



SAFE
SINCE 2007

SAFE FERTILITY GROUP PUBLIC COMPANY LIMITED
ANNUAL REGISTRATION STATEMENT/ANNUAL REPORT 2023
(FORM 56-1 ONE REPORT)

SUCCESS YOU CAN TRUST

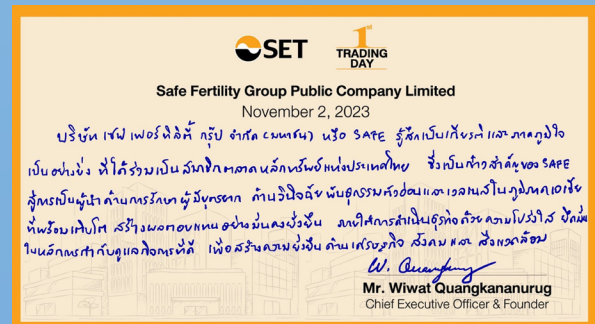




The Listed Company on the Stock Exchange of Thailand



It was another step of success for Safe Fertility Group Public Company Limited as the Company's ordinary shares were listed on the Stock Exchange of Thailand, with the First Trading Day on 2 November 2023. With over 15 years of experience and expertise, we have become a leader in infertility treatment, embryo diagnosis and wellness in Asia, ready for sustainable growth adhering to principles of good corporate governance for the benefits of shareholders and stakeholders.



Grand Opening of the new location of Ramindra branch Providing integrated fully fertility services



Grand Opening SAFE Fertility Group, new location Ramindra branch on 5 January 2024, located at Ramindra Km. 13, behind CHIC Republic Ramindra, with a very spacious service area and convenient parking. You can ask for more details at

Line@ : @safefertilitygroup ,

Call Center : 02-252-3833-5 ,

Hotline : 081-102-1000 ,

Email address : customer@safefertilitygroup.com

[@safefertilitygroup.com](https://www.safefertilitygroup.com)



WHY CHOOSE SAFE?

"SAFE Fertility Group, a integrated fully fertility clinic that has been certified to international standards by Reproductive Technology Accreditation Certification (RTAC) from Australia and New Zealand. It is the first in Thailand and the second in ASEAN, ready to provide with Premium Service."

SUCCESS RATE

The skilled and experienced doctors and staff ensure a high success rate.

66%

IVF/ICSI (1 Embryo)

75%

IVF/ICSI-PGT (1 Embryo)



OUR SERVICES

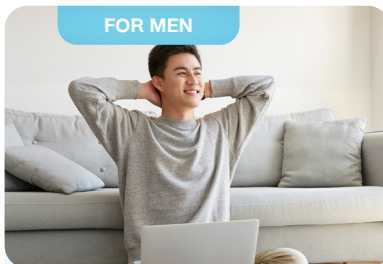


FOR WOMEN



- VF/ICSI
- IUI
- Egg Freezing
- Embryo Transfer

FOR MEN



- Sperm Freezing
- Sperm Analysis
- MACS Sperm
- IMSI

OTHER



- Couple Check-up
- EmbryoScope Plus
- PGT-A
- PGT-M



VISION, MISSION AND CORE VALUE



VISION

To be a leader in infertility treatment, genetic diagnosis of embryos, and reproductive wellness in the Asian region.



MISSION

The Company focuses on providing world-class services, prioritizing patient safety, through innovative and cutting-edge technologies in the Asian region.



CORE VALUE



Respect People
seeing the value
in and respecting
people



Integrity
signifying
transparency
and ethical
conduct



**Social
Responsibility**
signifying
accountability
and giving back
to society



Excellence
signifying strive
for excellence





ACCREDITATION



RTAC

IVF clinical standards by the Reproductive Technology
Accreditation Certification (RTAC) from
Australia and New Zealand



UK NEQAS Reproductive Science

International laboratory quality standards
by UK NEQAS from England.



ISO 9001:2015

Certification of quality management standards in
terms of quality control of reproductive laboratories
from the British Standards Institute (Thailand)



ISO 15190: 2003

Accreditation of medical laboratory quality standards
from the Bureau of Laboratory Standards,
Ministry of Public Health



ISO 15190: 2003

Accredited laboratories in
the field of safety of medical laboratories by
the Bureau of Laboratory Quality Standards,
Ministry of Public Health



Certified Clinical Embryologist by ESHRE

Embryologists certified to
international standards from the European Society of
Human Reproduction and Embryology



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MESSAGE FROM THE CHAIRMAN OF THE BOARD





TO SHAREHOLDERS,

Over 15 years, Safe Fertility Group Public Company Limited has provided comprehensive fertility clinic services with cutting edge medical assisted reproductive technology and a team of doctors and embryologists who are highly experienced. We are committed to researching and developing innovations and cutting edge technologies continuously and increasing efficient service with a team ready to provide professional service for an excellent success rate and patient safety.

Safe Fertility Group Public Company Limited continues to grow and has plans to continuously expand business both domestically and abroad. Aiming to be an organization with sustainable growth and the intention of being aware of environmental, social, and governance (ESG) factors and is committed to conducting business with the highest benefits of the company and stakeholders.

And in 2023, it is another step of success for Safe Fertility Group Public Company Limited as the Company's ordinary shares were listed on the Stock Exchange of Thailand, with the First Trading Day on 2 November 2023, which offered common shares to the public for the first time (IPO) in the total number of shares 76,748,600 shares, representing the total value of the offering THB 1,611,720,600 baht, to increase potential and expand the business to grow in the future. Ready to aim to be a leader in infertility treatment, genetic diagnosis of embryos, and reproductive wellness in the Asian region.

Finally, on behalf of the Board of Directors, executives and employees of Safe Fertility Group Public Company Limited, I would like to express our appreciation the shareholders. business partners, trading partners, communities, and supporters in every sector who have always trusted in the Company's operations. Altogether, I would like to thank and applaud to the management team and all employees for his/her dedication in performing his/her duties for the company to the utmost of his abilities. Please trust that the board of directors, executives, and employees of the company will be committed to perform duties with awareness and responsibility according to the principles of good corporate governance in order to make the company's business operations successful and sustainability for the benefit of all shareholders and stakeholders

Mr. Amnuay Preemonwong

Chairman of the Board of Director



MESSAGE FROM CEO





TO SHAREHOLDERS,

The Company has operated for more than 15 years. From the accumulation of past experiences, the Company is committed to developing operations so that the company's operating results grow continuously and aim to be the leader in infertility treatment, genetic diagnosis of embryos, and reproductive wellness in the Asian region that focuses on providing world class services, pay attention to patient safety with innovation and cutting edge technology.

For the 2023 operating results, a new record after COVID-19, income from sale and services in 2023 equal to THB 848.64 million, compared to 2022 equal to THB 726.61 million, an increase of THB 122.03 million or an increase of 16.79%. There was a profit attributable to owners of the parent equal to THB 201.83 million, an increase of THB 39.92 million, representing a growth rate of 24.66% from 2022, with a net profit margin of 23.58%. In addition, the Company's ordinary shares were listed on the Stock Exchange of Thailand, with the First Trading Day on 2 November 2023

For plans and future development, the Company focuses on creating continuous growth in every business group, seeking opportunities to expand business both domestically and abroad, procuring new technology for chromosome screening that makes more accurate results and increase pregnancy success rate and expanding the wellness business to provide a variety of services. The company is confident that in the future the company's revenue and profits will continue to grow in order to shareholders receive returns and create sustainability and stability for shareholders in the long term, at the same time, the company remains committed to operating under the sustainable development policy and gives importance to helping society and stakeholders along with good corporate governance.

Finally, I would like to express our appreciation the customers for trusting in our company's fertility clinic. I would like to thank the shareholders and business partners that support the company's business and the medical team and all personnel for their cooperation. As a result, the company's business has grown and progressed until today.

Mr. Wiwat Quangkananurug

Chief Executive Officer



THE BOARD OF DIRECTOR



Mr. Amnuay Preemonwong

- Director
- Independent Director



Mr. Jirayut Rungsrihong

- Director
- Independent Director



Mr. Gran Chayavichitsilp

- Director
- Independent Director



Admiral Pichet Tanaset

- Director



Mr. Yuttapong Ma

- Director



Mr. Wiwat Quangkananurug

- Director
- Chief Executive Officer



Mrs. Parinyarat Quangkananurug

- Director
- Managing Director



Miss Chanida Pattanotai

- Director
- Chief Financial Officer



AUDIT COMMITTEE



Mr. Jirayut Rungsrithong

- Chairman of Audit Committee
- Independent Director



Mr. Amnuay Preemonwong

- Audit Committee
- Independent Director



Mr. Gran Chayavichitsilp

- Audit Committee
- Independent Director



NOMINATION AND REMUNERATION COMMITTEE



Mr. Gran Chayavichitsilp

- Chairman of Nomination and Remuneration Committee



Mr. Jirayut Rungsrithong

- Nomination and Remuneration Committee



Mr. Wiwat Quangkananurug

- Nomination and Remuneration Committee



KEY FINANCIAL HIGHLIGHT

SAFE FERTILITY GROUP PUBLIC COMPANY LIMITED

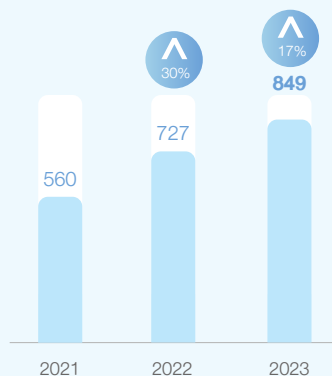
Statement of Comprehensive Income (THB million)	2021	2022	2023
Revenue from sales and services	559.73	726.61	848.64
Total revenue	561.96	729.32	856.96
Gross profit	277.49	397.45	469.09
EBITDA	178.50	270.90	309.67
Net profit	78.23	161.73	200.14
Profit attributable to owners of the parent	78.23	161.93	201.83

Statement of Financial Position (THB million)	2021	2022	2023
Total assets	1,296.68	1,412.69	1,893.60
Total liabilities	200.60	202.45	235.71
Equity attributable to owners of parent	1,096.07	1,204.41	1,653.77
Total equity	1,096.08	1,210.24	1,657.90

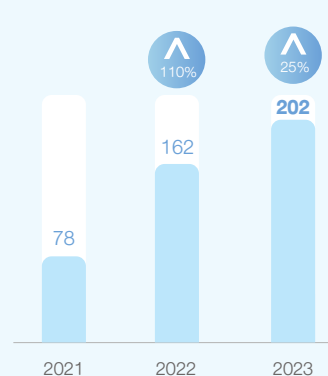
Information about common share	2021	2022	2023
Issued and fully paid-up share capital (million shares)	45.00	45.00	303.95
Book value per share (THB)	24.36	26.89	5.45
Earning per share (THB)	1.74	3.59	0.77
Dividend paid per share (THB)	1.47	1.24	0.81

Financial Ratio	2021	2022	2023
Net profit margin (%)	13.98	22.26	23.58
Return on equity (%)	7.18	14.03	13.98
Return on total asset (%)	6.10	11.94	10.62
Debt to equity (times)	0.18	0.17	0.14

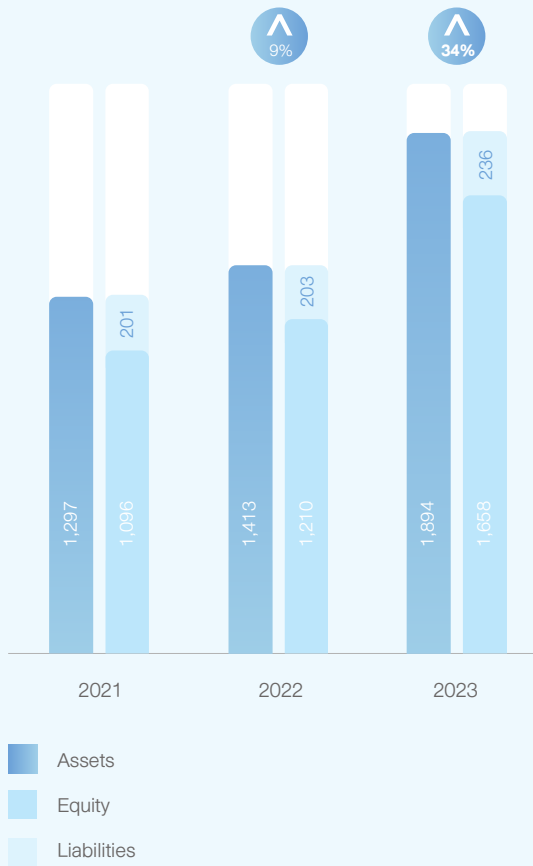
Revenue from sales and services (THB million)



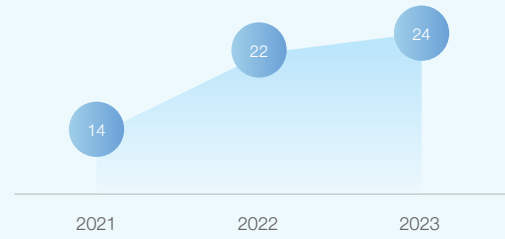
Net Profit (THB million)



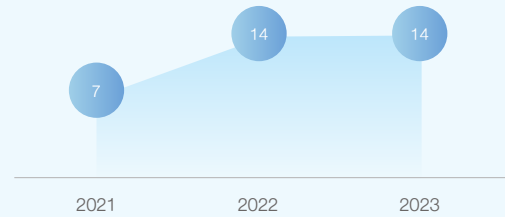
Financial Position (THB million)



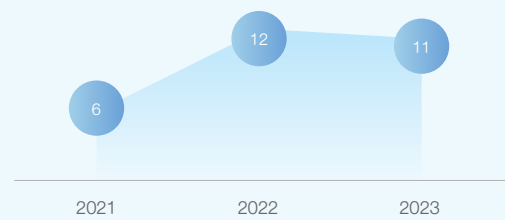
Net profit margin (%)



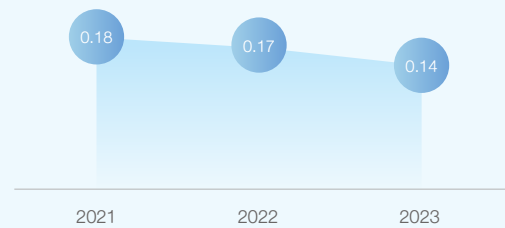
Return on equity (%)



Return on total asset (%)



Debt to equity (times)





01

BUSINESS OPERATION AND PERFORMANCE

1

COMPANY STRUCTURE AND BUSINESS OPERATIONS



1.1 POLICY AND OVERVIEW OF BUSINESS OPERATIONS

Safe Fertility Group Public Company Limited (“SAFE” or “the Company”) was established in 2009 by Dr. Wiwat Quangkananurug who is a physician specializing in the treatment of infertility over 22 years, with a registered capital of THB 1,000,000, providing the services to individuals struggling with infertility using advanced medical reproductive technologies standardized, and safe technologies to help individuals facing fertility challenges achieve their desired parenthood and complete their families.

The Company operates a specialized fertility medical center, providing comprehensive services for individuals facing fertility challenges, offering guidance, counselling, and advanced treatments. Our team of expert doctors and scientists specialize in embryo cultivation, using modern technology and state-of-the-art equipment. We also offer personalized customer care through dedicated personal assistants. The Company’s primary focus is providing exceptional infertility treatment services with a strong emphasis on patient success rates and safety.

On 29 May 2023, the Company was converted to a public company limited and changed its name to Safe Fertility Public Company Limited. The Company’s registered capital is THB 303,947,800, divided into 303,947,800 ordinary shares, each having a par value of THB 1, which is the new par value after it was changed on 29 May 2023 from THB 5 each share. The Company issued and offered the ordinary share by Initial Public Offering (IPO) during 25 - 27 October 2023, totaling 23,947,800 shares, at an offering price of THB 21 per share, and listed on the Stock Exchange of Thailand, with the First Trading Day on 2 November 2023.



Currently, the Company has two subsidiaries in which it holds 99.99% and 80% of shares. These subsidiaries are: (1) Next Generation Genomic Company Limited (NGG) operates the business of embryo and foetal genetic diagnosis and laboratory services in various branches of genetics; and (2) Safe Wellness Company Limited (SWC) operates a skin and aesthetic services business. The Company and these subsidiaries are together called the 'Group'. The subsidiaries' services support the Company's business, including providing services to customers from leading hospitals and reproductive healthcare clinics and fertility clinics in Thailand.

The Group prioritizes quality control, which is certified to international standards. It continuously focuses on developing and maintaining the quality of services provided in the embryo culture and genetics laboratories. The Group has received certifications related to quality control for medical reproductive technologies and laboratories from various institutions. The Company is currently certified by the British Standard Institute Thailand (BSI Thailand) with ISO9001:2015 for quality management in fertility laboratory control. The Company underwent quality assessment by an external organization, the UK NEQAS, based in England, which is a recognized and reputable body in Europe and England. In addition, the Company has been accredited by the Reproductive Technology Accreditation Committee (RTAC) in Australia, making it the pioneering In Vitro Fertilization (IVF) clinic in Thailand to receive this recognition.

The Company's subsidiary, Next Generation Genomic Company Limited, has been certified for medical laboratory quality standards ISO 15189:2013 and safety quality standards in medical laboratories ISO 15190:2003. It has been registered as an accredited laboratory by the Bureau of Laboratory Quality Standards, Ministry of Public Health. It has met the requirements and conditions for accreditation of medical and public health testing laboratories by the Laboratory Standards Office.

The Group consistently offers its customers advanced and efficient medical equipment and technologies. For example, in 2012, the Group introduced the new generation embryo incubator (Embryoscope Plus), making it the first in Asia to use this technology. This innovative device is used to enhance the effectiveness of monitoring embryo development. In 2014, the technology of screening all 24 embryo chromosomes using the Illumina NGS (PGT-A) technique was first introduced in Thailand. And the Non-Invasive Prenatal Testing (NIPT) technology was also imported to screen foetal chromosomal abnormalities. And in 2019, the ovarian regeneration technology (Reju O) was introduced to enhance efficiency and success rates. The Company has gained trust from infertility clinics, both domestically and international, including Singapore, the Philippines, Vietnam, and more, to conduct both PGT and NIPT examinations in the laboratory. This is based on the Company's experience and expertise in medical laboratory for assisted reproductive medicine.

the Group has a workforce highly skilled individuals, including medical professionals, registered nurses, genetic consultants, psychologists, medical technologists, and laboratory scientists who adhere to international standards of practice. Additionally, there is comprehensive care provided to service recipients through personal assistants (PAs). The Group has carefully chosen and recruited personnel who possess the ability to care for the embryos of individuals experiencing infertility, which forms the core foundation of the Group's business operations. The embryologists responsible for embryo cultivation within the Group are certified according to European standards (Certified Clinical Embryologist by ESHRE). This internationally recognized certification for embryologists requires successful completion of tests and meeting the qualifications set by experts recognized by the European Society of Human Reproduction and Embryology (ESHRE). Currently, the company has five embryologists with this certification.

