

***HUMANICA PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES***

***Interim Financial Statements***

***Three-month period ended March 31, 2020***

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

### TO THE BOARD OF DIRECTORS HUMANICA PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Humanica Public Company Limited and its subsidiaries and the separate statement of financial position of Humanica Public Company Limited as at March 31, 2020, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

### Emphasis of Matter

We draw attention to Note 2.6 to the interim financial statements that Humanica Public Company Limited and its subsidiaries adopted Thai Financial Reporting Standard No. 16 "Leases", which became effective for fiscal years beginning on or after January 1, 2020, by recognizing the cumulative effect of initially applying such Standard as an adjustment to the beginning retained earnings as at January 1, 2020. Our conclusion is not modified in respect of this matters.



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

BANGKOK  
May 12, 2020

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

**HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2020**

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		As at	As at	As at	As at
		March 31,	December 31,	March 31,	December 31,
		2020	2019	2020	2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5.1	214,935	159,474	111,881	74,780
Trade and other current receivables	6	137,314	114,232	94,560	65,799
Current contract assets		22,604	24,584	16,915	18,045
Inventories	7	10,317	9,417	-	-
Other current financial assets	8	148,344	83,068	148,344	83,068
Other current assets		11,492	4,500	5,758	4,344
Total Current Assets		545,006	395,275	377,458	246,036
NON-CURRENT ASSETS					
Restricted bank deposits		1,079	1,050	755	700
Other non-current financial assets	8	417,700	558,382	417,700	558,382
Investment in associate	9	25,061	24,634	22,700	22,700
Investment in subsidiaries	10	-	-	252,865	252,865
Long-term loan to subsidiary	4	-	-	12,000	13,000
Building improvement and equipment	11	41,848	40,106	31,749	29,787
Right-of-use assets	2.6	131,793	-	117,405	-
Goodwill		53,388	53,388	-	-
Other intangible assets other than goodwill	12	135,492	142,052	97,101	101,593
Computer software under development	13	30,454	27,433	30,454	27,482
Unallocated costs of business acquisition	10	110,634	110,634	-	-
Deferred tax assets		13,529	6,278	8,743	1,635
Other non-current assets	14	14,957	13,544	9,707	9,186
Total Non-current Assets		975,935	977,501	1,001,179	1,017,330
TOTAL ASSETS		1,520,941	1,372,776	1,378,637	1,263,366

See the condensed notes to the financial statements

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2020

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		As at	As at	As at	As at
		March 31,	December 31,	March 31,	December 31,
		2020	2019	2020	2019
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Trade and other current payables	15	42,097	53,499	28,315	37,567
Current contract liabilities		53,729	47,168	40,398	33,654
Current portion of lease liabilities	2.6 and 16	17,722	1,237	10,839	1,213
Corporate income tax payable		9,232	4,367	833	-
Other current liabilities		6,482	12,055	3,543	7,436
Total Current Liabilities		129,262	118,326	83,928	79,870
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	2.6 and 16	118,832	2,640	111,223	2,640
Deferred tax liabilities		7,174	7,542	-	-
Non-current provisions for employee benefits	17	43,615	42,346	23,615	23,005
Other non-current liabilities		-	4,735	-	3,922
Total Non-current Liabilities		169,621	57,263	134,838	29,567
<b>TOTAL LIABILITIES</b>		<b>298,883</b>	<b>175,589</b>	<b>218,766</b>	<b>109,437</b>
<b>SHAREHOLDERS' EQUITY</b>					
<b>Share capital</b>					
Authorized share capital					
680,000,000 ordinary shares of Baht 0.5 each		340,000	340,000	340,000	340,000
Issued and paid-up share capital					
680,000,000 ordinary shares of Baht 0.5 each, fully paid		340,000	340,000	340,000	340,000
Share premium on ordinary shares		649,124	649,124	649,124	649,124
Capital reserve for share-based payment transactions		5,145	5,145	5,145	5,145
Capital deficit from changes in shareholding in subsidiaries		(12,666)	(12,666)	-	-
<b>Retained earnings</b>					
Appropriated - Legal reserve		22,710	22,710	22,710	22,710
Unappropriated		232,541	179,421	155,586	119,933
Other components of shareholders' equity		(14,797)	13,452	(12,694)	17,017
Total equity attributable to owners of the parent		1,222,057	1,197,186	1,159,871	1,153,929
Non-controlling interests		1	1	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>1,222,058</b>	<b>1,197,187</b>	<b>1,159,871</b>	<b>1,153,929</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,520,941</b>	<b>1,372,776</b>	<b>1,378,637</b>	<b>1,263,366</b>

See the condensed notes to the financial statements



HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020  
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2020	2019	2020	2019
REVENUES					
Revenue from sales and rendering services		173,634	129,115	100,775	89,699
Dividends income		2,248	954	2,248	954
Other income		2,667	1,809	6,666	9,253
Total Revenues		178,549	131,878	109,689	99,906
EXPENSES					
Cost of sales and services		93,713	73,411	56,402	54,761
Selling expenses		3,504	1,965	1,778	1,960
Administrative expenses		24,962	18,951	15,717	16,557
Total Expenses		122,179	94,327	73,897	73,278
Profit from operating activities		56,370	37,551	35,792	26,628
Finance income		665	664	723	753
Finance costs		(1,819)	(137)	(1,532)	(134)
Share of profit (loss) of an associate accounted for using equity method		427	(399)	-	-
Profit before income tax		55,643	37,679	34,983	27,247
Income tax expense	18	(6,443)	(3,023)	(3,250)	(1,250)
PROFIT FOR THE PERIOD		49,200	34,656	31,733	25,997
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that may be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of financial statements in foreign currencies		1,462	(244)	-	-
Gains (losses) on measuring financial assets, net of tax		(29,711)	6,605	(29,711)	6,605
Total other comprehensive income (loss) for the period		(28,249)	6,361	(29,711)	6,605
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		20,951	41,017	2,022	32,602

