

Subject: Management's Discussion and Analysis for the Year Ended December 31, 2024

To The President  
The Stock Exchange of Thailand

**Management's Discussion and Analysis**  
**Consolidated Financial Statements**  
**For the Year ended December 31, 2024**

**Overall Group Performance**

**Table 1: Overall Financial Performance**

Unit: million baht

	2024	2023	Change	%YoY
Revenues	1,423.92	1,301.07	122.85	9.4%
Gross Profit	731.28	688.00	43.28	6.3%
Adjusted EBT*	443.89	390.29	53.60	13.7%
EBT	418.53	358.51	60.02	16.7%
Net Profit	345.57	307.61	37.96	12.3%
% Gross Profit Margin	51.4%	52.9%		
% Adjusted EBT	31.2%	30.0%		

	Q4 2024	Q4 2023	Change	%YoY	Q3 2024
Revenues	386.17	357.84	28.33	7.9%	346.91
Gross Profit	218.50	196.16	22.34	11.4%	165.45
Adjusted EBT*	149.92	118.43	31.49	26.6%	95.16
EBT	148.60	108.90	39.70	36.5%	79.76
Net Profit	118.83	90.23	28.60	31.7%	62.89
% Gross Profit Margin	56.6%	54.8%			47.7%
% Adjusted EBT	38.8%	33.1%			27.4%

Note:

\* Adjusted Earnings before tax which exclude the effect of transactions from gain/loss on valuation of financial investment, Exchange gain (loss), one-off income (expenses) and Amortization expense of intangible asset from Purchase Price Allocation (PPA).

**Revenues**

For 2024, The Humanica Group of Companies ("HUMAN" or the "Company") delivered sales and service revenue of 1,423.92mb (2023: 1,301.07mb), an increase of 122.85mb or 9.4%. HR Solutions revenue increased 113.49mb or 9.7% from organic growth 98.05mb which mostly increased from license income (SaaS model), payroll outsourcing income and implementation income and increased from new business

from HRM Consulting Company Limited (New subsidiary) 15.44mb. Financial Solutions revenue increased 9.36mb or 6.9%.

For Q4 2024, the revenue increased by 28.33mb or 7.9% to 386.17mb (Q4 2023: 357.84mb) from HR Solutions 20.05mb or 6.3% and Financial Solutions 8.28mb or 21.2%.

### **Gross Profit**

For 2024, gross profit grew +43.28mb or +6.3%. Revenue grew 9.4% but cost grew 12.9% as gross profit margin (GPM) decreased from 52.9% to 51.4% mainly due to the increase in staff cost.

For Q4 2024, gross profit increased by +22.34mb or +11.4% and gross profit margin increased from 54.8% to 56.6% as revenue grew +28.33mb and cost increased -5.99mb from increase in cloud cost -3.50mb and vendor cost -1.40mb.

### **Adjusted EBT/EBT**

#### For 2024

Adjusted EBT closed at 443.89mb (2023: 390.29mb), an increase of +53.60mb or +13.7% from

- Gross Profit grew +43.28mb
- Increase in interest income +6.16mb
- Interest expenses decreased +3.12mb
- Share of loss from associated & JV. decreased +0.84mb

EBT closed at 418.53mb (2023: 358.51mb) increased by +60.02mb or +16.7% mostly from

- Adjusted EBT grew +53.60mb
- Exchange gain increased +10.58mb
- Gain from financial investment +0.73mb
- Loss from impairment of financial asset -4.75mb

#### For Q4 2024

Adjusted EBT closed at 149.92mb (Q4 2023: 118.43mb), an increase of +31.49mb or +26.6% from

- Gross Profit increased +22.34mb
- SG&A expenses saving +6.85mb
- Interest income +3.59mb

EBT closed at 148.60mb (Q4 2023: 108.90mb) increased by +39.70mb or +36.5% mostly from

- Adjusted EBT increased +31.49mb
- Exchange gain increased +11.81mb
- Loss from financial investment -2.96mb

### **Net Profit**

For 2024, the net profit after tax closed at 345.57mb (2023: 307.61mb), increasing by 37.96mb or 12.3% with overall net profit margin up to 24.3% (2023: 23.6%) due to a growth in EBT +60.02 less increased in income tax -22.06mb.

For Q4 2024, the net profit increased by 28.60mb or 31.7% to 118.83mb (Q4 2023: 90.23mb) due to increasing in EBT +39.70mb and increasing in income tax -11.10mb.

