



บริษัท ดีลอยท์ ทูเช่ โทมัทสு จำกัด
สอบบัญชี จำกัด
อาคาร เอไอเอ สาทร์ ทาวเวอร์ ชั้น 23-27
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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, 2022, 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, 2022, 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 Code of Ethics for Professional Accountants including Independence Standards issued by 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 the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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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
Goodwill The Group has goodwill balance of Baht 108.62 million as at December 31, 2022. 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. Accounting policies of goodwill and details of goodwill were disclosed in the Notes 3.9 and 14 to the financial statements, respectively.	Key audit procedures included: - Gaining an understanding of the basis applied in determining assumptions used in cash flow expected and evaluating the appropriateness of the application of that basis. - Testing the significant assumptions applied by management in preparing estimates of the cash flows expected to be realized from the assets using our valuation specialists to independently develop expectations, run sensitivity analysis for the key assumptions driving the analysis, 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 the Group's management through analysis of the weighted average cost of capital of the Group and of the industry and involving internal specialist to assist in the assessment of this information by comparing it to external sources based on the specialist's knowledge and past experience, tested the calculation of the realizable values of the assets using the selected financial model. - Considering the presentation and related disclosures.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report 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 28, 2023

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5.1	586,166	334,587	177,819	147,329
Trade and other current receivables	6	189,559	128,569	118,246	88,287
Current contract assets		48,525	35,800	32,452	36,289
Short-term loan		-	3,375	-	3,375
Inventories	7	7,014	14,551	-	-
Other current financial assets	8	24,233	50,096	22,233	48,096
Other current assets		2,807	4,531	1,400	4,107
Total Current Assets		<u>858,304</u>	<u>571,509</u>	<u>352,150</u>	<u>327,483</u>
NON-CURRENT ASSETS					
Restricted bank deposits	9	1,148	641	103	574
Other non-current financial assets	8	518,553	634,150	518,553	634,150
Investment in associates	10	105,281	63,675	100,601	60,798
Investment in subsidiaries	11	-	-	2,252,071	276,504
Long-term loan	4.1	8,000	-	8,000	-
Building improvement and equipment	12	55,846	43,740	23,909	37,246
Right-of-use assets	13	167,884	136,032	111,060	130,761
Unallocated costs of business acquisition	11	1,838,958	-	-	-
Goodwill	14	108,619	108,619	-	-
Other intangible assets other than goodwill	15	165,780	177,166	103,964	107,570
Computer software under development	16	23,002	15,864	12,067	15,864
Deferred tax assets	26	38,620	4,793	29,100	-
Other non-current assets	17	13,131	13,824	10,038	10,599
Total Non-current Assets		<u>3,044,822</u>	<u>1,198,504</u>	<u>3,169,466</u>	<u>1,274,066</u>
TOTAL ASSETS		<u><u>3,903,126</u></u>	<u><u>1,770,013</u></u>	<u><u>3,521,616</u></u>	<u><u>1,601,549</u></u>

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, 2022

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	18	66,101	51,127	37,006	25,851
Current contract liabilities		119,647	58,017	33,038	38,622
Current portion of lease liabilities	19	37,558	20,670	16,605	17,067
Corporate income tax payable		22,954	11,049	1,408	5,102
Other current liabilities		24,882	14,820	11,472	9,492
Total Current Liabilities		<u>271,142</u>	<u>155,683</u>	<u>99,529</u>	<u>96,134</u>
NON-CURRENT LIABILITIES					
Lease liabilities	19	154,461	128,992	110,558	127,163
Deferred tax liabilities	26	10,629	15,018	-	636
Non-current provisions for employee benefits	20	44,402	31,752	22,564	20,725
Other non-current liabilities		826	941	970	1,085
Total Non-current Liabilities		<u>210,318</u>	<u>176,703</u>	<u>134,092</u>	<u>149,609</u>
TOTAL LIABILITIES		<u>481,460</u>	<u>332,386</u>	<u>233,621</u>	<u>245,743</u>
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital	22				
877,443,576 ordinary shares of Baht 0.50 each		<u>438,722</u>		<u>438,722</u>	
690,000,000 ordinary shares of Baht 0.50 each			<u>345,000</u>		<u>345,000</u>
Issued and paid-up share capital					
867,443,576 ordinary shares of Baht 0.50 each, fully paid		433,722	-	433,722	-
680,000,000 ordinary shares of Baht 0.50 each, fully paid		-	340,000	-	340,000
Share premium on ordinary shares		2,542,304	649,124	2,542,304	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)	-	-
Warrants	21	7,832	-	7,832	-
Retained earnings					
Appropriated - Legal reserve	23	41,500	34,500	41,500	34,500
Unappropriated		432,784	370,462	284,440	285,668
Other components of shareholders' equity		(35,877)	45,451	(26,948)	41,369
Total shareholders' equity attributable to owners of the Company		<u>3,414,744</u>	<u>1,432,016</u>	<u>3,287,995</u>	<u>1,355,806</u>
Non-controlling interests		6,922	5,611	-	-
TOTAL SHAREHOLDERS' EQUITY		<u>3,421,666</u>	<u>1,437,627</u>	<u>3,287,995</u>	<u>1,355,806</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>3,903,126</u>	<u>1,770,013</u>	<u>3,521,616</u>	<u>1,601,549</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, 2022

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2022	2021	2022	2021
REVENUES					
Revenue from sales and rendering services	27	1,046,190	728,692	471,897	422,289
Other income		13,610	34,406	38,148	57,781
Total Revenues		1,059,800	763,098	510,045	480,070
EXPENSES					
Cost of sales and rendering services		532,483	398,258	270,333	231,017
Distribution costs		38,646	30,856	14,500	12,619
Administrative expenses		237,592	137,442	127,919	95,903
Loss on measuring convertible notes		38,538	8,653	38,538	8,653
Loss on measuring financial assets		3,978	5,031	3,978	5,031
Total Expenses		851,237	580,240	455,268	353,223
Profit from operating activities		208,563	182,858	54,777	126,847
Finance income	24	13,696	12,426	70,999	77,343
Finance costs		(12,732)	(9,342)	(8,005)	(8,908)
Share of (loss) profit of associates accounted for using equity method		(23)	13	-	-
Profit before income tax expense		209,504	185,955	117,771	195,282
Income tax income (expense)	26	(29,485)	(20,617)	287	(10,844)
PROFIT FOR THE YEAR		180,019	165,338	118,058	184,438
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation financial statements		(13,011)	6,941	-	-
Total items that may be reclassified subsequently to profit or loss, net of tax		(13,011)	6,941	-	-
Items that will not be reclassified subsequently to profit or loss					
(Loss) gains on investment in equity designated at fair value through other comprehensive income		(61,403)	73,475	(61,403)	73,475
Gains on re-measurements of defined benefit plans		1,537	11,356	847	6,643
Total items that will not be reclassified subsequently to profit or loss, net of tax		(59,866)	84,831	(60,556)	80,118
Other comprehensive income (loss) for the year, net of tax		(72,877)	91,772	(60,556)	80,118
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		107,142	257,110	57,502	264,556

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2022	2021	2022	2021
PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the parent		180,918	169,822	118,058	184,438
Non-controlling interests		(899)	(4,484)	-	-
PROFIT FOR THE YEARS		<u>180,019</u>	<u>165,338</u>	<u>118,058</u>	<u>184,438</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the parent		108,041	261,594	57,502	264,556
Non-controlling interests		(899)	(4,484)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>107,142</u>	<u>257,110</u>	<u>57,502</u>	<u>264,556</u>
Earnings per share					
Basic earnings per share (Baht)	28	<u>0.23</u>	<u>0.25</u>	<u>0.15</u>	<u>0.27</u>
Weighted average number of ordinary shares (Thousand shares)	28	<u>785,276</u>	<u>680,000</u>	<u>785,276</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, 2022
CONSOLIDATED FINANCIAL STATEMENTS

UNIT : THOUSAND BAHT

	Notes	Issued and paid-up share capital	Share premium on ordinary shares	Other supluses (deficits)		Warrants	Retained earnings		Other components of shareholders' equity			Total	Non-	Total
				Surplus on share based payment	Deficit arising from change in ownership interest in subsidiaries		Appropriated Legal reserve	Unappropriated	Exchange differences on translation of financial statements	Losses (gains) 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	controlling interests	Shareholders' equity
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	29	-	-	-	-	-	-	(95,200)	-	-	-	(95,200)	-	(95,200)
Transfer unappropriated retained eainings to legal reserves	23	-	-	-	-	-	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 of the investment in subsidiaries from business acquisition		-	-	-	-	-	-	-	-	-	-	-	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>-</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>
Balance as at January 1, 2022		340,000	649,124	5,145	(12,666)	-	34,500	370,462	4,082	41,369	45,451	1,432,016	5,611	1,437,627
Increase in share capital	22	93,722	1,893,180	-	-	-	-	-	-	-	-	1,986,902	-	1,986,902
Issurance of warrants	21	-	-	-	-	7,832	-	-	-	-	-	7,832	-	7,832
Profit for the year		-	-	-	-	-	-	180,918	-	-	-	180,918	(899)	180,019
Other comprehensive income for the year		-	-	-	-	-	-	1,537	(13,011)	(61,403)	(74,414)	(72,877)	-	(72,877)
Total comprehensive income (loss) for the year		-	-	-	-	-	-	182,455	(13,011)	(61,403)	(74,414)	108,041	(899)	107,142
Dividends to owner of the Company	29	-	-	-	-	-	-	(120,047)	-	-	-	(120,047)	-	(120,047)
Transfer unappropriated retained eainings to legal reserves	23	-	-	-	-	-	7,000	(7,000)	-	-	-	-	-	-
Profit on disposal of investment in equity as measured at fair value through other comprehensive income		-	-	-	-	-	-	6,914	-	(6,914)	(6,914)	-	-	-
Non-controlling interest arising from investment in subsidiaries from business acquisition		-	-	-	-	-	-	-	-	-	-	-	2,210	2,210
Balance as at December 31, 2022		<u>433,722</u>	<u>2,542,304</u>	<u>5,145</u>	<u>(12,666)</u>	<u>7,832</u>	<u>41,500</u>	<u>432,784</u>	<u>(8,929)</u>	<u>(26,948)</u>	<u>(35,877)</u>	<u>3,414,744</u>	<u>6,922</u>	<u>3,421,666</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, 2022
SEPARATE FINANCIAL STATEMENTS

