December 31, 2019, the weighted average duration of the liabilities for long-term employee benefits of the Company and its subsidiaries is 20 years (2018: 19 years).

Significant actuarial assumptions are summarized below:

	Consolidated/Separate financial statements	
	2019 (% per annum)	2018 (% per annum)
Discount rate	1.22 - 2.50	1.76 - 4.16
Future salary increase rate	4.00 - 12.00	4.00 - 12.00
Turnover rate	0 - 24	0 - 24

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

	(Unit: Thousand Baht)							
	Consolidated financial statements				Separate financial statements			
	Increase 1%		Decrease 1%		Increase 1%		Decrease 1%	
	2019	2018	2019	2018	2019	2018	2019	2018
Discount rate	(4,402)	(1,519)	5,257	1,788	(1,898)	(1,348)	2,230	1,579
Future salary increase rate	5,248	1,727	(4,495)	(1,502)	2,366	1,526	(2,051)	(1,333)
	Increase 20%		Decrease 20%		Increase 20%		Decrease 20%	
Turnover rate	(3,916)	(1,494)	5,093	2,015	(2,046)	(1,261)	2,804	1,692

The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette on April 5, 2019, which is effective after 30 days from the date announced in Royal Gazette. This Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than 400 days at the employees' latest wage rate. This change is considered an amendment to post-employment benefits plan. The Company and its subsidiaries reflect the effect of such change by recognizing past service cost as an expense in the statement of profit or loss and other comprehensive income for year ended December 31, 2019 amounting to Baht 3.61 million and Baht 3.36 million in the consolidated financial statements and separate financial statements, respectively.

21. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

22. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Salary and wages and other employee benefits	272,571	217,960	183,131	168,442
Depreciation	23,547	23,117	20,196	21,001
Amortisation expenses	27,695	23,440	19,299	15,816
Rental expenses from operating lease contract	31,435	28,819	25,455	23,154
License fees	11,006	13,852	11,006	13,852
Maintenance expenses	19,456	19,003	19,454	19,003

23. INCOME TAX EXPENSES, DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Income tax expenses for the years ended December 31, are made up as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018 "Restated"	2019	2018
Current income tax:				
Current income tax charge	(19,459)	(15,477)	(8,988)	(8,207)
Adjustment in respect of income tax of previous year	235	(1,917)	12	(1,917)
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	3,925	(346)	1,761	(1,360)
Income tax expenses reported in the statement of comprehensive income	<u>(15,299)</u>	<u>(17,740)</u>	<u>(7,215)</u>	<u>(11,484)</u>

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

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
Deferred tax on loss (gain) from the change in value of available-for-sale investments	(4,325)	87	(4,325)	87
Deferred tax on actuarial gain	637	(498)	554	(504)
	<u>(3,688)</u>	<u>(411)</u>	<u>(3,771)</u>	<u>(417)</u>

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

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018 "Restated"	2019	2018
Accounting profit before tax	162,275	139,492	126,414	115,616
Applicable tax rate	20	20	20	20
Accounting profit before tax multiplied by income tax rate	32,455	27,898	25,283	23,123
Adjustment in respect of income tax of previous years	(235)	1,917	(12)	1,917
Difference in tax rate in the Group	(417)	(690)	-	-
Effects of:				
Promotional privileges (see Note 24)	(14,262)	(10,107)	(14,262)	(10,107)
Exemption of income	-	-	(3,400)	(3,400)
Non-deductible expenses	2,011	373	407	257
Others	(4,253)	(1,651)	(801)	(306)
Total	(16,504)	(11,385)	(18,056)	(13,556)
Income tax expenses reported in the statement of comprehensive income	15,299	17,740	7,215	11,484

The tax rate enacted at the end of the reporting period of the subsidiaries in overseas countries are 17 percent to 18 percent.