## Segment Report

**Table 2: The breakdown performance by business entities**

Unit: million baht

	2024			2023		
	HR Solutions	Financial Solutions	Total	HR Solutions	Financial Solutions	Total
<u>Revenues</u>						
-Thailand	712.16	145.24	857.40	647.39	135.88	783.27
-Indonesia	426.57	-	426.57	408.23	-	408.23
-Other SEA	139.95	-	139.95	109.57	-	109.57
<b>Total revenues</b>	<b>1,278.68</b>	<b>145.24</b>	<b>1,423.92</b>	<b>1,165.19</b>	<b>135.88</b>	<b>1,301.07</b>
Gross Profit	682.01	49.27	731.28	640.60	47.40	688.00
Operating Profit	378.81	29.95	408.76	339.39	26.63	366.02

	Q4 2024			Q4 2023		
	HR Solutions	Financial Solutions	Total	HR Solutions	Financial Solutions	Total
<u>Revenues</u>						
-Thailand	185.36	47.42	232.78	168.42	39.14	207.56
-Indonesia	113.03	-	113.03	123.15	-	123.15
-Other SEA	40.36	-	40.36	27.13	-	27.13
<b>Total revenues</b>	<b>338.75</b>	<b>47.42</b>	<b>386.17</b>	<b>318.70</b>	<b>39.14</b>	<b>357.84</b>
Gross Profit	198.11	20.39	218.50	179.92	16.24	196.16
Operating Profit	126.42	14.73	141.15	101.22	11.60	112.82

In Table 2, The Company's segment report comprises 2 business units, HR Solutions and Financial Solutions.

### 2024/2023

#### HR Solutions

- HR solutions revenue increased 113.49mb or 9.7% to 1,278.68mb (2023: 1,165.19mb). This increase is mainly due to increasing revenue from license income (SaaS model), payroll outsourcing income and implementation income which increased from Thailand 64.77mb or 10.0%, Indonesia 18.34mb or 4.5% and others 30.38mb or 27.7%. Revenue of other SEA increased significantly as there were transfer of clients from DataOn Indonesia to Humanica Asia Pte. (Singapore) amounting to 9.23mb.
- Gross profit increased 41.41mb or 6.5% to 682.01mb (2023: 640.60mb) as revenue grew +113.49mb and cost increased -72.08mb.
- Operating profit increased 39.42mb or 11.6% to 378.81mb (2023: 339.39mb).

#### Financial Solutions

- Financial solutions revenue increased 9.36mb or 6.9% to 145.24mb (2023: 135.88mb) from growth of license income and maintenance income.
- Gross profit increased 1.87mb or 3.9% to 49.27mb (2023: 47.40mb) as revenue grew +9.36mb and cost increased -7.49mb.
- Operating profit increased 3.32mb or 12.5% to 29.95mb (2023: 26.63mb).

### Q4 2024/Q4 2023

#### HR Solutions

- HR solutions revenue increased 20.05mb or 6.3% to 338.75mb (Q4 2023: 318.70mb). This increase is mainly due to increasing revenue from license income (SaaS model), payroll outsourcing income and implementation income which increased from Thailand 16.94mb or 10.1% and others 13.23mb or 48.8% while Indonesia decreased 10.12 or 8.2%. During Q4 2024, there were transfer of clients from DataOn Indonesia to Humanica Asia Pte. (Singapore) amounting to 7.69mb.
- Gross profit increased 18.19mb or 10.1% to 198.11mb (Q4 2023: 179.92mb) as revenue grew +20.05mb and cost increased -1.86mb.
- Operating profit increased 25.20mb or 24.9% to 126.42mb (Q4 2023: 101.22mb).

#### Financial Solutions

- Financial solutions revenue increased 8.28mb or 21.2% to 47.42mb (Q4 2023: 39.14mb) from recognition of license income from new clients in Q4 2024.
- Gross profit increased 4.15mb or 25.6% to 20.39mb (Q4 2023: 16.24mb) as revenue increased +8.28mb and cost increased -4.13mb.
- Operating profit increased 3.13mb or 27.0% to 14.73mb (Q4 2023: 11.60mb).

#### The recurring and non-recurring revenue:

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

Unit: million baht

Type of Revenue	2024				2023			
	HR Solutions	Financial Solutions	Total	% Proportion	HR Solutions	Financial Solutions	Total	% Proportion
Recurring	901.61	90.04	991.65	69.6%	803.48	74.41	877.89	67.5%
Non-Recurring	377.07	55.20	432.27	30.4%	361.71	61.47	423.18	32.5%
<b>Total revenues</b>	<b>1,278.68</b>	<b>145.24</b>	<b>1,423.92</b>	<b>100.0%</b>	<b>1,165.19</b>	<b>135.88</b>	<b>1,301.07</b>	<b>100.0%</b>

Type of Revenue	Q4 2024				Q4 2023			
	HR Solutions	Financial Solutions	Total	% Proportion	HR Solutions	Financial Solutions	Total	% Proportion
Recurring	231.44	27.14	258.58	67.0%	204.64	19.14	223.78	62.5%
Non-Recurring	107.31	20.28	127.59	33.0%	114.06	20.00	134.06	37.5%
<b>Total revenues</b>	<b>338.75</b>	<b>47.42</b>	<b>386.17</b>	<b>100.0%</b>	<b>318.70</b>	<b>39.14</b>	<b>357.84</b>	<b>100.0%</b>

### 2024/2023

Overall, the Company's recurring revenue proportion increased from 67.5% in 2023 to 69.6% in 2024 while non-recurring revenue proportion decreased from 32.5% to 30.4%. Recurring revenue reported an overall increase of 113.76mb or 13.0%. We registered stronger growth in recurring SaaS and payroll outsourcing service revenue.

