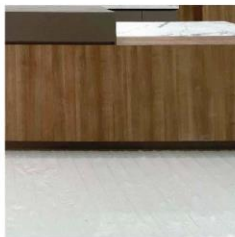


56-1 ONE REPORT

2024



Quality with Care
เราดูแลท่านด้วยใจ
ขอภาเงาดูแลท่านด้วยใจ

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Letter from the chairman of the board

In 2024, the World continued to have conflicts in many countries, causing the economy and stability in the World trading situation unpredictable. In turns, this affects Thailand's economy. In addition, Thailand experienced a worse than usual natural disasters in last year. However, in 2024, there is no endemic, which resulted in the decreasing number of respiratory infection patients in that year.

The combining effects from the slowing economy and low level of respiratory infection endemics experienced last year show in the decreasing in number of the In-patients and the general and simple disease patients also found less than year before. The hospital, in turns, focused in developing the capacities in treatment of more complex diseases such as endoscope surgery, gastroscope and colonoscope, and cosmetic surgery, those which are elective surgery. The surgery patients increased during the year. At the same time the hospital also developed the treatments of critical care patients and strengthen the referral system for international patients to ensure safety and higher effectiveness.

At the same time, the hospital also adjusted to the economic situation by tightening the controls of costs and expenditures. With the continuous improvement of hospital quality system. During the year, the hospital had been accredited with both the Hospital Accreditation (HA) and the American Accreditation Commission International (AACI).

Lastly, as the president, I would like to thank all shareholders for your continuous supports. Our hospital team is committed to sustainable growth of our hospital to offer stability and social contributions.

Sincerely Yours

(Dr. Suphawan Tangsubkul)

Chairman of the Board

Wattana Karnpaet Public Company Limited



Part 1

Business Operations

1 Policy and Overall Business Operations

1.1 Policy and Overall Business Operations

Wattana Karnpeat Public Company Limited has been started the hospital business by the Tangsubkul Family in 1983 with a 25 beds size private hospital under the name of North Eastern Wattana General Hospital. Then in 1990 the company expanded the hospital to operates a 100 beds size, and listed in the Thailand Stock Exchange with registered capital of 100 million Baht paid up capital 100 million Baht.

1.1.1 Company's Vision Mission Objectives and Strategy

Vision Being the leading private quality hospital in Mekong River Sub-region (Thai- Lao)

Mission

1. Being a sustainable tertiary private hospital with international standards of care
2. We look after our patients, personnels, and community with our expertise and up to date Knowledge
3. We develop a high potential network of medical care into the Mekong River Sub-region (Thai-Lao)

Objectives

- Becoming a high stability organization that achieves sustainable growth with good governance
- Providing a sustainable continuous holistic health care (treatment rehabilitation prevention and health promotion) of international standards and gain customers' satisfaction and testimonials
- Our personnels are healthy, ethical, high competency, and fully engaged with the organization
- Our community and society is well looked after with good health and safety

Strategy

- Building trust in "Wattana" as an efficient and transparent organization
- Increased our capability to offer integrated health care by multi-disciplinary team
- Bonding with personnel and develop their competency to grow with the organization
- Proactively providing health promotion to our community and society

1.1.2 Significant Changes and Developments

- **Change of control over the company in the past year**

In the past year, the company has no change in the control in the company.

- **Change in business aspects in the past year**

In the past year, the company has no change in the aspects of the business



- Change in the shareholding structure, management, or the business operations or significant events in the past 3 years
-None-
- The company has new services in 2024; which was Spine surgery by Endospine, Treatment of Cataract Surgery, and Opening of Pediatrics Intensive Care Unit and Negative Pressure Intensive Care Unit.

1.1.3 Use of Proceeds

-N/A-

1.1.4 Obligations According to Bond Issuance

-N/A-

1.1.5 General Information of the Company

- Wattana Karnpeat Public Company Limited operates 100 beds private hospital under the name of North Eastern Wattana General Hospital since 1985
- Locates at 70/7-8 Supakitjanya Road, Tumbon Makkheng, Amphur Muang, Udonthani 41000
- Type of Business: Hospital
- Registration number 0107537002095
- Phone number 0-4221-9888; Fax number 0-4224-1956
- E-mail Address : admin@wattanahospital.net
- Website : www.wattanahospital.net
- Registered capital of 100 million Baht paid up capital of 100 million Baht. Ordinary share of 10,000,000 shares at par value 10 Baht/Share
- The number and type of fully paid shares of all the registered bodies that the company has more than 10 per cent of the total fully paid shares of those registered bodies - None -

1.2 Business Description

1.2.1 Revenue Structure by Types of Patients

Type of Income by Patients (Million Baht)	2024	%	2023	%	2022	%
Out-Patients	236.400	60.1%	239.191	49.6%	247.434	47.2%
In-Patients	284.468	50.0%	290.523	60.2%	353.714	67.5%
Other Incomes	14.000	3.0%	9.849	2.0%	8.241	1.6%
Discount	-61.923	-13.1%	-57.151	-11.8%	-85.324	-16.3%
Total Income	472,948	100%	482.412	100%	524.065	100%



1.2.2 Products Information

(1) Types of Products

The hospital provides services for all main departments including obstetrics and gynecology, pediatrics, internal medicine, general surgery, orthopedics, neurosurgery, and brain surgery, etc.

- (a) Out-patients services include medical treatment of patients that do not spend overnight at the hospital. The services include diagnostics procedures by doctors and healthcare professionals, both by laboratory and radio-imaging procedures. The treatments are such as by medication, physiotherapy, hemodialysis, dentistry. Moreover, there are customers that are not sick, the services for this group include annual health check up and other mobile health promotion activities that involve the diagnostic procedures by doctors and nurses, laboratory diagnosis, and radio-imaging procedures. Vaccinations are also part of this category of service.
- (b) In-patients services include the treatments included as the Out-patients with the needs to be hospitalized in the hospital and can be classified as general and critical patients.

(2) Marketing and Competition

(a) Marketing of Main Products and Services

- **Marketing Policy Last Year**

Last year, the hospital had policies to expand our services by sub-specialties to better serve patients with higher complex diseases.

- **Marketing strategies**

Last year, the company expand services to meet the needs of patients by covering 24 hours with specialists and early detection of diseases prior to them being severe and rehabilitation for such as:

- Opened new Intensive Care Units, expanded from 8 beds to 16 beds, by having an additional of a Pediatrics Intensive Care Unit zone of 3 beds and one room of Negative Pressure Intensive Care Unit.
- Renovated the Operating Theaters and expanded from 2 theaters to 4 theaters, in order to serve the increasing demands of operating services. One of the new theater is a Negative Pressure Operating Theater. Endoscopy unit is also added to the sector. The renovation started in 2024 and will be completed in April 2025.
- Improving the international patient referral system by linking our hospital in Udonthani with Nongkhai and Vientiane, Laos PDR. Focusing in the fast and accessible with the safety protocols for critical patients, where every minute counts.
- Wellness Center: The hospital has been registered as "Wellness Center" last year. And incorporate new early diagnosis technologies such as DNA level findings for early detection and start treatment in time. Also provide services of vaccination for all age groups.



- Bone Density equipment has been added into the screening programs to enable the Total Body Scan of the patients under check up.
- Governmental Project on Cataract Surgery by working with an highly experienced Opthamologist.
- Providing a separate zone for Acute Respiratory Infection patients to minimize the risks of spreading the diseases among other patients and non-patients.
- Rehabilitation Ward was opened with 15 beds to provide the elderly or bed-ridden patients with multidisciplinary care from doctors, physiotherapy, dietician, and activity therapy.
- 24 hours Specialists services include Pediatrician, Internal-medicine, Surgeon to ensure the fast and safety at anytime.
- Hospital staff development to ensure high quality of care with the Standards of Thailand Hospital Accreditation (HA) and the American Accreditation Commission International (AACI) to be ready for the more complex and critical cases with high levels of effectiveness.
- Insurance services for all Thai and Foreign patients with direct billing insurances. Allowing more accessible and convenience to the patients, where their coverage and expenses can be planned appropriately.
- Wattana Cuisine was deloped to provide pleasure of tastes during the patients stays at the hospital, by offering various menu and disease specific menu for each patient appropriately.

- **Customer targets**

The company's customer target focuses on the customers of medium to high income groups, mainly from within the province. There are increasing customers from surrounding provinces and foreigners from Laos PDR. The company focuses on marketing strategy to maintain the regular customers to repeat their visits. Also the expanding of the new cases via the words of mouths, from being trust worthy and value services provided by the company.

- **Service Segments**

- Medical treatment segment: For this segment, there are emergency patients and non-emergency patients (chronic and general patients)
- Health promotion and prevention segment: This segment includes health check up, employment check up, labour check up before working overseas, vaccination for both children and adults
- Rehabilitation segment: This segment includes both out-patients and in-patients rehabilitation services

- **Segments by nationalities and residences**

- Most customers are Thais, with some are foreigners. Most foreigners reside in Laos PDR.

- **Segments by payment methods**

- Cash patients (40% portion) and patients with private health insurance (60% portion)



- Accessibility by patients

- Patients are mainly come to the hospital by their own vehicles, only some need to be picked up by ambulances from their houses.

(b) Competition Situation

The data from Thailand Information Center reported that Udonthani's population is 1,275,347 persons, and there is also foreigners resides in Laos PDR of around 830,000 persons that travel to Udonthani per year (in a normal situation without bridge closing due to the Covid-19). In total the population is around 2,000,000 persons who need healthcare services in the area.

As for the healthcare providers, there are two large government hospitals in the province; one is Udonthani Provincial Hospital and Prajacksilapakom Millitary Hospital, together with many private hospitals (details in the table below). The total number of beds are 2,043 Beds, which is now still sufficient to meet the needs of the patients.

2023	Udonthani	Number (Beds)	%
Udonthani Provincial Hospital (Government Hospital)	Udonthani	924	45.23
Prajacksilapakom Millitary Hospital (Government Hospital)	Udonthani	200	9.79
North-Eastern Wattana Hospital (Company owned)			
Aek Udon Hospital	Udonthani	100	4.89
Bangkok- Udon Hospital	Udonthani	100	4.89
Nongkhai-Wattana Hospital	Udonthani	200	9.79
Khonkean Ram Hospital	Nongkhai	100	4.90
Bankgok – Khonkean Hospital	Khonkean	199	9.74
Ratchapruek Hospital	Khonkean	103	5.04
	Khonkean	117	5.73
Total		2,043	100.00

Source: Health Provider and Healthcare Licenses Office, Department of Health Service Support

There is also competition from alternative medicine or options to buy over-the-counter medicines. However, this type of competition is becoming more controlled by the authority. This result in the alternative products that are not approved to be able to appear on market.

The competition and market conditions that affects the company is mainly take place between private hospitals in the areas.

The market and competition of private hospitals in the Company's area consist of 2 private competitor hospitals. They are Bangkok Udon Hospital (100 bed sized) and Aek Udon Hospital (100 bed sized). The market segments are clearly marked among the competitors. All the private hospitals in Udonthani, except the Company, aim for the high income based



customers. Whereas the Company aims for the medium to high income based customers. This leads to high level of competition in the high-income based customers segment. In the last year, the level of competition was even higher because of the expansion of Bangkok Hospital into the province; the hospital was well known among the high-income based customers. This urges for the Company to adjust its strategies to increase the competitiveness by focusing on the quality improvement, and getting accredited by the national body. Together with using pricing mechanism to increase the competitive advantage of the Company by being more flexible in the price setting than the competitors

(3) Procurement of Products and Services

- **Healthcare Professionals**

Healthcare Professionals are difficult and time consuming to develop their competencies to be ready to provide healthcare related services. Therefore it is importance to always have extra persons in line. Hospital cannot simply reduce or add personnels in an amount directly associated with the number of customers.

When adding more specialties into the service lines, the preparation of personnels is the priority of concern. This can be done by either new recruitment or develop and train the existing personnels.

It is common problem in the industry to encounter the high turn over rate of healthcare personnels. This is because there is always high demand labour market making it is easy to find a new position elsewhere. This affects the effectiveness of human resource management of this group of personnels. The hospital has been continue to improve the employees' benefits to attract the longterm relationships such as to provide subsidized accommodations, secured parking, and the high security work place face access system.

- **Medicines and Medical Supplies**

Medicines and medical supplies are mostly made in Thailand. The company locates in the up-country making the logistic takes a bit longer therefore need to have more stock to compensate that. Nowadays, the effectiveness of delivery system has been greatly improved and building more confidence in lower the reserve stock to a certain extend.

In the past years, the hospital has joined a number of projects with other private hospitals to jointly procure the medicides and supplies to ensure the sufficient stock during the out-of-stock events and for a better negotiation of costs.



- **Medical Equipment**

Medical equipment are mainly made in overseas with designated dealers in Thailand to represent and look after the procurement. The company always chooses the equipment with high quality and meet the international standards, this also means that the chosen ones are not the cheapest ones on the market. The after-sale service and preventive maintenance services are of the priority to the decision making. The shortest downtime is aimed for, especially when located in up-country, it is important to select a supplier who can service in timely manner.

The lead time for ordering new equipment is around 1-3 months, depending on types of the equipment and where they are made in.

In the past years, the hospital has been focusing on the excursion to visit Smart Hospitals both in Thailand and Overseas, in order to be up to date with the technologies and accessible pricing. Moreover, the hospital has been creating networks of hospitals utilizing AI and Smart Devices to improve the effectiveness of the patient treatment processes.

- **Service Quantity**

Numbers of Out-patients and In-patients in 2024 are shown in the table below.

In-Patient	2024	2023	2022
Number of Beds Registered	100	100	100
Number of Beds In-Service	100	88	88
Percentage of Capacity (%)	100	88	88
Number of Available Admission Day (Admission Day)	36,500	32,120	32,120
Number of Actual Admission Day (Admission Day)	12,360	16,579	24,173
Occupancy Rate (%)	44	49	75

Out-Patient	2024	2023	2022
Out-Patient Daily Capacity (Persons)	500	500	500
Daily Average Out-Patient (Persons)	285	315	338
Out-Patient Service Rate (%)	57	63	68



(4) Property Used in the Business

- **Type of Main Property, Plant and Equipment**

The main property, plant and equipment used to operate the business consist of hospital buildings and equipment, detailed as follow:

Type of Property / Equipment	Ownership	Value (Million Baht)	Mortgage Status
1. Land 14 lots with total area of 5-1-57.2 Rai with 3 hospital buildings locate on 70/7-8 Suppakitjanya Road Makkhang Sub-District Muang District Udonthani	Company owned	313.781	7 Lots mortgaged with a local commercial bank as collateral to secure Baht 135 million loan value
2. Medical Equipment	Company owned	60.615	No mortgage

- **Policy on Investment in Subsidiaries**

The company has no subsidiaries.

- **Assets Acquisition and Disposition**

-None-

(5) Pending projects or high value service (require time to deliver the tasks)

-None –

1.3 Shareholding Structure

1.3.1 The Company's Investment Structure

- No group of companies nor subsidiaries-

1.3.2 Persons who might have conflict of interest in subsidiaries holding more than 10% of shares

- No group of companies nor subsidiaries-



1.3.3 Shareholders

(1) Major shareholders

(a) List of names of top 10 major shareholders, number of share and proportion of current shareholding

		19 February 2025	
		Number of Share (shares)	Percentage of Shareholdings (%)
1	Miss Natthira Tangsubkul	2,496,192	24.96
2	Mrs. Suphawan Tangsubkul	1,394,532	13.95
3	Mrs. Wanlee Sungsi	1,134,200	11.34
4	Miss Pallapa Vittayakorn	1,017,000	10.17
5	P&S Infinite Wealth Holding Co., Ltd.	1,000,000	10.00
6	Miss Monticha Atchapan	495,000	4.95
7	Miss Orawan Uaamporn	491,675	4.92
8	Mr. Phiraphat Tangsubkul	462,910	4.63
9	Mrs. Phirawan Changsirivathanathamrong	462,200	4.62
10	Mr. Sittichai Anklomkleaw	270,000	2.70

Note Data from the Thailand Securities Depository Co., Ltd. Report of shareholding as of 19 February 2025

(b) Group of major shareholders with significant influence to policy and management direction or operations of the company

Major Shareholders' Name List	Number of Share (shares)	Percentage of Shareholdings (%)
1. Tangsubkul Family	5,889,359	58.89
Miss Natthira Tangsubkul	2,496,192	24.96
Mrs. Suphawan Tangsubkul	1,394,532	13.95
Mr. Phiphat Tangsubkul	1,000,000	10.00
Mr. Phiraphat Tangsubkul	462,910	4.63
Mrs. Phirawan Changsirivathanathamrong	462,200	4.62
Mr. Achara Changsirivathanathamrong	73,525	0.74
2. Mr. Sittichai Anklomkleaw	270,000	2.70
3. Others	3,840,641	38.41
Total	10,000,000	100.00

Note Data from the Thailand Securities Depository Co., Ltd. Report of shareholding as of 19 February 2025



(2) If is holding company, report on the names of shareholders on subsidiaries

-Not a holding company-

(3) Any shareholders' agreement in topics affecting the raising of capital or new shares or management of the business

-None-

1.4 Registered Capital and Paid-up Capital

1.4.1 Registered Capital / Paid-up Capital / Number of Share

The Company is registered in the Stock Exchange of Thailand, SET, with registered capital of 100 million Baht paid up capital 100 million Baht. Ordinary share of 10,000,000 shares at par value 10 Baht/Share.

1.4.2 The issuance of other type of shares

-None-

1.5 The issuance of other securities

-None-

1.6 Dividend Payment Policy

The Company has a dividend payment policy to pay a dividend not less than 40 percent of net profit after tax and legal reserve. However, this has to have no significant impact on other needs to keep the business operation as usual. The dividend payment will need to take into account the factors of importance such as the cash flow situation, the operation outcomes, and the expansion of business.

The dividend payment as mentioned will need to be approved by the shareholders and/or the decision of the board director as deemed appropriate.

The dividend payment records.

Year	2019	2020	2021	2022	2023	2024
Earning per share (baht/share)	1.73	0.16	0.88	10.01	5.62	4.37
Dividend per share (baht/share)	0.20	-	0.35	4.00	2.30	1.80
Dividend per earning (%)	12%	N/A	40%	40%	41%	41%



2. Risk Management

2.1 Policy of Risk Management

- 1) The Company operates business under an acceptable risks in order to achieve the objectives set out by the company and to meet the expectations of the stake holders. The risk management is a part of the annual business planning, the operations, and the daily decision making, including all project management processes.
- 2) All directors, executive members and employees are responsible in identify and assess risks in each process, including the management of risks appropriately.
- 3) All the risks that affecting the achievement of the company's objective and will be addressed are:
 - Risk identified
 - Risk assessment on the probability of occurrences and consequences if occur
 - Risk management that inline with the risk management guideline handbook with consideration on the costs and benefits from such risk management activities
 - Monitoring to ensure that the Company's risks are addressed and appropriately managed
- 4) High risks that may impact on the business plan and strategies of company including sentinel event need to be reported to Auditing Committee and the Company Committee

2.2 Risk Factors to Business Operations of the Company

2.2.1 Operational risk

- (a) The risk of economic crisis as a result of Russia Ukrain War that started since 2022 until now, leading to high World energy prices together with Government increasing interest rates throughout the year making the inflation higher as a consequent. Following years will face with economic recession, general population has lower purchasing power affecting the decisions to come to Private hospital for services.
- (b) Risks from changing in the governmental policies, rules, regulations, and laws related to the company.
- (c) Risks from reliance on specialists. Both specialists and registered nurses are scarce personnel. This is especially the case when the company is situated in the upcountry. The recruitment of both specialist doctors and registered nurses is limited.

2.2.2 Risks that affecting the rights or investment of shareholders

- (a) Risk from the company's major shareholders holding more that 50%

As of the 19th of February, 2025, the Tangsubkul family has the number of shares in the company of 5,886,459 shares, or 58.86 per cent of the total paid shares of the company. This makes the Tangsubkul family able to control almost all the agendas at the Annual General Meeting of shareholders, including the appointing of directors and any agendas required majority votes of the shareholders. This is with an exception of any agendas required 3 out of 4 votes at the shareholders' meeting by law or the company's rules.



(b) Risks from shares having not many free float, resulting in the low liquidity in share trading

As of the 19th of February, 2025, there were 408 minor shareholders and holding the company's share (Free Float) of 1,689,041 shares, or 16.89 per cent. This may result in low trading of stock and ordinary investors may not be able to trade at the normal level. This also means that the existing shareholders may have risk of not being able to sell the shares immediately at the prices as wish.

Stock Exchange of Thailand (SET) has imposed that a publicly listed company in the SET needs to have Free Float portion of no less than 15% of the total paid-up shares, and the number of minor shareholders has to be no less than 150 persons.

2.2.3 Foreign Investment Risk

-None-

2.2.4 Financial Risk

(a) Debt payment delay risk

In the past couples of years, there has be an increasing trend of customers using health insurance.

This results in the increasing debt amount, and increasing the chance of the delay in payment. This in turns can affect the cashflow of the company, and the risk of debt default is increased.

(b) Legal disputes, there would be a risk of lawsuit on medical services.

3. Business Initiatives for Sustainability

3.1 Policy and goals for sustainability management

The Company is committed to operate with good governance as a core guidance to move towards sustainability. The main goal is to grow when all aspect of economic, environmental, and social are still well balanced. The Good governance is well concern on stake holders responsibilities and building values with stake holders that involved in different parts of value supply chain of the business. Together with ensuring that all the sustainable aspects are incorporated into all activities and processes and inlined with the business strategies both in short and long term into the future.