UNIT : THOUSAND BAHT

	Notes	Issued and paid-up capital	Share premium on ordinary shares	Capital Surplus Surplus on share based payment	Warrants	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
						Appropriated Legal reserve	Unappropriated	Losses (gains) on investment in equity designated at fair value through other comprehensive income	Total other components of shareholders' equity	
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 to owner of the Company	29	-	-	-	-	-	(95,200)	-	-	(95,200)
Transfer undappropriated retained eainings to legal reserves	23	-	-	-	-	500	(500)	-	-	-
Profit 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>-</u>	<u>34,500</u>	<u>285,668</u>	<u>41,369</u>	<u>41,369</u>	<u>1,355,806</u>
Balance as at January 1, 2022		340,000	649,124	5,145	-	34,500	285,668	41,369	41,369	1,355,806
Increase in share capital	22	93,722	1,893,180	-	-	-	-	-	-	1,986,902
Issurance of warrants	21	-	-	-	7,832	-	-	-	-	7,832
Profit for the year		-	-	-	-	-	118,058	-	-	118,058
Other comprehensive income for the year		-	-	-	-	-	847	(61,403)	(61,403)	(60,556)
Total comprehensive income for the year		-	-	-	-	-	118,905	(61,403)	(61,403)	57,502
Dividends to owner of the Company	29	-	-	-	-	-	(120,047)	-	-	(120,047)
Transfer undappropriated retained eainings to legal reserves	23	-	-	-	-	7,000	(7,000)	-	-	-
Profit on disposal of investment in equity as measured at fair value through other comprehensive income		-	-	-	-	-	6,914	(6,914)	(6,914)	-
Balance as at December 31, 2022		<u>433,722</u>	<u>2,542,304</u>	<u>5,145</u>	<u>7,832</u>	<u>41,500</u>	<u>284,440</u>	<u>(26,948)</u>	<u>(26,948)</u>	<u>3,287,995</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, 2022

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax expense		209,504	185,955	117,771	195,282
Adjustments to reconcile profit before income tax expense to cash provided by operating activities					
Depreciation and amortization		102,026	83,369	56,758	54,859
Allowance for expected credit loss (Reversal)		(1,047)	(400)	(548)	(213)
Loss on measuring convertible notes		38,538	-	38,538	-
Impairment loss recognized on short-term loan		3,375	-	3,375	-
Allowance for diminution in value of inventories (Reversal)		1,899	3,449	-	-
Gain on disposal of equipment		(675)	(324)	(130)	(57)
Long-term employee benefit expenses		2,880	6,092	2,900	3,516
Loss (gain) on disposal of other current and non-current financial assets		12,235	(7,129)	12,235	(7,129)
Share of loss (profit) from investment in associates		23	(13)	-	-
Unrealized loss (gain) on foreign exchange rates		9,381	(7,845)	8,418	(7,814)
Unrealized loss on change in value of other current and non-current financial assets		3,978	5,031	3,978	5,031
Dividend income		(6,282)	(5,382)	(66,280)	(70,380)
Interest income		(7,414)	(7,044)	(4,719)	(6,963)
Finance costs		12,732	9,342	8,005	8,908
Expense related to the warrants		7,832	-	7,832	-
Profit from operating activities before changes in operating assets and liabilities		388,985	265,101	188,133	175,040
Operating assets (increase) decrease					
Trade and other current receivables		(51,976)	(110)	(28,831)	(4,758)
Current contract assets		(12,725)	(5,451)	3,836	(12,225)
Inventories		5,638	(3,022)	-	-
Other current assets		2,354	3,220	7,426	(2,460)
Other non-current assets		556	(731)	562	170
Operating liabilities increase (decrease)					
Trade and other current payables		(25,765)	2,770	10,954	(11,430)
Current contract liabilities		(24,972)	10,200	(5,584)	5,954
Other current liabilities		6,086	875	2,075	570
Other non-current liabilities		(116)	941	(116)	1,085
Cash received from operating activities		288,065	273,793	178,455	151,946
Paid for income tax		(41,085)	(31,302)	(16,275)	(13,530)
Refund income tax		-	385	-	-
Employee benefit obligations paid		(99)	-	(99)	-
Net cash provided by operating activities		246,881	242,876	162,081	138,416

HUMANICA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) decrease in restricted bank deposits		(507)	223	471	182
Cash paid for other current and non-current financial asstes		(174,794)	(235,977)	(162,224)	(217,799)
Cash received from disposal of current and non-current financial asstes		272,973	263,297	170,330	244,195
Cash paid for acquisition of building improvement and equipment	5.2	(12,544)	(21,198)	(4,805)	(17,045)
Cash received from sales of equipment		1,702	324	733	57
Cash paid for development/acquisition of computer software		(22,103)	(16,998)	(12,042)	(16,398)
Cash paid for short-term loans		(8,000)	(4,375)	(8,000)	(4,375)
Cash received from short-term loans		-	1,000	-	15,500
Dividend received		6,282	5,204	60,902	70,202
Interest received		7,414	7,044	3,587	6,963
Cash paid for costs related to acquisition of subsidiaries		-	-	11,335	-
Cash received from acquisition of subsidiaries		159,656	-	-	-
Cash paid for acquisition of investment in associates and subsidiaries		(41,629)	(35,098)	(39,803)	(60,983)
Net cash provided by (used in) investing activities		<u>188,450</u>	<u>(36,554)</u>	<u>20,484</u>	<u>20,499</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash paid for lease liabilities	5.3	(37,598)	(21,877)	(17,067)	(14,812)
Cash paid for interest expenses for lease liabilities		(12,732)	(9,341)	(8,005)	(8,909)
Dividends paid		(120,047)	(95,200)	(120,047)	(95,200)
Net cash used in financing activities		<u>(170,377)</u>	<u>(126,418)</u>	<u>(145,119)</u>	<u>(118,921)</u>
Exchange differences on translation of financial statements		(6,166)	6,286	-	-
Effect of exchange rate changes in cash and cash equivalents		(7,209)	1,599	(6,956)	1,599
Net increase in cash and cash equivalents		251,579	87,789	30,490	41,593
Cash and cash equivalents as at January 1,		334,587	246,798	147,329	105,736
Cash and cash equivalents as at December 31,	5.1	<u><u>586,166</u></u>	<u><u>334,587</u></u>	<u><u>177,819</u></u>	<u><u>147,329</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, 2022

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.

2. BASIS OF PREPARATION AND PRESENTATION 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, 2021, 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, 2022	December 31, 2021
<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
DataOn Group	*	*	100.00	-
<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	70.00

* DataOn Group includes (1) PT. IndoDev Niaga Internet (“INI”) incorporated in Indonesia. The nature of business is providing human resource solutions and enterprise resource planning solutions, (2) DataOn International Co., Ltd. (“DOI”) incorporated in Hong Kong Special Administrative Region of the People's Republic of China, which the nature of business is distribution service and manage distribution channel of Sunfish HR Software, and subsidiaries held by INI including (3) PT. Synergy Group Asia incorporated in Indonesia, which the nature of business is providing payroll outsourcing services and human resource management software consulting services and (4) Grafido Solusindo incorporated in Indonesia. Currently, the company discontinue its operations.

- 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 issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions of wording and terminology and accounting requirements for interest rate reform - Phrase 2. 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

On August 19, 2022, Thai Financial Reporting Standard No. 17 “Insurance Contracts” has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2025 onwards.

On September 26, 2022, the revised TFRSs have been announced in the Royal Gazette which will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards. TFRSs which have been amended and relevant to the Group are as follows:

Thai Accounting Standard No. 37 “Provisions, Contingent Liabilities and Contingent Assets” (TAS 37)

The amendments specify that the “cost of fulfilling a contract” comprises the “costs that relate directly to the contract”. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Thai Financial Reporting Standard No. 3 “Business Combinations” (TFRS3)

The amendments update TFRS 3 so that it refers to the Conceptual Framework which is currently effective. In addition, they also add to TFRS 3 a requirement that, for obligations within the scope of TAS 37, an acquirer applies TAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of TFRIC 21 “Levies”, the acquirer applies TFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

Thai Financial Reporting Standard No. 9 “Financial Instruments” (TFRS 9)

The amendment clarifies that in applying the “10 per cent” test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Company’s Group’s management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents include cash, savings account deposits, current account deposits and not exceeding 3 months fixed deposits, and short-term investments which are not exceeding 3 months duration for repayment with no obligation commitment, but exclude deposits in the Company and its subsidiaries’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 initially recognized at cost. Subsequent to 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 from the Company and its subsidiaries' asset 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 calculated by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method less fair value of plan assets.

Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) 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

Equity-settled share-based payments to executives and employees are measured at the fair value of the equity instruments at the grant date. The fair value of the equity instrument is measured by using a Binomial Tree model, which included financial assumptions such as share price at grant date, exercise price warrant, expected volatility, the expected period that shareholders will completely use their right on warrant, expected dividend yield and risk-free interest rate, etc.

The fair value determined at the grant date of the equity instrument is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding in related shareholders' equity.

At the end of each reporting period, the Group revises its estimation of the number of expected vest equity instruments. If the subsequent information indicates that the number of equity instruments that are expected vest equity instruments differs from previous estimates. Change in value is recognized in the statement of comprehensive income and adjusted to employee benefit obligations.

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 and its subsidiaries, 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 to the customer or when the goods have been shipped to the customer's specific location. 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 current tax 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 taxable profit excludes items of income or expense that can be taxable or deductible in other years and it further excludes items that cannot be 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. 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 and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on 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 recoded 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, etc.

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
	2022	2021	2022	2021	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	7,494	7,578	Contract price/As agreed
Management fee	-	-	25,080	21,485	Contract price/As agreed
Financial income - dividend income	-	-	77,209	64,998	As announcement
Finance income - interest income	-	-	-	23	At rate of 0.9 - 1.8 percent p.a.
Rental income	-	-	3,868	4,312	As agreed
Other income	-	-	4,051	2,227	As agreed
Service expense	-	-	4,045	2,891	As agreed
Other expenses	-	-	37	17	As agreed
<u>Transactions with related parties</u>					
Service income	8,244	6,691	7,328	5,957	Market rate
Finance income - interest income	85	-	85	-	Contract price
Rental income	2,562	897	2,562	897	Contract price
Other income	433	314	433	314	Contract price
Software rental expense	-	8,457	-	8,457	Contract price
Other expenses	468	2,452	383	2,121	Market price

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

	Consolidated financial statements		Separate financial statements		Unit: Thousand Baht
	2022	2021	2022	2021	
Trade receivables - related parties (Note 6)					
Associates	288	84	265	52	
Related parties	2,523	276	385	262	
	<u>2,811</u>	<u>360</u>	<u>650</u>	<u>314</u>	
Other receivables - related parties (Note 6)					
Subsidiaries	-	-	6,213	4,359	
Associates	278	50	278	50	
Related party	165	47	15	47	
	<u>443</u>	<u>97</u>	<u>6,506</u>	<u>4,456</u>	
Contract asset - related parties					
Subsidiaries	-	-	540	8,976	
Associates	-	20	-	-	
Related parties	571	484	571	484	
	<u>571</u>	<u>504</u>	<u>1,111</u>	<u>9,460</u>	
Long-term loan (Note 4.1)					
Associate	8,000	-	8,000	-	
	<u>8,000</u>	<u>-</u>	<u>8,000</u>	<u>-</u>	
Dividend receivables - related parties (Note 6)					
Subsidiaries	-	-	10,326	-	
	<u>-</u>	<u>-</u>	<u>10,326</u>	<u>-</u>	

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Trade payables - related party (Note 18)				
Related party	-	788	-	787
	<u>-</u>	<u>788</u>	<u>-</u>	<u>787</u>
Other payables - related parties (Note 18)				
Subsidiaries	-	-	1,285	932
	<u>-</u>	<u>-</u>	<u>1,285</u>	<u>932</u>
Contract liabilities - related parties				
Related parties	1,457	1,396	1,457	1,396
	<u>1,457</u>	<u>1,396</u>	<u>1,457</u>	<u>1,396</u>
Accrued expenses - related parties (Note 18)				
Subsidiary	-	-	469	-
Related party	-	736	-	736
	<u>-</u>	<u>736</u>	<u>469</u>	<u>736</u>
Other non-current liabilities - related parties				
Subsidiary	-	-	144	144
Associates	732	237	732	237
Related party	-	116	-	116
	<u>732</u>	<u>353</u>	<u>876</u>	<u>497</u>

- 4.1 On October 28, 2022, the Company entered into a loan agreement to provide a loan to PharmCare Group Company Limited, an associate, totaling Baht 8.00 million. The loan carries interest at the rate of 5.95 percent per annum, based on the average MRR from commercial banks, repayment within 2 years from the date of the loan and pledges collateral of 10,390 shares to secure the loan agreement. As at December 31, 2022, the outstanding loan was Baht 8.00 million.

		Unit: Thousand Baht Separate financial statements			
Loan to	Relationship	Balance as at January 1, 2022	Increase during the period	Decrease during the period	Balance as at December 31, 2022
Pharmcare Group Company Limited	Associate	-	8,000	-	8,000
Total		<u>-</u>	<u>8,000</u>	<u>-</u>	<u>8,000</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	
	2022	2021	2022	2021
Short-term benefits	37.6	32.9	29.5	27.3
Post-employment benefits	5.2	4.8	4.8	4.4
Total	42.8	37.7	34.3	31.7

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	
	2022	2021	2022	2021
Cash on hand	1,343	595	465	465
Deposits at financial institutions	692,984	434,426	253,653	218,552
<u>Less</u> Deposits in the Company and its subsidiaries' names for customer accounts	(108,161)	(100,434)	(76,299)	(71,688)
Total	586,166	334,587	177,819	147,329

As at December 31, 2022, bank deposits carry interest at the rates of 0.05 to 5.55 percent per annum (2021: between 0.05 to 0.40 percent per annum).

5.2 Non-cash transactions

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	
	2022	2021	2022	2021
Liabilities incurred from the acquisition of building improvement and equipment as at January 1,	67	685	67	685
<u>Add</u> Purchases of building improvement and equipment during the years	12,623	20,580	4,783	16,427
<u>Less</u> Cash payments	(12,544)	(21,198)	(4,805)	(17,045)
Liabilities incurred from the acquisition of building improvement and equipment as at December 31,	146	67	45	67

5.3 Changing in liabilities from financing activities

Unit: Thousand Baht			
Consolidated Financial Statements			
	Balance as at January 1, 2022	Financing cash flows	Non-cash change
	Balance as at December 31, 2022		
Lease liabilities	149,662	(37,598)	79,955
Total	149,662	(37,598)	79,955

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			
Separate Financial Statements			
	Balance as at January 1, 2022	Financing cash flows	Non-cash change
	Balance as at December 31, 2022		
Lease liabilities	144,230	(17,067)	-
Total	144,230	(17,067)	-

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

5.4 Significant non-cash items

Assets and liabilities transferred under business combination as at May 24, 2022 (see Note 11) consisted of the following:

Unit: Thousand Baht	
Type of Transactions	Consolidated Financial Statements
Trade and other current receivables	100,108
Other current assets	629
Building improvement and equipment	30,424
Right-of-use assets	60,285
Other intangible assets other than goodwill	4,427
Computer software under development	7,092
Deferred tax assets	7,654
Trade and other current payables	35,542
Current contract liabilities	86,603
Corporate income tax payable	9,862
Dividend payable	5,132
Other current liabilities	3,978
Lease liabilities	67,723
Non-current provision for long-term employee benefits	11,345

6. TRADE AND OTHER CURRENT RECEIVABLES

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

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2022	2021	2022	2021
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not due	349	158	316	112
Past due				
Up to 3 months	432	-	334	-
6 - 12 months	-	202	-	202
Over 12 months	2,030	-	-	-
Total trade receivables - related parties (see Note 4)	2,811	360	650	314
<u>Trade receivables - others</u>				
Aged on the basis of due dates				
Not due	83,378	63,221	56,284	43,793
Past due				
Up to 3 months	74,667	45,037	29,717	28,170
3 - 6 months	10,604	6,996	4,737	3,571
6 - 12 months	4,926	1,148	2,911	3
Over 12 months	5,272	3,638	2,727	3,173
Total	178,847	120,040	96,376	78,710
Less: Allowance for expected credit losses	(4,728)	(3,638)	(2,625)	(3,173)
Total trade receivables - others	174,119	116,402	93,751	75,537
Total trade receivables	176,930	116,762	94,401	75,851
<u>Other receivables</u>				
Other receivables - related parties (see Note 4)	443	97	6,506	4,456
Other receivables - others	1,842	3,781	1,442	3,504
Advance payments for services	1,399	899	1,335	844
Advance payments to customers	1,059	724	-	-
Advance payments to employees	1,100	475	929	475
Prepaid expenses - others	6,224	5,711	2,753	3,045
Interest receivables - other	562	120	554	112
Dividend receivables - related parties (see Note 4)	-	-	10,326	-
Total other receivables	12,629	11,807	23,845	12,436
Total	189,559	128,569	118,246	88,287

7. INVENTORIES

Inventories as at December 31, consisted of:

	Unit: Thousand Baht	
	Consolidated	
	financial statements	
	2022	2021
Finished goods	14,619	20,257
<u>Less: Allowance for diminution in value</u>	<u>(7,605)</u>	<u>(5,706)</u>
Total	<u>7,014</u>	<u>14,551</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	
	2022	2021
Allowance for diminution in value of inventories at beginning of the years	5,706	2,257
Adjustment of net realizable value for the years	<u>1,899</u>	<u>3,449</u>
Allowance for diminution in value of inventories at end of the years	<u>7,605</u>	<u>5,706</u>