The Group has been at the forefront of providing assisted reproductive technologies and medical laboratory services in Thailand for over 15 years, offering services to individuals facing infertility challenges. From 2018 to 2023, the recorded statistics indicate more than 7,800 cycles of OPU (Oocyte Pick-Up) for egg retrieval. The Company is well-equipped with advanced medical tools and equipment, including modern technology for continuous treatment. This has resulted in the Group's success rate consistently improving each year. The success rate of infertility treatment using ICSI in 2019 to 2023 between 44.6% and 66.50%. At the same time, the success rate of infertility treatment using ICSI with chromosome testing (PGT) result in a higher success rate between 60.2% and 75.1% (Based on the calculation of the clinical pregnancy rate for each embryo transfer according to international standards.)

1.1.1 Vision, mission, core values, competitive advantages, and business strategies

- **Vision**

To be a leader in infertility treatment, genetic diagnosis of embryos, and reproductive wellness in the Asian region.

- **Mission**

The Company focuses on providing world-class services, prioritizing patient safety, through innovative and cutting-edge technologies. in the Asian region.

- **Core Value**

RISE is composed of :

R = Respect People seeing the value in and respecting people

I = Integrity signifying transparency and ethical conduct

S = Social Responsibility signifying accountability and giving back to society

E = Excellence signifying strive for excellence

- **Competitive advantages**

1. The Company's business is to provide reproductive medicine services for infertility treatment, which is an industry projected at a compounded annual growth rate of approximately 13.8%¹ in the global market value. This growth is driven by declining fertility rates, an increase in the average age of pregnant women, the rising success of pregnancy through reproductive technology, and the expansion of the tourism market for infertility (fertility tourism).

The World Health Organization (WHO) estimates that over 10% of women worldwide experience infertility, with 20 to 30% of cases attributed to men. This has an impact on more than 15% of married couples globally, which is equivalent to 48 million couples². The fertility rate for women in OECD countries has declined from 2.8 children each woman in 1970 to 1.6 children each woman in 2019. Additionally, the average age of women during childbirth has increased from 27.5 years in 1970 to an average of 30.5 years in 2019. For Thailand, the fertility rate is 1.16 children³ each woman of reproductive age (15-49 years old), which has decreased from 5.5 births each woman in 1970. The decrease in fertility rate and the increase in average age of women in childbearing are caused by factors such as women's higher education and increased participation in the workforce. There are also higher child-rearing costs and health issues related to the rising prevalence of infertility. These factors are significant drivers of continuous growth in the reproductive medicine service market. Significant factors driving the growth of this industry also include the increased success in achieving pregnancy through reproductive technology, the growth of LGBTQIA+ community starting families, single-parent families, and the expansion of the infertility tourism market. The global fertility services market is projected to grow from a value of USD 47.17 billion in 2025 to USD 90.14 billion in 2030, representing a CAGR of 13.8%.

2. The Company is based in Thailand, which serves as a significant destination for global infertility patients (fertility tourism), consistent with the government's policy to develop into an international healthcare hub to drive future economic growth (Medical Hub, The New Engine of Growth). The Thai infertility tourism market is projected to experience a CAGR of 14.6%.⁴

The key factor that propels the infertility treatment market with assisted reproductive technology is the growth of the fertility tourism market. The global market for infertility tourism is projected to exceed USD 5,926 million in value by 2026, which is equivalent to over THB 1.8 trillion or a CAGR of 15.2 percent. The Asia-Pacific region holds the highest market value and growth potential, exceeding USD 1,996 million or a CAGR of 16.8 percent. Key destinations for fertility tourism in the Asia-Pacific region include India, Malaysia, Thailand, Japan, and Australia. By 2027, Thailand's fertility tourism market is expected to exceed USD1.96 billion



(or THB 60 billion), or a CAGR of 14.6 percent. This growth is influenced by factors such as delayed pregnancies due to cultural and lifestyle changes, advancements in fertility treatment technologies, government policies encouraging childbearing, and relaxed or amended laws both domestically and internationally.

In addition to these factors, Thailand is implementing strategies to establish itself as a global center for wellness and medical services, aiming to become a hub of excellence in healthcare (Thailand: A Hub of Wellness and Medical Services). The Ministry of Public Health and Tourism in Thailand is also promoting and developing the country's medical tourism industry to meet international standards and cater to the needs of both Thai and foreign tourists. The infertility treatment cost in Thailand is lower than in other countries, particularly developed nations like the United States. This, coupled with treatments that meet international standards at reasonable prices, creates an opportunity for Thailand and its companies to attract more foreign customers in the future.

¹ Growth rate for 2019 - 2027 from Bangkokbiznews, Allied Market Research, Krung Thai Compass,

² Infertility WHO

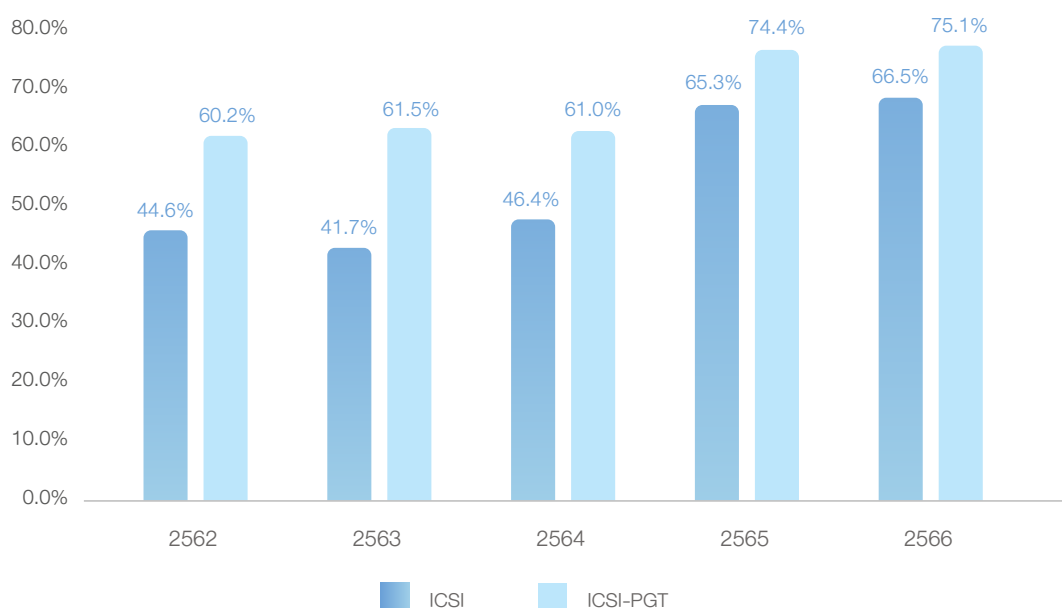
³ Reproductive Health Situation 2021, Department of Health

⁴ Growth rate for 2019-2027 from Bangkokbiznews, Allied Market Research, Krung Thai Compass,

3. The Company is a leading provider of comprehensive fertility medical center services, staffed by doctors and personnel who have an average experience of over 15 years in treating and selecting effective and efficient technologies. They ensure safe infertility treatments for both Thai and foreign patients, with an impressive average pregnancy success rate ranging from 40 to 75 percent.

The Group focuses on using state-of-the-art treatment technology that meets international standards. There is collaboration among personnel within the Group, including doctors, scientists, psychologists, genetic consultants, nurses, and PAs. This enables the Company to provide services with excellent outcomes in infertility treatment, as evidenced by the consistent increase in pregnancy success rates. The Company has a higher success rate than the standard average and this continues to increase. Please refer to the table below for the Company's pregnancy success rate from 2020 to 2023.

Average success rates of infertility treatment using ICSI and CISI with PGT





From 2020 to 2023, the Group witnessed an increase in clinical pregnancy success rates across all age groups. This improvement was observed regardless of whether embryo genetic testing (PGT) services were being offered. This success rate is calculated by dividing the number of patients who achieved clinical pregnancy by the total number of patients who underwent embryo transfer. Additionally, the company's success rate surpasses the average as reported in the summary of assisted reproductive technology services, ranging from 30.5 percent to 46.4 percent. (Refer to the report summarizing information on medical assisted reproductive technology services for the year 2021, Department of Hospitals and Medical Practice Department of Health Service Support)

The Company has a team of experts in infertility treatment, including specialists in reproductive medicine, scientists specializing in embryology, genetic consultants, and psychologists. Specifically, there are 13 specialists in infertility treatment, led by Dr. Wiwat, the founder, who has a minimum of 22 years of experience in treating infertility. From 2018 to 2023, the Company recorded statistics indicating a total of more than 7,873 OPU cycles (Oocyte Pick-Up) for egg retrieval.

In addition to medical personnel, the Company's embryo culture scientists have been certified as Clinical Embryologists by the European Society of Human Reproduction and Embryology (ESHRE), making them the first in Thailand to receive this certification. This internationally recognized certification for embryologists requires successful completion of tests and meeting the qualifications set by experts recognized by the European Society of Human Reproduction and Embryology (ESHRE).

The Group is confident in the expertise, knowledge, abilities, and experience of its medical professionals and scientists, as well as in the modern technology they employ that adheres to high standards and ensures safety. This collective strength enables the Group to provide hopeful families experiencing infertility issues with opportunities to fulfil their aspirations and complete their families. The Group is committed to becoming a leader in both infertility treatment and embryo genetic diagnostics in Asia.

4. The company's business model supports sustainable growth in revenue and profit.

4.1) The Company provides an integrated full-service for fertility medical centers that have been certified with international standards for reproductive services.

The Group operates as a fertility medical center, providing comprehensive services with state-of-the-art technology and equipment. It has a team of specialized doctors and scientists in embryo culture. In delivering comprehensive infertility treatment services, the Group prioritizes achieving outstanding success rates and patient safety. With its stringent treatment standards, the Group has proudly earned certification as Thailand's first IVF clinic by the Reproductive Technology Accreditation Committee (RTAC). With over 15 years of experience in business operations and serving individuals facing infertility, the Group has accumulated a remarkable track record. From 2018 to 2023, the Group conducted more than 7,873 OPU cycles, averaging over a thousand cycles each year. The Group provides comprehensive healthcare services with a patient-to-physician ratio of 71 in the year 2022. The Group also ensures the availability of modern medical equipment, tools, and up-to-date technology. The Company offers comprehensive and efficient services that cover various aspects, starting from family planning to the treatment of infertility using the highly popular ICSI method. The Company also provides infertility treatment through the IUI method, special embryo culture with advanced incubation technology, as well as freezing and storage of eggs, sperm, and embryos, aiming to increase the chances of future parenthood. Moreover, the Company has dedicated laboratories for embryo culture and genetics, equipped with a team of experienced scientists from Next Generation Genomic Company Limited, the Company's subsidiary. These scientists with more than 10 years of experience conduct examinations, screenings, and chromosome analysis. This includes the provision of a highly experienced PAs who can communicate in multiple languages in offering personalized care, assistance, and guidance to patients from their initial contact with the Company throughout the entire process. These PAs services ensure a warm and



close relationship with the patients. The Company also offers skincare and aesthetic services as ancillary offerings for customers, particularly for foreign visitors who combine their infertility treatment with a vacation in Thailand. These services are provided by Safe Wellness Center Company Limited, one of the Company's subsidiaries operating under the brand name "The Fountain Wellness Centre."

4.2) The company focuses on being a leader in the field of reproductive technology, specifically in the treatment of infertility and genetic diagnosis of embryos in Asia. The company provides comprehensive services for infertility treatment, including fully equipped laboratories for embryo culture and genetic testing. These services are offered to hospitals, obstetrics and gynecology clinics, fertility medical centers, and healthcare professionals, both domestically and internationally.

In addition to the Company's embryo culture laboratory services, the subsidiary also serves as a genetics laboratory service provider under the name "Next Generation Genomic Company Limited" or "NGG". It provides laboratory services covering the use of modern medical reproductive technology, such as chromosome screening, Down syndrome screening, testing for chromosomal abnormalities in infants from the mother's blood, as well as sampling for hormone levels. The Company maintains excellent quality control in its laboratories, earning trust and recognition for its adherence to international standards. Because of this, the Company's laboratories have gained the trust of renowned hospitals and top fertility treatment centers, both domestically and internationally. This includes leading hospitals in the Philippines, India, and Australia. They rely on the Company's expertise in screening, analyzing embryo chromosomes, and detecting genetic abnormalities, making it a significant revenue source. Customers and patients were referred to the Group, particularly in the case of patients with challenging fertility conditions who require specialized medical expertise.

The Company is actively engaged in studying and researching innovations. It possesses advanced medical technologies such as Robotic Technologies in Qualifi Prenatal Test, which is a screening method for detecting chromosomal abnormalities in the fetus. This test uses maternal blood samples taken from pregnancies of 10 weeks or more. NGG uses robotics technology at every stage of the examination and an AI system for analysis. This enables the Company to deliver results within 7 days with an accuracy rate exceeding 99 percent, while ensuring the safety of the fetus. The Company is also the leading medical center in Thailand to introduce advanced technology and medical standards in reproductive medicine. It has been RTAC-certified, and its scientists are accredited by ESHRE. The Company uses cutting-edge technologies such as Illumina NGS (PGT-A) for comprehensive screening of all 24 chromosomes. It also uses specialized embryo incubators such as EmbryoScope and Embryo Scope Plus. Moreover, genetic screening is performed using the Karyomapping technique, and genetic abnormalities in embryos are diagnosed using the aCGH technique. Thanks to advanced treatment innovations, the Company excels in selecting suitable and efficient tools, while combining expertise and the dedication of personnel from all departments. This distinguishes the Company as a leader in comprehensive fertility treatment, with a success rate higher than the industry average and a continuously increasing success rate.

The Group has had the opportunity to collaborate on research and development with Chulabhorn International College of Medicine and Rajavithi Hospital in the field of BioMedical Report. The Company consistently participates in international conferences and delivers academic presentations. It has also internationally published research papers, including:

- RTCOG - Successful Pregnancy Following ICSI Using Array Comparative Genomic Hybridization for Preimplantation Genetic Screening
- Prenatal Diagnosis - Detection and quantitation of chromosomal mosaicism in human blastocysts using copy number variation sequencing

4.3) Multi-language Personal Assistant

The Company provides a Personal Assistant (PA) who guides patients throughout their entire infertility treatment, offering advice and overseeing services from start to finish. This dedicated PA supports patients with product recommendations and ensures care throughout the treatment process. The PAs possess experience, expertise, a service-oriented mindset, and the ability to communicate in multiple languages, including Thai, English, Chinese, Japanese, Vietnamese, Burmese, and Cambodian. This enables smooth communication with patients from different nationalities throughout the entire treatment process. Their goal is to ensure a seamless and impressive service experience, building trust and delivering utmost satisfaction to customers. This also encompasses providing convenient services such as coordinating reservations with accommodations, hotels, transportation, and scheduling appointments for both Thai and international customers. The aim is to ensure a comfortable service experience that meets the Company's high standards.

4.4) The Company has a branch in Bangkok, as well as in three important tourist destinations in the country: Chonburi, Khon Kaen, and Phuket. The Company also maintains strong relationships with hospitals, obstetrics and gynecology clinics, fertility medical centers, laboratories, and medical professionals, both within the country and abroad as part of its Clinical & Referral Network.

Head Office, Amarin Plaza branch of Safe Fertility Group, a fertility medical center is located in the country's prominent business and commercial hub. Furthermore, there are branches in thriving areas or in provinces that serve as important economic centers in each region. These branches include Ramindra, Phuket, Khon Kaen, and Sriracha. These strategically located branches offer significant potential and growth opportunities due to the following factors.

The Amarin Plaza branch is located in the central area of the country's leading business and commercial district. Entrepreneurs have developed new projects, including shopping centers and office buildings such as Gaysorn Village by Gaysorn Group, which is a shopping center affiliated with The Market Platinum Group. Furthermore, the Amarin Plaza branch is in the heart of a renowned 5-star hotel, providing the Company's target customers with convenient access to receive treatment at the branch.

For Ramindra branch, the company has moved its new location to Ramindra Km. 13, behind CHIC Republic Ramindra, with a very spacious service area of approximately 650 square meters, located next to the main road with convenient parking.

The Company's provincial branches, including the Khon Kaen branch, Phuket branch, and Sri Racha branch, are all located in provinces that serve as economic centers for their respective regions. The Phuket and Sriracha branches are located in the city center, in provinces that attract both Thai and international tourists throughout the year. The Khon Kaen branch, which includes a clinic or medical center specializing in infertility services, faces relatively less competition compared to other provinces. This allows customers in the Northeastern region to conveniently access services at the Khon Kaen branch, without the need to travel to Bangkok.

The Group also maintains strong relationships with hospitals, obstetrics and gynecology clinics, fertility medical centers, laboratories, and medical professionals, both within the country and abroad. The Company supports its staff by encouraging them to regularly attend training sessions and visit both internal and external agencies. This includes educational institutions and research institutes, both domestically and internationally. This may also involve the Company's personnel serving as consultants or providing training to impart relevant medical knowledge or skills to individuals, both domestically and internationally. This aims to foster good relationships with the Group and ensures that the personnel consistently and continuously enhance their knowledge, competence, and experience, keeping up with the rapid technological changes of today. Additionally, maintaining a continuous and positive relationship, along with the Company's expertise and treatment statistics, has led to the referral and recommendation of customers and patients to the Company from both domestic and international sources. This has resulted in increased revenue and an enhanced reputation



for the Company. For example, from 2020 to 2023, patients were referred to the Group for analysis and research, resulting in the following details:

Type / year	2020	2021	2022	2023
PGT (Case)	57	134	215	445
Qualifi (Case)	47	1	9	31
Total (Case)	104	135	224	476

4.5) The Company organizes training activities for both Thai and foreign scientists at its Training Centre. These activities include training programs held in various countries such as India, Malaysia, Singapore, and more.