The components of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018 "Restated"	2019	2018
Deferred tax assets				
Allowance for doubtful accounts	490	290	490	290
Provision for long-term employee benefits	8,469	3,027	4,601	2,784
Unrealized loss (gain) on changes in value from available-for-sale investments	(4,254)	71	(4,254)	71
Others	1,573	500	798	500
Total	6,278	3,888	1,635	3,645
Deferred tax liabilities				
Fair value of intangible assets arise from business acquisition	(7,183)	(8,703)	-	-
Others	(359)	(684)	-	-
Total	(7,542)	(9,387)	-	-
Deferred tax assets (liabilities) - net	(1,264)	(5,499)	1,635	3,645
Presentation in the statement of financial position				
Deferred tax assets	6,278	3,888	1,635	3,645
Deferred tax liabilities	(7,542)	(9,387)	-	-

The movements of deferred tax assets during the years ended December 31, are as follows:

2019

	(Unit: Thousand Baht)			
	Consolidated Financial Statements			
	As at January 1, 2019	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2019
Deferred tax assets - net				
Allowance for doubtful accounts	290	200	-	490
Provision for long-term employee benefits	3,027	5,442	-	8,469
Unrealized loss (gain) on changes in value from available-for-sale investments	71	-	(4,325)	(4,254)
Others	500	-	1,073	1,573
Deferred tax assets - net	<u>3,888</u>	<u>5,642</u>	<u>(3,252)</u>	<u>6,278</u>

2018

	(Unit: Thousand Baht)			
	Consolidated Financial Statements			
	As at January 1, 2018	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2018
Deferred tax assets - net				
Allowance for doubtful accounts	1,117	(827)	-	290
Provision for long-term employee benefits	2,998	29	-	3,027
Accumulated depreciation - building improvement and equipment	1,087	(1,087)	-	-
Unrealized loss on changes in value from available-for-sale investments	-	-	71	71
Others	491	9	-	500
Deferred tax assets - net	<u>5,693</u>	<u>(1,876)</u>	<u>71</u>	<u>3,888</u>

2019

	(Unit: Thousand Baht)			
	Separate Financial Statements			
	As at January 1, 2019	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2019
Deferred tax assets - net				
Allowance for doubtful accounts	290	200	-	490
Provision for long-term employee benefits	2,784	1,817	-	4,601
Unrealized loss on changes in value from available-for-sale investments	71	-	(4,325)	(4,254)
Others	500	298	-	798
Deferred tax assets - net	<u>3,645</u>	<u>2,315</u>	<u>(4,325)</u>	<u>1,635</u>

2018

	(Unit: Thousand Baht)			
	Separate Financial Statements			
	As at January 1, 2018	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2018
Deferred tax assets - net				
Allowance for doubtful accounts	1,117	(827)	-	290
Provision for long-term employee benefits	2,869	(85)	-	2,784
Accumulated depreciation - building improvement and equipment	1,087	(1,087)	-	-
Unrealized loss on changes in value from available-for-sale investments	-	-	71	71
Others	364	136	-	500
Deferred tax assets - net	<u>5,437</u>	<u>(1,863)</u>	<u>71</u>	<u>3,645</u>

The movements of deferred tax liabilities during the years ended December 31, are as follows:

2019

	(Unit: Thousand Baht)			
	Consolidated Financial Statements			
	As at January 1, 2019	Items as recognized in profit or loss	Items as recognized in in other comprehensive income	As at December 31, 2019
Deferred tax liabilities - net				
Fair value of intangible assets arise in business acquisition	(8,703)	1,520	-	(7,183)
Others	(684)	325	-	(359)
Deferred tax liabilities - net	<u>(9,387)</u>	<u>1,845</u>	<u>-</u>	<u>(7,542)</u>

2018

	(Unit: Thousand Baht)			
	Consolidated Financial Statements			
	As at January 1, 2018	Items as recognized in profit or loss	Items as recognized in in other comprehensive income "Restated"	As at December 31, 2018
Deferred tax liabilities - net				
Unrealized gain on changes in value from available-for-sale investments	(16)	-	16	-
Fair value of intangible assets arise in business acquisition	(9,109)	406	-	(8,703)
Others	(304)	(380)	-	(684)
Deferred tax liabilities - net	<u>(9,429)</u>	<u>26</u>	<u>16</u>	<u>(9,387)</u>

2018

(Unit: Thousand Baht)

	Separate Financial Statements			
	As at January 1, 2018	Items as recognized in profit or loss	Items as recognized in in other comprehensive income	As at December 31, 2018
Deferred tax liabilities - net				
Fair value of intangible assets arise in business acquisition	(16)	-	16	-
Deferred tax liabilities - net	(16)	-	16	-

24. PROMOTIONAL PRIVILEGES

The Company was granted investment promotional from Board of Investment. Significant tax privileges granted to the Company are summarized below.