As at December 31, 2022 and 2021, 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	
	2022	2021
Cost of inventories recognized as expenses and included in the cost of sales:		
- Cost of sales of goods	28,518	34,937
- Allowance for obsolete and slow-moving inventories	<u>1,899</u>	<u>3,449</u>
Total	<u>30,417</u>	<u>38,386</u>

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, 2022		As at December 31, 2021		Fair Value Hierarchy	Valuation Techniques and Key Inputs Used in Fair Value Measurements
	Consolidated	Separate	Consolidated	Separate		
	Financial Statements	Financial Statements	Financial Statements	Financial Statements		
Other current financial assets						
Financial assets measured at fair value through PL						
Non-Marketable debt instruments	9,887	9,887	48,096	48,096	Level 3	Recoverable amount
Financial assets measured at amortized cost						
Held-to-maturity debt instruments	14,346	12,346	2,000	-	Level 3	Amortized cost and effective interest method
Total other current financial assets	24,233	22,233	50,096	48,096		
Other non-current financial assets						
Financial assets measured at fair value through PL						
Marketable debt instruments	155,837	155,837	222,528	222,528	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	21,030	21,030	17,058	17,058	Level 2	Net asset value of investment units of the last working day of the reporting period
Financial assets measured at fair value through OCI						
Marketable equity instruments	171,005	171,005	266,372	266,372	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	128,192	128,192	Level 3	Discounted cash flow estimated with fair value of underlying asset
Marketable debt instruments	42,489	42,489	-	-	Level 2	Net asset value of investment units of the last working day of the reporting period
Total other non-current financial assets	518,553	518,553	634,150	634,150		
Total other financial assets	542,786	540,786	684,246	682,246		

As at December 31, 2022 and 2021, the non-marketable debt instruments are unsubordinated convertible bonds dominated in US dollar as follows:

Investment in convertible bonds	Unit: million USD	
	Consolidated and Separate	
	Financial Statements	
	December 31, 2022	December 31, 2021
Beginning balance	1.4	2.0
Received partial payment	-	(0.3)
Total	1.4	1.7
Losses on measuring convertible notes	(1.1)	(0.3)
Ending balance	0.3	1.4

On September 6, 2018 and April 27, 2020, the Company invested in convertible bonds totaling USD 2.0 million at the interest rate of 8 to 12 percent per annum issued by CXA Group Pte Limited (“CXA”), a provider of insurance brokerage and employee benefit management which the maturity date was extended to be within December 31, 2022.

During 2021, CXA faced liquidity problems and restructured its business by selling its insurance brokerage business in Singapore, Hong Kong and China, with a focus on developing and expanding Software-as-a-Service business instead. The proceeds from the sale of the insurance brokerage business in China will be repaid to the Company in the amount of USD 0.6 million or equivalent to 30 percent of the investment. The Company received the first installment amounting to USD 0.3 million or Baht 9.45 million in December 2021 and the remaining amount to be received for the second installment was amounting to USD 0.3 million. The remaining investment value which was 70 % of the total investment was to be converted into ordinary shares of CXA according to the terms of the contract.

As at December 31, 2021, the Company set losses on measuring convertible notes of such investment approximately USD 0.3 million or Baht 8.65 million. As a result, the carrying value of the investment was USD 1.4 million or equivalent to Baht 48.10 million.

In the beginning of 2022, CXA was in the process of merger with a potential healthcare company with a new capital injection. However, during the third quarter of 2022, this merger was not continued which CXA is currently in the process of finding new investors and has liquidity problem which indicates an uncertainty on their ability to continue as a going concern. Moreover, CXA has requested all bondholders to extend the maturity date to April 2023.

As at September 30, 2022, the Company therefore set an additional losses on measuring convertible notes amount of approximately USD 1.1 million or Baht 38.54 million and the remaining investment value as at December 31, 2022 was USD 0.3 million or Baht 9.89 million by which the Company expected to receive the second installment from the sale of insurance brokerage business in China according to the contract by the end of 2023.

9. RESTRICTED BANK DEPOSITS

As at December 31, 2022 and 2021, the Company has fixed deposits with the banks pledged to secure the issuance of bank guarantees by the bank (see Note 32.2).

10. INVESTMENT IN ASSOCIATES

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

											Unit: Thousand Baht	
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Paid-up capital		Cost method		Consolidated financial statements Carrying amounts based on equity method		Separate financial statements Cost method	
			2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Conicle Company Limited	Online learning platform for organization service	Thailand	20	20	3,265	3,265	40,396	40,396	45,640	45,240	40,396	40,396
Human Chess Capital Company Limited	Intermediate between borrowers and lenders through an online platform	Thailand	50	50	16,010	10,004	8,005	5,002	5,335	3,441	8,005	5,002
Pharmcare Group Company Limited	Online platform for health consulting and e-platform service	Thailand	25	25	4,000	4,000	15,400	15,400	12,947	14,994	15,400	15,400
H Lab Company Limited	Develop and distribute applications to support all of services and managements	Thailand	29	-	3,127	-	36,800	-	39,430	-	36,800	-
Associates held by Humanica Asia Pte. Ltd.												
Synergy Outsourcing Sdn.,Bhd	Provide implementation of human resource and payroll software and provide payroll outsourcing services	Malaysia	45	-	3,918	-	1,825	-	1,929	-	-	-
Total					30,320	17,269	102,426	60,798	105,281	63,675	100,601	60,798

Financial information of associates is as follows:

Company's name	Paid-up Capital		Total Assets		Total Liabilities		Unit: Million Baht			
							Total Revenues for the Years		Profit (Loss) for the Years	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Conicle Company Limited	3.26	3.26	225.79	198.42	82.53	56.36	136.44	100.37	2.00	7.11
Human Chess Capital Company Limited	16.00	10.00	10.77	6.99	0.08	0.09	-	-	(2.22)	(2.00)
Pharmcare Group Company Limited	4.00	4.00	15.61	14.89	10.53	2.16	2.43	2.59	(8.19)	(3.25)
H Lap Company Limited	3.13	-	61.93	-	13.57	-	27.70	-	9.12	-
Associate held by Humanica Asia Pte. Ltd.										
Synergy Outsourcing Sdn.,Bhd	3.92	-	5.19	-	0.30	-	2.31	-	0.23	-

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 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.

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 and the Company paid for the share increase at amount Baht 1.43 per shares, totaling Baht 1.00 million on February 25, 2022. The Company paid for the share increase at amount Baht 1.43 per shares, totaling Baht 1.00 million on July 6, 2022 and the Company paid for the share increase at amount Baht 1.43 per shares, totaling Baht 1.00 million on November 30, 2022. The remaining un-called portion is Baht 2.00 million. 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.

On March 16, 2022, the Company invested in 90,196 ordinary shares of H Lab Company Limited at amount Baht 36.80 million, or 29% of the total issued share capital and then made a full payment for these share subscriptions on the same day. The Company classified its investment as an investment in an associate.

On July 1, 2022, Humanica Asia Pte. Ltd. ("HAP"), a subsidiary, invested in 275,000 ordinary shares of Synergy Outsourcing Sdn., Bhd. (Malaysia) ("SGMY") amounting 275,000 Malaysian Ringgit or Baht 2.30 million representing 55% of the total issued share capital for the said company and full payment was made on the same day. Subsequently on November 3, 2022, HAP sold 50,000 shares of SGMY or 10% of the total issued shares to a third party. As a result, the shareholding percentage of HAP after the sale of such shares accounted for 45% of the total issued shares. Therefore, the Company classified this investment as an 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	Paid-up capital		Separate financial statements Percentage of shareholding		Cost		Dividend income	
	2022	2021	2022 (%)	2021 (%)	2022	2021	2022	2021
Subsidiaries held directly by the Company								
Professional Outsourcing Solutions Limited	Baht 10 million	Baht 10 million	100.00	100.00	72,899	72,899	29,999	44,999
Humanica FAS Limited	Baht 20 million	Baht 20 million	100.00	100.00	48,999	48,999	-	-
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	29,999	19,999
Benix Limited	Baht 50 million	Baht 18 million	51.00	51.00	9,639	9,639	-	-
DataOn Group	*	-	100.00	-	1,975,567	-	17,211	-
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	Baht 7.5 million	70.00	70.00	-	-	-	-
Total investments in subsidiaries					<u>2,252,071</u>	<u>276,504</u>	<u>77,209</u>	<u>64,998</u>

* DataOn Group includes (1) PT. IndoDev Niaga Internet ("INI") which incorporated in Indonesia having paid-up capital in amount of IDR 12,000 million with 100 percentage of shareholding (2) DataOn International Co., Ltd. ("DOF") incorporated in Hong Kong Special Administrative Region of the People's Republic of China having paid-up capital in amount of HKD 545 million with 100 percentage of shareholding, and subsidiaries held by INI including (3) PT. Synergy Group Asia incorporated in Indonesia having paid-up capital in amount of IDR 200 million with 99.50 percentage of shareholding and (4) Grafido Solusindo incorporated in Indonesia having paid-up capital in amount of IDR 300 million with 99.00 percentage of shareholding, currently, the company discontinues.

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%.