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020  
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
<b>PROFIT ATTRIBUTABLE TO:</b>					
Owners of the parent		49,200	34,656	31,733	25,997
Non-controlling interests		-	-	-	-
<b>PROFIT FOR THE PERIOD</b>		<u>49,200</u>	<u>34,656</u>	<u>31,733</u>	<u>25,997</u>
<b>TOTAL COMPREHENSIVE INCOME</b>					
<b>ATTRIBUTABLE TO:</b>					
Owners of the parent		20,951	41,017	2,022	32,602
Non-controlling interests		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>					
<b>FOR THE PERIOD</b>		<u>20,951</u>	<u>41,017</u>	<u>2,022</u>	<u>32,602</u>
<b>Earnings per share</b>					
Basic earnings attributable to owners of					
the company per share (Baht)	19	<u>0.07</u>	<u>0.05</u>	<u>0.05</u>	<u>0.04</u>

See the condensed notes to the financial statements

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020  
CONSOLIDATED FINANCIAL STATEMENTS

“UNAUDITED”

UNIT : THOUSAND BAHT

Note	Issued and paid-up share capital	Premium on ordinary shares	Capital reserve for share-based payment transactions	Capital deficit from changes in shareholding in subsidiaries	Retained earnings		Other components of shareholders' equity		Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
					Appropriated	Unappropriated	Exchange differences on translation of financial statements in foreign currencies	Surplus on changes in value of investments in equity instruments			
					Legal reserve						
Balance as at January 1, 2019	340,000	649,124	5,145	(12,666)	16,751	122,712	(1,140)	(283)	1,119,643	1	1,119,644
Profit for the period	-	-	-	-	-	34,656	-	-	34,656	-	34,656
Other comprehensive income for the period	-	-	-	-	-	-	(244)	6,605	6,361	-	6,361
Total comprehensive income for the period	-	-	-	-	-	-	(244)	6,605	6,361	-	41,017
Balance as at March 31, 2019	340,000	649,124	5,145	(12,666)	16,751	157,368	(1,384)	6,322	1,160,660	1	1,160,661
Balance as at January 1, 2020 before adjustment	340,000	649,124	5,145	(12,666)	22,710	179,421	(3,565)	17,017	1,197,186	1	1,197,187
Adjustment in the beginning retained earnings	-	-	-	-	-	3,920	-	-	3,920	-	3,920
Balance as at January 1, 2020 after adjustment	340,000	649,124	5,145	(12,666)	22,710	183,341	(3,565)	17,017	1,201,106	1	1,201,107
Profit for the period	-	-	-	-	-	49,200	-	-	49,200	-	49,200
Other comprehensive income for the period	-	-	-	-	-	-	1,462	(29,711)	(28,249)	-	(28,249)
Total comprehensive income for the period	-	-	-	-	-	-	1,462	(29,711)	20,951	-	20,951
Balance as at March 31, 2020	340,000	649,124	5,145	(12,666)	22,710	232,541	(2,103)	(12,694)	1,222,057	1	1,222,058

2.6

See the condensed notes to the financial statements

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020  
SEPARATE FINANCIAL STATEMENTS  
“UNAUDITED”

UNIT : THOUSAND BAHT									
Note	Issued and paid-up capital	Share premium on ordinary share	Capital reserve for share-based payment transactions	Retained earnings		Other components of shareholders' equity			Total shareholders' equity
				Appropriated	Unappropriated	Surplus on changes in value of investments in equity instruments	Total other components of shareholders' equity		
Balance as at January 1, 2019	340,000	649,124	5,145	16,751	90,508	(283)	(283)		1,101,245
Profit for the period	-	-	-	-	25,997	-	-		25,997
Other comprehensive income for the period	-	-	-	-	-	6,605	6,605		6,605
Total comprehensive income for the period	-	-	-	-	25,997	6,605	6,605		32,602
Balance as at March 31, 2019	340,000	649,124	5,145	16,751	116,505	6,322	6,322		1,133,847
Balance as at January 1, 2020 before adjustment	340,000	649,124	5,145	22,710	119,933	17,017	17,017		1,153,929
Adjustment in the beginning retained earnings	-	-	-	-	3,920	-	-		3,920
Balance as at January 1, 2020 after adjustment	340,000	649,124	5,145	22,710	123,853	17,017	17,017		1,157,849
Profit for the period	-	-	-	-	31,733	-	-		31,733
Other comprehensive income for the period	-	-	-	-	-	(29,711)	(29,711)		(29,711)
Total comprehensive income for the period	-	-	-	-	31,733	(29,711)	(29,711)		2,022
Balance as at March 31, 2020	340,000	649,124	5,145	22,710	155,586	(12,694)	(12,694)		1,159,871