3.2 Stakeholder impacts from value chain of the business

3.2.1 Value chain

- The value chain and stakeholders in main activities from beginning to the end of value stream

The Company manages the value supply chain to deliver goods and services safety to the customers with procurement policy that monitoring and control the procurement processes to ensure transparency and in accordance with the international standards and requirements for quality control of goods and services. Together with the prevention and protection of environmental and social values.



The main activity of service started from the delivery of goods such as medicines and medical equipment and construction projects that need to be monitored and controlled for their procurement processes. Moreover, the universities that graduate personnels both medical related fields and general fields. These personnels are in turns responsible for providing services directly and indirectly to customers.

The main activities during servicing the customers include the provision of infrastructure such as Provincial Electricity, Provincial Water Supply, and medical gas company; also the maintenance activities done by the outsourced companies. The IT system and E-Medical Record of the company are supported by outsourced companies.

The end of the stream activities are waste and waste water treatment and disposal. The stakeholders are municipal authority, pollution control authority and the wastewater advisory team. The after sale services for patients after discharged from the hospital are also part of the end of stream activities.

3.2.2 Stakeholder analysis from business value chain perspective

-Identify stakeholders

Stakeholders	Participation Process	Expectation/ Concerns	Response Process
Patient/ Customers	<ul style="list-style-type: none">● Create and online community via facebook / LINE● Health promotion activities to engage positive relationships between patients and the hospital● Hotline for ambulance	<ul style="list-style-type: none">● Satisfactory and high quality● Personal Data Privacy Protection● Service accessibility	<ul style="list-style-type: none">● Training personnels for excellence service● Channels for complaint and recommendations● Customer relations officers on duty● Communication channels that easy to access
Employee & Doctors	<ul style="list-style-type: none">● Organize regular meetings● Set up Group LINE and Intranet for in hospital communication between staffs● Survey employment engagement once a year● Regular meeting with management team	<ul style="list-style-type: none">● Competitive remuneration● Benefits and insurances such as Covid-19 insurance● Teamwork culture● Effective communication and collaboration between units	<ul style="list-style-type: none">● Effectvie communication channels expansion● Leadership training and building platform● Covid-19 insurance for high risk staff● Employee's Benefits Programs
Investor & Shareholder	<ul style="list-style-type: none">● Annual general meeting for shareholders● Timely and sufficient disclosure of information to Stock Exchange of Thailand	<ul style="list-style-type: none">● Good operation results● Sustainable development● Transparent disclosure of information● Responsible to society, environment, and community	<ul style="list-style-type: none">● Operates under good corporate governance principle● Encourage sustainable development



	<ul style="list-style-type: none">Investor relations contact channels		<ul style="list-style-type: none">Actions to be responsible to society, environment, and communitySet Policy Against Corruption
Supplier	<ul style="list-style-type: none">Annual appraisal of supplierMeetings to discuss improvement opportunity	<ul style="list-style-type: none">Service payment by credit term due dateFair business opportunity	<ul style="list-style-type: none">Partnering with suppliers to develop a better businessAnnually appraise suppliers and open opportunities for new suppliers by offering fairness in the selection.
Community	<ul style="list-style-type: none">Health Promotion Activities for communityAct as learning center for institutes, hotels, factories	<ul style="list-style-type: none">Voice of communityImprove quality of life for communityHealth promotion for communityEnvironmentally friendly operations	<ul style="list-style-type: none">Organize health promotion activities regularly for communityDuring the Covid-19 pandemic, offering training to learn to prevent the spreading of the disease.

3.3 Sustainability Management in the aspects of Environment

3.3.1 Policy and guideline for Environmental Sustainability Management

- Policy and guideline in accordance with law and orders and rules on environmental protection associated with the business operations of the Company

The Company commits to develop the environmental standards and protocols for environmental and occupational safety continuously by focusing on the compliances to law and orders and other rules on environmental protection.

- Objectives for Environmental Management

The Company commits on ensuring that personnels, community, and society safety in environmental aspects are met. The use of hazardard chemicals and infectious control are monitored closely. The infrastructe is well maintained and ready to be used. Together with the environmental protection of the community by waste disposal and wastewater treatment and disposal with full compliance by law. The protection includes the waste separation and recycling, energy saving, water saving for sustainability of the business operations into the future.



- Important information in case the company has revised the policy, guidelines and/or objectives for environmental management in the past year in summary

In the past year, the environmental management topic that has been focused on was the infectious waste separation and management due to the increase in the medical services given to Covid-19 patients resulting in the increase volume of infectious waste. This type of waste management has to be strictly monitored and controlled to prevent the spreading of the viruses.

3.3.2 Environmental management outcomes

- Environmental management outcomes focusing on critical indicators for business operations

Environmental and community protection outcomes

	2024	2023	2022
Number of complaints law suites on environmental and social issues	0	0	0
Quantity of Infectious Waste (Kg per year)	23,953	18,755	31,649

The Energy and Water management

The Company has campaigns to reduce use of energy to protect our environment by having activities as follow:

1. Installed the Solar Roof with electricity generating capacity of 298.84 kWp (Started to operate on 14/11/23) saving around 33 MWh per month or Baht 200,000 per month of electricity cost. In 2024, the electricity cost was reduced from 2023 by Baht 2.52 million.
2. Change to use energy saving lightings
3. Survey old energy consuming air-conditioners to change to ones with energy saving models
4. Train personnels to be aware to turn off electricity when not in use
5. Set times for turn on and turn off all electrical appliances and air-conditioners

As for water saving initiatives, the survey was done on pipelines to check for leaks. Also there is an initiative to turn the tap off when not in use. And awareness building on water saving behaviours.

Waste and pollution management

As for the waste management, in the past year the Company has campaign to recycle waste which resulted in 15,000 kilogram of paper waste being recycled. And for the infectious waste, the company has separated at source and outsourcing to the provincial municipal waste disposal facility. The company followed to the facility to ensure the standard of waste incineration facility is operating over 1000 degree Celcius.



Wastewater Treatment before discharging to community water ways

The Company has regularly send the samples of treated wastewater to check for quality 4 times a year. The effectiveness of wastewater system has been improved continuously to accommodate with the increasing and expansion of the hemodialysis service from previous years. The Company has major improvement done on the system such as the construction of new ponds, adding an aerators, and adding factors that improving the quality of treated wastewater effectively.

3.4 Sustainability management on the societal aspects

3.4.1 Policy and guideline on the social protection aspects

- Policy and guidelines in accordance with law, orders, and rules on social protection which involved in the business operations of the Company including the human rights protection

The Company has controls on social protection by setting up working group to operate according to plans and to monitor and evaluate the outcomes as a part of normal business practice. The findings are reported to the management regularly.

The communications with employees are done regularly in meetings or discussion to ensure the compliance with the social responsibility policy.

3.4.2 The Outcomes on the social responsibility aspects

- Outcomes from social responsibility activities including human rights protection, employee fairness, responsible production and service for customers, and community and social development involvement

- Customer Relations working group for complaint and compensation review:

This group works to ensure that human rights for patients are announced as patients rights. And responsible for receiving comments and complaints from customers and stakeholders. In order to review the needs for compensation or to improve and ensure medical practice that compliances with ethics.

- Human Resources working group:

This group works to ensure the employees are treated with fairness, and to train them and improve their happiness and engagement in the company. Together with ensuring the work place safety.

Outcomes of employee training, satisfaction, and health promotion indicator

	2024	2023	2022
Percentage of employees participated in the human resource development plan	85%	85%	80%
Employee Satisfactory Rate	81%	82%	78%



Employee Engagement Rate	83%	83%	89%
Percentage of Employee with BMI over 23	25%	25%	25%

In the past years there are accident and infection from work as follow:

Type of Accident/ Infection	2024	2023	2022
Cuts injuries	1	0	0
Needle injuries	3	3	1
Chemical spill into eyes	0	0	0
Tuberculosis infection	0	0	0

- **Community Relations working group:**

- Wattana Health Fair is an annually fair to promote the awareness of health promotion and prevention for community.
- Health Promotion Booths for community in various events such as the insurance annual meeting, the nursing day, the sport days at various schools, the football events in town, and give health knowledge to schools and organization in the province.
- Teaching CPR skills for students in the province.
- Collaborate with hotels in the area to provide Test and Go scheme introduced by the government effectively.
- Home visits to our patients to promote good healthcare and educate the health promotion concept.

- **Patient Care Team**

This working group monitors the aspects of medical and nursing cares by focusing on patient centered safety, including the health promotion in the community and prevention of the pandemic outbreak in the community. Educate and develop community knowledge to capable of health risk prevention.

- In case the company may significantly break law or social rules, describe the details

-None-



4. Management Discussion and Analysis: MD&A

4.1 Operational Analysis and Financial Status

Year 2024 Performance

Wattana Karnpaet Public Company Limited (“Company”) reported the total revenue in 2024 to be Baht 472.952 million, decreased from Baht 482.412 million in 2023, or decreased by 1.96 per cent. The revenue from hospital operations was Baht 460.196 million in 2024, decreased from Baht 473.519 million, or 2.81 per cent from last year. Other income was Baht 12.756 million in 2024, increased from Baht 8.894 million of last year, or increased by 43.43 per cent. The decrease in the total revenue was resulted from the decreasing in the number of In-patients which, in turns, from low level of seasonal infections in 2024.

In 2024, the Company has EBITDA of Baht 104.798 million, which decreased from Baht 115.587 million in last year, or 9.33 per cent.

The Company reported net profit of Baht 43.671 million, decreased from Baht 56.187 million, or 22.02 per cent from last year. Or basic earning per share of 4.37 Baht.

Major events in 2024

1. The hospital has been improving the quality system and has been accredited with the American Accreditation Commission International (AACI).
2. Continuous improvement and has been accredited with the Thailand Hospital Accreditation (HA Re-accreditation).
3. Expanded the Intensive Care Unit from 8 beds to 16 beds. Consists of 12 beds of Adult VIP ICU, 3 beds of Pediatrics ICU, and 1 bed of Negative Pressure ICU.
4. Started Cataract Extraction Procedures and participated in the Government Direct Payment schemes.
5. Expanded the Operating Department from 2 Theaters to 4 Theaters, which will be fully completed in 2025.

1. Financial Summary 2024 and Profitability

Operating Income

(Million Baht)	2024	2023	%Change
Revenue from hospital operations	460.196	473.519	-2.81%
Other Income	12.756	8.894	43.43%
Total Income	472.952	482.412	-1.96%

In 2024, the Company had the total income of Baht 472.952 million, decreased from Baht 482.412 million of last year, or 1.96 per cent decrease from last year. And the hospital operations income decreased by Baht 13.32 million. This was mainly from the decrease in the In-patients.

**Cost and Expenses**

(Million Baht)	2024	2023	%Change
Cost of hospital operations	355.276	349.451	1.67%
Administrative expenses	58.094	56.776	2.32%
Distribution costs	1.468	1.996	-26.49%
Total cost and expenses and depreciation	414.838	408.223	1.62%

In 2024, the Company had the cost of hospital operations and administrative expenses of Baht 414.838 million, increased from Baht 408.223 of last year, or 1.62 per cent from last year.

This comprises of cost of hospital operations of Baht 355.276 million, which increased from Baht 349.451 million of last year, or 1.67 per cent. The increase in cost of hospital operations was due to the increasing services of Hemodialysis and the increase in depreciation of renovation of buildings and purchasing of new medical equipment.

The Administrative expenses in 2024 was Baht 58.094 million, increased from Baht 56.776 million of last year, or 2.32 per cent. The Distribution costs was Baht 1.468 million, decreased from Baht 1.996 million, or 26.49 per cent.

Profitability Analysis

(Million Baht)	2024	2023	%Change
EBITDA	104.798	115.587	-9.33%
EBITDA margin	22%	24%	
EBIT	58.115	74.189	-21.67%
EBIT margin	12%	15%	
Net profit	43.671	56.187	-22.02%
Net profit margin	9%	12%	
Basic earning per share	4.37	5.62	-22.02%

From the above mentioned, EBITDA in 2024 was Baht 104.798 million, decreased from Baht 115.587 million in 2023, or decreased by 9.33 per cent. The EBITDA margin was 22 per cent.

Balance Sheet and Cash Flow**Balance Sheet**

(Million Baht)	31 Dec 2024	31 Dec 2023	% Change
Total Assets	613.246	616.829	-0.58%
Total Liabilities	110.129	134.384	-18.05%
Total Shareholders' Equity	503.117	482.445	4.28%



In 2024, the Total Assets of the Company as of 31 December 2024 was Baht 613.246 million, decreased from Baht 616.829 million of last year, or decreased by 0.58 per cent. This comprises of current assets of Baht 96.298 million, decreased from Baht 185.555 million in 2023, or 48.10 per cent. And non-current assets of Baht 516.948 million, increased from Baht 431.274 million of last year, or 19.87 per cent.

The Total Liabilities as of 31 December 2024 was Baht 110.129 million, decreased from Baht 134.384 million in 2023, or 18.05 per cent.

The Shareholders' Equity as of 31 December 2024 was Baht 503.117 million, increased from Baht 482.445 million of last year, or increased by 4.28 per cent.

Cash Flows

(Million Baht)	2024
Net cash provided by operating activities	75.405
Net cash used in investing activities	(52.367)
Net cash used in financing activities	(30.656)
Net decrease in cash and cash equivalents	(7.618)
Cash and cash equivalents as at the beginning of the year	48.074
Cash and cash equivalents as at the end of the year	40.456

As of 31 December 2024, the Company had net decrease in cash and cash equivalent of Baht 7.618 million, with the cash and cash equivalents as of 31 December 2024 was Baht 40.456 million.

The net cash provided by operating activities was Baht 75.405 million. The net cash used in investing activities was Baht 52.367. The net cash used in financing activities was Baht 30.656 million, which mainly was paying the dividend.

2.Assets utilization

	2024	2023
Accounts receivable turnover	8.27	8.15
Number of days of receivables (days)	44	45
Inventory turnover	5.91	8.32
Number of days of inventory (days)	62	44



In 2024, the accounts receivable turnover was 8.27 increased slightly from last year. And the number of days of receivables was 44 days slightly from last year.

In 2024, the number of days of inventory was 62 days, which higher than last year. This was result of an increasing numbers of items for complex cases.

3.Liquidity and sufficiency of funding

	2024	2023
Current ratio	1.29	1.91
Quick ratio	1.16	1.80
Cash ratio	0.59	1.51
Interest coverage	23.04	21.67

From the liquidity side, the current ratio of the company was 1.29 which sufficient for an ordinary business operations. In 2024, the company's Quick ratio and Cash ratio was 1.16 and 0.59 respectively, and the Interest coverage was 23.04, which indicates that the level of liquidity and sufficiency of funding is high.

The reasons the Cash ratio decreased was because of the change in the financial asset from being the current asset type into the non-current asset type. However, the company assessed the sufficiency of funds effectively.

4.Debt payment

	2024	2023
Interest Coverage	23.04	21.67
Debt Service Coverage – Cash Basis	0.93	0.84
Debt to equity ratio	0.22	0.28

The company has an ability to service debt. The interest coverage was 23.04 in 2024, increased from that of last year, but still high enough and sufficient for the operations. The debt service coverage -cash basis was 0.93.

In 2024, the debt to equity ratio was 0.22, which was the decreased from last year as a result of continuously loan repayment as scheduled.



4.2 Significant factors potentially affecting the financial status or the operations in the future (Forward Looking)

The World Economy and Thai Economy are both shaped by many factors. During these coming years, these factors seemed to be the levels of political and trading conflicts between powerful countries like the United States and America and China. Also the war between Russia and Ukraine are still not ending yet. The internal political stability in Thailand also contributes to the way Thai economy will roll out. Last but not least, the unpreventable natural disaster which is predicted to be hasher in the years to come, will definitely play a major role in shaping the future economic outlook of Thailand. The slowing down of the economy will, in turns, affects the ability to pay of the patients and will in portion will turn to a more economical choic of using free services provided by the Governmental Healthcare Schemes.



4.3 Important Financial Information

Summary of Financial Information (Comparison over the past 3 years)

Wattana Karnpeat Public Company Limited

Statement of Financial Position

As at December 31

	Audited					
	Actual					
	2024		2023		2022	
Assets	Amount (Baht)	%	Amount (Baht)	%	Amount (Baht)	%
Current Assets						
Cash and cash equivalents	40,456,325.38	6.60	48,074,381.23	7.79	75,373,896.45	12.38
Trade accounts and other current receivables – net	35,718,753.44	5.82	36,294,241.17	5.88	38,317,738.03	6.29
Inventories	9,768,318.01	1.59	9,523,522.34	1.54	9,164,939.94	1.51
Other current financial assets	10,076,772.47	1.64	90,001,800.00	14.59	47,000,000.00	7.72
Current portion of other non - current financial assets	-	-	-	-	20,000,000.00	3.29
Other current assets	277,589.76	0.05	1,660,904.67	0.27	3,481,279.94	0.57
Total current assets	96,297,759.06	15.70	185,554,849.41	30.08	193,337,854.36	31.76
Non-Current Assets						
Other non-current financial assets – net	-	-	-	-	20,000,000.00	3.29
Property plant and equipment -net	374,395,794.76	61.05	365,089,078.69	59.19	341,196,912.39	56.05
Right of use asset – net	34,450,527.79	5.62	43,755,448.52	7.09	34,745,130.07	5.71
Intangible assets -net	1,099,279.89	0.18	1,866,937.14	0.30	2,644,518.50	0.43
Deferred tax assets - net	5,739,361.24	0.94	6,450,660.13	1.05	6,413,443.34	1.05
Non-current non-cash financial assets pledged as collaterals	92,027,709.01	15.50	5,020,000.00	0.81	5,020,000.00	0.82



Other non-current assets	6,235,465.07	1.02	9,092,333.26	1.47	5,348,439.85	0.88
Total non-current assets	516,948,137.76	84.30	431,274,457.74	69.92	415,368,444.15	68.24
Total Assets	613,245,896.82	100.00	616,829,307.15	100.00	608,706,298.51	100.00



Wattana Karnpeat Public Company Limited

Statement of Financial Position (Con't)

As at December 31

	Audited					
			Actual			
	2024		2023		2022	
Liabilities and Shareholders' Equity	Amount (Baht)	%	Amount (Baht)	%	Amount (Baht)	%
Current Liabilities						
Bank overdraft and short-term loans from financial institutions	-	-	-		-	0.00
Trade accounts and other current payables	49,029,899.14	44.52	57,793,559.00	43.01	49,101,420.78	34.47
Current portion of long-term liabilities						
- Long-term loan from financial institution	3,360,000.00	3.05	6,360,000.00	4.73	9,605,000.00	6.74
- Lease liabilities	9,122,486.58	8.28	8,666,818.74	6.45	4,260,756.75	2.99
- Provision of current liabilities for employee benefit	5,896,893.00	5.35	12,433,889.00	9.25	12,705,947.00	8.92
Accrued tax	3,573,129.24	3.24	9,222,777.02	6.86	8,642,448.11	6.07
Accrued dividend	477,021.86	0.43	401,177.96	0.30	239,740.81	0.17
Other current liabilities	2,940,149.09	2.67	2,037,966.35	1.52	1,087,314.76	0.76
Total current liabilities	74,399,578.91	67.56	96,916,188.07	72.12	85,642,628.21	60.12
Non-Current Liabilities						
Long-term loan from financial institution -net	-	-	3,360,000.00	2.50	9,720,000.00	6.82
Lease liabilities -net	17,103,981.28	15.53	16,931,746.87	12.60	31,629,431.56	22.20
Provision on non-current liabilities for employee benefit-net	18,625,757.00	16.91	17,176,242.00	12.78	15,460,466.00	10.85
Total non-current liabilities	35,729,738.28	32.44	37,467,988.87	27.88	56,809,897.56	39.88
Total Liabilities	110,129,317.19	100.00	134,384,176.94	100.00	142,452,525.77	100.00
Shareholders' Equity						
Share capital						



10,000,000 common shares of Baht 10.- each	100,000,000.00		100,000,000.00		100,000,000.00	
Issued and paid-up share capital						
10,000,000 common shares of Baht 10.- each	100,000,000.00		100,000,000.00		100,000,000.00	
Premium on common shares	62,500,000.00		62,500,000.00		62,500,000.00	
Retained earnings						
Appropriated -legal reserves	10,000,000.00		10,000,000.00		10,000,000.00	
Unappropriated	330,616,579.63		309,945,130.21		293,753,772.74	
Total shareholders' equity	503,116,579.63		482,445,130.21		466,253,772.74	
Total Liabilities and Shareholders' Equity	613,245,896.82		616,829,307.15		608,706,298.51	



Wattana Karnpeat Public Company Limited
Statement of Comprehensive Income
For the Year Ended December 31

	Audited					
	Actual					
	2024		2023		2022	
	Amount (Baht)	%	Amount (Baht)	%	Amount (Baht)	%
Revenues						
Revenue from hospital operations	460,196,273.70	97.60	473,518,560.64	98.16	516,588,614.02	98.69
Other income	12,755,989.58	2.70	8,893,672.70	1.84	6,845,718.43	1.31
Total revenues	472,952,263.28	100.00	482,412,233.34	100.00	523,434,332.45	100
Cost and Expenses						
Cost of hospital operations	355,276,385.02	75.12	349,450,980.48	72.44	331,853,100.59	63.40
Distribution costs	1,467,539.00	0.31	1,996,395.00	0.41	1,506,742.00	0.29
Administrative expenses	58,093,601.11	12.28	56,775,596.12	11.77	61,735,105.22	11.79
Total cost and expenses	414,837,525.13	87.71	408,222,971.60	84.62	395,094,947.81	75.48
Profit Before Finance Cost and Income Tax	58,114,738.15	12.29	74,189,261.74	15.38	128,339,384.64	24.52
Finance cost	(2,522,071.82)	(0.53)	(3,422,508.76)	(0.71)	(3,081,183.42)	(0.59)
Profit Before Income Tax	55,592,666.33	11.75	70,766,752.98	14.67	125,258,201.22	23.93
Income tax (expenses)	(11,921,216.91)	(2.52)	(14,579,395.51)	(3.02)	(25,204,311.76)	(4.82)
Net Profit for the Year	43,671,449.42	9.23	56,187,357.47	11.65	100,053,889.46	19.11
Other Comprehensive Income (Loss)						
Profit or loss in subsequent period:						
Gain on remeasurements of employee benefit obligations -net income tax	-		-		1,029,672.80	
Comprehensive Income (Loss) for the Year	43,671,449.42	9.23	56,187,357.47	11.65	101,083,562.26	
Basic Earnings per Share (Baht: Share)	4.37		5.62		10.01	