Non-recurring revenue increased 9.09mb or 2.1% from 2023, mainly due to increasing in implementation income.

### Q4 2024/Q4 2023

The Company's recurring revenue proportion increased from 62.5% in Q4 2023 to 67.0% in Q4 2024 while non-recurring revenue proportion decreased from 37.5% to 33.0%. Recurring revenue reported an overall increase of 34.80mb or 15.6%, driven by income from software and human resources system and payroll outsourcing service.

Non-recurring revenue decreased 6.47mb or 4.8% from Q4 2023, mainly due to decreasing in implementation income.

### Financial Position

**Table 4: Overall Financial Position**

**Unit: million baht**

<u>Assets</u>	As of Dec 31, 2023	%	As of Dec 31, 2024	%	Change YoY	% YoY
Cash and cash equivalents	613.03	15.0%	678.49	16.1%	65.46	10.7%
Current financial assets	93.26	2.3%	68.77	1.6%	(24.49)	(26.3%)
Trade & Other receivable	185.88	4.5%	226.76	5.4%	40.88	22.0%
Current contract assets	71.06	1.7%	58.20	1.4%	(12.86)	(18.1%)
Inventory	6.35	0.2%	3.93	0.1%	(2.42)	(38.1%)
Other current Asset	4.83	0.1%	4.54	0.1%	(0.29)	(6.0%)
Non-current financial assets	484.64	11.8%	561.66	13.3%	77.02	15.9%
Right to use assets	129.98	3.2%	103.89	2.5%	(26.09)	(20.1%)
Goodwill	1,914.51	46.7%	1,902.33	45.1%	(12.18)	(0.6%)
Non-Current asset	595.80	14.5%	606.87	14.4%	11.07	1.9%
<b>Total Assets</b>	<b>4,099.34</b>	<b>100.0%</b>	<b>4,215.44</b>	<b>100.0%</b>	<b>116.10</b>	<b>2.8%</b>
<u>Liabilities</u>						
Current liability	304.73	7.4%	380.58	9.0%	75.85	24.9%
Non-Current liability	194.92	4.8%	149.07	3.5%	(45.85)	(23.5%)
<b>Total liabilities</b>	<b>499.65</b>	<b>12.2%</b>	<b>529.65</b>	<b>12.5%</b>	<b>30.00</b>	<b>6.0%</b>
<b>Shareholders' equity</b>	<b>3,599.69</b>	<b>87.8%</b>	<b>3,685.79</b>	<b>87.5%</b>	<b>86.10</b>	<b>2.4%</b>
<b>Total liabilities and Shareholders' equity</b>	<b>4,099.34</b>	<b>100.0%</b>	<b>4,215.44</b>	<b>100.0%</b>	<b>116.10</b>	<b>2.8%</b>

**(a) Total assets**

Total assets as of December 31, 2024 stand at 4,215.44mb, an increase of 116.10mb or 2.8%. The increase was mainly due to higher non-current financial assets 77.02mb, cash excess from operations 65.46mb and trade and other receivables 40.88mb.

**(b) Total Liabilities**

Total liability as of December 31, 2024 was 529.65mb, increasing by 30.00mb or 6.0%, mainly due to increasing in trade and other payables 13.82mb, contract liabilities 52.03mb and income tax payable 5.06mb.

**(c) Shareholders' equity**

Total shareholder's equity as of December 31, 2024 was 3,685.79mb, increasing by 86.10mb or 2.4%, mainly due to increasing in unappropriated retained earnings 110.77mb and decreasing in other components of equity 19.30mb (decreased from translation adjustments through other comprehensive income of DataOn group's goodwill).

**Cash Flow Statement**

**Unit: million baht**

	<b>2023</b>	<b>2024</b>
Net cash provided by (used in)		
Cash Flow from Operating (CFO)	453.51	496.36
Cash Flow from Investing (CFI)	(198.67)	(164.61)
Cash Flow from Financing (CFF)	(225.88)	(289.22)
Net increase (decrease) in cash and cash equivalents	28.96	42.53

**Cash Flow from Operating Activities**

CFO for 2024 was 496.36mb mainly came from EBITDA +563.33mb. The management will consider using the surplus CFO in investment or any other activities to create better value for the Company.

**Cash Flow from Investing Activities**

CFI for 2024 was -164.61mb mainly due to additional investment in associated companies, financial assets and software development.

**Cash Flow from Financing Activities**

CFF for 2024 was -289.22mb due to finance lease payment -52.72mb and dividend payment -236.51mb.

Please be informed accordingly.

Yours sincerely,

Mr. Soontorn Dentham  
Chief Executive Officer