See the condensed notes to the financial statements



HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020  
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2020	2019	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before income tax expense		55,643	37,679	34,983	27,247
Adjustments to reconcile profit before tax to					
net cash provided by (paid) from operating activities					
Depreciation and amortisation		17,123	12,460	11,966	10,124
Doubtful accounts (Reversal)		-	(55)	-	(55)
Loss on diminution in value of inventories		5	-	-	-
Long-term employee benefit expenses		1,354	766	694	648
Gain on disposal of other financial assets		(1,511)	(2,139)	(1,511)	(2,139)
Share of (gain) loss from investments in an associate		(427)	399	-	-
Unrealized (gain) loss on foreign exchange		(3,317)	622	(3,268)	682
Dividends received		(2,248)	(954)	(2,248)	(954)
Interest expenses		1,819	137	1,532	134
Profit from operating activities before changes in operating assets					
and liabilities		68,441	48,915	42,148	35,687
Operating assets (increase) decrease					
Trade and other current receivables		(20,424)	(27,886)	(26,139)	(18,108)
Current contract assets		1,979	3,684	1,130	4,044
Inventories		(905)	-	-	-
Other current assets		(4,420)	(10,810)	(900)	(10,512)
Other non-current assets		(1,412)	(1,721)	(523)	(1,686)
Operating liabilities increase (decrease)					
Trade and other current payables		(11,328)	4,332	(9,187)	(910)
Current contract liabilities		6,560	-	6,744	-
Other current liabilities		(5,572)	3,524	(3,894)	3,203
Other non-current liabilities		(813)	959	-	479
Cash received from operating activities		32,106	20,997	9,379	12,197
Cash paid for income tax		(4,342)	(2,095)	(2,612)	(2,018)
Net cash provided by operating activities		27,764	18,902	6,767	10,179

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CASH FLOWS (CONTINUED)  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020  
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Increase in restricted bank deposits		(29)	(278)	(55)	(278)
Cash paid for acquisition of other financial assets		(111,107)	(470,229)	(111,107)	(470,229)
Cash received from sales of other financial assets		151,342	479,371	151,342	479,371
Cash paid for acquisition of building improvement and equipment		(6,569)	(1,311)	(5,649)	(222)
Cash paid for acquisition/development of computer software		(2,987)	(2,884)	(2,930)	(2,826)
Cash received from long term loan to a subsidiary		-	-	1,000	-
Dividends received		2,248	954	2,248	954
Net cash provided by investing activities		32,898	5,623	34,849	6,770
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Cash paid for lease liabilities	5.2	(4,710)	(1,477)	(2,983)	(1,449)
Cash paid for interest expenses for lease liabilities		(1,819)	(137)	(1,532)	(134)
Net cash used in financing activities		(6,529)	(1,614)	(4,515)	(1,583)
Exchange differences from translation of financial statements		1,328	(177)	-	-
Net increase in cash and cash equivalents		55,461	22,734	37,101	15,366
Cash and cash equivalents as at January 1,		159,474	111,335	74,780	64,487
Cash and cash equivalents as at March 31,	5.1	214,935	134,069	111,881	79,853

See the condensed notes to the financial statements

**HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020**  
**“UNAUDITED”**

**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 located at 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, and sales of advance access control devices.

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 FOR PREPARATION AND PRESENTATION OF THE INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

2.2 The consolidated and separate statements of financial position as at December 31, 2019, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

2.3 The unaudited results of operations presented in the three-month period ended March 31, 2020 are not necessarily an indication nor anticipation of the operating results for the full year.

2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards, which is not required for the interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month period ended March 31, 2020 should be read in conjunction with the audited financial statements for the year ended December 31, 2019.



- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Group has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements, except the following financial reporting standard:

Group of Financial Instruments Standards

In the current year, the Group has initially applied Group of Financial Instruments Standards. The Group restated the classification of financial instruments as the new requirements of Thai Financial Reporting Standards No. 9 "Financial Instruments" ("TFRS 9") as follows:

Classification of financial assets

All recognized financial assets that are within the scope of TFRS 9 are required to be measured subsequently at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, specifically:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortized cost.
- The Group's investments in equity instruments (neither held for trading nor a contingent consideration arising from a business combination) that were previously classified as investments held as available-for-sale and were measured at fair value at each reporting date under Thai Accounting Standards No. 105 "Accounting for Investments in Debt and Equity Securities" ("TAS 105") have been designated as at FVTOCI. The change in fair value on these equity instruments continues to be accumulated in the investment revaluation reserve;
- There is no change in the measurement of the Group's investments in equity instruments that are held for trading; those instruments were and continue to be measured at FVTPL.



## Impact of initial application of TFRS 9 on financial position

The tables below show the amount of reclassification for each financial statement line item affected by the application of TFRS 9 for the balance as of December 31, 2019.

Impact on assets, as at December 31, 2019	Unit: Thousand Baht Consolidated/separate financial statements		
	As previously reported	TFRS 9 adjustments	As reclassified
Temporary investments	83,068	(83,068)	-
Other current financial assets	-	83,068	83,068
Other long-term investments	558,382	(558,382)	-
Other non-current financial assets	-	558,382	558,382

## Thai Financial Reporting Standards No. 16 “Leases” (“TFRS 16”)

The Group has applied TFRS 16 using the cumulative catch-up approach which:

- Requires the Group to recognize the cumulative effect of initially applying TFRS 16 as an adjustment to the opening balance of retained earnings at the date of initial application.
- Does not restate the comparative information and continue to present comparative information under Thai Accounting Standards No. 17 “Leases” (“TAS 17”) and Thai Financial Reporting Interpretations Committee No. 4 “Determining whether an Arrangement contains a leases (“TFRIC 4”).