	Promotion certificate no.	Exemption from corporate income tax for 8 years commencing from
Software	1682(7)/2548	June 11, 2010
Software	2103(7)/2555	July 12, 2017

As a BOI promoted company, the Company must comply with certain conditions and restrictions stipulated in the investment promotion certificates.

The Company's operating revenues for the years ended December 31, are below shown divided according to promoted and non-promoted operations.

	Promoted operations		Non-promoted operations		Total	
	2019	2018	2019	2018	2019	2018
Sales and service income						
Domestic	124,205	122,358	242,218	245,497	366,423	367,855
Export	9,737	8,118	3,598	1,387	13,335	9,505
Total sales and service income	<u>133,942</u>	<u>130,476</u>	<u>245,816</u>	<u>246,884</u>	<u>379,758</u>	<u>377,360</u>

25. 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.

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit for the year (Thousand Baht)	146,976	121,752	119,199	104,132
Weighted average number of ordinary shares (Thousand shares)	680,000	680,000	680,000	680,000
Earnings per share (Baht per share)	0.22	0.18	0.18	0.15

26. DIVIDENDS PAID

On April 2, 2018, the Company's Annual General Meeting of the Shareholders approved the payment of a dividend for the year 2017 amounting to Baht 82.90 million. However, since the Board of Directors previously approved an interim dividends from income of the year 2017 amounting to Baht 62.50 million, there were the remaining dividends payment amounting to Baht 20.40 million or Baht 0.03 per share. Such dividends were paid to the shareholders on April 26, 2018.

On August 14, 2018, a meeting of the Company's Board of Directors approved the payment an interim dividends from income of the year 2018 amounting to Baht 27.20 million or Baht 0.04 per share. Such dividends were paid to the shareholders on September 13, 2018.

On April 29, 2019, the Company's Annual General Meeting of the Shareholders approved the payment of a dividend for the year 2018 amounting to Baht 68.00 million. However, since the Board of Directors previously approved an interim dividends from income of the year 2018 amounting to Baht 27.20 million, there were the remaining dividends payment amounting to Baht 40.80 million or Baht 0.06 per share. Such dividends were paid to the shareholders on May 24, 2019.

On August 13, 2019, a meeting of the Company's Board of Directors approved an interim dividends from income of the year 2019 amounting to Baht 40.80 million or Baht 0.06 per share. Such dividends were paid to the shareholders on September 11, 2019.

27. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organized into business units based on its services and have four reportable segments as follows:

- 1) Human resource management system services segment
- 2) Enterprise resource planning services segment
- 3) Accounting and financing services
- 4) Sales of advance access control devices

No operating segments have been aggregated to form the above reportable operating segments.

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 on a basis consistent with that used to measure operating profit or loss 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 and profit information regarding the Company and its subsidiaries' operating segments for the years ended December 31,

	(Unit: Thousand Baht)									
	Human resource management system services		Enterprise resource planning services		Accounting and financing services		Sales of advance access control devices		Financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Sales and service income from external customers	469,392	396,991	80,770	98,940	23,031	19,181	25,660	-	598,853	515,112
Total revenue	469,392	396,991	80,770	98,940	23,031	19,181	25,660	-	598,853	515,112
Segment profit	122,507	109,183	5,457	25,250	8396	6,329	15,100	-	151,460	140,762
Unallocated income (expenses):										
Dividends									5,275	1,607
Other income									9,736	6,514
Allowance for doubtful account (Reversal)									1,900	(1,900)
Amortisation of intangible assets from purchase of subsidiaries									(7,600)	(6,857)
Share of profits from investments in associates									1,934	-
Finance cost									(430)	(634)
Profit before income tax expenses									162,275	139,492
Income tax expenses									(15,299)	(17,740)
Profit for the year									146,976	121,752

Disaggregation of revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under TFRS 8 “Operating Segments”.

