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Message from Chairman

Dear Shareholders,

I am delighted to share my thoughts, through this annual report, summarizing Humanica's performance, as well as the very exciting news of our pending acquisition of Data On Group of Companies ("DataOn").

We are grateful for the shareholders' overwhelming support for the acquisition of DataOn. We believe this is an important milestone in our journey in creating one of Southeast Asia's biggest HR technology company and cover everything from end-to-end HR solutions, multi-country payroll outsourcing ("MCPO"), Enterprise Resource Planning ("ERP") and financial solutions to benefits and e-commerce. The merger will reshape our competitive landscape in the region's HR and MCPO scene.

UPHOLDING OUR VALUES AND PRINCIPLES AS WE GROW

Humanica remains committed to maintain our regime of high standards of corporate governance, pledging to provide timely and accurate information through various investor relations activities benefiting all stakeholders. In addition, we continue our works in promoting sustainability and workplace wellness, by introducing various initiatives such as use of greener energy, reduction in CO2 footprint and better waste management.

REWARDING OUR LOYAL SHAREHOLDERS

The Group continued to face a challenging business environment in FY2021 and the COVID-19 pandemic has caused a disruption to Thailand's economic condition which has affected many of our clients. However, despite the volatility of the Thai economy in 2021, we managed to learn and adapt our strategy to achieve a small growth.

On behalf of the Board, I am pleased to recommend a final dividend of 0.10 baht per share. In addition to the interim dividend of 0.06 baht per share, the collective dividends of 0.16 baht per share was an increase of 14.3% year-on-year (2020: 0.14 baht) represents a pay out ratio of 59% against FY 2021 net profit.

BOARD CHANGES DURING THE YEAR

Our board member, Mr. Anuphan Kitnichiva, has requested to step down to focus on his other businesses with effect from 23 November 2020. The Board would like to express its sincere gratitude to Mr. Anuphan Kitnichiva for his valuable long services as an Independent Director of the Board and we wish him well in his endeavours.

WORDS OF APPRECIATION

Finally, on behalf of the Board of Directors, HUMAN would like to thank all shareholders, customers, business partners, affiliates, and stakeholders who have been supporting and trusting the Company. The Company will also be committed to operating the business for sustainable progress with the further support of all of you in the future.

Last, but not least, I would like to thank all staff and management team, for once again proving their dedication and support. It was through their commitment and dedicated services that the company overcome the unprecedented challenges

Thank you and stay safe.



Mr. Anotai Adulbhan

Chairman of the Board of Directors

Message from Chief Executive Officer

When facing with unprecedented challenges, great companies find ways to challenge its status quo and strive for greater levels of excellence. They never stop learning, instead bravely face the brutal truths. They are constantly in motion, anticipating the next challenge or opportunity, staying humble even as they scale.

At Humanica, we applied these principles to position itself strategically for long-term, sustainable growth. One key strategy is to acquire DataOn to jointly develop technologies and solutions that elevate the customer experience and address the challenges of "Future of Work". We were thankful that shareholders saw the merits of our acquisition and given us a strong mandate to proceed with the acquisition in the recent EGM.

In the post-COVID world we continue to anticipate changes in areas of the business, including the customer demand for wider scope of integrated services and workspace collaboration. At Humanica, we continue to envision a carefully curated ecosystem of benefits providers within our HR solutions. Hence, in FY2021, we have invested in PharmCare, a startup company providing digital pharmaceutical services with door-to-door delivery service linked with tele-doctor consultation. We have also invested in nForce Secure, a network security solution provider and Rabbit Cash, a collaboration with BTS Group, providing quick loan services.

The year in Review

I am pleased to report the key highlights for FY2020 as follow:

- Revenue grew 4.1% to 770.49mb (2020: 740.34mb)
- Net Profit after tax grew 0.3% to 165.33 mb (2020: 164.86mb)
- Net Profit after tax margin drops to 21.5% (2020: 22.3%)
- Net Asset increased by 13.5% to 1,437.63mb (2020: 1.266,86mb)
- Earnings per share increased at 0.25 baht (2020: 0.24 baht)

Over the past few years, competition in the market has been high, especially during the COVID-19 situation. The Company faced an increased the cost of managing the businesses in both staff costs and technology costs. However, the Company still managed to achieve a small growth in net profit to 165.33mb. It was the cooperation of the management and the employees to help us ride the current wave of slow economic growth by focusing on three main areas, which include customer focus, focus on efficiency and profits.

Despite the volatility of the economy in 2021 causing many of our clients to reduce their headcount and hence affecting our recurring revenue, we also saw business opportunities in HR and ERP technology market as Thailand entering into the digital economy. It is one of the Company's points of pride to manage to win projects during a time of economic crisis.

The Group's consolidated revenue increased by 30.15mb from 740.34mb for the financial year ended FY2020 to 770.49mb in FY2021. The marginal increase in revenue was mainly due to lower recurring revenue generated from

payroll outsourcing business as our clients were affected by the slow recovery, partially offset by an increase in implementation of HR and ERP solutions, as well as an increase in other income comprises mainly gain in investment.

Overall cost of sales and services increased by 13.30mb or 3.5% to 398.26mb (FY2020: 384.96mb) which mostly came from the expenses on cloud services. We reported a gross margin of 48.3%, a slight increase from 48.0% in FY2020, in line with our mid-term target to improve gross margin.

A net profit after tax of 165.33mb was recorded by the Group in FY2021 compared to a net profit after tax of 164.86mb in FY2020, a small increase of 0.47mb resulting in a reduction in net profit margin from 22.3% in FY2020 to 21.5% in FY2021. This was mainly due to increase in selling and administrative expense which arose from 160.25mb to 176.95mb with increases in staff cost, office space and one-time provision for impairment of investment amounting to 8.65mb.

As at 31 December 2021, the Group's net assets was 1,437.63mb compared to 1,266.86mb a year ago, representing an increase of 13.5%.

Dividend

In line with our dividend policy, the Company is proposing a final dividend of 0.10 baht per share, bringing the total dividend for the year to 0.16 baht per share, which is 14.3% higher than 0.14 baht per share in FY2020. The proposed dividend is 59% of the year's net profit.

People

Humanica was founded as a people-centric organization. Event such as COVID-19 global pandemic is redefining works, I am proud of our people's response to the onset of the pandemic and corresponding actions once we went into lockdown. We have quickly adopted a remote service delivery model with over 99% of our people working from home. The level of coordination, logistics and communication to maintain the highest levels of customer service while keeping employees safe is commendable.

We are confident we're building a stronger, more resilient company whose entire mission is understanding customer needs and develop effective and affordable solutions that keep customers nimble. Thank to our people's relentless pursuit of excellence, we'll meet continue to meet customer expectations even during adverse economic and environmental situation.

I would like to thank our board of directors and management team for their guidance through the throughout the recent adversity. I am also grateful for the support our customers; business partners have provided through the past year.

With a talented team, vision and commitment, we will continue to build a rewarding future together.



Mr. Soontorn Dentham
Vice Chairman and Chief Executive Officer

Outlook and Market Strategies

General

Worldwide IT spending is projected to total \$4.5 trillion in 2022, an increase of 5.1% from 2021, according to the latest forecast by Gartner, Inc. Most CIO viewed 2022 as the year of future returns as they are now in a position to move beyond the critical, short-term projects over the past two years and focus on the long term. With the war for talent and wages inflation, CIOs may rely more on consultancies and managed service firms to pursue their digital strategies. Not surprisingly, Gartner forecasts that Enterprise Software and IT services segment are expected to have higher spending growth in 2022 and 2023.

Table 1. Worldwide IT Spending Forecast (Millions of U.S. Dollars)

	2021 Global Spending	2022 Global Spending	2022 Global Growth (%)	2022 Thailand Growth (%)
Data Center Systems	216,337	226,475	5.8%	4.6%
Enterprise Software	604,946	671,732	11.5%	14.8%
Devices	787,417	813,699	2.3%	9.0%
IT Services	1,186,103	1,279,737	8.6%	9.8%
Communications Services	1,444,324	1,462,712	2.1%	3.8%
<u>Overall IT</u>	4,239,127	4,454,354	5.5%	6.4%

Source: Gartner (January 2022)

In 2022, Thailand overall IT spending is expected to hit 871 billion baht, expecting to grow at 6.4% from 2021, higher than the global growth of 5.5%. In particular, Enterprise software is projected to see the highest growth of 14.8% to 61.3 billion baht in 2022, followed by IT services with growth of 9.8% to 85.4 billion and devices with growth of 9% to 220 billion.

We are positive over the outlook in enterprises software as digital tech initiatives remain a top strategic business priority for companies as they continue to reinvent the future of work, focusing spending on making their infrastructure bulletproof and accommodating increasingly complex hybrid work for employees going into 2022.

What has changed in 2020 and 2021 was not just the technology itself, but people's willingness and eagerness to adopt it and use technology in different ways. The COVID-19 is a key driving force that has reshaped the employee-employer relationship. In preparation for work post-COVID 19, chief information officers need to reconfigure how work is done by embracing business composability and the technologies that accommodate asynchronous workflows."

HR Solution Division – Future of Work

Since the disruption, workplaces have never been more remote, yet resilient companies have found new ways to embrace flexible team working in ways that would never been thought to be possible pre COVID-19 era. They have redefined roles to align with rapidly changing employee needs and companies need to bring forward future initiatives and prioritize more progressive approaches to manage work, the workforce and the workplace. In short, then pandemic has caused the future of work to kick in earlier.

Work should become something that creates value for customers, the workforce, the companies and its stakeholders, generating a sense of purpose. This require a change in mindset from simply doing what is done today better to what is needed tomorrow and create new value.

We believe combining the talents of Humanica and DataOn post-acquisition, both currently a HR technology leader in its territory, allow us to build the next generation of HR technology incorporating the future of work concept. We see our mission to be an enabler, provide the right solution to our clients as they steer toward greater flexibility and deeper human engagement with their employees.

Research and Development

With the pandemic bring forward changes which may take a few years to develop to a much shorter timeline, we at Humanica understand the need to fasten our research and development efforts to stay ahead of the markets. We took massive decision is redeveloping our product's framework to allow it to be flexible and scalable to meet new demands at a much faster pace.

We are on track in completing the redesigning of our framework within 2022 and we look forward to a new launch of our next generation solution by end of 2022.

Health and wellbeing ecosystem

We are staring to generate income from the benefits business from late 2021, with a total active employee base of more than 20,000 in our portfolio today. Collaboration with partners is also starting to take shape from onboarding insurance providers, pharmaceutical care to health screening and lab tests.

We strongly believe in the health and benefits platform and its potential to help employer shape its benefit scheme to better fit the needs of their employees. It is even more relevant now as Companies are adapting to changing demand of their employees for future of work.

Financial Solution Division

Global EPR software market size was US\$42 billions in 2021 and is forecast to grow to US\$110 billions by 2020, registering an impressive compound annual growth rate of 12.1%.

The COVID-19 pandemic has had a favorable impact on the ERP Software market due to the government-mandated lockdowns. We saw greater demand for EPR solution, particularly the cloud based EPR solutions.

The growing adoption of cloud-based ERP will benefit the market in the coming years. The deployment of cloud-based technology is increasing as it not just helps companies to automate business processes, it also helps companies to efficiently store massive data and share them with multiple resources. Furthermore, companies can also access information through any system and at any time.

We have some good wins in the ERP business and we look to extend our momentum in 2022.

Overall

Customers are now rapidly evolving their business models and require agile solutions that accelerate time-to-market. In response, Humanica will address the growing demand tied to technology disruption. We'll also step up on cybersecurity skills which are increasingly critical to the success of the long-term remote working model.

In the post-COVID world we also anticipate changes in areas of the business, including the customer demand and delivery model. Most customers need to increase workspace collaboration and fortify their cybersecurity and cloud adoption strategies. Longer term, companies will require greater resilience in their operations, which will accelerate demand for cloud ERP and HR technologies.

We believe we have positioned ourselves strategically to capture more market shares as the changes are happening.

Section 1

Business Operations and Performances

1. Structure and Business Operations

1.1 Business Policy and Overview

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 PricewaterhouseCoopers Thailand (PwC). Mr. Soontorn used to be 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 management, 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.

In 2020, the Company expanded new investments in life & non-life insurance businesses by established a joint venture company, Benix Company Limited; a new age insurance broker in a digital era (Pure Digital and Single platform Broker), with holding share 51%. In addition, the Company was awarded the "Best Innovation Company Award" from the Stock Exchange of Thailand, which is a supporting on our Policy and business operation at present and in the future.

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 and Oracle NetSuite on Cloud Solution. The Company employs approximately 580 people and operates branch offices in Singapore and Malaysia.

In 2021, the Company has expanded its business through joint ventures with business partners to develop a health care ecosystem with digital technology (Digital Healthcare Ecosystem) to be more complete and diverse and develop new products by investing in FarmCare, an online pharmacy platform and medical advisory system, and Rabbit Cash, a digital lending platform, and invested in nForce Secure Public Company Limited, a service provider, cyber security and personal data protection to develop security products of information technology systems together.

1.1.1 Vision, Mission, Objective and Core Values

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 the employees of our clients work better and live happier.

Objective

We have the goal to

1. To support most companies change the process of Human Resource Management and the payment of employee returns to modernize using Humanica's technology as a driving force. While we commit to solve with a variety of solutions by combining flexibility both technology and services.
2. To develop Humatrix which was the software of the Company to generally accepted as the best human resources system in Asia within 5 years.
3. To expand integrated human resource management system and financial and accounting through partnerships with the same concept.
4. To be the one of marked leading provider for a full range of back support, including financial and accounting services in Thailand.
5. To expand the business to major Asian countries within the next 5 years through mergers, gradual growth or business partnerships.
6. To build the business related to digital and expand the scope of access to employees who are customers of the company.

Core Value

- Excellence** : Excellence in both service and intellectual property development.
- Teamwork** : Teamwork, sharing and caring for each other.
- Integrity** : Honesty and reliability, virtuous work and keep professional ethics.
- Openness** : Openness both of listening the opinions of others, acceptance to learning new things and the courage to express honestly constructive opinions.

1.1.2 Significant Change and Growth

2003	- Established "Humanica Company Limited"
2005	- Started development of proprietary "Humatrix"
	- Received the Certificate in Enterprise Software and Digital content from The Board of Investment of Thailand (BOI)
2008-2015	<ul style="list-style-type: none"> - Increased the registered capital amount 60.10 mb - Selected as the Top 10 Innovation Business & Received "Bai Po Business Award by SASIN" from Sasin Graduate Institute of Business Administration and Siam Commercial Bank - Became a partner and reseller of SAP, one of the world's leading providers of ERP systems.
2016	<ul style="list-style-type: none"> - Acquired 100.0% of Professional Outsourcing Solutions Limited and Humanica FAS Limited (Formerly known as Accounting Business Advisory Co., Ltd.) - Humatrix software received the Thailand ICT Awards (TICTA) for Industry Application from the Thai information Technology Industry Association - Establishment of Humanica Asia Pte. Ltd. in Singapore
2017	- Establishment of Humanica Sdn. Bhd. In Malaysia

	<ul style="list-style-type: none"> - Transformed into “Humanica Public Company Limited” - Increased the registered capital amount 340.00 million baht - The Company offered Initial Public Offering by the Stock Exchange of Thailand to the public under the name “HUMAN” on December 8, 2017
2018	<ul style="list-style-type: none"> - Acquisition of the entire business of Sigma Accounting and Tax Services Company Limited - Acquired 20.0% of Conicle Company Limited
2019	<ul style="list-style-type: none"> - Acquired 100.0% of Tiger Soft (1998) Company Limited
	<ul style="list-style-type: none"> - Investment in Publica Holings Pte. Ltd. In Singapore of proportion 5.9% - Became a Partner and Reseller of Oracle NetSuite, the World's Leading Cloud ERP System.
2020	<ul style="list-style-type: none"> - Acquired 10.0% of Pragma and Will Group Company Limited - Acquired 50.0% of Human Chess Capital Company Limited - Acquired 51.0% of Benix Limited (Formerly known as GL Broker Company Limited) - Acquired 10.0% of Digital Asset Management Company Limited - Humanica and Tigersoft are ISO 27001 Certified in Information Security Management System - Won “Most Innovative Company Award” from SET Awards 2020
2021	<ul style="list-style-type: none"> - Acquisition of newly issued ordinary shares of Conical Company Limited with a shareholding ratio of 20.0% - Acquisition of newly issued ordinary shares of Humanica FAS Limited with a shareholding ratio of 100.0% - Acquisition of newly issued ordinary shares of Benix Limited with a shareholding ratio of 51.0% - Joint venture in Humanica EEC Limited of 70.0% of registered capital - Joint venture in Rabbit Cash Company Limited of 5.0% of registered capital - Acquired 25.0% of Pharmcare Group Company Limited - Acquisition of newly issued ordinary shares of Human Chess Company Limited with a shareholding ratio of 51.0% - Acquisition of newly issued ordinary shares of Publica Holings Pte. Ltd. with a shareholding ratio of 16.0% - Investment in nForce Secure Public Company Limited of proportion 5.0%

1.1.3 Use of Proceeds

Humanica Public Company Limited (the “Company”) issued of newly issued common shares to public 180 million shares in the amount of Baht 720 million during November 30 - December 1 and 4, 2017 with the purpose of the proceeds utilization as per the Company’s registration statement. The Company would like to report the use of fund from capital increase as of December 31, 2021 as follows:

(Million Baht)				
Use of Proceeds	Amount	Balance as of Jan 1, 2021	Actual Used between Jan 1 – Dec 31, 2021	Balance as of Dec 31, 2021
1. New office relocation	25.00	-	-	-
2. Information technology investment and development	125.00	75.43	(22.62)	52.81

3. Learning Center	20.00	20.00	-	20.00
4. Merger and acquisition that create synergies	400.00	256.10	(248.52)	7.58
5. Working capital	150.00	93.49	-	93.49
Total	720.00	445.02	(271.14)	173.88

1.1.4 General information

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.
Head office	No. 2 Soi Rongmuang 5, Rongmuang Road, Rongmuang Sub-District, Pathumwan District Bangkok 10330
Telephone	+66 2 636 6999
Facsimile	+66 2 636 7168
Website	www.humanica.com
Registered capital	345,000,000.00 Baht
Paid-up capital	340,000,000.00 Baht
Par Value	0.50 Baht per share

1.2 Nature of Business

1.2.1 Revenue structure

The 2019-2021 revenue report is as follows;

Type of Business	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
1.Revenue from HR Solutions Business						
1.1 Revenue from HR & Payroll services	257.09	41.9	266.41	36.0	259.52	33.7
1.2 Revenue from Software	212.30	34.6	269.92	36.5	293.03	38.0
1.3 Revenue from product sales	25.66	4.2	75.76	10.2	66.35	8.4
Total Revenue from HR Solutions	495.05	80.6	612.09	82.7	616.90	80.1
2. Revenue from Financial Solutions Business						

2.1 Revenue from ERP systems	81.44	13.3	85.36	11.5	90.09	11.7
2.2 Revenue from Finance & Accounting services	23.03	3.8	22.35	3.0	21.09	2.7
Total Revenue from Financial Solutions	104.47	17.1	107.71	14.5	111.18	14.4
3. Insurance Brokerage						
3.1 Insurance Brokerage	-	-	0.01	0.0	0.61	0.1
Total Revenue from Insurance Brokerage	-	-	0.01	0.0	0.61	0.1
Total Sales and Service Income	599.52	97.7	719.81	97.2	728.69	94.6
4. Other income	14.34	2.3	20.53	2.8	41.80	5.4
Total revenue	613.86	100.0	740.34	100.0	760.49	100.0

Remark *Other income consists of interest, dividends, gain on investment and gain on FX etc

1.2.2 Nature of Business

1. 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.

1.1 HR Solutions

1.1.1 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. 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.

In 2019, we have successfully transformed the solution to focus on employee's experiences with intuitive mobile-first design. In 2020, we have commenced the development of recruitment modules and workforce planning module as part of our plan to complete the end-to-end employee's journey from pre-hiring to retirement.

By 2021, we have completed the remodeling of our performance module, allowing companies to drive their performance using OKR (Objectives and Key Results), on top of the usual KPI (Key Performance Indicator). We have also completed a project with a hospital to introduce workforce management system to manage complex work scheduling in a fast-paced environment.

Features of Humatrix

Humatrix is a pure web-based HR solution and mobile 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, Android, and Huawei AppGallery, providing great mobility to workforce on the move. It transforms the way employee does access their HR records and how they perform HR related transaction. Everything now fits nicely in their pocket and is accessible at their fingertip.

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

Humatrix is designed to connect and easy to integrate 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. 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.

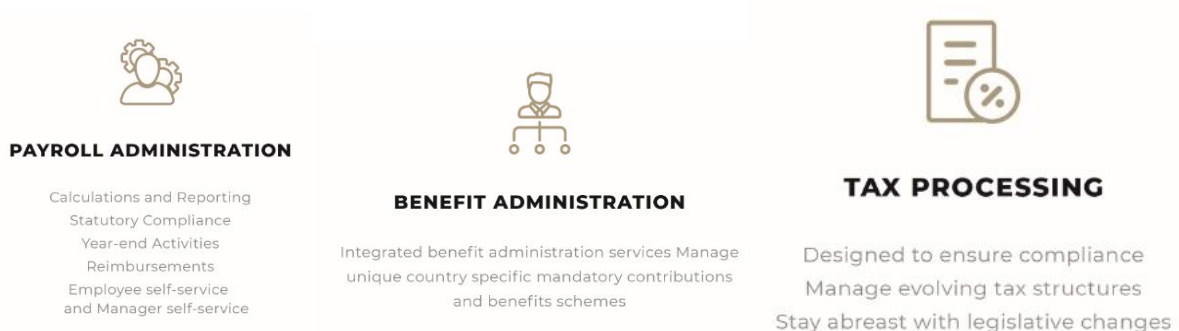
1.1.2 HR and Payroll Outsourcing Services

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 include providing helpdesk support directly to the employees of our clients.

OUR KEY OFFERINGS



We conduct our BPO businesses in accordance with ISO 27001 accredited standards, employing like-minded people to serve our clients. Our office in Singapore is among the handful BPO service providers in Singapore to be accredited with Outsourced Service Provider's Audit Report (OSPAR), recognized by The Association of Banks in Singapore.

1.2 Financial Solutions

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

1.2.1 Enterprise Resource Planning (ERP)

Humanica is a reseller and implementer 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 and we are also the Award winner of SAP B1 Partner of the Year 2020, among many awards we have been proudly awarded by SAP in the past years. 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 collaborate with NetSuite to offer a well-established cloud-based ERP system to Thai markets. NetSuite was highly regarded by Gartner as one of the leaders in the magic quadrant. . The company has created and developed a team of consultants, who specialize in providing services that meet the customers' requirements and jointly develop the system to improve work processes and rules to be in line with the customers' business. The main revenue of this business unit comes from software licensing fees, implementation fees and annual maintenance fees. Additional revenue comes from software customization.

1.2.2 Finance and Accounting Services

Currently, Humanica FAS Company Limited (FAS) is one of the subsidiary companies of Humanica PLC. FAS provides comprehensive accounting and financial services, which consists of managing accounting information, financial planning advisory services, accounting services, financial management, tax services, and payroll services.

FAS serves both large international and domestic organizations in the field of Business Process Outsourcing by using accounting information technology and internal operating systems designed for reducing time and / or saving operating costs of customers.

Moreover, FAS also provides comprehensive services to SMEs from business planning, financial planning, Value Based Management, accounts preparation, cash-flow management or human resource management, and payroll services. FAS can also provide information technology tools and equipment for the customers. FAS focuses on providing one-stop-service, called Total Back Office Solutions, to SME customers in order to allow them to focus on their core business functions, and on accelerating their business growth.

In 2020, we have collaborated with Saha Pathana Inter-Holding Public Company Limited in setting up a joint venture to focus on providing back office services to companies based in The Eastern Economic Corridor ("EEC"). We believe in being

an early mover to participate in the opportunities from the mega project initiated by the Thai Government to attract investment in advanced technology in new wave industries targeted by the EEC.

2. MARKETING STRATEGIES AND COMPETITIONS

(A) MARKETING STRATEGIES

2020 is an unprecedented year, with significant impact on economy across the globe, including Thailand, Singapore and Malaysia. The pandemic has accelerated the speed at which we are “going digital” and has given new power to many online industries. Never before have we been so dependent on Google or Zoom to simply get through the day.

Our marketing strategies focus on customers we already have, offering features to help them grapples their own HR needs to quickly go digital to adapt of new remote working norms. In addition, in our effort to reach out to new customers, we have also invested more in building our online presence and utilise digital marketing tools as we want to make decisions that use this new reliance on technology to our advantage.

Despite the pandemic, we continue to invest in our flagship technology by enhancing its features, building more integration to partners in our eco-system. We believe we will be well positioned to serve the needs of Thai companies when the economy recovers. Thai companies generally are aware that digital disruption is happening and their experience with the pandemic is likely to speed up their readiness to deal with major digital transformation over the next few years.

1) ERP Software Market Strategies

The Cloud ERP software industry is expected to grow 29.8 billion USD in 2021, as companies adopting the ERP systems will more likely prefer solutions that are easily accessible, manageable, and secure.

With the collaboration with NetSuite, Humanica is well-position to ride the wave of cloud ERP expansion in Thailand.

NetSuite offers a complete set of business management systems that are united, comprised of systems ERP/ Finance and Accounting, Customer Relationship, and Electronic Commerce Systems that are already used in more than 20,000 organizations worldwide with 90% of Tech IPOs run NetSuite.

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.

Our focus to serve clients in the EEC is another initiative by Humanica to tap on Government's Thailand 4.0 vision. We believe EEC is the right place to be, with the future of attracting foreign investment no long based on cheap land and labour but shifting to creativity and innovation.

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 decides to invest in Conicle Company Limited, 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 on the HRD capabilities 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 sees potential in employees' health and wellness management. The vision leads Humanica to set up a joint venture company with CXA group, a Singapore-based insurance technology startup, and Fuchsia Venture Capital Company Limited,, a strategic investor in InsurTech, Healthtech, and FoodTech to introduce the "Flexi-Benefits" platform and Thailand's first data-driven health and wellness solutions marketplace.

Our joint-venture, Benix Limited was incorporated in November 2020 to warm and positive reception by the media, with more than XX online, print, television coverages within 2 weeks of our launch.

The Benix platform will benefit both our clients and their employees by allowing employees to choose a level of benefit plan matching their lifestyle as well as procure additional products and services through the spending account sponsor by their employer in a form of an e-wallet. Providing a choice of benefits also ensures Companies 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. Integrating Humanica's HR solution with benefit application opens up many opportunities to expand our range of services in a seamless connection. We continue to see the high potential for growth in the massive SME market, despite

the growth was hindered by the COVID-19 impact as SMEs pulled back expenditure on IT spendings. Our acquisition of Tigersoft, a leader in the SME HR software market with over 400,000 employees from 3,000 clients, has strengthened Humanica's presence in the HR software market, as well as, developing capability in providing competitively priced services for payroll outsourcing for SMEs

(B) 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. We saw more competition coming from regional/global players with increased focus in Thailand's market, prompting us to step up our development and improve our services to up our games.

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.

3. Business Assets

3.1 Copyright, Trade Mark and Service Mark



3.1.1 Copyright

Registration No.	Computer Software	Type of work	Nature of work	Date of issuance of certificate
V1. 4016	Computer Software Humatrix 5	Literary	Computer Software	April 28, 2011
V1. 5403	Computer Software Humatrix 7	Literary	Computer Software	April 23, 2015
V1. 5404	Computer Software Humatrix 8	Literary	Computer Software	April 23, 2015

Note The copyright protection period for legal entities is 50 years from the time the work was created.

3.1.2 Trade Mark

Registration No.	Trade Mark	Type	Date of Registration	Expired Date	Renew
221105154	HUMATRIX ZEN	Computer Software	December 29, 2020	December 28, 2030	10 Years

221101018	HUMATRIX	Computer Software	November 4, 2020	November 3, 2030	10 Years
221101059	ESSZEN	Computer Software	November 4, 2020	November 3, 2030	10 Years
201118561	WORKPLAZE	Computer Software	February 26, 2019	February 25, 2029	10 Years
171123200	 HUMATRIXZEN	Computer Software	April 23, 2015	April 22, 2025	10 Years
171123427		Computer Software	April 23, 2015	April 22, 2025	10 Years

3.1.3 Service Mark

Registration No.	Service Mark	Service Type	Date of Registration	Expired Date	Renew
221101006	HUMATRIX	To preparing payroll, hiring and consulting of human resources management.	November 4, 2020	November 3, 2030	10 Years
221101012	ESSZEN	To preparing payroll, hiring and consulting of human resources management.	November 4, 2020	November 3, 2030	10 Years
201122999	WORKPLAZE	To preparing payroll, hiring and consulting of human resources management.	February 26, 2019	February 25, 2029	10 Years

3.2 BOI Certificate

BOI Certificate No.	Promotion Type	Rights and Benefits	Date of issuance of certificate	Expired Date
1682(7)/2548	Type 5.8 Enterprise Software and Digital Content	Exemption from corporate income tax for a period of 8 years starting from the date of earning income from business operations (June 11, 2010)	August 2, 2005	June 10, 2019
2103(7)/2555	Type 5.8 Enterprise Software and Digital Content	Exemption from corporate income tax for a period of 8 years starting from the date of earning income from business operations (July 12, 2016)	August 16, 2012	July 11, 2024

3.3 Distributor appointment and service agreement

3.3.1 Agreement to appoint distributor of a human resources management software

Agreement name	:	Software Reseller Agreement
Parties	:	Huntingdon Trading Limited ("Huntingdon")
Agreement characteristics	:	Huntingdon allow the Company to distribute the rights using SunFish HR software.
Term of the agreement	:	From March 10, 2010 to March 9, 2015 If one of the parties does not notify the termination of the contract at least 12 months in advance, the contract shall be automatically renewed for 2 years at a time.
The essence of the agreement	:	<ul style="list-style-type: none"> - Licensed to market Distribute software usage rights and provide non-exclusive SunFish HR software maintenance services in Thailand. - Provided the name of the person who will be presented with the software and must be certified by Huntingdon before entering into the software presentation to prevent conflicts between dealers. - Huntingdon will provide technical manpower support to assist the company as appropriate. - the Company can modify the software to increase its functionality, but it will require Huntingdon's permission to distribute. - the Company will pay software fees based on the prices and discounts as the agreement.

Agreement memorandum name	:	SAP Cloud BPO Program Agreement for SAP SuccessFactors
Parties	:	SAP SE ("SAP")
Agreement characteristics	:	SAP allow the Company to use SAP Cloud Service to provide Business Process Outsourcing for SAP SuccessFactors.
Term of the agreement	:	From March 31, 2017 to March 30, 2022 If one of the parties does not notify the termination of the contract at least 12 months in advance, the contract shall be automatically renewed for 1 years at a time.
The essence of the agreement	:	<ul style="list-style-type: none"> - Sap Cloud Service is authorized in accordance with the terms of use, combining SAP SuccessFactors with the Company's Humatrix system, which consists of time management and leave management system, payroll management system and welfare and reimbursement system to provide Business Process Outsourcing services to customers. - the Company will pay SAP Cloud Service at the price specified in Order Form for each customer within 30 days of receiving invoice from SAP.

3.3.2 Agreement to appoint distributor of a resource management system software

Agreement name	:	Partner Edge Channel Agreement
Parties	:	SAP System Applications and Products in Data Processing (Thailand) Ltd. ("SAP")
Agreement characteristics	:	SAP allow the Company to distribute the rights using SAP Business One software
Term of the agreement	:	From August 24, 2006 to December 31, 2006 If one of the parties does not notify the termination of the contract at least 3 months in advance, the contract shall be automatically renewed for 1 years at a time.
The essence of the agreement	:	<ul style="list-style-type: none"> - the Company is authorized to be a distributor of the right to use SAP Business One enterprise resource management software non-exclusively in Thailand. - the Company agreed to carry out the campaign, providing installation and maintenance services, as well as other related services on behalf of the company only.