### a) Impact of the new definition of a lease

The change in definition of a lease mainly relates to the concept of control. TFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on “risk and rewards” in TAS 17 and TFRIC 4.

The Group applies the definition of a lease and related guidance set out in TFRS 16 to all lease contracts entered into or changed on or after January 1, 2020 (whether it is a lessor or a lease in the lease contract). In preparation for the first-time application TFRS 16, the Group has carried out an implementation project. The project has shown that the new definition in TFRS 16 will not significantly change the scope of contracts that meet the definition of a lease for the Group.

### b) Impact on Lessee Accounting

#### Former operating leases

TFRS 16 changes how the Group accounts for lease previously classified as operating leases under TAS 17, which were off statement of financial position.

Applying TFRS 16, for all leases (except as noted below), the Group:

- 1) Recognizes right-of-use assets and lease liabilities in the consolidated and separate statement of financial position, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued lease payments in accordance with TFRS 16.
- 2) Recognizes depreciation of right-of-use assets and interest on lease liabilities in the consolidated and separate statement of profit or loss and other comprehensive income.
- 3) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the consolidated and separate statements of cash flows.

Lease incentives (e.g. rent free period) are recognized as part of the measurement of the right-of-use assets and lease liabilities whereas under TAS 17 they resulted in the recognition of a lease incentive, amortized as a reduction of rental expenses on a straight line basis.

Under TFRS 16, right-of-use assets are tested for impairment in accordance with Thai Accounting Standard No. 36 "Impairment of Assets" ("TAS 36.").

For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group has opted to recognize a lease expense on a straight-line basis as permitted by TFRS 16 in the statement of profit or loss.

#### Former finance leases

For leases that were classified as finance leases applying TAS 17, the carrying amount of the leased assets and liabilities under finance leases measured applying TAS 17 immediately before the date of initial application is reclassified to right-of-use assets and lease liabilities respectively without any adjustments, except in cases where the Group has elected to apply the low-value lease recognition exemption.

The right-of-use asset and the lease liability are accounted for applying TFRS 16 from January 1, 2020.

The following table shows the operating lease commitments disclosed applying TAS 17 at December 31, 2019, discounted using incremental borrowing rate at the date of initial application and the lease liabilities recognized in the statement of financial position at the date of initial application.

Impact on retained earnings as at January 1, 2020

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Operating lease commitments at December 31, 2019	160,805	156,431
Short-term leases and leases of low-value assets	(1,759)	(1,034)
Effect of discounting the above amounts	(34,260)	(34,205)
Finance lease liabilities recognized under TAS 17 at December 31, 2019	3,221	3,197
Lease liabilities recognized at January 1, 2020	128,007	124,389

On January 1, 2020, the Group has recognized right-of-use assets of Baht 124,786 thousand and additional liabilities of Baht 120,866 thousand upon transition to TFRS 16. The difference of Baht 3,920 thousand is recognized in beginning retained earnings as of January 1, 2020.

- 2.7 The interim consolidated financial statements for the three-month period ended March 31, 2020 include the financial information 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 March 31, 2020 (Percent)	December 31, 2019 (Percent)
<u>Subsidiaries held directly by the Company</u>				
Professional Outsourcing Solutions Limited	Provide payroll services	Thailand	99.98	99.98
Humanica FAS Limited	Provide accounting outsourcing and financing services	Thailand	99.98	99.98
Humanica Asia Pte. Ltd.	Provide payroll outsourcing services and human resource management software consulting services	Singapore	100.00	100.00
Tiger Soft (1998) Co., Ltd.	Provide implementation of human resource and payroll software and sales of advance access control devices	Thailand	99.99	99.99
<u>Subsidiary held by Humanica Asia Pte. Ltd.</u>				
Humanica SDN. BHD.	Provide payroll outsourcing services and human resource management software consulting services	Malaysia	100.00	100.00



### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2019, except the adoption of new and revised Thai Financial Reporting Standards as described in Note 2. Accounting policies which significantly changed are as follows:

#### **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 and measurement of financial assets**

- a) Debt instruments that are held within a business model whose objective is to collect the contractual cash flows classified measured at amortized cost and effective interest method

Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at the effective interest method which 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.

- b) Equity instruments measured at FVTOCI

On initial recognition, the Group 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.

A financial asset is held for trading if;

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of 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).

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.

Dividends on these investments in equity instruments are recognized in profit or loss in accordance with TFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "finance income" line item in profit or loss.

The Group has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9 (see Note 2).

### **Leases**

The Group has applied TFRS 16 using the cumulative catch-up approach and therefore comparative information has not been restated and is presented under TAS 17. The details of accounting policies under both TAS 17 and TFRS 16 are presented separately below:

#### **Policies applicable from January 1, 2020**

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease.

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 Group uses 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 Group remeasures 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 Group did not make any such adjustments during the periods presented.

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 Group incurs 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". 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 Group expects 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 consolidated and separate statement of financial position.



The Group applies 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 statement of profit or loss.

#### **Policies applicable prior to January 1, 2020**

##### **Operating lease**

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

##### **Finance lease**

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

#### **4. RELATED PARTY TRANSACTIONS**

During the current period, 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 its subsidiaries and those related parties.