	Human resource management system services		Enterprise resource planning services		Accounting and financing services		Sales of advance access control devices		(Unit : Thousand Baht) Consolidated Financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
For the year ended December 31,										
Timing of revenue recognition										
At a point in time										
- Revenue from sales of software	42,138	29,379	18,673	25,248	-	-	-	-	60,811	54,627
- Revenue from sales of goods	-	-	-	743	-	-	-	-	25,660	743
- Monthly service income	353,006	315,696	-	-	21,026	18,129	-	-	374,032	333,825
- One-time service income	32,117	22,314	-	-	2,005	1,052	-	-	34,122	23,366
Overtime										
- Service income from software implementation	23,756	21,063	17,622	30,025	-	-	-	-	41,378	51,088
- Other service income	18,375	8,539	44,475	42,924	-	-	-	-	62,850	51,463
Total Revenues	469,392	396,991	80,770	98,940	23,031	19,181	25,660	-	598,853	515,112

For the years ended December 31, 2019 and 2018, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of the Group’s revenues.

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit : Thousand Baht)	
	2019	2018
Revenue from external customers		
Thailand	524,485	449,816
Singapore	57,464	54,324
Japan	6,254	4,706
Malaysia	10,650	6,266
Total	<u>598,853</u>	<u>515,112</u>

28. PROVIDENT FUND

The Company and its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contribute to the fund monthly at the rate between 4 to 15 percent of basic salary. The fund, which is managed by Krungsri Asset Management Company Limited and Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2019 amounting to approximately Baht 8.7 million (2018: Baht 8.5 million) (The Company only 2019: Baht 5.2 million, 2018: Baht 5.0 million) were recognized as expenses.

29. COMMITMENTS AND CONTINGENT LIABILITIES

29.1 Separation agreements

On February 23, 2017, the Company entered into a separation agreement to sell its investment in Tricor Humatrix Asia Pte. Ltd. (“THA”), an associate, to Tricor Singapore Pte. Ltd. at a price of SGD 1 (equivalent to approximately Baht 25) and the shares were transferred since December 31, 2016. Under the separation agreement, THA agreed to transfer a group of customers to Humanica Asia Pte. Ltd., a subsidiary, in accordance with the conditions stipulated in the agreement.

In addition, the separation agreement included conditions specifying that the Company would receive dividend with respect to operating results for the years 2015 and 2016 based on its shareholding paid from retained earnings as at December 31, 2016, after the financial statements of THA had been audited by auditors. In this regard, the Company recognized other receivables amounting to Baht 12.8 million in the consolidated statements of financial position as at December 31, 2016. Subsequently on May 3, 2017, the Company received dividend with respect to operating results for the year 2015 amounting to Baht 5.1 million. As at December 31, 2018, outstanding balance of this other receivables net of allowance for doubtful account was Baht 5.8 million.

Subsequently on November 18, 2019, the Company received the payment for such amount of Baht 6.6 million which is higher than amount recognized in the consolidated and separate statement of financial position in amount of Baht 0.8 million and Baht 3.7 million, respectively. Such surplus is recognized as other income in the statement of profit and loss and other comprehensive income for the year ended December 31, 2019.

29.2 Operating lease and service agreements commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space and other service agreements. The terms of the agreements are generally between 1 and 10 years.

Future minimum lease payments required under these non-cancellable operating leases and service contracts were as follows.

	Consolidated financial statements		(Unit: Million Baht) Separate financial statements	
	As at December 31, 2019	As at December 31, 2018	As at December 31, 2019	As at December 31, 2018
Payable:				
Up to 1 year	20	24	17	19
In over 1 year and up to 5 years	76	108	74	107
Over 5 years	65	78	65	78

29.3 Guarantees

As at December 31, 2019, there were outstanding bank guarantees of approximately Baht 0.9 million (2018: Baht 4.7 million) issued by a bank on behalf of the Company in respect of contractual performance. Such bank guarantees are secured by the Company's fixed deposit (see Note 9).