- SAP offers discounts on software rights, marketing grants, and other benefits according to the dealer class. Divided into Associate, Silver and Gold levels, as measured by distribution and other success stages according to sap conditions specified by SAP, such as the number of employees who meet SAP criteria, etc. (the company is currently a Gold distributor).
- the Company will pay other fees for each customer within 30 days after receiving invoice from SAP.

Agreement name	:	MARINGO Sales and Service Partnership Agreement for ProjectManagement
Parties	:	MARINGO Computers GmbH. ("MARINGO")
Agreement characteristics	:	MARINGO allow the Company to distribute the rights using ProjectManagement software.
Term of the agreement	:	From November 18, 2010 until the termination of the agreement at least 3 months' notice is required.
The essence of the agreement	:	<ul style="list-style-type: none"> - the Company is authorized to consult, market, distribute software rights and provide maintenance services, as well as provide training services for non-exclusive ProjectManagement software users in Thailand. - the Company agreed to carry out the campaign, distribution, as well as other related services on behalf of the company only. - the Company is authorized to use the trademark. MARINGO's identity and ProjectManagement software symbol for the distribution are limited to any action that is in the interests of MARINGO only. - the Company can sell maintenance services of MARINGO software with the company's maintenance services. - the Company must have employees according to the number and attributes specified by MARINGO. - the Company must pay for the software within 30 days after MARINGO delivers the software.

Agreement memorandum name	:	Solution Provider Agreement
Parties	:	Oracle America, Inc., a Delaware corporation ("Oracle")
Agreement characteristics	:	Oracle allows the Company to become the Business Partner of the NetSuite Solution Program with the aim of supporting and promoting the NetSuite Business Application to customers and prospective customers in the future.
Term of the agreement	:	From October 19, 2019 until October 19, 2020 If one of the parties does not notify the termination of the agreement at least 12 months in advance, the contract shall be deemed to be automatically renewed for 1 year at a time.
The essence of the agreement	:	<ul style="list-style-type: none"> - the Company will support and promote the NetSuite Business Application in the form of installation services, providing on-call supporting and other non-exclusive related services in Thailand. - the Company will pay the Solution Provider Program annually (Non-Refunable annual fees) for the first time and the next contract renewal.

3.4 Lease Agreement

3.4.1 Data Center Lease Agreement

Agreement name	:	Co-location Service Agreement
Parties	:	CS Co., Ltd. Loxinfo Public Company Limited ("CSL")
Agreement characteristics	:	Data Center Lease Agreement
Term of the agreement	:	From January 1, 2021 to December 31, 2021, automatic renewal for 1 year at a time.
The essence of the agreement	:	CSL agrees to provide server storage services within the Internet Data Center, which CSL provides space, including connections to the main Internet network. the Company provides server machines and connected devices.

Agreement name	:	Co-location Service Agreement
Parties	:	Internet Thailand Public Company Limited ("INET")
Agreement characteristics	:	Data Center Lease Agreement
Term of the agreement	:	From September 1, 2021 until August 31, 2022
The essence of the agreement	:	INET agrees to provide the Company's server storage services within the INET Data Center, which INET provides space, including connections to the main Internet network. the Company provides server machines and connected devices.

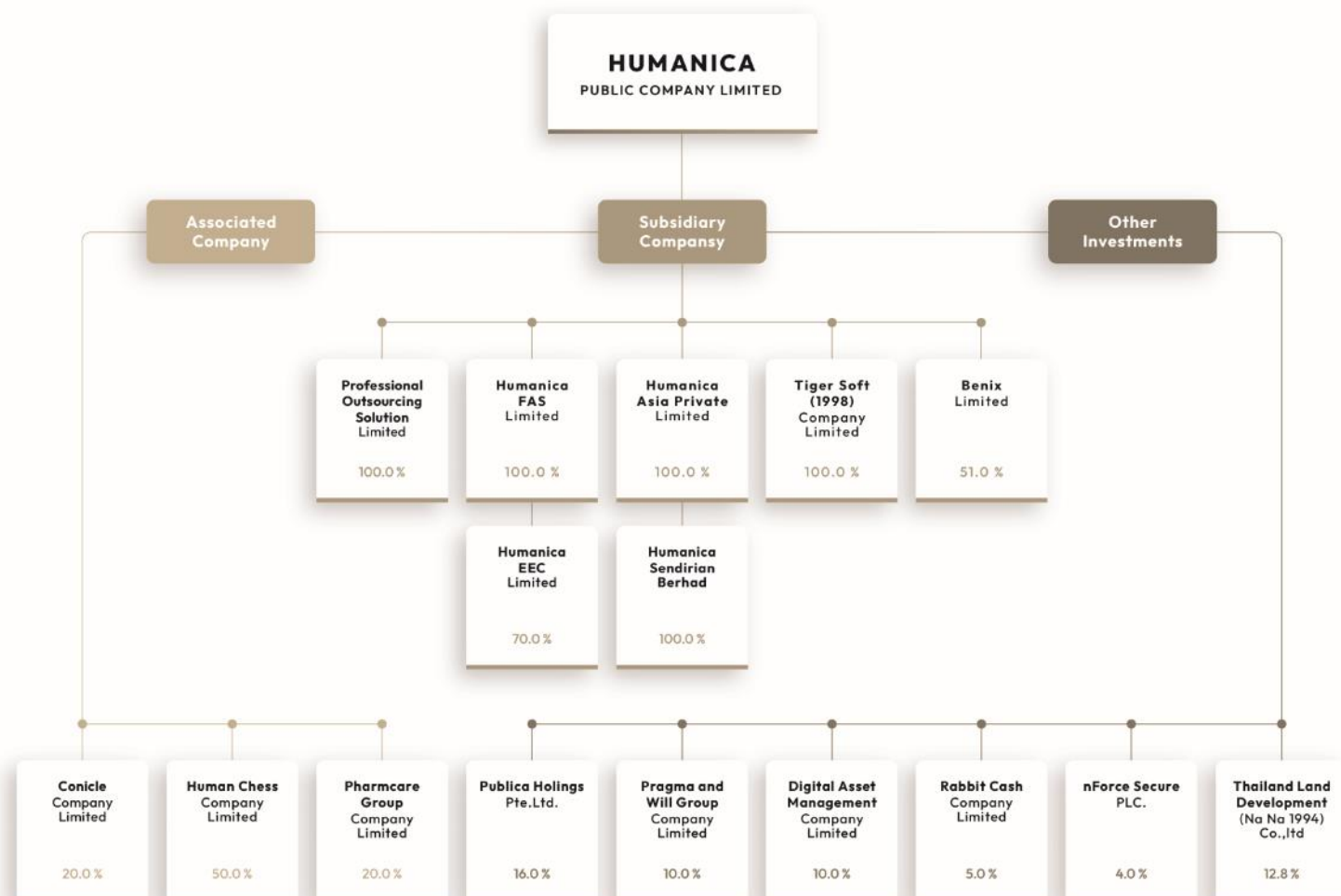
3.4.2 Building Lease Agreement

Agreement name	:	Building Lease Agreement
Parties	:	MPK Progress co., Ltd.
Agreement characteristics	:	The lessor agreed to let the company lease the building as an office for business.
Term of the agreement	:	From March 1, 2018 to February 29, 2048
The essence of the agreement	:	The lessor agreed to rent the building, No.2, Soi Rongmuang 5, Rongmuang Road, Rongmuang Subdistrict, Pathumwan District, Bangkok 10330, 1 st to 6 th floor, totaling 4,904 square meters, including 37 parking spaces. The tenant is liable to pay all central expenses.

1.3 Shareholding Structure of Human Group

1.3.1 Shareholding Structure of Human Group

(1) Shareholding Structure of Human Group as at December 31, 2021 as follows;



The Company has subsidiary company, associated company and other investments, 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).

Professional Outsourcing Solutions Limited 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 engages in the business of accounting and financial outsourcing.

Humanica Asia Private Limited has established a subsidiary in Singapore, is our regional hub for services in Asia. Working together with Humanica Sdn. Bhd. , to provide payroll outsourcing 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 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.

Benix Limited is an innovative brokerage service to provide cutting-edge platforms for employee welfare management such as healthcare, wellness, as well as a comprehensive community for employees.

Humanica EEC Limited is joint venture with Saha Pathana Inter-Holding PLC. and engages in the business of accounting, financial and payroll outsourcing.

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.

Human Chess Company Limited provides a service of P2P Lending Platform via online.

Pharmcare Group Company Limited provides online platform for health consulting and drug store.

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

Pragma and Will Group Company Limited provides the business consulting related to Business Optimization, Business Transformation and Business Expansion.

Digital Asset Management Company Limited operates a business of providing property management services.

Rabbit Cash Company Limited is joint venture with BSS Holdings Company Limited and AEON Thana Sinsap (Thailand) Public Company Limited and engages credit services through digital platforms under “Rabbit Cash” brand.

nForce Secure Public Company Limited offers a diverse portfolio of security technologies through its resellers, delivering advanced software and products for cloud and data center security, network security, advanced threat detection, data security, legacy modernization, data analytic and converting big data into security intelligence.

Thailand Land Development (Na Na 1994) Company Limited 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.

The Company held shares in subsidiaries, associated companies and other investments as at December 31, 2021 as follows;

Company's name	Country of incorporation	Nature of Business	Registered capital	Paid-up shares (million shares)	Shareholding (%)
Held directly by the Company					
1. Professional Outsourcing Solutions Limited	Thailand	Payroll outsourcing	10.00 million Baht	0.10	100.0
2. Humanica FAS Limited	Thailand	Accounting and financial outsourcing	20.00 million Baht	2.00	100.0
3. Humanica Asia Pte. Ltd.	Singapore	Payroll and accounting outsourcing	0.20 million SGD	0.20	100.0
4. Tiger Soft (1998) Company Limited	Thailand	Systematizing personnel and payroll and selling access control equipment.	5.00 million Baht	0.05	100.0
5. Benix Limited	Thailand	Insurance Broker	4.00 million Baht	0.04	51.0
6. Conicle Company Limited	Thailand	Consulting, Design and sales software Real estate	3.26 million Baht	0.03	20.0
7. Human Chess Capital Company Limited	Thailand	P2P Lending Platform via online	20.00 million Baht	0.20	50.0
8. Pharmcare Group Company Limited	Thailand	Consulting online healthcare and online pharmacies.	4.00 million Baht	0.04	25.0
9. Publica Holdings Pte. Ltd.	Singapore	Consulting, development and sales of human resource solutions software	2.55 million USD	2.50	16.0
10. Pragma and Will Group Company Limited	Thailand	Business Consulting	1.11 million Baht	0.11	10.0
11. Digital Asset Management Company Limited	Thailand	Operate a business of providing property management services	3.00 million Baht	0.03	10.0
12. Rabbit Cash Company Limited	Thailand	Credit services via Digital Platform	800.00 million Baht	8.00	5.0
13. nForce Secure Public Company Limited	Thailand	Distributor of cyber security	52.97 million Baht	102.74	4.0
14. Thailand Land Development (Na Na 1994) Company Limited	Thailand	Real estate	110.00 million Baht	11.00	12.8
Held by Humanica Asia Pte. Ltd.					
1. Humanica SDN.BHD.	Malaysia	Payroll outsourcing	0.50 million MYR	0.50	100.00
Held by Humanica FAS Limited					
1. Humanica EEC Limited	Thailand	Accounting and financial outsourcing	30.00 million Baht	3.00	70.0

(3) Information about the legal entities held by the Company over 10% of Paid-up Capital as at December 31, 2021

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 6 904 0866
Company's name	Humanica Sdn. Bhd.
Head office	5-3-17, Promenade, Persiaran Mahsuri, 11950 Bayan Lepas Baru, Penang, Malaysia
	Tel: +60 4 611 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, Bangkhen, Bangkok 10230
	Tel: +66 2 347 0374-76
Company's name	Benix Limited
Head office	No.2 Soi Rongmuang 5, Rongmuang Road, Rongmuang Sub-District, Pathumwan District, Bangkok 10330
	Tel: +66 2 636 6999
Company's name	Humanica EEC 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	Conicle Company Limited
Head office	No.32/168 Moo 1, Khlong Kluew Sub-District, Pak Kret District, Nonthaburi 11120
	Tel: +66 2 077 7687
Company's name	Human Chess Capital Company Limited
Head office	No.2 Soi Rongmuang 5, Rongmuang Road, Rongmuang Sub-District, Pathumwan District, Bangkok 10330

	Tel: +66 2 636 6999
Company's name	Pharmcare Group Company Limited
Head office	No.2 Soi Rongmuang 5, Rongmuang Road, Rongmuang Sub-District, Pathumwan District, Bangkok 10330
	Tel: +66 2 636 6999
Company's name	Publica Holdings Pte.Ltd.
Head office	10 Anson Road #23-14H, International Plaza, Singapore 079903
Company's name	Pragma and Will Group Company Limited
Head office	No.2 Soi Rongmuang 5, Rongmuang Road, Rongmuang Sub-District, Pathumwan District, Bangkok 10330
	Tel: +66 2 636 6999
Company's name	Digital Asset Management Company Limited
Head office	No. 253, 253 Asok Building Floor 24, Sukhumvit 21 Road, Khlong Toei Nuea Sub-District, Wattana District, Bangkok 10110
	Tel: +66 94 536 2889
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

1.3.2 Parties with Conflict of Interest

-None-

1.3.3 Shareholders

(1) Major Shareholders

The major shareholders of the Company as of December 30, 2021 can be summarized as follows;

No.	Shareholder Name	December 30, 2021	
		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	35,000,000	5.1
3	Thai NVDR Company Limited	30,038,053	4.4
4	BNY MELLON NOMINEES LIMITED	29,410,500	4.3
5	STATE STREET EUROPE LIMITED	25,523,000	3.8
6	SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED	17,622,200	2.6

7	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	13,546,200	2.0
8	Mr. Choengchai Charoenchitseriwong	10,084,000	1.5
9	JP MORGAN SECURITIES PLC.	9,934,900	1.5
10	Bualuang Long Term Equity Fund	9,902,400	1.5
	Total number of 10 major shareholders	442,838,453	65.2
	Other shareholders	237,161,547	34.8
	Total shares	680,000,000	100.0

1.4 Registered and Paid-up Capital

1.4.1 Common Shares

As of December 31, 2021, the Company's registered capital totaled THB 345.00 million, consisting of 690 million common shares at THB 0.50 per share. These shares represented THB 340.00 million in paid-up capital, or 680 million common shares.

1.4.2 Other Shares with Different Terms or Rights from Common Shares

-None-

1.4.3 Human's Shares or Convertible Securities as Underlying Securities for Issuing Mutual Funds for Foreign Investors

-None-

1.5 Issuance of Other Securities

1.5.1 Convertible Securities

-None-

1.5.2 Debt Securities

-None-

1.6 Dividend Policy

Dividend Policy of the Company

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 pay 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.

This dividend payment policy has been approved by the Board of Director 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.

Dividend Policy of Subsidiaries

For dividend policy of subsidiaries. Each subsidiary will consider the dividend payment on the remaining cash flow compared to the investment statement of the subsidiary. If the remaining cash flow of the subsidiary is sufficient and set legal reserve, Subsidiaries will consider the dividend payment in case by case.

Dividend Payment

	2019	2020	2021
Earnings per share (THB/share)	0.18	0.19	0.27
Dividend per share (THB/share)	0.12	0.14	0.16
Dividend payout ratio (%)	68.5	73.0	59.0

In 2020, 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 on August 9, 2021, 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 24, 2021, totaling 40.80 million baht and paying dividend on September 8, 2021.
- The Board of Directors proposed that shareholders consider and approve the dividend payment from the net profit for the second half of fiscal period 2020 on April 26, 2022, amounting to 0.10 baht per share, totaling 68.00 million baht to shareholders according to the list of shareholder whose names appear in the shareholders' register book (Record Date) as of May 6, 2022 and paying dividend on May 24, 2022.
- the Company paid dividend for the year 2021 performance in the amount of 0.16 baht per share, or a total amount of 108.80 million baht or equivalent to dividend payment rate of 59.0 percent.

2. Risk Management

2.1 Risk Management Policy and Plans

Business changes from both internal and external factors may affect the Company's business operations. Effective risk management is therefore an important process to ensure that the Company will operate its business in accordance with its objectives and goals.

Therefore, the company has adopted the principles of risk management according to the principles of The Committee of Sponsoring Organizations of the Tread way Commission (2017 COSO ERM Integrating with Strategy and Performance), an international standard for risk management. It is considered that risk management is an essential element of every process in the Company's business operations. It consists of 5 key components:

1) Governance and Culture

Corporate governance and corporate culture are fundamental to all elements of risk management. The Company has adhered to and complies with the Company's good corporate governance policy and business ethics. And the company is committed to continually and strictly abide by the culture and core values of the organization.

The Board of Directors has established a risk management policy and has assigned the Audit Committee to oversee the risk management and Executive Committee consisting of the Chief Executive Officer and senior

management performs risk management duties and supervises the management to manage risks appropriately at both the organizational and operational levels including monitoring the status of important risks of the organization

2) Strategy and Objective Setting

The Company has integrated risk management with the Company's objectives and strategies. The objectives determine the strategy and action plan including identifying risk factors and risk response through the business analysis process , identify acceptable level of risks, evaluating strategy and define the objectives of the organization

3) Performance

The Company has established a risk management process in parallel with the preparation of a strategic plan. When the new strategic plan is set up, the relevant personnel shall analyze the risk by identifying potential risks arising from any activity, assess the severity of the risk, prioritize risks based on opportunity and potential impact, respond to risks, develop a risk framework to assess overall risks and report to head of business units. To identify ways to prevent or reduce that risk to an acceptable level and to achieve the objectives of that strategic plan, the inclusion of risk management in the business plan approval process and performance appraisal are required.

4) Review and revision

The Company periodically reviews and improves the risk management process by evaluation of performance and significant changes from both external and internal factors.

5) Communication and reporting

The Company communicates risk management information through various communication channels within the organization. From the executive level to the operational level for both top to bottom and bottom to top level and report the risk and performance results to the Executive Committee, Audit Committee and Board of Directors continuously

2.2 Risk Factors

2.2.1 Risks related to business operations of the company or group companies for both current and emerging 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.

In addition to the introduction and installation of the product The company will continue to increase its outsourcing business in order to strengthen its relationship with its customers.

Summary of risks to the Company's business operations are as follows:

Strategic Risk and competition**(1) 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

The company is committed and focuses on the development of digital innovations both developing our own software products and joint innovation development with business partners to provide software products and related services up-to-date and high quality equal to or better than software from global competitors and recruiting sufficient personnels in software development and digital technology for the growth of the organization.

(2) 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.

(3) 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.

(4) Investment risk

The Company has continuously invested to expand its business , including the following investments:

- Strategic Investments are investments in tangible and intangible assets; and Investing in equity securities in an entity that has a business, product or service or have a platform or market that promotes, supports and adds value to the Company's core business
- Financial investment is the management of excess liquidity in order to invest money in financial assets such as equities, debt instruments or other financial instruments, etc.

In which investments are faced with the risk that the return on investment may not meet the goals. Losses from business operations of the businesses in which the Company invests and the volatility of market prices of financial assets

The Company has established an investment policy to set rules and regulations, procedures and operational guidelines for the Board of Directors, Investment committee and Executives to adhere with the investment management practice and to remind those involved to be aware of their duties and responsibilities in the administration with fiduciary and comply with relevant laws and regulations. Taking into account the benefits of the company and has a system of monitoring and auditing that ensures that the investments are in the correct procedures.

Operational risk

(1) Risk from cyber security and information system disruptions

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.

Cybersecurity threats and issues are on the rise and have a wide range of impacts . From hacking to steal sensitive information , the company is aware of the dangers of such threats and recognizes the importance of taking preventive and mitigating actions to control potential risks of attack. This will affect business continuity, confidence and corporate image to stakeholders .

The Company has applied the framework of ISO/IEC 27001 on Information Security Management System to improve cyber security efficiency. Establishment of the Steering Committee , which consists of the Company's top executives and officers in IT department will work with auditors to conduct internal audits on a regular basis to ensure that management and operations related to cyber security are in accordance with established policies and standards. Raise awareness and educate employees in the organization at all levels by notifying all employees of the policy and require all employees to attend cyber security training on an ongoing basis.

(2) Risk of Data Privacy

The Company operates a business that provides human resource management services and provides outsourcing services for human resource management and payroll preparation for enterprise customers. The company therefore has a duty to manage a large number of data. The risk of leakage of customer's personal data is therefore an important issue and requires careful management, including operational risks in accordance with Personal Data Protection Act (PDPA)

The Company has adopted the framework of ISO/IEC 27701 Personal Data Management Standards System and applied to improve the efficiency of Protection of personal data. Establishment of the Steering Committee , which consists of the Company's top executives and officers in IT department will work with auditors to conduct internal audits on a regular basis to ensure that management and operations related to data privacy are in accordance with established policies and standards. Raise awareness and educate employees in the organization at all levels by notifying all employees of the policy and require all employees to attend cyber security training on an ongoing basis.

(3) Risk of reliance on key management

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. In addition, the Company has a plan to select personnel who will be responsible for important positions at all levels to be appropriate and transparent in order to ensure that the Company's executives are professional with the Human Resources Department preparing the succession plans for the Chief Executive Officer and senior management of the Company.

(4) Risk in recruiting and developing personnel to support business growth

The company has rapidly expanded its business from both domestic and foreign investments. Business opportunities are sought by investing in new businesses. New technologies and innovations are introduced and used to drive the business. If the company is unable to recruit and develop potential personnel sufficiently and timely, this may affect business operations and long-term goals.

To support the operation according to the strategic direction of each business unit, the Company has set up a man power structure to support the operation as well as allocating personnel to meet the needs of the business unit appropriately. Each business unit will have individual development plan to develop personnel in each professional to become proficient. Leadership is developed and learning is encouraged. This is to ensure that the Company will have quality and sufficient executives and employees to support the future business growth efficiently.

Financial risk

(1) 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 loan extended to its subsidiary to fund operating expenses.

(2) 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.

(3) 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.

(4) 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.

Emerging Risks

(1) Risk from the Coronavirus Disease 2019 (COVID-19) outbreak

COVID-19 epidemic situation has affected the economy and society around the world. The various measures from the government not only affects the business sector but also the company's business. The economic recovery is still uncertain and affects to the confidence and purchasing power of consumers, higher costs from supply chain disruptions and the impact on the Company's income from the change in consumer demand from living in a new way (New Normal). The behavior and way of thinking of consumers and business sectors has changed and businesses need to adapt so that consumers can access products and services through online. Apart from this, the company must also consider the safety of its employees that the Company's operating style has changed in order to be in line with the new way of living while maintaining the level of service in order to achieve the highest customer satisfaction.

The company has adjusted the strategy and adjusted the operating model to suit the situation as follows.

- Offer products and services such as software of human resource management systems to respond to the new way of life for corporate customers such as working from home and training and skill development through online.
- Developing the Digital Healthcare Ecosystem through joint ventures with business partners to develop an online platform and link with human resource management software to provide online services to employees of customers and the general public.
- Establish measures to prevent and cope with the spread of COVID - 19 for employees in the organization: Providing of temperature checks before entering the building, establish guidelines for cleaning common contact points, establish guidelines for contacting by external visitors, setting policies for employees to work from home and supporting meetings within the company and meeting with outsiders via online.
- Managing liquidity and maintaining financial strength by provision of funding sources according to market conditions, review of short-term investments by focusing on investments in low-risk instrument with high liquidity, debtor risk management and trade accounts payable to maintain liquidity and have appropriate measures to assist debtors and tax administration from various tax saving measures as announced by the government.

(2) Climate change risks

Climate change is the highest assessed risk for both in terms of the likelihood of occurrence and the severity of the impact. It is a global problem that every sectors need to pay attention. The Company as a part of society that will be affected as well. It is necessary to prepare a plan to adapt and cope with risks that will affect the long-term business operations, both directly and indirectly. Both from a physical risk perspective , including natural disasters and shortages of water and raw materials and the transition risk to a low-carbon economy includes changing consumer demand and change of legal, policies and regulations.

Such risks are likely to affect the Company's business include the higher costs from the impact of supply chains and the impact on the Company's income from changes in consumer demand.

The company is aware of the risks and opportunities in business from the aforementioned issues and is committed to be a part in solving the problem of climate change. The company has a policy to promote the development of innovations to help increase work efficiency and reduce unnecessary use of resources and workload, the promote of the efficiently use of energy by using renewable and alternative energy and the promote of environmentally friendly office building design processes.

2.2.2 Investment risk imposed on the securities holders

(1) Risks of Uncertain Returns on Investment for Shareholders

The Company's share price may increase or decrease volatility depending on various factors which the Company cannot control, such as economic conditions, crises, unusual situations such as COVID-19 and war, etc. That may cause the share price to fall below the price that investors buy or higher than the price at which investors sell their shares. This uncertainty may cause the risk that return may not meet the investor's expectation.

(2) Risk from Dividend Affordability is below the Investors' Expectation

A company's ability to pay dividends depends on many factors, such as investment budget and capital reserves for business expansion, loan repayment and cash inflows from operations, etc., if various factors affect the ability to pay dividends, the Company may be at risk of paying dividends at a rate lower than investors expect. However, the Company has a policy to pay dividends of not less than 50 % of the remaining net profit after deducting all types of reserves required by law.

2.2.3 Risks Facing Investing in Foreign Securities

(In case the issuer is a foreign company)

-None-

3. Diving Business for Sustainability

Businesses today face many challenges including competition on the progress of technology and social and environmental crises that are becoming more and more intense. All of these factors affect business operations both in terms of risks and opportunities. Therefore, the Company needs to constantly adapt and develop its operational efficiency and competitiveness in order to survive and sustainable grow in the rapidly change of business environment.

Therefore, the Company's business operations may not only be concerned with generating profits or economic growth, but also having to have good corporate governance and effective risk management. Along with taking into account responsibility to stakeholders throughout the value chain for both social and environmental aspect in order to develop competitiveness and be immune to various affecting factors to ensure that the business will have a strong foundation and can grow continuously and sustainably.

The Company's Board of Directors is responsible for overseeing and formulating the sustainable development policies and assigning the Executive Committee to manage to comply with the guidelines for sustainable development management and reports the performance to the Board of Directors every year and disseminating the sustainability policy to the executives, employees and all groups of stakeholders through the company's website.

3.1 Sustainability management policies and goals

The Company has set the sustainable development policy into 3 dimensions, namely economy, society and environment and the strategy is divided into 6 areas as follows:

1) Digital Innovation Development

Commitment and focus on digital innovation development which not only helping to promote business potential but also helps to improve the quality of life of both employees of the customers, company's employees and the general public.

2) Improving information security and protection of personal data

Develop a reliable cyber security system and personal data protection.

3) Development and supervision of personnel of the organization

Develop knowledge and abilities of personnel in the organization to support future business growth and create a good working environment with consideration of the equality according to human rights.

4) Promoting and supporting activities for the benefit of the public

Promote and support activities that are beneficial to the personnel of the organization, community and society.

5) The efficiently use of energy

Promote the use of renewable energy and energy saving

6) Environmentally friendly design of office building

Office building design process for construction add or improve buildings including the interior design and surrounding area by focusing on the importance of the environment

Sustainable Business Goals

The Company has set goals for performing business in the next 3 years or within 2024 as follows:

Economic

1. Digital Innovation Development

- Develop Human Resources Management System Software to be up-to-date and equal or better quality than software from global competitors and to promote the competitiveness of the business sector with an investment budget of not more than 50 million baht per year
- Developing a health care ecosystem with digital technology to enhance the quality of life of customers' employees and the general public to be successful by 2024 through joint ventures with business partners with an investment budget of not more than 50 million baht per year.
- Able to sufficiently recruit both local and foreign personnel in software development and digital technology to support the growth of the organization and the development of digital innovations

2. Developing information security and protection of personal information

- To apply the International Standards for Information Security and Management of Personal Data for ISO 27001 and ISO 27701 within 2024.
- Establishment of a steering committee responsible for Information Security and Personal Data Protection
- Continuously creating awareness among all levels of personnel in the organization
- Investing in the development of information security systems with business partners

Society

3. Development and supervision of personnel of the organization
 - Recruiting and retaining potential personnel
 - Taking care of employees with the concept of "Happy workplace"
 - Develop modern technology to apply in human resource management.
 - Succession Plan Policy
 - Bring innovations and new technologies in the field of health promotion and financial stability to apply for personnel in the organization and provide such technology to customers' employees and general public for 20,000 users
 - Compliance with human rights principles
4. Promotion and support activities for social and public benefit
 - Promote and support activities that are beneficial to personnel of the organization, community and society with a budget of at least 0.50 - 1.00 percent of net profit from operations.

Environment

5. Efficiently use of energy
 - To increase the portion of renewable energy for 20 percent of the total energy consumption.
6. Environmentally friendly design of office building
 - Office building design process for construction Adding or improving buildings and the interior design and surrounding area by focusing on the importance of the environment

3.2 Managing impact on stakeholders in the business value chain

3.2.1 Business value chain

Inputs management and product development	Operation and project management	Sales and marketing	After sales service	Other supporting activities
<ul style="list-style-type: none"> ● Development of human resource management software ● Procurement of products and services including hardware and other software ● Cooperation with business partners in related businesses for developing products and services to meet the needs of life and improve the quality of life of customers' employees and the general public 	<ul style="list-style-type: none"> ● Project management of human resource management system installation ● Project management for the installation of an enterprise resource planning system ● Outsourcing services for human resource management and payroll 	<ul style="list-style-type: none"> ● Marketing and providing transparent information about products and services completely, correctly and fair price 	<ul style="list-style-type: none"> ● Providing after-sales service to create customer satisfaction ● Protection of customer personal data with policies and procedures for determining the access and use of customer data. ● Maintaining good relationship with customers 	<ul style="list-style-type: none"> ● Fair human resource management with appropriate compensation and welfare system. Continuously promote and develop the potential of personnel and have a good working environment ● reliable and transparent financial and accounting system ● Good corporate governance in

				accordance with the principles of good governance and business ethics.
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3.2.2 Analysis of Stakeholders in the Business Value Chain

The Company focuses on stakeholder management throughout the business value chain along with effective business value chain management in order to assure that stakeholders are treated in a balanced manner in accordance with the mission of the organization. The management has considered and analyzed the stakeholders of the Company divided into 6 groups as follows:

1. Regulators

Regulators include the SEC and the Stock Exchange of Thailand.

2. Community and society

The community surrounding the business establishment and the general public

3. Investor

Shareholder, institutional investor, retail investor, securities company, foreign fund and securities analysts

4. Customers and customers' employees

Enterprise customers and SMEs customers including employees of customers who use the Company's software and products.