Significant transactions with related parties for the three-month period ended March 31, are as follows:

	Consolidated Financial Statements		Separate Financial Statements		Unit: Thousand Baht Pricing policies
	2020	2019	2020	2019	
<b>Transactions with subsidiaries</b>					
(Eliminated from the consolidated financial statements)					
Service income	-	-	1,393	1,358	As agreed
Management fees	-	-	3,660	3,660	Contract price
Interest income	-	-	58	89	At the rate of 1.8 percent per annum
Rental income	-	-	879	774	As agreed
Other income	-	-	332	310	As agreed
Service charges	-	-	793	390	As agreed
Software development costs	-	-	-	167	As agreed
Other expenses	-	-	-	2	As agreed
<b>Transactions with related parties</b>					
Service income	75	-	75	125	Market price
Software rental expense	2,011	2,094	2,011	2,094	Contract price
Other expense	9	-	9	-	Market price

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

	Consolidated Financial Statements		Separate Financial Statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
<b>Trade receivables - related parties (Note 6)</b>				
Associate	16	16	-	-
	<u>16</u>	<u>16</u>	<u>-</u>	<u>-</u>
<b>Other receivables - related parties (Note 6)</b>				
Subsidiaries	-	-	3,577	2,356
	<u>-</u>	<u>-</u>	<u>3,577</u>	<u>2,356</u>
<b>Interest receivables - related party (Note 6)</b>				
Subsidiary	-	-	-	20
	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>
<b>Long-term loan to related party (Note 4.1)</b>				
Subsidiary	-	-	12,000	13,000
	<u>-</u>	<u>-</u>	<u>12,000</u>	<u>13,000</u>
<b>Trade payables - related party (Note 15)</b>				
Related party	1,414	-	1,414	-
	<u>1,414</u>	<u>-</u>	<u>1,414</u>	<u>-</u>
<b>Other payables - related party (Note 15)</b>				
Subsidiary	-	-	929	124
Related party	246	-	246	-
	<u>246</u>	<u>-</u>	<u>1,175</u>	<u>124</u>
<b>Accrues expenses - related party (Note 15)</b>				
Related party	-	653	-	653
	<u>-</u>	<u>653</u>	<u>-</u>	<u>653</u>



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

During the period, movement of loan to subsidiary was as follows:

					Unit: Thousand Baht
Loan to	Relationship	Balance as at December 31, 2019	Separate financial statements		Balance as at March 31, 2020
			Increase during the period	Decrease during the period	
<u>Long-term loans</u>					
Humanica FAS Limited	Subsidiary	13,000	-	(1,000)	12,000
Total		13,000	-	(1,000)	12,000

#### Directors and management's benefits

During the three-month periods ended March 31, 2020 and 2019, the Group had employee benefit expenses of their directors and management as below.

	Consolidated		Unit: Million Baht	
	Financial Statements		Separate	
	2020	2019	2020	2019
Short-term employee benefits	9.1	5.7	5.8	4.5
Post-employment benefits	1.0	0.7	0.8	0.7
Total	10.1	6.4	6.6	5.2

## 5. ADDITIONAL CASH FLOW INFORMATION

- 5.1 Cash and cash equivalents as at March 31, 2020 and December 31, 2019, are as follows:

	Consolidated		Unit: Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Cash on hand	596	671	450	541
Deposits at financial institutions	230,043	217,856	119,427	124,839
<u>Less:</u> Deposits in the Company and its subsidiaries' names for customer accounts	(15,704)	(59,053)	(7,996)	(50,600)
Total	214,935	159,474	111,881	74,780

## 5.2 Changes in liabilities from financing activities

Unit : Thousand Baht			
Consolidated Financial Statements			
	Balance as at January 1, 2020	Financing cash flows	Non-cash change
	Balance as at March 31, 2020		
Lease liabilities	3,877	(4,710)	137,387
Total	3,877	(4,710)	137,387

Unit : Thousand Baht			
Consolidated Financial Statements			
	Balance as at January 1, 2019	Financing cash flows	Non-cash change
	Balance as at March 31, 2019		
Lease liabilities	9,757	(1,477)	-
Total	9,757	(1,477)	-

Unit : Thousand Baht			
Separate Financial Statements			
	Balance as at January 1, 2020	Financing cash flows	Non-cash change
	Balance as at March 31, 2020		
Lease liabilities	3,853	(2,983)	121,192
Total	3,853	(2,983)	121,192

Unit : Thousand Baht			
Separate Financial Statements			
	Balance as at January 1, 2019	Financing cash flows	Non-cash change
	Balance as at March 31, 2019		
Lease liabilities	9,596	(1,449)	-
Total	9,596	(1,449)	-

## 6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at March 31, 2020 and December 31, 2019 are as follows:

	Consolidated Financial Statements		Unit: Thousand Baht Separate Financial Statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Past due				
Up to 3 months	16	16	-	-
Total trade receivables - related parties (see Note 4)	16	16	-	-
<u>Trade receivables - others</u>				
Aged on the basis of due dates				
Not yet due	61,673	52,683	40,448	30,208
Past due				
Up to 3 months	43,395	44,732	26,680	22,388
3 - 6 months	5,661	3,560	1,564	1,558
6 - 12 months	4,049	4,786	1,628	2,554
Over 12 months	5,339	4,524	5,131	4,316
Total	120,117	110,285	75,451	61,024
<u>Less Allowance for doubtful debts</u>	(2,520)	(2,520)	(2,434)	(2,434)
Total trade receivables - others	117,597	107,765	73,017	58,590
Total trade receivables	117,613	107,781	73,017	58,590
<u>Other receivables</u>				
Other receivables - related parties (See Note 4)	-	-	3,577	2,356
Other receivables - others	1,257	357	1,247	346
Advance payments for services	13,913	2,740	13,662	2,601
Advance payments to employees	117	-	-	-
Prepaid expenses	4,414	3,354	3,057	1,886
Accrued interest - related parties (See Note 4)	-	-	-	20
Total other receivables	19,701	6,451	21,543	7,209
	137,314	114,232	94,560	65,799