Wattana Karnpaet Public Company Limited
Statement of Changes in Shareholders' Equity
For the Year Ended December 31

	Audited		
	Actual		
	2024	2023	2022
	Amount (Baht)	Amount (Baht)	Amount (Baht)
Share capital			
Issued and fully paid-up share capital	100,000,000.00	100,000,000.00	100,000,000.00
Premium			
Premium on common shares	62,500,000.00	62,500,000.00	62,500,000.00
Retained earnings			
Appropriated Legal reserves	10,000,000.00	10,000,000.00	10,000,000.00
Unappropriated Balanced as at January 1	309,945,130.21	293,753,772.74	196,170,210.48
Net profit for the year	43,671,449.42	56,187,457.47	100,053,889.46
Dividend payment	(23,000,000.00)	(39,996,000.00)	(3,500,000.00)
Other comprehensive income (loss)			
Gain on remeasurements of employee benefit obligations – net income tax	-	-	1,029,672.80
Unappropriated Balanced as at December 31	330,616,579.63	309,945,130.21	293,753,772.74
Total shareholders' equity	503,116,579.63	482,445,130.21	466,253,772.74



Wattana Karnpaet Public Company Limited

Statement of Cash Flows

For the Year Ended December 31

	Audited		
	Actual		
	2024	2023	2022
	Amount (Baht)	Amount (Baht)	Amount (Baht)
Cash Flows From Operating Activities			
Net profit before income tax	55,592,666.33	70,766,752.98	125,258,201.22
Depreciation and amortization expenses	46,682,911.27	41,397,882.56	34,384,266.09
Credit losses	609,643.70	980,536.50	105,688.00
Expected credit losses Reversal of allowances for expected credit losses	1,528,728.27	38,201.59	1,356,938.27
Provision for employee benefits	(211,481.00)	1,892,918.00	1,636,813.00
Unrealized gain on the changes in value of other current financial assets	-	-	-
Loss from revaluation of other current financial assets	1,800	(1,800.00)	485,063.71
Loss on switching fund	-	-	23,808.05
Gain from change of leasing contracts	-	(974,711.05)	-
Gain on sale of other current financial assets	(206,017.55)	-	(375,443.76)
Gain from disposal of fixed assets	(309,538.89)	-	(114,393.60)
Loss from write-off of fixed assets	4,975.00	-	1,162,460.68
Loss from change of leasing contracts	-	-	45,833.05
Adjust of assets as expense	97,562.25	106,775.92	868,035.00
Adjust of withholding tax	2,253,945.10	-	-
Adjust of accounts payables as income	(61,042.00)	-	-
Interest income	(1,959,474.20)	(958,827.12)	(240,755.04)
Interest expenses	2,522,071.82	3,422,508.76	3,081,183.42
Profit provided by operating activities before changes in operational assets and liabilities	106,546,850.10	117,013,238.14	167,572,010.09
Decrease (Increase) in operating assets:-			
Trade accounts and other current receivables	(283,645.65)	1,141,734.11	(834,683.69)
Inventories	(244,795.67)	(358,582.40)	(848,210.98)
Other current assets	1,383,314.91	1,820,375.27	(2,420,443.55)



Other non-current assets	602,923.09	(3,743,893.41)	(1,468,319.46)
Increase (Decrease) in operating liabilities:			
Trade accounts and other current payables	(11,236,625.28)	5,180,962.68	8,168,490.31
Employee benefit expenses for the year	(4,876,000.00)	(449,200.00)	(436,000.00)
Advance receipt from alternative vaccine Covid-19	-	-	(17,981,550.00)
Other current liabilities	902,182.74	950,651.60	704,821.45
Cash provided by (used in) operating activities	92,794,204.24	121,555,285.99	152,561,802.17
Interest paid	(529,428.82)	(3,421,196.75)	(3,087,231.55)
Income tax paid	(16,859,565.08)	(14,036,283.39)	(17,256,294.31)
Net cash provided by (used in) operating activities	75,405,209.62	104,097,805.85	132,218,276.31



Wattana Karnpaet Public Company Limited

Statement of Cash Flows (Con't)

For the Year Ended December 31

	Audited		
	Actual		
	2024	2023	2022
	Amount (Baht)	Amount (Baht)	Amount (Baht)
Cash Flows from Investing Activities			
Decrease (Increase) in fixed deposits	(60,000,000.00)	-	-
Receipt of investment in debt instruments measured at fair value	-	-	61,466,285.71
Purchase of other current financial assets	(80,084,481.48)	(90,000,000.00)	(47,000,000.00)
Purchase of other non-current financial assets	-	-	(20,000,000.00)
Receipt of other current financial assets	130,206,017.55	47,000,000.00	-
Receipt of other non- current financial assets	-	40,000,000.00	5,000,000.00
Proceeds from disposal of fixed assets	1,045,000.00	-	-
Acquisition of property, plant and equipment	(44,110,684.33)	(51,807,873.18)	(28,498,237.13)
Purchase of intangible assets	(103,500.00)	(85,000.00)	(163,200.00)
Purchase of rights to use	-	(589,750.00)	-
Interest received	680,235.61	478,851.78	241,748.19
Net cash provided by (used in) investing activities	(52,367,412.65)	(55,003,771.40)	(28,953,403.23)
Cash Flows from Financing Activities			
Increase (decrease) in bank overdraft and short-term loans from financial institutions	-	-	(13,012,916.33)
Repaymetns of long-term loans from financial institution	(6,360,000.00)	(9,605,000.00)	(26,774,677.02)
Repayment of lease liabilities	(1,371,696.72)	(26,953,986.82)	(3,708,961.68)
Deividend paid	(22,924,156.10)	(39,834,562.85)	(3,490,121.14)
Net cash provided by (used in) financing activities	(30,655,852.82)	(76,393,549.67)	(46,988,676.17)
Increase (Decrease) in cash and cash equivalents -net	(7,618,055.85)	(27,299,515.22)	56,278,196.91
Cash and cash equivalents at the beginning of the year	48,074,381.23	75,373,896.45	19,095,699.54
Cash and cash equivalents at end of the year	40,456,325.38	48,074,381.23	75,373,896.45



Supplemental Disclosures of Cash Flows Information:

	2024	2023	2022
1. Non-cash items			
Accounts receivables of fixed assets	-	-	1,258,329.60
Purchase of fixed assets on credit	2,540,963.39	3,493,863.53	2,481,598.14
Purchase of intangible assets	-	16,000.00	-
Accrued dividend	75,843.90	161,437.15	239,740.81
Transfer of other current financial assets as loan collateral	30,007,709.01	-	-
Increase in right-of-use and lease liabilities under lease contracts	-	1,769,250.00	29,309,314.63
2. Unrealize credit facilities for future working capital	125,000,000.00	20,000,000.00	20,000,000.00

Summary of Financial Ratio

		2024	2023	2022
LIQUIDITY RATIO				
Current Ratio		1.29	1.91	2.26
Quick Ratio		1.16	1.80	1.88
Operating Cash Flow to Current Liabilities		0.59	1.51	1.24
Receivable Turnover		8.27	8.15	10.79
Collection Period	(Days)	44	45	34
Inventory Turnover		5.91	8.32	6.58
Average Inventory Period	(Days)	62	44	55
Account Payable Turnover		4.06	6.54	7.59
Payment Period	(Days)	90	56	48
PROFITABILITY RATIO				
Gross Profit Margin	(%)	22.80	26.20	35.72
Net Profit Margin	(%)	9.23	11.65	19.07
Return of Equity	(%)	8.86	11.85	23.92
EFFICIENCY RATIO				
Return on Total Assets	(%)	7.10	9.17	17.62
Return on Fixed Assets	(%)	13.50	22.12	15.88
Total Assets Turnover		0.77	0.79	0.92
FINANCIAL POLICY RATIO				
Debt to Equity Ratio		0.22	0.28	0.31
Interest Coverate Ratio		23.04	21.67	41.65
EBITDA Coverage Ratio		0.93	0.84	1.64



5. General Information and Other Important Information

5.1 Company Information

1. Wattana Karnpeat Public Company Limited operates 100 beds private hospital under the name of North Eastern Wattana General Hospital since 1985, locates at 70/7-8 Supakitjanya Road, Tambon Makkheng , Amphur Muang , Udonthani 41000 Registration number 0107537002095 Tel : 0-4221-9888 Fax: 0-4224-1956 E-mail Address : admin@wattanahospital.net Website : www.wattanahospital.net with registered capital of 100 million Baht paid up capital 100 million Baht. Ordinary share of 10,000,000 shares at par value 10 Baht/Share.
2. The number and type of fully paid shares of all the registered bodies that the company has more than 10 per cent of the total fully paid shares of those registered bodies
- None -
3. References
 - (a) Share Registrar
Thailand Securities Depository Company Limited
The Stock Exchange of Thailand Building
62 Rachadapisek Road, Klongtoey Bangkok 10110
Telephone : 0-2229-2800 Fax : 0-2229-2888
 - (b) Auditor
Miss Chaovana Viwatpanachat , Miss Wanpen Unruan, Ms.Pornpip Amornchailertpattana and Ms.Nunthira Khunngam, Office of Pitisevi Co., Ltd.
8/4 Floor 1st,3rd Soi Viphavadee 44 (Soi AMornphan 4), Viphavadee-Rangsit Rd., Ladyao, Chatuchak, Bangkok 10900
Telephone : 0-2941-3584-6 Fax : 0-2941-3658
 - (c) Legal Counselor
Mr. Wiboon Assawareungchai
License Number 872/2533
87 Thahan Road, Makkheng Sub-district, Muang District, Udonthani 41000
Telephone : 081-601-7734



5.2 Other important information

5.2.1 Other important information that may significantly impact the decision making of the investors

-None-

5.2.2 Limitation for overseas shareholders in case there is an agenda to raise capital or issuing of

Transferable Subscription Right or TSR but not on offered of overseas shareholders that may force the company to be under overseas laws

-None-

5.3 Legal Disputes

-None-



Part 2
Corporate Governance



6. Corporate Governance Policy

The Company places the importance of good corporate governance to ensure investors and general public are acknowledged and enable the transparency and auditable operations of the company. The Company commits to disclosing transparently of the information on operations when realizing the management of risks are of the prime concerns. The company has established Code of Conducts to maintain good business ethics for all directors and employees to comply.

6.1 Overview of Corporate Governance Policy and Guidelines of Corporate Governance

6.1.1 Policies and Guidelines for the Board of Directors

The Board of Directors has established an effective Corporate Governance Policy in writing. There is an annual review of the Corporate Governance Policy and Code of Conduct manual, as well as monitoring the evaluation on the implementation of the policies. The Company provides a published manual to directors and employees for reference and application.

The Board of Directors' Meeting reviewed, revised, and approved the policy of Good Corporate Governance and Code of Conduct manual. They also reviewed the implementation of related policy. The Board of Directors recognizes their role and duties, as the governing body of the organization. The directors have a good understanding of the CG code, and are aware of the benefits and applications of how it brings sustainable value to the business.

6.1.2 Policy and Guidelines for shareholders and stakeholders

The Company has followed the principles of good corporate governance in accordance with Corporate Governance Code for Listed Companies 2017, which is determined by the Securities and Exchange Commission to cover good corporate governance for listed companies on the Stock Exchange of Thailand. There are 5 areas covered, including shareholder rights, equal right to shareholders, roles of stakeholders, information disclosure and transparency and responsibilities of the Board of Directors and Sub-Committees.

Rights of Shareholders

The Company recognizes the importance of upholding the rights of all shareholders, both major and minor individual shareholder, institutional investors or overseas shareholders. All have rights to basic rights and equal rights as a shareholder. The shareholders' rights are the rights to buy or sell or transfer of their shares, the rights to receive the company's information accurately, the rights to attend the Annual General Shareholders Meeting and to vote on important transactions, the rights to appoint or remove company directors, the right to set the remuneration for the Board of Directors, the right to appoint or remove auditors and set audit fees. It also includes the right to a share of profits, the right to participate in decision-making and the right to be informed of the Company's decision-making relating to changes of



the Company's fundamental features. These rights can be found on the news system of the Stock Exchange of Thailand providing equal access to information.

Shareholder Meetings

In the Shareholder Meetings, the company holds the meeting in the meeting room of the company, where the company would notify the shareholders by letter for at least 7 days before the date. Together with the information that will be covered in the meeting. In case shareholder cannot attend, he or she can send his or her proxy or assign a proxy to the independent director. The shareholder can vote for appointing directors and the remunerations. The meeting will be accurately recorded.

At the company's Shareholders Meeting, the important matters are presented to the shareholders for approval. The presentations of the matters are in compliance with laws and regulations prescribed by the SET as well as the company's regulations. The chairman of the meeting ensures equal opportunities for every shareholder to express their opinion on the progress of the company. The shareholders were also encouraged to raise any suggestions to improve the current practice. The significant suggestions and comments were documented as a part of the meeting report.

Stakeholders' rights

The board of directors recognizes the importance of the rights of the stakeholders both inside and outside the company.

Shareholder	The company dedicates to operate the business effectively and sustainably for the highest benefits of the shareholders, and by following the Corporate Governance principal.
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Employees	The company interacts with each employee with equity and fairness.
-----------	--

Suppliers	The company abides by the contracts with all suppliers.
-----------	---

Creditors	The company practices under borrowing contracts.
-----------	--

Customers	The company provides patient care equally to every patient. The hospital has a customer relations department to seek and act upon the patients' comments and feedback.
-----------	--

Competitors	The company competes with competitors fairly, and avoids unfair tactics to destroy the competitors.
-------------	---

Society/Community	The company acts responsible towards the environment of community and society.
-------------------	--

Leadership and vision

- The board of directors sets vision, duty, strategy, goal, business plan, and budget for the company. The management, under the monitoring of the board of directors, is responsible for ensuring that everything goes according to plans in order to improve the economic performance of the company, at the same time, provide the highest stability to all shareholders.



- The board of directors sets the internal controlling system and the effective risk management procedure, at the same time, provides constant monitoring for the system in place.
- The board of directors clearly allocates roles and responsibilities among the board, the committees, and the management to work independently from one another.
- The board of directors monitors the committees to give approval to all usual expenses take place in the company with exceptions for those require shareholders' opinion as stated in the guidelines given by The office of Securities and Exchange Commission and the Stock Exchange of Thailand.

Balancing power of Non-Executive Director

The Board of Directors consists of 8 directors of which one third of the total number of the directors are independent directors.

Remuneration for directors and the management

The company set the remuneration of the directors and the management in accordance with the approval from the shareholders' meeting.

The remunerations are in salaries bonuses, and depending on the responsibilities and performances vary between each management.

Board committee's reporting

The board of the company is responsible for the company's financial budget which has been done according to the standard accounting guidelines in Thailand. This includes publishing sufficient important information in the explanation accompanying the financial budgeting.

The internal controlling system of the company in general is satisfactory and credible. This is partly shown by the auditing committee's report which can be found in the annual report.

6.2 Code of Conduct

The Company has a handbook of Code of Conduct for directors, management, and employees in the company. The handbook outlining the common standards and committed ethics including that related to various stakeholders. The Code of Conduct of the company identify the principles that are importance to operating business with work ethics, equality, and human rights for all. The social and environmental responsibility, the stakeholders rights, and protection of information and assets, and the supervision of the use of internal information. Thereby the Code of Conduct of the company consists of important topics as follows:

1. Business ethics
2. Work ethics
3. Fairness in business operations
4. Policy of protection of whistle blowers
5. Policy of controlling of the use of internal information



6.3 Changes and important development on Policy Guidelines and Corporate Governance in the past years

-None-

6.3.1 Changes and important development on Policy Guidelines and Corporate Governance or the Board of Director rules in the past year

-None-

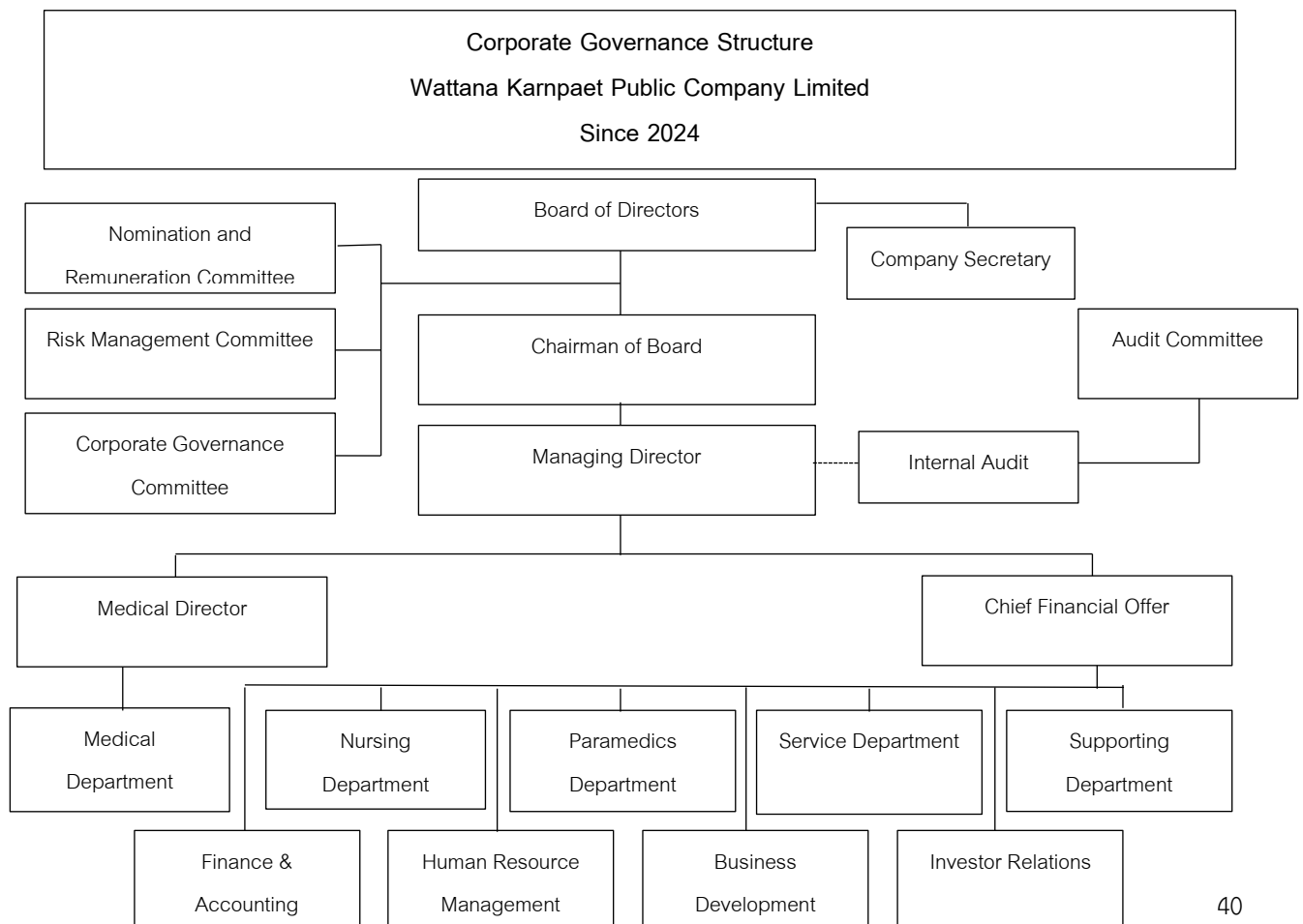
6.3.2 Other practices that follow the Good Corporate Governance

- The company offers opportunity for minor shareholders to put forward agendas or names to be voted as directors in the Annual Shareholders General Meeting via the company's website in advance.
- The company has strictly control over the use of internal information of the company and the policy on the use of internal information.
- The company has reported the related transactions and control to ensure it is always fair and be the most beneficial to the minor shareholders.

7. Corporate Governance Structure and Significant Information regarding to the Board of Directors, Sub-Committees, Executives, Employee and others

7.1 Corporate Governance Structure

The Company's Board of Directors committee have appointed the sub-committees and assigned the corporate governance under the following structure since 2016.