The Company operates as a medical center specializing in infertility treatment, ensuring its ability to provide comprehensive services that meet international standards. It prides itself on the expertise and experience of its scientists and doctors. Additionally, the Company implements a practical training system that effectively applies to laboratory settings. As a result, it has garnered trust and recognition from scientists and physicians in the industry. Therefore, the Company has attracted the interest of both Thai and foreign scientists to participate in its training programs. It initiated its first training program in 2016. Currently, the Company has been actively providing training for its internal scientists and continuously offering training opportunities to interested external scientists. The training programs not only enable the Company to enhance the skills and knowledge of its internal personnel, but also contribute to the development of scientists in industries facing increasing shortages. As a result, the Company reaps indirect benefits by gaining greater recognition, fostering positive relationships with professionals in related industries, both domestically and internationally, and creating opportunities for revenue growth and improved business performance. The Company's training programs include the following details.

Year of training	Training details
2016	The Company offered three training programs: the Blastocyst Biopsy Training Program, the Cleavage and Blastocyst Biopsy Training Program, and the Oocyte Vitrification Program. These programs were available to 33 participating scientists from Thailand, the Philippines, Singapore, and Kazakhstan.
2017	The Company offered four training programs: (1) the Biopsy & Vitrification Training Program, (2) the Kitazato Vitrification Training Program, (3) the Cleavage and Blastocyst Biopsy Training Program, and (4) the Oocyte Vitrification with Cryotop program. These programs were available to 12 participating scientists from India and Malaysia.
2019	The Company offered the following training programs: (1) PGS for aneuploidy screening and PGD for monogenic diseases, (2) Oocyte freezing and thawing procedures, (3) Vitrification Training Program, and (4) Trophectoderm Biopsy Training Program. These programs were available to 36 participating scientists from Thailand, India, and Malaysia.
2020	The Company offered the Trophectoderm Biopsy Training Program to one Thai scientist.
2023	The Company offered the IVF and Molecular Genetic Laboratory Workflow training to 3 Thai scientists.



5. The Company offers infertility treatment services to a significant number of foreign clients, totaling over 3,300 OPU cycles from various nationalities, including Vietnam, India, China, Singapore, Japan and Myanmar. This has contributed to the Company's reputation and recognition among customers from multiple countries.

The Company operates with a policy that focuses on providing high-quality services and prioritizes the patient's safety. To achieve this, the Company continually develops and enhances its service delivery and management practices to meet international standards. As a result, the Company has gained the trust and confidence of customers, both domestically in Thailand and internationally. Details are discussed below.

Companies/ medical personnel	Standards/ Certificate	Details	Month and year of certification	
			First time	Latest
SAFE	ISO 9001: 2015	Qualitative management for infertility treatment clinics	February 2012	November 2021
SAFE	RTAC	IVF clinical standards from the Reproductive Technology Accreditation Certification (RTAC) from Australia ¹	February 2015	November 2022
SAFE	UK NEQAS Reproductive Science	International laboratory quality standards by UK NEQAS from England.	September 2016	April 2022
NGG	ISO 15190: 2003	ISO 15190 accredited laboratories : 2003 Terms and conditions for accreditation of medical and public health testing laboratories of the Bureau of Laboratory Quality Standards in the field of safety of medical laboratories.	September 2016	February 2021
NGG	ISO 15189: 2012	ISO 15189 accredited laboratories : 2003 Terms and conditions for Medical and Public Health Testing Laboratories of the Bureau of Laboratory Quality Standards in the field of medical laboratory safety.	September 2016	February 2021
Embryologist	ESHRE	The European Society of Human Reproduction and Embryologist (ESHRE) is an organization dedicated to the field of reproductive medicine and embryology. Currently, the Company has 5 scientists who are certified by this prestigious society.	2014	

Remarks: ¹Only at Amarin branch and Phuket branch

In terms of technology, the Company carefully selects medical equipment that incorporates state-of-the-art technology and is globally recognized. One example is the IMSI machine by Leica, which serves as a tool for assessing the quality of sperm. It enables the selection of the most optimal and complete sperm for fertilization with the egg, thus increasing the success rate. The Group's safety standards and modern technology are significant advantages contributing to the increasing revenue from international customers each year after the COVID-19 pandemic. In addition, the Company actively encourages medical personnel to participate in international infertility treatment seminars. One notable example is the 11th Virtual Congress of the Asia Pacific Initiative on Reproduction Congress, where Dr. Wiwat served as a speaker. This event facilitated valuable exchanges of experiences and knowledge regarding infertility. The Company's research has been published in the Prenatal Diagnosis Journal, which is a renowned international website dedicated to the treatment of infertility. This publication solidifies the company's reputation for its expertise, standards, and innovations in the field.



Patient Assistants (PAs) also provide basic information to foreign customers through online channels such as Facebook or email, to help them prepare before their scheduled appointments with doctors. They explain and share preliminary information about treatments and potential risks. However, this information is general and basic, and does not substitute medical consultation.

The increase in the number of foreign customers has a positive long-term impact on the Company in terms of treatment experience and international reputation. The Company's business ecosystem fosters strong relationships with international educational and research institutions, enabling continuous development, knowledge exchange, and expertise sharing among personnel. This contributes to further opportunities for growth and advancement.

6. The Company has a strong financial standing and a track record of consistent net profits from its operations.

The Group has growth in revenue from services. The Group's revenue can be classified into 3 main groups as follows: 1) revenue from infertility treatment services (SAFE) 2) revenue from embryo and fetal genetic screening services (NGG) and 3) revenue from skin and aesthetic business (SWC). Revenue from infertility treatment services is the major revenue of the Group. The Group has revenue from sales and services for 2023 equal to 848.64 million baht, compared to the same period of 2022 at 726.61 million baht, an increase 122.03 million baht or 16.79%.

The Company has a strong net profit margin, with net profits in the years 2023 amounting to 201.83 million baht, representing a net profit margin of 23.58%, compared the year 2022, an increase of 39.92 million baht at a growth rate of 24.66% in line with the increase of income of the group of companies, both in terms of income from infertility treatment services and income from embryo and fetal genetic testing services. Even though the cost of services increase as well, the increase was in a smaller proportion than the increase in income, causing the group of companies to have a net profit and net profit margin increased.

The Group also has a strong financial position with a relatively low total debt to equity ratio. As of 31 December 2023, the ratio stood at 0.14. This is because the Group has not borrowed money from financial institutions and primarily uses the Group's funds for its business operations. The company experiences an increasing cash flow from operations each year and is able to consistently pay dividends.

• Business Strategy

1) Expanding the network of fertility medical centers and laboratories and strengthening relationships with hospitals, clinics, and medical professionals to enhance market share and referral network, both nationally and internationally.

The Company has developed a strategy to expand its network of fertility medical centers and fertility laboratories in areas with high demand and growth potential, aiming to strengthen its service capacity. The Company will primarily focus on expanding through the service network of partner hospitals, which have a nationwide coverage. This expansion will involve establishing fertility medical centers and fertility laboratories within partner clinics located in strategically chosen areas with economic and tourism potential. The Company will pursue various forms of collaboration, including commercial alliances and joint investments, to ensure appropriate returns. These efforts will enable the Company to enhance cost efficiency in its operations. This expansion strategy requires lower investment budget compared to opening new branches independently. The strategy results in a shorter payback period and reduced lead time before commencing operations. This facilitates the recruitment of physicians specializing in reproductive medicine, making it easier for them to join the Company. They can examine patients in the outpatient obstetrics and gynecology department of the hospital. Moreover, the Company has the opportunity to increase its customer base by providing extended care for patients from the hospital's Obstetrics and Gynecology department. And the Company benefits from the potential to enhance its revenue stream by providing chromosome screening services to pregnant patients who



seek antenatal care at the hospital. The Company plans to expand its network of fertility centers and laboratories through partnerships with partner hospitals. This includes acquiring other fertility medical centers that the Company identifies as having future growth potential and the opportunity for long-term returns on investment.

In addition, the Company also emphasizes establishing strong relationships with hospitals, clinics, and medical professionals both domestically and internationally over the past 15 years. This includes organizing workshops focused on reproductive technology for medical personnel, hosting seminars with doctors specializing in infertility treatment from both local and international contexts as guest speakers and publishing academic articles. This helps establishing strong and reputable presence in infertility treatment, both domestically and internationally. The Company's positive relationships with hospitals, clinics, and medical professionals have opened up new and exciting business prospects.

The Company also implements a policy and strategy for acquiring or investing in partnerships with other reproductive medicine centers, both domestically and internationally, to expand its service network and ensure sustainable future revenue and profits.

2) Becoming a leader in infertility treatment and embryo genetic diagnostics in Asia and focusing on delivering exceptional infertility services and leveraging cutting-edge technology, with a focus on achieving outstanding success rates and prioritizing patient safety.

The Company is dedicated to establishing itself as a leader in infertility treatment and embryo genetic diagnostics in Asia. We prioritize delivering services that use cutting-edge and globally recognized technology, instilling confidence in our customers who seek our exceptional success rates. We focus on ensuring patient safety as our utmost priority. The Company's current medical equipment currently include the IMSI by Leica machine, which is used for high-magnification microscopy to select sperm with utmost precision. Additionally, we use the EmbryoScope/EmbryoScope Plus, a specialized embryo incubator that facilitates optimal growth and development of embryos in an undisturbed environment, thereby enhancing efficiency in nurturing embryos until the Blastocyst stage. Furthermore, our equipment comprises the Robotic Technologies in Qualifi Prenatal Test, which aids in the screening of chromosomal abnormalities in the fetus. In addition, the Company's NGG genetics laboratory conducts chromosome screening using robotics and AI-based analysis technology. This advanced approach enables us to deliver test results within 7 days with a remarkable accuracy rate exceeding 99%, all without posing any risks to the developing fetus. The Company is dedicated to developing and enhancing its services and management practices to meet internationally recognized standards. The Company has received certifications and quality accreditations from international organizations, earning the trust of customers in Thailand and abroad. These include UK NEQAS certification for international laboratory quality standards, RTAC accreditation for in-vitro fertilization clinics from the Australian Reproductive Technology Accreditation Committee (RTAC), and ISO 15190:2003, which establishes requirements and conditions for accrediting medical and public health testing laboratories by the Bureau of Laboratory Quality Standards, with a specific focus on medical laboratory safety. The Company also prioritizes personnel development for its employees, medical professionals, and scientists to enhance their capacity in providing services to patients. They are supported in attending regular training seminars to ensure that patients receive high-quality and safe services consistent with international standards.

The Company's strategy in selecting state-of-the-art and effective treatment technologies, combined with highly skilled and professional service personnel, has led to a consistently high success rate. This distinguishes the Company as a leader in providing comprehensive infertility treatment. We are committed to continually seeking out cutting-edge medical technologies for new infertility treatments, while simultaneously enhancing the skills of our personnel. This commitment enables us to establish ourselves as a leading authority in Asia for infertility treatment and embryo genetic diagnosis.



3) Committed to effectively communicating and fostering awareness of the value and brand identity of "SAFE FERTILITY," as a leading provider of infertility treatment and embryo genetic diagnosis services in Asia, offering personalized care to patients, ensuring that the Company's values and identity resonate with customers and society, both domestically and internationally, with the aim to build trust, expand our customer base, and establish a strong presence in both local and international markets.

The Company aims to do marketing communications to elevate the recognition of the brand value of "SAFE FERTILITY" as a prominent leader in infertility treatment and embryo genetic diagnosis in Asia. This is in addition to participating in academic conferences and publishing research papers, as well as communicating its achievements through direct customer interactions. The valuable endorsements and referrals from our customers significantly contribute to building a strong reputation for the Company, both domestically and internationally. Our communication channels comply with the laws and include both online and offline channels such as our primary communication platforms, namely the Company's website (<https://www.safefertilitycenter.com>) and its subsidiaries (<https://www.nggthailand.com>). The Company's Personal Assistants play a vital role in public relations, effectively conveying the brand's identity and values to customers throughout their entire journey, from their initial engagement with the Company's services to the successful pregnancy. Additionally, the Company leverages various online platforms, including social media channels such as Facebook Page, Instagram, Line Official, and Whatsapp, to promote the brand. Engaging content, such as live seminars conducted by medical professionals via Facebook Live, aims to educate the audience about infertility treatment. This includes developing content in collaboration with renowned individuals who are gaining popularity and are of interest to the Company's target customers. The aim is to generate widespread awareness and create an impressive brand image that attracts new customers and retains existing ones, both domestically and internationally.

The Company also focuses on digital marketing strategies such as SEO, SEM, and Google Awards to enhance brand awareness. Online channels play a vital role in connecting with customers, providing information, addressing initial inquiries, as well as facilitating appointments with our primary doctors for international clients. This approach ensures prompt and efficient communication. The Company will have dedicated units responsible for monitoring and managing various channels and platforms that cater to the specific customer base in each country. This is crucial because of the diverse range of contact channels used. Past operating statistics clearly demonstrate a significant increase in reach across various channels, highlighting the potential of online marketing. Engagement rates in both domestic and international markets exceed 40%, with countries such as Singapore, Malaysia, and China leading the way with engagement rates of approximately 57%, 52%, and 47% respectively. In addition to online marketing efforts, the Company uses billboard advertising in three key locations including Bangkok, Pattaya, and Khon Kaen. The Group plans to strategically expand its customer base in both Thailand and international markets, including CLMV, India, and China. China was previously one of the Group's customer bases before the outbreak of COVID-19. This expansion is achieved through the use of agent channels, both existing agents with whom the company has previously collaborated and new agents. The Group also seeks business partners who share similar characteristics and values to enhance brand collaboration.

The Group also prioritizes social activities and has a policy to support society, considering stakeholders in various aspects. This includes the Company, employees, customers, the public, society, and various organizations. The Group initiates a project to donate funds to schools in need and provide medical equipment to the hospital. Moreover, each THB 100 income generated from a Qualifi examination will be donated to charitable causes and benefiting society.



4) Expanding the Company's range of ancillary businesses to generate sustainable revenue and profits for our customers.

The Company has a business expansion plan to increase income and profitability from each customer. In late 2022, the Company launched an aesthetic clinic under the name Safe Wellness Company Limited (SWC) or “The Fountain Wellness Centre” brand. The skincare and aesthetic clinic industry in Thailand has been experiencing continuous growth. Despite the intense competition, it remains an industry that garners interest from both Thai nationals and foreigners. This has led the Group to recognize the growth potential of the aesthetic clinic business, which will strengthen its overall performance. The first goal is to cater to the customer base seeking infertility treatment services, both from international and domestic markets. The Company also aims to expand its customer base to include general customers. SWC provides a range of skin care services, including vitamin injections for skin nourishment and treatments for wrinkle reduction and facial contouring. The main services include Botox injections and filler treatments.

1.1.2 Major changes and developments

Safe Fertility Group Public Company Limited was founded by Dr. Wiwat Quangkananurug and his family. Dr. Wiwat is a physician specializing in the treatment of infertility with more than 22 years of experience in this field. Safe Fertility Centre Company Limited has experienced major changes and developments since its incorporation in 2009 until the present day. These changes are discussed in the table below.

Year	Major Change and development
2009	<ul style="list-style-type: none"> - On 20 July 2009, the company was incorporated with a capital of THB 1 million. The capital was divided into 10,000 shares, each with a par value of THB 100. The company's head office is situated at 99/304, Moo 10, Eastern Ring Road, Khan Na Yao Subdistrict, Khan Na Yao District, Bangkok. The Quangkananurug family holds an 85% stake in the company. - On 5 November 2009, the company's head office was moved to the 17th floor of the Amarin Plaza Building, located at 496-502 Pleonchit Road, Pathumwan District, Bangkok.
2010	<ul style="list-style-type: none"> - Dr. Wiwat Quangkananurug and his family have founded the Safe Fertility Group, which includes the Phuket Fertility Medical Centre.
2011	<ul style="list-style-type: none"> - The company provides embryo genetic diagnosis services using Array Comparative Genomic Hybridisation (aCGH), which is the first of its kind in Thailand. This method analyses all 23 pairs of embryonic chromosomes to address genetic disorders in embryos and reduce associated challenges. - Dr. Wiwat Quangkananurug and his family have founded the Safe Fertility Group, a medical center specializing in assisted reproduction, located in Ramindra.
2012	<ul style="list-style-type: none"> - On 13 February 2012, the company received ISO9001: 2008 certification for quality management in its fertility laboratory. The certification was issued by the British Standards Institution Thailand (BSI Thailand), an accredited organization for setting standards in the country. - The company uses the Embryoscope, a specialized incubator for cultivating embryo cells, to effectively track the embryo's developmental progress.
2014	<ul style="list-style-type: none"> - The company provides screening services for abnormalities and genetic diseases across all 24 chromosomes of the embryo, using Next Generation Sequencing (NGS) technology by Illumina, which is an advanced genetic decoding technology. It is the first of its kind in Thailand, imported from the United States. - On 9 July 2014, the company increased its registered capital to THB 10 million by issuing 100,000 new shares, each with a par value of THB 100. The new shares were proportionately allocated to existing shareholders (Rights Offering: RO). The purpose of the capital increase was to use the proceeds to finance the company's business investments and working capital.