30. FAIR VALUE HIERARCHY

As at December 31, 2019 and 2018, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

Financial Assets	CONSOLIDATED/SEPARATE FINANCIAL STATEMENTS			Valuation techniques and key inputs used in fair value measurements
	Fair value As at December 31, 2019	Fair value As at December 31, 2018	Fair value hierarchy	
Held-for-trading securities				
Unit trust in fixed income funds	249,527	-	Level 2	Net asset value of investment units of the last working day of the reporting period

(Unit: Thousand Baht)				
CONSOLIDATED/SEPARATE FINANCIAL STATEMENTS				
Financial Assets	Fair value As at December 31, 2019	Fair value As at December 31, 2018	Fair value hierarchy	Valuation techniques and key inputs used in fair value measurements
Available-for-sale securities				
Unit trust in fixed income funds	193,690	464,105	Level 2	Net asset value of investment units of the last working day of the reporting period
Unit trust in mixed fund	8,632	12,073	Level 2	Net asset value of investment units of the last working day of the reporting period
Equity instruments	139,713	61,423	Level 1	Last bid price of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
Unit trust in equity	4,618	-	Level 2	Net asset value of investment units of the last working day of the reporting period
Other investment				
Structure notes	-	100,000	Level 2	Cash flow estimated with fair value of underlying asset and strike price discounted to maturity date with cost of capital

31. FINANCIAL INSTRUMENTS

31.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, investments, trade and other current receivables, loans to related parties, restricted bank deposits, bank overdrafts, trade and other current payables, advances from a related party, and liabilities under hire-purchase and finance lease. The financial risks associated with these financial instruments and how they are managed is described below;

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other current receivables and loans to related parties. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other current receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relates primarily to its cash at banks, loans to related parties, bank overdraft, and liabilities under hire-purchase and finance lease. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at December 31, 2019 and 2018, significant financial assets and liabilities classified by type of interest rate, 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: Thousand Baht)

Consolidated financial statements						
2019						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years				
Financial Assets						
Cash and cash equivalents	3,782	-	93,218	62,474	159,474	0.10 - 0.38
Temporary investments	29,886	-	-	53,182	83,068	8.00
Trade and other current receivables	-	-	-	138,816	138,816	-
Restricted bank deposits	1,050	-	-	-	1,050	0.90
Other long-term investments	-	-	-	558,382	558,382	-
	<u>34,718</u>	<u>-</u>	<u>93,218</u>	<u>812,854</u>	<u>940,790</u>	
Financial liabilities						
Trade and other current payables	-	-	-	100,667	100,667	-
Liabilities under hire-purchase and finance lease	1,237	2,640	-	-	3,877	5.80 - 7.55
	<u>1,237</u>	<u>2,640</u>	<u>-</u>	<u>100,667</u>	<u>104,544</u>	

(Unit: Thousand Baht)

Separate financial statements						
2019						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years				
Financial Assets						
Cash and cash equivalents	3,782	-	39,239	31,759	74,780	0.10 - 0.38
Temporary investments	29,886	-	-	53,182	83,068	8.00
Trade and other current receivables	-	-	-	83,844	83,844	-
Restricted bank deposits	700	-	-	-	700	0.90
Other long-term investments	-	-	-	558,382	558,382	-
Loans to related party	-	13,000	-	-	13,000	1.80
	<u>34,368</u>	<u>13,000</u>	<u>39,239</u>	<u>727,167</u>	<u>813,774</u>	
Financial liabilities						
Trade and other current payables	-	-	-	71,221	71,221	-
Liabilities under hire-purchase and finance lease	1,213	2,640	-	-	3,853	5.80 - 7.55
	<u>1,213</u>	<u>2,640</u>	<u>-</u>	<u>71,221</u>	<u>75,074</u>	

(Unit: Thousand Baht)

Consolidated financial statements						
2018						
	Fixed interest rates				Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing		
Financial Assets						
Cash and cash equivalents	-	-	76,475	34,860	111,335	0.10 - 0.38
Temporary investments	-	-	-	100,000	100,000	-
Trade and other current receivables	-	-	-	118,318	118,318	-
Restricted bank deposits	4,889	-	-	-	4,889	0.90
Other long-term investments	-	32,192	-	537,602	569,794	8.00
	4,889	32,192	76,475	790,780	904,336	
Financial liabilities						
Trade and other current payables	-	-	-	58,910	58,910	-
Liabilities under hire-purchase and finance lease	5,880	3,877	-	-	9,757	5.80 - 8.41
	5,880	3,877	-	58,910	68,667	

(Unit: Thousand Baht)