7.2 Information regarding the Board of Directors

Management structure of the Company consists of the Board of Directors and five subcommittees namely Audit Committee, Nomination and Remuneration Committee, Executive Committee, Risk Management Committee, and Corporate Governance Committee. Details are as follows:

7.2.1 Composition of the Board of Directors

As at December 31, 2024, the Board of Directors consists of 7 following qualified persons:

-4 Executive Directors, 57 per cent of total number of Directors

-3 Independent Directors, 43 per cent of total number of Directors

7.2.2 Information of the Board of Directors

8 Directors are as follows:

Name	Position	Type of Directors
1. Ass. Prof. Phiphat Tangsubkul	Chairman/ Chairman of the Executive Committee/ Chairman of the Corporate Governance Committee	Executive Director
2. Dr. Suphawan Tangsubkul	Vice-Chairman/ Executive Committee Director/Risk Management Committee Director	Executive Director
3. Dr. Sitichai Ungklomkiew	Director/ Executive Committee Director/ Chairman of Risk Management Committee Director	Executive Director
4. Miss Natthira Tangsubkul	Director/ Chairman of Nomination and Remuneration Committee / Corporate Governance Committee Director	Executive Director
5. Miss Suda Santiseveekul	Chairman of Audit Committee Director/ Corporate Governance Committee Director	Independent Director
6. Dr. Alisa Neramittagapong	Audit Committee Director / Nomination and Remuneration Committee Director	Independent Director
7. Miss Jariya Chatsakunpen	Audit Committee Director / Nomination and Remuneration Committee Director	Independent Director
8. Miss Pattharaporn Promtong	Company Secretary	



Remarks:

- Executive Director means a director who is an executive position and also an employee of the Company and has management responsibilities.
- Non-Executive Director means a director who is not an executive position and has no management responsibilities.
- Independent Director means an outside director who is not an executive or a regular employee of the Company or and executive director or director who is authorized to sign on behalf of the Company. They are independent from major shareholders, amangement and related persons, able to act to protect the interests of all shareholders equally, and can help avoid creating a conflict of interest between the company and related persons.

Directors Who are Authorized to Sign on Behalf of the Company

Directors who are authorized to sign on behalf of the Company are two signatures of the directors out of Ass. Prof. Phiphat Tangsubkul, Dr. Suphawan Tangsbukul, Dr. Sitichai Ungklomkleow, and Miss Natthira Tangsubkul with the company's stamp.

7.2.3 Roles and Duties of the Board of Directors

The Board of Directors is in charged with overseeing the scope of the Board of Directors' authority. The Board of Directors is in charged with overseeing the Company's operations to be in compliance with the laws, objectives, Articles of Association as well as the policies and resolutions of shareholders' meetings. The Board of Directors has an authority to appoint the Executive Director or assign any other persons to take any or several actions under the control of the Board of Directors except for the actions stated below. Those actions can be performed after receiving the approval from the shareholders' meeting. In case where the Director or any person has a conflict of interest with the Company, the Director involved in that conflict shall not be entitled to vote on that matter:

1. Any matters prescribed by the laws that it requires an approval of the shareholders' meeting.
2. Entering into any transactions where the director gains the interest and the laws an dregulations of the Stock Exchange of Thailand prescribe that it requires an approval of the shareholders' meeting.

The following cases must be approved by the Board of Directors' Meeting and the shareholders' meeting with a voting score of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote:

1. Selling or transferring the Company's businesses for the entire or an important part of the business.
2. Acquiring or receiving transferred business from other companies or private entities to the Company.
3. Entering into, amending or terminating of the rental contracts for the entire business of the Company or an important section of it. Appointing any persons to run the Company's business or a merger with any persons for the purpose of profit and loss sharing.
4. Amending the Company's Memorandum of Association or Articles of Association
5. Increasing or reducing capital, issuing debentures, mergers or dissolution of the Company.



6. Any actions prescribed by the Securities and Exchange Act or the notifications of the Stock Exchange of Thailand that it requires an approval of the shareholders' meeting, such as the acquisition or disposal of assets of the listed company or any connected transactions.

The duties, responsibilities and approval authorization of the Board of Directors of the Company are set forth below:

1. Overseeing and determining the objectives and main goals of the business operation on a sustainable basis. The objectives and goals are consistent to create value for the Company, its stakeholders, and society as a whole.
2. Ensuring that the objectives and goals, including strategies, in the medium term and/or annually are in accordance with the achievement of the objectives and main goals of the Company by using innovation and technology appropriately and safely.
3. Monitoring creation of a corporate culture that adheres to ethics respects the rights and responsibilities of shareholders and stakeholders, benefits society, develops or reduces negative impacts on the environment, and acts as a role model.
4. Monitoring the administrative structure and performance of the Board of Directors to be appropriate towards the achievement of the objectives and main goals of the business operation efficiently.
5. Ensuring that all Directors carry out their duties and responsibilities with a duty of care and a duty of loyalty to the organization and oversee the Company's operation to be in compliance with laws, Articles of Association, and resolutions of the shareholders' meetings.
6. Overseeing the evaluation of the Chief Executive Officer's performance.
7. Overseeing the determination for the remuneration structure, ensuring that it enables employees to work in line with objectives and main goals of the organization, and determination of guidelines and factors of performance evaluation for the Company.
8. Considering and approving the setting and revision for the vision and mission, strategies, goals, business direction, annual plans, and annual budget. Monitoring the management to carry out to be in line with policy and plans efficiently and effectively.
9. Considering the appropriateness and sufficiency of risk management systems and internal controls.
10. Considering the determination of the authorization levels that are suitable for the responsibilities of the management.
11. Considering the determination of the framework for the allocation and management of resources to be effective and efficient to take into account the impact and development of resources throughout the entire value chain in order to achieve the objectives and main goals in a sustainable manner. This includes the determination of development and budget such as making employees management policy and plan as well as policies concerning information technology, which provide a framework for the governance and management of information technology for the organization that is consistent with the Company's needs. Also overseeing that information technology is used to



increase business opportunities as well as in the development of operations and risk management so that the Company can achieve its objectives and main goals.

12. Considering pursuit and evaluation of the operations.
13. Overseeing that the disclosure of financial and non-financial information is reliable and appropriate.
14. Monitoring the adequacy of financial liquidity and ability to pay debts.
15. Ensuring that, in the case where the business is experiencing financial difficulties, or is likely to encounter trouble, the Company has a plan to fix the problem or has other mechanisms available to resolve the financial issues, subject to consideration of the rights of stakeholders.
16. Ensuring that various actions adhere to the good corporate governance policy and the Company's ethics guidelines.
17. Considering and approving significant transactions, as defined in the laws, regulations, policies, and related standards, or under authority matrix of the Company.
18. Considering and fixing the qualifications of the Chief Executive Officer or equivalent based on skills requirements in accordance with recruiting the top management framework of the Company.

The Company's Board of Directors is responsible for consideration of the list of new Directors who have been screened and presented by the Nomination and Remuneration Committee. The nominated Directors must be ready to dedicate their time, knowledge, and capabilities for the Company, and also understand the duties and responsibilities of Director. The Company has in place the procedure to keep new Directors informed about its business and operation for them to possess profound knowledge and understanding in the Company's business.

In addition, the Board of Directors shall conduct the annual assessment of their performance in line with the self-assessment form for each individual director and the whole board to examine, as well as enhance the efficiency of their performance.

In addition, The Board of Directors needs to ensure the following activities are carried out in timely and efficient manner.

1. Organizing the Shareholder's Meeting annually within 4 months from the end of the company's accounting period.
2. Organizing the Board of Directors' Meeting at least once every three months
3. Facilitating the Company's Balance Sheets and Income Statements to be made at the end of the company's accounting period, of which the auditors have made an audit, and subsequently presented at the shareholder's meeting for approval.
4. Ensuring that there is the internal auditing system in place effectively.

The Scope of Authorities and Responsibilities of the Chairman of the Board of Directors

Serving as the Chairman of the Board of Directors and having the casting vote in case where the Board of Directors votes and there is a tie, being able to call the Board of Directors'



Meeting, acting as the Chariman of the Gerneal Meeting of Shareholders of the Company, and carrying out any duties prescribed by laws as the specific duties of the Chairman including the following duties:

1. Monitoring and supervising to ensure that the duty of the Committee is carried out effectively and to achieve the objectives and main goals of the organization.
2. Ensuring that every Director has been involved in promoting a culture of ethical behavior and good corporate governance.
3. Discussing with the Board of Directors and the Chief Executive Officer on the determination of the meeting agenda and taking measures to ensure that the important issues are included on the agenda.
4. Allocating sufficient time for the management to propose issues and gather enough members to discuss key issues carefully, and encouraging each Director to use their discretion judiciously and to express their opinion independently.
5. Strengthening the relationship between the Executive and non-Executive Directors as well as between the Board of Directors and the management.

7.3 Information regarding Sub- Committees

The Company's Board of Dirrectors appoints the Sub-Committees to screen the relevant details by regulating the scoope of duties and responsibilities of each committee.

7.3.1 Structure of Company's Sub-Committees

There are 5 Sub-Committees, they are Audit Committee, Nomination and Remuneration Committee, Executive Committee, Corporate Governance Committee, and Risk Management Committee.

7.3.2 Sub-Committees Directors Details

Audit Committee

1. Ass.Prof.Dr.Poonsak	Vaisamruat	Audit Committee Chairman
2. Miss Suda	Santiseveekul	Audit Committee Director
3. Alisa	Neramittagapong, M.D.	Audit Committee Director
4. Miss Pattharaporn	Promptong	Secretary of Audit Committee

The Scope of Duties and Responsibilities of the Audit Committee

The Audit Committee is scheduled to meet every 3 months and have duties and responsibilities as follows:

- Coordinate with the internal auditing unit of the company in the areas of strategic planning, reporting and evaluating performance and problems affecting the company's controlling system.



- Give advices on positioning and remuneration of account auditor. At the same time, coordinate with the account auditor to find solutions to problems and important matters that require attention.
- Review and provide consultation for the outcomes and proposals raised by the account auditor and the internal auditing body. In addition, the implementation of the valuable suggestions is to be followed up together with the reporting of such actions to the company's board and committee.
- Review the account information reported by the company before presenting to the committees.
- Ensure that the significant risks are being properly managed
- Ensure that the rules regulations given by the Securities and Exchange Commission and the Stock Exchange of Thailand are followed

Nomination and Remuneration Sub-Committee

1. Miss Natthira Tangsubkul	Chairman of Remuneration Sub-Committee
2. Alisa Neramittagapong, M.D.	Remuneration Sub-Committee
3. Miss Jariya Chatsakunpen	Remuneration Sub-Committee

The Scope of Authorities and Responsibilities of the Nomination and Remuneration Sub-Committee

1. Deciding on the remunerations for the Board of Directors and presenting at the Board of Directors meeting, then subsequently presenting to the shareholders for the final approval.
2. Deciding and approving the remunerations resulted from the ESOP warrants.

Executive Committee

The company has 4 management committees as follows:

1. Ass. Prof. Dr. Phiphat Tangsubkul	Chairman of the Executive Board
2. Dr. Suphawan Tangsubkul, M.D.	Executive Director
3. Dr. Sitichai Ungklomkieow, M.D.	Executive Director
4. Miss Natthira Tangsubkul	Executive Director

The Scope of Authorities and Responsibilities of the Executive Committee

The scope of authorities and responsibilities of the Management Committee includes the regular operations' administration and management of the company. The main authorities and responsibilities are:

1. Plan the policy, business strategy, budget, management structure, and other operations guidelines of the company with consideration of the economic and social conditions.
2. Carry out the business and manage company's business activities with objective, regulations, policy, delegation or consents of the Board of Directors from the Board's meeting or from the company's shareholder meeting.



3. Plan the organization structure, management authority, appointment, employment, allocation, and termination of employment.
4. Operate in other issues as being given by the Board of the Directors on occasional basis.

Corporate Governance Sub-Committee

1. Ass.Prof.Dr. Phiphat	Tangsubkul	Committee Chairman
2. Miss Natthira	Tangsubkul	Committee Director
3. Miss Suda	Santiseveekul	Committee Director

The Scope of Duties and Responsibilities of the Corporate Governance Sub-Committee

The Committee has duties and responsibilities as follows:

1. Proposing Corporate Governance Policies and a Code of Ethics of the company to the Board of Directors for approval.
2. Monitoring and supervising the company to ensure that corporate governance policies and business ethics specified by the Company are complied with
3. Continuously assessing the company's corporate governance policies and code of ethics to ensure that they comply with international standards and/or recommendations from related government organizations and propose these findings for approval from the Board of Directors.
4. Evaluating and proposing a Code of Best Practices to the Board of Directors and/or smaller committees in the Company.
5. Encouraging the dissemination of the good corporate governance culture across the organization and ensure that it is actually practiced.
6. Evaluating appointing and outlining the working team's roles in supporting the monitoring and supervision of business operations and ethics, as appropriate.
7. Performing other duties as assigned by the Board of Directors.

The management and all departments in the company must report or present the information and documents related to the corporate governance and ethics to the Committee in order to support the Committee to be most effective in their assigned duties.

Risk Management Committee

1. Dr. Sitichai	Ungklomkieow, M.D.	Committee Chairman
2. Dr. Suphawan	Tangsubkul, M.D.	Committee Director
3. Miss Suda	Santiseveekul	Committee Director

The Scope of Duties and Responsibilities of the Risk Management Committee

The Committee has duties and responsibilities as follows:

1. Assessing and presenting policies, set risk management policy and framework and propose to the Board of Directors for approval.



2. Examining and agreeing on acceptable risk levels, approve risk management plans and present to the Board of Directors.
 3. Continuously monitoring, develop and comply with policies and the risk management framework so the Company will have a risk management system that is uniformly effective throughout the organization to ensure that policies continue to be observed.
 4. Assessing risk identification and assessment procedures, report on significant risk management activities and enforce procedures to ensure that the organization has sufficient and appropriate risk management systems in place.
 5. Coordinating with the Audit Committee about significant risk factors and appoint an internal risk assessment team to ensure that the Company's risk management system is appropriate to the exposure, adapted as needed and adopted throughout the organization.
 6. Continually reporting to the Board of Directors on significant risks and risk management solutions. Recommending and advising the Risk Management Committee and/or departments and/or the relevant working committees about significant risks about risk management, as well as evaluate the appropriate means to improve various databases that are related to the development of risk management solutions.
 7. Appointing Sub-Committees and/or additional related personnel, or replacements in the Risk Management Committee and/or the Department and/or the working team that is related to managing risks as necessary, as well as determine their roles and responsibilities in order to achieve the objectives.
 8. Executing other activities that pertain to managing risks as assigned by the Board of Directors.
- The management and/or the committee and/or all departments and/or working teams related to risk management and/or internal auditor and/or auditor of the company must report or present the information and documents related to the risk management to the Committee in order to support the Committee to be most effective in their assigned duties.

7.4 Information Regarding Executive

7.4.1 Executive Team

As at December, 31, 2024, the members of Executive Team consist of 4 qualified persons as follows:

Name	Position
1. Dr. Suphawan Tangsubkul	Managing Director
2. Dr. Sittichai Ungklomkieow	Medical Director
3. Dr. Natthira Tangsubkul	Chief Financial Officer
4. Miss Piyada Kotanun	Head of Financial and Accounting Department



7.4.2 Policies on remuneration of Executive Directors and Senior Executive Officers

The Nomination and Remuneration Committee shall determine the remuneration for the Executive Directors and Senior Executive Officers (including and Chief Executive Officer) to be in accordance with their performance by considering various criteria based on several factors, i.e., their duties and responsibilities, business operation outcome, implementation of policies received from the Board of Directors, administrative abilities under different economic and social situations, business development capability, and improvement of operation efficiency each year. The Nomination and Remuneration Committee shall propose the remuneration for Executive Directors and Senior Executive Officers to the Company's Board of Directors for consideration and approval.

7.4.3 Remuneration of Executive Directors and Senior Executive Officer

In 2024, the Company had the salaries, bonuses, provident fund, social securities, other benefits, director meeting for the executive directors and senior executive officers totally of Baht 27.602 million.

In summary: Unit Baht

	2024
Short term benefits	27,053,963.00
Long term benefits after employment	548,006.99
Total	27,601,969.99

7.5 Employees

As of December, 31, 2024 the Company had 326 employees in total. Full time employees were 246 persons and part time employees were 80 persons. The Company had total remunerations for all employees totalling of Baht 113.208 million, including salary, overtime, bonus, social security, provident fund, and employees' benefit.

Number of employees and remunerations

2023 (Persons)	Service Sectors	Management and Supporting Sectors
Operation and service level	178	30
Heads and management level	31	7
Part time employees	73	7
Total	320	44



Remunerations 2024	Amount (Million Baht)
Service Sector Employees	113.208
Management and Support Sector Employees	27.602
Total	140.810

Employee Development Program

The Company has policy to develop personnels focusing on the quality of medical treatment and excellence service. All personnels must attend the trainings of both aspects at least 4 times a year. There are many forms of trainings both external and internal training. There are competency appraisal twice a year. The appraisals are done in 3 levels, i.e. Functional Competency, Core Competency, Managerial Competency. The outcomes of the appraisals will be used to consider the adjustment of the salary.

- **Provident fund**

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company contributed to the fund monthly at rate 2 per cent and the employees contributed to the fund monthly at the rate of 2 - 6 percent of their basic salary. The fund, which is managed by Principal Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules.

Statement of the Ministry of Finance, Regarding the extension of assistance period for employers and employees who affected by the coronavirus disease 2019 Pandemic (COVID-19) , No.2 and No.3 /2021 which temporarily allow to halt or delay the contribution to the provident fund from January to December, 2021.

As the result of this. for the year ended December 31, 2024, The company contributed Baht 0.85 million to the provident fund.

- Reason/ policy in case there was any significant change in number of employees or labour dispute (past 3 years)

-None-

7.6 Other important information

7.6.1 Information on the important positions

- **Company Secretary**

The Board of Directors has appointed the Company's secretary and perform duties in accordance with section 89/15 and 89/16 of the Securities and Exchange Act (No.4) B.E. 2551, with effect from August 31, 2008, with accountability, carefulness, and loyalty and to comply with relevant



laws and regulation, Articles of Association of the Company, the resolutions of the Board of Directors and shareholder's resolution. The Company Secretary has main duties and responsibilities, as follows:

1. Organize and manage the Board of Director's Meeting, and shareholder in accordance with relevant laws, regulation and good practices.
2. Give preliminary advices and suggestions to Board members on legal issues, and rules, regulations and practices of the Company in a manner of good corporate governance.
3. Maintain the Report on Interest of Directors and Executives and submit a copy of the Report on Interest according to Section 89/14 to the Chairman of the Board of Directors and the Chairman of Audit Committee within 7 days.
4. Ensure that corporate information disclosure and related regulatory filings are in accordance with laws and regulations.
5. Coordinate with regulatory such as the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Board of Directors meeting held on the February 25, 2013 has passed its resolution to appoint Miss Pattharaporn Promtong to be the Company Secretary. The detail is below.

Name	Miss Pattharaporn Promtong
Position	Company Secretary
Age	39 Years old
Education	Bachelor of Food Process Engineering King Mongkut's Institute of Technology Ladkrabang
Relationship between Management	None
Experience	2009- Current: Company Secretary

- The Person Supervising Accounting

Name	Miss Piyada Kotanun
Position	Head of Financial and Accounting Department
Age	58 Years old
Education	Bachelor of Accounting Sukhothai Thammathirat University
Relationship between Management	None
Experience	1991– Current : Head of Financial and Accounting Department

- Internal Audit

The Company assigns the MA Consulting Company Limited to be company's internal audit team from 2017 -2024. The internal audit team audits the business operation processes of the company and



reports findings with recommendations for improvement and development of the internal processes of the company to become more efficient.

7.6.2 Investor Relations

The Board of Directors of the company organize the disclosure of information of the company in a transparent and timeliness in compliance with the Stock Exchange of Thailand's regulations. The investors can reach our investor relations, Miss Pattharaporn Promtong, the investor relations coordinator at 0-4221-9888 or e-mail : admin@wattanahospital.net

7.6.3 Auditor's Remuneration

The Pitisavi & Company is the company's auditing company from 2006 to 2024. With the auditors including Miss Chaovana Viwatpanachat, Miss Wanpen Unruan, Ms.Pornpip Amornchailertpattana and Ms.Nunthira Khunngam with their CPA No. 4712, 7750, 9589 and 12707.

The auditor's remuneration for the year 2024 is 800,000 Baht per year by the Pitisavi & Company, all of which is audit fee. The company has no related person or related activities with auditors and the auditing company.

7.6.4 In case of foreign company or Thai company that is holding company, identify the name of representative and contact information in Thailand

-None-

8. Report of Corporate Governance

8.1 Summary of the Board's Performance in 2023

8.1.1 Nomination, Development and Evaluation of the Board of Directors

1. Selection of independent committees

3 Independent committees are as listed. The criteria of independent committees selection (in consistency with the No. 16 of Thailand Securities and Exchange Commission TJ28/2008) include

- (1) possess no more than 1% of company's shares with voting rights,
- (2) never been and not in a company's committee that involve in management or receive salaries from the company or in control of the company, with an exception of 2 years absency from such position. However, this does not include the independent committees who had been in public sector or a consultant of public sector which holds shares or in control of the company,
- (3) not a person related by blood or by law as parents husband wife siblings children and husband or wife of the management/major share holders/person with controlling power/ person to be nominated to be in management position or have controlling power,
- (4) never been and not related in business activities with the company in any manners which may cloud the independent judgment,



- (5) never been and not an auditor for the company unless have been absent from that position for more than 2 years,
- (6) never been and not a consultant of any fields including financial consulting or legal consulting that receive a consulting fee of more than Baht 2 million per year from the company, unless have been absent from that position for more than 2 years,
- (7) not a committee that elected to be a nominee of the company's committees,
- (8) not operates a business of the same condition and in competition with the company's business,
- (9) not possess any other characters which may compromise the independent judgment on the company's operations.

The independent committees who meet the (1) to (9) criteria may be assigned by the board of committees to make committee decisions on the company's operations matters.

In case the independent committees elected used to be or have any business relationships or received consulting fee exceeding the limit sent in the criteria (4) or (6), the company's committees may relax the criteria if consider that to have no impact on the role and independent judgment, and the company reported the following information in the letter to shareholders to appoint the independent committees already;

- (a) the business relationships or the consulting activities which not meet the criteria,
- (b) reasons and needs to appoint or keep the person to be an independent committee,
- (c) opinions of the company's committees who nominated the person to be an independent committee.