Year	Major Change and development
2015	<ul style="list-style-type: none"> - On 5 February 2015, the company was accredited for quality control standards for its in-vitro fertilization from the Reproductive Technology Accreditation Committee (RTAC) based in Australia, making it the first of its kind in Thailand. - The company uses Leica's IMSI technology (fully automated) to enhance the efficiency of sperm selection. This technology employs a high-magnification Leica camera for sperm selection.
2016	<ul style="list-style-type: none"> - On 5 January 2016, the company increased its registered capital to THB 20 million, divided into 200,000 new shares, each with a par value of THB 100. The new shares were proportionately allocated to existing shareholders (Rights Offering: RO). The purpose of the capital increase was to use the proceeds to finance the company's business investments and working capital. - On 24 June 2016, the company registered its branch office in Khon Kaen, situated at 294/10, Moo 7, Nai Mueang Subdistrict, Mueang Khon Kaen District, Khon Kaen Province.^{1/} - On 1 August 2016, by resolution of the Extraordinary General Meeting of shareholders No. 1/2559, on 14 July 2016, the Company increased its registered capital to THB 24.2 million, divided into 242,000 shares, each with a par value of THB 100. The objective was to use it as compensation for accepting the entire business transfer from IVF Khon Kaen Company Limited. This was achieved through issuing 42,000 new shares.^{1/}
2017	<ul style="list-style-type: none"> - On 1 October 2017, the company registered the Ramindra branch and Phuket branch by completing a Partial Business Transfer (PBT) transaction with the company. - The company established a fertility medical center called Safe Fertility Group in Khon Kaen.
2018	<ul style="list-style-type: none"> - On 9 January 2018, by resolution of the Extraordinary General Meeting of shareholders No. 2/2560, on 29 December 2017, the company increased its registered capital to THB 27.20 million, divided into 272,000 shares, each with a par value of THB 100. The objective of the capital increase was to invest 99.99 percent in Next Generation Genomic Company Limited (NGG). This investment was made by issuing 30,000 new shares, each with a par value of THB 100, amounting to a total investment of THB 3,000,000. The new shares were allocated proportionately to the existing shareholders of NGG, who are the same shareholders as those of the company. This transaction was a business consolidation under the same control.
2019	<ul style="list-style-type: none"> - By resolution of the extraordinary general meeting No. 3/2562 on 4 April 2019, the company on 19 March 2019 reduced the par value of its shares from THB 100 each share to THB 5 each share. The reduction in the par value was because the company intended to restructure its shareholding, which will result in the total number of shares increasing by 5,168,000 shares from previously 272,000 shares each of THB 100 to 5,440,000 shares each of THB 5. - On 19 March 2019, the Company increased its registered capital to THB 191.25 million by issuing 38,500,000 new shares, each having a par value of THB 5. These new shares were allocated to existing shareholders proportionately to their current shareholding in a right offering (RO) as part of the company's business expansion plan. This allocation was done in accordance with the Extraordinary General Meeting resolution No. 2/2562 on 15 March 2019. - On 5 April 2019, the company increased its registered capital to THB 213.75 million by issuing 4.5 million new shares, each having a par value of THB 5, totaling THB 22.50 million. These new shares were allocated to existing shareholders proportionately to their current shareholding in a right offering (RO) in accordance with the extraordinary general meeting resolution No. 3/2562 on 4 April 2019. However, the group of existing shareholders relinquished their right to receive these new shares, and instead allocated them to North Haven Thai Private Equity Saturn Company (Hongkong) Limited ("NHTPES"). NHTPES was allocated all new shares at THB 111.11 each share, totaling THB 499,950,000. This resulted in NHTPES becoming a shareholder of the company with a 10.53% shareholding.



Year	Major Change and development
	<ul style="list-style-type: none"> On 24 May 2019, the Company increased its registered capital to THB 225.0 million by issuing 2,250,000 new shares, each having a par value of THB 5. The new shares were allocated to existing shareholders proportionately to their shareholding (Right Offering: RO) in accordance with the 4/2562 annual general meeting resolution on 15 March 2019. Dr. Wiwat's family group relinquished their right to receive the newly issued shares to the employees, medical professionals, agents, and NHTPES at a price of THB 111.11 each share, totaling THB 249,997,500. After the capital increase, NHTPES increased its shareholding percentage in the Company to 13.57%, while the employees, medical professionals, agents collectively hold approximately 1.43%.
2020	<ul style="list-style-type: none"> Safe Fertility Group Sri Racha was established. The company began providing ovarian rejuvenation service using Reju O technology.
2022	<ul style="list-style-type: none"> Safe Wellness Company Limited was incorporated with a registered capital of THB 30,000,000, divided into 300,000 ordinary shares, each with a par value of THB 100. These shares are held by Safe Fertility Group Public Company Limited and three other co-founding physicians, with ownership percentages of 80% and 20%, respectively.
2023	<ul style="list-style-type: none"> On 5 April 2023, the company's Board of Directors' meeting No.2/2566 resolved to proceed with the following important matters: <ol style="list-style-type: none"> to increase the company's registered capital to THB 280,000,000 by issuing up to 11,000,000 new shares, each having a par value of THB 5, totaling up to THB 55,000,000. These new shares were allocated to existing shareholders proportionately to their current shareholding in a right offering (RO). The objective of the capital increase was to restructure the company's capital structure before its conversion to a public company limited. to convert the company into a public company limited. to amend the company's memorandum of association regarding the company's name, objectives, and par value, to be consistent with the company's conversion. to amend the company's articles of association and seal. to increase the company's registered capital by THB 23,947,800 by issuing new 23,947,800 ordinary shares, each with a par value of THB 1, resulting in a new registered capital of THB 303,947,800 (par value and registered capital will change when the company is converted). On 23 May 2023, the company registered a capital increase with the Ministry of Commerce. The remaining portion of the increased capital will be allocated for public offering, with a total value not exceeding THB 23,947,800. The number of new shares for the capital increase is 4,789,560, each with a par value of THB 5. This capital increase is expected to occur in the 4th quarter of 2023. On 28 April 2023, the Company's Extraordinary General Meeting of shareholders approved the above matters. On 29 May 2023, the Company was converted to a public company limited using the name 'Safe Fertility Group Public Company Limited.' On 2 November 2023, the Company's ordinary shares started trading on the Stock Exchange of Thailand

Notes :

- 1/ The business of the former Khon Kaen branch was operated under IVF Khon Kaen Company Limited. since 22 December 2014. The assets, liabilities, personnel, and business licenses were then transferred to the company (Khon Kaen branch) on 1 August 2016. This transfer was executed through the entire business transfer transaction (EBT) with the company on 14 July 2016.
 - 2/ The business of the former Ramindra branch was operated under Ramindra Fertility Company Limited since 7 June 2011. The assets, liabilities, personnel, and business licenses were then transferred to the company (Ram Indra Branch) on 1 October 2017. This transfer was executed through a partial business transfer transaction (PBT) with the Company on 1 October 2017.
 - 3/ The business of the former Phuket branch was operated under IVF Phuket Company Limited since 17 March 2014. The assets, liabilities, personnel, and business licenses were then transferred to the company (Phuket Branch) on 1 October 2017. This transfer was executed through a partial business transfer transaction (PBT) with the Company on 1 October 2017.
- 1/ 2/ 3/ These are to restructure the company for enhanced operational and management efficiency. The three companies registered their dissolution and completed liquidation process in 2018.



1.1.3 Use of proceeds

The Company issued and offered the ordinary shares by Initial Public Offering (IPO) during 25 - 27 October 2023 totaling 23,947,800 shares at the offering price of THB 21.00 per share and have received proceeds of 476.85 million baht after deduction of expense related to the offering. The Company's ordinary shares were listed on the Stock Exchange of Thailand, with the First Trading Day on 2 November 2023.

The company used the proceeds from the initial public offering (IPO) after deduction of expenses related to the offering of securities according to the purposes specified in the prospectus. The details of use of proceeds as of 31 December 2023 as follows:

Use of Proceeds	Approximate Amount (THB Million)	Estimate Time Period	Utilization Amount (THB Million)	Outstanding Amount as of 31 December 2023 (THB Million)
1. For investment in related businesses and future business opportunities.	257.50	2024 - 2028	-	257.50
2. For investment in branch expansion project and laboratory services	171.70	2024 - 2028	85.40	86.30
3. For financing working capital for business operations	47.65	2024 - 2045	-	47.65
Total	476.85		85.40	391.45

1.1.4 The commitments that the Company has made in the registration statement and/or the conditions of approval by the Securities and Exchange Commission (SEC) (if any), and/or the listing conditions of the Stock Exchange of Thailand (SET) (if any).

-None-



1.1.5 Name, address of the head office, business type, company registration number, telephone number, fax number, company website, total number and type of shares sold.

Name	Safe Fertility Group Public Company Limited
Ticker	SAFE
Head office address	496, 498, 500, 502 Amarin Plaza Building, 17 th Floor, Ploenchit Road, Pathumwan, Bangkok 10330
Type of business	Providing comprehensive fertility treatment services using assisted reproductive technology, including embryo and genetics laboratory services
Registration number	0107566000313
Telephone number	02 252 3833
FAX number	02 252 3832
Call Center	081 102 1000
Website	www.safefertilitygroup.com
Registered capital	THB 303,947,800
Paid-up capital	THB 303,947,800
Par value	THB 1 per share



1.2 THE COMPANY'S NATURE OF BUSINESS

The Company operates a specialized fertility medical center under the name “Safe Fertility Group Public Company Limited.” We provide comprehensive services for individuals facing fertility challenges, offering guidance, counselling, and advanced treatments. Our team of expert doctors and scientists specialize in embryo cultivation, using modern technology and state-of-the-art equipment. We also offer personalized customer care through dedicated personal assistants. The Company's primary focus is providing exceptional infertility treatment services with a strong emphasis on patient success rates and safety. Our commitment to maintaining high treatment standards has led us to become the first IVF clinic in Thailand certified by the Reproductive Technology Accreditation Committee (RTAC) in Australia since 2014. We have achieved accreditation for our quality management standards ISO:9001 in 2011 and the medical laboratory quality standard ISO15189 in 2016. Furthermore, our embryo culture and genetics laboratories have successfully undergone quality assessments conducted by external organizations, including the esteemed UK NEQAS from England.

Currently, the Company has two subsidiaries: Next Generation Genomic Company Limited (NGG) and Safe Wellness Company Limited (SWC). The subsidiaries' nature of business can be summarized as follows:

1) Next Generation Genomic Company Limited (NGG) operates as a provider of genetic laboratory services, offering comprehensive laboratory services using state-of-the-art medical reproductive technology. This includes chromosome screening, Down syndrome screening, testing for chromosomal abnormalities in infants from maternal blood samples, as well as hormone level testing.

2) Safe Wellness Company Limited (SWC) operates as a service provider of skincare and aesthetic under the brand “The Fountain Wellness Centre”. The company was incorporated on 15 November 2022.

The Group now has 5 branches of fertility medical centers and 2 branches of embryology and genetics laboratories. Details of these branches are discussed below.

Business	Branch	Branch registration year
Fertility Medical Centre	Amarin Plaza Branch, Bangkok	2009
	Khon Kaen Branch	2016 ¹
	Ram Indra Branch Bangkok	2017 ²
	Phuket Branch	2017 ³
	Sri Racha Branch, Chonburi	2019
Embryo culture and genetics laboratory	Located at Amarin Plaza Building, Bangkok	2014
Skincare and aesthetic clinic	Located at Amarin Plaza Branch Building, Bangkok	2022

Notes: /1 The Khon Kaen branch operated under the name of SFC Fertility Khon Kaen, as specialized clinic in obstetrics and gynecology, under IVF Khon Kaen Company Limited since 2014 and was transferred in the entire business transaction to the company in 2016.

/2 The Ramindra branch operated under the name of SFC Fertility Ramindra, a specialized clinic in obstetrics and gynecology, under Ramindra Fertility Company Limited since 2011 and was partially transferred to the Company in 2017.

/3 The Phuket branch operated under the name of Phuket Fertility Clinic, specializing in obstetrics and gynecology, under Phuket Fertility Company Limited since 2014. The name was changed to IVF Phuket Company Limited and was partially transferred to the Company in 2017.

NGG also entered into a business collaboration agreement with Bangkok Hospital Udon Thani. The agreement involves bringing embryo culture and genetics laboratories, as well as staff, to provide services within the hospital. This collaboration aims to conduct genetic diagnosis in embryos and offer various laboratory services to the hospital.



1.2.1 Income structure

The Company's income can be classified into 3 main groups as follows: 1) income from infertility treatment services (SAFE) 2) income from embryo and fetal genetic testing services (NGG) and 3) income from aesthetic and wellness business (SWC). Income from infertility treatment services is the major income of the Group.

Income structure of the Group classified by type of income for the fiscal year ending 31 December 2021, 31 December 2022, and 31 December 2023, summarized as follows.

Income structure	Operate by	For the year ended 31 December					
		2021		2022		2023	
		THB Million	%	THB Million	%	THB Million	%
Income from infertility treatment services ⁽¹⁾	SAFE	473.51	84.26	608.79	83.47	667.11	77.85
Income from embryo and fetal genetic testing services ⁽²⁾	NGG	86.22	15.34	117.82	16.16	175.68	20.50
Income from aesthetic and wellness services	SWC	-	-	-	-	5.84	0.68
Total service income		559.73	99.60	726.61	99.63	848.64	99.03
Other income		2.23	0.40	2.71	0.37	8.32	0.97
Total income		561.96	100.00	729.32	100.00	856.96	100.00

Notes : (1) Comprising infertility treatment by ICSI method more than 99%

(2) Income from clinics and other hospitals, both government and private, less related party transactions

The Company's primary source of income is the provision of infertility treatment services being ICSI procedures. The Company's income from infertility treatment services continuously increases because of the alleviation of the epidemic situation and the economic growth in Thailand, as well as the easing of travel restrictions in many countries. Another primary source of the Company's revenue is the provision of genetic testing services for embryos and fetuses to external individuals that has been consistently growing. This is due to the increasing popularity of genetic examinations for embryos and fetuses, as it enhances the chances of successful pregnancies, reduces the miscarriage rate, and improves the overall fertility of the child to be born.

1.2.2 Product and service information

(1) Product and service information

The Group's main business is the comprehensive provision of infertility services and treatments. This includes the operation of fertility medical centers under Safe Fertility Group Public Company Limited ("SAFE" or the "Company"), as well as the operation of embryo culture and genetics laboratories under Next Generation Genomic Company Limited ("NGG"). The Company also operates aesthetic and wellness clinic business under Safe Wellness Company Limited ("SWC"). The service details are as follows:

The services provided by SAFE are categorized the type of treatment as follows:

1) Infertility treatment by ICSI (Intracytoplasmic Sperm Injection: ICSI)

The infertility treatment using the ICSI method involves assisting the fertilization of eggs and sperm outside the body. The process entails selecting only the strongest sperm through a microscope and injecting it into a mature egg using a small needle to achieve targeted fertilization. It will then be nurtured in a laboratory

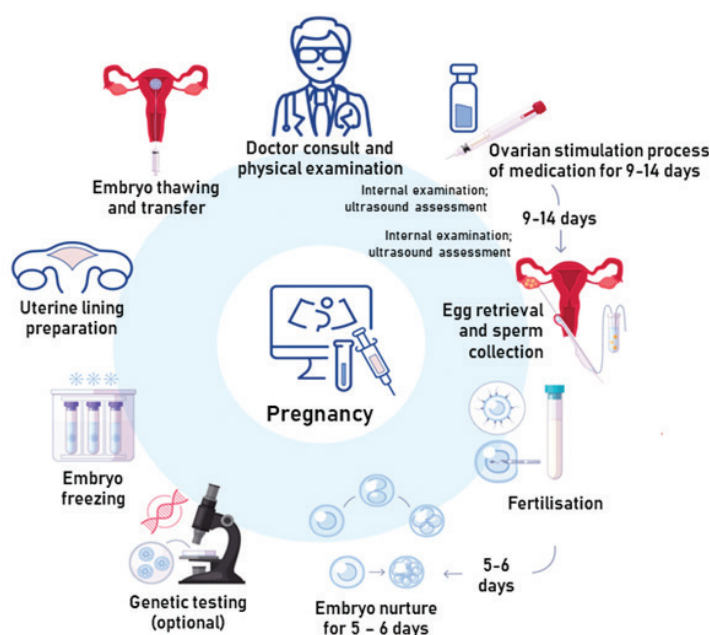


under appropriate conditions. When the embryo reaches the Blastocyst stage at around 5-6 days old, the embryo is transferred back into the uterus to establish a pregnancy. In certain cases, chromosome screening can be performed to enhance the success rate. ICSI treatment is a widely popular method that yields satisfactory fertilization results. It effectively addresses abnormal fertilization issues arising from both eggs and sperm. For instance, it is beneficial when the male partner has a low sperm count or sperm cannot naturally penetrate the egg's shell. It also helps overcome abnormalities in ovarian hormone function and complications such as tubal blockage or problems with the endometrium.

The success rate of ICSI treatment generally ranges from 20% to 70% each treatment cycle, and it increases to 50% to 80% when additional chromosome screening is performed. The treatment process is discussed below.

Treatment Process

Intracytoplasmic Sperm Injection Treatment Process



Infertility treatment using ICSI method starts with the doctor performing an ultrasound for initial assessment. Then, a plan is made to administer egg-stimulating medication for approximately 9- 14 days to promote the growth of multiple eggs in that menstrual cycle. Regular ultrasound examinations are scheduled to monitor the size and number of eggs. Afterwards, when the eggs have reached an appropriate size, the doctor will administer medication to stimulate ovulation. Approximately 36-38 hours later, the doctor will schedule the woman to undergo egg retrieval along with the collection of sperm from the male partner on the same day. Then, scientists will induce fertilization within a standardized laboratory by injecting a single sperm into the most viable egg. After fertilization, the embryo will be nurtured in the EmbryoScope Plus, an advanced embryo incubator equipped with continuous time-lapse imaging technology using a high-quality lens. This enables the caregiving team to closely monitor the continuous development of the embryo without disrupting its growth and promoting optimal development until the embryo reaches 5-6 days of age. In certain cases, embryo chromosomal screening can be conducted to enhance the chances of achieving pregnancy. Then, the doctor will proceed to transfer the embryos into the uterus or freeze them for later use, allowing the woman to recover and prepare her uterus to be in an optimal condition before the actual embryo transfer takes place. After approximately 14 days, the doctor will schedule an appointment for the patient to undergo a pregnancy test and check the results.

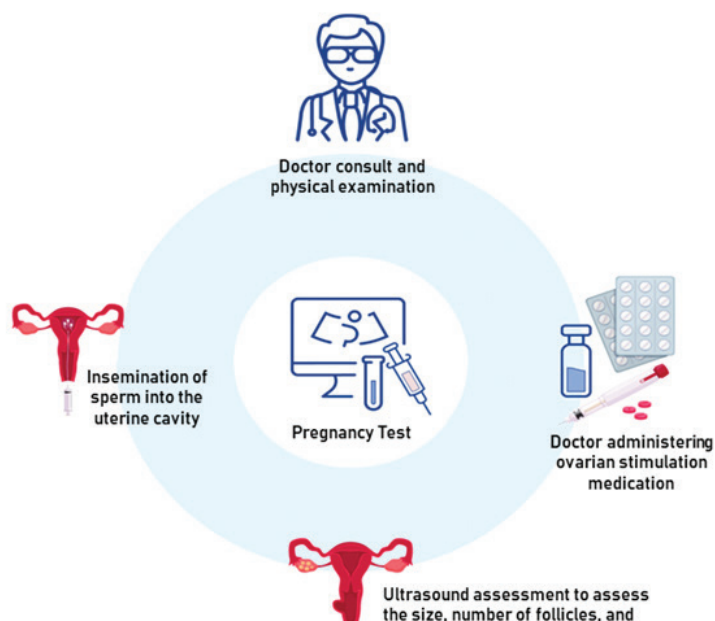
2) The treatment of infertility by injecting semen into the uterine cavity (Intrauterine Insemination: IUI).