5. Partners and Business Partners

Partners are distributors, service providers and business partners

6. Employee

Executives and employees of the Company

Stakeholder group	Channel and frequency	Expectation	Response
Regulators	<ul style="list-style-type: none"> Coordinate through company secretary (every day) 	<ul style="list-style-type: none"> Comply with laws, rules and regulations Disclosure of information is accurate, transparent and timely. 	<ul style="list-style-type: none"> Comply with laws and regulations strictly Manage the disclosure of information accurately, transparently and in a timely manner.
Community and society	<ul style="list-style-type: none"> Company's central phone number (every day) Company's establishment (every day) 	<ul style="list-style-type: none"> Safety of workplace Cooperate with the community and society Better well-being and quality of life 	<ul style="list-style-type: none"> Fully cooperate with communities and society and government agencies. Ensuring that the establishment has safety measures in accordance with international standards Joint investment with business partners to develop digital technology
Investor	<ul style="list-style-type: none"> Shareholders' Meeting (Once a year) Meeting with both domestic and foreign investors and SET Opportunity Day (once 	<ul style="list-style-type: none"> Sustainable business growth Continuous dividend payment Good corporate 	<ul style="list-style-type: none"> Maintain leadership in business, ready to expand business and develop products and innovation continuously Dividend payment is not less than 50 percent of net profit according to the dividend policy

	<p>a quarter)</p> <ul style="list-style-type: none"> ● Investor Relations website (every day) ● Contact the Investor Relations Department via email and the central telephone number of the Company (every day). 	governance	<ul style="list-style-type: none"> ● Communicate the operating results by quarterly and regularly across all channels by disclosing complete, accurate and timely information
Customers and customers' employees	<ul style="list-style-type: none"> ● Company's central phone number (every day) ● Sales and Service staff (every day) ● Evaluation of customer satisfaction in using the service (at least once a year) ● Meeting KPIs with clients (at least once a year) 	<ul style="list-style-type: none"> ● Products include software with good-looking appearance, easy to use, work as intended and fast service ● There are a variety of products and services to meet the needs of customers. ● Strict data security and standards 	<ul style="list-style-type: none"> ● Respond to problems and complaints efficiently and quickly according to the agreed service service level. ● Provide a customer relationship management system to manage complaint and resolve the problem effectively ● Apply information security and personal data management standards in accordance with international standards.
Partners and Business Partners	<ul style="list-style-type: none"> ● Evaluation of Supplier Satisfaction (at least once a year) ● Meetings with partners and business partners (at least once a year) 	<ul style="list-style-type: none"> ● Grow with the company ● Fairness in doing business together 	<ul style="list-style-type: none"> ● Establish standards for working together with quality including a reasonable and fair remuneration structure ● Develop a platform for business partners to connect to do business together effectively.
Employee	<ul style="list-style-type: none"> ● Monthly Orientation for new employees ● Meeting of employees at all levels (Town Hall Meeting) (at least once a year) ● Social activities jointly between executives and employees (at least once a year) ● Communication through the Company's Human Resources System Software " Humatrix " (all the time) 	<ul style="list-style-type: none"> ● Stability and career path growth ● Balance between work and personal life ● Welfare is appropriate. ● Safety in the work environment ● Equality according to human rights 	<ul style="list-style-type: none"> ● Promotion and skill development and knowledge of employees continuously ● Connect the platform with Conicle, a business partner who provide a platform for online learning management system for corporate customers so that employees can attend training according to the interested courses through the online system anytime and anywhere. ● Offer a voluntary employee benefit loan which has a lower interest rate than the general interest rate to employees of the company ● Welfare improvements according to employee needs ● Provide a security system according to international standards.

- Treat all employees equally

3.3 Sustainability management in economic dimensions

3.3.1 Digital Innovation Development

Develop products and services through digital innovation to enhance the competitiveness of the business sector and improve the quality of life of the customer's staff and the general public.

The Company aims to develop its own products, namely Human Resource Management Software ("Humatrix"), to be up-to-date and with the equal or better quality than software from global competitors to support the competitiveness of customers and helps customers to Digital Transformation both large enterprise customers and small or medium sized organizations (SMEs).

In addition, the company also aims to develop a Digital Healthcare Ecosystem through joint ventures with business partners to develop a common platform and link it to Humatrix in order to enhance the quality of life of our customers' employees and the general public. The ecosystem consists of the followings.

- Benix, Employee Benefit Management System Platform through joint ventures with business partners. The Bennix platform allows its employees to choose benefit plan to match their lifestyle and to provide additional health products and services through an employee spending account sponsor in the form of an E-Wallet.
- Pharmcare, Online pharmacy platform and online health consult with medical personnel through investments in business partners. The employees of customers and the general public can use the service of the platform, enabling access to good health services, find and access quality pharmacies with knowledgeable pharmacists ready to give, check health and preliminary diagnose disease. This good service help reduce travel expenses and medical expenses.
- HumanChessJ Online Lending Platform through a joint venture with business partner. This is a loan between individuals through an online platform without having to go through intermediaries like banks or financial institutions, also known as P2P Lending. It is a solution for individuals who need personal and business loan and increase opportunities for equally access to financial services for all. More convenient and easier than ever through the use of alternative data and credit analysis through technology and online channels.
- H-LAB, Hospital Management System Platform including the hospital emergency medical system, Queue system and online appointments through investments in business partners. This platform helps the patient have access to quality service, convenient, fast and more involved in taking care of your own health. Give healthcare professionals time by using technology to reduce unnecessary workload and also help create new knowledge further in patient care as well and Data analytic to help hospitals manage resources for effective cost management.

Performance in 2021

Details	Target	Performance
1. Development of Human Resource Management System Software (Humatrix) of the Company	Investment budget not more than 50 million baht per year	Recognized as work in progress increase in 2021 amounting to 15.5 million baht

2. Innovation development with business partners		
2.1 Benix	Investment budget not more than 50 million baht per year	Additional investment in 2021 amounting to 6.9 million baht
2.2 Pharmcare		Start investing in 2021, amounting to 15.4 million baht .
2.3 HumanChess		Additional investment in 2021 amounting to 2.0 million baht
2.4 H-LAB		In the process of preparing a share purchase agreement. It is expected to start investing within the first quarter of 2022 .
3. Recruiting enough personnel for innovation development	Added an innovation development team of 75 people.	Recruit 49 additional personnel

3.3.2 Develop of information security and protection of personal data

Because the company is a service provider of human resource management system and services. Outsourcing of human resources management and payroll to enterprise customers. The Company therefore has a duty to manage a large number of information both information from business processes and personal data of customers' employees. Develop of information security and protection of personal data including overseeing operations in accordance with relevant laws and raising standards in Data security and protection of personal data at an international level will help build customer trust and help reduce risks to the company's business. Therefore, the company attaches highly importance to this aspect.

The company aims to achieve high standards for data security and personal data protection, including ISO 27001 and ISO 27701.

- ISO 27001 is the main standard in the category of Information Security Standards Systems. Compliance with ISO 27001 strengthens data security system, reduces risk and protects data from theft.
- ISO 27701 Personal Information Management System Standards. To help organizations manage personal data while responding to customer expectations as well as having to comply with strict requirements. This standard is like raising the level for organizations to achieve the highest standards of transparency and accountability in the handling of personal data.

A steering committee was established, which consisted of the Company's top executives and staff in the Company's IT department working with auditors conduct internal audits on a regular basis to ensure that the management and operations related to personal data protection and cyber security are in accordance with established policies and standards.

The company aims to raise awareness and educate employees in the organization at all levels by notifying all employees of the policy and requires employees to attend ongoing personal information protection and cybersecurity training.

In addition, the company sees an opportunity to develop a comprehensive range of cybersecurity and personal information protection services. To meet the needs and enhance the business potential of enterprise

customers. Therefore, the Company has invested in nForce Security Public Company Limited to jointly develop products related to cyber security and personal data protection to present to the Company's customers and apply in organization

Performance in 2021

Details	Target	Performance
ISO 27001 Information Security Standards System	towards achieving ISO 27001 and ISO 27701 standards by 2024	The company received certificate ISO/IEC 27001: 2013 in 2020 and had an audit to monitor the maintenance of the system in 2021 and there will be an audit to issue new certificates (Re-Certificate) in Q4-2022
ISO 27701 Personal Information Management System Standards		The Company operates as follows: <ul style="list-style-type: none"> ● The Company has implemented measures on the protection of personal data in order to comply with the Personal Data Act, which will come into effect on June 1 , 2022 ● for ISO 27701 will begin auditing for certification by 2022 .
Establishment of the Data Security and Personal Data Protection Steering Committee		The Company has established a Steering Committee since 2020 with the Chief Executive Officer as the chairman and the working group consists of the Company's top executives.
Awareness raising to personnel at all levels in the organization continuously	Organize training to educate employees at all levels for 100 % of all employees.	In 2021 , the Company provides training on Cyber Security and Personal Data Protection with 100 percent of employees attending the training and set a policy for all new employees to be trained
Joint development of products related to cybersecurity and personal data protection with business partners	Invest in business partners, namely nForce Security Public Company Limited , which is a specialist in Cyber Security and Personal Data Protection	In 2021 , the Company invested in nForce Security Public Company Limited amounting to 5 % of all common shares and are in the process of developing products together

3.4 Sustainability management in social dimensions

3.4.1 Development and supervision of personnel of the organization

Developing the potential of personnel to support business expansion and change

The Company attaches importance to human resource management. The Chief Executive Officer is in charge of operating policies and has the chief human resources executive is the head of the Strategic Planning Committee. Human resource management policy and implementation of human resource management plans

under labor law and taking into account human rights principles by managing the organization to be a happy workplace for all employees

Performance in 2021

1. Recruiting and retaining potential personnel

- Recruiting using the principles of fair employment and establishing criteria and processes for selecting competent personnel in a transparent and fair manner.
- Retaining potential personnel by setting appropriate monetary and non-monetary compensation and benefits assessment of performance in accordance with the Company's operational goals and practices in line with the corporate culture and the Company's Core Value
- Continuous development of employees' knowledge skills through Platform of Conicle, a business partner who provides online learning management platform for corporate customers so that employees can attend training according to the interested courses through the online system anytime and anywhere. There are 27 online training courses in 2021 .

2. Taking care of employees with the concept of "Happy workplace" due to the covid situation, many organizations have to adapt, such as measures to work from home. The company gives employees the opportunity to comment on how the organization should adjust to make the workplace full of happiness. The workplace may not necessarily be an office. This concept makes the year 2021 – 2022 have a below policy that will help employees work happily.

- Work from Home Policy
- Telephone package support policy to support working from home
- Policy to encourage employees to vaccinate to prevent Covid 19, therefore consider adding 2 days of leave (special) for vaccination per year.
- For the good health of employees The company has arranged a health check-up for all employees who have undergone probation every year. In 2021, the company has organized it in November 2021.
- Offering the Voluntary Employee Welfare Loan Program which has a lower interest rate than the general interest rate to the employees of the Company. The project has been started since October 2021, with 36 employees already applying for the loan service and totaling a loan amount of 2.25 million baht.

3. Using technology to develop human resource management

The company is a developer of human resource management software (Humatrix") and has used the system in the human resource management of the organization and has developed and improved the system to be modern and help to continually improve the efficiency of the Company's Human Resources Department

4. Succession plan

The Company has a plan to select personnel who will be responsible for important job positions at all levels to be appropriate and transparent in order to ensure that the Company has the executives with professional. The Human Resources Department preparing the succession plan for the Chief Executive Officer and high - level executives of the Company to propose to the Nomination and Remuneration Committee to consider and approve by the Board of Directors on February 24, 2022.

5. Compliance with human rights principles

The Company adheres to the principles of human rights from employment to the care of employees and personnel. In order for all employees feel connected to the same family as the organization. In 2021, the Company has taken the following actions:

Employment of the Company

รายละเอียด	No.of employees	
	Male	Female
Full time staff	218	352
Disabled staff	2	-
Total	220	352

Training

In 2021, the Company organized 41 training courses for employees to enhance their skills and work potential for employees, with a number of training hours or knowledge development activities. Average employee 0.72 hours per person per year.

Training is divided into

1. Internal Training by organizing the special training related to the Company's service such as Growth Mindset course to inspire work and positive thinking, OKRS in Action course to develop and increase skills in setting goals in working in accordance with today's world and Cyber Security courses to develop your understanding of data protection and cybersecurity. Additionally, the Company also established the fundamental of HR knowledge for HR solution, such as income tax calculation, labor law, provident fund, social security and Microsoft excel applications, English program to increase the strength of every employee in company. This is to develop the English language of employees of all levels to be even better. In addition, there are also training courses to develop personnel's personality by organizing courses professional makeup techniques to enhance the personality of employees to build confidence and create a positive image when interacting with people inside and outside the organization. In addition, there are still training courses for new executives in recruiting techniques Interview and selection of new employees to increase recruiting skills, how to ask candidates interview questions to select employees that match the corporate values and are ready to grow with the organization and increase skills in designing interview assessment results with competency to be appropriate for each position of the organization. This interviewing skill can also be applied to work in a client consulting project. As mentioned above, the Company has the trainers, recruiting from personnel who have expertise in the company and also invite relevant speakers to give and share their experience and knowledge. So that our employees can apply and develop into their daily work.
2. External training by sending employees to attend training in various matters related to the services of the Company to increase service efficiency and increase potential such as Powerful Presentation course, techniques to build confidence and powerful presentation skills, SAP Global Certification course, Electrician Training course, Video Editing course for beginners to professional, Physiognomy course to select different types of talent to the organization and the Personal Data Protection Act course, etc., to increase the potential of the employees of the Company and its subsidiaries as appropriate.

3. E-Learning the employees at all levels can access learning resources easily and at all times in accordance with the current situation which can be learned in the company's own operating system. The Company has set a course for all employees at all levels to attend the training which have the following courses: PDPA for Everyone course, Power to Your Goal and Success course and goal setting in Smart Goal Setting course, and there are still many courses to choose from for training such as Basic Excel and Advance Excel course, Master Your Money course, Master Your Life, which is a course related to financial planning, course, Grow Mindset for Disruptive World, course on Design Thinking Techniques, course for Professional Supervisors, course on Negotiation Skills in Sales Solutions, course on Time Management for Quality of work and quality of life, courses provide advice on how to get people's hearts and get results and other courses. So that employees can use their time to be useful and continuously increase their potential in order to support the expansion of the business of the company and its subsidiaries in the future.

Safety, Occupational Health and Work Environment

The Company continually develops and improves safety operations to reduce the risk of illness, injury or death and take care of the quality of life of employees or employees appropriately. In 2021, there were no cases of work-related injuries to stop working.

Employee Engagement

In 2021, the number of employees voluntarily resigned (Turn over rate) 45% which increased from 23% from the last year.

3.4.2 Promoting and supporting activities for society and the public benefit

The Company realizes and attaches importance to supporting activities for the society and commonwealth including charitable donations by encouraging all employees in the organization to participate in activities to create a good conscience to help the underprivileged in society to alleviate the suffering of those affected by natural disasters or to promote quality of life

Performance in 2021

- Employees of the company donate blood to the Thai Red Cross Society in 2021 , 2 times, in March and December
- Due to the epidemic situation of COVID-19 causing people to get infected with COVID-19. A large number of people do not have access to hospital treatment where they still need government assistance. The company is a part for helping society where employees have cooperated to help prepare necessary items to put in happiness bags consisted of rice, drinking water, instant noodles, canned fish, household drugs, and chili paste, and were delivered to the Yarn Foundation in September 2021 , for 500 bags with a budget of 350,000 baht will be distributed to patients in need .
- In addition, the company is concerned about the welfare of employees for traveling to various places that may be at risk of infection and some employees have to work from home. In order to build morale and encouragement, the Company has arranged happiness boxes for employees to alleviate family expenses and to encourage employees take care of health to get through this epidemic situation. Which in the happiness box contains rice, dried food, Mama, canned fish, snacks, tissues, hand soap, 376 boxes were distributed to the company's employees in August 2021 with a budget of 428,500 baht .

3.5 Sustainability management in environmental dimensions

Every type of business requires energy, which is the fundamental factor for every business operation and is energy from a depleting source. The business of the company requires energy as well. Our business is related to the development of software and innovations which requires electricity and water supply in office buildings and fuel for the travel of personnel in the organization. Therefore, the Company realizes and attaches importance to manage energy efficiently to achieve maximum efficiency including considering alternatives to use renewable energy such as solar energy to replace the limited use of fossil fuels. This helps the business to manage the risk of relying on energy from depleted sources. Efficient energy management not only helps businesses reduce their costs but it also helps to ensure long-term availability of sufficient alternative energy sources. The key is to reduce the use of fossil fuels and reduce the environmental impact. This creates a good awareness of coexistence and shows the responsibility of the business towards society and the environment in a broader way.

The company is committed to energy management with a sense of value and wants to participate in solving global warming problems. Therefore, the company has continuously implemented projects in terms of energy efficiency and processes of environmentally friendly office building design. The details are as follows.

3.5.1 Efficiently use of energy

Performance

- Renewable energy use

The Company has upgraded its energy-saving measures through the use of solar energy. By collaborating with the building owner to install more solar panels on the roof since 2020, which is an additional installation from the building owner's intention to create more green energy for use in the company's operations. As a result, the company is able to combine solar energy with our year-round energy consumption, the solar green energy producing 22% of our annual energy consumption.

- Location and Transportation (LT)

The Company understands the importance of reducing carbon emissions and pollution from transportation therefore expanding the shuttle services for employees to have both BTS (National Stadium Station) and MRT (Hua Lamphong Station). Furthermore, the Company's shuttle services are fully electric vehicles, with a range of over 300 kilometers for a single charge. Considering the Stations are both less than 2 kilometers away from the Office, a single charge is sufficient for an entire week of service for both vans. This is important as it allows the vans to charge with our Solar panels on the weekends, when energy consumption is significantly reduced.

- Using rainwater as a backup water source

The Company also uses rainwater as a reserve water source to water the plants around the building through the use of an automatic watering system which helps to control the use of water more efficiently

- Electric car charging station in the car park

The Company has provided 2 electric vehicle charging stations in the car park to encourage employees to use electric vehicles more and can increase the stations if there is more demand.

3.5.2 Environmentally friendly office building design

Performance

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

The Company shares the passion in sustainability with our landlord, MPK Progress Company Limited, as it is honored to be certified LEED v.4 standard for Building and Construction. This, in addition to obtaining the

long lease for our head offices, is an investment we have made with the future in mind. We encourage our employees to save energy and be aware of the waste created, along with creating positive and healthy working environment.

LEED (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)

- Integrated Building Design Process (IP)

The company designed the building to be as environmentally friendly as possible by using energy at full efficiency both in terms of lighting, which is important in office design, the company has carefully considered the design process to provide employees with adequate lighting and comfortable during work while reducing the amount of light required to cover all areas.

- Water Efficiency (WE)

The company improves the efficiency of water use by designing water flow management to be suitable for internal use making it possible to limit the amount of water used and management of wastewater

- Materials and Construction Materials and Resources (MR)

The company has a policy to choose environmentally friendly materials as well as using recycled materials in Construction Add or Decorate the office. Allocate waste separation areas to separate recycled materials and reusable material to effectively reduce construction waste

- Indoor Environment Quality (IEQ)

The Company takes into account the physical and mental health of its employees as a priority. We therefore design every aspect to promote a good indoor environment including the proper and most comfortable lighting, control of temperature and weather conditions for the health of employees

- Installing the air filter to prevent PM 2.5

PM 2.5 situation in Thailand is still harmful to employees' health. The company has installed air filters to help control air quality and help reduce PM 2.5 levels inside the building

- Innovation in design (ID)

Company focuses on increasing the efficiency of the green building design and adapting new methods to minimize negative environmental impact and to obtain the sustainable building

4. Management Discussion and Analysis: MD&A

4.1 Management's Discussion and Analysis (MD&A) and Operating Results for Year Ended December 31, 2021

Overall Group Performance

Table 1: Overall Financial Performance

Unit: million baht

	Jan-Dec 2020	%	Jan-Dec 2021	%	Change	% YoY
Total Revenues	740.34	100.0%	770.49	100.0%	30.15	4.1%
Cost of Sales and Services	(384.96)	(52.0%)	(398.26)	(51.7%)	(13.30)	(3.5%)
Gross Profit	355.38	48.0%	372.23	48.3%	16.85	4.7%
SG&A	(160.25)	(21.6%)	(176.95)	(23.0%)	(16.70)	(10.4%)
Operating Profit	195.13	26.4%	195.28	25.3%	0.15	0.1%
Share of Profit in Associates	0.93	0.1%	0.01	0.0%	(0.92)	(98.9%)
Interest Expense	(8.36)	(1.1%)	(9.34)	(1.2%)	(0.98)	(11.7%)
EBT	187.70	25.4%	185.95	24.1%	(1.75)	(0.9%)
Tax	(22.84)	(3.1%)	(20.62)	(2.7%)	2.22	9.7%
Net Profit After Tax	164.86	22.3%	165.33	21.5%	0.47	0.3%

Net Profit attributable to:

Owner of the Parent	165.75	22.4%	169.81	22.0%	4.06	2.4%
Non-Controlling Interests	(0.89)	(0.1%)	(4.48)	(0.5%)	(3.59)	(403.4%)

Total Revenues

Total Revenues, including sales and service revenue and other income, increased by 30.15mb or 4.1% to 770.49mb (2020: 740.34mb). Of which, sales and services grew by 8.88mb or 1.2% and other income grew by 21.27mb or 103.6%.

Sales and Services revenue:

For 2021, The Humanica Group of Companies ("HUMAN" or the "Company") delivered sales and service revenue of 728.69mb (2020: 719.81mb), an increase of 8.88mb or 1.2%. Revenue from HR Solutions contributed 616.90mb, Financial Solutions revenue contributed 111.18mb and Life and non-life insurance broker revenue 0.61mb, up from 612.09mb, 107.71mb and 0.01mb respectively year-on-year.

Other Income:

Other income increased by 21.27mb or 103.6% to 41.80mb (2020: 20.53mb). We reported increase in realized gain on investment from our investment portfolio, interest income from investment in bill of exchange and gain on foreign exchange.

Cost of Sales and Services

Overall cost of sales and services increased by 13.30mb or 3.5% to 398.26mb (2020: 384.96mb) which mostly came from expenses for cloud service,

Gross Profit

We reported a gross profit margin of 48.3% , a slightly increase from 48.0% in 2020, and gross profit of 372.23mb (2020: 355.38mb), an increase of 16.85mb or 4.7% . The improvement is mainly due to a growth in implementation revenue from both HR and financial solutions and other income while cost of sales and services slightly increased.

Selling and Administration Expense

Selling and administration expense ("SG&A") closed at 176.95mb (2020: 160.25mb), an increase of 16.70mb or 10.4%, with SG&A% of total revenues inching up to 23.0% (2020: 21.6%). These increases are mainly attributed to increase in staff cost, office space expansion and in-house cloud service, one-off item expense which are the write-off of interest receivable on investment in convertible notes about 5.00mb and impairment in convertible note amounting to 8.65mb.

Interest Expense

Increase in interest expense was mainly from new office leasing in Jan 2021 according to TFRS16 Leases.

Net profit after Tax

The net profit after tax closed at 165.33mb (2020: 164.86mb), increasing by 0.47mb or 0.3% with overall net profit margin down to 21.5% (2020: 22.3%) mainly due to an increasing in cost of sales and services and selling and administration expense.

1. Revenue Structure

Table 2: The break down revenue by business entities.

Type of Revenue	Jan-Dec 2020		Jan-Dec 2021	
	Million Baht	%	Million Baht	%
<u>HR Solutions</u>				
1.1 Human Resources and Payroll Outsourcing services	266.41	36.0%	259.52	33.7%
1.2 Income from software and human resources system	269.92	36.5%	293.03	38.0%
1.2 Income from sales of hardware	75.76	10.2%	64.35	8.4%
Total revenues from HR solutions	612.09	82.7%	616.90	80.1%
<u>2. Financial Solutions</u>				
2.1 Enterprise Resource Planning (ERP)	85.36	11.5%	90.09	11.7%
2.2 Accounting & Finance Outsourcing	22.35	3.0%	21.09	2.7%
Total revenue from financial solutions	107.71	14.5%	111.18	14.4%

Type of Revenue	Jan-Dec 2020		Jan-Dec 2021	
	Million Baht	%	Million Baht	%
3. Life and Non-Life Insurance Broker				
3.1 Income from life and non-life insurance broker	0.01	0.0%	0.61	0.1%
Total revenues from life and non-life insurance broker	0.01	0.0%	0.61	0.1%
Total revenue from sales and services	719.81	97.2%	728.69	94.6%
3. Other income¹	20.53	2.8%	41.80	5.4%
Total revenues	740.34	100.0%	770.49	100.0%

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

In Table 2 , The Company's revenue structure comprises 3 business units, HR Solutions, Financial Solutions and Life and Non-Life Insurance Broker with HR Solutions representing 80.1% of our revenue, Financial Solutions representing 14.4% , life and non-life insurance broker representing 0.1% of our revenue and other income representing 5.4% of our revenue.

HR Solutions

Revenue from HR Solutions closed at 616.90mb (2020: 612.09mb), increasing by 4.81mb or 0.8% . This increase is mainly due to non-recurring revenue 8.91mb or 4.5%, offset by 4.10mb or -1.0% reduction in recurring revenue from payroll outsourcing business in Thailand due to client's businesses affected by COVID-19.

Financial Solutions

Revenue from Financial Solutions contributed 111.18mb (2020: 107.71mb), increasing by 3.47mb or 3.2%. We gained more clients from Oracle Netsuit and booked implementation revenue of new projects from SAP Business One.

The recurring and non-recurring income:

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

Unit: million baht

HR Solutions	Jan-Dec 2020	%	Jan-Dec 2021	%	%YoY
Revenues-Recurring	414.59	67.7%	410.49	66.5%	(1.0%)
Revenues-Non Recurring	197.50	32.3%	206.41	33.5%	4.5%
Total Revenues	612.09	100.0%	616.90	100.0%	0.8%

Financial Solutions	Jan-Dec 2020	%	Jan-Dec 2021	%	%YoY
Revenues-Recurring	67.91	63.0%	68.00	61.2%	0.1%
Revenues-Non Recurring	39.80	37.0%	43.18	38.8%	8.5%
Total Revenues	107.71	100.0%	111.18	100.0%	3.2%

Life and Non-Life Insurance Broker	Jan-Dec 2020	%	Jan-Dec 2021	%	%YoY
Revenues-Recurring	-	-	-	-	-
Revenues-Non Recurring	0.01	100.0%	0.61	100.0%	6,000.0%
Total Revenues	0.01	100.0%	0.61	100.0%	6,000.0%

Grand Total Recurring	482.50	67.0%	478.49	65.7%	(0.8%)
Grand Total Non- Recurring	237.31	33.0%	250.20	34.3%	5.4%
Grand Total Revenues	719.81	100.0%	728.69	100.0%	1.2%

Overall, the Company's recurring revenue proportion decreased from 67.0% in 2020 to 65.7% this year, while non-recurring revenue proportion increased from 33.0% in 2020 to 34.3%.

Recurring revenue reported an overall decline of 4.01mb or -0.8% , driven by lower headcount of the client's employee population in our HR/Payroll outsourcing business as the economy continues to soften due to the prolonged impact of COVID-19.

Non-recurring revenue reported an increasing of 12.89mb or 5.4%, from the increase in implementation from new projects in both HR solutions and financial solutions.

3. Financial position

Table 4: Overall Financial position

Unit: million baht

<u>Assets</u>	As of Dec 31, 2020	%	As of Dec 31, 2021	%	Change YoY	% YoY
Cash and cash equivalents	246.80	15.5%	334.59	18.9%	87.79	35.6%
Current financial assets	227.77	14.3%	50.10	2.8%	(177.67)	(78.0%)
Trade & Other receivable	126.25	7.9%	128.57	7.3%	2.32	1.8%
Current contract assets	30.35	1.9%	35.80	2.0%	5.45	18.0%
Inventory	14.98	0.9%	14.55	0.8%	(0.43)	(2.9%)
Other current Asset	7.23	0.5%	7.91	0.4%	0.68	9.4%
Non-current financial assets	392.29	24.6%	634.15	35.9%	241.86	61.7%
Right to use assets	128.83	8.1%	136.03	7.7%	7.20	5.6%
Non-Current asset	417.16	26.3%	428.31	24.2%	11.15	2.7%
Total Assets	1,591.66	100.0%	1,770.01	100.0%	178.35	11.2%
<u>Liabilities</u>						
Current liability	151.10	9.5%	155.68	8.8%	4.58	3.0%
Non-Current liability	173.70	10.9%	176.70	10.0%	3.00	1.7%
Total liabilities	324.80	20.4%	332.38	18.8%	7.58	2.3%
Shareholders' equity	1,266.86	79.6%	1,437.63	81.2%	170.77	13.5%
Total liabilities and Shareholders' equity	1,591.66	100.0%	1,770.01	100.0%	178.35	11.2%

(a) Total assets

Total assets as of December 31, 2021 stand at 1,770.01mb, an increase of 178.35mb or 11.2% . The increase was mainly due to an increase in investment in associates 36.00mb, expansion of office space 7.20mb, cash and cash equivalents 87.79mb and financial assets 64.19mb.

(b) Total Liabilities

Total liability as of December 31, 2021 was 332.38mb, increasing by 7.58mb or 2.3% , mainly due to recognition of liabilities under finance lease agreement according to TFRS16.

(c) Shareholders' equity

Total shareholder's equity as of December 31, 2021 was 1,437.63mb, increasing by 170.77mb or 13.5% YoY, contributed from operating profits attributable to owner of the parent 169.82mb offset by dividend payment 95.20mb and recognition of gain from sales and an increase in fair value of financial assets through other comprehensive income of 67.58mb.

4. Cash Flow Statement

Unit: million baht

	Jan-Dec 2020	Jan-Dec 2021
Net cash provided by (used in)		
Cash Flow from Operating (CFO)	240.08	242.88
Cash Flow from Investing (CFI)	(45.26)	(36.55)
Cash Flow from Financing (CFF)	(108.19)	(126.42)
Increase in translation adjustments	0.69	7.88
Net increase in cash and cash equivalents	87.32	87.79

Cash Flow from Operating Activities

CFO for 2021 was 242.88mb. 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 for 2021 was -36.55mb mainly due to received money from bill of exchange of 200mb offset with investment in associated companies and additional investment in financial assets.

Cash Flow from Financing Activities

CFF for 2021 was -126.42mb, due to dividend payment of 95.20mb and finance lease payment. The Company has no current plan for a financing project as we still have ample funds from IPO fund raising for a working capital and other investment plans.

4.2 Factors That May Impact Future Operations

Cyber Security and Protection of Personal Data

Threat and cybersecurity issues are increasing which are causing a variety of impacts and protection of personal information according to the Personal Data Protection Act to take effective as of June 1, 2022. The Company will need to invest in tools and equipment and improve operations to ensure that the Company can maintain the security of its information technology systems which contain a large amount of critical data, both its own and data of customers, including their employees by providing security to a high standard.

Uncertain economic outlook as a result of the Covid 19

In the past two years, the COVID-19 has affected its customers in the hotel, restaurant and tourism sectors. As a result, the Company's recurring income, calculated from the number of employees of the customers, is reduced. This is because customers in this segment are directly affected by the situation and there is a need to reduce the number of staff. However, the situation in late 2021 began to unravel because government measures have been

reduced and there is no lockdown. The Company expects the situation in 2022 will improve in line with the recovery of customers in the hotel, restaurant and tourism businesses.