## 7. INVENTORIES

Inventories as at March 31, 2020 and December 31, 2019, are as follows:

	Unit: Thousand Baht Consolidated Financial Statements	
	March 31, 2020	December 31, 2019
Finished goods	8,163	9,437
Goods in transit	2,483	304
Total	10,646	9,741
Less: Allowance for diminution in value	(329)	(324)
Total inventories	10,317	9,417

Movements in the allowance for diminution in value of inventories for the three-month period ended March 31, 2020, are as follows:

	Unit: Thousand Baht Consolidated Financial Statements
Balance as at January 1, 2020	324
Adjustment of net realizable value for the period	5
Balance as at March 31, 2020	329

As at March 31, 2020 and December 31, 2019, there is no inventory balances in the separate financial statements

## 8. OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

Other current and non-current financial assets as at March 31, 2020 and December 31, 2019, are as follows:

Financial Assets	Consolidated/Separate Financial Statements			Valuation techniques and key inputs used in fair value measurements
	Fair value As at March 31, 2020	Fair value As at December 31, 2019	Fair value hierarchy	
<b>Other current financial assets</b>				
Financial assets at fair value through OCI				
Marketable equity instruments	115,918	53,183	Level 2	Net asset value of investment units of the last working day of the reporting period
Financial assets at amortized cost				
Held-to-maturity debt instruments	32,426	29,885		Amortized cost and effective interest method
<b>Total other current financial assets</b>	<u>148,344</u>	<u>83,068</u>		



Financial Assets	Consolidated/Separate Financial Statements			Valuation techniques and key inputs used in fair value measurements
	Fair value As at March 31, 2020	Fair value As at December 31, 2019	Fair value hierarchy	
Other non-current financial assets				
Financial assets at fair value through OCI				
Marketable equity instruments	295,727	349,307	Level 1	Last bid price of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
Marketable equity instruments	106,588	193,690	Level 2	Net asset value of investment units of the last working day of the reporting period
Non-marketable equity instruments	15,385	15,385	Level 3	Cash flow estimated with fair value of underlying asset
Total other non-current financial assets	417,700	558,382		
Total other financial assets	566,044	641,450		

As at March 31, 2020, the held-to-maturity debt securities are unsubordinated convertible bonds valued at USD 1 million with an interest rate of 8% per annum. The bonds are for 24 months from the date of the convertible bonds (September 13, 2018) with the conversion conditions as specified in the agreement.

## 9. INVESTMENTS IN AN ASSOCIATE

Investments in an associate as at March 31, 2020 and December 31, 2019, are as follows:

Company's name	Nature of business	Country of incorporation	Consolidated financial statements						Unit: Thousand Baht	
			Shareholding percentage		Cost		Carrying amounts based on equity method		Separate financial statements	
			As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Conical Company Limited	Consulting, design and sales software	Thailand	20	20	22,700	22,700	25,061	24,634	22,700	22,700
<b>Total</b>					<u>22,700</u>	<u>22,700</u>	<u>25,061</u>	<u>24,634</u>	<u>22,700</u>	<u>22,700</u>

Financial information of an associate are as follows:

Company name	Paid-up capital		Total assets		Total liabilities		Total revenues		(Unit: Million Baht)	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019	for 3-month period ended March 31, 2020	for 3-month period ended March 31, 2019	Profit (loss)	
Conical Company Limited	2.64	2.64	57.69	58.50	16.74	17.72	10.12	2.31	2.14	(1.99)

## 10. INVESTMENTS IN SUBSIDIARIES

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

Company's name	Paid-up capital		Percentage of shareholding		Unit: Thousand Baht Cost	
	As at	As at	As at	As at	As at	As at
	March 31, 2020	December 31, 2019	March 31, 2020 (%)	December 31, 2019 (%)	March 31, 2020	December 31, 2019
<b>Subsidiaries held directly by the Company</b>						
Professional Outsourcing						
Solutions Limited	Baht 10 million	Baht 10 million	99.98	99.98	72,899	72,899
Humanica FAS Limited	Baht 1 million	Baht 1 million	99.98	99.98	29,999	29,999
Humanica Asia Pte. Ltd.	SGD 0.20 million	SGD 0.20 million	100.00	100.00	19,967	19,967
Tiger Soft (1998) Co., Ltd.	Baht 5 million	Baht 5 million	99.99	99.99	130,000	130,000
<b>Subsidiaries held by Humanica Asia Pte. Ltd.</b>						
Humanica SDN. BHD.	MYR 0.5 million	MYR 0.5 million	100.00	100.00	-	-
Total investment in subsidiaries					252,865	252,865

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

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

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

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

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

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

In the current period, the Company is in the process of assessing the fair value of business acquired at the acquisition date to allocate costs of the business acquisition to such identifiable items. The assessment process is ongoing and mainly relates to the identification and valuation of intangible assets and certain tangible assets. It is to be completed within the period of 12 months from the acquisition date allowed under Thai Financial Reporting Standard No. 3 (revised 2019) "Business Combinations". During the measurement period, the Company will retrospectively adjust the provisional amounts recognized at the acquisition date, to recognize additional assets or liabilities, and adjust profit or loss to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The Company therefore recorded the excess of the acquisition cost of business over the net asset value as a separate item in the consolidated statements of financial position as at March 31, 2020 and December 31, 2019 under the caption of "Unallocated costs of business acquisition".