Separate financial statements						
2018						
	Fixed interest rates				Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing		
Financial Assets						
Cash and cash equivalents	-	-	50,576	13,910	64,486	0.10 - 0.38
Temporary investments	-	-	-	100,000	100,000	-
Trade and other current receivables	-	-	-	92,399	92,399	-
Restricted bank deposits	4,889	-	-	-	4,889	0.90
Other long-term investments	-	32,192	-	537,602	569,794	8.00
Loans to related party	-	20,000	-	-	20,000	1.80
	4,889	52,192	50,576	743,911	851,568	
Financial liabilities						
Trade and other current payables	-	-	-	55,232	55,232	-
Liabilities under hire-purchase and finance lease	5,743	3,853	-	-	9,596	5.80 - 7.55
	5,743	3,853	-	55,232	64,828	

Foreign currency risk

The balances of financial assets and liabilities denominated in foreign currencies of the Company and its subsidiaries as at December 31, are summarized below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2019 (Million)	2018 (Million)	2019 (Million)	2018 (Million)	2019 (Baht per 1 foreign currency unit)	2018
USD	-	-	-	-	30.1540	32.4498
JPY	0.2	2.5	-	-	0.2759	0.2931
MYR	-	0.2	-	-	7.3222	7.8056
SGD	-	-	-	-	22.3245	-

Foreign currency	Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities		2019	2018
	2019 (Million)	2018 (Million)	2019 (Million)	2018 (Million)	(Baht per 1 foreign currency unit)	
USD	-	-	-	-	30.1540	32.4498
SGD	-	0.4	-	0.2	22.3245	23.6943
JPY	0.2	2.5	-	-	0.2759	0.2931
MYR	-	0.2	-	-	7.3222	7.8056

31.2 Fair values of financial instruments

Since the majority of the Company'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 statement of financial position.

32. 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 maximize shareholder value. As at December 31, 2019, the Group's debt-to-equity ratio was 0.15 : 1 (2018: 0.09 : 1) and the Company's was 0.09 : 1 (2018 : 0.08 : 1).

33. RECLASSIFICATIONS

Certain reclassifications have been made in the statement of financial position as at December 31, 2018 to conform to the classification used in current period's financial statements. Such reclassifications have no effect to previously reported net profit and shareholders' equity. The reclassifications are as follows:

Items	Previous presentation	Reclassified to	(Unit: Thousand Baht)	
			Consolidated Financial Statements	Separate Financial Statements
Prepaid expenses	Other current assets	Trade and other current receivables	4,453	4,246
Withholding tax deducted at source	Withholding tax deducted at source	Other non-current assets	4,803	3,857
Contract liabilities	Service income received in advance	Trade and other current payables	20,749	20,749
Other long-term investments	Temporary investments	Other long-term investments	306,790	306,790

34. EVENTS AFTER THE REPORTING PERIOD

- 34.1) On January 31, 2020, the Company invested in the new associate which the Company paid for the share subscription of such associate company in amount of Baht 0.08 million or 25% of total share subscription. The shareholding percentage of the Company is equal to 30% of total shares in such associate.
- 34.2) On February 25, 2020, the Board of Directors' meeting of the Company passed a resolution to propose the payment of a dividend for the year 2019 at Baht 0.12 per share. However, since the Board of Directors previously approved an interim dividend from income of the year 2019 at Baht 0.06 per share, totalling Baht 40.80 million, there are the remaining dividend payable at Baht 0.06 per share, totalling Baht 40.80 million. The Board of Directors will propose for an approval by the Annual General Meeting of the Company.

35. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issuing by the Company's authorised directors on February 25, 2020.

INFORMATION OF DIRECTORS, MANAGEMENT AND COMPANY SECRETARY

Name-Last name Mr. Anotai Adulbhan

Position Chairman of the Board and Independent Director
Director (Authorized Director of the Company)

Age (Year) 46

Educational Background

- Master of Business Administration, Kellogg School of Management, Northwestern University, U.S.A.
- Bachelor of Engineering, Chulalongkorn University

Training Course

- Director Accreditation Program (DAP), Batch 122/2015

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2014 - Present	Director	Humanica Pcl. Corporate Software and Payroll Service
2018 - Present	Director	AAA Assets Co., Ltd. Investment
2018 - Present	Director	Pharma Management Co., Ltd. Investment
2019 - Present	Director	NForce Security Cyber Security Distributor
2017 - Present	Director	Aisance Co., Ltd. Distribute Cosmeceuticals
2016 - 2018	Director	Ready Planet Co., Ltd. Website Service
2015 - 2019	Director	KT Restaurant Co., Ltd. Restaurant
2014 - Present	Director	Hudson Asia Holdings Pte. Ltd. Investment
2012 - Present	Director	Selic Corp Pcl. Industrial Adhesive
2009 - Present	Director	Lakeshore Capital Partners Co., Ltd. Business and Management Consultant