4.3 Important Financial Information

Consolidated Financial Statements

Table 1 Statement of Financial Position

Statement of Financial Position	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<u>Assets</u>						
<i>Current assets</i>						
Cash and cash equivalents	159.47	11.6	246.80	15.5	334.59	18.9
Trade and other current receivables	114.23	8.3	118.44	7.4	128.57	7.3
Current contract assets	24.58	1.8	30.35	1.9	35.80	2.0
Short-term loans	-	-	-	-	3.38	0.2
Inventories	9.42	0.7	14.98	0.9	14.55	0.8
Other current financial assets	83.07	6.0	227.77	14.3	50.10	2.8
Other current assets	4.50	0.3	15.07	0.9	4.53	0.3
Total Current Assets	395.28	28.7	653.40	41.1	571.52	32.3
<i>NON-CURRENT ASSETS</i>						
Restricted bank deposits	1.05	0.1	0.86	0.1	0.64	0.0
Other non-current financial assets	558.38	40.6	392.29	24.6	634.15	35.9
Investment in associates	24.63	1.8	28.57	1.8	63.68	3.6
Building improvement and equipment	40.11	2.9	44.65	2.8	43.74	2.5
Right-of-use assets	-	-	128.83	8.1	136.03	7.7
Goodwill	108.62	7.9	108.62	6.8	108.62	6.1
Other intangible assets other than goodwill	200.99	14.6	176.16	11.1	177.17	10.0
Computer software under development	27.43	2.0	34.19	2.1	15.86	0.9
Deferred tax assets	5.55	0.4	10.98	0.7	4.79	0.3
Other non-current assets	13.54	1.0	13.09	0.8	13.82	0.8
Total Non-current Assets	980.31	71.3	938.25	58.9	1,198.50	67.8
TOTAL ASSETS	1,375.59	100.0	1,591.65	100.0	1,770.02	100.0
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>						
<i>CURRENT LIABILITIES</i>						
Trade and other current payables	48.50	3.5	58.54	3.7	51.13	2.9
Current contract liabilities	47.17	3.4	47.82	3.0	58.02	3.3
Current portion of lease liabilities	1.24	0.1	20.24	1.3	20.67	1.2
Corporate income tax payable	7.25	0.5	10.55	0.7	11.05	0.6
Other current liabilities	12.06	0.9	13.95	0.9	14.82	0.8
Total Current Liabilities	116.20	8.4	151.10	9.5	155.69	8.8
<i>NON-CURRENT LIABILITIES</i>						
Lease liabilities	2.64	0.2	117.39	7.4	128.99	7.3
Deferred tax liabilities	19.36	1.4	16.64	1.0	15.02	0.9
Non-current provisions for employee	38.71	2.8	39.67	2.5	31.75	1.8

Statement of Financial Position	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
benefits						
Other non-current liabilities	4.74	0.3	-	-	0.94	0.1
Total Non-current Liabilities	65.44	4.8	173.70	10.9	176.70	10.0
TOTAL LIABILITIES	181.64	13.2	324.80	20.4	332.39	18.8
SHAREHOLDERS' EQUITY						
Share capital						
Authorized share capital	340.00		340.00		345.00	
Issued and paid-up share capital	340.00	24.7	340.00	21.4	340.00	19.2
Share premium on ordinary shares	649.12	47.2	649.12	40.8	649.12	36.7
Surplus on share based payment	5.15	0.4	5.15	0.3	5.15	0.3
Deficit arising from change in ownership interest in subsidiaries	(12.67)	(0.9)	(12.67)	(0.8)	(12.67)	(0.7)
Retained earnings - Legal reserve	22.71	1.7	34.0	2.1	34.5	2.0
Retained earnings - Unappropriated	176.18	12.8	258.78	16.3	370.47	21.0
Other components of shareholders' equity	13.45	1.0	(8.76)	(0.6)	45.45	2.6
Total Shareholders' equity attributable to owners of the Company	1,193.94	86.8	1,265.62	79.5	1,432.02	81.1
Non-controlling interests	-	-	1.23	0.1	5.61	0.3
TOTAL SHAREHOLDERS' EQUITY	1,193.94	86.8	1,266.85	79.6	1,437.63	81.4
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,375.59	100.0	1,591.65	100.0	1,770.02	100.0

Table 2 Statement of Comprehensive Income

Statement of Comprehensive Income	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
REVENUES						
Revenue from sales and rendering services	599.53	99.0	719.82	98.7	728.69	96.1
Other income	6.00	1.0	9.43	1.3	29.38	3.9
Total Revenues	605.53	100.0	729.26	100.0	758.07	100.0
EXPENSES						
Cost of sales and rendering services	335.26	55.4	384.97	52.8	398.26	52.5
Distribution costs	19.11	3.2	29.19	4.0	30.86	4.1
Administrative expenses	102.75	17.0	131.06	18.0	146.10	19.3
Total Expenses	457.11	75.5	545.21	74.8	575.22	75.9
Profit from operating activities	148.41	24.5	184.04	25.2	182.85	24.1
Finance income	8.34	1.4	11.10	1.5	12.43	1.6
Finance costs	(0.43)	(0.1)	(8.37)	(1.1)	(9.34)	(1.2)
Share of profit of associates accounted for using equity method	1.93	0.3	0.93	0.1	0.01	0.0

Profit before income tax	158.25	26.1	187.70	25.7	185.95	24.5
Income tax expense	(14.52)	(2.4)	(22.84)	(3.1)	(20.62)	(2.7)
PROFIT FOR THE YEAR	143.73	23.7	164.86	22.6	165.33	21.8
OTHER COMPREHENSIVE INCOME (LOSS)						
Components of other comprehensive income (loss) that may be reclassified subsequently to profit or loss						
Exchange differences on translation financial statements	(2.43)	(0.4)	0.71	0.1	6.94	0.9
Total components of other comprehensive income (loss) that may be reclassified subsequently to profit or loss, net of tax	(2.43)	(0.4)	0.71	0.1	6.94	0.9
Components of other comprehensive income (loss) that will not be reclassified to profit or loss						
Gain (loss) on investment in equity designated at fair value through other comprehensive income	17.30	2.9	(19.57)	(2.7)	73.48	9.7
Gains (losses) on re-measurements of defined benefit plans	(2.55)	(0.4)	2.47	0.3	11.36	1.5
Total components of other comprehensive income (loss) that will not be reclassified to profit or loss, net of tax	14.75	2.4	(17.10)	(2.3)	84.84	11.2
Other comprehensive income (loss) for the year, net of tax	12.33	2.0	(18.39)	(2.2)	91.78	12.1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	156.06	25.8	148.47	20.4	257.11	33.9
PROFIT (LOSS) ATTRIBUTABLE TO:						
Owners of the parent	143.73	23.7	165.75	22.7	169.82	22.4
Non-controlling interests	-	-	(0.90)	(0.1)	(4.48)	(0.6)
PROFIT FOR THE YEARS	143.73	23.7	164.86	22.6	165.34	21.8
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	156.06	25.8	149.37	20.5	261.59	34.5
Non-controlling interests	-	-	(0.90)	(0.1)	(4.48)	(0.6)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	156.06	25.8	148.47	20.4	257.11	33.9
Earnings per share						
Basic earnings per share (Baht)	0.21		0.24		0.25	

Table 3 Statement of Cash Flows

(Unit : Million Baht)

Statement of Cash Flows	2019	2020	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES (CFO)</u>			
Profit before income tax expense	158.25	187.70	185.95
Adjustments to reconcile profit before income tax expense to net cash provided by (used in) operating activities			
Depreciation and amortization	55.26	78.01	83.37
Allowance for expected credit losses (Reversal)	(0.83)	1.14	(0.40)
Allowance for diminution in value of inventories	(0.52)	1.93	3.45
Gain on disposal of equipment	-	-	(0.32)
Loss on write-off of equipment	0.63	0.29	-
Loss on write-off of computer software	-	0.55	-
Long-term employee benefit expenses	7.43	2.56	6.09
Gain on disposal of other current and non-current financial assets	(4.85)	(2.85)	(7.13)
Share of profit from investment in associates	(1.93)	(0.93)	(0.01)
Unrealized (gain) loss on foreign exchange rates	2.59	3.63	(7.85)
Unrealized loss on change in value of other current and non-current financial assets	-	-	5.03
Dividend income	(5.28)	(5.80)	(5.38)
Finance costs	0.43	8.37	9.34
Interest income	-	(5.30)	(7.04)
Profit from operating activities before changes in operating assets and liabilities	211.18	269.30	265.10
<i>Operating assets (increase) decrease</i>			
Trade and other current receivables	(2.18)	(3.15)	(0.11)
Current contract assets	(2.22)	(5.77)	(5.45)
Inventories	-	(7.50)	(3.02)
Other current assets	2.54	(5.80)	3.21
Other non-current assets	(5.56)	(6.59)	(0.73)
<i>Operating liabilities increase (decrease)</i>			
Trade and other current payables	(10.17)	10.22	2.77
Current contract liabilities	26.42	0.65	10.20
Other current liabilities	(8.66)	1.90	0.88
Other non-current liabilities	3.17	(0.81)	0.94
Employee benefit obligations paid	-	(1.74)	-
Cash received from operating activities	214.52	250.71	273.79
Cash paid for interest expense	(0.43)	-	-
Cash paid for income tax expense	(18.72)	(15.56)	(31.30)
Refund income tax expense	4.69	0.49	0.38
Net cash provided by operating activities	200.06	235.64	242.87
<u>CASH FLOWS FROM INVESTING ACTIVITIES (CFI)</u>			
(Increase) decrease in restricted bank deposits	3.84	0.19	0.22
Cash paid for other current and non-current financial assets	(679.92)	(488.69)	(235.98)
Cash received from disposal of current and non-current financial	732.10		263.29

Statement of Cash Flows	2019	2020	2021
asstes		481.80	
Cash paid for acquisition of building improvement and equipment	(5.01)	(26.31)	(21.19)
Cash received from sales of equipment	-	0.10	0.32
Cash paid for development/acquisition of computer software	(19.20)	(15.99)	(16.99)
Cash paid for short-term loans	-	-	(4.37)
Cash received from short-term loans	-	-	1.00
Dividends received	5.28	5.78	5.20
Interest received		5.29	7.04
Cash paid for acquisition	(99.12)	-	-
Cash paid for acquisition of investment in associates	-	(3.00)	(35.09)
Net cash (used in) provided by investing activities	(62.03)	(40.83)	(36.55)
<u>CASH FLOWS FROM FINANCING ACTIVITIES (CFF)</u>			
Cash paid for lease liabilities	(5.88)	(18.22)	(21.88)
Cash paid for interest expenses for lease liabilities	-	(8.37)	(9.34)
Dividends paid	(81.60)	(81.60)	(95.20)
Net cash used in financing activities	(87.48)	(108.19)	(126.42)
Exchange differences from translation financial statements	(2.41)	0.70	6.29
Effect of exchange rate changes on cash and cash equivalents	-	-	1.60
Net increase in cash and cash equivalents	48.14	87.33	87.79
Cash and cash equivalents as at January 1,	111.33	159.47	246.80
Cash and cash equivalents as at December 31,	159.47	246.80	334.59

Table 4 Financial Ratios

Financial Ratios	2019	2020	2021
<u>Liquidity Ratio</u>			
Liquidity ratio (เท่า)	3.40	4.32	3.67
Quick ratio (เท่า)	2.30	2.42	2.97
Cash flow liquidity ratio (เท่า)	2.07	1.80	1.87
Receivable turnover (เท่า)	6.26	6.59	6.42
Average collection period (วัน)	57.47	54.62	56.08
Payable turnover ratio (เท่า)	7.74	7.19	11.58
Average repayment period (วัน)	46.53	50.05	31.08
Cash Cycle (วัน)	10.94	4.57	24.99
<u>Profitability Ratio</u>			
Gross profit margin ¹ (%)	44.08	46.52	45.35
Operating profit margin (%)	23.75	24.26	21.06
Cash to profit ratio (%)	150.63	146.13	177.03
Net profit margin (%)	23.97	22.90	22.69
Return On Equity (%)	12.43	13.04	12.23
<u>Efficiency Ratio</u>			
Return on Assets (%)	11.05	11.11	9.84

¹ Gross profit margin = Revenue from sales and rendering services less cost of sales and rendering services divided by Revenue from sales and rendering services

Return on Fixed Assets	(%)	22.54	23.61	31.67
Assets Turnover	(เท่า)	0.47	0.50	0.46
Financial Ratio				
Debt to Equity ratio	(เท่า)	0.15	0.26	0.23
Interest coverage ratio	(เท่า)	369.03	23.43	20.91
Dividend Payout	(%)	68.46	72.95	58.99

5. General Information and Other Important Information

5.1 General Information

Securities Registrar	Thailand Securities Depository Company Limited (TSD)
Location	93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400, Thailand
Tel.	+66 2 009 9000
Fax	+66 2 009 9991
Website	https://www.set.or.th/tsd/th/tsd.htm
Auditor	Deloitte Touche Tohmatsu Jaiyos Compay Limited
Location	AIA Sathorn Tower, 23rd - 27th Fl., 11/1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120, Thailand
Tel.	+66 2 034 0000
Fax	+66 2 034 0100
Website	http://www.deloitte.com
List of Auditors	1. Ms. Wimolporn Boonyusthian
	Certified Public Accountant No.4067 or
	2. Mr. Choopong Surachutikarn
	Certified Public Accountant No.4325 or
	3. Ms. Juntira Juntrachaichoate
	Certified Public Accountant No.6326

5.2 Legal Disputes

As of December 31, 2021 the Company and the group company have no the legal disputes.

Section 2

Corporate Governance

6. Corporate Governance Policy

6.1 Overview of the Policy and Guidelines

The Company's Board has established the policy on corporate governance, business ethics, and work performance practices. The policy is reviewed annually or as appropriate so as to keep up with current situations and business environment while conforms to 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 and appropriately performed its duties according to good corporate governance for listed company year 2017 (CG Code) as the following 8 principles.

Business Processes and 8 principles under the CG Code Framework

Business Process	8 Principles
1. Set Objective	Principle 1 Establish Clear Leadership Role and Responsibilities of the Board
	Principle 2 Define Objectives that Promote Sustainable Value Creation
2. Execute the objective	Principle 3 Strengthen Board Effectiveness
	Principle 4 Ensure Effective CEO and People Management
	Principle 5 Nurture Innovation and Responsible Business
3. Follow up, evaluate the performance and disclosed information	Principle 6 Strengthen Effective Risk Management and Internal Control
	Principle 7 Ensure Disclosure and Financial Integrity
	Principle 8 Ensure Engagement and Communication with Shareholders

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 and closely monitor them 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, 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 are 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 actions, 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 digitalize 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 providers for one stop back office support service provider, including finance & accounting outsourcing services in Thailand.
5. Expend 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 5 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 operation:

- 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 in 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

Qualification

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 and limit the number of listed companies in which each director can hold a position to no more than 5 companies without exception.

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 according to the good corporate governance and the charter of the 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 and 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 interest;
- 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 subsidiaries’ Directors 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 3 independent Directors, appointed by the Board of Directors and 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 the 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 list 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 7 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 Directors of the Company

The MC is crucial in 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.

4. Investment Committee

The Investment Committee (IC) shall consist of 3 Independent Directors appointed by the Board of Directors based on Nomination and Compensation Committee (NC) recommendation. The Committee shall be chaired by a Board member appointed by the Board.

Qualification

The members of the IC as a whole shall possess knowledge, expertise and experience on investment strategy, risk management and securities analysis to provide an independent and objective review of investment opportunities and performance.

Term of office

The term of office for members of IC including the Chairman shall be 3 years or the remaining term of the board directorship, whichever is earlier. Upon completing term of office, a member of Investment Committee shall be eligible for re-election.

Roles and Responsibilities of the Investment Committee

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

1. Formulate the overall investment policy and investment strategy of the Company
2. Prepare the Company's investment plan and annual investment budget for presentation to the Board of Directors
3. Review major acquisitions, investments, divestments and funding requests proposed by Management to ensure that they are in line with the Company's investment policy and strategy and target specified in investment plan based on suitable return on investment and effective management to control risk factors at **acceptable level**
4. Monitor, follow up and evaluate performance of the approved investment and report to the Board of Directors

5. Review the Company's investment portfolio allocation and performance
6. Perform tasks assigned by the Board of Directors

Meetings of the Investment Committee

Investment Committee meetings will be held or called as the Committee considers appropriate based on the business needs.

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, 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 to 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.

Criteria for payment of directors' remuneration considering responsibility, appropriate and consistent with the Company's performance and the performance of the Board of Directors and reference data with other companies in the same industry of similar size and nature of business, as well as overall operating results and economic conditions. Remuneration structure for directors and sub-committees, including the survey of directors' remuneration of the Thai Institute of Directors Association (IOD) and the Stock Exchange of Thailand. The directors assigned to have more duties and responsibilities will be compensated appropriate to the duties and responsibilities that have been assigned more.

The NRC evaluates the performance of the CEO in accordance with the norm and criteria agreed with the CEO, based on Company's 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 3/4 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 consider their achievements, problems and corrective actions.

Guidelines

In order to comply with the principles of good corporate governance The Board of Directors provides an evaluation of the Board of Directors' performance in the form of (1) Self-Assessment of the Board of Directors (2) Self-Assessment of Individual Directors (3) Self-Assessment of Sub-Committees

Using the Board's self-assessment guidelines from the Stock Exchange of Thailand to be adapted to suit the nature and structure of the Board of Directors. to be used as a framework for the performance of the Board of Directors and encourage mutual consideration of the results and operations.

Process

The Company arranges an annual evaluation of the Board's performance every year to assess the performance in the past year. The Company's secretary will send such assessment form to each director to perform in the form of individual committees and individuals (self-assessment) to bring the results of the assessment to report to the Board of Directors, then the Board of Directors will consider the results of the assessment to improve performance in the future.

Assessment of the performance of the Board of Directors as a whole The assessment is divided into main topics as follows:

1. Structure and Qualifications of the Board of Directors: It consists of a variety of directors. proportion of directors Qualifications of each sub-committee.
2. Roles, Duties and Responsibilities of the Board of Directors: Consists of spending sufficient time to consider important matters. Items with conflicts of interest internal control system risk management.
3. Board of Directors Meeting: Consisting of meeting schedule for the year in advance, document quality, and sufficient information for the decision-making of the directors.
4. Performance of duties of directors: Consistently attending meetings freely expressing opinions.
5. Relationship with management: consists of the opportunity for discussion. Opportunity to participate in problem solving.
6. Director's Self-Development and Executive Development: Consisting of understanding of the role Have knowledge in the company business, encourage directors to attend training succession plans, etc.

Individual performance evaluation of the Board of Directors The assessment is divided into main topics as follows:

1. Board properties: a variety of board Approval on the performance of duties of the directors.
2. Roles, Duties and Responsibilities: Independence of Directors Adequate comments and participation in activities internal control system and risk management Disclosure.
3. Meeting: Attendance commenting on the meeting Studying the information in advance.
4. Other opinions that is beneficial to the management of the organization.

The results of each key area are calculated in percentage, whereby 85 percent or more = excellent, more than 75 percent = very good, more than 65 percent = good, more than 50 percent = average, and less than 50 percent = 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 and 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 him / her. 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 roles and responsibilities of the Company Secretary are as follows:

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.
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

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.

The Company considers appointing with the following criteria:

1. Consider the suitability of knowledge, experience, competence, specific skills that are beneficial to the company or related to the main business or industry in which the company operates in line with the Company's strategy and business direction.
2. Consider gender, age, ethnicity, nationality, expertise, skills and experience. Knowledge and ability both academically and factors support sustainability have a good image Have leadership and behave in accordance with the principles of good corporate governance in order to obtain high-level executives who can perform their duties effectively.

In this regard, the Nomination and Remuneration Committee shall review and nominate the list of persons to be the Chief Executive Officer and executive management according to the appropriate qualifications and experience for the Board of Directors to review and approve.

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 increase 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 the 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 the 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 programs

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. As 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 defined a remuneration administration scheme based on the principle of impartiality and equity, taking into consideration factors such as competency and accountability of each position, labor market rates and the Company's pay scale. We rely upon workforce analytics tools such as performance appraisal, labor market surveys and corporate compensation structure to determine comprehensive and competitive remunerations appropriate for the work scope and responsibility. We strive to pay competitively to boost morale and enthusiasm of the employee to work toward achieving the objectives of the Company. We offer bonus payments to all employees which is tied 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, free transport buses, life insurances, and health insurances including OPD & IPO except for providing by Social Security Fund, etc.

The Company periodically reviews and alters 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 employees 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 subsidiaries place an important in the human resources development by encouraging and giving the opportunity to employees in all levels to develop their abilities appropriate for their positions 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 as well as the soft skill development courses such as New Manager Program. Trainings are 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 seminars 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 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 on security measures to meet industry's standards and appoint third parties to certify its data centers 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 minimize 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 competition 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 consider 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) aligned with the Company's business needs and in compliance 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 requires 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 review 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, an 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, the Company has 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.

Whistleblowing Policy

Humanica has provided channels for all stakeholder groups to directly contact or complain about the matter (Whistle Blowing) to the Board of Directors with clearly stated details of the communication channels.

The Company recognizes the importance of complaints and report unethical, illegal, or unwanted behavior and encourage the disclosure of such information to the Company to be able to solve the matters.

Humanica's Whistleblowing policy aims to provide reliable procedures for reporting misconduct and effective. We will treat such disclosure. It is classified as confidential and sensitive information that must be properly protected.

In the policy framework, the protection of the complainant's safety is stated which is important. The presence of whistleblowing channels that can be reported without fear including the way that Humanica will support and protect the safety of complainants.

If you want to report a problem please contact us at whistleblowing@humanica.com

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 takes 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 assesses the Company's financial status and submits relevant reports to the Board on a regular basis. The Board shall jointly collaborate with the Management to find 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 ensures 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 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 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 disclose 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 shareholders 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 to 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 allowing 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 document. 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 altogether 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 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 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. Name 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.

6.2 Code of Conduct

The Board of Directors has created the Corporate Governance Policy, the Code of Conduct and Whistleblowing Policy. It is required to be revised yearly and consistent with the business context and related law, rules, and regulations, and publish on the Company's website (www.humanica.com) under the corporate governance section.

In this regard, in 2021, the Board of Directors has supervised and monitored for directors, executives and employees at all levels to comply with the principles of good corporate governance and ethics and codes of conduct manual taking into account all stakeholders and create value for business, environment and society in a sustainable way. All new executives and employees are required to receive training on business ethics and work practices of the Company.

6.3 Major changes and developments on the CG Policy

Major changes and developments in policies, practices and corporate governance systems for the past year.

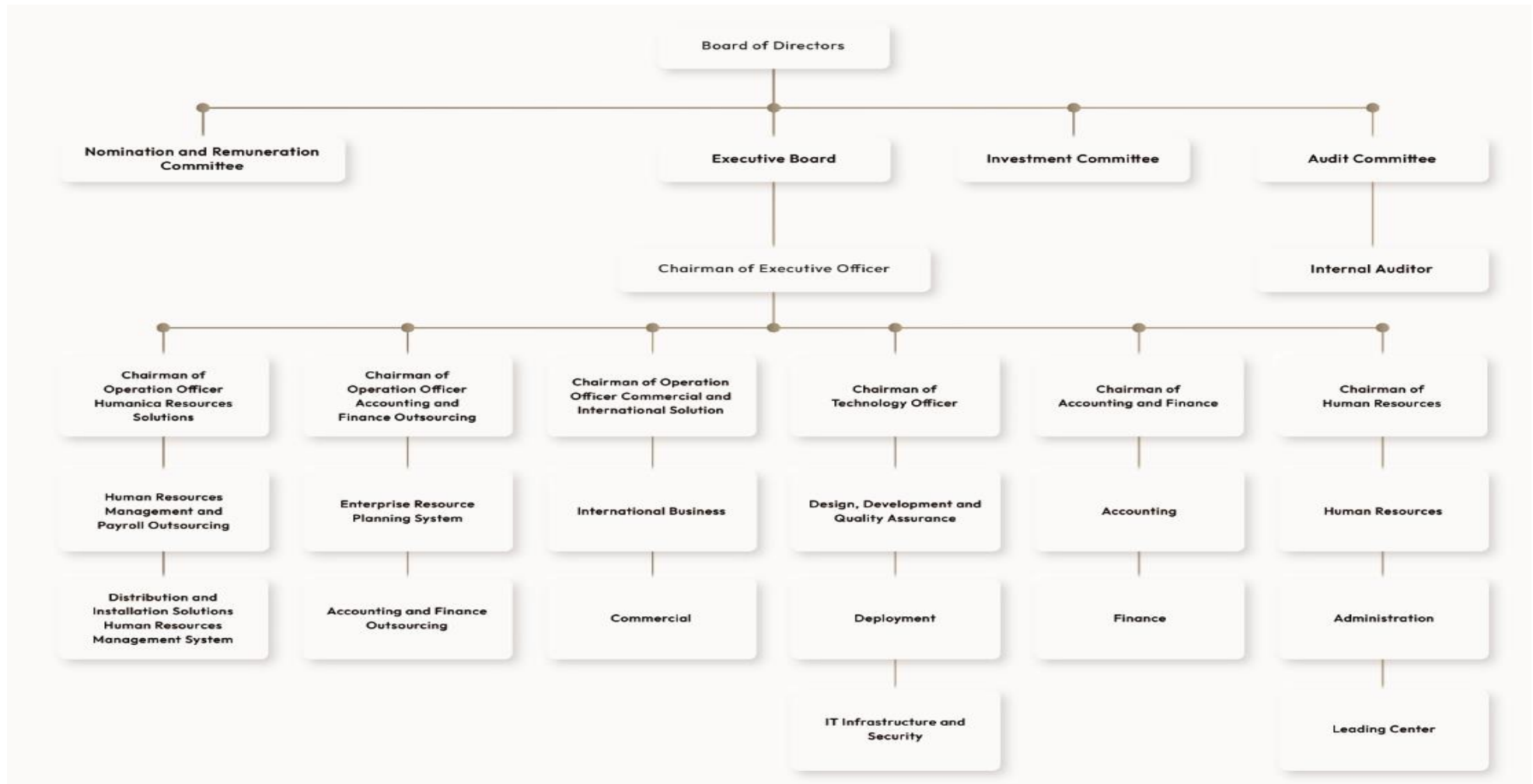
In 2021, the Board of Directors significantly approved and reviewed the policy, guideline, and Code of Conduct to be aligned with business context.

Related law, rules, and regulations, which are:

1. Review the policy and guideline on security of information technology systems
2. Establish the policy and guideline on Personal Data Protection

7. Corporate Governance Structure and Significant Information related to the Board of Directors, subcommittees, executives, employees and others

7.1 Corporate Governance Structure



7.2 Information of the Board of Directors

The Company's management structure consists of the Board of Directors and 4 Sub-committees which are Executive Board, Audit Committee, Nomination and Remuneration Committee and Investment Committee.

7.2.1 Elements of the Board of Directors

The Articles of Association of the Company is prescribed the elements of the Board of Directors that:

The number at least 5 directors and not less than half of the total number of directors must be resident in country.

However, the current structure of Directors has consisted of 6 persons which are 1 Executive Director and 5 Non-Executives Directors (of these are 4 Independent Directors).

7.2.2 The information on each director and controlling person

Name		Position
1. Mr. Anotai	Adulbhan	Chairman of the Board of Directors
2. Mr. Soontorn	Dentharn	Vice Chairman of the Board and Chief Executive Officer
3. Mr. Patara	Yongvanich	Chairman of Audit Committee and Independent Director
4. Mr. Thanachart	Numnonda	Audit Committee and Independent Director
5. Mr. Patai	Padungtin	Independent Director
6. Ms. Piyaporn ¹	Phanachet	Audit Committee and Independent Director
7. In the process to appoint a new director ²		Independent Director

¹ Ms. Piyaporn Phanachet was appointed as Audit Committee and Independent Director on February 3, 2021, to replace Mr. Pana Janviroj.

² Mr. Anuphan Kitnitchiva has resigned from Independent Director on December 23, 2021. The Company is in the process to appoint the new independent director.

Authorized Directors

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

7.2.3 Scope of Powers and Duties of the Board of Directors

Information about the roles and duties of the Board of Directors is reported under Section 2 Corporate Governance, section titled Code of Conduct 3.2 Roles, Duties and Responsibilities of the Board of Directors. according to the principles of good corporate governance and according to the charter of the Board of Directors, page 64.

7.3 Information on subcommittees

The Sub-committees consist of:

1) Audit Committee

The audit committee comprises the following 3 members;

Name		Position
1. Mr. Patara	Yongvanich	Chairman of Audit Committee
2. Mr. Thanachart	Numnonda	Member of the Audit Committee
3. Ms. Piyaporn ¹	Phanachet	Member of the Audit Committee

¹ Ms. Piyaporn Phanachet was appointed as Audit Committee and Independent Director on February 3, 2021, replacing Mr. Pana Janviroj.

Information of the roles and responsibilities of the Audit Committee is reported under Section 2 Corporate Governance section titled Code of Practice 3.2 Roles and Duties of the Audit Committee in accordance with the Audit Committee Charter, page 65.

2) Nomination and Remuneration Committee

The nomination and remuneration committee comprises the following 3 members;

Name		Position
1. Mr. Anuphan ¹	Kitnitchiva	Chairman of the Nomination and Remuneration Committee
2. Mr. Anotai	Adulbhan	Member of the Nomination and Remuneration Committee
3. Mr. Thanachart	Numnonda	Member of the Nomination and Remuneration Committee

¹Mr. Anuphan Kitnitchiva has resigned from Chairman of the Nomination and Remuneration Committee on December 23, 2021. The Board of Directors No. 2/2022 has appointed Ms. Piyaporn Phanachet to be as a Chairman of the Nomination and Remuneration Committee, replacing Mr. Anuphan Kitnitchiva.

Information of the roles and duties of the Nomination and Remuneration Committee is reported under Part 2 Corporate Governance section titled Principles of Practice 3.2 Roles and duties of the Nomination and Remuneration Committee as set out in the Nomination and Remuneration Committee Charter. Compensation page 66.

3) Investment Committee

The investment committee comprises the following 3 members;

Name		Position
1. Mr. Patai	Padungtin	Chairman of the Investment Committee
2. Mr. Anuphan ¹	Kitnitchiva	Member of the Investment Committee
3. Mr. Patara	Yongvanich	Member of the Investment Committee

¹Mr. Anuphan Kitnitchiva has resigned from the Investment Committee on December 23, 2021. The Board of Directors No. 2/2022 has appointed Mr. Soontorn Dentham to be as a member of the Investment Committee, replacing Mr. Anuphan Kitnitchiva.

Information of the investment committee's roles and responsibilities is reported under Part 2 Corporate Governance Section 3.2 Code of Conduct 3.2 Roles and Duties of the Investment Committee as set out in the Charter on page 66.

4) Executive Committee

The Executive Committee of the Company has the total number of 7 persons consisting of;

Name		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	Suwanchang	Executive Committee
6. Mr. Thammanoon ¹	Korkiatwanich	Executive Committee
7. Mr. Somsak	Tantitannawat	Executive Committee

¹ Mr. Thammanoon korkiatwanich was appointed as the Executive Committee on August 9, 2021.

Information of the roles and responsibilities of the Executive Committee is reported under Section 2 Corporate Governance, Section 3.2 Code of Conduct, Page 67 Roles and Duties of the Executive Board.

7.4 Information on executives

7.4.1 Names and positions of the executive

The Executive of the Company has the total number of 7 persons consisting of;

Name		Position
1. Mr. Soontorn	Dentham	Chief Executive Officer
2. Ms. Chuenchom	Techarungkiat	Chief Operating Officer – HR Solutions
3. Ms. Bee Bee	Lim	Chief Operating Officer – International Business
4. Mrs. Sasithorn	Hirunsak	Chief Operating Officer – Financial Solutions
5. Ms. Hathaichanok	Suwanchang	Chief Technology Officer
6. Mr. Thammanoon ¹	Korkiatwanich	Chief Financial Officer and Company Secretary
7. Mr. Somsak	Tantitannawat	Managing Director of Tiger Soft (1998) Co.,Ltd

¹ Mr. Thammanoon korkiatwanich was appointed as Chief Financial Officer and Company Secretary on August 9, 2021.

Authority of the Executive

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.

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.

7.4.2 Remuneration policy for executives

The Nomination and Remuneration Committee will consider and review the Chief Executive Officer's remuneration and propose it to the Board of Directors for consideration and approval. Such remuneration will be appropriately fixed based on the remuneration structure of the Company and compared to 1) surveyed information about remuneration payment by recognized institutes, Organizations and entities 2) the growth rate of the gross domestic product, inflation rate and net profits backward, including his performance and consistency with the duties and responsibilities assigned.

The Chief Executive Officer will consider the suitability of determining remunerations and adjusting yearly wages of the Executives, with consideration of his performance and Company results of operations and his attainment to the pre-defined goals.

7.4.3 Total amount of the remunerations of executive directors

The remuneration of 7 executives in the year 2021 amounted to 35 million baht in comparison to year 2020 with an amount of 29 million baht. Such remuneration includes salaries, bonuses, contributions to the provident fund.

7.5 Information on employees

7.5.1 Number of employees

As of December 31, 2021 and 2020, the Company has a total of 572 employees, and 582 employees respectively (excluding 7 executives) as follows;

Division	Number of Employees (Persons)	
	December 31, 2020	December 31, 2021
1. Human Resources Solutions - Human Resource Management and Payroll Outsourcing (HPO)	176	154
2. Finance Solutions - Enterprise Resource Planning (ERP) - Accounting and Finance Outsourcing	44 30	42 25
3. International Business	20	22
4. Technology - Design & Development and Quality Assurance - Deployment and HRIS - IT Infrastructure & Security	54 18 12	49 12 16
5. Solution Delivery	15	33
6. Tiger Soft	165	156
7. Benix	-	7
7. Accounting and Finance	8	15
8. Human Resources and Administration	34	35
9. Marketing	6	6
Total	582	572

7.5.2 Remunerations of employees

Cash Remuneration

In the year 2021, the Company paid compensation to employees (Excluding executive) in the amount of 325 million baht and 313 million baht in 2020, which are compensation in the form of salaries, bonus, overtime, contributions to the provident fund and other welfares.