# 11. BUILDING IMPROVEMENT AND EQUIPMENT

Movements of building improvement and equipment accounts for the three-month period ended March 31, 2020, are summarized as follows:

	<b>Consolidated Financial Statements</b>	<b>Unit: Thousand Baht Separate Financial Statements</b>
Net book value as at January 1, 2020	40,106	29,787
Add Acquisitions during the period	6,569	5,648
Depreciation for the period	(4,894)	(3,686)
Differences from conversion exchange rate of financial statements	67	-
Net book value as at March 31, 2020	<u>41,848</u>	<u>31,749</u>



## 12. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Movements of other intangible assets other than goodwill account for the three-month period ended March 31, 2020, are summarized as follows:

	Consolidated Financial Statements	Unit: Thousand Baht Separate Financial Statements
Net book value as at January 1, 2020	142,052	101,593
Add Increase during the period	8	-
Amortization for the period	(6,652)	(4,492)
Differences from conversion exchange rate of financial statements	84	-
Net book value as at March 31, 2020	<u>135,492</u>	<u>97,101</u>

## 13. COMPUTER SOFTWARE UNDER DEVELOPMENT

Movements of computer software under development account for the three-month period ended March 31, 2020, are summarized as follows:

	Consolidated Financial Statements	Unit: Thousand Baht Separate Financial Statements
Net book value as at January 1, 2020	27,433	27,482
Increase in development cost of computer software during the period	<u>3,021</u>	<u>2,972</u>
Net book value as at March 31, 2020	<u>30,454</u>	<u>30,454</u>

## 14. OTHER NON-CURRENT ASSETS

Other non-current assets as at March 31, 2020 and December 31, 2019, are as follows:

	Consolidated Financial Statements		Unit: Thousand Baht Separate Financial Statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Deposits	10,345	9,687	8,313	7,791
Refundable withholding tax deducted at source	<u>4,612</u>	<u>3,857</u>	<u>1,394</u>	<u>1,395</u>
Total	<u>14,957</u>	<u>13,544</u>	<u>9,707</u>	<u>9,186</u>

# 15. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at March 31, 2020 and December 31, 2019, are as follows:

	Consolidated		Unit: Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2020	2019	2020	2019
Trade payables - related parties (See Note 4)	1,414	-	1,414	-
Trade payables - others	2,174	3,315	1,614	2,485
Other payables - related parties (See Note 4)	246	-	1,175	124
Other payables - others	7,263	5,791	2,513	2,207
Accrued expenses - related parties (See Note 4)	-	653	-	653
Accrued expenses - others	31,000	43,740	21,599	32,098
Total	42,097	53,499	28,315	37,567

# 16. LEASE LIABILITIES

Lease liabilities as at March 31, 2020 and December 31, 2019, are as follows:

	Consolidated		Unit: Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2020	2019	2020	2019
Liabilities under lease agreements	170,522	4,217	155,076	4,193
Less Deferred interest	(33,968)	(340)	(33,014)	(340)
Total	136,554	3,877	122,062	3,853
Less Portion due within one year	(17,722)	(1,237)	(10,839)	(1,213)
Liabilities under lease agreements - net of current portion	118,832	2,640	111,223	2,640

The Group entered into the lease agreements for rental of building, equipment and motor vehicles for use in their operations, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 10 years.

Future minimum lease payments required under lease agreements are as follows:

	Consolidated Financial Statements				Unit: Thousand Baht	
	Less than 1 year		1 - 5 years		Total	
	As at	As at	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,	March 31,	December 31,
	2020	2019	2020	2019	2020	2019
Total future minimum lease payments	25,511	1,427	145,011	2,790	170,522	4,217
Deferred interest	(7,789)	(190)	(26,179)	(150)	(33,968)	(340)
Present value of future minimum lease payments	17,722	1,237	118,832	2,640	136,554	3,877

	Unit: Thousand Baht					
	Separate Financial Statements					
	Less than 1 year		1 - 5 years		Total	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Total future minimum lease payments	17,957	1,403	137,119	2,790	155,076	4,193
Deferred interest	(7,118)	(190)	(25,896)	(150)	(33,014)	(340)
Present value of future minimum lease payments	<u>10,839</u>	<u>1,213</u>	<u>111,223</u>	<u>2,640</u>	<u>122,062</u>	<u>3,853</u>

# 17. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Movements in present value of non-current provisions for employee benefits for the three-month period ended March 31, 2020 are summarized as follows:

	Consolidated Financial Statements	Unit: Thousand Baht Separate Financial Statements
Beginning balance as at January 1, 2020	42,346	23,005
Current service cost	1,185	608
Interest cost	211	129
Payments for employee benefits	(127)	(127)
Ending balance as at March 31, 2020	<u>43,615</u>	<u>23,615</u>

# 18. INCOME TAX EXPENSE

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the period.