Name-Last name Mr. Soontorn Dentham

Position Vice Chairman of the Board and Chief Executive Officer
(Authorized Director of the Company)

Age (Year) 62

Educational Background

- Bachelor of Accountancy, Thammasat University
- Higher Diploma in Auditing , Chulalongkorn University

Training Course

- Director Certification Program (DCP), Batch 219/2016
- Executive Program: Strategic Planning- Sasin & University of Michigan
- E Business Program-University of Melbourne
- Leading in a Disruptive World Program-Stanford University

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2003 - Present	Founder, Director and Chief Executive Officer	Humanica Pcl. Corporate Software and Payroll Service
2018 - Present	Director	Conicle Co.,Ltd Corporate Software
2018 - Present	Director	Redady Palnet Co., Ltd. Website Service
2016 - Present	Director	Humanica Asia Pte. Ltd. Payroll Service
2016 - Present	Director	Professional Outsourcing Solution Co., Ltd. Payroll Service
2016 - Present	Director	Humanica FAS Co.,Ltd Accounting Service

Name-Last name Mr. Anuphan Kitnitchiwa

Position Director

Age (Year) 56

Educational Background

- Doctor of Philosophy, National Institution of Development Administration
- Master of Law, Thammasat University
- Bachelor of Law, Thammasat University

Training Course

- Director Certification Program (DCP), Batch 130/2010
- Advanced Audit Committee Program (AACP), Batch 17/2014
- Role of the Chairman Program (RCP), Batch 38/2016
- Successful Formulation & Execution of Strategy (SFE), Batch 26/2016

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2014 - Present	Director	Humanica Pcl. Corporate Software and Payroll Service
2014 - 2018	Chairman of the Audit Committee	TOT Pcl Telecommunication
2014 - Present	Chairman of the Audit Committee the Audit Committee	Thai Poly Acrylic Pcl. Distribute Acrylic Distribute Acrylic
2004 - Present	Director and Managing Director	Dherakupt Law Office Co., Ltd. Legal and Tax Consultant

Name-Last name Mr. Patara Yongvanich

Position Chairman of Audit Committee and Independet Director

Age (Year) 44

Educational Background

- Master of Business Administration, Cornell University, U.S.A.
- Master of Industrial Engineering, Stanford University, U.S.A.
- Bachelor of Mechanical Engineering, Cornell University, U.S.A.

Training Course

- Director Accreditation Program (DAP), Batch 134/2017

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2019 - Present	Director	Relationship Republic Company Limited CRM Consulting
2014 - Present	Chairman of Audit Committee	Humanica Pcl. Corporate Software and Payroll Service
2013 - Present	Director	Rhipe Technology (Thailand), Co. Ltd. Software Distribution

Name-Last name Mr. Thanachart Numnonda

Position Audit Committee and Independent Director

Age (Year) 53

Educational Background

- Doctor of Electrical and Electronic Engineering, The University of Auckland, N.Z.
- Master of Electrical and Electronic Engineering, The University of Auckland, N.Z.
- Bachelor of Electrical Engineering, Khon Khaen University

Training Course

- Director Accreditation Program (DAP), Batch 121/2015
- Advanced Audit Committee Program (AACP), Batch 25/2017

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2015 - Present	Audit Committee	Humanica Pcl. Corporate Software and Payroll Service
2017 - Present	Chairman of Audit Committee	Thanachart Bank Co., Ltd. Commercial Bank
2016 - Present	Chairman of the Board and Chairman of Audit Committee	Siameast Solutions Co., Ltd. Industrial Products
2015 - Present	Audit Committee	Vintcom Technology Pcl. Computer Hardware
2013 - Present	Member of University Council	Ubon Ratchathani University Educational Institution
2013 - Present	Director	IMC Outsourcing (Thailand) Co., Ltd. Data Storage Service and Marketing Consultant
2015 - 2017	Association President	The Association of Thai ICT Industry Government Sector