On March 31, 2022, the Extraordinary General Meeting of Shareholders of the Company No. 1/2022 passed a resolution to approve the acquisition of DataOn Group which provides human resource solutions and enterprise resource planning solutions in Indonesia and Hong Kong Special Administrative Region of the People's Republic of China. The Company issued its 187,443,576 ordinary shares with an offering price of Baht 10.60 per share, totaling Baht 1,986.90 million (see Note 22) to private placement as the compensation and received the transferred DataOn Group's shares on May 24, 2022.

Moreover, the Company recorded costs related to business acquisition of DataOn Group including financial advisory expenses of Baht 5.88 million as part of administrative expenses in the consolidated statements of profit of loss and other comprehensive income, and recorded such costs related to business acquisition as part of cost of investment in subsidiaries in the separate statement of financial position as at December 31, 2022.

On December 22, 2022, DOI approved the payment of a dividend amounting to USD 0.50 million or equivalent to Baht 17.21 million. The Company received such dividend in December 2022 and January 2023 and the Company deducted such received amount from cost of investment in DataOn Group.

The Company prepared the consolidated financial statements by including the performance of DataOn Group since May 24, 2022.

Net book values of assets and liabilities of DataOn Group as at May 24, 2022, are as follows:

	Unit: Thousand Baht
Consideration for acquisition	1,986,902
Value of net assets acquired	(147,944)
Unallocated costs of business acquisition	<u>1,838,958</u>

The values of net assets acquired as at May 24, 2022, are as follows:

		Unit: Thousand Baht
Assets	Notes	
Cash and cash equivalents		159,656
Trade and other current receivables		100,108
Other current assets		629
Building improvement and equipment - net (Cost: Baht 110,262 and accumulated depreciation: Baht 79,838)	12	30,424
Right-of-use assets - net (Cost: Baht 101,865 and accumulated depreciation: Baht 41,580)	13	60,285
Other intangible assets other than goodwill - net		4,427
Computer software under development	16	7,092
Deferred tax assets		7,654
Total assets		<u>370,275</u>
Liabilities		
Trade and other current payables		35,542
Current contract liabilities		86,603
Corporate income tax payable		9,862
Dividend payable		5,132
Other current liabilities		3,978
Lease liabilities		67,723
Non-current provision for long-term employee benefits	20	11,345
Total liabilities		<u>220,185</u>
Non-controlling interests		<u>(2,146)</u>
Net asset value acquired (IFRIC) Agenda Decision		<u>147,944</u>

In December 2022, DataOn Group adjusted non-current provision for long-term employee benefits by decreasing in amount of Baht 30,238 thousand due to the press release published by the IFRS Interpretation Committee of Indonesia regarding attributing benefits to periods of service and the change of accounting treatment for plan assets of the Agenda Decision foreign subsidiaries. As a result, the value of net assets acquired increased and the unallocated costs of business acquisition decreased in amount of Baht 26,426 thousand.

During 2022, the Company is in the process of assessing the fair value of DataOn Group 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 “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 December 31, 2022 under the caption of “Unallocated costs of business acquisition”.

For the years ended December 31, 2022 and 2021, the subsidiaries other than DOI as disclosed in Note 11, declared dividend payment amounting Baht 77 million and Baht 65 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, 2021	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	
Business acquisitions (see Note 11)	46,047	15,493	44,624	4,098	110,262	
Additions	1,729	2,314	8,580	-	12,623	
Disposals/write-off	(115)	(477)	(5,674)	(1,971)	(8,237)	
Exchange differences on translation of financial statements	(3,747)	(1,266)	(3,638)	(341)	(8,992)	
As at December 31, 2022	74,874	48,670	156,527	14,872	294,943	
Accumulated depreciation:						
As at January 1, 2021	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	
Business acquisitions (see Note 11)	28,082	13,153	36,060	2,543	79,838	
Depreciation for the year	8,495	5,162	11,999	2,290	27,946	
Depreciation on disposals/write-off	(27)	(414)	(4,797)	(1,971)	(7,209)	
Exchange differences on translation of financial statements	(2,468)	(1,133)	(3,178)	(246)	(7,025)	
As at December 31, 2022	51,435	38,631	135,653	13,378	239,097	
Net book value:						
As at December 31, 2022	23,439	10,039	20,874	1,494	55,846	
As at December 31, 2021	13,607	10,743	17,066	2,324	43,740	
Depreciation for the years ended December 31,						
2022 (Baht 12.00 million included in cost of sales and rendering services, and the remaining included in administrative expenses)				Thousand Baht	27,946	
2021 (Baht 7.15 million included in cost of sales and rendering services, and the remaining included in administrative expenses)				Thousand Baht	21,592	

Unit: Thousand Baht					
	Separate financial statements				
	Building improvement	Office equipment	Computers	Vehicles	Total
Cost:					
As at January 1, 2021	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
Additions	1,581	1,207	1,995	-	4,783
Disposals/write-off	-	(245)	(3,415)	-	(3,660)
As at December 31, 2022	27,797	27,482	95,498	5,600	156,377
Accumulated depreciation:					
As at January 1, 2021	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
Depreciation for the year	5,544	3,720	7,133	1,120	17,517
Depreciation on disposals/write-off	-	(245)	(2,812)	-	(3,057)
As at December 31, 2022	18,967	20,481	87,797	5,223	132,468
Net book value:					
As at December 31, 2022	8,830	7,001	7,701	377	23,909
As at December 31, 2021	12,793	9,514	13,442	1,497	37,246
Depreciation for the years ended December 31,					
2022 (Baht 6.00 million included in cost of sales and rendering services, and the remaining included in administrative expenses)				Thousand Baht	17,517
2021 (Baht 4.99 million included in cost of sales and rendering services, and the remaining included in administrative expenses)				Thousand Baht	16,826

As at December 31, 2022, the Company and its subsidiaries had net book value of vehicles and equipment acquired under hire-purchase and finance lease agreements amounted to Baht 0.38 million. (2021: Baht 1.50 million)

As at December 31, 2022 and 2021, the Company and its subsidiaries had building improvement and equipment which were fully depreciated but are still in use. The carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 105 million and Baht 94 million, respectively in the consolidated financial statements and amounted approximately Baht 84 million and Baht 82 million, respectively in the separate financial statements.

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, 2021	151,131	135,881
Increase	33,914	30,832
Exchange differences on translation of financial statements	827	-
As at December 31, 2021	<u>185,872</u>	<u>166,713</u>
Business acquisitions (see Note 11)	101,865	-
Increase	13,135	-
Decrease	(12,721)	-
Exchange differences on translation of financial statements	(8,206)	-
As at December 31, 2022	<u>279,945</u>	<u>166,713</u>
Accumulated Amortization:		
As at January 1, 2021	(22,300)	(16,251)
Increase	(27,034)	(19,701)
Exchange differences on translation of financial statements	(506)	-
As at December 31, 2021	<u>(49,840)</u>	<u>(35,952)</u>
Business acquisitions (see Note 11)	(41,580)	-
Increase	(36,285)	(19,701)
Decrease	11,817	-
Exchange differences on translation of financial statements	3,827	-
As at December 31, 2022	<u>(112,061)</u>	<u>(55,653)</u>
Net book value:		
As at December 31, 2022	<u>167,884</u>	<u>111,060</u>
As at December 31, 2021	<u>136,032</u>	<u>130,761</u>
Amortization for the year ended December 31,		
2022	Thousand Baht <u>36,285</u>	<u>19,701</u>
2021	Thousand Baht <u>27,034</u>	<u>19,701</u>

14. GOODWILL

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

	Unit: Thousand Baht	
	2022	2021
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.	
	2022	2021	2022	2021	2022	2021
Growth rate (Percentage)	5	5	5	5	7	8
Pre-tax discount rate (Percentage)	11	9	11	9	12	9

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, 2022 and 2021.

15. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

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

	Consolidated financial statements			Unit: Thousand Baht	
	Computer software	Trademark	Customer relationship	Total	Separate financial statements Computer software
Cost:					
As at January 1, 2021	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>
Business acquisitions	13,972	-	-	13,972	-
Additions	6,029	-	-	6,029	69
Transfer in	15,865	-	-	15,865	15,865
Exchange differences on translation of financial statements	(8)	-	-	(8)	-
As at December 31, 2022	<u>317,190</u>	<u>29,574</u>	<u>57,511</u>	<u>404,275</u>	<u>242,960</u>

	Consolidated financial statements			Unit: Thousand Baht Separate financial statements	
	Computer software	Tradename	Customer relationship	Total	Computer software
Accumulated Amortization:					
As at January 1, 2021	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
Business acquisitions	9,545	-	-	9,545	-
Amortization for the year	28,214	1,365	8,216	37,795	19,540
Exchange differences on translation of financial statements	(96)	-	-	(96)	-
As at December 31, 2022	180,545	9,488	48,462	238,495	138,996
Net book value:					
As at December 31, 2022	136,645	20,086	9,049	165,780	103,964
As at December 31, 2021	138,450	21,451	17,265	177,166	107,570
				Consolidated financial statements	Separate financial statements
Amortization for the years ended December 31,					
2022		Thousand Baht		37,795	19,540
2021		Thousand Baht		34,743	18,332

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	
	2022	2021	2022	2021
Net book value at beginning of the years	15,864	34,194	15,864	32,178
Add Business acquisitions (see Note 11)	7,092	-	-	-
Development cost of computer software	16,501	16,134	12,067	15,864
Transfer out	(15,864)	(34,464)	(15,864)	(32,178)
Exchange differences on translation of financial statements	(591)	-	-	-
Net book value at end of the years	23,002	15,864	12,067	15,864