The treatment of infertility using the IUI method involves directly injecting screened semen, consisting of viable and motile sperm, into the uterine cavity during the woman's ovulation period. The viable sperm do not need to swim through the cervix. This allows for easier entry into the uterus and increases the chances of successful fertilization between the eggs and sperm compared to natural intercourse. Treatment for infertility using the IUI method is non-surgical, eliminating the need for recovery time. The treatment period typically lasts around 10-14 days and is relatively cost-effective compared to other infertility treatments. Consequently, doctors often prioritize starting with IUI as the initial treatment option for patients. However, IUI infertility treatment is often suitable for married couples who cannot identify the cause of infertility, such as men with below-standard sperm count or women with conditions like endometriosis or ovulation issues. However, IUI infertility treatment is not viable when both uterine cervixes are blocked or when the quality of sperm is extremely low.

In general, the success rate of ovulation induction and IUI treatment is between 10% and 20% each treatment cycle. Data from studies on individuals with unexplained infertility suggests that IUI treatment has approximately twice the chance of achieving pregnancy compared to natural conception. The success rate depends on several factors, such as the woman's age, the number of viable eggs for fertilization, the concentration of sperm used during the procedure, and the thickness of the uterine lining on the day of insemination. The process of treating infertility with IUI is as follows:

Treatment Process

Infertility Treatment Process Involving IUI

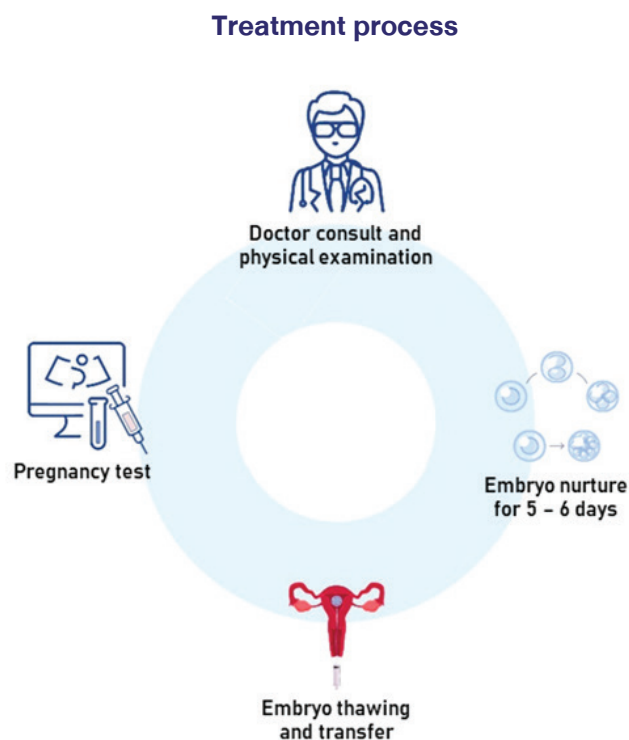


The treatment process begins with the doctor performing an ultrasound during the first 1-3 days of menstruation for an initial assessment. Then the doctor will schedule the administration of ovarian stimulation drugs to promote the growth of eggs in that particular month. Additionally, appointments will be made for ultrasound examinations to monitor the size and quantity of eggs, as well as the thickness of the uterine lining. Afterward, when the eggs have reached an appropriate size, the doctor will administer an injection to induce ovulation. Approximately 36-40 hours later, the doctor will inject the prepared sperm into the uterine cavity on the day of ovulation. After approximately 14 days, the doctor will schedule an appointment to conduct a pregnancy test and check the result.

3) Embryo Transfer

There are two types of embryo transfers into the uterus: Fresh Embryo Transfer (ET) and Frozen-thawed Embryo Transfer (FET), depending on the readiness of the husband and wife and the physician's discretion. Fresh embryo transfer can be performed between the 5th and 6th day of embryo development, depending on the specific indications for each individual. In certain situations, fresh embryo transfer cannot be conducted. These circumstances encompass a heightened risk of Ovarian Hyperstimulation Syndrome (OHSS), awaiting results of chromosomal screening for couples at risk of genetic diseases, the necessity of adequately preparing the woman's uterine cavity for optimal embryo implantation, or future family planning considerations. In such instances, frozen-thawed embryo transfer will be a viable alternative, offering the opportunity to maximize the embryo's implantation rate. The clinical pregnancy rate will not decrease. In fact, frozen embryo transfer further contributes to the increased success rate.

Treatment process



The process of embryo transfer is identical in both fresh and frozen cycles. The only distinction is the method used to prepare the uterine cavity before the transfer takes place. Fresh embryo transfer takes place within 5-6 days after fertilization using the ICSI method. The procedure involves using an embryo transfer catheter and an ultrasound machine to precisely position the embryo for implantation. Following the transfer, natural progesterone hormone is administered to support the pregnancy. There are two methods for embryo transfer in the frozen cycle. The first method is natural frozen-thawed embryo transfer, which involves using natural estrogen to prepare the uterine cavity without the need for additional hormonal drugs. Therefore, blood tests to measure hormone levels and ultrasound examinations are necessary to predict the timing of ovulation and facilitate embryo transfer. The second method involves preparing the uterine cavity using estrogen hormone medication (artificial or medicated embryo transfer) to accurately determine the day of ovulation and facilitate embryo transfer when the uterus is primed for implantation. After approximately 10 days, the doctor will schedule an appointment to conduct a pregnancy test and check the result.

4) Egg Freezing, Sperm Freezing and Embryo Freezing)

The process of freezing to preserve egg cells, sperm, and embryos is called vitrification. It involves replacing the water in the cells with a cold solution, rapidly reducing the cell temperature, and transforming them into a glass-like solid without the formation of ice crystals. This is achieved by using liquid nitrogen and storing them at a temperature of -196°C . Nowadays, freezing oocytes, sperm, and embryos for preservation has become a popular choice. This method offers advantages to individuals who are not yet prepared for pregnancy, patients with infertility issues that make immediate embryo transfer challenging, those undergoing chemotherapy, individuals with genetic concerns, and couples who want to plan their future family.

The process of freezing eggs, sperm, and embryos follows similar stages. The only variation lies in the preparation of the egg cells. Sperm and embryos are fertilized using the ICSI method. The oocyte preparation process starts with the doctor administering stimulant injections to obtain an adequate number of oocytes with the appropriate size. This process typically lasts around 8-10 days. Afterwards, the doctor will schedule an appointment to retrieve the eggs by selecting matured eggs for the freezing process. The sperm preparation for freezing involves using sperm obtained from the male partner through either natural ejaculation or through procedures such as Percutaneous Epididymal Sperm Aspiration (PESA) or Testicular Sperm Aspiration (TESA) (please refer to item 5 for more details). Embryo freezing occurs after the eggs and sperm have been fertilized using the ICSI method and cultured in an incubator until they reach an age of 2-7 days or the remaining embryos from the current embryo transfer cycle. The scientists will carefully select the embryos to be frozen for future treatments.

5) Percutaneous Epididymal Sperm Aspiration: PESA or Testicular Sperm Aspiration: TESA)

The PESA/TESA method involves the direct collection of sperm from the testicles. This is performed when there are issues with male fertility, which can be caused by various factors such as poor physical health, unhealthy lifestyle choices, and congenital abnormalities. These abnormalities may include the absence or blockage of the sperm ducts, as well as previous accidents or infections in the testicular region. Sperm collection by the PESA method involves inserting a needle through the skin around the scrotum into the epididymal tube and then extracting the sperm. TESA method, on the other hand, involves inserting a needle through the skin of the scrotum into the testicle and extracting the sperm. Normally, doctors typically prefer to use the PESA method initially as it is less painful and yields better semen and sperm quality, except in certain cases where PESA is not feasible.

TESA sperm collection involves a minor surgical procedure. The individual may receive anesthesia injections. Then, the doctor will make a small incision, approximately 0.5-1.0 centimeters in size, to extract a portion of the spermatic ducts and select high-quality sperm. After that, the patient rests for approximately 30-60 minutes before being able to go home.

6) Intracytoplasmic Morphologically Selected Sperm Injection: IMSI)

The IMSI sperm selection technology uses high-magnification microscopy, ranging from 6,000 to 12,000 times, to select sperm with desirable characteristics for fertilization with egg cells. The IMSI sperm selection technology allows for a clearer visualization of the sperm's shape. Vacuoles, which are holes at the head of the sperm, can be observed. These vacuoles serve as indicators that the sperm may have fragmented genetic material (DNA fragmentation), potentially leading to incomplete fertilization or failed implantation in the uterine cavity. Therefore, the use of IMSI sperm selection technology can enhance the success rates of pregnancy or the rate of embryo implantation in the uterine cavity. It increases the quantity of embryos with normal morphology, boosts the rate of blastocyst development, reduces miscarriages, and decreases the proportion of embryos that cease to grow. The IMSI sperm selection technology is suitable for couples who face difficulties in conceiving due to male infertility factors, such as abnormalities in the quantity or quality of sperm. It is particularly beneficial for couples who have previously undergone unsuccessful IVF or ICSI treatments or have experienced miscarriages.



7) Magnetic Activated Cell Sorting Sperm: MACS Sperm

The MACs Sperm screening is a method used to select high-quality sperm (Non-Apoptotic Sperm), particularly suitable for couples who are likely to have a high incidence of DNA fragmentation, indicating genetic material abnormalities. This method is beneficial for couples where the male partner has undergone semen analysis and abnormalities have been identified, or couples who have a history of multiple unsuccessful IVF or ICSI procedures. MACS Sperm is a selection method for Non-Apoptotic Sperm, where the MACS GMP Annexin V solution binds to sperm with DNA fragmentation (Apoptotic Sperm). These are sperm cells that are on the verge of cell death and can impact embryo development. Then, when it is passed through the MACS column, which contains a magnetic field, the apoptotic sperm are unable to pass through the column. Sperm with DNA fragmentation may exhibit a normal shape after fertilization with the egg, but it can impact the quality of the embryo. For instance, it may result in lower blastocyst development. This can lead to reduced pregnancy rates and increased chances of miscarriage.

The services provided by NGG can be categorized as follows:

1) Preimplantation Genetic Testing

Pre-implantation genetic screening is a genetic analysis of embryos that can be performed during in-vitro fertilization (IVF) or intracytoplasmic sperm injection (ICSI) procedures. This analysis involves examining tissue samples from embryos at either the 3-day (cleavage stage) or the 5–7-day (blastocyst stage). The screening purpose is to identify and prevent genetic diseases resulting from chromosomal or gene mutations. The treating physician will assess the patient's eligibility based on the criteria set by the Medical Council Notification. For example, if either spouse has a genetic disorder that can be inherited by the baby, or in the absence of a genetic disorder, there must be a history of pregnancies where the baby had a genetic disability or abnormality. Other factors include a history of two or more miscarriages before 12 weeks of pregnancy, the wife being 35 years of age or older, or if the couple has experienced failed embryo transfers or concerns about the likelihood of having a child with Down syndrome. There are three types of the examination.

1.1) Preimplantation Genetic Testing for Aneuploidies: PGT-A

Embryo genetic screening is the process of examining the chromosomes of an embryo by analysing all 23 pairs of chromosomes. This analysis helps identify any abnormalities in the embryo before it is transferred into the uterus. It is a test to screen for genetic diseases caused by mutations at the chromosome level, known as chromosome mutations. Examples of such conditions include Down syndrome (Trisomy 21), which involves an extra copy of chromosome 21, and Turner syndrome (Monosomic X), which is characterized by the absence of one X chromosome. This screening helps to reduce the risk of detecting birth defects such as Down syndrome and decreases the rate of miscarriage in pregnant women. Additionally, it contributes to increasing the success rate.

Significant advancements in molecular genetics technology have led to substantial improvements in the accuracy of pre-implantation screening for genetic diseases and a reduction in testing time. This progress is primarily attributed to the implementation of Next Generation Sequencing (NGS) technology, which enables rapid genetic decoding.

1.2) Preimplantation Genetic Testing for Monogenic Disorder: PGT-M

Embryo genetic diagnosis is the process of diagnosing abnormalities at the gene level. The purpose is to prevent genetic diseases that result from abnormalities in a single gene, which can be inherited or occur spontaneously during gametogenesis. Examples of such diseases include Thalassaemia, Cystic Fibrosis, and Duchenne Muscular Dystrophy.

Embryo genetic diagnosis is highly accurate, specific, and reliable in detecting genetic abnormalities at the molecular level. Currently, there are two methods of detection: (1) short tandem repeat (STR)-based on linkage analysis, and (2) Karyomapping.

1.3) Preimplantation Genetic Testing for Chromosomal Structural Rearrangement : PGT-SR

The screening technology examines the abnormalities in the number of chromosomes of embryos aged 5-7 days (Blastocyst) resulting from the swapping of chromosomes between the father and mother. This swapping creates breakpoints that can have an impact on infertility, recurrent miscarriage, or render the embryo nonviable due to abnormal chromosome numbers. This technology helps reduce the risk of encountering congenital abnormalities, such as missing/excessive segments of chromosomes, and lowers the rate of recurrent miscarriages. It avoids the use of non-viable embryos and also enhances the success rate of embryo implantation during transfer into the uterus.

2) Non-Invasive Prenatal Testing: NIPT

The detection of chromosomal abnormalities in infants from the mother's blood can identify abnormalities such as missing or additional chromosomes. These abnormalities may impact the developmental progress and lead to various disabilities in the body. This testing features the safety of the fetus as it tests the baby's DNA from the mother's blood. This differs from procedures like amniocentesis or placenta aspiration, which carry a risk of miscarriage of approximately 0.5-1.0 percent. Additionally, the results will be available within 7-10 days. The testing may detect all pairs of chromosomes or specifically the main chromosomes, including chromosomes 13, 18, 21, X, and Y. The most common abnormality detected is an increase in the number of chromosome pairs, known as Trisomy 21 (Down Syndrome), Trisomy 18 (Edwards Syndrome), and Trisomy 13 (Patau Syndrome).

The services provided by SWC are categorized the type of services as follows:

1) General Injectable Medication Care Services

The service for general injectable medication care can be divided into two categories: skin rejuvenation injections and injections for reducing wrinkles and facial contouring. Here are the details of each service.

Skincare service

SWC offer services in the category of injectable medications or IV injections, which are divided into vitamin injections for addressing dry and damaged skin, restoring a youthful, radiant, and elastic appearance. For example, the Luminous Skin program involves injecting vitamin C and B vitamins to aid in skin rejuvenation and body invigoration. The Ageless Booster program, on the other hand, entails the injection of essential amino acids to repair and fortify tissues, effectively addressing skin concerns. SWC also offers vitamin injection services to support fertility, such as the sperm booster and fertility booster program, which includes vitamins that help nourish hormones for both male and female clients seeking assistance with infertility. Vitamin injections and medications are widely popular nowadays for nourishing the skin and expediting bodily recovery, thanks to their advantages such as no required recovery period, efficient use of time, and cost-effectiveness. SWC also provides direct facial injections of vitamins and skincare substances, such as collagen and vitamin C.

Wrinkles and facial contouring services

Botox injections (Botulinum toxin or Botox) are a type of pure natural protein substance. They cause the muscles in the treated area to relax and reduce in size. They can be used to shape the face into a slimmer appearance, diminish wrinkles, create a more faded look, and improve skin firmness and smoothness.

Injection of fillers containing hyaluronic acid, also known as Hyaluronic Acid (HA), comes in various types. Each type possesses distinct properties such as filling deep grooves to make them shallower, reducing wrinkles, and enhancing facial dimension. For example, injections can be administered in the under-eye area, temple area, chin area, cheek area, and even for plumping the lips. Filler is an additional alternative for filling deep grooves, shaping the face, or addressing specific concerns. It provides visible and rapid results without the need for recovery.



However, when providing injectable drug care services, a dermatologist plays a vital role in offering treatment guidance and assessing the suitability for each individual. They recommend the optimal quantity, dosage, and frequency of treatment tailored to the specific needs of the patient.

2) Treatment service

Treatment services involve external treatments using topical medications applied to the skin or various medical tools for procedures, without the need for any injections on the patient's face or body. These services are divided into treatments for skincare and treatments for reducing wrinkles and providing lifting effects. Details of each treatment are discussed below.

Skincare treatment

We offer skincare treatment services to nourish the skin and address issues such as dryness, dehydration, lack of moisture, loss of elasticity, dullness, and acne. These treatments involve the use of light therapy and the application of appropriate medications. In certain programs, massage techniques or the use of a vitamin-infusion device may be incorporated to enhance the effectiveness of the treatment. For example, the Clear Skin program uses the Vital Injector3 from Korea, which stimulates collagen production for a luminous complexion. Additionally, the Exfoliation Program, carried out using the Plasmalis device from Korea, aims to tighten pores and reduce facial oiliness.

Wrinkles and lifting treatment

Treatment services for wrinkle reduction and skin tightening include facial massages to lift the skin. Additionally, there are treatments that use technology to reduce wrinkles and address sagging skin caused by excess fat and aging. Treatment services include the use of the Ulthera machine to lift the face. This involves using ultrasound waves to stimulate collagen and elastin production beneath the skin. Additionally, services are provided using the Endymed innovation from the United States to reduce wrinkles around the eyes, neck, and torso. The Morpheus machine can stimulate the reorganization of collagen in the dermis layer and the subcutaneous fat layer using RF (Radio Frequency) technology. The Endymed machine is an innovative treatment for acne scars, large pores, uneven skin, and provides lifting, tightening, and wrinkle reduction. It uses RF (high-frequency radio waves) transmitted through all 24 pins beneath the skin, reaching the dermis layer.