Name-Last name Mr. Patai Padungtin

Position Audit Committee and Independent Director

Age (Year) 40

Educational Background

- Bachelor of Engineering (Civil Engineering) ,Chulalongkorn University

Training Course

- -Director Accreditation Program (DAP) Batch 158/2019

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2019 - Present	Audit Committee	Humanica Pcl. Corporate Software and Payroll Service
2018 - Present	Director	Bulk One Group Co.,Ltd Enterprise Solutions for Construction and Real Estate Industry
2011 - Present	Director	Bulk Asia Co.,Ltd B2B Construction Material E-commerce

Name-Last name Miss Chuenchom Techarungkiat

Position Chief Operations Officer - HR Solutions

Age (Year) 46

Educational Background

- Master of Technology Management, Thammasat University
- Bachelor of International Relations, Thammasat University

Training Course

- N/A

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2011 - Present	Chief Operations Officer	Humanica Pcl.
	HR Solutions	Corporate Software and Payroll Service
2017 - Present	Director	Professional Outsourcing Solution Co., Ltd.
		Payroll Service
2017 - Present	Director	Humanica FAS Co.,Ltd
		Accounting Service

Name-Last name Sasithorn Hirunsak

Position Chief Finance Officer and Company Secretary

Age (Year) 52

Educational Background

- Bachelor of Accountancy, Thammasat University

Training Course

- -N/A

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2004 - Present	Chief Operations Officer	Humanica Pcl.
	Financial Solutions	Corporate Software and Payroll Service
2017 - 2018	Director	Humanica FAS Co.,Ltd
		Accounting Service

Name-Last name Bee Bee Lim

Position Chief Operations Officer - International Business, and Chief Commercial Officer

Age (Year) 49

Educational Background

- Bachelor of Management Studies, University of London, U.K.

Training Course

- -N/A

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2017 - Present	Chief Operations Officer - International Business and Chief Commercial Officer	Humanica Pcl. Corporate Software and Payroll Service Corporate Software and Payroll Service
2017 - Present	Director	Humanica Asia Pte. Ltd. Payroll Service
2017 - Present	Director	Humanica Snd Bhd Payroll Service
2015 - 2016	Director	Tricor Humatrix Asia Pte. Ltd. Payroll Service
2004 - 2014	Senior Manager	Tricor Singapore Pte. Ltd. Payroll Service

Name-Last name Hathaichanok Suwanjang

Position Chief Technology Officer

Age (Year) 39

Educational Background

- Master of Science in Software Engineering: Computer Engineering, Chulalongkorn University
- Bachelor of Science in Business Information Technology: Commerce and Accountancy, Chulalongkorn University

Training Course

- Corporate Innovation Bootcamp Through Design Thinking at RISE. CMMi at ITPC
- Software Project Management at Software Park.
- Agile Development Methodology at Chulalongkorn University.
- Microsoft SQL Server 2008 at Microsoft Thailand.
- OO Analysis & Design Using UML at CCP.
- OOAD and Design Patterns .NET at GreatFriend.
- Developing Microsoft ASP.NET Web Application Using Visual Studio .Net C# at CTT Training Center.
- Oracle Developer Tools

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2003 - Present	Chief Technology Officer	Humanica Pcl. Corporate Software and Payroll Service

Name-Last name Sayan Wairangkoon

Position Sayan Wairangkoon
Chief Finance Officer and Company Secretary

Age (Year) 49

Educational Background

- Master of Business Economics, National Institute of Development and Administration
- Bachelor of Arts (Accounting), Chiang Mai University

Training Course

- Development of Certified Accounting Professions 2019
- Performance feedback Techniques for The Success

Work Experiences in the Past 5 Years

Period	Position	Company's name/ Business Type
2019 - Present	Chief Executive Officer and Company Secretary	Humanica Public Company Limited
2020 - Present	Director	Humanica FAS Co., Ltd.
2017	Deputy Chief Executive Officer	Wuttisak Inter Group Co., Ltd.
2015 - 2016	Partner and General Manager	Business Coach and Consulting Co., Ltd.
2009 - Present	Managing Director	IDM Consulting Co., Ltd.

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HUMANICA PUBLIC COMPANY LIMITED

No. 2 Soi Rongmuang 5, Rongmuang Road,
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