2. Nomination of Directors

The appointing of each director needs to be nominated by shareholders and voted with more than half of the total number of votes of the shareholders attending the shareholder's meeting and have rights to vote.

Each shareholder has rights to nominate names of persons to get voted for director. The one gets the highest vote become appointed as a director of the company.

-The selection of the senior executive

The Board of Directors appoint the senior executive in the company.

Directors and Executives' Development

Name	Dr. Natthira Tangsubkul
Position	Chief of Financial Officer
Traing Courses	1) CFO's Refresh course (6 hours) by Thailand Securities Institute (TSI), the Stock Exchange of Thailand. 2) Accounting for planning and decision making course by Dharmniti Seminar and Training Co., Ltd.



8.1.2 Meeting attendance and remuneration for each director

Name	Position	Board of Directors Meeting	
		Numbers of Meeting	Numbers of Attendance
Ass. Prof. Dr. Phiphat Tangsubkul	Chairman of the board	6	6
Dr. Suphawan Tangsubkul	Director	6	6
Dr. Sitichai Ungklomklieow	Director	6	6
Miss Natthira Tangsubkul	Director	6	6
Miss Jariya Chatsakunpen	Independence Director/ Audit Committee Director	6	6
Miss Suda Santiseveekul	Independence Director/Chairman of the Audit Committee Director	6	5
Dr. Alisa Neramittagapong, M.D.	Independence Director/Audit Committee Director	6	6

1. Monetary Remuneration

Name	Position	Director Remuneration in 2024 As Attended (Baht)
Ass. Prof. Dr. Phiphat Tangsubkul	Chairman of the board	180,000
Dr. Suphawan Tangsubkul	Director	80,000
Dr. Sitichai Ungklomklieow	Director	80,000
Miss Natthira Tangsubkul	Director Nomination and Remuneration Sub-Committee	80,000
Miss Suda Santiseveekul	Independence Director/ Chairman of the Audit Committee Director	54,000
Dr. Alisa Neramittagapong	Independence Director/ Audit Committee Director	36,000
Miss Jariya Chatsakunpen	Independence Director/ Audit Committee Director	36,000



2. Other remunerations

Directors' other remunerations

-None-

Other remunerations for executive

-Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company employees contributed to the fund monthly at the rate of 2 percent of their basic salary. The fund, which is managed by Principal Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules.

The company paid Baht 0.428 million for the provident fund of the management in 2024.

8.1.3 Overseeing the Operations of Subsidiaries and Associated Companies

-None-

8.1.4 Follow-up on Compliance of Corporate Governance Policies and Practices

(1) Conflict of Interest

The Company is committed to conducting business with transparency, fairness and accountability. Therefore, we have a policy on conflict of interest, using the principle that any decision to enter into a transaction must protect the best interests of the Company and its shareholders, and to avoid actions that may lead to conflicts of interest. In this regard, the directors or executives who are involved or have interests with the subject being considered must notify the Company of their relations or interests in the transaction and must not participate in the consideration. This includes having no power to approve such transactions, connected transactions, inter-transaction and situations that lead to conflicts of interest.

There were zero cases of conflicts of interest.

(2) Internal control of information usage

The company has the internal control of information usage according to the principles of Good Corporate Governance by outlining in the Handbook of Code of Conduct for board and executive, and employee, which can be summarized as follow:

1. The Board and executive and employee shall sign to acknowledge the related announcement made by the Securities and Exchange Commission stating that Board and executive shall obligate to report its own changes in the stock holding to SEC as per the Section 59 of the Securities and Exchange Act B.E. 2535 within 3 days from the date the changes take place. And will notify the corporate secretary to record the changes and resulted number of shares held by the Board and



executive and employees individually to report to the board committee in the next meeting. The penalties of non-compliance are also announced.

2. The company has implemented the rules of prohibiting the leak of the financial statement information or any other information that may affect the share price of the company to outsider or non-related person. And prohibit any trade of the company share in a month before the announcement of the financial statement or any other information that may affect the company share's price to the public. And prohibit the trading of the company share within the first 24 hours after the information has been announced to the public. Non compliance of the rules will be regarded as breaching the company's Code of Conduct and shall be penalized from notification, deduction of salary, put on leave without pay, or stop hiring.

This has been approved by the board of directors meeting 1/2014 and started to implement on the 1st of March 2014 onwards.

(3) Awareness and Prevention of Risks due to Corruption and Overseeing the Implementation of Anti-Corruption Policies

Anti-Corruption Policies

The Board of Directors commits to transparently operate the business under law and ethics and Good Governance guidelines. This includes the anti corruption in all forms. It is well realized that the corruptions can adversely affect the economic, social, and the security development of the country. The Company has the following anti-corruption policies as follows:

- 1) Hold training workshops, communicate, and ensure for staff members acknowledge anti-corruption policy and guidance
 - 2) Create opportunity for staff members at all levels to give opinions and suggestions to improve internal systems and prevent corruption appropriately and concisely
 - 3) Directors, Executives and managers at all levels are responsible for monitoring their subordinates to act in a transparent and honest manner, as well as to communicate with and acknowledge anyone who is involved
 - 4) The channel to report clues and complaints of corruption from staff members or stakeholders is available and the whistleblowers are protected
 - 5) Supporting all anti-corruption activities
- **Joining the Partnership Against Corruption for Thailand: "PACT"**

The Board of Directors had agreed to join the Partnership Against Corruption for Thailand: "PACT". This is one of the actions to improve the Good Governance of the business. It is important dimension for moving forward sustainably, the company shall ensure efforts and cooperation, which the first step being the join this PACT project.

There were zero cases of corruption reported.



(4) Whistleblowing

The Company has a policy to protect whistleblowers, Wattana Whistle Blower Protection Policy, to protect employees giving useful information or clues about any wrong doing or any risks to the company.

The objective of having this policy is to give the employees confidence that by reporting any information, their privacy will be protected and the process of interrogation will be fair and transparent, independent from any body.

The list of examples of wrong doings that should be reported are:

- Corruption found in the company
- Unlawful activities
- Inappropriate use of company's resources
- Unsafe activities that may pose any harm to community, social, and environment
- Any activities that may damage the company's image, reputation, assets, or income

The Company commits the protection of any employee from adverse impact on the action of reporting wrong doings to the management. Any adverse actions or abuses done on the whistle blowers will be regarded as against the company's policy to protect whistle blowers and good governance policy, which if found can be expelled from work.

The reporting can be directed to followings:

- (i) Board of Directors
- (ii) Executive Team
- (iii) Development and Quality Team
- (iv) Head of Departments
- (v) Human Resource Team

Protection of Whistle blowers reporting

The Company encourages employees to report without revealing the sources of information, unless wish otherwise.

Employees can either choose to reveal or not reveal the names of sources. They can request for a special offers to look after the sources such as senior officers can be assigned to responsible to look after the sources and give appropriate advices. The supports can be including:

- The confidentiality ensured to protect the secrets and sensitive information revealing the identity of the sources
- Monitoring and controlling of other employees' behaviours
- Approval of special day off work until the interrogation is over
- Change of department or working groups
- Compensation for any adverse impacts on the sources

**Fact verification process**

The process to verify facts can be varied based on the nature of each event reported. However, every process is ensured to be fair, neutral, and comprehensive from everyone involved in the event. The person of investigation will not be in the process.

The current situation will be updated to the person reported the event. If found guilty, the company will amend and adjust any processes that at risk to be improved. If found that the law was broken, the company will take the event to the police to bring the issue to the law process, with the person under investigation taken to the police.

The company's policy including the punishment or appropriate management for any one giving the fake information in order to frame others. However the company will not take charge against anyone giving information with the best of their knowledge and truthfull, even cannot be proved to be factual.

8.2 Audit Committee Performance**8.2.1 Number of meetings and attendance**

Name	Position	Audit Committee	
		Number of Meetings	Number of Attendances
Miss Suda Santiseveekul	Independent Director Audit Committee Director	4	3
Dr. Alisa Neramittagapong	Independent Director Audit Committee Director	4	4
Miss Jariya Chatsakunpen	Independent Director Audit Committee Director	4	4

8.3 Other Sub-Committees Performances**8.3.1 Number of Meetings and Attendance****- Executive Committee**

Name	Position	Executive Committee	
		Number of Meetings	Number of Attendances
Ass. Prof. Dr. Phiphat Tangsubkul	Chairman of Executive Committee	6	6
Dr. Sitichai Ungklomklieow	Director	6	6
Dr. Suphawan Tangsubkul	Director	6	6
Miss Natthira Tangsubkul	Director	6	6



- Corporate Governance Sub-Committee

Name	Position	Sub-Committee Meeting	
		Number of Meeting	Number of Attendance
Ass. Prof. Dr. Phiphat Tangsubkul	Chairman of Corporate Governance Committee	1	1
Dr. Natthira Tangsubkul	Director	1	1
Miss Suda Santiseveekul	Director	1	1

- Nomination and Remuneration Committee

Name	Position	Sub-Committee Meeting	
		Number of Meeting	Number of Attendance
Dr. Natthira Tangsubkul	Chairman of Nomination and Remuneration Committee	1	1
Dr. Alisa Neramittagapong	Director	1	1
Miss Jariya Chatsakunpen	Director	1	1

- Risk Management Committee

Name	Position	Sub-Committee	
		Number of Meeting	Number of Attendance
Dr. Sitichai Ungklomklieow	Chairman of Risk Management Committee	1	1
Dr. Suphawan Tangsubkul	Director	1	1
Miss Suda Santiseveekul	Director	1	1



9 Internal Control and Related Transactions

9.1 Internal Control

9.1.1 Internal controlling auditing systems.

The company assigns the MA consulting Co.Ltd. to perform the internal audit roles for the company in 2016-2024. The results have been regularly reported and recommended given to the company to improve the internal control system.

The company has rules and guidelines to ensure that employees work towards the same goals. In addition, the six monthly performance evaluation process is in place to acknowledge the good performance. There is also a regular education and training program to improve technical skills and knowledge of the employees in order to consequently increase their level of efficiency.

9.1.2 Reporting and Explanation of Pitfall of Internal Control

-None-

9.1.3 Any opinions from Audit Committee that different from that of Company's Board of Directors

-None-

9.1.4 Audit Committee's Opinion about the qualification of the Internal Audit team for its responsibilities

The Audit Committee has the opinion that the Company has sufficient internal control system.

9.1.5 The Standard of Practice on the appointing, removing and reallocation of the internal audit team needs to be approved by the Audit Committee

The appointing, removing, and reallocation of the internal audit team needs to be approved by the Audit Committee.

9.2 Related Transaction

9.2.1 Related Transactions with persons that may be in conflict of interest

There were related transactions including the transactions between the Company and the 21 Sattawat Vejchakit Company Limited, the Alliance International Medical Center Company Limited, and P&S Oneness Wealth Company Limited were as follows:

- (1) The company has related transactions with the 21 Sattawat Vejchakit Company Limited where there are common directors and shareholders. The related transactions are the referral of patients and trading medicines and medical supplies, which the prices and conditions are complied to a regular business agreement. The description and quantities of the transactions can be found in the number 5 of the notes of the financial statement. The reason for the transactions was for the benefits of the company, that is the referring of patients from the 21 Sattawat Vejchakit Company Limited located in different province. And to improve the efficiency of the inventory management in order to also increase the bargaining power with the suppliers.



- (2) The company has related transactions with the Alliance International Medical Center Company Limited which there are common directors with the company. The related transactions are the trading medicines and medical supplies, which the prices and conditions are complied to a regular business agreement. The description and quantities of the transactions can be found in the number 5 of the notes of the financial statement. The reason for the transactions was for the benefits of the company to affiliate with for sending patients to the hospital.
- (3) The company has related transactions with the P&S Oneness Wealth Company Limited which there are common shareholders with the company. The related transactions are the catering service and land rental between each other, which the prices and conditions are complied to a regular business agreement. The description and quantities of the transactions can be found in the number 5 of the notes of the financial statement. The reason for the transactions was for the benefits of the company to provide services to patients and to utilize the area for parking for the patients.

9.2.2 The Necessity and Rationale of the Related Party Transactions

All related party transactions are done under the necessity and rationale for the transactions to optimize the Company's benefit. Throughout 2024, the related party transactions between the Company and the related companies, the core transaction of which are sales and purchases of goods, the car park rental, the dormitory rental were under normal course of business, no special condition and no transfer of interest. Pricing, fee rate and /or interest rate was able to compare with the other entities' transactions and has been disclosed in the notes to financial statement of 2024.

The Audit Committee has reviewed the related party transactions between the Company including the space rental, dormitory rental, sales and purchases of goods, and catering which disclosed in the notes to financial statements of 2024. The Committee has the comments that the mentioned transactions occurred under normal course of business, necessity and rationale of the connected transactions to optimize the Company's benefits.

9.2.3 Policy or Trend to Make Related Transactions in the Future

The company sets policy for related transactions and the acquire/selling of assets to be in line with Good Ethics, rules and regulation, the steps and approval processes need to be the same as normal and customary business process. All activities are done fairly and market prices are used the same as what done with general public. The disclosure of information will be in accordance with the rules and announcement of the Stock Exchange of Thailand, under the topic of Disclosure and Practices for Listed Company on Related Transactions 2003.

The company will continue to have future related transactions such as rental of car park spaces and dormitory rental, all of which will be reasonable transactions. However, the company has no policy to proceed with related transactions with conflict of interests, unless the transactions are found to be of the most benefits to the company.



9.2.4 Reasons when there is a person holds more than 10% in the subsidiary of the company instead of directly holding the share of the company

-No Subsidiary-



Part 3
Financial Statement



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
WATTANA KARNAET PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying financial statements of WATTANA KARNAET PUBLIC COMPANY LIMITED, which comprise the statement of financial position as at December 31, 2024, and the related statements of 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 my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WATTANA KARNAET PUBLIC COMPANY LIMITED as at December 31, 2024, and its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company 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 my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements. My opinion on the financial statements is not modified with respect to any of the key audit matters described below, and I do not express an opinion on these individual matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

**INDEPENDENT AUDITOR'S REPORT (Con't) -2-****Key Audit Matter (Con't)**

Key audit matter and how audit procedures respond for each matter are described below;

Revenue recognition

The Company has principle income from hospital business for the year ended December 31, 2024 amounting to Baht 460.20 million representing 97.30% of total revenue and there are a large number of revenue transaction and it also has several components, such as revenue from hospital, revenue from sales of medicines, revenue from hospital rooms which are derived from provision of services to various types and a large number of customers. Furthermore, discount given to the party are different. There are, therefore, risks with respect to the amount and timing of revenue recognition. I therefore, consider the recognition of revenue from hospital operation to be key matter.

My significant audit procedures are assessing and testing the Company's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I also applied method to sampling examining supporting documents for revenue transactions occurring during the year and near the end of accounting period, I requested a balance confirmation from accounts receivable, testing the cut-off of revenue recognition, reviewing of credit notes that the Company issued after the period - end. In addition, I performed analytical procedures to detect possible irregularities in revenue transactions throughout the period.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my 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 my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.



INDEPENDENT AUDITOR'S REPORT (Con't) -3-

Responsibilities of Management and Those Charged with Governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing 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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

My objectives are to obtain reasonable assurance about whether the 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also :

- Identify and assess the risks of material misstatement of the 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 my 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



INDEPENDENT AUDITOR'S REPORT (Con't) -4-

Auditor's Responsibilities for the Audit of the financial statements (Con't)

- 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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

I am also required to provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

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

(Porntip Amornchailertpattana)

Certified Public Accountant (Thailand) No. 9589

OFFICE OF PITISEVI CO., LTD.

8/4, Floor 1st, 3rd, Soi Viphavadee Rangsit 44,
Chatuchak, Bangkok

February 27, 2025



WATTANA KARNPAT PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

		Unit : Baht	
		2024	2023
	Note		(Reclassified)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	40,456,325.38	48,074,381.23
Trade accounts and other current receivables - net	5.2, 7, 28	34,338,885.94	34,877,109.57
Accrued medical service revenue	28	1,379,867.50	1,417,131.60
Inventories	8	9,768,318.01	9,523,522.34
Other current financial assets	9	10,076,772.47	90,001,800.00
Other current assets		277,589.76	1,660,904.67
Total current assets		96,297,759.06	185,554,849.41
NON - CURRENT ASSETS			
Property plant and equipment - net	10	374,395,794.76	365,089,078.69
Right of use asset - net	5.2, 11.1	34,450,527.79	43,755,448.52
Intangible assets - net	12	1,099,279.89	1,866,937.14
Deferred tax assets - net	13	5,739,361.24	6,450,660.13
Non - current non-cash financial assets			
pledged as collaterals	14	95,027,709.01	5,020,000.00
Other non - current assets		6,235,465.07	9,092,333.26
Total non - current assets		516,948,137.76	431,274,457.74
TOTAL ASSETS		613,245,896.82	616,829,307.15

The notes to the financial statements are an integral part of these financial statements.



WATTANA KARNAET PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT DECEMBER 31, 2024

		Unit : Baht	
		2024	2023
	Note		(Reclassified)
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
CURRENT LIABILITIES			
Trade accounts and other current payables	5.2, 15	49,029,899.14	57,793,559.00
Current portion of long - term liabilities			
Long - term loan from financial institution	16	3,360,000.00	6,360,000.00
Lease liabilities	5.2, 11.2	9,122,486.58	8,666,818.74
Accrued corporate income tax		3,573,129.24	9,222,777.02
Accrued dividend		477,021.86	401,177.96
Provision of current liabilities for employee benefit	17	5,896,893.00	12,433,889.00
Other current liabilities		2,940,149.09	2,037,966.35
Total current liabilities		74,399,578.91	96,916,188.07
NON - CURRENT LIABILITIES			
Long - term loan from financial institution - net	16	-	3,360,000.00
Lease liabilities - net	5.2, 11.2	17,103,981.28	16,931,746.87
Provision of non - current liabilities for employee benefit - net	17	18,625,757.00	17,176,242.00
Total non - current liabilities		35,729,738.28	37,467,988.87
TOTAL LIABILITIES		110,129,317.19	134,384,176.94

The notes to the financial statements are an integral part of these financial statements.



WATTANA KARNPAET PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT DECEMBER 31, 2024

		Unit : Baht	
		2024	2023
			(Reclassified)
	Note		
<u>LIABILITIES AND SHAREHOLDERS' EQUITY (Con't)</u>			
SHAREHOLDERS' EQUITY			
Share capital			
10,000,000 common shares of Baht 10 each		100,000,000.00	100,000,000.00
Issued and paid - up share capital			
10,000,000 common shares of Baht 10 each		100,000,000.00	100,000,000.00
Premium on common shares		62,500,000.00	62,500,000.00
Retained earnings			
Appropriated - legal reserves	18	10,000,000.00	10,000,000.00
Unappropriated		330,616,579.63	309,945,130.21
Total shareholders' equity		503,116,579.63	482,445,130.21
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		613,245,896.82	616,829,307.15

The notes to the financial statements are an integral part of these financial statements.



WATTANA KARNPAT PUBLIC COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2024

Unit : Baht			
	Note	2024	2023
REVENUES			
Revenue from hospital operations	5.1	460,196,273.70	473,518,560.64
Other income	5.1	12,755,989.58	8,893,672.70
Total revenues		472,952,263.28	482,412,233.34
COST AND EXPENSES			
Cost of hospital operations	5.1	355,276,385.02	349,450,980.48
Distribution costs		1,467,539.00	1,996,395.00
Administrative expenses	5.1	58,093,601.11	56,775,596.12
Total cost and expenses		414,837,525.13	408,222,971.60
PROFIT FROM OPERATING		58,114,738.15	74,189,261.74
Finance cost	5.1	(2,522,071.82)	(3,422,508.76)
PROFIT BEFORE INCOME TAX		55,592,666.33	70,766,752.98
Income tax (expenses)	13.2	(11,921,216.91)	(14,579,395.51)
NET PROFIT FOR THE YEAR		43,671,449.42	56,187,357.47
Other comprehensive income (loss)		-	-
COMPREHENSIVE INCOME FOR THE YEAR		43,671,449.42	56,187,357.47
BASIC EARNINGS PER SHARE (BAHT : SHARE)	21	<u>4.37</u>	<u>5.62</u>

The notes to the financial statements are an integral part of these financial statements.



WATTANA KARNPAET PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2024

		Unit : Baht				
		Issued and fully		Retained earnings		Total
		paid - up	Premium on	Appropriated		shareholders'
Note		share capital	common shares	Legal reserves	Unappropriated	equity
Balance as at January 1, 2023		100,000,000.00	62,500,000.00	10,000,000.00	293,753,772.74	466,253,772.74
Dividend paid	19	-	-	-	(39,996,000.00)	(39,996,000.00)
Comprehensive profit (loss) for the year						
Net profit for the year		-	-	-	56,187,357.47	56,187,357.47
Balance as at December 31, 2023		100,000,000.00	62,500,000.00	10,000,000.00	309,945,130.21	482,445,130.21
Dividend paid	19	-	-	-	(23,000,000.00)	(23,000,000.00)
Comprehensive income for the year						
Net profit for the year		-	-	-	43,671,449.42	43,671,449.42
Balance as at December 31, 2024		100,000,000.00	62,500,000.00	10,000,000.00	330,616,579.63	503,116,579.63

The notes to the financial statements are an integral part of these financial statements.