17. OTHER NON-CURRENT ASSETS

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

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Deposits	12,022	12,371	9,252	9,813
Withholding tax deducted at source	1,109	1,453	786	786
Total	13,131	13,824	10,038	10,599

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	
	2022	2021	2022	2021
Trade payables - related parties (see Note 4)	-	788	-	787
Trade payables - others	7,659	4,996	6,134	2,187
Other payables - related parties (see Note 4)	-	-	1,285	932
Other payables - others	9,063	4,447	7,354	3,212
Accrued expenses - related parties (see Note 4)	-	736	469	736
Accrued expenses - others	49,379	40,160	21,764	17,997
Total	66,101	51,127	37,006	25,851

19. LEASE LIABILITIES

Lease Liabilities as at December 31, consisted of:

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Lease Liabilities	228,261	182,526	151,771	176,843
<u>Less</u> Deferred interest	(36,242)	(32,864)	(24,608)	(32,613)
	192,019	149,662	127,163	144,230
<u>Less</u> Portion due within one year	(37,558)	(20,670)	(16,605)	(17,067)
Lease Liabilities - net of current portion	154,461	128,992	110,558	127,163

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	
	2022	2021	2022	2021	2022	2021	2022	2021
Total future minimum								
lease payments	50,174	28,855	166,046	131,313	12,041	22,358	228,261	182,526
Deferred interest	(12,616)	(8,185)	(23,028)	(23,265)	(598)	(1,414)	(36,242)	(32,864)
Present value of future								
minimum lease payments	37,558	20,670	143,018	108,048	11,443	20,944	192,019	149,662

	Separate Financial Statements						Unit: Thousand Baht	
	Less than 1 year		1 - 5 years		Over 5 years		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Total future minimum								
lease payments	23,625	25,072	116,105	129,412	12,041	22,359	151,771	176,843
Deferred interest	(7,020)	(8,005)	(16,991)	(23,194)	(597)	(1,414)	(24,608)	(32,613)
Present value of future								
minimum lease payments	16,605	17,067	99,114	106,218	11,444	20,945	127,163	144,230

20. NON-CURRENT PROVISIONS FOR EMPLOYEES BENEFITS

Non-current provisions for employee benefits as at December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Thousand Baht SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Statement of financial position as at December 31,				
Obligations in statement of financial position:				
Post-employment benefits				
Retirement benefit plan	71,222	31,752	22,564	20,725
Less plan assets of foreign subsidiaries	(26,820)	-	-	-
Total	44,402	31,752	22,564	20,725
Statement of profit or loss and other comprehensive income for the years ended December 31,				
Recognized in profit or loss:				
Post-employment benefits				
Retirement benefit plan	34,707	6,544	2,996	3,705
Recognized in other comprehensive income				
Actuarial gains	(2,668)	(14,458)	(1,057)	(8,304)
Total	32,039	(7,914)	1,939	(4,599)

Retirement benefit plan

The Group and the Company operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

Obligations in the statements of financial position as at December 31, were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Thousand Baht SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Present value of defined benefit obligations	71,222	31,752	22,564	20,725
Fair value of plan assets	(26,820)	-	-	-
Funded status	44,402	31,752	22,564	20,725
Net liability arising from defined benefit obligation	44,402	31,752	22,564	20,725

Movements in the present value of the defined benefit obligations:

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Thousand Baht SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Defined benefit obligations as at January 1,	31,752	39,666	20,725	25,324
Business Acquisitions (see Note 11)	11,345	-	-	-
Historical service costs	(13,920)	-	-	-
Current service costs	33,031	5,559	2,648	3,103
Interest costs	15,596	985	348	602
Actuarial gains				
arising from financial assumptions	(2,668)	(14,458)	(1,057)	(8,304)
Benefits paid by the plan	(481)	-	(100)	-
Exchange differences on translation of financial statements	(3,433)	-	-	-
Defined benefit obligations as at December 31,	71,222	31,752	22,564	20,725

Movements in the fair value of the plan assets were as follows:

CONSOLIDATED FINANCIAL STATEMENTS	
Thousand Baht	
Opening fair value of plan assets as at January 1, 2022	-
Interest income	770
Remeasurement loss:	
Others	(507)
Contributions from the employer	7,844
Benefits paid	(253)
Acquisitions through business acquisition	21,404
Exchange differences on translation of financial statements	(2,438)
Closing fair value of plan assets as at December 31, 2022	26,820

The Company and its subsidiaries expect that it will pay for long-term employee benefits of Baht 3.82 million during the next year in the consolidated and separate financial statements (2021: Baht 0.10 million in the consolidated financial statements and the separate financial statements).

As at December 31, 2022, the weighted average duration of the liabilities for long-term employee benefits of the Company and its subsidiaries is 17.27 years (2021: 16.70 years).

Employee benefit expenses recognized in profit or loss

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Thousand Baht SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Historical service costs	(13,920)	-	-	-
Current service costs	33,031	5,559	2,648	3,103
Interest on obligation	15,596	985	348	602
Total	34,707	6,544	2,996	3,705

Such expenses were recognized in profit or loss as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Thousand Baht SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Cost of sales	8,775	4,718	1,708	2,587
Administrative expenses	25,932	1,826	1,288	1,118
Total	34,707	6,544	2,996	3,705

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated/Separate financial statements	
	2022	2021
	(% per annum)	(% per annum)
Discount rate	0.52 - 7.50	0.52 - 3.49
Future salary increase rate	4.00 - 8.50	4.00 - 8.50
Turnover rate	0 - 35	0 - 35

Significant actuarial assumptions for the determination of the defined employee benefit obligations were discount rate, expected salary increase rate and turnover 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		Unit: Thousand Baht SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
Discount rate - increase by 1%	(37,457)	(3,654)	(1,660)	(1,600)
Discount rate - decrease by 1%	46,182	4,285	1,890	1,817
Salary rate - increases by 1%	46,691	4,133	2,073	1,765
Salary rate - decreases by 1%	(37,466)	(3,593)	(1,844)	(1,575)
Turnover rate - increases by 20%	(3,812)	(3,200)	(2,107)	(1,751)
Turnover rate - decreases by 20%	4,928	4,099	2,896	2,388

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. WARRANTS

On April 19, 2021, the Company's Annual General Meeting of the Shareholders of 2021 passed a resolution to issue and offer the warrants no. 1 (Human-W1) according to "The first securities offering to executives and employees (ESOP)" scheme to purchase the Company's ordinary shares of 10,000,000 units in which allocated to executives and employees of the Company.

On April 8, 2022, the Company offered the warrants to purchase the Company's ordinary shares of 10,000,000 units to executive and employees.

Details of warrants were as follows:

Project Name	Warrants to purchase the ordinary shares to executives and employees of Humanica Public Company Limited No.1 (HUMAN-W1) (the “Warrants”)
Term (Years)	5 years from the date of issuance and offering
Grant date	Upon 24 months from the Warrant’s issuance date Not exceeding 20% Upon 36 months from the Warrant’s issuance date The Warrants can be additionally exercised for not exceeding 20% Upon 48 months from the Warrant’s issuance date The Warrants can be additionally exercised for not exceeding 30% Upon 60 months from the Warrant’s issuance date Any amount of allotted warrants until the maturity date
Expired date	5 years from the date of issuance and offering
Number of Issued warrants (Unit)	Not exceeding 10,000,000 Units
Exercise ratio per 1 warrant	1 unit of warrants has the right to purchase 1 ordinary share, except there is an adjustment of right under the right adjustment condition
Exercise price (Baht per share)	Baht 10.90 (Ten Baht Ninety Satang), except there is an adjustment of right under the right adjustment condition.

Fair value of warrant is measured using a Binomial Model with the following financial assumptions:

	Year 1
Grant date share price (Baht per share)	12.20
Exercise price of warrant (Baht per share)	10.90
Expected volatility	38.63%
The expected period in which shareholders fully exercise their rights on warrants	5 years
Expected dividend yield	1.09%
Risk free interest rate	1.68%

Movements in warrants for the year ended December 31, 2022 were as follows:

	Number of warrants (Unit)	Weighted-average exercise price Baht per share)
Balance as at January 1,	-	-
Granted warrants	10,000,000	10.90
Balance as at December 31,	<u>10,000,000</u>	<u>10.90</u>

During the year ended December 31, 2022, there were no warrants exercised.

For 2022, the Company recorded warrants as part of shareholders’ equity in the consolidated and separate statements of changes in shareholders’ equity of Baht 7.83 million and recorded the related expense as part of administrative expenses in the same amount in the consolidated and separate statements of profit or loss and other comprehensive income.

22. 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 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 at December 31, 2022, the Company has not called for such additional share subscriptions.

On March 31, 2022, the Extraordinary General Meeting of Shareholders No. 1/2022 passed a resolution to increase of the Company's registered capital from Baht 345,000,000 to Baht 438,721,788 by issuing 187,443,576 newly issued ordinary shares, with a par value of Baht 0.50 per share to the private placement as the compensation for the acquisition of shares of the Company in the DataOn Group (see Note 11). The Company obtained an approval from the Securities and Exchange Commission for the permission of a private placement of such securities effective on May 3, 2022. The Company called and received the offering price of Baht 10.60 per share, totaling Baht 1,986.90 million. The Company registered such increase in share capital with the Department of Business Development on June 9, 2022.