The main service packages provided by SAFE, and its subsidiaries are as follows:

Service packages	Details
SAFE's core service package	
1. ICSI package ^{/1}	The ICSI packages are available in both options: with and without hormonal medication. They include the following services: egg retrieval procedures, operating rooms, pharmaceutical supplies, and equipment. Additionally, there is a recovery room available on the day of egg collection, and fees for anesthesiologists and doctors performing the egg collection procedure. Other costs covered are semen preparation, eggshell laser, embryo culture until Blastocyst Day 6, ultrasound fees, outpatient doctor fees, and embryo freezing.
2. frozen embryo transfer package (FET) package ^{/1}	The frozen embryo transfer package includes the following services: embryo culture until Blastocyst Day 6, embryo thawing, embryo transfer procedure, doctor's fees for the embryo transfer, surgical fees, ultrasound fees, outpatient doctor fees, nursing fees, and hormone medication fees



Service packages	Details
3. Egg freezing package	The egg freezing packages are available with or without hormone medication. These packages include the cost of egg retrieval procedures, operating rooms, medications, cryopreservation fees, anesthesiologist fees, and doctor's fees.
4. Intrauterine insemination (IUI) package	The IUI packages are available with or without hormone medication. These packages include the cost of semen preparation, procedures on the day of sperm injection, ultrasound fees, doctor fees, nurse fees, and outpatient doctor fees.
5. The premarital/family planning health check-up package for couples.	There are three programs available, offering services such as comprehensive blood tests, blood group identification, screening for communicable diseases or genetic carriers, as well as measuring AMH hormone levels, conducting thyroid disease screening (TSH), and checking semen quality, among others.
NGG's core service package	
1. Embryo Genetic Screening (PGT-A)	Charged according to the number of embryos.
1. Maternal blood test for chromosomal abnormalities (NIPT)	The Company's brand name is Qualifi, with its products divided into Qualifi and Qualifi Premium.
SWC's core service package	
1. Lifting service with ULTHERA machine	ULTHERA services are divided into 3 packages based on the number of shots used, ranging from 400 to 600 shots. The selection depends on the patient's needs and the doctor's discretion.
2. Skin rejuvenation is performed using the VITAL INJECTOR 3 machine.	Skin rejuvenation is achieved by injecting skincare substances using a device called the VITAL INJECTOR 3, which is from Korea. This allows the nutrients to penetrate the skin precisely at the targeted areas.
3. an injection service using BOTULINUM TOXIN to reduce wrinkles and reshape the face.	BOTULINUM TOXIN injection services with 4 brands: HUGEL, NABOTA, XEOMIN, and ALLERGAN. Prices vary depending on the brand and the desired quantity, with two available sizes: 50 Units and 100 Units.
4. Deep wrinkle filler injection service.	Deep wrinkle filling service at SWC offers 3 brands: JUVEDERM, BELOTERO, and RESTYLANE. Prices vary depending on the brand and desired quantity, ranging from 1 cc to 5 cc.

Note ^{/1} Infertility treatment using ICSI consists of main processes including egg contention, fertilization, embryo culture and transfer the embryo into the uterus. Therefore, most patients will have to use the ICSI package and the FET package as the main basis.

**The Group's key medical tools and equipment**

Tools and equipment	Details
SAFE's key medical tools, equipment, and techniques	
1. IMSI by Leica	<p>IMSI is a technique used to select sperm based on specific morphology and certain components within the cells. It uses an exceptionally high magnification to identify the sperm with the most optimal shape, which is then combined with the oocyte using the ICSI method (more than 6000 times magnification). In contrast, conventional insemination with ICSI alone uses magnification of 200-400 times.</p> <p>The combination of ICSI and IMSI techniques, along with the exceptional high magnification quality of Leica lenses, is widely recognized. Additionally, the motorized sampling stand control system enables precise capturing of selected sperm. Therefore, this technique significantly enhances the success rate of infertility treatment.</p>
2. EmbryoScope Plus Incubator	The EmbryoScope Plus is an incubator that helps enhance the safety of embryos, reduces disturbance to the embryos, and promotes better embryo development. It is equipped with a high-quality camera that continuously captures images of the embryos, allowing expert scientists to monitor their development throughout the entire process.
3. MACS sperm	Magnetic Activated Cell Sorting (MACS) is a technique that aids in the selection of sperm. It reduces the number of motile sperm with apoptotic characteristics and minimizes the presence of sperm with fragmented genetic material.
4. Laser-assisted embryo implantation is a technique used to aid in the process of embryo implantation.	It is a laser machine used for piercing eggshells and cutting embryo cells for genetic testing. It is equipped with precise computer-controlled settings and features easy operation with RED-i, enabling quick, gentle, precise cutting of embryo cells without impacting the embryos.
NGG's key medical tools and equipment	
1. VeriSeq NIPT Microlab STAR	This tool is used to detect chromosomal abnormalities in infants from the mother's blood. It can identify abnormalities such as missing or extra chromosomes, which can impact the development and lead to various disabilities in the body.
2. MACS GMP Annexin V Kit	The preparation of sperm using MACS technique enhances fertilization rates and reduces the number of apoptotic spermatozoa.
3. Nextseq550, Miseq	This is a device used for performing PGT and NIPT tests. Illumina's Next Generation Sequencer, a leading brand in Next Generation Sequencing technology, is from the USA.



Tools and equipment	Details
SWC's key medical tools and equipment	
1. Vital Injector	Vital Injector is a medical tool that can accurately deliver nutrients into the skin. It helps distribute the medication evenly throughout the entire area using a small-sized needle head, resulting in minimal pain and few visible marks after the procedure.
2. Endymed	This innovation treats acne craters, scars, enlarged pores, uneven skin, lifting, tightening, and reducing wrinkles using the RF (High Frequency Radio Frequency) transmission through all 24 pins.
3. Ulthera	Ulthera works based on the principle of using high-frequency sound waves and uses focused ultrasound to target and penetrate beneath the skin layers, resulting in lifted and tightened skin. It effectively addresses various skin concerns by reaching deep into all layers using a multi-level depth head that is tailored to specific problems and skin layers.
4. Morpheus8	Similar to Endymed, Morpheus8 stimulates the collagen reorganization in the dermis layer and the subcutaneous fat layer using RF (Radio Frequency).
5. Forma V	Forma V is a vaginal tightening laser machine, the latest innovation in highly effective rejuvenation. It can effectively tighten the skin at the subcutaneous level, providing immediate results.

Potential for providing medical services

The Company has the potential to provide medical services in the following areas:

- 1) Number of operating rooms and number of embryo culture and genetics laboratories.

Branches	Number of operating rooms	Number of embryo culture laboratories and genetics laboratories	Examination rooms / diagnostic rooms
SAFE Fertility Medical Centre ^{/1}			
1. Amarin Plaza Branch, Bangkok	1 egg retrieval room / 1 embryo room	4	7 rooms consisting of <ul style="list-style-type: none"> • 5 medical examination rooms • 1 treatment room • 1 injection room
2. Ramindra Branch, Bangkok	1 egg retrieval room / embryo room	5	3 rooms comprising <ul style="list-style-type: none"> • 2 medical examination rooms • 1 internal examination room • 1 injection room
3. Phuket Branch	1 egg retrieval room / embryo room	5	2 rooms (both medical and internal examination rooms)
4. Khon Kaen Branch	1 egg retrieval room / embryo room	5	2 rooms (both medical and internal examination rooms)
5. Sri Racha Branch, Chonburi	1 egg retrieval room / embryo room	5	2 rooms (both medical and internal examination rooms)



Branches	Number of operating rooms	Number of embryo culture laboratories and genetics laboratories	Examination rooms / diagnostic rooms
NGG's embryo culture and genetics laboratory ^{/2}			
1. Amarin Plaza Branch, Bangkok	-	12	2
SWC aesthetic and wellness clinic			
1. Amarin Plaza Branch, Bangkok	-	-	5
Total	6	36	23

Notes : /1 The embryo culture and genetics laboratories at the SAFE Fertility Medical Centre provide services such as IVF, ICSI, embryo culture, analysis of sperm quality, sperm selection using IMSI technology, and sperm screening using MACS sperm technology.

/2 The embryo culture and genetics laboratories at NGG provide services for genetic screening of preimplantation embryos and detection of chromosomal abnormalities in fetuses from the mother's blood.

2) Medical personnel, embryologists, and nurses

Branches	Physicians		Scientists / Medical Technologist	Nurses / Operations
	Full time	Part time		
SAFE Fertility Medical Centre				
1. Amarin Plaza Branch, Bangkok	5 ^{/1}	2	8	8
2. Ram Indra Branch, Bangkok	2 ^{/1}	2	3	3
3. Phuket Branch	1	-	3	4
4. Khon Kaen Branch	1	1	3	4
5. Sri Racha Branch, Chonburi	2 ^{/2}	-	3	3
NGG’s embryo culture Laboratory and genetics Laboratories				
1. Amarin Plaza Branch, Bangkok	-	-	13	-
SWC aesthetic clinic				
1. Amarin Plaza Branch, Bangkok	-	8	-	7
Total	8	13	33	29

Notes : 1 The Amarin branch and Ramindra branch share two full-time doctors.

2 The Amarin branch and Sri Racha branch share one full-time doctor.

Compliance with laws, standards, licensing requirements, and certifications related to fertility treatment services.

The Company operates a healthcare business specializing in a clinic focused on obstetrics and gynecology. It also provides services related to medical assisted reproductive technologies. The Company has complied with the laws and treatment standards and has obtained all the necessary main licenses for its business operations. The details of the relevant laws can be summarized as follows:

1) **Health Facility Act, B.E.2541 (1998) (as amended) amendments) (the “Health Facility Act”)**

The Health Facility Act aims to regulate the operation of healthcare facilities to protect service recipients, as well as to define the responsibilities of licensees and healthcare facility operators to ensure appropriateness and genuine benefits to the public. The Department of Health Service Support, under the Ministry of Public Health, serves as the primary regulatory agency responsible for oversight and supervision.

The Health Facility Act provides legal requirements about compliance and licensing requirements to operate a medical facility business. The act requires that (1) an individual intending to operate a medical facility must obtain a license to operate the facility (Sor.Por. 7); and (2) the licensee must appoint a designated operator responsible for overseeing and managing the operations of the medical facility. The operator must obtain a license to manage the medical facility (Sor.Por.19) before assuming duties within the facility.

The Health Facility Act outlines the responsibilities of the licensees and the operators of medical facilities, which can be summarized as follows:

A licensee to operate a health facility business (Sor.Por.7)	A licensee to manage a health facility business (Sor.Por.19)	Shared responsibilities
To display the licence in a visible and readily noticeable location at the medical facility	<ul style="list-style-type: none"> To regulate and oversee professional practitioners in a medical facility, ensuring they adhere to the branch, class, or plan specified by the licensee during the license application process, and to prevent non-professional individuals from practicing within the medical facility. To regulate and oversee professional practitioners in medical institutions, ensuring they perform their duties to comply with the laws regulating their professional practice. To regulate and supervise a medical facility to ensure it is clean, tidy, safe, and suitable for use as a healthcare facility. 	<ul style="list-style-type: none"> To maintain a sufficient number of professional practitioners in the medical facility at all times, in accordance with their respective professions and the prescribed requirements stated in the Ministerial Regulations during operating hours. To ensure that the necessary tools, equipment, medications, and medical supplies are provided in the medical facility as specified by their respective types. To ensure the availability and reporting of evidence regarding healthcare professionals and patients, as well as other documents related to medical treatment (patient medical records), which must be maintained in a condition that allows for examination for a minimum of five years from the date of creation. To ensure the control and supervision of the medical facility's operations to comply with the service standards in the Minister's notification.
To appoint a single operator who is responsible for overseeing and ensuring the proper operation of the health facility.		
<p>The following details must be displayed at the healthcare facility.</p> <p>(1) name of the health facility;</p> <p>(2) the list and details of professional practitioners in the facility; and</p> <p>(3) the rates of healthcare expenses, medication and medical supplies, medical service fees, other service fees, and patient rights that the facility must display as specified.</p>		

Currently, the Company's and the Group's facilities have obtained a license to operate a healthcare business (Sor.Por.7) and have appointed licensed operators to manage medical facilities (Sor.Por. 19) to comply with the law and the standards specified by the Health Facility Act.



2) Protection of a Child Born by Medically Assisted Reproductive Technology Act, B.E. 2558 (2015) (“Child Protection Act”)

The Child Protection Act aims to establish legal parental status for children born through assisted reproductive technologies. It also aims to regulate medical scientific research on embryos and assisted reproductive technologies to prevent any misuse or improper applications. The Protection Committee for Children Born Using Assisted Reproductive Technologies, under the Department of Health Service Support (the “protection committee”), Ministry of Public Health, serves as the primary regulatory authority responsible for overseeing and ensuring the well-being of children born through assisted reproductive technologies.

The Child Protection Act mandates that medical practitioners who provide services related to assisted reproductive technology (the “service providers”) must possess the necessary qualifications, be free from prohibited characteristics, and adhere to the standards required by the Medical Council of Thailand for delivering services using assisted reproductive technologies. The Department of Health Service Support will issue a standard certificate (Form Kor. Thor. Phor. 9) to certify compliance with the standards.

The Child Protection Act also prescribes terms, conditions, and standards for services related to assisted reproductive technologies, which can be summarized as follows

(1) Standards for services related to assisted reproductive technologies.

The service provider must operate in a licensed healthcare facility that performs assisted reproductive technologies and must be under the supervision of a medical practitioner who is part of the assisted reproductive technology personnel composition. The composition of personnel in medical assisted reproductive technology is:

- A medical practitioner who is responsible for providing assisted reproductive technologies and possesses the qualifications specified by the announcement of the Medical Council of Thailand.
- Providers of care include: (1) medical practitioners providing medical services; (2) other medical practitioners or gynecologists who care for pregnant women and other gynecological conditions; (3) scientists who hold a scientific degree in a relevant field or any other qualification approved by the Royal Thai College of Obstetricians and Gynecologists, (4) nurses with knowledge and expertise in providing counselling and guidance regarding assisted reproductive technologies, as well as being able to track team coordination and monitor complications.
- Facility, and medical tools and equipment
- The Quality and Ethics Committee (which must hold meetings at least every 2 months and must ensure that minutes of the meetings are recorded as evidence each time for annual reporting to the Department of Health Service Support, Ministry of Public Health).
- At least one member of the committee, who is an obstetrician-gynaecologist and who is not part of the team providing services with assisted reproductive technology.

(2) General requirements for providing assisted reproductive technology services

- Before providing assisted reproductive technology services, the service provider must thoroughly examine and assess the physical, mental, and environmental readiness of the customer, surrogate mother, and sperm or egg donor involved in the procedure. Additionally, appropriate measures must be taken to prevent any diseases that may have a potential impact on the well-being of the future child.

- The handling of embryos, including their creation, preservation, utilization, or termination, must comply with the regulations set by the Medical Council of Thailand and approved by the committee. Embryos older than 14 days from the fertilization date should not be stored or used.
- The service provider may diagnose genetic conditions in embryos as necessary and appropriate, following the requirements of the Medical Council of Thailand and with the approval of the committee. However, it must not be done in a manner that could be perceived as gender selection.
- Artificial insemination, which refers to the introduction of sperm into a woman's reproductive organs to achieve pregnancy without sexual intercourse, must be carried out by the legally married husband and wife. Artificial insemination using donor sperm requires written consent from legally married spouses who wish to undergo artificial insemination, as prescribed by the Medical Council.

(3) Surrogacy

- The process of surrogacy must at least adhere to the following conditions:
 - 1) In order for a wife who cannot conceive to have another woman conceive the child through surrogacy, the legitimate husband and wife must hold Thai nationality. If the husband or wife is not a Thai national, the marriage must have been registered for at least 3 years.
 - 2) A surrogate woman must not be a direct ancestor or descendant of the legitimate husband or wife who wishes to have a child through surrogacy.
 - 3) A surrogate woman must not be a blood relative of the legitimate husband or wife who wishes to have a child through surrogacy. If no blood relatives of the legitimate husband or wife are available, other woman may be eligible to undergo surrogacy, following the rules, procedures, and conditions set by the Minister of Public Health.
 - 4) A surrogate woman must have previously given birth to a child. If the woman has a lawful husband or a man cohabiting as husband and wife, the consent must also be obtained from the legitimate husband or the man.
- Surrogacy under this Act may be carried out in the following two ways:
 - 1) Using the embryo created from the husband's sperm and the egg of the legally married wife who wishes to have a child through surrogacy.
 - 2) Using an embryo created from the husband's sperm or the egg of the legally married wife who wishes to have a child through surrogacy with the egg or sperm of another individual. Using the surrogate's egg is prohibited.
- To facilitate surrogacy for a couple, the service provider must obtain permission from the Protection Committee.
- It is unlawful to engage in surrogacy for commercial purposes. It is unlawful to act as an intermediary or broker, demanding, accepting, or agreeing to accept property or any other benefits, in exchange for managing or facilitating surrogacy arrangements.
- It is unlawful to advertise or disseminate information, in any manner, regarding surrogacy, indicating the availability of a woman intending to be a surrogate or a person seeking another woman as a surrogate, whether for commercial purposes or otherwise.



(4) Regulating the assisted reproductive technologies

- It is unlawful for any person who is not a medical practitioner to provide services related to assisted reproductive technology. This includes accepting deposits, accepting donations, using sperm, eggs, or embryos, or terminating the embryo.
- It is unlawful to create an embryo for use in any business, except for the treatment of infertility of lawful husbands and wives.
- A medical practitioner wishing to use a remaining embryo from the infertility treatment of a lawful spouse for research purposes must obtain permission from the Protection Committee.
- It is unlawful to do anything with the intention of creating a human being through methods other than fertilization between sperm and egg.
- It is unlawful to place sperm, egg, embryo, or any part of such cells into the body of an animal, or to introduce animal reproductive cells, cells resulting from the fertilization of animal gametes, into the human body.
- It is unlawful to create, store, sell, import, export, or use embryos containing more than two sets of human genetic material, or an embryo that contains a combination of human cells or components with those of other species.
- It is unlawful to purchase, offer to purchase, sell, import, or export sperm, eggs, or embryos.
- A medical practitioner providing medical reproductive technology services who fails to adhere to the standards for such services under the Child Protection Act is treated as violating the professional code of ethics in the medical profession as stipulated by the law on medical profession.

Currently, the Company's medical facility has obtained certification for the standards of providing assisted reproductive technology services (Form Kor Thor Phor 9) and fully complies with the requirements, conditions, and standards for providing assisted reproductive technology services, as stipulated by the Child Protection Act.

The company has a process in place to provide services in accordance with the law, for example, there is someone in charge of continuously renewing licenses. There are policies and procedures for evaluating and inspecting the cleanliness of the premises, medical equipment and tools are always up to standard and environment and psychological readiness assessed by a doctor.