WATTANA KARNAET PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

		Unit : Baht	
	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before income tax		55,592,666.33	70,766,752.98
Reconciliation of net profit to net cash provided by (used in) operating activities :			
Depreciation and amortization expenses	10, 11, 12	46,682,911.27	41,397,882.56
Bad debts	7	609,643.70	980,536.50
Expected credit losses (Reversal)	7	1,528,728.27	381,201.59
Provision for employee benefits	17	(211,481.00)	1,892,918.00
Loss (Gain) from revaluation of other current financial assets	9.1	1,800.00	(1,800.00)
Gain from disposal of other current financial assets	9.1	(206,017.55)	-
Gain on change lease contracts		-	(974,711.05)
Gain from disposal of fixed assets	10	(309,438.89)	-
Loss from write-off of fixed assets	10	4,975.00	-
Adjust of assets as expense	10	97,562.25	106,775.92
Written - off withholding income tax		2,253,945.10	-
Adjust of accounts payables as income		(61,042.00)	-
Interest income		(1,959,474.20)	(958,827.12)
Finance cost		2,522,071.82	3,422,508.76
Profit provided by operating activities before changes in operational assets and liabilities		106,546,850.10	117,013,238.14
Decrease (Increase) in operating assets :			
Trade accounts and other current receivables		(283,645.65)	1,141,734.11
Inventories		(244,795.67)	(358,582.40)
Other current assets		1,383,314.91	1,820,375.27
Other non - current assets		602,923.09	(3,743,893.41)
Increase (Decrease) in operating liabilities :			
Trade accounts and other current payables		(11,236,625.28)	5,180,962.68
Employee benefit paid for the year	17	(4,876,000.00)	(449,200.00)
Other current liabilities		902,182.74	950,651.60
Cash provided by (used in) operating activities		92,794,204.24	121,555,285.99
Interest paid		(529,428.82)	(3,421,196.75)
Income tax paid		(16,859,565.80)	(14,036,283.39)
Net cash provided by (used in) operating activities		75,405,209.62	104,097,805.85

The notes to the financial statements are an integral part of these financial statements.



WATTANA KARNAET PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS (Con't)

FOR THE YEAR ENDED DECEMBER 31, 2024

		Unit : Baht	
	Note	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in non - current non - cash financial			
assets pledged as collaterals		(60,000,000.00)	-
Cash receipt from other current financial assets	9.1	130,206,017.55	47,000,000.00
Cash paid for purchase of other current financial assets	9.1	(80,084,481.48)	(90,000,000.00)
Cash receipt from disposal of other non - current financial assets		-	40,000,000.00
Cash receipt from disposal of assets	10	1,045,000.00	-
Purchase of property, plant and equipment	10	(44,110,684.33)	(51,807,873.18)
Purchase of intangible assets	12	(103,500.00)	(85,000.00)
Right of use asset		-	(589,750.00)
Interest received		680,235.61	478,851.78
Net cash provided by (used in) investing activities		(52,367,412.65)	(55,003,771.40)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of long - term loan from financial institution	16	(6,360,000.00)	(9,605,000.00)
Repayments of lease liabilities	11.2	(1,371,696.72)	(26,953,986.82)
Dividend paid	19	(22,924,156.10)	(39,834,562.85)
Net cash provided by (used in) financing activities		(30,655,852.82)	(76,393,549.67)
Net increase (decrease) in cash and cash equivalents		(7,618,055.85)	(27,299,515.22)
Cash and cash equivalents at the beginning of the year		48,074,381.23	75,373,896.45
Cash and cash equivalents at end of the year		40,456,325.38	48,074,381.23

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION :

1. Non - cash items			
Purchase of fixed assets on credit	10	2,540,963.39	3,493,863.53
Purchase of intangible assets		-	16,000.00
Increase in right-of-use assets and lease liabilities			
under lease contracts		-	1,769,250.00
Accrued dividend	19	75,843.90	161,437.15
Transfer of other current financial assets as loan collateral	9, 14	30,007,709.01	-
2. Unrealize credit facilities for future working capital		125,000,000.00	20,000,000.00

The notes to the financial statements are an integral part of these financial statements.



WATTANA KARNPAET PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. GENERAL INFORMATION

The Company was registered under the Civil and Commercial Code on March 15, 1985 and listed on the stock Exchange of Thailand on August 23, 1996, Its office is located at 70/7-8 Suphakitjanya Road, Mhakkang Subdistrict, Muang Udon Thani District, Udon Thani. The Company's main business activity is operating hospital under the name "North Eastern Wattana Hospital".

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The statutory financial statements are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The financial statements has been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (2004) including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("TFAC") and the financial reporting requirements issued under the Securities and Exchange Act.

The financial statements has been presented in accordance with Thai Accounting Standards No. 1 (Revised 2023) subject : "Presentation of Financial Statements" and the requirements of The Department of Business Development announcement subject : "The mandatory items, have to be presented in the financial statements, B.E. 2566".

The financial statements are presented in Thai Baht, which is the Company's functional currency unless otherwise stated.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

3.1 Adoption of new accounting standards effective in the current year

In current year, the Company has applied the revised (revised 2023) as announced by the Federation of Accounting Professions which the Company disclosed in the notes to the financial statements for the year ended December 31, 2023. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company.



3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't)

3.2 New Thai Accounting Standards announce during the year not yet adopted

In current year, the Federation of Accounting Professions issued a number of revised (revised 2024) Thai Financial Reporting Standard which are effective for fiscal years beginning on or after January 1, 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users. The Company has not applied such standards before the effective period.

The significant changes in principles involved the following standards :

TAS 1 - Presentation of financial statements :

Amendment to TAS 1 - Presentation of financial statements revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material which is the information that impacts the economic decisions made by the users of financial statements.

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the end of reporting period if the entity must only comply with the covenants after the reporting period. However, if the entity must comply with a covenant either before or at the end of reporting period, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting period.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting period. The disclosures include :

- the carrying amount of the liability ;
- information about the covenants; and
- facts and circumstances, if any, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what TAS 1 means when it refers to the "settlement" of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument.

The amendments must be applied retrospectively in accordance with the normal requirements in TAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

TFRS 16 - Presentation of financial statements :

Amendments to Thai Financial Reporting Standard (TFRS) 16 - Leases added to the requirements for sale and leaseback transactions which explain how an entity accounts for a sale and leaseback after the date of the transaction.



3. ADOPTION OF NEW ACCOUNTING STANDARDS EFFECTIVE IN THE CURRENT YEAR (Con't)

3.2 New Thai Accounting Standards announce during the year not yet adopted (Con't)

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines “lease payments” and “revised lease payments” in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

TAS 7 - Statement of cash flows :

Amendments to TAS 7 - Statement of cash flows and TFRS 7 - Financial instruments: Disclosures require specific disclosures about Supplier Finance Arrangements (SFAs). The amendments respond to investors that said that they urgently needed more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

To meet investors' needs, the new disclosures will provide information about :

- (1) The terms and conditions of SFAs.
- (2) The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.
- (3) The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.
- (4) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.
- (5) Non-cash changes in the carrying amounts of financial liabilities in (2).
- (6) Access to SFAs facilities and concentration of liquidity risk with the finance providers.

The Company management department It is believed that there will be no material impact on these financial statements in the year in which the standard is adopted.



4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared on the historical cost basis in measuring the value of the component of financial statements except as described in the each following accounting policies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Recognition of revenues and expenses

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from hospital activities mostly consist of revenue from patients treatment service, patient rooms, medicines and other are recognized as revenue when sales of medicine or treatment service is already performed.

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers.

Rental income is recognized on a straight-line basis over the term of the lease.

Interest income is recognized as interest accrues based on the effective rate method.

Interest expense from financial liabilities at amortized cost is calculated using the effective interest method and are recognized on an accrual basis.

Other income and expense are recognized on an accrual basis.

4.2 Cash and cash equivalent

Cash and cash equivalent consist of cash on hand, bank deposits with financial institution with an original maturities of 3 months or less, which are not restricted to any use and all highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and including call notes receivable and term notes receivable maturing within 3 months or less and not subject to withdrawal restrictions.

Time deposits with maturity exceed 3 months period but less than 12 months period is recorded as other current financial assets.

Cash at bank that have restricted in use are presented separately as "Non - current non-cash financial assets pledged as collaterals" under non-current assets in the statement of financial position.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.3 Trade accounts and other current receivable and allowance for expected credit losses

Trade accounts receivable are stated at the net allowance for expected credit losses.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost.

The allowance for expected credit losses has disclosed in Note 4.16.3 to the financial statements.

Bad debts are written off when incurred. Bad debts are written off during the year in which they are identified and recognized in loss under administrative expenses.

4.4 Inventories

Inventories are valued at the lower of cost or net realizable value, cost are using FIFO method and is charged to vessel costs of goods sold whenever consumed.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost to complete and to make the sale.

4.5 Property, plant and equipment and depreciation

Land is stated at cost less allowance for impairment loss (if any).

Property and equipment are presented at cost less from accumulated depreciation and net allowance for impairment loss (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self - constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

When parts of an item of lands, premises and equipment have different useful lives, they are accounted for as separate items (major components) of lands, premises and equipment.

Expenditure for additions, replacement and betterment are capitalized. Repair and maintenance costs are recognized as expenses in the statement of comprehensive income when incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognized.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.5 Property, plant and equipment and depreciation (Con't)

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, after deducting residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property and equipment. The estimated useful lives are as follows :

Building and improvement	10 - 30 Years
Solar power generation system	10 - 30 Years
Tool and medical equipment	5 - 15 Years
Furniture, fixture and office equipment	3 - 10 Years
Tools	5 - 10 Years
Vehicles	5 - 10 Years

No depreciation is provided for land and assets in progress.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

4.6 Intangible assets and amortization

Intangible assets acquired in other cases are recognized at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment losses (if any).

Intangible assets with finite lives are amortized on a systematic basis by the straight-line method, and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization expense is charged to profit or loss.

The estimated useful lives are as follows :

Computer software	5 - 10 Years
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4.7 Employee benefit obligations

The Company operates various post-employment benefits schemes which comprised defined benefit, defined contribution plans and other long-term benefits.

4.7.1 Short - term employee benefit

Short - term employee benefit obligations, which include salary, wages, bonuses, contributions to the social security fund, provident fund and other welfare are measured on an undiscounted basis and are recognized as expenses when incurred.

4.7.2 Defined contribution plans

The Company operates a provident fund, being a defined contribution plan, the asset for which is held in a separate trustee-administered fund. The provident fund is funded by payments from employees and by the Company.

The Company's contributions to the provident fund are charged in profit or loss in the year to which they relate.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.7 Employee benefit obligations (Con't)

4.7.3 Employee Benefit Plans (Retirement benefit)

The retirement benefit is a defined benefit plan that an employee will receive on retirement according to Thai Labor Law depending on age and years of service.

The liability of retirement benefit is recognized in the statement of financial position using the present value of the obligation at the reporting date and past service costs. The retirement benefit is calculated annually by an independent actuary using the projected unit credit method. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of referred government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related retirement liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in comprehensive income or loss. Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

4.8 Interest-bearing liabilities

Interest-bearing liabilities are recognized initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized in profit or loss over the period of the borrowings on an effective interest basis.

4.9 Provision

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.10 Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that they relate to a business combination, or items recognized in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax :

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.10 Income tax (Con't)

Deferred tax :

Deferred income tax is recognized, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

The Company recognize deferred tax liabilities for all taxable temporary differences.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

At each reporting date, the Company review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.11 Basic earnings per share

Basic earnings per share is determined by dividing the net income for the year by the number of weighted-average common shares issued and paid-up during the year.

4.12 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company.

They also include associate companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations, 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.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.13 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

The recoverable amount of assets is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized in profit or loss.

For assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimate the asset's recoverable amount in which case an impairment loss recognized in prior periods for an asset other than goodwill shall be reversed.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.14 Lease

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

4.14.1 Long term lease - Lessee

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognizes right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.14 Lease (Con't)

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognized, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term are as follow :

Land and building	3 - 11 Years
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If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

The Company incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognized as expenses on a straight-line basis over the lease term.

Sale and leaseback transactions

The Company measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Company Accordingly, the Company recognizes only the amount of any gain or loss that relates to the rights transferred to the lessor. If the fair value of the consideration for the sale of an asset lower than the fair value of the asset, the difference is accounted for as a prepayment of lease payments to measure the sale proceeds at fair value.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.14 Lease (Con't)

4.14.2 Long term lease - Lessor

Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognized as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognized as an expense over the lease term on the same basis as the lease income.

Sub lease

In sublease transactions for which an underlying asset is subleased by the Company to a third party, and the head lease between the head lessor and the Company remains in effect, the Company classifies the sublease as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease, rather than with reference to the underlying asset that is the subject of the lease.

If the Company enters into two or more contracts at or near the same time with the same counterparty, these contracts are leases and they are negotiated as a package with an overall commercial objective, the Company combines the contracts and accounts for them.

4.15 Operating segments

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

4.16 Financial Instruments

The Company initially measure financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

4.16.1 Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) or amortized cost. The classification of financial assets at initial recognition is driven by the Company business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.16 Financial Instruments (Con't)

4.16.1 Classification and measurement of financial assets (Con't)

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the comprehensive income statement.

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognized as other income in the income statement.

Financial assets at FVOCI (debt instruments)

The Company measure financial assets at FVOCI if the financial asset is held to collect contractual cash flows and selling 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.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the income statement and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in other comprehensive income. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to the income statement.

Financial assets at amortized cost

The Company measures financial assets at amortized cost if the financial asset is held 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.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the income statement when the asset is derecognized, modified or impaired.

4.16.2 Classification and measurement of financial liabilities

Other financial liabilities

Except for derivative liabilities, at initial recognition the Company financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the comprehensive income statement.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.16 Financial Instruments (Con't)

4.16.2 Classification and measurement of financial liabilities (Con't)

The Company may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency (sometimes referred to as an accounting mismatch).

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the profit or loss.

4.16.3 Impairment of financial assets

Debt instruments not held at FVTPL

The Company recognize an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

Trade receivables

For trade receivables the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Remeasured

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increase in loss allowance is recognized as an impairment loss in profit or loss.

ECL Calculation

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.16 Financial Instruments (Con't)

4.16.3 Impairment of financial assets (Con't)

The Company consider a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in default when contractual payments are 90 days past due or the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Group to actions such as realizing security (if any is held). However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

4.16.4 Written-off

A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

4.16.5 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.16.6 Interest income and expense are recognized using the effective interest method

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to carrying amount of the financial assets after impairment losses. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

4.17 Determination of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date.

The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value. In applying the above-mentioned valuation techniques, the Company endeavor to use relevant observable inputs as much as possible. TFRS 13, Fair Value Measurement establishes a fair value hierarchy categorizing such inputs into three levels as follows :

Level 1 : Use of quoted market prices in an observable active market for such assets or liabilities (unadjusted)

Level 2 : Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 : Use of unobservable inputs such as estimates of future cash flows



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.17 Determination of fair values (Con't)

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

At the end of each reporting period, the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.18 Significant accounting judgments and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, thus, the actual results may differ from carrying amounts of assets and liabilities based on the estimates and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

All other estimates mentioned above are further detailed in the corresponding disclosures except significant accounting judgments and estimates are as follow :

4.18.1 Revenue from contracts with customers

Identification of performance obligations :

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.18 Significant accounting judgments and estimates (Con't)

4.18.1 Revenue from contracts with customers (Con't)

Determination of timing of revenue recognition :

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Company recognize revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Where the above criteria are not met, revenue is recognized at a point in time. Where revenue is recognized at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

Costs to obtain contracts :

The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortization method should be used.

4.18.2 Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognize assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

4.18.3 Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

4.18.4 Depreciation of Property plant and equipment and right-of-use assets and amortization of intangible assets

In determining depreciation of plant and equipment and right-of-use assets and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values (if any) and to review useful lives and residual values when there are any changes.



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.18 Significant accounting judgments and estimates (Con't)

4.18.5 Provision for employee benefit

In providing retirement employee benefit, the management is required to use judgment to determine the probability that its employee will work until retired by considering the past information which will be revised annually. The assumptions applied in the annual calculation are based on cost of service in the past and terms of employment benefit.

4.18.6 Leases

Determining the lease term with extension and termination options - as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease classification - as a lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Determining the lease term of contracts with renewal and termination options

The Company determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

**4. SIGNIFICANT ACCOUNTING POLICIES (Con't)****4.18 Significant accounting judgments and estimates (Con't)****4.18.7 Fair value of financial instruments**

In determining the fair value of financial instruments disclosed in the financial statements that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk liquidity, correlation and longer-term volatility of financial instruments. Changes in assumptions about these factors could affect the fair value disclosed in the financial statements and disclosures of fair value hierarchy.

5. TRANSACTIONS WITH RELATED PERSONS AND COMPANY

The Company has certain transactions with its related parties. Part of assets, liabilities, income and expenses are incurred from such related transactions. These companies are related through common shareholdings and/or directorships as follows :

Company and persons		Relationship	Operation	
			Type of Business	Location
Related companies				
21 Sattawat Vejchakit Co., Ltd.		1, 2	Hospital	Thailand
Alliance International Medical Center		2	Medical center	Laos
P&S Oneness Wealth Co., Ltd.		2	Property development for rent	Thailand
Wattana Wealth Co., Ltd.		1, 2	Medical Care	Thailand
Related persons				
Mr.Phiphat	Tangsubkul	3	-	Thailand
Mr.Sittichai	Ungklomklearw	3	-	Thailand
Mrs.Suphawan	Tangsubkul	3	-	Thailand
Ms.Natthira	Tangsubkul	4	-	Thailand
Mrs.Phirawan	Changsirivathanathamrong	4	-	Thailand
Mr.Phiraphat	Tangsubkul	4	-	Thailand

The nature of relationship between the Company and related persons and companies are as follows :

1. Having certain common directors.
2. Having certain shareholders in common.
3. The Company's directors, management and shareholders.
4. Shareholder and closed family of the Company's director.

**5. TRANSACTIONS WITH RELATED PERSONS AND COMPANY (Con't)**

The Company has policies on determining price with their related parties as follows :

Transaction	Pricing Policy
1. Sales of medicine and medical supplies	Cost plus
2. Revenue from hospital operations	The same rate as non-related persons
3. Rental income and other service income	Mutually agreed rate
4. Cost of medicine and medical supplies	Cost price
5. Purchase of medicine and medical supplies	Cost plus
6. Rental expenses and other service expenses	Mutually agreed rate
7. Doctor fees	The same rate as non-medical related persons
8. Finance cost	4.83% - 5.33% per annum (2023 : 4.83% - 5.10% per annum)

5.1 Significant transactions between the Company and related persons and companies in the statement of comprehensive income are as follows :

	Pricing policies	Unit : Baht	
		2024	2023
Related company			
Revenue from hospital operations	1, 2	1,116,561.61	644,221.19
Other incomes	3	1,214,143.87	1,166,334.00
Cost of hospital operations	4, 5	24,300,614.13	27,938,188.72
Administrative expenses	6	233,854.10	89,554.40
Finance cost	8	1,988,399.84	2,379,545.49
Related persons			
Revenue from hospital operations	1, 2	816,622.71	523,020.27
Cost of hospital operations	4, 5, 7	6,471,994.55	6,193,989.46
Finance cost	8	77,585.66	120,649.40

Directors and management's benefit expenses

The Company has paid salaries, bonus, contributions to provident fund, other welfare, and meeting allowances to their directors and management and retirement benefit recognized as expenses as follows :

	Unit : Baht	
	2024	2023
Short - term benefits	27,053,963.00	25,279,452.50
Post - employment benefits	548,006.99	515,292.44
Total	27,601,969.99	25,794,744.94

**5. TRANSACTIONS WITH RELATED PERSONS AND COMPANY (Con't)**

5.2 The outstanding balance of account with related parties are as follows :

	Unit : Baht	
	2024	2023
Trade accounts and other current receivables		
<u>Trade accounts receivables</u>		
Related companies	570,576.28	306,672.39
Related persons	65,734.09	6,355.52
Total trade accounts receivables	636,310.37	313,027.91
<u>Other current receivables</u>		
Related companies	-	203,737.40
Related persons	4,273.00	8,155.00
Total other current receivables	4,273.00	211,892.40
Total trade accounts and other current receivables	640,583.37	524,920.31
Right of use asset - net		
Right of use asset - related companies	31,955,537.79	39,944,422.25
Right of use asset - related persons	917,978.69	1,741,203.87
Total right of use asset - net	32,873,516.48	41,685,626.12
Trade accounts and other current payables		
<u>Trade accounts</u>		
Related companies	83,074.22	90,047.06
<u>Other current payables</u>		
Others accounts payable - related companies	-	2,000,000.00
Accrued expenses		
Related companies	1,102,590.66	1,386,083.65
Related persons	9,129.00	11,185.50
Accrued salary and doctor fees - related persons	432,625.00	573,102.00
Total other current payables	1,544,344.66	1,970,371.15
Total trade accounts and other current payables	1,627,418.88	2,060,418.21
Lease liabilities - net		
Lease liabilities - related companies	24,194,288.15	22,194,689.19
Lease liabilities - related persons	1,037,405.14	1,921,311.12
Total lease liabilities - net	25,231,693.29	24,116,000.31

**6. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of :

	Unit : Baht	
	2024	2023
Cash	419,057.00	614,415.00
Credit card receivables	8,059.00	633,890.00
Cash at banks - current accounts	26,502,003.00	26,463,711.58
Cash at banks - saving accounts	13,527,206.38	20,362,364.65
Total	40,456,325.38	48,074,381.23

7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLES - NET

Trade accounts and other current receivables consists of :

	Unit : Baht	
	2024	2023
<u>Trade accounts receivables</u>		
Trade account receivable - contractual party	32,713,070.93	32,824,878.60
Trade accounts receivable - related persons and companies	636,310.37	313,027.91
Other and employees receivables - other persons	780,932.00	595,707.69
Total trade account receivables	34,130,313.30	33,733,614.20
<u>Less</u> Allowance for expected credit losses	(3,075,495.13)	(2,156,410.56)
Total trade account receivables - net	31,054,818.17	31,577,203.44
<u>Other current receivables</u>		
Accrued income	1,267,218.86	1,766,082.43
Prepaid expenses	723,287.32	753,255.76
Other receivable - related persons and companies	4,273.00	211,892.40
Accrued interest	1,279,238.59	479,175.34
Other receivable	10,050.00	88,700.00
Total other current receivables	3,284,067.77	3,299,905.93
Total trade accounts and other current receivables - net	34,338,885.94	34,877,109.57

**7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLES - NET (Con't)**

The outstanding balance of trade accounts receivables aged by number of months as follows :

Unit : Baht		
	2024	2023
Accounts receivables not yet due	29,380,830.19	26,961,558.64
Accounts receivables over due		
Under or equal to 3 months	3,192,578.64	4,524,062.22
Over 3 months to 6 months	1,176,104.01	355,638.20
Over 6 months to 12 months	296,668.59	201,138.70
Over 12 months	84,131.87	1,691,216.44
Total	34,130,313.30	33,733,614.20
<u>Less</u> Allowance for expected credit losses	(3,075,495.13)	(2,156,410.56)
Net	31,054,818.17	31,577,203.64

Movement in Allowance for expected credit losses are as follows :

Unit : Baht		
	2024	2023
Beginning balance of the year	2,156,410.56	2,755,745.47
<u>Add</u> Increase during the year	2,119,942.08	1,033,922.92
<u>Less</u> Reversal during the year	(591,213.81)	(652,721.33)
<u>Less</u> Write - off bad debt	(609,643.70)	(980,536.50)
Ending balance of the year	3,075,495.13	2,156,410.56

8. Inventories

Inventories consists of :

Unit : Baht		
	2024	2023
Medicines and medical supplies	9,070,853.09	8,937,747.32
Medical consumables	697,464.92	585,775.02
Total	9,768,318.01	9,523,522.34

**9. OTHER CURRENT FINANCIAL ASSETS**

Other current financial assets consists of :

Unit : Baht						
	2024			2023		
	Fair value through profit or loss (FVPL)			Fair value through profit or loss (FVPL)		
	Amortised cost	or loss (FVPL)	Total	Amortised cost	or loss (FVPL)	Total
5 - 12 months fixed deposits	10,076,772.47	-	10,076,772.47	80,000,000.00	-	80,000,000.00
Investments in debt instruments measured at fair value through profit or loss (Note 9.1)						
Investments in open-end funds	-	-	-	-	10,000,000.00	10,000,000.00
<u>Add</u> Unrealized gains on changes in value off other current financial assets	-	-	-	-	1,800.00	1,800.00
Total	-	-	-	-	10,001,800.00	10,001,800.00
Total other current financial assets	10,076,772.47	-	10,076,772.47	80,000,000.00	10,001,800.00	90,001,800.00

The Company intended to hold such investment in debt instrument for generating profit from short - term fluctuation in price. Therefore, the Company classified the investment as temporary investment in other current financial asset.