23. 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.

24. FINANCE INCOME

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

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Interest income:				
Financial instruments measured at amortized cost:				
Bank deposits	2,792	239	97	158
Other financial assets measured at amortized cost	4,622	6,805	4,622	6,805
	<u>7,414</u>	<u>7,044</u>	<u>4,719</u>	<u>6,963</u>
Other:				
Relating to investments held at the end of the reporting period	6,282	5,382	66,280	70,380
Total	<u>13,696</u>	<u>12,426</u>	<u>70,999</u>	<u>77,343</u>

25. 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	
	2022	2021	2022	2021
Salary and wages and other employee benefits	440,342	336,407	216,458	206,172
Depreciation	27,946	21,592	17,517	16,826
Amortization	74,080	61,777	39,241	38,033
Rental expenses from operating lease agreements	6,677	6,193	4,810	4,584
License fees	22,118	6,658	13,196	6,612
Maintenance expenses	20,391	21,046	20,391	21,046
Cost of inventories	30,417	38,386	-	-
Loss on measuring convertible notes	38,538	8,653	38,538	8,653
Loss on measuring financial assets	3,978	5,031	3,978	5,031

26. 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	
	2022	2021	2022	2021
Current income tax:				
Current income tax for the years	(43,397)	(31,248)	(12,099)	(15,811)
Adjustment in respect of income tax expenses of previous years	(392)	449	(482)	227
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	14,304	10,182	12,868	4,740
Income tax income (expense) reported in the statement of profit or loss and other comprehensive income	(29,485)	(20,617)	287	(10,844)

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	
	2022	2021	2022	2021
Deferred tax relating to unrealized (gain) loss on changes in value of investments in other current and non-current financial assets	17,079	(11,816)	17,079	(11,816)
Deferred tax on actuarial gain	(367)	(2,839)	(211)	(1,661)
	<u>16,712</u>	<u>(14,655)</u>	<u>16,868</u>	<u>(13,477)</u>

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

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Accounting profit before income tax	209,504	185,955	117,771	195,282
Applicable income tax rate	20	20	20	20
Accounting profit before income tax multiplied by income tax rate	41,901	37,191	23,554	39,056
Adjustment in respect of income tax expenses of previous years	(392)	(450)	(482)	(227)
Differences in income tax rate in the Group	386	(310)	-	-
Effects of:				
Promotional privileges (see Note 27)	(11,106)	(13,184)	(11,106)	(13,184)
Exemption of income	(8,181)	(1,311)	(12,000)	(13,240)
Non-deductible expenses	1,637	2,502	490	748
Others	5,240	(3,821)	(743)	(2,309)
Total	(12,410)	(15,814)	(23,359)	(27,985)
Income tax expenses reported in the statement of other comprehensive income	29,485	20,617	(287)	10,844

The tax rate enacted at the end of the reporting period of the subsidiaries in overseas countries are 17 percent to 24 percent.

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

	Consolidated financial statements		Unit: Thousand Baht Separate financial statements	
	2022	2021	2022	2021
Allowance for expected credit losses	1,173	721	525	635
Non-current provisions for employees benefit	9,818	7,078	4,513	4,145
Provision for impairment of other current financial assets	11,055	2,698	11,055	2,698
Unrealized (gain) loss on changes in value of investments in other current and non-current financial assets	8,220	(9,336)	8,220	(9,336)
Warrants	1,566	-	1,566	-
Other deferred tax assets	6,788	2,267	3,221	1,222
Fair value of intangible assets arising from business acquisition	(9,838)	(12,892)	-	-
Other deferred tax liabilities	(791)	(761)	-	-
Deferred tax assets (liabilities) - net	27,991	(10,225)	29,100	(636)
Presentation in the statement of financial position				
Deferred tax assets	38,620	4,793	29,100	-
Deferred tax liabilities	(10,629)	(15,018)	-	(636)
Total	27,991	(10,225)	29,100	(636)

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

2022

	Unit: Thousand Baht			
	Consolidated Financial Statements			
	As at January 1, 2022	Business Acquisitions	Items as recognized in profit or loss	Items as recognized in other comprehensive income
				As at December 31, 2022
Allowance for expected credit losses	722	378	73	-
Non-current provisions for employees benefits	7,078	5,110	(1,936)	(434)
Provision for impairment on other current financial assets	2,697	-	8,358	-
Unrealized (gain) loss on changes in value of investments in other current and non-current financial assets	(9,336)	-	477	17,079
Warrants	-	-	1,566	-
Fair value of intangible assets arising from business acquisition	(12,893)	-	3,055	-
Others	1,507	2,166	2,324	-
Total	(10,225)	7,654	13,917	16,645

2021

	Unit: Thousand Baht			
	Consolidated Financial Statements			
	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
Unrealized (gain) loss on changes in value of investments in other current and non-current financial assets	1,155	1,325	(11,816)	(9,336)
Fair value of intangible assets arising from business acquisition	(15,947)	3,054	-	(12,893)
Others	561	946	-	1,507
Total	(5,665)	7,256	(11,816)	(10,225)

2022

	Unit: Thousand Baht			
	Separate Financial Statements			
	As at January 1, 2022	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at December 31, 2022
Allowance for expected credit losses	635	(110)	-	525
Non-current provisions for employees benefits	4,145	368	-	4,513
Provision for impairment on other current financial assets	2,698	8,357	-	11,055
Warrants	-	1,566	-	1,566
Unrealized (gain) loss on changes in value of investments in other current and non-current financial assets	(9,336)	34,635	(17,079)	8,220
Others	1,222	1,999	-	3,221
Total	(636)	46,815	(17,079)	29,100

2021

	Unit: Thousand Baht			
	As at January 1, 2021	Separate Financial Statements 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
Unrealized (gain) loss on changes of investments 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>

27. PROMOTIONAL PRIVILEGES

The Company was granted certain rights and privileges as a promoted industry under the Investment Promotion Act B.E. 2520, as follows:

	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, 2022 and 2021, the Company's revenues from sales and rendering services, which were allocated to promoted and non-promoted activities as follows:

	Promoted operations		Non-promoted operations		Unit: Thousand Baht Total	
	2022	2021	2022	2021	2022	2021
Revenue from sales and rendering services						
Domestic	202,099	172,809	266,568	246,242	468,667	419,051
Export	1,351	955	1,879	2,523	3,230	3,478
Total revenue from sales and rendering service	<u>203,450</u>	<u>173,764</u>	<u>268,447</u>	<u>248,765</u>	<u>471,897</u>	<u>422,529</u>

28. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary shareholders 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	
	2022	2021	2022	2021
Profit attributable to owners of the Company for the year (Thousand Baht)	180,918	169,822	118,058	184,438
Issued and paid-up share capital as of January 1, (Thousand shares)	680,000	680,000	680,000	680,000
Effect from increase in share capital (see Note 22)	105,276	-	105,276	-
Weighted average number of ordinary shares (Thousand shares)	785,276	680,000	785,276	680,000
Basic earnings per share (Baht per share)	0.23	0.25	0.15	0.27

29. DIVIDENDS PAID

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.

On April 26, 2022, the Company's Annual General Meeting of the Shareholders approved the payment of dividends for the year 2021 amounting to Baht 108.80 million. However, since the Board of Directors previously approved an interim dividends from income of the year 2021 amounting to Baht 40.80 million, there were remaining dividends payment amounting to Baht 68.00 million or Baht 0.10 per share. Such dividends were paid to the shareholders on May 24, 2022. In addition, the Company's Annual General Meeting of the shareholders approved the appropriation of net profit for year 2021 to legal reserve of Baht 0.50 million.

On August 15, 2022, the meeting of the Company's Board of Directors approved an interim dividends from the net profit for the six-month period ended June 30, 2022 amounting to Baht 52.05 million or Baht 0.06 per share. Such dividends were paid to the shareholders on September 14, 2022.

30. 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	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from sales and rendering service income												
from external customers	862,664	552,546	112,235	90,092	19,853	21,090	47,436	64,352	4,002	612	1,046,190	728,692
Total revenue	<u>862,664</u>	<u>552,546</u>	<u>112,235</u>	<u>90,092</u>	<u>19,853</u>	<u>21,090</u>	<u>47,436</u>	<u>64,352</u>	<u>4,002</u>	<u>612</u>	<u>1,046,190</u>	<u>728,692</u>
Segment profit (loss)	225,360	139,821	12,124	7,691	9,164	7,136	17,019	25,965	(1,194)	(8,235)	262,473	172,378
Unallocated income (expenses):												
Other incomes											13,610	34,406
Amortization of intangible assets from purchase of subsidiaries											(15,273)	(15,273)
Direct costs related to business acquisition											(5,877)	-
Expense related to the warrants											(7,832)	-
Losses on measuring convertible notes											(38,538)	(8,653)
Finance incomes											13,696	12,426
Finance costs											(12,732)	(9,342)
Share (loss) profit of associates accounted for using equity method											(23)	13
Profit before income tax expenses											<u>209,504</u>	<u>185,955</u>
Income tax expenses											<u>(29,485)</u>	<u>(20,617)</u>
Profit for the year											<u>180,019</u>	<u>165,338</u>