Provident Fund

The fund committee selects fund management companies based on

1. Past performance
2. The fund management company's work system
3. Future Investment Perspectives
4. Fund management structure and risks
5. History of fund management company and team

The Company's fund committee selected Krungsri Asset Management Company Limited to manage the Company's provident fund.

Company Name	Yes/No Provident Fund	Number of employees	Proportion of employees who join the PF (%)
Humanica Public Company Limited	Yes	148	43
Professional Outsourcing Solutions Limited	Yes	6	15
Humanica FAS Limited	Yes	8	27
Humanica Asia Pte.	Yes	12	71
Humanica Sdn Bhd.	Yes	5	100
Tiger Soft (1998) Company Limited	Yes	133	81
Benix Limited	Yes	-	-
Humanica EEC Limited	No	-	-
Total		307	54

7.6 Other significant information

The Company Secretary

The Board of Director's meeting No.5/2021 had the resolution to appoint Mr. Thammanoon Korkiatwanich, Chief Finance Officer, to be Company Secretary, effectively on August 9, 2021, to perform the duties according to the law and Securities and Exchange Act, Section 89/15 and 89/16.

Information of the roles and duties of the company secretary It has been reported under Part 2 Corporate Governance Section 3.9 Code of Conduct for the Board of Directors and Company Secretary, page 71.

The person assigned to take direct responsibility for accounting and finance

The person assigned to direct responsibility to oversee the accounting and finance of the Company is Mr. Thammanoon Korkiatwanich, Chief Finance Officer. More details are shown in the executive history in attachment 1.

The person assigned to take direct responsibility for accounting

The person assigned to direct responsibility to oversee the accounting of the Company is Ms. Panjaporn Tieosakun, Accounting Manager. More details are shown in the executive history in attachment 1.

Heads of the Internal Audit

The Company had employed the outsource, which is IA Signature Company Limited, in auditing the internal control of the Company and the subsidiary in 2021 and IA Signature Company Limited had assigned Mr. Sutee Tanwanichkul as the Head of Internal Audit. More details are shown in the executive history in attachment 3.

Head of the Investor Relations

The person assigned to be the head investment relation is Mr. Thammanoon Korkiatwanich to communicate a wide range of communication and respond to inquiries from investors and mass media through E-mail: ir@humanica.com, by telephone 0-2636-6999, or by the Company's website www.humanica.com

Audit Fee

This year, the Company and its subsidiaries paid a total of 2,940,000 Baht (two million nine hundred forty thousand) in audit fees to the office of the external auditors. The Company also paid 250,000 Baht (two hundred fifty thousand) for other services (non-audit fees) such as audit of impairment assessment of goodwill and audit of BOI.

8. Corporate Governance Performance Report

8.1 Summary of the performance of the Board of Directors in the past year

8.1.1 Nomination, development and evaluation of the performance of the Board of Directors

(1) Independent Director

Criteria for selecting independent directors

The Nomination and Remuneration Committee is responsible for selecting independent directors to get approval from the Board and shareholders. The qualifications of independent directors is as follows:

- 1) Holding no more than 1% of the total voting shares of the Company, the Company, the subsidiary, the associated company, major shareholders or the controlling authority of the authorized person, including the shareholding of the relevant persons of the independent director.
- 2) Not be or have been a director who is involved in management Employees, employees, consultants with regular salary, or controlling authority of the company, the company, the subsidiary. Associates, subsidiaries of the same order Major shareholders or of the authorized person's control unless they are cleared. As a result of this nature, it has been at least 2 years prior to the date of application for permission to the SEC.
- 3) Not a person with a blood relationship or by legal registration in a manner that is parents, spouses. Siblings and children, as well as spouses of children of other directors, executives, major shareholders, controlling authorities, or persons who will be proposed as directors. Executives or controlling authorities of the Company or its subsidiaries.
- 4) No or ever have a business relationship with a licensor, a large company, a subsidiary Associates, major shareholders or controlling authority of the Company In a manner that may impede the use of their independent judgment, including not being or has been an implicit shareholder or controlling person of a person with a business relationship with a company, a major company, a subsidiary. Unless the company has been removed from such characteristics at least 2 years prior to the date of filing an application for permission to the SEC.
- 5) Not be or have been an auditor of a company, a major company, a subsidiary Associates, major shareholders or controlling persons of the Company and are not implicit shareholders. The supervisor or partner of the audit office, which has the auditor of the company, the company, the subsidiary, the subsidiary. Unless the nomination of directors and senior executives has been removed from such characteristics at least two years prior to the date of filing the application for permission to the SEC.
- 6) Not be or have been a professional service provider, including providing services as legal advisors or financial advisors, which receive service fees in excess of 2 million baht per year from the company, the subsidiary. Associates, major shareholders or controlling authority of the licensee and are not implicit shareholders. Unless you have been removed from such characteristics at least 2 years prior to the date of application to the SEC.
- 7) Not to be a director appointed to represent the Directors of the Company. Major shareholders or shareholders who are related to major shareholders.
- 8) Not operate in the same condition and be a competition that implies the business of the Company or its subsidiaries, or is not a partner with implications in the partnership or as a member of the participating directors.

Employees, employees, consultants who receive regular salaries or hold more than 1% of the total voting rights of other companies, which operate the same and competitive business implicit to the company's business or its subsidiaries.

- 9) There are no other characteristics that make it impossible to provide an independent opinion on the Company's operations.

(2) Nomination of directors

In 2021, the Company has 3 directors who will retire by rotation at the 2021 Annual General Meeting of Shareholders. The Nomination and Remuneration Committee by the Board of Directors considers the criteria and procedures for nomination from the Board of Directors' structure and moderates the qualifications of directors in various areas, including performance in the positions of directors. Individually With thoroughness and caution. The Company proposed to the 2021 Annual General Meeting of Shareholders to consider the appointment of the original directors who have completed their term for 3 persons to return to the board of directors for another term.

- | | | |
|-------------------|------------|----------------------|
| 1. Mr. Patara | Yongvanich | Independent Director |
| 2. Mr. Thanachart | Numnonda | Independent Director |
| 3. Mr. Soontorn | Dentharn | Director |

In this regard, the criteria and process for the selection of independent directors are reported under Part 2 Corporate Governance, heading of Code of Practice 3.3 Nomination of Directors, page 68.

(3) Executive Recruitment

The nomination and remuneration committee considers the criteria and procedures for recruiting qualified persons to hold executive positions and nominates people deemed appropriate. In recruitment, the Company considers screening the recruitment of qualified persons, knowledge, skills and experience that are beneficial to the Company's operations and understand the Company's business well and manage to achieve its objectives and propose to the Nomination and Remuneration Committee and the Board of Directors to consider.

In 2021, the Board of Directors Meeting No. 5/2021, held on August 9, 2021, the Board of Directors has resolved to appoint Mr. Thammanoon Korkiatwanich to be as a Chief Financial Officer which is appointed to replace the former executive who resigned and assigned Mr. Thammanoon Korkiatwanich to act as company secretary to comply with the Securities and Exchange Act and the principles of good corporate governance of the Company.

In this regard, the criteria and process for recruiting It is reported under Part 2 Corporate Governance Section Code of Conduct 4.1 Recruitment and Development of Chief Executive Officers and Top Executives, page 72.

(4) Development of Knowledge of Directors and Executives

The Board of Directors and executives realize the importance to regular participation in training courses related to the development of knowledge and ability to perform the duties of directors. The Company's directors have been trained with the Thai Institute of Directors Association (IOD) in courses related to the performance of directors' duties. The courses offered by IOD are Directors Certification Program (DCP), Directors Accreditation Program (DAP), Audit Committee Program (ACP), as well as seminar attendance. More details are shown in details of Directors' bio in Attachment 1.

In 2021, the Company has directors and executives attending training courses as follows:

Name	Position	Training Course
Mr. Soontorn Dentham	Chief Executive Officer	1. IT Security Awareness Course 2. PDPA for Everyone Course
Ms. Chuenchom Techarunkiat	Chief Operating Officer – HR Solutions	
Ms. Bee Bee Lim	Chief Operating Officer – International Business	
Mrs. Sasithorn Hirunsak	Chief Operating Officer – Financial Solutions	
Ms. Hathaichanok Suwanjang	Chief Technology Officer	
Mr. Thammanoon Korkiatwanich	Chief Financial Officer and Company Secretary	
Mr. Somsak Tantitanawat	Managing Director of Tiger Soft (1998) Co.,Ltd	

(5) Performance Evaluation of the Board of Directors rule

Criteria and process for evaluating the performance of the Board of Directors It is reported under Part 2 Corporate Governance Section Code of Conduct 3.7 Assessment of the Board's Performance page 70.

In 2021, the Company has assessed the performance of the Board of Directors which is divided as follows;

- 1) Self-assessment process - entire board of directors
- 2) Self-assessment process - individual directors
- 3) Self-assessment results of the sub-committee 4 sub-committees: executive committee, audit committee, investment committee and nomination and remuneration committee

1) Self-assessment results of the entire board of directors for the year 2021

The results indicated excellent, with an average score of 88%.

Estimate Header	Average Score
Structure and qualifications of directors	87%
Board meeting	86%
Roles, duties and responsibilities of directors	90%
Management relations and self-improvement	90%

2) Results of individual self-assessment of directors for the year 2021

The results indicated excellent, with an average score of 92%.

Estimate Header	Average Score
Structure and qualifications of directors	92%
Board meeting	94%
Roles, duties and responsibilities of directors	90%

3) Self-assessment results of the Sub-Committee for the year 2021

The results indicated excellent, with an average score of 87%.

Estimate Header	Average Score
Structure and qualifications of directors	90%
Board meeting	85%
Roles, duties and responsibilities of directors	77% - 95%

8.1.2 Attendance and remuneration of individual committees

Attendance of the Board of Directors

Principles for attending meetings of the Board of Directors has been reported under Part 2 Corporate Governance, title of Practice 3.5 Board of Directors Meeting, page 69.

In 2021, the epidemic situation of COVID-19 in Thailand continues to increase. Board of Directors by the chairman of the board arranged a meeting via electronic media together with in-person meetings in order to comply with measures to prevent and control the spread of COVID-19 with details of the meeting attendance of each director can be summarized as follows:

The Attendance of the Board of Directors, Audit Committee and Nomination and Remuneration Committee in 2021

Name		Numbers of Meeting Attendance / Number of Total Meeting			
		BOD	AC	NRC	IC
1. Mr. Anotai	Adulbhan	7/7	-	1/1	-
2. Mr. Soontorn	Dentham	7/7	-	-	-
3. Mr. Patara	Yongvanich	7/7	5/5	-	8/8
4. Mr. Thanachart	Numnonda	7/7	5/5	1/1	-
5. Mr. Patai	Padungtin	7/7	-	-	8/8
6. Ms. Piyaporn ¹	Phanachet	5/7	5/5	-	-
7. Mr. Anuphan ²	Kitnitchiva	5/7	-	1/1	6/8

¹ Ms. Piyaporn Phanachet was appointed as Audit Committee and Independent Director on February 3, 2021, to replace Mr. Pana Janviroj.

² Mr. Anuphan Kitnitchiva has resigned from Independent Director on December 23, 2021.

Remuneration of Directors

Policy and Criteria for Remuneration of the Board of Directors It is reported under Part 2 Corporate Governance under the topic of Code of Practice 3.4 Remuneration of Directors, page 68.

The company sought the approval of remuneration of the directors from the shareholders' meeting for year 2021 hold on April 19, 2021.

Position	The amount of meeting allowance (Baht/Person/Time)
Chairman of the Board of Directors	35,000
Director	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
Chairman of Investment Committee	5,000
Investment Committee	5,000

Remarks:

- The directors meeting allowances for the year, 2021 are equal to the directors' meeting allowance for the year, 2020. (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 2021

Name		The remuneration of the Board of Director (Unit: Baht)				Total
		Board of Directors	Audit Committee	The Nomination and Remuneration Committee	Investment Committee	
1. Mr. Anotai	Adulbhan	210,000	-	5,000	-	215,000
2. Mr. Soontorn	Dentharn	-	-	-	-	-
3. Mr. Patara	Yongvanich	150,000	150,000	-	40,000	340,000
4. Mr. Thanachart	Numnonda	150,000	125,000	5,000	-	280,000
5. Mr. Patai	Padungtin	150,000	-	-	40,000	190,000
6. Ms. Piyaporn ¹	Phanachet	100,000	125,000	-	-	225,000
7. Mr. Anuphan ²	Kitnitchiva	100,000	-	5,000	30,000	135,000
รวม		860,000	400,000	15,000	110,000	1,385,000

¹ Ms. Piyaporn Phanachet was appointed as Audit Committee and Independent Director on February 3, 2021, to replace Mr. Pana Janviroj.

² Mr. Anuphan Kitnitchiva has resigned from Independent Director on December 23, 2021.

8.1.3 Supervision of subsidiaries and associates

The Board of Directors has mechanisms for maintaining that it can oversee the management and responsibility of the operating of subsidiaries and associates to maintain the interests of the Company's investments in accordance with the Company's regulations as follows;

- The Company sends a person to represent the Company as a director. Executives or regulators approved by the Board of Directors' Meeting
- Determine the qualifications of the Board of Directors and executives of the subsidiary shall be in accordance with the requirements. Related of The Securities and Exchange Commission and the Stock Exchange of Thailand
- Define the scope of the director's duties and responsibilities. and executives representing companies, subsidiaries and associates.
- Monitor and provide board members and executives of subsidiaries and associates. To comply with legal duties and responsibilities Regulations and Policies of the Company

5. Any transaction or action of a subsidiary or associate, such as capital increase, capital reduction, dividend payment, etc., or items deemed material, and if entered into the transaction will have a significant impact on the financial position and performance of the subsidiary must be approved by the Board of Directors or the Shareholders' Meeting.

6. Determine the direction of the subsidiary's strategy, policies and business plan to comply with the company's direction.

7. To provide subsidiaries with internal control systems, risk management systems and systems to prevent fraud, including requiring appropriate monitoring measures to monitor the performance of subsidiaries and associates. Efficient and concise enough to ensure that the actions of subsidiaries and associates are implemented according to the budget plan, the Company Policy.

8. Report the company's earnings and operations connected transactions of subsidiaries, as well as acquisition or disposition of property; In particular, important items that may have a significant impact on the financial position and performance of subsidiaries and any other items other than the subsidiary's business list will have a significant impact on the subsidiary.

9. No Directors, executives, employees, employees or assignees of the Company and its subsidiaries, as well as spouses and underage children of such persons, use the internal information of the subsidiary, whether it is derived from any act of duty or in any other way that has or may have a significant impact on the subsidiary for the benefit of oneself or others, directly and/or indirectly, and whether it is returned or not.

Agreement between the company and other shareholders to manage subsidiaries and associates

-None -

8.1.4 Monitoring compliance with corporate governance policies and practices

The Company is edging good corporate governance by having defined relevant policies and practices in its policy with good corporate governance and business ethics and work practices. As well as encouraging real action to build trust with all stakeholders.

In the past year, The Company has been monitored to ensure compliance with good corporate governance, covering important issues including

- 1) Employee care and non-discrimination
- 2) Anti-unfair competition
- 3) Environmental care, hygiene and safety in the organization
- 4) Data security
- 5) Personal data protection

The follow-up results showed that the Company had fully pursued the guidelines of each issue. In addition, the company has followed up to achieve compliance with good corporate governance as follows;

(1) Conflict of interest prevention

The Company sets policies that do not allow directors. Executives and employees to take advantage of directorship Executives or employees of the Company seek personal interests and/or related parties. In business ethics and work practices as follows;

1. Avoid transactions related to yourself and/or related parties that may cause conflicts of interest to the Company.

2. In the event that the transaction is required, for the benefit of the Company, make the transaction as if making a transaction with a third party with a trade agreement in the same way that the Vigneault should act with the general parties with the power of trade bargaining without influence to be a director. Executives or related persons and must not be involved in the approval and are obliged to: Comply with the requirements of the SET and the Securities and Exchange Commission. In regards to the disclosure of connected transactions.

3. In the event that any person has a stake or is involved in the item under consideration. Such persons must notify the Company Secretariat. and the company secretary will report to the Audit Committee and the Board of Directors for acknowledgment. The said person will not participate in the consideration of such transactions.

In 2021, the results of the audit revealed that there were no cases that could cause conflicts of interest.

(2) Use of internal information for exploitation

The Board of Directors has established a policy to prevent the use of inside information by stipulating measures prohibiting the use of opportunities or information obtained from being directors, executives or employees for personal gain or doing business that competes with companies or related businesses including not using inside information for their own benefit in trading the company's shares or provide inside information to others. For the benefit of trading the company's shares in the Company's business ethics manual.

In 2021, there were no directors and executives trading in the Company's securities during 1 month prior to the announcement of the Company's operating results or that inside information will be disclosed to the public. Directors and executives who trade in the Company's securities has reported the change in securities holdings to the SEC within 3 business days from the date of the trading through the website of the SEC and reported to the company secretary. The company secretary has reported to the Audit Committee and reported to the Board of Directors.

(3) Anti-corruption

The Board of Directors is committed to conducting business with honesty and fairness and anti-corruption to lead to a truly transparent organization. The Company has formulated a plan to promote and instill corporate ethics in the long term and continuously. In order for employees to have honesty and good conscience, discipline, knowledge and morality.

Anti-Corruption Policy and Guidelines It is reported under Part 2 Corporate Governance, Section 6.4 Code of Conduct, Anti-Corruption Policy and Guidelines, page 78.

The Board of Directors has established guidelines for monitoring and evaluating the implementation of the Anti-Corruption Policy as follows:

1. Conduct a survey on the interests of directors and top 4 executives as required by law to prevent conflicts of interest that will lead to corruption.

2. Determine whistleblowing channels and measures to protect whistleblowers in the company website by communicating to employees at all levels to acknowledge.

3. Assign the management to review fraud risks and prepare a review plan in accordance with the annual internal audit department plan.

4. People who commit corruption is against the company's ethics which must be considered disciplinary according to the regulations set by the company and punishable by law If the action is illegal.

5. Raise awareness among employees by organizing training Humanica Business Ethics courses for new employees to understand business ethics and work practices, Anti-Corruption Policy and whistleblowing channels.

In 2021, the Company did not find any corruption incidents and violations of the Code of Business Conduct.

(4) Whistleblowing

The Company has the channels for stakeholders to report clues and complaints through the channels provided by the Company through e-mails: whistleblowing@humanica.com. The Audit Committee, which is independent from the management, is considered and has the Company Secretary Department to screen for such clues and complaints.

Whistleblowing Policy It is reported under Part 2 Corporate Governance, Section 6.5 Code of Practice: Mechanism for Receiving Complaints and Claiming Actions, page 78.

In the past 2021, there are no clues or complaints which have been sent to the Company.

(5) Report on securities holdings of directors and executives

Report on securities holdings of directors and executives

	Name – Last Name	Number of ordinary shares As of March 15, 2022	Shareholding Types	Number of shares held Non-ordinary shares
1	Mr. Aotai Adulbhan	250,000	Direct	-
2	Mr. Soontorn Dentharn	261,277,200 500,000	Direct Indirect (Spouse)	- -
3	Mr. Patara Yongvanich	500,000	Direct	-
4	Mr. Thanachart Numnonda	-	-	-
5	Mr. Patai Padungtin	-	-	-
6	Ms. Piyaporn Phanachet	-	-	-
7	Ms. Chuenchom Techarungkiat	1,546,000	-	-
8	Mrs. Sasithorn Hirunsak	1,520,000	-	-
9	Ms. Hathaichanok Suwanchang	1,727,000	-	-
10	Ms. Bee Bee Lim	1,250,000	-	-
11	Mr. Thammanoon Korkiatwanich	-	-	-
12	Mr. Somsak Tantitannawat	-	-	-

Report on changes in securities holdings of directors and executives

	Name – Last Name	Common Shares (Shares)		
		March 15, 2022	March 11, 2021	Number of share change (increase/decrease)
1	Mr. Aotai Adulbhan	250,000	500,000	(250,000)
2	Mr. Soontorn Dentharn	261,777,200	261,777,200	-
3	Mr. Patara Yongvanich	500,000	500,000	-
4	Mr. Thanachart Numnonda	-	-	-
5	Mr. Patai Padungtin	-	-	-
6	Ms. Piyaporn Phanachet	-	-	-
7	Ms. Chuenchom Techarungkiat	1,546,000	1,546,000	-
8	Mrs. Sasithorn Hirunsak	1,520,000	1,950,000	(430,000)
9	Ms. Hathaichanok Suwanchang	1,727,000	1,727,000	-
10	Ms. Bee Bee Lim	1,250,000	1,250,000	-

11	Mr. Thammanoon Korkiatwanich	-	-	-
12	Mr. Somsak Tantitannawat	-	-	-

8.2 Report on the results of duty performance of the Audit Committee in 2021

See on page 98

8.3 Summary of the results of duty performance of subcommittees in 2021**8.3.1 Report of the Nomination and Remuneration Committee**

See on page 100

8.3.2 Report of the Investment Committee

See on page 101

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 2021, the Audit Committee held 5 meetings and the results of operations were reported to the Board of Directors on a quarterly basis. The Audit Committee attended the meeting as follows:

Mr. Patara Yongvanich	Chairman of the Audit Committee	Attended the meeting 5/5 times
Mr. Thanachart Numnonda	Member of the Audit Committee	Attended the meeting 5/5 times
Ms. Piyaporn Phanachet	Member of the Audit Committee	Attended the meeting 5/5 times

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 2021 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 2021 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 2021

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 2021, including the audit fee which has been proposed to the Board of Directors for consideration and approved at the annual shareholders' meeting 2021.

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 2021, 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.



Mr. Patara Yongvanich
Chairman of the Audit Committee

Report of the Nomination and Remuneration Committee

Nomination and remuneration committee consists of 3 directors, with Ms. Piyaporn Phanachet, an independent director, acting as the chairman of the nomination and remuneration committee, and one independent director and one non-executive director acting as a member of the nomination and remuneration committee, namely Mr. Thanachart Numnonda and Mr. Aotai Adulbhan, respectively, for a 3-year term.

In 2021, the nomination and remuneration committee held one meeting in which all directors attended the meeting to monitor and consider important matters assigned by the Board of Directors which is stipulated in the charter of the nomination and remuneration committee can be summarized as follows:

1. Review the roles, duties and responsibilities of the nomination and remuneration committee.
2. Review the policies related to recruiting and compensation including the following important criteria:
 - Criteria and process for appointment of directors and executives.
 - Select and nominate qualified persons to be directors of the Company and propose to the Board of Directors for consideration.
 - Criteria for adjusting the wage rate and incentives to be consistent with and reflect actual performance and appropriate to the economic conditions and industry trends.
 - Review the remuneration structure and other benefits of directors to be in line with the responsibilities and duties of the directors.
 - Review the policy and criteria for payment of directors' remuneration by considering from
 - Responsibilities and performance of the Board of Directors.
 - Comparisons refer to other companies in the same industry including the results of the survey on the remuneration of directors of the Thai Institute of Directors Association (IOD).



Ms. Piyaporn Phanachet

Chairman of the Nomination and Remuneration Committee

Report of the Investment Committee

Investment committee consists of 3 directors with Mr. Patai Padungtin, an independent director, acting as the chairman of the investment committee, and one independent director and one executive director, acting as a director of the investment committee, namely Mr. Patara Yongvanich and Mr. Soontorn Dentham, respectively, have a term of 3 years.

In 2021, the investment committee held a total of 8 meetings whereby all directors attended the meeting every time to monitor and consider important matters assigned by the Board of Directors and has considered and scrutinized and agreed to the Board of Directors to consider and approve important investments as follows:

Project	Description	Proportion of investment in common shares of business partners (%)	Increased investment value in 2022 (Million Baht)
Pharmcare	Online platform for health consulting and drug store	25%	15.4
nForce Secure PLC.	Cyber Security and Personal Data Protection Services	Not more than 5%	81.9
Rabbit Cash	Credit services through digital platforms	5%	40.0
Conicle	Online training management system platform for corporate customers	20%	17.7
Human Chess	Online credit platform	50%	2.0
GreatDay	HR solutions software for SMEs	16%	66.0

The Investment Committee also followed up, considered the progress, opportunities and obstacles of existing investments and new investments in the business both in strategic investment and financial investment in Thailand and abroad and followed up on economic and environmental changes that may affect operations and organizational strategies to provide recommendations to the Board of Directors in considering the selection of investment projects that will increase revenue and profits for the Company to maintain competitiveness and in line with the direction of further business development.

The Investment Committee has performed its duties in accordance with the charter and as assigned by the Board of Directors by considering various matters meticulously. This ensures that all stakeholders get the most benefit.



Mr. Patai Padungtin

Chairman of the Nomination and Remuneration Committee

8.4 Report on the Board of Directors' responsibilities to financial reports

Management has prepared annual financial statements ended December 31, 2021 in accordance with generally accepted accounting standards, adopting appropriate policies and regularly adhering to the financial statements, as well as carefully and reasonably discretion in the preparation of financial statements, as well as adequate disclosure of important information in the notes to the financial statements.

The Board of Directors recognizes the responsibility for effective supervision of financial reports. The audit committee, consisting of qualified persons, is appointed to take care of the quality of financial reports in fully. Appropriated policies are implemented and practiced regularly, as well as reviewing the Company's adequate and appropriate internal control system and jointly assessing the Company's risks to prevent or reduce the potential risk of fraud or irregular conduct with a significant and sufficient basis to maintain the Company's assets.

From the above practices and supervision, the Board of Directors has the opinion that the financial statements of Humanica Public Company Limited as of December 31, 2021 have been shown to be accurate, reliable and in accordance with generally accepted accounting standards and comply with the relevant laws and regulations.



Mr. Anotai Adulbhan
Chairman of the Board of Directors

9. Internal Control and Connected Transaction

9.1 Internal Control

(1) 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 concluded that from the evaluation of the internal control system of the Company in various aspects, consisting of 5 components consisting of;

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.

(2) Operation about the internal control system

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 for the year 2015 to 2019 and IA Signature Company Limited for the year 2021 and 2020 to audit the internal control system of the Company. 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.

(3) Opinions about the internal control system of the internal auditor

From year 2021, IA Signature Company Limited, the independent internal audit office, had examined and monitored the management system in the main areas of the Company and its subsidiary, which consist of the giving a confident on the internal control system , substantive test in order to know the details of the cause, amount and the

impact. In 2021, the internal auditor completed on Information Security and Sales and Project Management and assessment of the adequacy of the internal control system (According to the SEC assessment form - COSO ICIF). As for the subsidiary, the internal audit has been completed in the matter of purchasing and payment, sales compensation, software development, sales and project management and revenue recognition and Receive. The Company has continuously revised, improved and developed the quality of the internal control system according to the recommendations of the Internal auditors and has already reported the progress to the Audit Committee.

(4) Head of the internal audit

The Company had employed the outsource, which is IA Signature Company Limited, in auditing the internal control of the Company and the subsidiary in 2021 and IA Signature Company Limited had assigned Mr. Sutee Tanwanichkul as the Head of Internal Audit. The qualifications of the Head of Internal Audit are as follows;

Internal Auditor :	IA Signature Company Limited Mr.Sutee Tanwanichkul , Managing Director
Education Degree :	M.ACCT, Kasetsart University MBA (Marketing), Dhurakijpundit University B.Acct.(1st Class honor), Dhurakijpundit University
Certificate :	Certified Professional Internal Auditors of Thailand (No.17), The Institute of Internal Auditors of Thailand (IIAT)
Work Experiences :	<ul style="list-style-type: none"> • Chief internal auditor for leading companies in various businesses • Financial accounting executives in the automobile business • Expert Committee for the 2020-2021 agenda of the Institute of Internal Auditors of Thailand (IIAT) • Special Lecturer, Mahidol University • Special lecturer of the Institute of Internal Auditors of Thailand(IIAT), OMEGAWORLDCCLASS Institute and The Stock Exchange of Thailand (SET)

In this regard, considering and approving the appointment, removal, and transfer of the person holding the position of the head of the internal audit unit of the Company must be approved (or has been approved) by the Audit Committee. The qualifications of the person holding the position of Head of Internal Audit are shown in Attachment 3.

9.2 Connected 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.

Operation and measures for approving related party transactions

The Company has established measures for entering into connected transactions 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 will provide 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 the year 2021, there were related transactions between the Company and its subsidiaries or related parties which has been disclosed in the notes to the annual financial statement as at December 31, 2021 (No. 4).

Section 3
Financial Report

See the details on page 125

Section 4

The authentication of the Information

The Company has reviewed the information in this 56-1 one report with caution. The Company hereby certifies that such information is correct, complete, not false and does not mislead others or lack of information that should be notified in material matters. In addition, the company certifies that

(1) Financial statements and financial information summarized in the 56-1 one report have presented accurate and complete information on essential matters relating to the financial position, performance and cash flows of the Company and its subsidiaries.

(2) The Company has established a good information disclosure system to ensure that the Company has disclosed the information that is important to both the Company and its subsidiaries correctly and completely as well as to control and supervise the implementation of the system.

(3) The Company has set up a good internal control system and supervise to ensure compliance with the system and the Company has informed the internal control assessment information as of December 31, 2021 to the auditors and the audit committee. This covers deficiencies and significant changes in the internal control system including wrongful acts that may affect the preparation of financial reports of the Company and its subsidiaries.

In this regard, as evidence that all documents are the same set of documents that the Company has certified. The Company has assigned Mr. Soontorn Dentham to sign this document on every page. If any document does not have the signature of Mr. Soonthorn Dentham, the company will assume that it is not the information that the Company has certified the accuracy of the information mentioned above.