The income tax expenses for the three-month periods ended March 31, 2020 and 2019, are as follows:

	Consolidated Financial Statements		Unit: Thousand Baht Separate Financial Statements	
	2020	2019	2020	2019
<b>Current income tax:</b>				
Interim corporate income tax charge	6,645	3,864	2,931	1,410
Adjustment in respect of corporate income tax of previous year	-	(223)	-	-
<b>Deferred tax</b>				
Temporary differences and reversal of temporary differences	(202)	(618)	319	(160)
<b>Income tax expense reported in the statements of profit or loss and other comprehensive income</b>	<u>6,443</u>	<u>3,023</u>	<u>3,250</u>	<u>1,250</u>



The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended March 31, 2020 and 2019, are as follows:

	Consolidated Financial Statements		Unit: Thousand Baht Separate Financial Statements	
	2020	2019	2020	2019
Deferred tax relating to gain on changes in value of investments in equity instruments	7,428	(1,651)	7,428	(1,651)

## 19. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

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

	Consolidated Financial Statements For the three-month periods ended March 31,		Unit: Thousand Baht Separate Financial Statements	
	2020	2019	2020	2019
Earnings for the period (Thousand Baht)	49,200	34,656	31,733	25,997
Weighted average number of ordinary shares (Thousand shares)	680,000	680,000	680,000	680,000
Basic earnings per share (Baht/share)	0.07	0.05	0.05	0.04

As at March 31, 2020 and 2019, the Company does not have diluted earnings per share.



## Disaggregation of revenue

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

	For the three-month periods ended March 31,								Unit: Thousand Baht		
	Human resource management system services		Enterprise resource planning services		Accounting and financing services		Sales of advance access control devices			Consolidated Financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019		2020	2019
Timing of revenue recognition											
At a point in time											
- Revenue from sales of software	19,246	619	2,209	1,498	-	-	-	-	21,455	2,117	
- Revenue from sales of goods	-	-	-	-	-	-	13,822	-	13,822	-	
- Monthly service income	96,379	90,064	-	-	5,363	5,175	-	-	101,742	95,239	
- One-time service income	7,603	9,843	-	-	180	268	-	-	7,783	10,111	
Overtime											
- Service income from software implementation	6,431	5,453	2,643	2,965	-	-	-	-	9,074	8,418	
- Other service income	8,325	2,611	11,433	10,619	-	-	-	-	19,758	13,230	
Total revenue	137,984	108,590	16,285	15,082	5,543	5,443	13,822	-	173,634	129,115	

For the three-month periods ended March 31, 2020 and 2019, the Group have no major customer with revenue of 10 percent or more of the Group’s revenues.



## 21. GUARANTEES

As at March 31, 2020 and December 31, 2019, the Company has letter of guarantees issued by bank on behalf of the Company of Baht 1.08 million and Baht 0.90 million, respectively, in respect of contractual performance.

## 22. FOREIGN CURRENCY RISK

The balances of financial assets and liabilities denominated in foreign currencies of the Group as at March 31, 2020 and December 31, 2019, are summarized as follows:

Foreign currency	Consolidated Financial Statements					
	Financial assets		Financial liabilities		Average exchange rate	
	As at	As at	As at	As at	As at	As at
	March 31, 2020 (Million)	December 31, 2019 (Million)	March 31, 2020 (Million)	December 31, 2019 (Million)	March 31, 2020 (Baht per 1 foreign currency unit)	December 31, 2019
USD	0.03	-	0.01	-	32.6712	30.1540
JPY	0.38	0.20	-	-	0.3011	0.2759
MYR	0.01	-	-	-	7.5813	7.3222
SGD	0.01	-	-	-	22.9416	22.3245

Foreign currency	Separate Financial Statements					
	Financial assets		Financial liabilities		Average exchange rate	
	As at	As at	As at	As at	As at	As at
	March 31, 2020 (Million)	December 31, 2019 (Million)	March 31, 2020 (Million)	December 31, 2019 (Million)	March 31, 2020 (Baht per 1 foreign currency unit)	December 31, 2019
USD	0.01	-	0.01	-	32.6712	30.1540
JPY	0.38	0.20	-	-	0.3011	0.2759
MYR	0.07	-	-	-	7.5813	7.3222
SGD	0.07	-	0.04	-	22.9416	22.3245

## 23. RECLASSIFICATIONS

Certain reclassifications have been made to the statement of financial position as at December 31, 2019 to conform to the classifications used in the statement of financial position as at March 31, 2020 and certain reclassifications were made to the statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2019 to conform to the classifications used in the statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2020 as follows:

Items	Previous presentation	Reclassified to	Unit: Thousand Baht	
			Consolidated	Separate
			Financial Statements	Financial Statements
Statement of financial position as at December 31, 2019				
Contract assets	Trade and other current receivables	Current contract assets	24,584	18,045
Contract liabilities	Trade and other current payable	Current contract liabilities	47,168	33,654
Statement of profit or loss and other comprehensive income for the three month period ended March 31, 2019				
Finance income	Other income	Finance income	664	753

**24. EVENTS AFTER REPORTING PERIOD**

On April 27, 2020, a meeting of 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, so there were the remaining dividends payment amounting to Baht 40.80 million or Baht 0.06 per share. Such dividends will be paid to the shareholders on May 26, 2020.

**25. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS**

These interim financial statements have been approved for issuing by the audit committee and authorized director of the Company on May 12, 2020.