In addition to complying with the aforementioned laws, the Company also has processes and operating procedures that help make operations more efficient, such as Personal Assistance (PA) who help care and advise clients throughout the treatment period and psychologists to provide counseling to patients, including providing genetic counseling to patients who have a history of genetics, such as abnormalities from chromosomal structure or inherited diseases.

Moreover, there is a quality system management department that follows up on changes in related laws. and collects documents and coordinates with the Department of Health Service Support, Ministry of Public Health in cases where permission to provide surrogacy services is required from the Committee for the protection of children born using assisted reproductive technology.

Product research and development

The Company prioritizes research and development of products in the following key areas:

1) Investment in technology

The Group establishes operational plans for senior executives to present information on new innovations to the Board of Directors, medical professionals, and scientists. This process showcases the Company's capability to adapt to changes in therapeutic technology, medical tools, and equipment. By consistently selecting and importing efficient and economically feasible new technologies, the Company has achieved a track record of successful treatment outcomes. Additionally, these technologies have gained widespread popularity in fertility treatment centers in Thailand today. The Group is dedicated to maintaining and enhancing this potential, ensuring continuous operational improvement aligned with its strategies and business objectives.

2) Expanding the network of partnerships to include educational institutions, research institutes, and infertility treatment clinics worldwide.

The Group supports personnel in all positions by providing opportunities for further education and training related to their roles and responsibilities. This includes regular participation in training programs and visits to both internal and external organizations, including educational institutions and research institutes, both domestically and internationally. Additionally, Company personnel may also serve as consultants or trainers, sharing their knowledge with others both locally and internationally. This process ensures that personnel continuously develop their knowledge, expertise, and experience to keep up with rapidly evolving events and technologies.

In the past, the Group has actively participated in and presented at international conferences and academic lectures. It has also published research papers at the international level. For example, Dr. Wiwat had the opportunity to exchange knowledge and deliver a lecture on the topic "Comprehensive Chromosome Screening with Vitrified-Warmed Single Blastocyst Transfer Increases the Pregnancy Rate in Advanced Maternal Age" at a conference in Turkey in 2013. This conference was organized by PGDIS, an organization that brings together experts in infertility treatment from around the world. Furthermore, the Group has recently published research on "Detection and quantitation of chromosomal mosaicism in human blastocysts using copy number variation sequencing" in 2016, which was certified by Prenatal Diagnosis. The Group has also actively participated in national-level academic conferences and international conferences such as The Thai Society of Human Genetics 2nd Annual Conference held in Thailand.

(2) Marketing and competition

(a) Marketing of product and services

Target customers

The Group's clientele comprises both domestic and international customers. They are individuals in the working age bracket, with an average age of 30 years and above, and belong to the middle to high income bracket. Additionally, there is a segment of customers who are seeking to start a family. This customer group exhibits low sensitivity to prices and economic fluctuations, allowing the Group to consistently uphold quality and service standards without concerning with price competition. These customer groups can be divided into two main categories. These two categories are discussed below.

1. Women who wish to have children in the future.

In the current social environment, women have increasingly important roles. They have equal opportunities and abilities as men. Consequently, most women prioritize things other than marriage, such as education and work, resulting in a trend of marrying later compared to the past. This may eventually

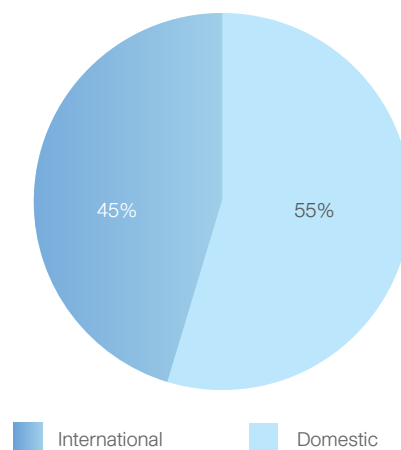


lead to difficulties in conceiving. Therefore, oocyte freezing is a viable option for modern women who desire to have children in the future. Additionally, it includes patients with cysts or tumors requiring ovarian surgery, as well as cancer patients undergoing radiation therapy or chemotherapy.

2. Couples facing difficulties in conceiving, both Thai nationals and foreigners.

Infertility is a condition in which a couple is unable to conceive after having regular sexual intercourse without contraception for at least one year. In Thailand, the total fertility rate is 1.16 in 2021, according to data from the Department of Health. This rate is below the replacement level of 2.1 persons, which is the fertility level required to maintain a stable population size and the overall reproduction rate. This may be caused by the male side, such as a low sperm count, a narrowed spermatic duct, or a narrowed urethra. On the female side, the causes may include hormonal abnormalities leading to lack of ovulation, obstruction of the fallopian tubes, or the presence of endometriosis in the uterus.

The below chart shows the proportion of each type of patient receiving services from the Group in 2023.



Distribution and distribution channels

1) Walk-in Customers

At present, the Company has 5 branches: Amarin branch, Ramindra branch, Phuket branch, Khon Kaen branch, and Sri Racha branch. Customers can contact the clinic directly for information, or they can use the Group's telephone number to inquire about basic information regarding infertility treatment services and schedule an appointment with a doctor. The Group's reputation and high success rate in pregnancy and infertility treatment services lead to customers referring others through word of mouth. What customers expect from service providers are clear and tangible results, a high success rate, industry expertise, a sense of safety, and convenience in using the services.

2) Foreign customers through agents

The Company has channels to reach international customers, including China, India, and Vietnam, through its representatives who can contact and engage with individuals experiencing infertility. Additionally, there is a group of customers who refer them to the clinic for treatment. The Company requires clear qualifications and offer competitive remuneration for its agents. The Company collaborates with over 20 agents. Despite the decline in these channels during the COVID-19 pandemic and country lockdowns, the Company anticipates that the number of customers traveling from abroad would increase to use its services once the COVID situation is resolved.

(b) Competition conditions

Global fertility services market: industry landscape and positive growth factors

The global trend of increasing desire for parenthood is evident, particularly in China. The government's decision to lift the one-child policy and promote the concept of having a second child since 2016 has played a significant role in driving this trend. Furthermore, there is a likelihood of the government lifting stringent regulations related to childbearing, which further contributes to the growth potential of the infertility treatment market using assisted reproductive technology. This market offers various positive factors that will fuel its growth in the future. By using medical technology to assist with fertility, it not only enhances the chances of successful pregnancies but also reduces the risk of miscarriages and increases the likelihood of having a healthy child without genetic abnormalities. Additionally, individuals have the opportunity to plan and time their pregnancies effectively. The following are positive factors that will propel the growth of the infertility services market in the future.

Impact of low fertility rate on the growth of the fertility services market

The inability to conceive within a 12-month period is considered low fertility or infertility, which can be caused by various factors. These include increased alcohol consumption, smoking, and the presence of multiple ovarian complications or diseases, such as polycystic ovary syndrome. All of these factors contribute to a decrease in fertility rates, leading to a higher demand for fertility treatment services each year. For example, data from the University of Washington's Institute for Global Health Statistics and the Ideal Health Impact Assessment reveals that the global fertility rate is projected to decline to less than 1.7 by 2100. This highlights the increasing reliance of women on fertility treatment services and the growing demand within the service industry.

Government support and regulatory changes

Many governments have implemented policies and allocated funds to support the development of more advanced fertility facilities and techniques. These government initiatives and support aim to enhance IVF services and improve fertility care. For example, in January 2023, the Chinese government pledged to establish at least one IVF facility to serve 2.3 million to 3 million individuals by 2025. This commitment will facilitate easier access to technology and medical care for the Chinese population. In Australia, the government has invested USD 70 million to establish accessible infertility care services for the general public. This initiative is projected to benefit 4,000 individuals in Victoria each year, resulting in potential savings of up to USD 10,000 a person. The investment includes USD 20 million for improving public hospital facilities to enhance infertility services and USD 50 million to provide up to 2,700 rounds of free treatment.

one stop service solution Mergers in the industry to create a one-stop service solution

Collaboration and business partnerships have become crucial in driving the transformation towards higher-quality healthcare services. They aim to create more opportunities and foster new innovations in research and development within each company. This enables the introduction of more comprehensive and effective methods for fertility treatment. For example, in January 2021, Philips, a Dutch company, joined forces with Merck, a US pharmaceutical company, to develop suitable treatments for fertility issues. They use digital solutions to provide doctors and patients with information on treatment options and preparations for addressing infertility.

Furthermore, mergers and acquisitions have gained popularity and increased interest, driven by the growing demand from customers seeking high-quality infertility treatments and improved success rates through new technologies and innovations. Many companies in the market are actively seeking growth opportunities through the process of merging or acquiring other businesses. For example, in May 2021, the US-based digital healthcare and television company, RO, made a significant acquisition. They purchased Modern Fertility, a women's sexual health company that specializes in providing women's health counselling and wellness services. The transaction was valued at USD 225 million.

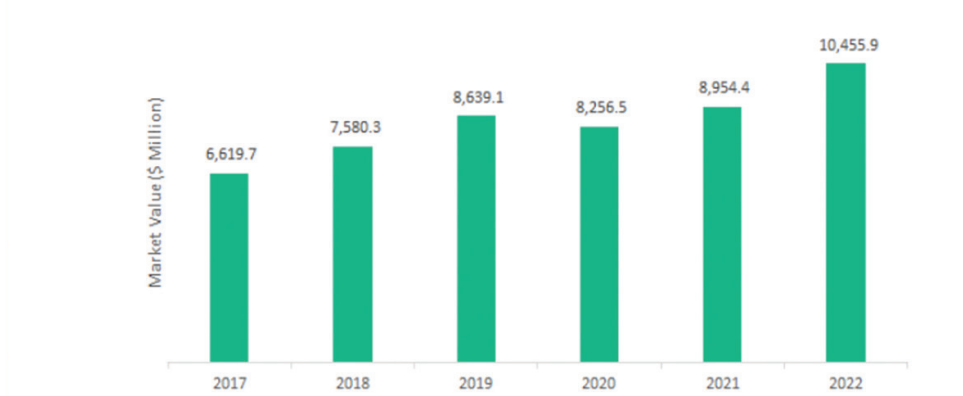


Conditions in the fertility service industry and positive factors in other Asia Pacific countries

The fertility services market in the Asia-Pacific region ranks third globally, with a value of USD 10,455.9 million in 2022 and a share of the region's GDP at 0.029% in terms of per capita statistical consumption. The average value per capita in the Asia-Pacific fertility market is USD 2.43, which is lower than the global average of USD 3.6. The market for fertility services in the Asia-Pacific region has been supported by increased spending on research and development, leading to collaborations with various organizations and important government policies. For example, in March 2021, Gulf Capital, an asset management company from the United Arab Emirates, announced plans to invest INR 2,500 million (USD 34 million) to establish 18 fertility clinics across India over two years.

The market for infertility services in the Asia-Pacific region grew from USD 6,619.7 million in 2017 to USD 10,455.9 million in 2022, at a CAGR of 9.6%. This growth can be attributed to increased investment and a higher number of individuals experiencing infertility.

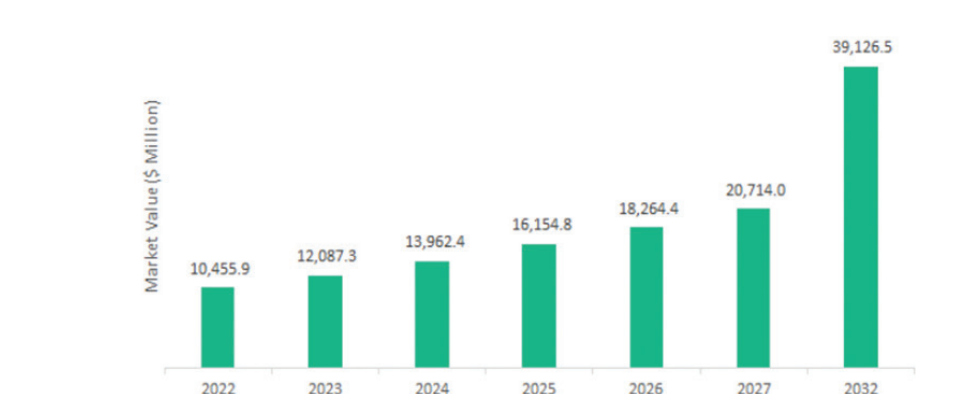
Figure 12: Asia-Pacific Fertility Services Market, Historic, 2017 – 2022, \$ Million



Sources : national statistics offices, UN Comtrade, TBRC Analysis, TBRC Estimates, TBRC Secondary.

The Asia-Pacific infertility services market is expected to grow from USD 10,455.9 million in 2022 to USD 20,714.0 million in 2027 at a CAGR of 14.7%. Additionally, it is projected to reach USD 39,126.5 million by 2032 at a CAGR of 13.6%. This growth is anticipated to be driven by balanced policies and increased focus on fertility promotion in the region. For example, in February 2023, Japanese Prime Minister Fumio Kishida announced the implementation of “special measures” to address the declining fertility rate in Japan.

Figure 13: Asia-Pacific Fertility Services Market, Forecast, 2022 – 2027, 2032F, \$ Million



Sources : national statistics offices, UN Comtrade, TBRC Analysis, TBRC Estimates, TBRC Secondary.

Several positive factors drive the growth of the fertility services industry, including: (1) GDP growth per capita in a country leads to changes in people's lifestyles and increased personal and consumption expenditures. The growth of GDP per capita in the Asia-Pacific region will have a positive impact on the fertility services market. (2) Another positive factor contributing to the growth of the fertility services industry is increased investment, particularly in India. The Goa government has initiated the "Matrutva Yojana" program for rural couples in Goa, providing financial assistance for in-vitro fertilization (IVF) under this scheme. The financial support aims to facilitate medical treatments, whether from public or private government-registered hospitals, by October 2022. Moreover, U.S.- based private equity firm Recharge Capital has invested USD 3 million in Generation Prime, China's digital health platform. The investor group aims to improve access to reproductive technology by supporting Generation Prime and its mission to enhance fertility opportunities and treatments in Southeast Asia. (3) The government's collaboration and recognition of the importance of infertility are evident in its initiatives. In October 2022, the NSW government launched a program aimed at reducing the cost of fertility treatments and providing families with access to world-class fertility specialists. This program strengthens the government's commitment to providing cost-effective IVF grants of USD 42 million in 2019 and has received positive feedback while supporting numerous families. In February 2023, the Chinese government initiated a program that provides free infertility treatment to citizens through health insurance in order to boost the population's fertility rate. Health insurance agencies have announced plans to expand coverage to assist couples in conceiving. The extended coverage also includes postpartum recovery periods.

Situation of the assisted reproductive technology and ICSI IVF industry in other countries within the Asia-Pacific region

Chart showing the growth of the in-vitro fertilization industry market from 2017 to 2032.

Table 19: Asia Pacific Fertility Services Market, Segmentation By Procedure, Historic And Forecast, 2017 - 2022, 2027F, 2032F, %												
Market	Year									CAGR		
	2017	2018	2019	2020	2021	2022	2023	2027	2032	17-22	22-27	27-32
Assisted Reproductive Technology (ART)	41.1%	41.3%	41.6%	41.1%	41.3%	41.8%	42.2%	43.6%	44.7%	10.0%	15.6%	14.1%
Intracytoplasmic Sperm Injection (ICSI)	34.7%	35.1%	35.5%	36.0%	36.4%	36.7%	37.1%	38.6%	40.7%	10.8%	15.8%	14.7%
In-Vitro Fertilization	18.1%	17.6%	16.9%	16.9%	16.3%	15.5%	14.8%	12.0%	9.3%	6.1%	9.0%	7.8%
Artificial Insemination	6.1%	6.1%	6.0%	6.1%	6.0%	6.0%	5.9%	5.7%	5.4%	9.0%	13.5%	12.2%
Fertility Services	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	9.6%	14.7%	13.6%

Sources : national statistics offices, UN Comtrade, TBRC Analysis, TBRC Estimates, TBRC Secondary.

Assisted reproductive technology (ART) means the use of assisted technology for fertility treatment. This includes procedures such as manipulating and fertilising eggs and sperm in a laboratory and then transferring them back to the woman's body. The assisted reproductive technology (ART) market has the highest value among the reproductive services market in the Asia-Pacific region. The market has grown from USD 2,719.0 million in 2017 to USD 4,375.3 million in 2022, at a CAGR of 10.0%. The market is projected to reach USD 9,041.6 million in 2027, at a CAGR of 15.6%, and USD 17,475.3 million in 2032, at a CAGR of 14.1%.



The market for intracytoplasmic sperm injection (ICSI), the second largest in the fertility services market in the Asia-Pacific region, has experienced significant growth. It has grown from USD 2,294.0 million in 2017 to USD 3,838.2 million in 2022, at a CAGR of 10.8%. The market is projected to further expand to USD 8,003.2 million in 2027, at an anticipated CAGR of 15.8%, and is estimated to reach USD 15,920.3 million in 2032, at a CAGR of 14.7%.

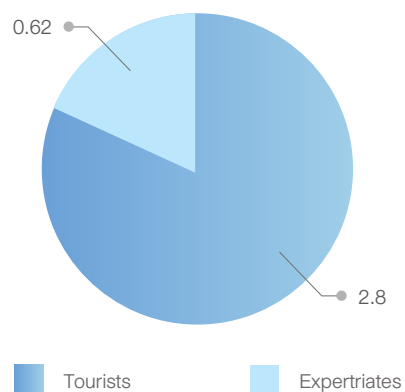
The in-vitro fertilization (IVF) industry ranks third in the fertility services market in the Asia-Pacific region. The market has experienced growth, increasing from USD 1,200.6 million in 2017 to USD 1,616.6 million in 2022, at a CAGR of 6.1%. It is projected to reach USD 2,487.9 million in 2027, with an expected CAGR of 9.0%, and to further expand to USD 3,628.4 million in 2032, at a CAGR of 7.8%. The growth of the market in these countries is influenced by several key factors. These include declining fertility rates resulting from changes in urban lifestyles and a delay in starting families, government support, medical reforms, and increasing incomes in developing countries.

Medical tourism industry conditions

In line with the vision of “Thailand 4.0” to enhance the economy and address new challenges, the Ministry of Public Health has adopted a strategy to develop Thailand as an international hub for wellness and medical services. This aims to promote the growth of the tourism and public health industries in the country in 4 main products. These are: wellness hub, medical service hub, academic hub, and product hub. The collaboration between the Ministry of Public Health and the Tourism Authority of Thailand will help promote and develop medical tourism in Thailand to meet international standards and gain acceptance among both Thai and foreign tourists.