Disaggregation of revenue

The Group disaggregated its revenue from the sale of goods and rendering 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,	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Timing of revenue recognition												
At a point in time												
- Revenue from sales of software	70,467	48,809	33,301	14,438	-	-	-	-	-	-	103,768	63,247
- Revenue from sales of goods	-	-	-	12	-	-	47,436	64,352	-	-	47,436	64,364
- Monthly service income	562,580	371,111	-	-	19,853	21,050	-	-	2,483	-	584,916	392,161
- One-time service income	41,109	38,336	-	-	-	20	-	-	1,269	612	42,378	38,968
Overtime												
- Service income from software implementation	135,574	56,495	31,626	28,691	-	20	-	-	250	-	167,450	85,206
- Other service income	52,934	37,795	47,308	46,951	-	-	-	-	-	-	100,242	84,746
Total Revenues	862,664	552,546	112,235	90,092	19,853	21,090	47,436	64,352	4,002	612	1,046,190	728,692

For the years ended December 31, 2022 and 2021, 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	
	2022	2021
Revenue from external customers		
Thailand	706,815	648,296
Singapore	81,057	62,929
Japan	900	1,284
Malaysia	17,472	13,990
Indonesia	219,487	-
Myanmar	2,139	-
Vietnam	2,220	-
Philippines	14,321	-
Others	1,779	2,193
Total	<u>1,046,190</u>	<u>728,692</u>

31. 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 the Company and its subsidiaries and employees 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 Tisco Asset Management Company Limited, will be paid to employees upon termination in accordance with the Company and its subsidiaries' fund policy. For 2022, the Company and its subsidiaries' contributions amounting to approximately Baht 13.13 million (2021: Baht 13.58 million) (The Company only 2022: Baht 7.75 million, 2021: Baht 8.05 million) were recognized as expenses for the year.

32. COMMITMENTS AND CONTINGENT LIABILITIES

32.1 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 financial statements		Unit: Million Baht Separate financial statements	
	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
Payable:				
1 year	8	7	5	6
Over 1 year and up to 5 years	17	16	15	15
Over 5 years	70	74	70	74

32.2 Guarantees

As at December 31, 2022, there were outstanding bank guarantees of Baht 1.1 million (2021: Baht 0.6 million) (The Company only 2022: Baht 0.1 million, 2021: Baht 0.6 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).

32.3 Facility Agreements

The Company entered into the unsecured Credit Facility Agreements for bank overdrafts amounting to Baht 25 million. As at December 31, 2022, the amounts have not been drawn down.

33. 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.

Consolidated Financial Statements											Unit : Thousand Baht			
As at December 31, 2022	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	-	-	-	-	586,166	-	-	-	-	586,166	-	-	-	-
Trade and other current receivables	-	-	-	-	189,559	-	-	-	-	189,559	-	-	-	-
Current contract assets	-	-	-	-	48,525	-	-	-	-	48,525	-	-	-	-
Other current financial assets	-	9,887	-	-	14,346	-	-	-	-	24,233	-	-	24,233	24,233
Other current assets	-	-	-	-	2,807	-	-	-	-	2,807	-	-	-	-
Restricted bank deposits	-	-	-	-	1,148	-	-	-	-	1,148	-	-	-	-
Other non-current financial assets	-	176,867	341,686	-	-	-	-	-	-	518,553	326,842	63,519	128,192	518,553
Long-term loan	-	-	-	-	8,000	-	-	-	-	8,000	-	-	-	-
Other non-current assets	-	-	-	-	12,022	-	-	-	1,109	13,131	-	-	-	-
Trade and other current payables	-	-	-	-	-	-	-	66,101	-	66,101	-	-	-	-
Current contract liabilities	-	-	-	-	-	-	-	119,647	-	119,647	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	24,882	24,882	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	192,019	-	192,019	-	-	-	-

Unit : Thousand Baht														
As at December 31, 2022	Seperate Financial Statements													
	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	-	-	-	-	177,819	-	-	-	-	177,819	-	-	-	-
Trade and other current receivables	-	-	-	-	118,246	-	-	-	-	118,246	-	-	-	-
Current contract assets	-	-	-	-	32,452	-	-	-	-	32,452	-	-	-	-
Other current financial assets	-	9,887	-	-	12,346	-	-	-	-	22,233	-	-	22,233	22,233
Other current assets	-	-	-	-	1,400	-	-	-	-	1,400	-	-	-	-
Restricted bank deposits	-	-	-	-	103	-	-	-	-	103	-	-	-	-
Other non-current financial assets	-	176,867	341,686	-	-	-	-	-	-	518,553	326,842	63,519	128,192	518,553
Long-term loan	-	-	-	-	8,000	-	-	-	-	8,000	-	-	-	-
Other non-current assets	-	-	-	-	9,252	-	-	-	786	10,038	-	-	-	-
Trade and other current payables	-	-	-	-	-	-	-	37,006	-	37,006	-	-	-	-
Current contract liabilities	-	-	-	-	-	-	-	33,038	-	33,038	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	11,472	11,472	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	127,163	-	127,163	-	-	-	-

Unit : Thousand Baht														
As at December 31, 2021	Consolidated Financial Statements													
	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	-	-	-	-	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														
	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	-	-	-	-	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	-	-	-	-	

34. FINANCIAL INSTRUMENTS

34.1 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
2022						
	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	90,200	-	236,875	259,091	586,166	0.01 - 5.55
Trade and other current receivables	-	-	-	189,559	189,559	-
Current contract assets	-	-	-	48,525	48,525	-
Other current financial assets	-	-	-	24,233	24,233	-
Restricted bank deposits	1,148	-	-	-	1,148	0.25 - 5.00
Long-term loan	-	8,000	-	-	8,000	5.95
Other non-current financial assets	-	-	-	518,553	518,553	
	91,348	8,000	236,875	1,039,961	1,376,184	
Financial liabilities						
Trade and other current payables	-	-	-	66,101	66,101	-
Current contract liabilities	-	-	-	119,647	119,647	-
Lease liabilities	37,558	154,461	-	-	192,019	5.25 - 10.86
	37,558	154,461	-	185,748	377,767	

Unit: Thousand Baht

Separate financial statements						
2022						
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	-	-	50,235	127,584	177,819	0.25 - 0.35
Trade and other current receivables	-	-	-	118,246	118,246	-
Current contract assets	-	-	-	32,452	32,452	-
Other current financial assets	-	-	-	22,233	22,233	-
Restricted bank deposits	103	-	-	-	103	0.25
Long-term loan	-	8,000	-	-	8,000	5.95
Other non-current financial assets	-	-	-	518,553	518,553	-
	103	8,000	50,235	819,068	877,406	
Financial liabilities						
Trade and other current payables	-	-	-	37,006	37,006	-
Current contract liabilities	-	-	-	33,038	33,038	-
Lease liabilities	16,605	110,558	-	-	127,163	5.25 - 6.25
	16,605	110,558	-	70,044	197,207	

Unit: Thousand Baht

Unit: Thousand Baht

Consolidated 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	-	-	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

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	

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	
	2022 (Million)	2021 (Million)	2022 (Million)	2021 (Million)	2022 (Baht per 1 foreign currency unit)	2021
USD	2.00	0.02	-	0.01	34.5624	33.4199
JPY	0.06	0.08	-	-	0.2609	0.2906
MYR	2.04	1.92	0.41	0.17	7.8304	8.0143
SGD	4.67	3.79	0.73	0.58	25.7206	24.7357
PHP	-	-	-	-	0.6190	0.6550
IDR	78,177.91	-	27,538.40	-	0.0022	0.0023
HKD	0.10	-	0.25	-	4.4340	4.2886

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2022 (Million)	2021 (Million)	2022 (Million)	2021 (Million)	2022 (Baht per 1 foreign currency unit)	2021
USD	0.22	-	-	0.01	34.5624	33.4199
JPY	0.06	0.08	-	-	0.2609	0.2906
MYR	0.08	0.07	-	-	7.8304	8.0143
SGD	0.35	0.18	0.05	0.04	25.7206	24.7357

34.2 Foreign currency risk

The Company and its subsidiaries has foreign currency risk relating to expense, purchasing goods and services 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.

34.3 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.

35. 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, 2022, the Group's debt-to-equity ratio was 0.14 : 1 (2021: 0.23 : 1) and the Company's was 0.07 : 1 (2021: 0.18 : 1).

36. RECLASSIFICATIONS

Certain reclassifications have been made to the statement of profit or loss and other comprehensive income for the year ended December 31, 2021 to conform to the classifications used in the statement of financial position as at December 31, 2022. Such reclassifications have no impact on the previously reported net profit, total comprehensive income and the shareholders' equity. The reclassifications are as follows:

Items	Previous presentation	Reclassified to	Unit: Thousand Baht	
			Consolidated	Separate
			Financial Statements	Financial Statements
Statement of profit or loss and other comprehensive income for the year ended December 31, 2021				
Losses on measuring convertible notes	Administrative expenses	Losses on measuring convertible notes	8,653	8,653
Losses on measuring financial assets	Other income	Losses on measuring financial assets	5,031	5,031

37. EVENTS AFTER THE REPORTING PERIOD

On February 28, 2023, the meeting of the Company's Board of Directors passed a resolution to propose the payment of a dividend for the year 2022 at Baht 0.18 per share. However, since the Board of Directors previously approved an interim dividend from income of the year 2022 at Baht 0.06 per share, totaling Baht 52.05 million, there are the remaining dividend payable at Baht 0.12 per share, totaling Baht 104.09 million. The Board of Directors will propose for an approval by the Annual General Meeting of the Company.

38. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issuing by the Company's authorised directors on February 28, 2023.