Name	Position	Signature
Mr. Soontorn Dentham	Director and Chief Executive Officer	
Mr. Anotai Adulbhan	Director	
Attorney Mr. Soontorn Dentham	Director and Chief Executive Officer	

Attachment 1

Information of the Board of Directors, Executives, Controlling Persons and Company Secretary

As of December 31, 2021

Name	Mr. Anotai Adulbhan
Position	Chairman of the Board
Age (Year)	49

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
- Role of Chairman Program (RCP), Batch 46/2020

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2017 - Present	Chairman of the Board of Directors	Humanica Public Company Limited
		Corporate Software and Payroll Service
2018 - Present	Director	AAA Assets Company Limited
		Investment
2018 - Present	Director	Pharma Management Company Limited
		Investment
2019 - Present	Director	nForce Security Company Limited
		Cyber Security Distributor
2019 - Present	Director	Relationship Republic Company Limited
		Marketing Consultant and Software Service
2020 - Present	Director	Can Innovation Company Limited
		Consultant and Furniture Supply Service
2020 - Present	Director	Mungmee Ecommerce Company Limited
		Central market online trading
2017 - Present	Director	Rojukiss International Public Company Limited
		Beauty product trading
2012 - Present	Director	Selic Corp Public Company Limited
		Industrial Adhesive
2009 - Present	Director	Lakeshore Capital Partners Company Limited
		Business and Management Consultant

Name Mr. Soontorn Dentham
Position Vice Chairman and Chief Executive Officer
Age (Year) 64

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
- Role of the Chairman Program (RCP), Batch 46/2563
- IT Security Awareness
- PDPA for Everyone

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2003 - Present	Founder, Vice Chairman and Chief Executive Officer	Humanica Public Company Limited Corporate Software and Payroll Service
2018 - Present	Director	Conicle Company Limited Corporate Software
2016 - Present	Director	Humanica Asia Pte. Ltd. Payroll Outsource Service
2016 - Present	Director	Professional Outsourcing Solution Limited Payroll Outsource Service
2016 - Present	Director	Humanica FAS Limited Accounting and payroll services
2018 - Present	Director	ReadyPlanet Company Limited Website Services
2019 - Present	Director	Tiger Soft (1998) Company Limited Corporate Software and Payroll Service
2020 - Present	Director	Pragma and Will Group Company Limited Business consulting and management service
2020 - Present	Director	Human Chess Capital Company Limited Financial Service
2020 - Present	Director	Benix Limited Insurance brokerage service
2021 - Present	Director	Digital Assets Management Company Limited

Period	Position	Company Name/Nature of Business
2021 - Present	Director	Financial Service TBN Software Company Limited Business development of IT systems and computer services
2021 - Present	Director	Pharmcare Group Company Limited Platform for consulting medical personnel and online pharmacies
2021 - Present	Director	Humanica EEC Limited Accounting and payroll service
2021 - Present	Director	Care 24 (Thailand) Company Limited Training services to care for the sick and the elderly
2021 - Present	Director	TanKhunThai Company Limited Chemical fertilizer production

Name Mr. Patara Yongvanich

Position Chairman of Audit Committee and Independent Director

Age (Year) 46

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 Name/Nature of Business
2020 - Present	Director	Ngern Tid Lor Public Company Limited Financial Services
2019 - Present	Director	Relationship Republic Company Limited CRM Consulting
2017 - Present	Chairman of Audit Committee and Independent Director	Humanica Public Company Limited Corporate Software and Payroll Service
2013 - Present	Director	Rhipe Technology (Thailand) Company Limited Software Distribution

Name Mr. Thanachart Numnonda
Position Audit Committee and Independent Director
Age (Year) 56

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 25/2016
- Director Certification Program (DCP), Batch 242/2017
- Role of the Chairman Program (RCP), Batch 41/2017
- Financial Statements for Directors (FSD), Batch 35/2018
- Strategic Board Master Class (SBM), Batch 5/2018
- Risk Management Program for Corporate Leader (RCL), Batch 19/2020

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2017 - Present	Audit Committee and Independent Director	Humanica Public Company Limited Corporate Software and Payroll Service
2016 - Present	Chairman of the Board of Directors and Chairman of Audit Committee	Siameast Solutions Public Company Limited Industrial Products
2015 - Present	Audit Committee and Director	Vintcom Technology Public Company Limited Computer Hardware
2019 - Present	Member of University Council	Khon Kaen University Educational Institution
2013 - Present	Member of University Council	Ubon Ratchathani University Educational Institution
2017 - Present	Director	IMC Outsourcing (Thailand) Company Limited Data Storage Service and Marketing Consultant
2021 - Present	Director	Thanachart Capital Public Company Limited Holding Company

Name Mr. Patai Padungtin
Position Independent Director
Age (Year) 42

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 Name/Nature of Business
2019 - Present	Independent Director	Humanica Public Company Limited Corporate Software and Payroll Service
2018 - Present	Director	Bulk One Group Company Limited Enterprise Solutions for Construction and Real Estate Industry
2011 - Present	Director	Bulk Asia Company Limited B2B Construction Material E-commerce
2021 - Present	Director	Techsauce Media Company Limited The leading source of all innovative tech and business news

Name Ms. Piyaporn Phanachet
Position Audit Committee and Independent Director
Age (Year) 55

Educational Background

- Master of Science in Real Estate Development, Massachusetts Institute of Technology (MIT), U.S.A.
 - MBA, University of New Hampshire, U.S.A.
 - BA in Accounting , Chulalongkorn University,Thailand

Training Course

- Executive Coaching Certification & Leadership Intensive, Berkeley Executive Coaching Institute, UC Berkeley
 - Director Certification Program (DCP) Year 2017 , Thai Institute of Directors
 - Role of the Chairman Program (RCP) Year 2018 , Thai Institute of Directors
 - E: Engage Empower and Execute Year 2019 , SAEC Institute

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2021 - Present	Audit Committee and Independent Director	Humanica Public Company Limited Corporate Software and Payroll Service

Period	Position	Company Name/Nature of Business
2021 - Present	Chief Executive officer	TCM Corporation Public Company Limited Manufacturer and distributor of carpets to Domestic and International market / Invest in related businesses
2020 - Present	Director and Executive Director	TCM Corporation Public Company Limited Manufacturer and distributor of carpets to Domestic and International market / Invest in related businesses
2008 - Present	Vice Chairman of the Board, CPMG	TMA, Thailand Management Association Research and Consulting
2019 - Present	Director and Treasurer	100 Tonson Foundation Exhibition Location Service
2021 - Present	Director	Vechachai Company Limited Investment in other companies
2021 - Present	Director	Carpets International Thailand Public Company Limited Manufacturer and distributor of carpets and floor coverings
2021 - Present	Director	TCMC HK (2017) Limited Distributor of carpets and floor coverings
2021 - Present	Director	Royal Thai HK (2017) Limited Distributor of carpets and floor coverings
2021 - Present	Director	Anderry Limited Holding company
2021 - Present	Director	Onsen Limited Holding company
2021 - Present	Director	Royal Thai Americas (2017) Trading Limited Distributor of carpets and floor coverings
2021 - Present	Director	Royal Thai Carpets (Foshan) Limited Distributor of carpets and floor coverings
2021 - Present	Director	T.C.H. Suminoe Company Limited Manufacturer and distributor of textiles and carpets for use as seat covers and interior for cars and buses
2021 - Present	Director	TCM Living Limited Investment in furniture company
2021 - Present	Director	TCMC Furniture Limited Investment in furniture company
2021 - Present	Director	Manor (2016) Holding Limited Investment in other companies
2021 - Present	Director	James Alexander Company Limited Manufacturing and exporting furniture
2018 - 2020	Director and Executive Director	U City Public Company Limited Property Development

Period	Position	Company Name/Nature of Business
2017 - 2020	Chief Executive Officer	U City Public Company Limited Property Development
2019 - 2020	Director	U Hospitality Holding Company Limited Property Investment
2019 - 2020	Director	Vienna International Assets Company Limited Hotel and Condominium Service
2019 - 2020	Director	Vienna House Diplomat Prague RE Company Limited Hotel Service
2018 - 2020	Director	U Global Hospitality Holding Company Limited Investment in securities and hotel
2018 - 2020	Director	EGS Assets Company Limited Hotel and condominium service
2018 - 2020	Director	Khonkaenburi Company Limited Hotel and Resort Service
2018 - 2020	Director	Unison One Company Limited Office building for rent
2018 - 2020	Director	Muangthong Assets Company Limited Hotel and resort service
2018 - 2020	Director	Prannakiri Assets Company Limited Buy and sell property
2018 - 2020	Director	Siam Paging and Communication Company Limited Buy and sell property
2018 - 2020	Director	Tanayong Food and Beverage Company Limited Food and beverage
2018 - 2020	Director	BTS Land Company Limited Hotel and Condominium Service
2018 - 2020	Director	Nine Square Property Company Limited Property Development
2018 - 2020	Director	Mak8 Company Limited Buy and Sell Property
2018 - 2020	Director	Tanayong Property Management Company Limited Building and Management Service
2018 - 2020	Director	Ratburana Property Company Limited Property Development
2018 - 2020	Director	Thana City Golf & Sports Club Company Limited Golf and Sport Club
2018 - 2020	Director	Absolute Hotel Services Company Limited Hotel and Condominium Service
2018 - 2020	Director	Keystone Estate Company Limited

Period	Position	Company Name/Nature of Business
2018 - 2020	Director	Rental and Real Estate Operation
		Keystone Management Company Limited
2018 - 2020	Director	Building and Management Service
		BTS Sansiri Holding One Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Two Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Three Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Four Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Five Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Six Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Seven Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Eight Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Nine Company Limited
2018 - 2020	Director	Property Investment
		Novu Line Agency Company Limited
2018 - 2020	Director	Buy and Sell Property
		BTS Sansiri Holding Eleven Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Twelve Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Fourteen Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Fifteen Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Sixteen Company Limited
2018 - 2020	Director	Property Investment
		BTS Sansiri Holding Seventeen Company Limited
2018 - 2020	Director	Property Investment
		Ratchada Alliance Company Limited
2018 - 2020	Director	Buy and Sell Property
		BTS Sansiri Holding Nineteen Company Limited
2018 - 2020	Director	Property Investment

Period	Position	Company Name/Nature of Business
2018 - 2020	Director	BTS Sansiri Holding Twenty Company Limited Property Investment
2018 - 2020	Director	BTS Sansiri Holding Twenty One Company Limited Property Investment
2018 - 2020	Director	BTS Sansiri Holding Twenty Two Company Limited Property Investment
2018 - 2020	Director	BTS Sansiri Holding Twenty Three Company Limited Property Investment
2018 - 2020	Director	BTS Sansiri Holding Twenty Four Company Limited Property Investment
2018 - 2020	Director	BTS Sansiri Holding Twenty Five Company Limited Property Investment
2018 - 2020	Director	Siriphat Three Company Limited Property Investment
2017 - 2020	Director	BTS Sansiri Holding Thirteen Company Limited Property Investment
2017 - 2020	Chairmen of the Corporate Governance Committee	Recoup Tour AS Travelling Service
2017 - 2020	Director	Kamkoog Property Company Limited Hotel and Condominium Service
2017 - 2020	Director	Greenwood Park Company Limited Property Development
2017 - 2020	Director	Suriyawong Holding Company Limited Property Development
2017 - 2020	Director	Park Opera Company Limited Entertainment & Theater Service
2017 - 2020	Director	Richie Property Management Company Limited Property Management
2017 - 2020	Director	Park Gourmet Company Limited Food Service and Restaurant
2017 - 2020	Director	Project Green Company Limited Property Development
2017 - 2019	Chairmen of the Corporate Governance Committee	Vienna House Hotel Management Company Limited Hotel and Resort Service
2017 - 2019	Director	Mo Chit Land Company Limited Property Development
2010 - 2017	Member of Assets Committee	Soneva Resort (Former name Six Senses Resort and Spa) Hotel and Resort Service

Period	Position	Company Name/Nature of Business
2013 - 2016	Advisor	Office of Property Management, Chulalongkorn University Rental Property Service

Name Ms. Chuenchom Techarungkiat
Position Chief Operations Officer - HR Solutions
Age (Year) 48

Educational Background

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

Training Course

- Life and Non-Life Insurance Broker Course
- IT Security Awareness
- PDPA for Everyone

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2011 - Present	Chief Operations Officer - HR Solutions	Humanica Public Company Limited Corporate Software and Payroll Service
2017 - Present	Director	Professional Outsourcing Solution Limited Payroll Outsourcing Service
2019 - Present	Director	Tiger Soft (1998) Company Limited Corporate Software and Payroll Service
2021 - Present	Director	Humanica EEC Limited Accounting and payroll services
2017 - 2018	Director	Humanica FAS Limited Accounting and payroll services

Name Mrs. Sasithorn Hirunsak
Position Chief Operations Officer - Financial Solutions
Age (Year) 54

Educational Background

- Bachelor of Accountancy, Thammasat University

Training Course

- IT Security Awareness
- PDPA for Everyone

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2004 - Present	Chief Operations Officer - Financial Solutions	Humanica Public Company Limited Corporate Software and Payroll Service
2017 - Present	Director	Humanica FAS Limited

2021 - Present Director Accounting and payroll services
Humanica EEC Limited
Accounting and payroll services

Name Ms. Bee Bee Lim
Position Chief Operations Officer - Commercial and International Business
Age (Year) 51

Educational Background

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

Training Course

-IT Security Awareness
-PDPA for Everyone

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2017 - Present	Chief Operations Officer - Commercial and International Business	Humanica Public Company Limited Corporate Software and Payroll Service
2017 - Present	Director	Humanica Asia Pte. Ltd. Payroll Outsourcing Service
2017 - Present	Director	Humanica Snd. Bhd. Payroll Outsourcing Service
2015 - 2016	Director	Tricor Humatrix Asia Pte. Ltd. Payroll Outsourcing Service

Name Ms. Hathaichanok Suwanjang
Position Chief Technology Officer
Age (Year) 42

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

- IT Security Awareness
- PDPA for Everyone

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2003 - Present	Chief Technology Officer	Humanica Public Company Limited Corporate Software and Payroll Service

Name Mr. Somsak Tantitanawat
Position Managing Director
Age (Year) 56

Educational Background

- Master of Business Administration University of the Thai Chamber of Commerce
- Bachelor of Engineering (Electronics Engineering) King Mongkut's Institute of Technology Ladkrabang Graduation Ceremony

Training Course

- IT Security Awareness
- PDPA for Everyone

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
1998 - Present	Managing Director	Tiger Soft (1998) Company Limited Corporate Software and Payroll Service

Name Mr. Thammanoon Korkiatwanich¹
Position Chief Financial Officer and Company Secretary
Age (Year) 45

Educational Background

- Master of Business Administration, Accounting, National Institute of Development Administration
- Bachelor of Business Administration, Accounting, Assumption University
- Certified Public Accountant No.7331

Training Course

- Director Accreditation Program (DAP) Year 2020
- IT Security Awareness
- PDPA for Everyone

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2021 - Present	Chief Financial Officer and Company Secretary	Humanica Public Company Limited Corporate Software and Payroll Service
2010 - 2021	Director /Management Executive	Simat Technologies Public Company Limited IT Solution business and provide Internet services
2006 - 2021	Chief Financial Officer	Simat Technologies Public Company Limited IT Solution business and provide Internet services
2018 - 2021	Director	Hinsitsu (Thailand) Public Company Limited Business production of stickers, labels, nameplates related to electrical appliances
2019 - 2021	Director	Hinsitsu (Thailand) Public Company Business of producing stickers printed on plastic
2008 - 2021	Director	Simat Label Company Limited Manufacturing by providing other printing services
2009 - 2021	Director	Simat Telecom Company Limited Computer Service and Computer Peripherals Retail Stores
2020 - 2021	Director	RG Tech Simat Company Limited Information technology services, selling hardware, software development and maintenance services
2005 - 2006	Audit Manager	PricewaterhouseCoopers ABAS Company Limited Audit service
1999 - 2005	Audit Assistant	PricewaterhouseCoopers ABAS Company Limited Audit service

¹ Mr. Thammanoon korkiatwanich was appointed as Chief Financial Officer and Company Secretary on August 9, 2021.

Name Ms. Panjaporn Tieosakun
Position Finance and Accounting Manager
Age (Year) 40

Educational Background

- Master of Accounting, Chulalongkorn University
- Bachelor of Commerce and Accountancy, Accounting, Chulalongkorn University

Training Course

- IT Security Awareness
- PDPA for Everyone

Work Experiences in the Past 5 Years

Period	Position	Company Name/Nature of Business
2017 - Present	Finance and Accounting Manager	Humanica Public Company Limited Corporate Software and Payroll Service
2011 - 2017	Assistant Director	Phatra Securities Public Company Limited Securities

Attachment 2

Details of Directors and Subsidiaries

Name	Professional Outsourcing Solutions Limited	Humanica FAS Limited	Humanica Asia Pte.Ltd	Humanica Sdn. Bhd.	Tiger Soft (1998) Company Limited	Benix Limited	Humanica EEC Limited
1. Mr. Soontorn Dentham	X	X	X	X	X	X	X
2. Ms. Chuenchom Techarungkiat	/				/		/
3. Ms. Bee Bee Lim			/	/		/	
4. Mrs. Sasithorn Hirunsak		/					/
5. Mr. Somsak Tantitannawat					/		

Note: / = Director X = Chairman of the Board of Directors

Attachment 3

Detail of Head of the Office of Corporate Audit

The Company had employed the outsource, which is IA Signature Company Limited, in auditing the internal control of the Company and the subsidiary in 2021 and IA Signature Company Limited had assigned Mr. Sutee Tanwanichkul as the Head of Internal Audit. The qualifications of the Head of Internal Audit are as follows;

Internal Auditor :	IA Signature Company Limited Mr.Sutee Tanwanichkul , Managing Director
Education Degree :	M.ACCT, Kasetsart University MBA (Marketing), Dhurakijpundit University B.Acct.(1st Class honor), Dhurakijpundit University
Certificate : :	Certified Professional Internal Auditors of Thailand (No.17), The Institute of Internal Auditors of Thailand (IIAT)
Work Experiences :	<ul style="list-style-type: none"> ● Chief internal auditor for leading companies in various businesses ● Financial accounting executives in the automobile business ● Expert Committee for the 2020-2021 agenda of the Institute of Internal Auditors of Thailand (IIAT) ● Special Lecturer, Mahidol University ● Special lecturer of the Institute of Internal Auditors of Thailand(IIAT), OMEGAWORLDCLASS Institute and The Stock Exchange of Thailand (SET)

Attachment 4

Details on Asset Valuation

-None-

Attachment 6**Report of the Audit Committee**

See the details on page 98

Humanica Public Company Limited and its Subsidiaries

Financial statements for the year ended

31 December 2021

and

Independent Auditor's Report



บริษัท ดีลอยท์ ทูเช่ โทมัทสு จำกัด
สอบบัญชี จำกัด
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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, 2021, 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, 2021, and its financial performance and its 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.



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

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. This matter was 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 this matter.

Key Audit Matters	Audit Responses
<p>Goodwill</p> <p>The Group has goodwill of Baht 108.62 million as at December 31, 2021. We have focused on the consideration of the impairment of goodwill of certain subsidiaries 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 3.9 and 14 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. <p>Considering the presentation and related disclosures.</p>

Other Information

Management is responsible for the other information. The other information comprises information in the annual report but does not include the consolidated and separate financial statements and our auditor's report thereon, 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 management and those charged with governance for correction of the misstatement.

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 the 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 and the Company 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 and the Company'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 the 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, 2022

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5.1	334,587	246,798	147,329	105,736
Trade and other current receivables	6	128,569	126,253	88,287	81,365
Current contract assets		35,800	30,350	36,289	24,064
Short-term loans		3,375	-	3,375	14,500
Inventories	7	14,551	14,979	-	-
Other current financial assets	8	50,096	227,768	48,096	224,768
Other current assets		4,531	7,256	4,107	1,324
Total Current Assets		571,509	653,404	327,483	451,757
NON-CURRENT ASSETS					
Restricted bank deposits	9	641	864	574	756
Other non-current financial assets	8	634,150	392,294	634,150	392,294
Investment in associates	10	63,675	28,565	60,798	25,700
Investment in subsidiaries	11	-	-	276,504	250,619
Building improvement and equipment	12	43,740	44,647	37,246	37,645
Right-of-use assets	13	136,032	128,831	130,761	119,630
Goodwill	14	108,619	108,619	-	-
Other intangible assets other than goodwill	15	177,166	176,162	107,570	93,001
Computer software under development	16	15,864	34,194	15,864	32,178
Deferred tax assets	25	4,793	10,979	-	8,101
Other non-current assets	17	13,824	13,093	10,599	10,769
Total Non-current Assets		1,198,504	938,248	1,274,066	970,693
TOTAL ASSETS		1,770,013	1,591,652	1,601,549	1,422,450

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

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2021

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	18	51,127	58,542	25,851	37,824
Current contract liabilities		58,017	47,817	38,622	32,668
Current portion of lease liabilities	19	20,670	20,237	17,067	13,579
Corporate income tax payable		11,049	10,551	5,102	3,044
Other current liabilities		14,820	13,954	9,492	8,931
Total Current Liabilities		<u>155,683</u>	<u>151,101</u>	<u>96,134</u>	<u>96,046</u>
NON-CURRENT LIABILITIES					
Lease liabilities	19	128,992	117,388	127,163	114,630
Deferred tax liabilities	25	15,018	16,644	636	-
Non-current provisions for employee benefits	20	31,752	39,666	20,725	25,324
Other non-current liabilities		941	-	1,085	-
Total Non-current Liabilities		<u>176,703</u>	<u>173,698</u>	<u>149,609</u>	<u>139,954</u>
TOTAL LIABILITIES		<u>332,386</u>	<u>324,799</u>	<u>245,743</u>	<u>236,000</u>
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital	21				
690,000,000 ordinary shares of Baht 0.50 each		<u>345,000</u>		<u>345,000</u>	
680,000,000 ordinary shares of Baht 0.50 each			<u>340,000</u>		<u>340,000</u>
Issued and paid-up share capital					
680,000,000 ordinary shares of Baht 0.50 each, fully paid		340,000	340,000	340,000	340,000
Share premium on ordinary shares		649,124	649,124	649,124	649,124
Other surpluses (deficits)					
Surplus on share based payment		5,145	5,145	5,145	5,145
Deficit arising from change in ownership interest in subsidiaries		(12,666)	(12,666)	-	-
Retained earnings					
Appropriated - Legal reserve	22	34,500	34,000	34,500	34,000
Unappropriated		370,462	258,775	285,668	164,078
Other components of shareholders' equity		45,451	(8,756)	41,369	(5,897)
Total Shareholders' equity attributable to owners of the Company		<u>1,432,016</u>	<u>1,265,622</u>	<u>1,355,806</u>	<u>1,186,450</u>
Non-controlling interests		5,611	1,231	-	-
TOTAL SHAREHOLDERS' EQUITY		<u>1,437,627</u>	<u>1,266,853</u>	<u>1,355,806</u>	<u>1,186,450</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>1,770,013</u>	<u>1,591,652</u>	<u>1,601,549</u>	<u>1,422,450</u>

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

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2021	2020	2021	2020
REVENUES					
Revenue from sales and rendering services	26	728,692	719,824	422,289	415,899
Other income		29,375	9,431	52,750	29,073
Total Revenues		758,067	729,255	475,039	444,972
EXPENSES					
Cost of sales and rendering services		398,258	384,966	231,017	221,730
Distribution costs		30,856	29,186	12,619	11,249
Administrative expenses		146,095	131,062	104,556	91,283
Total Expenses		575,209	545,214	348,192	324,262
Profit from operating activities		182,858	184,041	126,847	120,710
Finance income	23	12,426	11,096	77,343	28,233
Finance costs		(9,342)	(8,369)	(8,908)	(7,574)
Share of profit of associates accounted for using equity method		13	931	-	-
Profit before income tax		185,955	187,699	195,282	141,369
Income tax expense	25	(20,617)	(22,841)	(10,844)	(10,872)
PROFIT FOR THE YEAR		165,338	164,858	184,438	130,497
OTHER COMPREHENSIVE INCOME (LOSS)					
Components of other comprehensive income (loss) that may be reclassified subsequently to profit or loss					
Exchange differences on translation financial statements		6,941	706	-	-
Gain (loss) on investment in equity designated at fair value through other comprehensive income		73,475	(19,567)	73,475	(19,567)
Total components of other comprehensive income (loss) that may be reclassified subsequently to profit or loss, net of tax		80,416	(18,861)	73,475	(19,567)
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
Gains (losses) on re-measurements of defined benefit plans		11,356	2,468	6,643	(729)
Total components of other comprehensive income (loss) that will not be reclassified to profit or loss, net of tax		11,356	2,468	6,643	(729)
Other comprehensive income (loss) for the year, net of tax		91,772	(16,393)	80,118	(20,296)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		257,110	148,465	264,556	110,201

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2021	2020	2021	2020
PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the parent		169,822	165,754	184,438	130,497
Non-controlling interests		(4,484)	(896)	-	-
PROFIT FOR THE YEARS		<u>165,338</u>	<u>164,858</u>	<u>184,438</u>	<u>130,497</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the parent		261,594	149,361	264,556	110,201
Non-controlling interests		(4,484)	(896)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>257,110</u>	<u>148,465</u>	<u>264,556</u>	<u>110,201</u>
Earnings per share					
Basic earnings per share (Baht)	27	<u>0.25</u>	<u>0.24</u>	<u>0.27</u>	<u>0.19</u>
Weighted average number of ordinary shares (Thousand shares)	27	<u>680,000</u>	<u>680,000</u>	<u>680,000</u>	<u>680,000</u>

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

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021
CONSOLIDATED FINANCIAL STATEMENTS

UNIT : THOUSAND BAHT

	Notes	Issued and paid-up share capital	Share premium on ordinary shares	Capital Surplus (Deficit) Surplus on share based payment	Deficit arising from change in ownership interest in subsidiaries	Retained earnings Appropriated Legal reserve	Unappropriated	Other components of shareholders' equity Exchange differences on translation financial statements	Gain (loss) on investment in equity designated at fair value through other comprehensive income	Total other components of shareholders' equity	Shareholders' equity attributable to owners of the Company	Non- controlling interests	Total shareholders' equity
Balance as at January 1, 2020		340,000	649,124	5,145	(12,666)	22,710	180,096	(3,565)	17,017	13,452	1,197,861	1	1,197,862
Profit for the year		-	-	-	-	-	165,754	-	-	-	165,754	(896)	164,858
Other comprehensive income (loss) for the year		-	-	-	-	-	2,468	706	(19,567)	(18,861)	(16,393)	-	(16,393)
Total comprehensive income (loss) for the year		-	-	-	-	-	168,222	706	(19,567)	(18,861)	149,361	(896)	148,465
Dividends to owner of the Company	28	-	-	-	-	-	(81,600)	-	-	-	(81,600)	-	(81,600)
Transfer unappropriated retained earnings to legal reserves	22	-	-	-	-	11,290	(11,290)	-	-	-	-	-	-
Profit on disposal of investment in equity as measured at fair value through other comprehensive income		-	-	-	-	-	3,347	-	(3,347)	(3,347)	-	-	-
Non-controlling interest arising from investment in subsidiaries		-	-	-	-	-	-	-	-	-	-	2,126	2,126
Balance as at December 31, 2020		<u>340,000</u>	<u>649,124</u>	<u>5,145</u>	<u>(12,666)</u>	<u>34,000</u>	<u>258,775</u>	<u>(2,859)</u>	<u>(5,897)</u>	<u>(8,756)</u>	<u>1,265,622</u>	<u>1,231</u>	<u>1,266,853</u>
Balance as at January 1, 2021		340,000	649,124	5,145	(12,666)	34,000	258,775	(2,859)	(5,897)	(8,756)	1,265,622	1,231	1,266,853
Profit for the year		-	-	-	-	-	169,822	-	-	-	169,822	(4,484)	165,338
Other comprehensive income for the year		-	-	-	-	-	11,356	6,941	73,475	80,416	91,772	-	91,772
Total comprehensive income (loss) for the year		-	-	-	-	-	181,178	6,941	73,475	80,416	261,594	(4,484)	257,110
Dividends to owner of the Company	28	-	-	-	-	-	(95,200)	-	-	-	(95,200)	-	(95,200)
Transfer unappropriated retained earnings to legal reserves	22	-	-	-	-	500	(500)	-	-	-	-	-	-
Profit on disposal of investment in equity as measured at fair value through other comprehensive income		-	-	-	-	-	26,209	-	(26,209)	(26,209)	-	-	-
Non-controlling interest arising from investment in subsidiaries		-	-	-	-	-	-	-	-	-	-	8,864	8,864
Balance as at December 31, 2021		<u>340,000</u>	<u>649,124</u>	<u>5,145</u>	<u>(12,666)</u>	<u>34,500</u>	<u>370,462</u>	<u>4,082</u>	<u>41,369</u>	<u>45,451</u>	<u>1,432,016</u>	<u>5,611</u>	<u>1,437,627</u>

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

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021
SEPARATE FINANCIAL STATEMENTS

UNIT : THOUSAND BAHT

	Notes	Issued and paid-up capital	Share premium on ordinary shares	Capital Surplus Surplus on share based payment	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
					Appropriated Legal reserve	Unappropriated	Gain (loss) on investment in equity designated at fair value through other comprehensive income	Total other components of shareholders' equity	
Balance as at January 1, 2020		340,000	649,124	5,145	22,710	123,853	17,017	17,017	1,157,849
Profit for the year		-	-	-	-	130,497	-	-	130,497
Other comprehensive loss for the year		-	-	-	-	(729)	(19,567)	(19,567)	(20,296)
Total comprehensive income (loss) for the year		-	-	-	-	129,768	(19,567)	(19,567)	110,201
Dividends	28	-	-	-	-	(81,600)	-	-	(81,600)
Transfer undappropriated retained earnings to legal reserves	22	-	-	-	11,290	(11,290)	-	-	-
Profit on disposal of investment in equity as measured at fair value through other comprehensive income		-	-	-	-	3,347	(3,347)	(3,347)	-
Balance as at December 31, 2020		<u>340,000</u>	<u>649,124</u>	<u>5,145</u>	<u>34,000</u>	<u>164,078</u>	<u>(5,897)</u>	<u>(5,897)</u>	<u>1,186,450</u>
Balance as at January 1, 2021		340,000	649,124	5,145	34,000	164,078	(5,897)	(5,897)	1,186,450
Profit for the year		-	-	-	-	184,438	-	-	184,438
Other comprehensive income for the year		-	-	-	-	6,643	73,475	73,475	80,118
Total comprehensive income for the year		-	-	-	-	191,081	73,475	73,475	264,556
Dividends	28	-	-	-	-	(95,200)	-	-	(95,200)
Transfer undappropriated retained earnings to legal reserves	22	-	-	-	500	(500)	-	-	-
Profit (loss) on disposal of investment in equity as measured at fair value through other comprehensive income		-	-	-	-	26,209	(26,209)	(26,209)	-
Balance as at December 31, 2021		<u>340,000</u>	<u>649,124</u>	<u>5,145</u>	<u>34,500</u>	<u>285,668</u>	<u>41,369</u>	<u>41,369</u>	<u>1,355,806</u>

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

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax expense		185,955	187,699	195,282	141,369
Adjustments to reconcile profit before income tax expense to net cash provided by (used in) operating activities					
Depreciation and amortization		83,369	78,006	54,859	50,387
Allowance for expected credit losses (Reversal)		(400)	1,144	(213)	952
Allowance for diminution in value of inventories		3,449	1,933	-	-
Gain on disposal of equipment		(324)	-	(57)	-
Loss on write-off of equipment		-	288	-	278
Loss on write-off of computer software		-	553	-	-
Long-term employee benefit expenses		6,092	2,556	3,516	3,002
Gain on disposal of other current and non-current financial assets		(7,129)	(2,851)	(7,129)	(2,851)
Share of profit from investment in associates		(13)	(931)	-	-
Unrealized (gain) loss on foreign exchange rates		(7,845)	3,633	(7,814)	3,650
Unrealized loss on change in value of other current and non-current financial assets		5,031	-	5,031	-
Dividend income		(5,382)	(5,799)	(70,380)	(22,800)
Finance costs		9,342	8,369	8,908	7,574
Interest income		(7,044)	(5,297)	(6,963)	(5,433)
Profit from operating activities before changes in operating assets and liabilities		265,101	269,303	175,040	176,128
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(110)	(3,153)	(4,758)	(1,096)
Current contract assets		(5,451)	(5,766)	(12,225)	(6,019)
Inventories		(3,022)	(7,495)	-	-
Other current assets		3,220	(5,796)	(2,460)	(5,577)
Other non-current assets		(731)	(6,587)	170	(2,193)
Operating liabilities increase (decrease)					
Trade and other current payables		2,770	10,218	(11,430)	4,577
Current contract liabilities		10,200	649	5,954	(986)
Other current liabilities		875	1,899	570	1,495
Other non-current liabilities		941	(813)	1,085	-
Employee benefit obligations paid		-	(1,744)	-	(1,744)
Cash received from operating activities		273,793	250,715	151,946	164,585
Cash paid for income tax expense		(31,302)	(15,564)	(13,530)	(7,515)
Refund income tax expense		385	492	-	326
Net cash provided by operating activities		242,876	235,643	138,416	157,396

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2021	2020	2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) decrease in restricted bank deposits		223	186	182	(56)
Cash paid for other current and non-current financial asstes		(235,977)	(488,691)	(217,799)	(485,509)
Cash received from disposal of current and non-current financial asstes		263,297	481,801	244,195	481,801
Cash paid for acquisition of building improvement and equipment	5.2	(21,198)	(26,309)	(17,045)	(24,154)
Cash received from sales of equipment		324	99	57	-
Cash paid for development/acquisition of computer software		(16,998)	(15,991)	(16,398)	(13,388)
Cash paid for short-term loans		(4,375)	-	(4,375)	(3,500)
Cash received from short-term loans		1,000	-	15,500	2,000
Dividends received		5,204	5,781	70,202	22,817
Interest received		7,044	5,297	6,963	-
Cash paid for acquisition of investment in associates		(35,098)	(3,000)	(35,098)	(5,754)
Cash paid for acquisition of investment in a subsidiary		-	-	(25,885)	-
Net cash (used in) provided by investing activities		<u>(36,554)</u>	<u>(40,827)</u>	<u>20,499</u>	<u>(25,743)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash paid for lease liabilities	5.3	(21,877)	(18,216)	(14,812)	(11,524)
Cash paid for interest expenses for lease liabilities		(9,341)	(8,369)	(8,909)	(7,573)
Dividends paid		(95,200)	(81,600)	(95,200)	(81,600)
Net cash used in financing activities		<u>(126,418)</u>	<u>(108,185)</u>	<u>(118,921)</u>	<u>(100,697)</u>
Exchange differences from translation financial statements		6,286	693	-	-
Effect of exchange rate changes on cash and cash equivalents		1,599	-	1,599	-
Net increase in cash and cash equivalents		87,789	87,324	41,593	30,956
Cash and cash equivalents as at January 1,		246,798	159,474	105,736	74,780
Cash and cash equivalents as at December 31,	5.1	<u><u>334,587</u></u>	<u><u>246,798</u></u>	<u><u>147,329</u></u>	<u><u>105,736</u></u>

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

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

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 (the “Group”) 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, sales of advance access control devices, and provide life and non-life insurance brokerage.