As at December 31, 2024 and 2023, the Company has 12 months and 5 - 12 months fixed deposit received interest at the rate of 2.20% per annum and 0.80% - 2.25% per annum respectively.

9.1 Movement of other current financial assets are as below :

Unit : Baht			
	Fair value through profit or loss		
	Amortized cost	(FVPL)	Total
As at December 31, 2024			
Beginning balance - cost	80,000,000.00	10,000,000.00	90,000,000.00
<u>Add</u> Purchase during the year	40,084,481.48	40,000,000.00	80,084,481.48
<u>Less</u> Disposal during the year	(80,000,000.00)	(50,000,000.00)	(130,000,000.00)
<u>Less</u> Transfer to fixed deposits held as collaterals (Note 14)	(30,007,709.01)	-	(30,007,709.01)
Ending balance - cost	10,076,772.47	-	10,076,772.47
<u>Add</u> Unrealized gains on changes in value of other current financial assets	-	-	-
Ending balance - fair value	10,076,772.47	-	10,076,772.47

**9. OTHER CURRENT FINANCIAL ASSETS (Con't)**

9.1 Movement of other current financial assets are as below : (Con't)

	Unit : Baht		
	Fair value		
	through profit or		
	Amortised cost	loss (FVPL)	Total
As at December 31, 2023			
Beginning balance - cost	47,000,000.00	-	47,000,000.00
<u>Add</u> Purchase during the year	80,000,000.00	10,000,000.00	90,000,000.00
<u>Less</u> Disposal during the year	(47,000,000.00)	-	(47,000,000.00)
Ending balance - cost	80,000,000.00	10,000,000.00	90,000,000.00
<u>Add</u> Unrealized gains on changes in value of other current financial assets	-	1,800.00	1,800.00
Ending balance - fair value	80,000,000.00	10,001,800.00	90,001,800.00

**10. PROPERTY, PLANT AND EQUIPMENT - NET**

Property, plant and equipment consist of :

Unit : Baht

	Land	Building and improvement	Solar power generation system	Tool and medical equipment	Furniture, fixture and office equipment	Tools	Vehicles	Assets in progress	Total
Cost									
As at January 1, 2023	66,554,742.60	423,244,228.57	-	86,474,528.20	35,256,733.50	11,050,637.41	25,464,031.41	18,629,501.36	666,674,403.05
Add Purchase during the year	-	14,041,309.95	10,841,495.00	9,805,267.45	12,251,737.10	650,386.24	173,000.00	7,538,540.97	55,301,736.71
Add (less) Transfer in (out)	-	15,682,342.56	-	-	9,579,225.60	21,698.25	-	(25,390,042.33)	(106,775.92)
As at December 31, 2023	66,554,742.60	452,967,881.08	10,841,495.00	96,279,795.65	57,087,696.20	11,722,721.90	25,637,031.41	778,000.00	721,869,363.84
Accumulated depreciation									
As at January 1, 2023	-	201,197,398.24	-	69,147,586.20	25,531,831.42	8,949,804.56	20,650,870.24	-	325,477,490.66
Add Depreciation for the year	-	19,464,144.43	50,668.51	6,433,038.62	4,248,930.14	742,327.75	363,685.04	-	31,302,794.49
As at December 31, 2023	-	220,661,542.67	50,668.51	75,580,624.82	29,780,761.56	9,692,132.31	21,014,555.28	-	356,780,285.15
Net book value									
As at January 1, 2023	66,554,742.60	222,046,830.33	-	17,326,942.00	9,724,902.08	2,100,832.85	4,813,161.17	18,629,501.36	341,196,912.39
As at December 31, 2023	66,554,742.60	232,306,338.41	10,790,826.49	20,699,170.83	27,306,934.64	2,030,589.59	4,622,476.13	778,000.00	365,089,078.69



10. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

Unit : Baht

	Land	Building and improvement	Solar power generation system	Tool and medical equipment	Furniture, fixture and office equipment	Tools	Vehicles	Assets in progress	Total
Cost									
As at January 1, 2024	66,554,742.60	452,967,881.08	10,841,495.00	96,279,795.65	57,087,696.20	11,722,721.90	25,637,031.41	778,000.00	721,869,363.84
Add Purchase during the year	-	688,619.19	-	13,848,648.01	920,360.61	370,705.20	6,354,377.01	24,468,937.70	46,651,647.72
Less Disposal/write-off during the year	-	-	-	(866,166.67)	-	-	(1,468,000.00)	-	(2,334,166.67)
Write-off as an expense	-	-	-	-	-	-	-	(97,562.25)	(97,562.25)
Add (less) Transfer in (out)	-	353,287.00	-	1,888,900.00	(1,198,900.00)	-	-	(1,043,287.00)	-
As at December 31, 2024	66,554,742.60	454,009,787.27	10,841,495.00	111,151,176.99	56,809,156.81	12,093,427.10	30,523,408.42	24,106,088.45	766,089,282.64
Accumulated depreciation									
As at January 1, 2024	-	220,661,542.67	50,668.51	75,580,624.82	29,780,761.56	9,692,132.31	21,014,555.28	-	356,780,285.15
Add Depreciation for the year	-	20,228,408.46	790,290.35	8,361,517.66	6,045,524.92	563,958.36	517,133.54	-	36,506,833.29
Less Disposal/write-off during the year	-	-	-	(125,631.56)	-	-	(1,467,999.00)	-	(1,593,630.56)
As at December 31, 2024	-	240,889,951.13	840,958.86	83,816,510.92	35,826,286.48	10,256,090.67	20,063,689.82	-	391,693,487.88
Net book value									
As at January 1, 2024	66,554,742.60	232,306,338.41	10,790,826.49	20,699,170.83	27,306,934.64	2,030,589.59	4,622,476.13	778,000.00	365,089,078.69
As at December 31, 2024	66,554,742.60	213,119,836.14	10,000,536.14	27,334,666.07	20,982,870.33	1,837,336.43	10,459,718.60	24,106,088.45	374,395,794.76

Depreciation for the year ended December 31, consist of :

	Unit : Baht	
	2024	2023
Cost of hospital operations	33,122,513.39	27,919,217.35
Administrative expenses	3,384,319.90	3,383,577.14
Total	36,506,833.29	31,302,794.49

The Company mortgaged certain of land and building with a commercial bank as collateral to secure its loans as described in Note 16 to the financial statements.

**11. LEASES****11.1 Right-of-use assets - net**

Right-of-use assets - net consist of :

	Unit : Baht		
	Land and Building	Vehicles	Total
Cost of assets			
As at January 1, 2023	42,688,892.00	-	42,688,892.00
Increase during the year	-	2,359,000.00	2,359,000.00
Change on lease agreement	10,409,266.02	-	10,409,266.02
As at December 31, 2023	53,098,158.02	2,359,000.00	55,457,158.02
Accumulated depreciation			
As at January 1, 2023	7,943,761.93	-	7,943,761.93
Depreciation for the year	8,856,710.73	359,795.98	9,216,506.71
Change on lease agreement	(5,458,559.14)	-	(5,458,559.14)
As at December 31, 2023	11,341,913.52	359,795.98	11,701,709.50
Net book value			
As at January 1, 2023	34,745,130.07	-	34,745,130.07
As at December 31, 2023	41,756,244.50	1,999,204.02	43,755,448.52

	Unit : Baht		
	Land and Building	Vehicles	Total
Cost of assets			
As at January 1, 2024	53,098,158.02	2,359,000.00	55,457,158.02
Increase during the year	-	-	-
As at December 31, 2024	53,098,158.02	2,359,000.00	55,457,158.02
Accumulated depreciation			
As at January 1, 2024	11,341,913.52	359,795.98	11,701,709.50
Depreciation for the year	8,856,710.73	448,210.00	9,304,920.73
As at December 31, 2024	20,198,624.25	808,005.98	21,006,630.23
Net book value			
As at January 1, 2024	41,756,244.50	1,999,204.02	43,755,448.52
As at December 31, 2024	32,899,533.77	1,550,994.02	34,450,527.79

Depreciation for the year ended December 31, consist of :

	Unit : Baht	
	2024	2023
Cost of hospital operations	9,304,920.73	9,216,506.71

**11. LEASES (Con't)****11.2 Lease liabilities - net**

Lease liabilities - net consist of :

	Unit : Baht	
	2024	2023
Lease liabilities	30,047,383.00	31,499,703.00
<u>Less</u> Deferred interest	(3,820,915.14)	(5,901,137.39)
Present value of minimum lease payment	26,226,467.86	25,598,565.61
<u>Less</u> Current portion	(9,122,486.58)	(8,666,818.74)
Net	17,103,981.28	16,931,746.87
Comprise of :		
Current lease liabilities	9,122,486.58	8,666,818.74
Non - current lease liabilities	17,103,981.28	16,931,746.87
Total	26,226,467.86	25,598,565.61

The Company has entered into the lease agreements for rental of land and Building for use in their operation, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 to 11 years.

Movements of lease liabilities account during the year ended December 31, 2024 and 2023 was summarized below :

	Unit : Baht	
	2024	2023
Balance as at January 1	25,598,565.61	35,890,188.32
Prepaid expenses at ending of the year	9,322,721.00	(18,645,442.00)
Increase during the year	-	1,769,250.00
Payments during the year	(8,694,818.75)	(8,308,544.82)
Lease change	-	14,893,114.11
Balance as at December 31	26,226,467.86	25,598,565.61

	Unit : Baht	
	2024	2023
Present value of minimum lease payment net of deferred interest expenses by lease agreement		
Less than 1 year	9,122,486.58	8,666,818.74
More than 1 year but less than 5 years	17,100,006.64	16,904,619.50
More than 5 years	3,974.64	27,127.37
Total	26,226,467.86	25,598,565.61

**11. LEASES (Con't)**

The following are the amounts relating to lease contracts recognized in the statement of income for the year ended December 31,

	Unit : Baht	
	2024	2023
Depreciation expenses of right-of-use assets	9,304,920.73	9,216,506.71
Interest expenses on lease liabilities	2,080,222.25	2,501,916.19
Expenses relating to short-term leases	176,000.00	1,822,308.00
Expenses relating to leases of low-value assets	268,800.00	770,202.00

12. INTANGIBLE ASSETS - NET

Intangible assets consist of :

	Unit : Baht	
	2024	2023
Computer software		
Cost		
As at January 1,	10,205,707.18	10,104,707.18
<u>Add</u> Purchase during the year	103,500.00	101,000.00
As at December 31,	10,309,207.18	10,205,707.18
Accumulated amortization		
As at January 1,	8,338,770.04	7,460,188.68
<u>Add</u> Amortization during the year	871,157.25	878,581.36
As at December 31,	9,209,927.29	8,338,770.04
Net book value		
As at January 1,	1,866,937.14	2,644,518.50
As at December 31,	1,099,279.89	1,866,937.14

The Company is amortization included in administrative expenses in the statement of comprehensive income.

13. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are as follows :

	Unit : Baht	
	2024	2023
Deferred tax assets	5,739,361.24	6,451,020.13
Deferred tax liabilities	-	(360.00)
Deferred tax assets (liabilities)	5,739,361.24	6,450,660.13

**13. DEFERRED TAX ASSETS AND LIABILITIES (Con't)**

13.1 Movements in deferred tax assets and liabilities during the year are as follows :

	Unit : Baht			
	(Charged) Credited for the year to			
	As at		Other	As at
	January 1,		Comprehensive	December
	2024	Profit or loss	loss	31, 2024
<u>Deferred tax assets</u>				
Trade accounts and other current				
receivables	431,282.11	183,816.91	-	615,099.02
Lease liabilities	97,711.82	122,020.40	-	219,732.22
Provision for employee benefit	5,922,026.20	(1,017,496.20)	-	4,904,530.00
Total deferred tax assets	6,451,020.13	(711,658.89)	-	5,739,361.24
<u>Deferred tax liabilities</u>				
Other current financial assets				
Gain on fair value adjustment	(360.00)	360.00	-	-
Total deferred tax liabilities	(360.00)	360.00	-	-
Total	6,450,660.13	(711,298.89)	-	5,739,361.24

	Unit : Baht			
		(Charged) Credited for the year to		
	As at		Other	As at
	January 1,		Comprehensive	December
	2023	Profit or loss	loss	31, 2023
<u>Deferred tax assets</u>				
Trade accounts and other current				
receivables	551,149.09	(119,866.98)	-	431,282.11
Lease liabilities	229,011.65	(131,299.83)	-	97,711.82
Employee benefit obligations	5,633,282.60	288,743.60	-	5,922,026.20
Total deferred tax assets	6,413,443.34	37,576.79	-	6,451,020.13
<u>Deferred tax liabilities</u>				
Other current financial assets				
Gain on fair value adjustment	-	(360.00)	-	(360.00)
Total deferred tax liabilities	-	(360.00)	-	(360.00)
Total	6,413,443.34	37,216.79	-	6,450,660.13

**13. DEFERRED TAX ASSETS AND LIABILITIES (Con't)****13.2** Income tax expenses for the year are as follows :

Income tax recognized in profit or loss

	Unit : Baht	
	2024	2023
<u>Current income tax</u>		
Corporate income tax charge for the year	11,209,918.02	14,616,612.30
<u>Deferred tax</u>		
Deferred tax expense relating to the original and reversal of temporary differences	711,298.89	(37,216.79)
Income tax expenses	<u>11,921,216.91</u>	<u>14,579,395.51</u>

13.3 Reconciliation for the effective tax rate

	2024		2023	
	Tax rate (%)	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)
Profit before income tax		<u>55,592,666.33</u>		<u>70,766,752.98</u>
Tax expense	20	11,118,533.27	20	14,153,350.60
Tax effect of expenses that are not deductible for tax purposes		978,156.31		565,930.42
Deferred tax expense (income) from decrease in tax rate		<u>(175,472.67)</u>		<u>(139,885.51)</u>
Tax expense (effective rate)	21	<u>11,921,216.91</u>	21	<u>14,579,395.51</u>

13.4 Tax rateCurrent income tax

The Company calculated its tax from the net profit (loss) after adjustment for non-taxable expenses and reserves in accordance with the Revenue Code.

The main adjustment items are allowance for expected credit losses, employee benefit obligations and expenses were not in compliance with the Revenue Code.

Deferred tax

Deferred tax has been measured using the effective rate at 20% announced by the government at reporting date.

**14. NON - CURRENT NON-CASH FINANCIAL ASSETS PLEDGED AS COLLATERALS**

Non - Current non-cash financial assets pledged as collaterals consist of :

Type of deposits	Collateral for	Interest Rate (% per annum)		Unit : Baht	
		2024	2023	2024	2023
Saving account	Credit facilities and radio communication	0.50	0.50	5,020,000.00	5,020,000.00
Fixed deposit	Revolving loans from financial institutions	2.00 - 2.45	-	90,007,709.01	-
Total				95,027,709.01	5,020,000.00

In the year 2024, the Company received a revolving loans from financial institution amounting to Baht 90 million. The credit facilities were guaranteed by above mentioned fixed deposits.

15. TRADE ACCOUNTS AND OTHER CURRENT PAYABLES

Trade accounts and other current payables, consist of :

	Unit : Baht	
	2024	2023
<u>Trade accounts payables</u>		
Trade accounts payables - other company	35,527,031.14	39,884,539.51
Trade accounts - related company	83,074.22	90,047.06
Note payables	868,617.92	145,477.42
Total trade accounts payables	36,478,723.28	40,120,063.99
<u>Other current payables</u>		
Other accounts payables - related company	-	2,000,000.00
Accrued expenses	3,087,044.89	4,199,575.14
Accrued bonus	-	620,000.00
Accrued salary and doctor fees expenses	5,761,347.00	4,869,865.00
Deferred income	220,401.00	1,996,115.90
Assets payable	2,788,600.97	3,509,863.53
Others	693,782.00	478,075.44
Total other current payables	12,551,175.86	17,673,495.01
Total trade account and other current payables	49,029,899.14	57,793,559.00

**16. LONG - TERM LOAN FROM FINANCIAL INSTITUTION - NET**

Long - term loan from financial institution - net consist of :

	Unit : Baht	
	2024	2023
Long - term loans beginning balance	9,720,000.00	19,325,000.00
<u>Less</u> Repayment during the year	(6,360,000.00)	(9,605,000.00)
Total long - term loans	3,360,000.00	9,720,000.00
<u>Less</u> Current portion	(3,360,000.00)	(6,360,000.00)
Net	-	3,360,000.00

Long - term loans from financial institutions details and conditions are as follows :

Loan facilities (million baht)	Objective	Interest rate	Repayment terms
50	Hospital renovation and purchase of assets	MLR less fixed rate	Monthly installment of Baht 530,000 with 12 months grace period, completed within 9 years from the first installment commencing from September, 2017.

The abovementioned loans were guaranteed by mortgaged its land and the present and to be built in the future of its property as collaterals.

17. PROVISIONS OF LIABILITIES FOR EMPLOYEE BENEFIT - NET

The Company operates postemployment benefit and pension based on the requirement of the Thai Labour Protection Act B.E. 2541 to provide retirement benefits and other long - term benefits to employees based on pensionable remuneration and length of services.

Movement in the present value of the employee benefits obligations consist of :

	Unit : Baht	
	2024	2023
Employee benefit at as January 1,	29,610,131.00	28,166,413.00
Profit or loss for the year :		
Current service cost	1,609,310.00	1,452,928.00
Interest cost	487,098.00	439,990.00
Employee benefits paid during the year	(4,876,000.00)	(449,200.00)
Reversal	(2,307,889.00)	-
Ending balance at as December 31,	24,522,650.00	29,610,131.00
<u>Less</u> Current portion	(5,896,893.00)	(12,433,889.00)
Net	18,625,757.00	17,176,242.00

**17. PROVISIONS OF LIABILITIES FOR EMPLOYEE BENEFIT - NET (Con't)**

As at December 31, 2024 and 2023, the weighted average duration of the liabilities for long - term employee benefit in the financial statements are 11.92 years.

The expense is recognized in the following line items in the profit or loss :

	Unit : Baht	
	2024	2023
Profit or loss		
Cost of hospital operations	1,165,795.00	1,032,597.00
Administrative expense	382,606.02	340,214.81
Management's remuneration	548,006.98	520,106.19
Total	2,096,408.00	1,892,918.00

Actuarial gains and losses recognized in other comprehensive income are as follows :

	Unit : Baht	
	2024	2023
Included in retained earnings		
As at January 1,	5,740,246.18	5,740,246.18
Recognized during the year	-	-
As at December 31,	5,740,246.18	5,740,246.18

Principal actuarial assumptions at the reporting date

	2024	2023
* Discount rate	2.82%	2.82%
Disability rate	5%	5%
Salary increase rate	3%	3%
** Employee turnover rate	0.00% - 31.00%	0.00% - 31.00%
	100% ของ	100% ของ
*** Mortality rate	TMO2017	TMO2017
Retirement age (year)	60	60

* Market yield from government's bond for legal severance payments plan

** Upon the length of service

*** Reference from TMO 2560 (TMO2017 : Thai Mortality Ordinary Table of 2017)

**17. PROVISIONS OF LIABILITIES FOR EMPLOYEE BENEFIT - NET (Con't)**

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the non-current provision for employee benefits obligations by the amounts shown below :

	Unit : Baht	
	2024	2023
Discount rate		
1% increase	(1,889,312.00)	(1,801,562.00)
1% decrease	2,184,339.00	2,092,014.00
Future Salary growth		
1% increase	2,684,916.00	2,352,715.00
1% decrease	(2,622,304.00)	(2,042,777.00)
Resignation rate		
1% increase	(1,974,704.00)	(1,882,389.00)
1% decrease	312,026.00	275,580.00

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

18. LEGAL RESERVE

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

At present, the legal reserve has fully been set aside.

19. DIVIDEND PAID

Dividends declared during the year Ending December 31, 2024 and 2023 are as follows :

Resolved by	Dividend payment		Per share (Baht)	Dividend (Baht)
	from	Paid date		
Shareholders' General Meeting of the Company for the year 2024 held on April 29, 2024	Operating of the year 2023	May 24, 2024	2.30	23,000,000.00
Total dividend				23,000,000.00

**19. DIVIDEND PAID (Con't)**

Dividends declared during the year Ending December 31, 2024 and 2023 are as follows : (Con't)

Resolved by	Dividend payment from	Paid date	Per share (Baht)	Dividend (Baht)
Shareholders' General Meeting of the Company for the year 2023 held on April 24, 2023	Operating of the year 2022	May 18, 2023	4.00	39,996,000.00
Total dividend				39,996,000.00

20. EXPENSES BY NATURE

Significant expenses classified by nature consist of :

	Unit : Baht	
	2024	2023
Employee expenses	113,207,931.35	114,006,953.28
Director and management benefit expenses	27,601,969.99	25,794,744.94
Medicines and medical supplies	62,670,801.46	63,398,540.14
Artificial kidney expenses	59,225,599.05	53,347,647.47
Depreciation and amortization expenses	46,682,911.27	41,397,882.56
Finance cost	2,522,071.82	3,422,508.76

21. EARNINGS PER SHARE

Basic earnings per share for the year is calculated by dividing net income (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year as follows :

	Unit : Baht	
	2024	2023
Net profit for the year (basic) (Baht)	43,671,449.42	56,187,357.47
Number of ordinary shares outstanding (Share)	10,000,000.00	10,000,000.00
Earning per share (basic) (Baht)	4.37	5.62



22. OPERATION SEGMENT

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. The chief operating decision maker has been identified as the Managing Director.

Management considers that the Company operates in a single line of business, namely the hospital and medical trading business, and has therefore only one business segment.

Management considers that the Company operates in a single geographic area, namely in Thailand, and has therefore, only one major geographic segment.

As a result, all of the revenues, operating profits and assets reflected in these financial statements are related to the referred business and geographical segment.

The company has no major customer with revenue of 10 percent or more of an entity's revenues.

23. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company employees contributed to the fund monthly at the rate of 2 - 6 percent of their basic salary. The fund, which is managed by Principal Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules.

For the years ended 2024 and 2023, the Company contributed to the fund amounting to Baht 0.85 million, and Baht 0.82 million respectively.

24. FINANCIAL INSTRUMENTS

Fair values of financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of net book value.

The Company is exposed to a variety of financial risks, including credit risk, market risk (including interest rate risk) and liquidity risk. The Company overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company financial performance.

The Company financial instruments principally comprise cash and cash equivalents, trade accounts and other current receivables, other financial assets, trade accounts and other current payables, long-term loans, and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.



24. FINANCIAL INSTRUMENTS (Con't)

24.1 Credit risk

Credit risk is the risk of financial losses if a customer or the counterparty in a financial instrument fails to meet its obligations. The risk consists mainly of , trade accounts and other current receivables, deposits with banks and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statements of financial position.

24.1.1 Trade accounts and other current receivables

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding Trade accounts and other current receivables are regularly monitored, In addition, The Company does not have high concentrations of credit risk since it has a large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Company classifies customer segments by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

24.2 Market risk

24.2.1 Interest rate risk

The Company exposure to interest rate risk relate primarily to their deposits at bank, other financial assets, long-term loans, 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 which may cause variations in the Company financial results.

The Company manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings. The Company policy is to match between sources and uses of fund while a majority of our financial liability is based on fixed rates.

As at December 31, 2024 and 2023, significant interest-bearing financial assets and liabilities classified by type of interest rate are summarized in the table below, 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.

**24. FINANCIAL INSTRUMENTS (Con't)****24.2 Market risk (Con't)****24.2.1 Interest rate risk (Con't)**

As at December 31, 2024 (Unit : Thousand Baht)

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Interest rate (% p.a.)
	within 1 year	1 - 5 year	Over 5 year				
Financial assets							
Cash and cash equivalents	-	-	-	13,527	26,929	40,456	0.15 - 1.00
Trade accounts and other current receivables	-	-	-	-	35,719	35,719	-
Other current financial assets	10,077	-	-	-	-	10,077	0.75 - 2.25
Non - current non-cash financial assets							
pledged as collaterals	-	-	-	95,028	-	95,028	0.40 - 2.45
Financial liabilities							
Trade accounts and other current payables	-	-	-	-	49,030	49,030	-
Long - term loan from financial institution	-	-	-	3,360	-	3,360	5.33
Lease liabilities	9,122	17,100	4	-	-	26,226	4.83 - 5.10

As at December 31, 2023 (Unit : Thousand Baht)

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Interest rate (% p.a.)
	within 1 year	1 - 5 year	Over 5 year				
Financial assets							
Cash and cash equivalents	-	-	-	20,362	27,712	48,074	0.15 - 1.38
Trade accounts and other current receivables	-	-	-	-	36,294	36,294	-
Other current financial assets	90,002	-	-	-	-	90,002	0.75 - 2.25
Non - current non-cash financial assets							
pledged as collaterals	-	-	-	5,020	-	5,020	0.25
Financial liabilities							
Trade accounts and other current payables	-	-	-	-	57,793	57,793	-
Long - term loan from financial institution	-	-	-	9,720	-	9,720	5.33
Lease liabilities	8,667	16,905	27	-	-	25,599	4.83 - 5.10

24.3 Liquidity risk

The Company need liquidity to meet its obligations. The company is responsible for own cash balances and the raising of internal and external credit lines to cover the liquidity needs, subject to guidance by the Company.

The table below summarizes the maturity profile of the Company non-derivative financial liabilities and derivative financial instruments as at December 31, 2024 and 2023 based on contractual undiscounted cash flows :

**24. FINANCIAL INSTRUMENTS (Con't)****24.3 Liquidity risk (con't)**

As at December 31, 2024 (Unit : Thousand Baht)						
	Note	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Trade accounts and other current payables	15	-	49,030	-	-	49,030
Long - term loan from financial institution	16	-	3,360	-	-	3,360
Lease liabilities	11.2	-	9,122	17,100	4	26,226
Total		-	61,512	17,100	4	78,616

As at December 31, 2023 (Unit : Thousand Baht)						
	Note	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Trade accounts and other current payables	15	-	57,794	-	-	57,794
Long - term loan from financial institution	16	-	6,360	3,360	-	9,720
Lease liabilities	11.2	-	8,667	16,905	27	25,599
Total		-	72,821	20,265	27	93,113

24.4 Fair value of financial instruments

Since the majority of the Company financial assets and liabilities are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

The Company had the following financial assets that were measured at fair value using different levels of inputs as follows :

	(Unit : Thousand Baht)				
	As at December 31, 2023				
	Fair value				
	Book value	Level 1	Level 2	Level 3	Total
Other current financial assets					
Open-end fund	10,000	10,002	-	-	10,002

During the current year, the Company were no transfers within the fair value hierarchy.

25. CREDIT FACILITIES AND OBLIGATIONS

The Company had overdraft credit lines of Baht 15 million with two commercial banks charged with interest at the rate of MOR per annum in which the amount of Baht 5 million was secured by pledging its saving account withdrawing right and the amount of Baht 10 million was secured by the same collateral for its long - term loan from financial institution as described in Note 16 to the financial statements.

**26. COMMITMENT AND CONTINGENT LIABILITIES**

The Company had commitments and were in possession of contingent liabilities as follows :

26.1 Letters of guarantees issued by bank as follows :

	Unit : Baht	
	2024	2023
Guarantee the radio and signal usage agreement	20,000.00	20,000.00

26.2 As at December 31, 2024 and 2023, the Company had obligations from service and lease agreements which the underlying asset has a low value are as follows :

Description	Lessor	Rental period	Rental fee :
			Monthly (Unit : Baht)
Medical instruments maintenance service agreement	Other		
	Company	3 years	4,166.67
Liquid oxygen equipment Rental	Other		
	Company	5 years	21,400.00
Medical instruments Rental	Other		
	Company	2 years	30,405.83

Commitment in respect of rental fee are as follows :

	Unit : Baht	
	2024	2023
Less than 1 year	489,235.00	676,592.00
Over 1 year not over 5 year	654,500.00	1,956,828.00
Total	1,143,735.00	2,633,420.00

26.3 As at December 31, 2024 and 2023, the Company has capital commitments from renovation building amounting to Baht 12.07 million and Baht 2.07 million respectively.**27. CAPITAL MANAGEMENT**

The major primary objectives of the Company's capital management are to maintain their ability to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2024 and 2023 Debt-to-Equity ratios in the financial statements were 0.22 : 1 and 0.28 : 1 respectively.

**28. RECLASSIFICATION**

The Company has reclassified certain accounts in the financial statements for the year ended December 31, 2023 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows :

	Unit : Baht		
	Reclassified	Increase (Decrease)	Previously reported
Trade accounts and other current receivables - net	34,877,109.57	(1,417,131.60)	36,294,241.17
Accrued medical service revenue	1,417,131.60	1,417,131.60	-

29. EVENT AFTER REPORTING PERIOD

At the Board of Directors' Meeting No. 1/2025 held on February 27, 2025, it was approved to propose to the shareholders to pay dividend from retained earnings of 2024 at Baht 1.80 per share, totaling Baht 18 million.

30. AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on February 27, 2025.



Part 4

Confirmation of Information Accuracy



Confirmation of Financial Statement

Financial Statement ofWattana Karnpaet Public Company Limited

For the period ending31 December 2024

Auditor's Name Ms.Porntip Amornchailertpattana, Office of Pitisevi Co., Ltd.



The Company has reviewed the information stated in the financial statement carefully and certifies that:

- (1) The financial statements and financial information summarized in this balance sheets, operating results and the cash flows of the Company show material information accurately and completely.
- (2) The Company has provided an efficient disclosure system to ensure tha the material information of the Company and the subsidiaries is disclosed accurately and completely, and has supervised compliance with such disclosure system.
- (3) The Company has provided an efficient internal control system, supervised compliacnce with the system, and submitted the information on the internal control assessment on February 27, 2025 to the Audit Committee, which covers deficiencies, significant changes on the internal control system, and wrongful acts that may affect the preparation fo financial reporting of the Company and the subsidiaries.

Name

Position

Signature

1.Dr. Suphawan Tangsubkul..... Director.....
2.Miss Natthira Tangsubkul..... Director.....

Remarks Clause 89/20 ** of Securiteis and Exchange Act B.E. 2535 (1992), which amended further in no. 4 2008 stated that the directors and executives need to be together responsible to a person buying or selling the company's stocks in any damages may caused by the misleading of the disclosure of information or hiding of facts that should be disclosed in the financial statement and reports about the balance statement and operating reports of the company as according to Clause 56 or Clause 199. The responsibility is not limited to only directors and executive who sign on the certification of the information in related documents. However, any directors or executives that can proof that their positions may not know the facts of the information or the missing of the information that should be disclosed, they will be excused from being responsible according to Clause 89/20"

Notes

* With company seal (if there is)

** To be used for company under Section 3/1 of the Securiteis and Exchange Act B.E. 2535 (1992) which amened in the the Securiteis and Exchange Act (no. 4) B.E. 2551 (2008) only





Certificate of Information

"The Company has reviewed the information on this annual report with care and hereby certifies that the information is accurate, complete, not false or misleading, and does not lack material information that should be notified. In addition, the Company certifies that:

- The financial statements and financial information summarized in this annual report show material information accurately and completely regarding the financial condition, the operating results and the cash flows of the Company and the subsidiaries;
- The Company has provided an efficient disclosed accurately and completely, and has supervised compliance with such disclosure system;
- The Company has provided an efficient internal control system, supervised compliance with the system, and submitted the information on the internal control assessment on February 27, 2025 to the auditor and the Audit Committee, which covers deficiencies, significant changes on the internal control system, and wrongful acts that may affect the preparation of financial reporting of the Company and the subsidiaries.

In this regard, as proof that all the documents are identical to those certified by the Company, the Company has authorized Dr. Suphawan Tangsubkul to sign on every page of the documents, and the absence of the authorized signature of Dr. Suphawan Tangsubkul any document shall be deemed that such unsigned document has not been certified by the Company.

	Name	Position	Signature
1.	Dr. Suphawan Tangsubkul	Chairman	
2.	Dr. Sitichai Ungklomkiew	Director	
3.	Miss Natthira Tangsubkul	Director	

	Name	Position	Signature
Authorized Person	Dr. Suphawan Tangsubkul	Director	



Details of the Board of Directors and Management

Remark: data from the share distribution from the Thailand Securities Depository as of 19th February, 2025

Name – Surname / Position	Age (Years)	Education	Shareholding (%)	Relationship	Work experiences in the past 5 years	
					Period	Position / Company
1) Ass. Prof. Dr. Phiphat Tangsubkul Chairman and Authorized Director	82	- Ph.D. in International Law, France - Attended the Director Accreditation Program (DAP) - Attended the Financial for Non-finance Directors	0.00	-	1985-Current	- Chairman and CEO at the Wattana Karnpaet Public Company Limited
2) Dr. Sitichai Ungklomkiew, M.D. Director and Authorized Director	73	- M.D., Siriraj, Mahidol University, Thailand - Board Certification Specialist in Surgery, Siriraj, Mahidol University, Thailand - Attended the Director Accreditation Program (DAP)	2.70	-	1986-Current	- Medical Director and Head of Surgical Department at the Wattana Karnpaet Public Company Limited - Director
3) Dr. Suphawan Tangsubkul, M.D. Director and Authorized Director	80	- M.D., Chiangmai University, Thailand - Attended the Director Accreditation Program (DAP) - Attended the Financial for Non-finance Directors	13.95	Wife of (1)	1985-Current	- Vice- Medical Director and Managing Director at the Wattana Karnpaet Public Company Limited - Director
10) Dr.Natthira Tangsubkul	46	-Doctor of Engineering, -Master of Engineering and management, -Bachelor of Engineering New South Wales University, Australia -Master of MBA, Sukhothaihammathirat University -Certificate in ISO Auditor -CFO Certification Program	24.96	Daughter of (1,3)	2004-Current	-Director - Assisting Managing Director -Chief Financial Officer
5) Miss Jariya Chatsakunpen Director	47	- Bachelor of Economics, Bangkok University, Thailand - Masters of Business Administration, Florida Metropolitan University, United States of America	0	-	2014-Current	-Independent Director -Business owner



6) Miss Suda Santiseveekul Chairman of Audit Committee	76	- Bachelor of Finance, Turakit Bandit University, Thailand - Attended the Director Accreditation Program (DAP)	0.002	-	2000- Current	- Audit Committee at the Wattana Karnpaet Public Company Limited
7) Alisa Neramittagapong,M.D. Audit Committee	48	- Medical Doctor, Khonkean University, Thailand - Board Certification Specialist in Anesthetics, Khonkean University, Thailand	-	-	2008 - Current	- Anesthetist Doctor at Udonthani Provincial Hospital (2005-Current) - Audit Committee at the Wattana Karnpaet Public Company Limited
9) Mrs. Arunee Potip Head of Nursing Department	55	-Bachelor of Nursing, Khonkean University	-	-	1991- Current	-Head of Nursing Department
10) Miss Pattharaporn Promtong	39	-Bachelor of Food Process Engineering King Mongkut's Institute of Technology Ladkrabang	-	-	2009- Current	-Secretary of Audit Committee



Attachment 2 Details of the Heads of the Internal Audit and Compliance Units

Name – Surname / Position	Age (Years)	Education	Shareholding (%)	Relationship	Work experiences in the past 5 years	
					Period	Position/ Company
Miss Attitaya Vienkanan Audit Partner	43	<u>Education</u> - Master Degree of Economic Laws, Chulalongkorn University - Bachelor of Accounting, Bangkok University <u>Special Qualification</u> Auditor (CPA) Number 10472	-	-	2013 – Current	Audit Partner/ MA consoultng Co. Ltd.
					2004- 2013	KPMG Bhumchai Auding Co. Ltd.

Attachment 3 Report of the Audit Committee

RE: Audit Committee Report

To Secretary

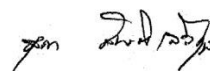
The Office of the Securities and Exchange Commission

I, Miss Suda Santiseveekul, the chairman of the Audit Committee of the Wattana Karnpaet Public Company Limited would like to report to you that as the Audit Committee has been appointed by the Company's Board of Directors to have roles and responsibilities to oversee the operations and control the auditing and internal operations in the company. The Audit Committee has pursued the appointed responsibilities especially the protection of the benefits of the minor shareholders by the means of auditing and controlling the management of the company's board of directors. The risk management system of the company has been reviewed to ensure that the company has sufficient and effective risk management system in place. The Risk Management Committee which has roles to set out policies for risk management and monitoring the risks in the company need to be reported to Audit Committee annually or as necessary. In 2024, the audit committee has 4 meetings which can be summarized as follows:

1. The Audit Committee has reviewed the financial reporting and disclosure of the financial statement in each quarter and year end report. Including the reviewing of accounting policy of the company to be correct and appropriate. The audit committee agreed that the company's financial reporting is complied with accounting standards with sufficient disclosure of information.
2. The audit committee has reviewed the internal audit reports and assessed the appropriateness and correctness of the internal control system with the internal audit team of the company, which is found to be effective.
3. The audit committee has considered the disclosure of information of the company with regard to the related transactions to be cleared from having conflict of interests.
4. The audit committee has controlled over the operations of the company to ensure the transparency of the operations and in line with the rules and laws that related to the company.
5. The audit committee has met with the risk management committee to be reported on the progress of the risk management according to the policy and plans that set out to do. The committee has opinion that the company has risk management system that appropriate and in line with the surrounding events of the company at the moment in order to operate effectively.
6. The audit committee has nominated the auditors for the financial year of 2024 and nominated to the Board of Directors of the Company to consider Miss Chaovana Viwatpanachat, Miss Wanpen Unruan, Ms.Pornpip Amornchailertpattana and Ms.Nunthira Khunngam. CPA No. 4712, 7750, 9589 and 12707, Office of Pitisevi Co., Ltd.

I would like to certify that the Audit Committee report of 2024.

Sincerely Yours



(Miss Suda Santiseveekul)

Chairman of Audit Committee Wattana Karnpaet Public Company Limited

RE: Reporting on related transactions

To The Secretary

The Office of the Securities and Exchange Commission

I, Miss Suda Santiseveekul, on behalf of the Audit Committee of the Wattana Karnpaet Public Company Limited, would like to offer my opinion on the related transactions between the Wattana Karnpaet Public Company Limited and 21 Sattawat Vejchakit Company Limited, the Alliance International Medical Centre, and P and S Oneness Wealth Company Limited as follows:

The company has related transactions with the 21 Sattawat Vejchakit Company Limited, which there are some common directors and shareholders. The related transactions include the transfers of patients for medical treatment between one another, the sales and purchases of medicines and supplies which prices have been set same as normal business conditions. Although the company and the 21 Sattawat Vejchakit Company Limited have similar business nature, the customer groups are different. The 21 Sattawat Vejchakit Company Limited provides services for customers that require check up, not severe cases, requires primary cares. Therefore these groups of patients from nearby area of the 21 Sattawat Vejchakit Company Limited, which is in different province from the company, will be referred to obtain further treatment once the 21 Sattawat Vejchakit Company Limited cannot provide the types or levels of treatment required.

The related transactions with the Alliance International Medical Center, which there are some common director are the sales and purchases of medicines and supplies, which the prices are set as normal business conditions.

The related transactions with the P and S Oneness Wealth Company Limited, which has common shareholders are catering and car parking space rental, which the prices are set as normal business conditions.

All of the mentioned above information is disclosed in the notes of the financial statement.

Process of Approval of Related Transactions

In order to proceed with the related transactions, they are need to follow the normal aspects of business. The company will set prices and conditions as the normal situation of business practices deemed appropriate and fair. The highest benefits of the company will be of priority. The related transactions and prices will be reported to the Audit Committee to consideration and review of the appropriateness.

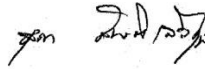
The company will proceed in accordance with the security laws set by the Stock Exchange and rules, notices, orders or regulations set by the Stock Exchange of Thailand. Including the regulation practices by the disclosure on the related transaction, the acquired and selling of assets of the company, in which the directors or shareholders that appeared to be involved in the related transactions cannot vote on that matters.

Trend of Related Transactions in the Future

The company will continue to have future related transactions such as rental of car park spaces and dormitory rental, all of which will be reasonable transactions. However, the company has no policy to proceed with related transactions with conflict of interests, unless the transactions are found to be of the most benefits to the company.

The report mentioned above and the disclosure of related transactions are stated in the notes of the financial statement which have been approved by the auditor of the company to be in compliance with the accounting standards.

Sincerely Yours,



(Miss Suda Santiseveekul)

Chairman of Audit Committee Wattana Karnpaet Public Company Limited