The Coronavirus disease 2019 (“COVID-19”) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. Nevertheless, the Group’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Group’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2021 onwards, and the Regulation 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 Statement (No. 3) B.E. 2562” dated December 26, 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 The consolidated and separate statements of financial position for the year ended December 31, 2020, presented herein for comparison, have been derived from the audited consolidated and separate financial statements of the Group and the Company for the year then ended.

2.5 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, 2021	December 31, 2020
<u>Subsidiaries held directly by the Company</u>				
Professional Outsourcing Solutions Limited	Provide payroll outsourcing services	Thailand	100.00	100.00
Humanica FAS Limited	Provide accounting outsourcing and financing services	Thailand	100.00	100.00
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	100.00	100.00
Benix Limited	Provide life and non-life insurance brokerage	Thailand	51.00	51.00
<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
<u>Subsidiary held by Humanica FAS Limited</u>				
Humanica EEC Limited	Provide accounting outsourcing and financing services	Thailand	70.00	-

- 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 rates prevailing on the end of reporting period, and revenues and expenses are translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements” in the statement of changes in shareholders’ equity.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

- 2.6 The separate financial statements present investments in subsidiaries and associates under the cost method.
- 2.7 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Group has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Company and the Group's financial statements.

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

The Amendment to Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 "Insurance Contracts" ("TFRS 4"), Thai Financial Reporting Standards No. 7 "Financial Instruments: Disclosures" ("TFRS 7"), and Thai Financial Reporting Standards No. 9 "Financial Instruments" ("TFRS 9"), which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards are relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

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 significant impact on the financial statements of the Company and 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's names for customer accounts.

3.2 Trade receivables

Trade receivables are stated at the net realizable value. Allowance for expected credit losses 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 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 the first-in, first-out method.

3.5 Investments

Investment in an associates is accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

3.6 Building improvement and equipment

Building improvement and equipment are stated at cost less accumulated depreciation and allowance for diminution in value (if any will be recognised in the statement profit or loss during the financial period in which they are incurred).

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

Building improvement	5 years
Office equipment	5 years
Computers	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 are depreciated over their estimated useful lives.

3.7 Right-of-use assets and lease liability

The Company and its subsidiaries as lessee

The Company and its subsidiaries assess whether a contract is or contains a lease, at inception of the contract. The Company and its subsidiaries recognize a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company and its subsidiaries recognize the lease payments as operating expenses on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company and its subsidiaries use its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated and separate statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company and its subsidiaries remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company and its subsidiaries incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under Thai Accounting Standard No. 37 “Provisions, contingent Liabilities and Contingent Assets” (“TAS 37”). To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company and its subsidiaries expect to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company and its subsidiaries apply Thai Accounting Standard No. 36 “Impairment of Assets” (“TAS 36”) to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Building improvement and equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss and other comprehensive income.

Depreciation of right-of-use assets is calculated by costs of assets using the straight-line method over the term of the lease, as follows:

Office building	2 - 30 years
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3.8 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 recognized in 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 developed computer software	10 years
Trademark	15 years
Customer relationship	7 years

3.9 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 there is an indicator that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired from 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.

3.10 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.

3.11 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.

3.12 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 economics 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.

3.13 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 Thai 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 exchange rates ruling at statement of financial position date.

- b. Shareholders' equity is translated to Thai Baht at the exchange rates on the transaction date.
- c. Revenues and expenses are translated to Thai Baht at average 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 or 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

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 Financial instruments

Financial assets and financial liabilities are recognized in the Company and its subsidiaries' statement of financial position when The Company and its subsidiaries become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair values. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair values of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair values through profit or loss are recognized immediately in profit or loss.

Financial assets

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI);

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Company and its subsidiaries may make the following irrevocable election/designation at initial recognition of a financial asset;

- The Company and its subsidiaries may irrevocable elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (2) below); and
- The Company and its subsidiaries may irrevocable designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (3) below).

(1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognized in profit or loss and is included in the “Finance income” line item.

(2) Equity instruments designated as at FVTOCI

On initial recognition, the Company and its subsidiaries may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

The Company and its subsidiaries have designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

(3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (1) to (2) above) are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other gains and losses” line item.

Impairment of financial assets

The Company and its subsidiaries recognize a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company and its subsidiaries always recognize lifetime ECL for trade receivables, contract assets and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company. The Company and its subsidiaries’ historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Write-off policy

The Company and its subsidiaries write off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under The Company and its subsidiaries' recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date.

If the Company and its subsidiaries have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determined at the current reporting date that the conditions for lifetime ECL are no longer met, the Company and its subsidiaries measure the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if;

- It has been acquired principally for the purpose of repurchasing it in the near term;
- On initial recognition it is part of a portfolio of identified financial instruments that the Company and its subsidiaries manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if;

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company and its subsidiaries' documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and TFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities measured subsequently at amortized cost

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (as appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of financial liabilities

The Company and its subsidiaries derecognize financial liabilities when, and only when, the Company and its subsidiaries' obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Company and its subsidiaries exchange with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company and its subsidiaries account for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

3.22 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.

3.23 Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards 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 and its subsidiaries 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.

Economic useful lives of building improvement and equipment 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 economic 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

For the years ended December 31, 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
	2021	2020	2021	2020	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	7,578	5,994	As agreed
Management fee	-	-	21,485	16,741	Contract price/As agreed
Financial income - dividend income	-	-	64,998	17,000	As announcement
Finance income - interest income	-	-	23	216	At rate of 0.9 - 1.8 percent p.a.
Rental income	-	-	4,312	3,516	As agreed
Other income	-	-	2,227	4,321	As agreed
Service expense	-	-	2,891	2,341	As agreed
Other expenses	-	-	17	500	As agreed
<u>Transactions with related parties</u>					
Service income	6,691	847	5,957	292	Market rate
Rental income	897	561	897	561	Contract price
Other income	314	379	314	379	Contract price
Software rental expense	8,457	8,262	8,457	8,262	Contract price
Other expenses	2,452	1,812	2,121	1,812	Market price

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

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
Trade receivables - related parties (Note 6)				
Associates	84	26	52	-
Related parties	276	161	262	106
	<u>360</u>	<u>187</u>	<u>314</u>	<u>106</u>
Other receivables - related parties (Note 6)				
Subsidiaries	-	-	4,359	5,825
Associates	50	-	50	-
Related party	47	50	47	50
	<u>97</u>	<u>50</u>	<u>4,456</u>	<u>5,875</u>
Contract asset - related parties				
Subsidiaries	-	-	8,976	2,101
Associates	20	-	-	-
Related parties	484	6	484	6
	<u>504</u>	<u>6</u>	<u>9,460</u>	<u>2,107</u>
Interest receivables - related party (Note 6)				
Subsidiary	-	-	-	86
	<u>-</u>	<u>-</u>	<u>-</u>	<u>86</u>
Loan to subsidiary (Note 4.1)				
Subsidiary	-	-	-	14,500
	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,500</u>
Trade payables - related party (Note 18)				
Related party	788	1,462	787	1,462
	<u>788</u>	<u>1,462</u>	<u>787</u>	<u>1,462</u>
Other payables - related parties (Note 18)				
Subsidiaries	-	-	932	899
	<u>-</u>	<u>-</u>	<u>932</u>	<u>899</u>
Contract liabilities - related party				
Related parties	1,396	1,914	1,396	1,914
	<u>1,396</u>	<u>1,914</u>	<u>1,396</u>	<u>1,914</u>
Accrued expenses - related party (Note 18)				
Related party	736	662	736	662
	<u>736</u>	<u>662</u>	<u>736</u>	<u>662</u>
Other non-current assets - related party				
Subsidiary	-	-	144	-
Associates	237	-	237	-
Related party	116	-	116	-
	<u>353</u>	<u>-</u>	<u>497</u>	<u>-</u>

- 4.1 On June 15, 2018, the Company entered into a loan agreement to provide a loan to Humanica FAS Limited (Subsidiary) totaling Baht 32.00 million. The loan carried interest at the rate of 1.8 percent per annum, had no collateral and was repayable at call. As at December 31, 2020, the outstanding loan was Baht 11.00 million.

On November 25, 2020, the Company entered into a loan agreement to provide a loan to Humanica FAS Limited (Subsidiary) totaling Baht 3.50 million. The loan carried interest at the rate of 0.90 percent per annum, had no collateral and was repayable at call. As at December 31, 2020, the outstanding loan was Baht 3.50 million.

The Company received the full repayment of such loans of Baht 14.50 million on February 5, 2021.

On June 1, 2021, the Company entered into a loan agreement to provide a loan to Human Chess Capital Company Limited (Associate) totaling Baht 0.50 million. The loan carries interest at the rate of 0.95 percent per annum, has no collateral and was conditioned to repay within May 31, 2022.

On August 10, 2021, the Company entered into a loan agreement to provide a loan to Human Chess Capital Company Limited (Associate) totaling Baht 0.50 million. The loan carries interest at the rate of 0.95 percent per annum, has no collateral and was conditioned to repay within August 9, 2022.

The Company received the full repayment of such loans of Baht 1.00 million on October 25, 2021.

During the years 2021 and 2020, movements of loans to related party were as follows:

Unit: Thousand Baht					
Separate financial statements					
Loans to	Related by	Balance as at January 1, 2021	Increase during the year	Decrease during the year	Balance as at December 31, 2021
Humanica FAS Limited	Subsidiary	14,500	-	(14,500)	-
Human Chess Capital Company Limited	Associate	-	1,000	(1,000)	-
Total		<u>14,500</u>	<u>1,000</u>	<u>(15,500)</u>	<u>-</u>

Unit: Thousand Baht					
Separate financial statements					
Loans to	Related by	Balance as at January 1, 2020	Increase during the year	Decrease during the year	Balance as at December 31, 2020
Humanica FAS Limited	Subsidiary	13,000	3,500	(2,000)	14,500
Total		<u>13,000</u>	<u>3,500</u>	<u>(2,000)</u>	<u>14,500</u>

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	
	2021	2020	2021	2020
Short-term benefits	32.9	32.8	27.3	21.8
Post-employment benefits	4.8	3.6	4.4	3.4
Total	<u>37.7</u>	<u>36.4</u>	<u>31.7</u>	<u>25.2</u>

5. CASH AND CASH EQUIVALENTS

5.1 Cash and cash equivalents

Cash and cash equivalents as at December 31, consisted of:

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
Cash on hand	595	695	465	450
Deposits at financial institutions	434,426	279,717	218,552	120,760
Cheques in transit	-	462	-	-
<u>Less</u> Deposits in the Company and its subsidiaries' names for customer accounts	<u>(100,434)</u>	<u>(34,076)</u>	<u>(71,688)</u>	<u>(15,474)</u>
Total	<u>334,587</u>	<u>246,798</u>	<u>147,329</u>	<u>105,736</u>

As at December 31, 2021, bank deposits in savings accounts carry interest at the rates of 0.05 to 0.40 percent per annum (2020: between 0.05 to 0.45 percent per annum).

5.2 Non-cash transactions are as follows:

Cash payments for the acquisition of building improvement and equipment for the years ended December 31, are as follows:

	Consolidated Financial Statements		Unit: Thousand Baht Separate Financial Statements	
	2021	2020	2021	2020
Liabilities incurred from the acquisition of building improvement and equipment as at January 1,	685	394	685	-
<u>Add</u> Purchases of building improvement and equipment during the years	<u>20,580</u>	<u>26,600</u>	<u>16,427</u>	<u>24,839</u>
<u>Less</u> Cash payments	<u>(21,198)</u>	<u>(26,309)</u>	<u>(17,045)</u>	<u>(24,154)</u>
Liabilities incurred from the acquisition of building improvement and equipment as at December 31,	<u>67</u>	<u>685</u>	<u>67</u>	<u>685</u>

5.3 Changing in liabilities from financing activities

Unit: Thousand Baht			
Consolidated Financial Statements			
	Balance as at January 1, 2021	Financing cash flows	Non-cash change
	Balance as at December 31, 2021		
Lease liabilities	137,625	(21,877)	33,914
Total	137,625	(21,877)	33,914

Unit: Thousand Baht			
Consolidated Financial Statements			
	Balance as at January 1, 2020	Financing cash flows	Non-cash change
	Balance as at December 31, 2020		
Lease liabilities	3,877	(18,216)	151,964
Total	3,877	(18,216)	151,964

Unit: Thousand Baht			
Separate Financial Statements			
	Balance as at January 1, 2021	Financing cash flows	Non-cash change
	Balance as at December 31, 2021		
Lease liabilities	128,209	(14,812)	30,833
Total	128,209	(14,812)	30,833

Unit: Thousand Baht			
Separate Financial Statements			
	Balance as at January 1, 2020	Financing cash flows	Non-cash change
	Balance as at December 31, 2020		
Lease liabilities	3,853	(11,524)	135,880
Total	3,853	(11,524)	135,880

6. TRADE AND OTHER CURRENT RECEIVABLES

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<u>Trade receivables - related parties</u>				
Age on the basis of due dates				
Not due	158	63	112	23
Past due				
Up to 3 months	-	124	-	83
6 - 12 months	202	-	202	-
Total trade receivables - related parties				
(see Note 4)	360	187	314	106

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
<u>Trade receivables - others</u> (Continued)				
Age on the basis of due dates				
Not due	63,221	63,305	43,793	31,648
Past due				
Up to 3 months	45,037	42,933	28,170	30,110
3 - 6 months	6,996	3,136	3,571	1,117
6 - 12 months	1,148	1,741	3	813
Over 12 months	3,638	3,015	3,173	2,737
Total	120,040	114,130	78,710	66,425
Less: Allowance for expected credit losses	(3,638)	(3,663)	(3,173)	(3,386)
Total trade receivables - others	116,402	110,467	75,537	63,039
Total trade receivables	116,762	110,654	75,851	63,145
<u>Other receivables</u>				
Other receivables - related parties (see Note 4)	97	50	4,456	5,875
Other receivables - others	3,781	1,320	3,504	561
Advance payments for services	899	2,169	844	2,169
Advance payments to customers	724	372	-	-
Advance payments to employees	475	344	475	205
Prepaid expenses - others	5,711	3,533	3,045	1,513
Interest receivables - related party (see Note 4)	-	-	-	86
Interest receivables - other	120	7,811	112	7,811
Total other receivables	11,807	15,599	12,436	18,220
Total	128,569	126,253	88,287	81,365

7. INVENTORIES

Inventories as at December 31, consisted of:

	Unit: Thousand Baht Consolidated financial statements	
	2021	2020
Finished goods	20,257	17,236
<u>Less: Allowance for diminution in value</u>	<u>(5,706)</u>	<u>(2,257)</u>
Total	<u>14,551</u>	<u>14,979</u>

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

	Unit: Thousand Baht	
	Consolidated	
	financial statements	
	2021	2020
Allowance for diminution in value of inventories at beginning of the years	2,257	324
Adjustment of net realizable value for the year	3,449	1,933
Allowance for diminution in value of inventories at end of the years	5,706	2,257

As at December 31, 2021 and 2020, there are no inventory balances in the separate financial statements.

Cost of inventories which was recognized as expenses and included in the cost of sales for the years ended December 31, consisted of the following:

	Unit: Thousand Baht	
	Consolidated	
	financial statements	
	2021	2020
Cost of inventories recognized as an expense in cost of sales:		
- Cost of sales of goods	34,937	40,979
- Allowance for obsolete and slow-moving inventories	3,449	1,933
Total	38,386	42,912

8. OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

Other current and non-current financial assets as at December 31, consist of:

Financial Assets	Fair Value		Fair Value		Unit: Thousand Baht	
	As at December 31, 2021		As at December 31, 2020		Fair Value	Valuation Techniques
	Consolidated	Separate	Consolidated	Separate	Hierarchy	and Key Inputs Used
	Financial	Financial	Financial	Financial		in Fair Value
	Statements	Statements	Statements	Statements		Measurements
Other current financial assets						
Financial assets at fair value through PL						
Marketable debt instruments	-	-	116,015	116,015	Level 2	Net asset value of investment units of the last working day of the reporting period
Non-Marketable debt instruments	48,096	48,096	59,550	59,550	Level 3	Recoverable amount
Financial assets at amortized cost						
Held-to-maturity debt instruments	2,000	-	52,203	49,203	Level 3	Amortized cost and effective interest method
Total other current financial assets	<u>50,096</u>	<u>48,096</u>	<u>227,768</u>	<u>224,768</u>		

Financial Assets	Unit: Thousand Baht					
	Fair Value		Fair Value		Fair Value Hierarchy	Valuation Techniques and Key Inputs Used in Fair Value Measurements
	As at December 31, 2021		As at December 31, 2020			
	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements		
Other non-current financial assets						
Financial assets at fair value through PL						
Marketable debt instruments	222,528	222,528	215,449	215,449	Level 1	Last bid price of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
Marketable debt instruments	17,058	17,058	29,416	29,416	Level 2	Net asset value of investment units of the last working day of the reporting period
Financial assets at fair value through OCI						
Marketable equity instruments	266,372	266,372	126,744	126,744	Level 1	Last bid price of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
Non-marketable equity instruments	128,192	128,192	20,685	20,685	Level 3	Discounted cash flow
Total other non-current financial assets	634,150	634,150	392,294	392,294		
Total other financial assets	684,246	682,246	620,062	617,062		

As at December 31, 2021, the on-marketable debt instruments are unsubordinated convertible bonds valued at USD 1.7 million as follows:

- 1) Convertible bonds issued on September 6, 2018 with value of USD 1 million were extended for maturity date from September 13, 2020 to April 27, 2021 with an interest rate increase from 8% per annum to 12% per annum commencing from September 13, 2020 until maturity date. Subsequently on May 5, 2021, the maturity date was extended from April 27, 2021 to December 31, 2021. Subsequently on December 21, 2021, the maturity date was extended from December 31, 2021 to June 30, 2022. The Company received a repayment totaling to USD 0.3 million on December 3, 2021 which caused the Company to have remaining convertible bonds of USD 0.7 million.
- 2) Convertible bonds issued on April 27, 2020 with value of USD 1 million matured on April 27, 2021 with an interest rate of 8% per annum. Subsequently on May 5, 2021, the maturity date was extended from April 27, 2021 to December 31, 2021. Subsequently on December 21, 2021, the maturity date was extended from December 31, 2021 to June 30, 2022.

The conversion conditions are as specified in the agreement.

9. RESTRICTED BANK DEPOSITS

As at December 31, 2021 and 2020, the Company has fixed deposits pledged with the banks to secure the issuance of bank guarantees by the bank (see Note 31.3).

10. INVESTMENT IN ASSOCIATES

Investment in associates as at December 31, is as follows:

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Paid-up capital		Cost		Unit: Thousand Baht			
									Consolidated financial statements		Separate financial statements	
									Carrying amounts			
			2021	2020	2021	2020	2021	2020	based on equity method		Cost	
									2021	2020	2021	2020
Conicle Company Limited	Online learning platform for organization service	Thailand	20	20	3,265	2,638	40,396	22,700	45,240	26,124	40,396	22,700
Human Chess Capital Company Limited	Intermediate between borrowers and lenders through an online platform	Thailand	50	50	10,004	6,000	5,002	3,000	3,441	2,441	5,002	3,000
Pharmcare Group Company Limited	Online platform for health consulting and e-platform service	Thailand	25	-	4,000	-	15,400	-	14,994	-	15,400	-
Total					17,269	8,638	60,798	25,700	63,675	28,565	60,798	25,700

Financial information of associates is as follows:

Company's name	Paid-up Capital		Total Assets		Total Liabilities		Total Revenues for the Years		Unit: Million Baht Profit (Loss) for the Years	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Conicle Company Limited	3.26	2.64	198.42	77.86	56.36	31.67	100.37	58.99	7.11	7.45
Human Chess Capital Company Limited	10.00	6.00	6.99	5.64	0.09	0.76	-	-	(2.00)	(1.12)
Pharmcare Group Company Limited	4.00	-	14.89	-	2.16	-	2.59	-	(3.25)	-

On January 5, 2021, the Extraordinary General Meeting of Shareholders of Conicle Company Limited, an associate, passed a resolution to issue 6,271 new ordinary shares at Baht 100 per share. On January 26, 2021, the Company paid for the share increase of 1,255 shares in amount of Baht 17.70 million in order to maintain shareholding percentage of 20%.

On September 9, 2021, the Extraordinary General Meeting of Shareholders of Human Chess Capital Company Limited, passed a resolution to issue 1,400,000 new ordinary shares at Baht 10 per share. The Company purchased additional 700,000 shares totaling Baht 7.00 million in order to maintain its shareholding percentage of 50%. The associate called the first share subscriptions of Baht 2.86 per share which the Company paid such amount on September 10, 2021 amounting to Baht 2.00 million. The remaining un-called portion is Baht 5.00 million

On April 29, 2020, the Company invested in Human Chess Capital Company Limited with 299,999 ordinary shares at price equal to par value of Baht 10 each, totaling Baht 3.00 million, or 50% of total paid-up share capital. However, from the Company's assessment, another investor, holding another 50% shares of such company, has direct control over such company. Therefore, the Company classified such investment as investment in an associate. The Company made a full payment for these share subscriptions on May 18, 2020.

On June 22, 2021, the Company invested in Pharmcare Group Company Limited with 10,000 ordinary shares totaling Baht 15.40 million or 25% of total issued share capital and then made a full payment for these share subscriptions on the same day. The Company classified its investment as investment in an associate.

11. 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	Unit: Thousand Baht							
	Paid-up capital		Separate financial statements		Cost		Dividend income	
	2021	2020	Percentage of shareholding		2021	2020	2021	2020
			2021	2020	2021	2020	2021	2020
			(%)	(%)				
Subsidiaries held directly by the Company								
Professional Outsourcing Solutions Limited	Baht 10 million	Baht 10 million	100.00	100.00	72,899	72,899	44,999	17,000
Humanica FAS Limited	Baht 20 million	Baht 1 million	100.00	100.00	48,999	29,999	-	-
Humanica Asia Pte. Ltd.	SGD 0.2 million	SGD 0.2 million	100.00	100.00	19,967	19,967	-	-
Tiger Soft (1998) Co., Ltd.	Baht 5 million	Baht 5 million	100.00	100.00	125,000	125,000	19,999	-
Benix Limited	Baht 18 million	Baht 4 million	51.00	51.00	9,639	2,754	-	-
Subsidiary held by Humanica Asia Pte. Ltd.								
Humanica SDN. BHD.	MYR 0.5 million	MYR 0.5 million	100.00	100.00	-	-	-	-
Subsidiary held by Humanica FAS Limited.								
Humanica EEC Limited	Baht 7.5 million	-	70.00	-	-	-	-	-
Total investments in subsidiaries					<u>276,504</u>	<u>250,619</u>	<u>64,998</u>	<u>17,000</u>

As at September 30, 2020, the Company invested in 20,400 ordinary shares of Benix Limited at the price of Baht 135 per share, totaling Baht 2.75 million or 51% of total issued share capital. Based on the Company's assessment, the Company has a direct control over such company, therefore, the Company classified the investment in such company as an investment in subsidiary. The Company made a full payment for these shares on September 10, 2020.

On February 3, 2021, the Extraordinary General Meeting of Shareholders of Benix Limited, a subsidiary, passed a resolution to issue 460,000 new ordinary shares at Baht 100 per share. The Company purchased additional 234,600 shares in amount of Baht 23.46 million in order to maintain its shareholding percentage of 51%. The subsidiary called share subscriptions of Baht 6.89 million, which the Company paid such amount on February 11, 2021. The remaining un-called portion is Baht 16.57 million

On January 5, 2021, Humanica FAS Company Limited, a subsidiary, invested in Humanica EEC Limited for 2,099,997 ordinary shares in amount of Baht 5.25 million or 70% of total issued share capital. The Company classified the investment in such company as an investment in subsidiary.

On February 3, 2021, the Extraordinary General Meeting of Shareholders of Humanica FAS Company Limited, a subsidiary, passed a resolution to issue 1,900,000 new ordinary shares at Baht 10 per share. On February 4, 2021, the Company paid for the share increased in amount of Baht 19.00 million in order to maintain shareholding percentage of 99.98%.

For the years ended December 31, 2021 and 2020, the subsidiaries declared dividend payment amounting Baht 65.00 million and Baht 17.00 million, respectively.

12. BUILDING IMPROVEMENT AND EQUIPMENT

Building improvement and equipment as at December 31, consist of :

Consolidated financial statements					Unit: Thousand Baht
	Building improvement	Office equipment	Computers	Vehicles	Total
Cost:					
As at January 1, 2020	18,172	22,059	98,114	14,409	152,754
Additions	9,535	6,625	9,925	-	26,085
Transfer from business acquisition	305	170	40	-	515
Disposals/write-off	(678)	(251)	(3,129)	-	(4,058)
Transfer in (out)	-	478	(478)	-	-
Exchange differences on translation of financial statements	42	15	23	-	80
As at December 31, 2020	27,376	29,096	104,495	14,409	175,376
Additions	3,331	3,419	13,830	-	20,580
Disposals/write-off	-	-	(5,869)	(1,323)	(7,192)
Exchange differences on translation of financial statements	253	91	179	-	523
As at December 31, 2021	30,960	32,606	112,635	13,086	189,287
Accumulated depreciation:					
As at January 1, 2020	7,206	13,825	84,250	7,367	112,648
Depreciation for the year	4,718	3,210	10,909	2,402	21,239
Depreciation on transfer from business acquisition	295	160	40	-	495
Depreciation on disposals/write-off	(466)	(217)	(3,014)	-	(3,697)
Transfer in (out)	-	280	(280)	-	-
Exchange differences on translation of financial statements	23	8	13	-	44
As at December 31, 2020	11,776	17,266	91,918	9,769	130,729
Depreciation for the year	5,365	4,523	9,388	2,316	21,592
Depreciation on disposals/write-off	-	-	(5,868)	(1,323)	(7,191)
Exchange differences on translation of financial statements	212	74	131	-	417
As at December 31, 2021	17,353	21,863	95,569	10,762	145,547
Net book value:					
As at December 31, 2021	13,607	10,743	17,066	2,324	43,740
As at December 31, 2020	15,600	11,830	12,577	4,640	44,647
Depreciation for the years ended December 31,					
2021 (Baht 7.15 million included in cost of sales and services, and the remaining included in administrative expenses)				Thousand Baht	21,592
2020 (Baht 4.79 million included in cost of sales and services, and the remaining included in administrative expenses)				Thousand Baht	21,239

					Unit: Thousand Baht
Separate financial statements					
	Building improvement	Office equipment	Computers	Vehicles	Total
Cost:					
As at January 1, 2020	14,253	17,367	85,286	5,600	122,506
Additions	9,529	6,954	8,356	-	24,839
Disposals/write-off	(373)	-	(2,725)	-	(3,098)
As at December 31, 2020	23,409	24,321	90,917	5,600	144,247
Additions	2,807	2,199	11,421	-	16,427
Disposals/write-off	-	-	(5,420)	-	(5,420)
As at December 31, 2021	26,216	26,520	96,918	5,600	155,254
Accumulated depreciation:					
As at January 1, 2020	4,949	10,758	75,149	1,863	92,719
Depreciation for the year	3,990	2,505	9,088	1,120	16,703
Depreciation on disposals/write-off	(171)	-	(2,649)	-	(2,820)
As at December 31, 2020	8,768	13,263	81,588	2,983	106,602
Depreciation for the year	4,655	3,743	7,308	1,120	16,826
Depreciation on disposals/write-off	-	-	(5,420)	-	(5,420)
As at December 31, 2021	13,423	17,006	83,476	4,103	118,008
Net book value:					
As at December 31, 2021	12,793	9,514	13,442	1,497	37,246
As at December 31, 2020	14,641	11,058	9,329	2,617	37,645
Depreciation for the years ended December 31,					
2021 (Baht 4.99 million included in cost of sales and services, and the remaining included in administrative expenses)				Thousand Baht	16,826
2020 (Baht 3.82 million included in cost of sales and services, and the remaining included in administrative expenses)				Thousand Baht	16,703

As at December 31, 2021, the Company and its subsidiaries had net book value of vehicles and equipment acquired under hire-purchase and finance lease agreements amounted to Baht 1.50 million. (2020: Baht 2.62 million)

As at December 31, 2021 and 2020, the Company and its subsidiaries had building improvement and equipment which were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 94 million and Baht 86 million, respectively. (The Company only amounted approximately Baht 82 million and Baht 72 million, respectively).

13. RIGHT-OF-USE ASSETS

The net book value of right-of-use assets as at December 31, are as follows:

	Consolidated financial statements Office Building	Unit: Thousand Baht Separate financial statements Office Building
Cost:		
As at January 1, 2020	-	-
Effect from adoption TFRS 16	124,978	121,192
Increase	27,869	14,689
Decrease	(1,707)	-
Exchange differences on translation of financial statements	(9)	-
As at December 31, 2020	151,131	135,881
Increase	33,914	30,832
Exchange differences on translation of financial statements	827	-
As at December 31, 2021	185,872	166,713
Accumulated Amortization:		
As at January 1, 2020	-	-
Effect from adoption TFRS 16	(210)	-
Increase	(23,133)	(16,251)
Decrease	1,040	-
Exchange differences on translation of financial statements	3	-
As at December 31, 2020	(22,300)	(16,251)
Increase	(27,034)	(19,701)
Exchange differences on translation of financial statements	(506)	-
As at December 31, 2021	(49,840)	(35,952)
Net book value:		
As at December 31, 2021	136,032	130,761
As at December 31, 2020	128,831	119,630
Amortization for the year ended December 31,		
2021	Thousand Baht 27,034	19,701
2020	Thousand Baht 23,133	16,251

14. GOODWILL

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

	Unit: Thousand Baht	
	2021	2020
Professional Outsourcing Solutions Limited	19,679	19,679
Humanica FAS Limited	33,709	33,709
Tiger Soft (1998) Co., Ltd.	55,231	55,231
	<u>108,619</u>	<u>108,619</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, Humanica FAS Limited and Tiger Soft (1998) Co., Ltd.

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

	Professional Outsourcing Solutions Limited		Humanica FAS Limited		Tiger Soft (1998) Co., Ltd.	
	2021	2020	2021	2020	2021	2020
Growth rate	5%	4% - 6%	5%	4% - 6%	8%	4% - 6%
Pre-tax discount rate	9%	11%	9%	11%	9%	11%

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, 2021 and 2020.

15. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

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	Trademark	Customer relationship	Total	Computer software
Cost:					
As at January 1, 2020	237,358	29,574	57,511	324,443	185,284
Additions	1,477	-	-	1,477	1,008
Transfer in	7,833	-	-	7,833	7,833
Disposals/write-off	(1,336)	-	-	(1,336)	-
Exchange differences on translation of financial statements	68	-	-	68	-
As at December 31, 2020	245,400	29,574	57,511	332,485	194,125
Additions	1,053	-	-	1,053	723
Transfer in	34,464	-	-	34,464	32,178
Exchange differences on translation of financial statements	415	-	-	415	-
As at December 31, 2021	<u>281,332</u>	<u>29,574</u>	<u>57,511</u>	<u>368,417</u>	<u>227,026</u>

	Consolidated financial statements			Unit: Thousand Baht Separate financial statements	
	Computer software	Tradename	Customer relationship	Total	Computer software
Accumulated Amortization:					
As at January 1, 2020	94,244	5,393	23,814	123,451	83,691
Amortization for the year	24,053	1,365	8,216	33,634	17,433
Amortization on disposals/write-off	(782)	-	-	(782)	-
Exchange differences on translation of financial statements	20	-	-	20	-
As at December 31, 2020	117,535	6,758	32,030	156,323	101,124
Amortization for the year	25,162	1,365	8,216	34,743	18,332
Exchange differences on translation of financial statements	185	-	-	185	-
As at December 31, 2021	142,882	8,123	40,246	191,251	119,456
Net book value:					
As at December 31, 2021	138,450	21,451	17,265	177,166	107,570
As at December 31, 2020	127,865	22,816	25,481	176,162	93,001
			Consolidated financial statements	Separate financial statements	
Amortization for the years ended December 31,					
2021		Thousand Baht	34,743	18,332	
2020		Thousand Baht	33,634	17,433	

16. 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	
	2021	2020	2021	2020
Net book value at beginning of the years	34,194	27,433	32,178	27,482
Development cost of computer software	16,134	14,594	15,864	12,529
Transfer out	(34,464)	(7,833)	(32,178)	(7,833)
Net book value at end of the years	15,864	34,194	15,864	32,178

17. OTHER NON-CURRENT ASSETS

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

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
Deposits	12,371	12,047	9,813	9,983
Withholding tax deducted at source	1,453	1,046	786	786
Total	13,824	13,093	10,599	10,769

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	
	2021	2020	2021	2020
Trade payables - related parties (see Note 4)	788	1,462	787	1,462
Trade payables - others	4,996	8,153	2,187	5,890
Other payables - related parties (see Note 4)	-	-	932	899
Other payables - others	4,447	3,058	3,212	2,732
Accrued expenses - related parties (see Note 4)	736	662	736	662
Accrued expenses - others	40,160	45,207	17,997	26,179
Total	51,127	58,542	25,851	37,824

19. LEASE LIABILITIES

Lease Liabilities as at December 31, consisted of:

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
Lease Liabilities	182,526	170,255	176,843	160,403
<u>Less</u> Deferred interest	(32,864)	(32,630)	(32,613)	(32,194)
	149,662	137,625	144,230	128,209
<u>Less</u> Portion due within one year	(20,670)	(20,237)	(17,067)	(13,579)
Lease Liabilities - net of current portion	128,992	117,388	127,163	114,630

The Group entered into several lease agreements for rental of building 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 2 and 30 years.

Future minimum lease payments required under lease liabilities were as follows:

	Consolidated Financial Statements						Unit: Thousand Baht	
	Less than 1 year		1 - 5 years		Over 5 years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Total future minimum								
lease payments	28,855	28,016	131,313	109,765	22,358	32,474	182,526	170,255
Deferred interest	(8,185)	(7,779)	(23,265)	(23,220)	(1,414)	(1,631)	(32,864)	(32,630)
Present value of future								
minimum lease payments	20,670	20,237	108,048	86,545	20,944	30,843	149,662	137,625

	Separate Financial Statements						Unit: Thousand Baht	
	Less than 1 year		1 - 5 years		Over 5 years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Total future minimum								
lease payments	25,072	20,998	129,412	106,930	22,359	32,475	176,843	160,403
Deferred interest	(8,005)	(7,419)	(23,194)	(23,144)	(1,414)	(1,631)	(32,613)	(32,194)
Present value of future								
minimum lease payments	17,067	13,579	106,218	83,786	20,945	30,844	144,230	128,209

20. NON-CURRENT PROVISIONS FOR EMPLOYEES BENEFITS

Non-current provisions for employees benefits, which represents compensation payable to employees after they retire as at December 31, were as follows:

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
Non-current provisions for employees benefits at beginning of the years	39,666	38,706	25,324	23,005
Included in profit or loss:				
Current service cost	5,559	4,945	3,103	2,638
Interest cost	985	846	602	514
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	(14,458)	973	(8,304)	911
Payments for employee benefits	-	(1,744)	-	(1,744)
Increase (decrease) from transfer of employees	-	(4,060)	-	-
Non-current provisions for employees benefits at end of the years	<u>31,752</u>	<u>39,666</u>	<u>20,725</u>	<u>25,324</u>

The Company and its subsidiaries expect that it will pay for long-term employee benefits of Baht 0.10 million during the next year in the consolidated and separate statements of financial position. (2020: Baht 0.45 million in the consolidated financial statements and Baht 0.14 million in the separate statements financial statements).

As at December 31, 2021, the weighted average duration of the liabilities for long-term employee benefits of the Company and its subsidiaries is 16.7 years (2020: 20 years).

Significant actuarial assumptions are summarized below:

	Consolidated/Separate financial statements	
	2021	2020
	(% per annum)	(% per annum)
Discount rate	0.52 - 3.49	1.61 - 1.87
Future salary increase rate	4.00 - 8.50	4.00 - 12.00
Turnover rate	0 - 35	0 - 24

Significant actuarial assumptions for the determination of the defined employee benefit obligations were discount rate and expected salary increase rate. The sensitivity analysis below was determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on the employee benefit obligations increased/(decreased) as at December 31, were as follows:

	Consolidated financial statements				Separate financial statements			
	Increase 1%		Decrease 1%		Increase 1%		Decrease 1%	
	2021	2020	2021	2020	2021	2020	2021	2020
Discount rate	(3,654)	(4,811)	4,285	5,739	(1,600)	(2,076)	1,817	2,439
Future salary increase rate	4,133	6,193	(3,593)	(5,277)	1,765	2,816	(1,575)	(2,427)
	Increase 20%		Decrease 20%		Increase 20%		Decrease 20%	
Turnover rate	(3,200)	(4,761)	4,099	6,255	(1,751)	(2,516)	2,388	3,484

The sensitivity analysis presented above might not be representative of the actual change in the defined employee benefit obligations as it was unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions might be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation was calculated using the Projected Unit Credit Method at the end of the report period, which was the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

21. SHARE CAPITAL

On April 19, 2021, the Company's Annual General Meeting of the Shareholders approved to increase the Company's share capital for another Baht 5,000,000 from the registered capital of Baht 340,000,000 to Baht 345,000,000 by issuing 10,000,000 new ordinary shares at a par value of Baht 0.50 per share. The increase was to reserve for the exercise of the warrants to purchase the Company's ordinary shares issued to directors, executives and employees of the Company. The Company registered such increase in share capital with the Department of Business Development on May 6, 2021. As of December 31, 2021, the Company has not called for such additional share subscriptions.

22. 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 for the year 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.

23. FINANCE INCOME

Finance income for the years ended December 31, were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest income:				
Financial instruments measured at amortized cost:				
Bank deposits	239	316	158	452
Other financial assets measured at amortized cost	6,805	4,981	6,805	4,981
	<u>7,044</u>	<u>5,297</u>	<u>6,963</u>	<u>5,433</u>
Other:				
Relating to investments held at the end of the reporting period	5,382	5,799	70,380	22,800
Total	<u><u>12,426</u></u>	<u><u>11,096</u></u>	<u><u>77,343</u></u>	<u><u>28,233</u></u>

24. EXPENSES BY NATURE

For the years ended December 31, significant expenses by nature are as follows:

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
Salary and wages and other employee benefits	336,407	321,311	206,172	198,149
Depreciation	21,592	21,239	16,826	16,703
Amortization	61,777	56,767	38,033	33,684
Rental expenses from operating lease agreements	6,193	4,681	4,584	3,835
License fees	6,658	10,042	6,612	9,990
Maintenance expenses	21,046	22,408	21,046	21,089

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

Income tax expenses for the years ended December 31, were as follows:

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Current income tax charge	(31,248)	(25,885)	(15,811)	(11,145)
Adjustment in respect of income tax expenses of previous years	449	(218)	227	(283)
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	<u>10,182</u>	<u>3,262</u>	<u>4,740</u>	<u>556</u>
Income tax expenses reported in the statement of profit or loss and other comprehensive income	<u><u>(20,617)</u></u>	<u><u>(22,841)</u></u>	<u><u>(10,844)</u></u>	<u><u>(10,872)</u></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	
	2021	2020	2021	2020
Deferred tax relating to unrealized (gain) loss on changes in value from other current and non-current financial assets	(11,816)	5,728	(11,816)	5,728
Deferred tax on actuarial (gain) loss	(2,839)	(617)	(1,661)	182
	<u>(14,655)</u>	<u>5,111</u>	<u>(13,477)</u>	<u>5,910</u>

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

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2021	2020	2021	2020
Accounting profit before income tax	185,955	187,699	195,282	141,369
Applicable income tax rate	20	20	20	20
Accounting profit before income tax expenses multiplied by income tax rate	37,191	37,539	39,056	28,274
Adjustment in respect of income tax expenses of previous years	(450)	218	(227)	283
Differences in tax rate in the Group	(310)	(729)	-	-
Effects of:				
Promotional privileges (see Note 26)	(13,184)	(14,778)	(13,184)	(14,778)
Exemption of income	(1,311)	(2,870)	(13,240)	(3,400)
Non-deductible expenses	2,502	2,699	748	350
Others	(3,821)	762	(2,309)	143
Total	<u>(15,814)</u>	<u>(14,187)</u>	<u>(27,985)</u>	<u>(17,685)</u>
Income tax expenses reported in the statement of comprehensive income	<u>20,617</u>	<u>22,841</u>	<u>10,844</u>	<u>10,872</u>

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	
	2021	2020	2021	2020
Allowance for expected credit losses	721	717	635	677
Non-current provisions for employees benefit	7,078	7,849	4,145	5,065
Deferred tax relating to unrealized (gain) loss on changes in value from other current and non-current financial assets	(9,336)	1,155	(9,336)	1,155
Provision for impairment of other current financial assets	2,698	-	2,698	-
Other deferred tax assets	2,267	1,258	1,222	1,204
Fair value of intangible assets arise from business acquisition	(12,892)	(15,947)	-	-
Other deferred tax liabilities	(761)	(697)	-	-
Deferred tax assets (liabilities) - net	<u>(10,225)</u>	<u>(5,665)</u>	<u>(636)</u>	<u>8,101</u>
Presentation in the statement of financial position				
Deferred tax assets	4,793	10,979	-	8,101
Deferred tax liabilities	(15,018)	(16,644)	(636)	-
Total	<u>(10,225)</u>	<u>(5,665)</u>	<u>(636)</u>	<u>8,101</u>

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

2021

	Consolidated Financial Statements			Unit: Thousand Baht
	As at January 1, 2021	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2021
Allowance for expected credit losses	717	5	-	722
Non-current provisions for employees benefits	7,849	(771)	-	7,078
Provision for impairment on other current financial assets	-	2,697	-	2,697
Deferred tax relating to unrealized (gain) loss on changes in value from other current and non-current financial assets	1,155	1,325	(11,816)	(9,336)
Fair value of intangible assets arise in business acquisition	(15,947)	3,054	-	(12,893)
Others	561	946	-	1,507
Total	<u>(5,665)</u>	<u>7,256</u>	<u>(11,816)</u>	<u>(10,225)</u>

2020

	Consolidated Financial Statements			Unit: Thousand Baht
	As at January 1, 2020	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2020
Allowance for expected credit losses	490	227	-	717
Non-current provisions for employees benefits	8,386	(537)	-	7,849
Deferred tax relating to unrealized (gain) loss on changes in value from other current and non-current financial assets	(4,254)	(319)	5,728	1,155
Fair value of intangible assets arise in business acquisition	(18,999)	3,052	-	(15,947)
Others	569	839	(847)	561
Total	<u>(13,808)</u>	<u>3,262</u>	<u>4,881</u>	<u>(5,665)</u>

2021

	Separate Financial Statements			Unit: Thousand Baht
	As at January 1, 2021	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2021
Allowance for expected credit losses	677	(42)	-	635
Non-current provisions for employees benefits	5,065	(920)	-	4,145
Provision for impairment on other current financial assets	-	2,698	-	2,698
Deferred tax relating to unrealized (gain) loss on changes in value from other current and non-current financial assets	1,155	1,325	(11,816)	(9,336)
Others	1,204	18	-	1,222
Total	<u>8,101</u>	<u>3,079</u>	<u>(11,816)</u>	<u>(636)</u>

2020

	Unit: Thousand Baht			
	As at January 1, 2020	Separate Financial Statements Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2020
Allowance for expected credit losses	490	187	-	677
Non-current provisions for employee benefits	4,601	464	-	5,065
Deferred tax relating to unrealized (gain) loss on changes in value from other current and non-current financial assets	(4,254)	(319)	5,728	1,155
Others	798	224	182	1,204
Total	<u>1,635</u>	<u>556</u>	<u>5,910</u>	<u>8,101</u>

26. 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	2103(7)/2555	July 12, 2016

To comply with the announcement of the Board of Investment No. Por. 14/2541 dated December 30, 1998 regarding the revenues reporting of a promoted industry, for the years ended December 31, 2021 and 2020, the Group's total revenues from sales were domestic sales, which were allocated to promoted and non-promoted activities as follows:

	Promoted operations		Non-promoted operations		Unit: Thousand Baht Total	
	2021	2020	2021	2020	2021	2020
Sales and service income						
Domestic	172,809	151,228	246,242	256,943	419,051	408,171
Export	955	6,118	2,523	1,610	3,478	7,728
Total sales and service income	<u>173,764</u>	<u>157,346</u>	<u>248,765</u>	<u>258,553</u>	<u>422,529</u>	<u>415,899</u>

27. 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	
	2021	2020	2021	2020
Profit for the year (Thousand Baht)	169,822	165,754	184,438	130,497
Weighted average number of ordinary shares (Thousand shares)	680,000	680,000	680,000	680,000
Earnings per share (Baht per share)	0.25	0.24	0.27	0.19

28. DIVIDENDS PAID

On April 27, 2020, the Company's Annual General Meeting of the Shareholders approved the payment of a dividend for the year 2019 amounting to Baht 81.60 million. However, since the Board of Directors previously approved an interim dividends from income of the year 2019 amounting to Baht 40.80 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 26, 2020.

On August 11, 2020, a meeting of the Company's Board of Directors approved an interim dividends from income of the year 2020 amounting to Baht 40.80 million or Baht 0.06 per share. Such dividends were paid to the shareholders on September 10, 2020.

On April 19, 2021, the Company's Annual General Meeting of the Shareholders approved the payment of a dividend for the year 2020 amounting to Baht 95.20 million. However, since the Board of Directors previously approved an interim dividends from income of the year 2020 amounting to Baht 40.80 million, there were the remaining dividends payment amounting to Baht 54.40 million or Baht 0.08 per share. Such dividends were paid to the shareholders on May 17, 2021.

On August 9, 2021, the meeting of the Company's Board of Directors approved an interim dividends from income of the year 2021 amounting to Baht 40.80 million or Baht 0.06 per share. Such dividends were paid to the shareholders on September 8, 2021.

29. 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 five 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
- 5) Life and non-life insurance broker

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,

	Human resource management system services		Enterprise resource planning services		Accounting and financing services		Sales of advance access control devices		Life and non-life Insurance broker		Unit: Thousand Baht Consolidated Financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Sales and service income from external customers	552,546	536,336	90,092	85,357	21,090	22,354	64,352	75,764	612	13	728,692	719,824
Total revenue	<u>552,546</u>	<u>536,336</u>	<u>90,092</u>	<u>85,357</u>	<u>21,090</u>	<u>22,354</u>	<u>64,352</u>	<u>75,764</u>	<u>612</u>	<u>13</u>	<u>728,692</u>	<u>719,824</u>
Segment profit (loss)	136,945	148,142	6,945	2,426	7,136	8,135	25,965	32,851	(8,235)	(1,130)	168,756	190,424
Unallocated income (expenses):												
Other incomes											29,375	9,431
Finance incomes											12,426	11,096
Loss from purchasing share over par value											-	(541)
Amortization of intangible assets from purchase of subsidiaries											(15,273)	(15,273)
Share of gain from investments in associates											13	931
Finance costs											<u>(9,342)</u>	<u>(8,369)</u>
Profit before income tax expenses											185,955	187,699
Income tax expenses											<u>(20,617)</u>	<u>(22,841)</u>
Profit for the year											<u>165,338</u>	<u>164,858</u>

Disaggregation of revenue

The Group disaggregated its revenue from the transfer of goods and services overtime and at a point in time into 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		Life and non-life Insurance broker		Unit: Thousand Baht Consolidated Financial statements	
For the years ended December 31,	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Timing of revenue recognition												
At a point in time												
- Revenue from sales of software	48,809	59,296	14,438	16,399	-	-	-	-	-	-	63,247	75,695
- Revenue from sales of goods	-	-	12	89	-	-	64,352	75,764	-	-	64,364	75,853
- Monthly service income	371,111	373,671	-	-	21,050	22,249	-	-	-	-	392,161	395,920
- One-time service income	38,336	30,998	-	-	20	105	-	-	612	13	38,968	31,116
Overtime												
- Service income from software implementation	56,495	39,139	28,691	23,210	20	-	-	-	-	-	85,206	62,349
- Other service income	37,795	33,232	46,951	45,659	-	-	-	-	-	-	84,746	78,891
Total Revenues	552,546	536,336	90,092	85,357	21,090	22,354	64,352	75,764	612	13	728,692	719,824

For the years ended December 31, 2021 and 2020, the Company and its subsidiaries have no major customer with revenue of 10 percent or above of the Group’s revenues.

Geographic information

Revenue from external customers based on locations of the customers.

	Unit : Thousand Baht	
	2021	2020
Revenue from external customers		
Thailand	648,296	645,738
Singapore	62,929	58,603
Japan	1,284	2,127
Malaysia	13,990	13,208
Others	2,193	148
Total	<u>728,692</u>	<u>719,824</u>

30. 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 Company and its subsidiaries' fund policy. The Company and its subsidiaries' contributions for the year amounting to approximately Baht 13.58 million (2020: Baht 13.37 million) (The Company only 2021: Baht 8.05 million, 2020: Baht 7.95 million) were recognized as expenses for the year.

31. COMMITMENTS AND CONTINGENT LIABILITIES

31.1 Operating lease and service agreement commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, equipment, motor vehicles and other service agreements. The terms of the agreements are generally between 1 and 21 years.

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

	Consolidated		Unit: Million Baht	
	financial statements		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Payable:				
1 year	7	7	6	6
Over 1 year and up to 5 years	16	15	15	14
Over 5 years	365	393	365	393

31.3 Guarantees

As at December 31, 2021, there were outstanding bank guarantees of approximately Baht 0.6 million (2020: Baht 0.9 million) (The Company only 2021: Baht 0.6 million, 2020: Baht 0.8 million) issued by the Company and its subsidiaries and a bank on behalf of the Company and its subsidiaries in respect of contractual performance. Such bank guarantees are secured by the Company's fixed deposit (see Note 9).

31.4 Facility Agreements

The Company entered into the unsecured Credit Facility Agreements for bank overdrafts amounting to Baht 25 million. As at December 31, 2021, the amounts have not been drawn down.

32. CLASSES AND CATEGORIES OF FINANCIAL INSTRUMENTS AND THEIR FAIR VALUES

The following table combines information about:

- classes of financial instruments based on their nature and characteristics;
- carrying amounts of financial instruments;
- fair values of financial instruments (except financial instruments when carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

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.

Unit : Thousand Baht

As at December 31, 2021	Consolidate Financial Statements										Fair value			
	Carrying value										Level			
	Financial assets					Financial liabilities			Non-financial assets and non-financial liabilities	Total				
	FVTPL - derivatives designated in hedge relationships	FVTPL - mandatorily measured	FVTOCI	FVTPL - designated	Amortized cost	FVTPL - designated	FVTPL - mandatorily measured	Amortized cost			1	2	3	Total
Cash and cash equivalents	-	-	-	-	334,587	-	-	-	-	334,587	-	-	-	-
Trade and other current receivables	-	-	-	-	128,569	-	-	-	-	128,569	-	-	-	-
Current contract assets	-	-	-	-	35,800	-	-	-	-	35,800	-	-	-	-
Short-term loans	-	-	-	-	3,375	-	-	-	-	3,375	-	-	-	-
Other current financial assets	-	48,096	-	-	2,000	-	-	-	-	50,096	-	-	50,096	50,096
Other current assets	-	-	-	-	4,531	-	-	-	-	4,531	-	-	-	-
Restricted bank deposits	-	-	-	-	641	-	-	-	-	641	-	-	-	-
Other non-current financial assets	-	239,586	394,564	-	-	-	-	-	-	634,150	488,900	17,058	128,192	634,150
Other non-current assets	-	-	-	-	12,372	-	-	-	1,452	13,824	-	-	-	-
Trade and other current payables	-	-	-	-	-	-	-	51,127	-	51,127	-	-	-	-
Current contract liabilities	-	-	-	-	-	-	-	58,017	-	58,017	-	-	-	-
Other current liabilities	-	-	-	-	-	-	2	65	14,753	14,820	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	149,662	-	149,662	-	-	-	-

Unit : Thousand Baht

As at December 31, 2021	Seperate Financial Statements										Fair value			
	Carrying value										Level			
	Financial assets					Financial liabilities			Non-financial assets and non-financial liabilities	Total				
	FVTPL - derivatives designated in hedge relationships	FVTPL - mandatorily measured	FVTOCI	FVTPL - designated	Amortized cost	FVTPL - designated	FVTPL - mandatorily measured	Amortized cost			1	2	3	Total
Cash and cash equivalents	-	-	-	-	147,329	-	-	-	-	147,329	-	-	-	-
Trade and other current receivables	-	-	-	-	88,287	-	-	-	-	88,287	-	-	-	-
Current contract assets	-	-	-	-	36,049	-	-	-	-	36,049	-	-	-	-
Short-term loans	-	-	-	-	3,375	-	-	-	-	3,375	-	-	-	-
Other current financial assets	-	48,096	-	-	-	-	-	-	-	48,096	-	-	48,096	48,096
Other current assets	-	-	-	-	4,107	-	-	-	-	4,107	-	-	-	-
Restricted bank deposits	-	-	-	-	574	-	-	-	-	574	-	-	-	-
Other non-current financial assets	-	239,586	394,564	-	-	-	-	-	-	634,150	488,900	17,058	128,192	634,150
Other non-current assets	-	-	-	-	9,813	-	-	-	786	10,599	-	-	-	-
Trade and other current payables	-	-	-	-	-	-	-	25,851	-	25,851	-	-	-	-
Current contract liabilities	-	-	-	-	-	-	-	38,622	-	38,622	-	-	-	-
Other current liabilities	-	-	-	-	-	-	2	7	9,483	9,492	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	144,230	-	144,230	-	-	-	-

Consolidate Financial Statements											Unit : Thousand Baht			
As at December 31, 2020	Carrying value									Total	Fair value			
	Financial assets					Financial liabilities			Non-financial assets and non-financial liabilities		Level			
	FVTPL - derivatives designated in hedge relationships	FVTPL - mandatorily measured	FVTOCI	FVTPL - designated	Amortized cost	FVTPL - designated	FVTPL - mandatorily measured	Amortized cost			1	2	3	Total
Cash and cash equivalents	-	-	-	-	246,798	-	-	-	-	246,798	-	-	-	-
Trade and other current receivables	-	-	-	-	126,253	-	-	-	-	126,253	-	-	-	-
Current contract assets	-	-	-	-	30,350	-	-	-	-	30,350	-	-	-	-
Other current financial assets	-	175,565	-	-	52,203	-	-	-	-	227,768	-	116,015	111,753	227,768
Other current assets	-	-	-	-	7,256	-	-	-	-	7,256	-	-	-	-
Restricted bank deposits	-	-	-	-	864	-	-	-	-	864	-	-	-	-
Other non-current financial assets	-	244,865	147,429	-	-	-	-	-	-	392,294	342,193	29,416	20,685	392,294
Other non-current assets	-	-	-	-	12,047	-	-	-	1,046	13,093	-	-	-	-
Trade and other current payables	-	-	-	-	-	-	-	58,542	-	58,542	-	-	-	-
Current contract liabilities	-	-	-	-	-	-	-	47,817	-	47,817	-	-	-	-
Other current liabilities	-	-	-	-	-	-	11	42	13,901	13,954	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	137,625	-	137,625	-	-	-	-

Unit : Thousand Baht

As at December 31, 2020	Seperate Financial Statements										Fair value			
	Carrying value										Level			
	Financial assets					Financial liabilities			Non-financial assets and non-financial liabilities	Total				
	FVTPL - derivatives designated in hedge relationships	FVTPL - mandatorily measured	FVTOCI	FVTPL - designated	Amortized cost	FVTPL - designated	FVTPL - mandatorily measured	Amortized cost			1	2	3	Total
Cash and cash equivalents	-	-	-	-	105,736	-	-	-	-	105,736	-	-	-	-
Trade and other current receivables	-	-	-	-	81,365	-	-	-	-	81,365	-	-	-	-
Current contract assets	-	-	-	-	24,064	-	-	-	-	24,064	-	-	-	-
Short-term loans	-	-	-	-	14,500	-	-	-	-	14,500	-	-	-	-
Other current financial assets	-	175,565	-	-	49,203	-	-	-	-	224,768	-	116,015	108,753	224,768
Other current assets	-	-	-	-	1,324	-	-	-	-	1,324	-	-	-	-
Restricted bank deposits	-	-	-	-	756	-	-	-	-	756	-	-	-	-
Other non-current financial assets	-	244,865	147,429	-	-	-	-	-	-	392,294	342,193	29,416	20,685	392,294
Other non-current assets	-	-	-	-	9,983	-	-	-	786	10,769	-	-	-	-
Trade and other current payables	-	-	-	-	-	-	-	37,824	-	37,824	-	-	-	-
Current contract liabilities	-	-	-	-	-	-	-	32,668	-	32,668	-	-	-	-
Other current liabilities	-	-	-	-	-	-	11	42	8,878	8,931	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	128,209	-	128,209	-	-	-	-

33. FINANCIAL INSTRUMENTS

33.1 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 lease liabilities. The financial risks associated with these financial instruments and how the Company and its subsidiaries 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 lease liabilities. 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, 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.

Consolidated financial statements						Unit: Thousand Baht
2021						
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	-	-	93,104	241,483	334,587	0.05 – 0.40
Trade and other current receivables	-	-	-	128,569	128,569	-
Current contract assets	-	-	-	35,800	35,800	-
Short-term loans	3,375	-	-	-	3,375	3.80
Other current financial assets	-	-	-	50,096	50,096	-
Restricted bank deposits	641	-	-	-	641	0.15 – 1.25
Other non-current financial assets	-	-	-	634,150	634,150	-
	4,016	-	93,104	1,090,098	1,187,218	
Financial liabilities						
Trade and other current payables	-	-	-	51,127	51,127	-
Current contract liabilities	-	-	-	58,017	58,017	-
Lease liabilities	20,670	128,992	-	-	149,662	5.80 - 7.55
	20,670	128,992	-	109,144	258,806	

Unit: Thousand Baht

Separate financial statements						
2021						
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	-	-	28,045	119,284	147,329	0.05 - 0.40
Trade and other current receivables	-	-	-	88,287	88,287	-
Current contract assets	-	-	-	36,289	36,289	-
Short-term loans	3,375	-	-	-	3,375	3.80
Other current financial assets	-	-	-	48,096	48,096	-
Restricted bank deposits	574	-	-	-	574	0.15
Other non-current financial assets	-	-	-	634,150	634,150	-
	3,949	-	28,045	926,106	958,100	
Financial liabilities						
Trade and other current payables	-	-	-	25,851	25,851	-
Current contract liabilities	-	-	-	38,622	38,622	-
Lease liabilities	17,067	127,163	-	-	144,230	5.80 - 7.55
	17,067	127,163	-	64,473	208,703	

Unit: Thousand Baht

Consolidated financial statements						
2020						
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	-	-	133,624	113,174	246,798	0.05 - 0.45
Trade and other current receivables	-	-	-	126,253	126,253	-
Current contract assets	-	-	-	30,350	30,350	-
Other current financial assets	-	-	-	227,768	227,768	-
Restricted bank deposits	864	-	-	-	864	0.20 - 1.25
Other non-current financial assets	-	-	-	392,294	392,294	-
	864	-	133,624	889,839	1,024,327	
Financial liabilities						
Trade and other current payables	-	-	-	58,542	58,542	-
Current contract liabilities	-	-	-	47,817	47,817	-
Lease liabilities	20,237	117,388	-	-	137,625	5.80 - 7.55
	20,237	117,388	-	106,359	243,984	

Unit: Thousand Baht

Separate financial statements						Unit: Thousand Baht
2020						
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	-	-	71,422	34,314	105,736	0.05 - 0.45
Trade and other current receivables	-	-	-	81,365	81,365	-
Current contract assets	-	-	-	24,064	24,064	-
Short-term loans	14,500	-	-	-	14,500	0.95 - 1.80
Other current financial assets	-	-	-	224,768	224,768	-
Restricted bank deposits	756	-	-	-	756	0.20
Other non-current financial assets	-	-	-	392,294	392,294	-
	15,256	-	71,422	756,805	843,483	
Financial liabilities						
Trade and other current payables	-	-	-	37,824	37,824	-
Current contract liabilities	-	-	-	32,668	32,668	-
Lease liabilities	13,579	114,630	-	-	128,209	5.80 - 7.55
	13,579	114,630	-	70,492	198,701	

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	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	0.02	0.14	0.01	0.01	33.4199	30.0371
JPY	0.08	0.60	-	-	0.2906	0.2907

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	-	0.11	0.01	0.01	33.4199	30.0371
JPY	0.08	0.60	-	-	0.2906	0.2907
MYR	0.07	0.10	-	-	8.0143	7.4357
SGD	0.08	0.07	0.04	-	24.7357	22.6632

33.2 Foreign currency risk

The Company and its subsidiaries has foreign currency risk relating to expense, purchasing goods and revenue from sales and rendering services. However, the Company and its subsidiaries did not utilize hedge accounting to hedge their financial asset and liabilities in foreign currencies since the Company and its subsidiaries' financial asset and liabilities in foreign currencies are not material.

33.3 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 values are not expected to be materially different from the amounts presented in statement of financial position.

34. 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, 2021, the Group's debt-to-equity ratio was 0.23 : 1 (2020: 0.26 : 1) and the Company's was 0.18 : 1 (2019 : 0.20 : 1).

35. RECLASSIFICATIONS

Certain reclassifications have been made to the statement of financial position as at December 31, 2020 to conform to the classifications used in the statement of financial position as at December 31, 2021 as follows:

Items	Previous presentation	Reclassified to	Unit: Thousand Baht	
			Consolidated	Separate
			Financial	Financial
			Statements	Statements
Statement of financial position as at December 31, 2020				
Loans to subsidiary	Loans to subsidiary	Short-term loans	-	14,500
Interest receivable	Other current assets	Trade and other current receivables	7,811	7,811

36. EVENTS AFTER THE REPORTING PERIOD

On February 24, 2022, the Board of Directors' meeting passed a resolution to propose the payment of a dividend for the year 2021 at Baht 0.16 per share. However, since the Board of Directors previously approved an interim dividend from income of the year 2021 at Baht 0.06 per share, totaling Baht 40.80 million, there are the remaining dividend payable at Baht 0.10 per share, totaling Baht 68.00 million. The Board of Directors will propose for an approval by the Annual General Meeting of the Company.

37. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issuing by the Company's authorised directors on February 25, 2022.