According to Krungsri Research, the data from 2019 (pre-pandemic) shows that there were 3.42 million foreign patients seeking treatment in Thailand. This figure can be divided into 2.8 million tourists and 620,000 expatriates residing in Thailand. These foreign patients generated an income of THB 1.4 billion.

Number of foreign patients in 2019 (unit : million people)



Source : Krungsri Research



Table of the prices for medical treatment in different countries, categorized by treatment type in 2019.

Unit: US Dollar

Procedure	USA	India	Thailand	Singapore
Coronary Angioplasty	28,200 \$	5,700 \$	4,200 \$	13,400 \$
Heart Bypass	123,000 \$	7,900 \$	15,000 \$	17,200 \$
Hip Replacement	40,364 \$	7,200 \$	17,000 \$	13,900 \$
Gastric Bypass	25,000 \$	7,000 \$	16,800 \$	13,700 \$
Hysterectomy	15,400 \$	3,200 \$	3,650 \$	10,400 \$
Lasik (2eyes)	4,000 \$	1,000 \$	2,310 \$	3,800 \$
Dental Implant	2,500 \$	900 \$	1,720 \$	2,700 \$
Breast Implant	6,400 \$	3,000 \$	3,500 \$	8,400 \$

Source: Medical Tourism Association (MTA), Krungsri Research

Schedule of infertility treatment fees for the year 2021

Unit : US Dollar

Country	Expenses
USA	15,400
India	6,500
South Korea	8,000
Mexico	6,500
Thailand	*7,791

Source : medicaltourism.com, * average prices from 10 infertility hospitals and clinics *

When comparing the prices of medical services in Thailand to other countries in 2019, the cost of medical services in Thailand is relatively lower. For example, the price of heart bypass surgery in Thailand is lower compared to Singapore. Additionally, it is significantly cheaper, costing only 8 times less than the surgery in the United States. And when comparing the price of infertility treatment in 2021 with other countries, the cost of infertility treatment in Thailand remains lower than in other countries, particularly the United States, where the cost of infertility treatment in Thailand is 1.96 times lower. Due to its reasonable prices and provision of standardized treatment, Thailand has become a prominent destination for medical tourism. Moreover, apart from the reasonable price, Thailand offers additional factors that entice foreign tourists to select it as their preferred destination. These factors encompass the expertise and knowledge of medical professionals, the exceptional service provided by international personal assistant, the unparalleled beauty of tourist attractions, and the recognition of international medical service standards like the Joint Commission International (JCI) accreditation. Notably, Thailand boasts an impressive count of 46 hospitals that have obtained JCI accreditation



Table showing the expenses of using medical services of average tourists, THB/ person / trip

Ranking	Group of service recipients	Average expenses THB/ person / trip
1	Organ transplant	2,010,000
2	Cancer treatment	705,521
3	Sex reassignment surgery	502,761
4	Infertility treatment	484,563
5	Coronary artery care and prevention	139,989
6	Treatment for bones, joints, tendons, and muscles	124,150
7	Dental care	29,023
8	Health check-up	26,254
9	Anti-aging and regenerative medicine	15,056

Source: The complete report of the Medical Tourism Supply Chain Study Project in Thailand 2020, conducted by the Market Research Division of the Tourism Authority of Thailand.

The table indicates that tourists incur the highest expenses for organ transplant services, with an average cost of THB 2,010,000 baht a person each trip. In terms of service costs, infertility treatment ranks 4th with an average expenditure of THB 484,563.

Competition conditions and competitors

In general, the infertility treatment business has a low level of competition. This is because entrepreneurs in this industry require knowledge, understanding, expertise, and the ability to stay updated with the advancements in medical technologies. They also need to adhere to various standards set by the Ministry of Public Health and related agencies. Therefore, these factors pose significant obstacles for new entrepreneurs entering the field.

Based on data analysis from entrepreneurs in the field of infertility treatment, there are significant competitors in the industry with similar businesses. The key competitors are outlined as follows:

No	Company's names	Revenue from sales and services (THB million)			Business overview	อุปกรณ์และวัสดุ							
		2020	2021	2022		Preliminary examination	IUI	ICSI	NGS	Egg freezing and egg storage services	Personal Assistant	Geographic service coverage	Genetics lab
1	Safe Fertility Group Public Company Limited	525.48	559.73	726.61	The clinic business focuses on treating infertility through advanced medical technologies. It provides standard and safe services for treating infertility using the IUI and ICSI methods. Additionally, the clinic offers services for embryo genetic testing, such as NGS/PGD/PGS, as well as egg and embryo freezing services.	/	/	/	/	/	/	/	/
Companies that are currently or expected to be listed on the main stock exchange or the Market for Alternative Investment (MAI) and operate businesses similar to the Group.						/	/	/	/	/	-	-	/
2	Genesis Fertility Centre Public Company Limited (GFC)	214.40	241.55	274.66	The company provides comprehensive medical services for individuals facing infertility issues, ranging from advice and consultation to selection of the appropriate treatment method. The company has a team of skilled medical professionals and scientists with expertise in assisted reproductive technology.	/	/	/	/	/	-	-	/
3	Ekachai Medicine Public Company Limited (EKH)	604.53	1,111.39	966.20	The company operates a healthcare facility that provides overnight patient accommodation, similar to a general hospital, and offers comprehensive medical services for individuals facing infertility issues.	/	/	/	/	/	-	/	/





No	Company's names	Revenue from sales and services (THB million)			Business overview	สรุปผลการธุรกิจ								
		2020	2021	2022		Preliminary examination	IUI	ICSI	NGS	Egg freezing and egg storage services	Personal Assistant	Geographic service coverage	Genetics lab	
Companies in Thailand that operate similar businesses to the Group's.														
4	Jetanin Company Limited	519.25	429.74	638.14	The company operates a hospital business that specializes in treating individuals with infertility issues. Our services include providing consultations for obstetric and gynaecological problems, as well as comprehensive treatment for infertility using ICSI. The company also offers preimplantation chromosomal abnormality screening (PGT) to ensure the quality of embryos before implantation, as well as egg freezing and storage services.	/	/	/	/	/	-	-	/	
5	Nawabutr Company Limited	131.60	99.52	83.86	The company operates a fertility clinic business that provides consultations for obstetric and gynaecological issues, as well as infertility concerns. The company's services include infertility treatments using the IUI and ICSI methods, as well as egg and embryo freezing services.	/	/	/	/	/	-	-	/	
6	Prime Fertility Centre Company Limited	58.91	97.09	90.72	The operates a fertility clinic business that provides consultations for obstetric and gynaecological issues, as well as infertility concerns. The Company's services include infertility treatments using the IUI and ICSI methods, as well as embryo genetic testing (NGS) and egg/embryo freezing services.	/	/	/	/	/	-	-	/	



No	Company's names	Revenue from sales and services (THB million)			Business overview	อุปกรณ์และวัสดุ							
		2020	2021	2022		Preliminary examination	IUI	ICSI	NGS	Egg freezing and egg storage services	Personal Assistant	Geographic service coverage	Genetics lab
7	Inspire IVF Company Limited	17.66	11.24	63.31	The company operates a fertility clinic business that provides consultations for obstetric and gynaecological issues, as well as infertility concerns. The company's services include infertility treatments using the IUI and ICSI methods, preimplantation chromosomal abnormality screening (PGT), egg freezing/egg deposition, and 3D/4D ultrasound examinations.	/	/	/	/	/	-	/	/
8	I Siam Holding Company Limited (Smile IVF Clinic)	70.24	137.47	215.70	The company operates a fertility clinic business that provides counselling for individuals facing infertility issues. The company offers obstetrics and gynaecology services, as well as infertility treatments using the IUI and ICSI methods. The company's services also include preimplantation chromosomal abnormality screening (PGT) and embryo transfer in both fresh and frozen cycles.	/	/	/	/	/	-	-	/
9	Chiang Mai I.V.F Medical Company	107.55	110.08	141.53	The company operates fertility clinic business that provides counselling for individuals facing infertility issues, including cause finding and consultation. The company's services include infertility treatments using IUI, IVF, and ICSI methods. The company also offers preimplantation chromosomal abnormality screening (PGD&PGS) and embryo banking services.	/	/	/	/	/	-	-	/



(c) Sourcing and procurement of products and services

Procurement of the Group's business establishments (medical clinics)

Currently, the Group's locations are detailed in the following table:

Branches	Location
Amarin Plaza Branch, Bangkok	Amarin Plaza Building, 17 th - 18 th Floor, No. 496-502, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
Khon Kaen Branch	No. 294/10, Moo 7, Maliwan Road, Nai Mueang Subdistrict, Mueang District, Khon Kaen Province 40000
Ram Indra Branch, Bangkok	No.999/2 Ramindra Road, Khan Na Yao Subdistrict, Khan Na Yao District, Bangkok
Phuket Branch	No. 44 Moo 5, Krungthep-Siriroj Building, 4 th Floor, Chaloen Phrakiat Rama 9 Road, Wichit Subdistrict, Mueang District, Phuket Province 83000
Sri Racha Branch, Chonburi	No. 218/12, Moo 10, Bang Phra Subdistrict, Si Racha District, Chonburi Province 20110

The Company has a policy for selecting clinic locations based on two main factors. Firstly, it considers the economic feasibility of the location, such as being situated in economic centers of various major cities. Investing in a company branch entails investing in the area itself, including medical tools, equipment, and human resources, which represent a substantial investment. Therefore, to achieve business growth objectives, it is essential to choose areas with potential and a sufficient number of target customers who possess the capability and authority to purchase services. Another crucial factor is the adequacy of personnel, particularly in the selection and recruitment of knowledgeable doctors with expertise and experience. This ensures the ability to deliver efficient and safe services and provide effective patient care, in line with the Company's operational standards.

Procurement of pharmaceuticals, drugs, medical materials, and medical equipment

As the Group is one of the leading providers of state-of-the-art reproductive technologies, it places great importance on pharmaceuticals, medications, medical supplies, and a wide range of medical tools. The group's team of doctors and scientists, who specialize in using state-of-the-art medical equipment and tools, are responsible for selecting suitable technologies. The Group procures medicines, laboratory reagents, pharmaceuticals, medical materials, and medical devices from reputable domestic distributors who are certified to meet both Thai and international standards, such as ISO, CE, or TISI standards, as well as the Thai Food and Drug Administration (FDA). This ensures the efficiency and safety of patients receiving services from the Group. The Group considers the price and service terms before placing orders with each distributor. The Group manages the procurement of pharmaceuticals, medications, medical supplies, and medical equipment to ensure an adequate supply based on usage statistics. This includes an efficient ordering system and inventory backup to estimate each order, ensuring the right amount of products without excess or shortage. Additionally, there is regular quality control of drug storage facilities and equipment to maintain high standards. The Company's procurement in foreign currencies accounted for approximately 3.14% of the total procurements in 2022.

Procurement of doctors and medical personnel

The Group attaches great importance to the selection of doctors and medical professionals. As doctors and medical personnel are valuable resources and crucial factors in the operation. The recruitment process for all medical personnel within the Group includes thorough verification of qualifications and professional documentation before employment, ensuring compliance with relevant standards and regulations set by the Ministry of Public Health.



As of 31 December 2021, 31 December 2022, and 31 December 2023, the Group has doctors and medical personnel as follows:

Position	31 December 2021		31 December 2022		31 December 2023	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Physicians	8 ^{1/2}	5	8 ^{1/2}	5	8 ^{1/2}	5
Medical assistants	22	-	19	-	21	-
Professional nurses	24	-	22	-	24	-
Personal assistants	19	-	15	-	15	-
Scientist or medical technologists	33	-	32	-	35	-
Psychologists	1	-	-	-	-	-
Total	107	5	96	5	103	5

Notes : 1 The Amarin branch and Ramindra branch share two full-time doctors.

2 The Amarin branch and Sri Racha branch share one full-time doctor.

The Company has implemented a personnel management policy, which includes the following:

(1) The Company has developed an annual workforce plan for each service branch, including Amarin branch, Khon Kaen branch, Phuket branch, Ramindra branch, and Sriracha branch. Additionally, the Company has planned human resource expenses, which are presented to and approved by the Board of Directors in writing. A manpower rate request form is prepared before presenting it for approval to the managing director. Additionally, a report on the current number of employees is compiled and compared to the previous year's data. This report is submitted to the managing director monthly for acknowledgement. The Company has established diverse channels for employee recruitment and has developed an operational manual for recruitment, employee selection, and written employment contracts. Additionally, employees must undergo a physical examination and a criminal background check before signing the employment contract. The Company's executives have a strong rapport with expert doctors and scientists, both within the country and internationally. This serves as another crucial avenue for accessing such personnel extensively.

(2) The Company establishes compensation, welfare, and benefits that are commensurate with experience, knowledge, and abilities, and can be benchmarked against other companies.

(3) The Company focuses on personnel development and provides career paths that support employees in all positions. The Company offers opportunities for further studies related to their specific roles and responsibilities. Employees regularly attend training sessions and field trips organized by both internal and external organizations, including educational and research institutions, both domestically and internationally. Additionally, Company personnel may also serve as consultants or trainers, imparting knowledge to individuals both within the country and abroad.

(4) The Company evaluates its employees and makes necessary adjustments to ensure that compensation, welfare, and performance benefits are commensurate with employees' abilities and job positions. This approach aims to motivate employees and encourage their personal development.

(5) The Company consistently reviews the manpower plan to ensure a continuous presence of personnel with sufficient knowledge, abilities, and experience to perform their duties effectively. Additionally, a succession plan is established for key positions, considering individuals' performance and potential, particularly in leadership roles and alignment with the organization's values.



(d) Assets used in business operations

As of 31 March 2023, the Group has the following main assets used in its business operation:

Fixed assets used in business operations

Items	Proprietary nature	Encumbrances	Net book value according to the consolidated financial statements as of 31 December 2023	
			THB Million	%
Building	Ownership	None	47.62	31.51%
Office decoration	Ownership	None	46.59	30.82%
Office furnishings	Ownership	None	5.03	3.33%
Office supplies	Ownership	None	1.46	0.97%
Computer equipment	Ownership	None	4.90	3.24%
Medical tools and equipment	Ownership	None	22.84	15.11%
Public utilities	Ownership	None	22.71	15.02%
Total building and equipment – net	Ownership	None	151.15	100.00%

Right-of-use assets

As of 31 December 2023, the Company has right-of-use assets, namely office space lease agreements, with a net book value of THB 144.25 million.

Intangible assets

The Group's intangible assets used in its business operation include computer programs having net book value of THB 8.68 million as of 31 December 2023.

Trademarks

The Group has registered trademarks with the Department of Intellectual Property under the Ministry of Commerce as listed below:

Marks	Registration number	Registration date	Product type
	U 49308	8 October 2009 (Ended on 1 May 2029)	Category 44 : Medical Clinic
	201125368	2 May 2019 (Ended on 7 October 2029)	Category 44 : Counselling about infertility



Marks	Registration number	Registration date	Product type
	201125368	18 March 2019 (Ended on 17 March 2029)	Category 42 : Medical research laboratory services
	201125381	2 May 2019 (Ended on 1 May 2029)	Category 42 : Medical research laboratory services

Agreements relating to the lease agreement

- Amarin Plaza Branch**

(1) Lease (Room No. 2 , Floor 17 , Amarin Plaza Building) between the Company and Amarin Ratchaprasong Co., Ltd., dated 17 September 2021.

Term	3 years (from 1 August 2021 until 31 July 2024)
Counterparty	Lessor : Amarin Ratchaprasong Co., Ltd. Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	<ul style="list-style-type: none"> Monthly rent of THB 76,000 Service fee <ul style="list-style-type: none"> Monthly service fee of THB 232,560 Monthly management fee of THB 60,800
Main objective	To be an office for the tenant's normal business
Leased property	Room No. 2 , Floor 17 , Amarin Tower
Renewal	<ul style="list-style-type: none"> If the tenant has complied with the terms of this lease and other related agreement, and has no outstanding debts with the lessor, the tenant may request to renew the lease term by notifying the lessor of the renewal in writing at least 6 months before the expiration date specified in the lease agreement. The tenant may then renew the lease for an additional 4 months, beginning on 1 August 2024 and ending on 30 November 2024. During this renewal period, the rental rates, service fees, management fees, and other applicable expenses will remain unchanged as stipulated in this lease agreement and any relevant contracts. The terms of this agreement will govern all other terms and conditions of the lease and related contracts. The tenant must make written lease and related contracts for the renewal term of the tenant within 30 days from receipt of the lessor's notice. If within the specified period the lessor does not receive from the tenant a written notice expressing the intention to renew the lease term, the tenant is treated as not wanting to renew the lease term when it expires.



- (2) Lease (Room No. 1 and 3, Floor 18 , Amarin Plaza Building) between the Company and Amarin Ratchaprasong Co., Ltd., dated 22 July 2022.

Term	3 years (from 1 September 2022 until 31 August 2025)
Counterparty	Lessor : Amarin Ratchaprasong Co., Ltd. Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	<ul style="list-style-type: none"> Monthly rent of THB 133,218 Service fee <ul style="list-style-type: none"> Monthly service fee if THB 409,645.35 Monthly management fee of THB 106,574.40
Main objective	To be used as a clinic and office for the normal business of the tenant.
Leased property	Room No. 1 and 3, 18 th Floor , Amarin Plaza Building
Renewal	<ul style="list-style-type: none"> If the tenant wishes to renew the lease term when it expires, the tenant must provide written notice to the lessor at least 6 months before the term expires to request a term renewal in accordance with the lease agreement. The parties will once again negotiate and agree on the lease terms and conditions. If within the specified period the lessor does not receive from the tenant a written notice expressing the intention to renew the lease term, the tenant is treated as not wanting to renew the lease term when it expires.

- (3) Lease (Room No. 2.1, Floor 18 , Amarin Plaza Building) between Safe Wellness Company Limited and Amarin Ratchaprasong Company Limited, dated 18 November 2022.

Term	3 years (from 1 January 2023 until 31 December 2025)
Counterparty	Lessor : Amarin Ratchaprasong Co., Ltd. Tenant : Safe Wellness Company Limited (lease rights transferred from Safe Fertility Group Public Company Limited, effective from 1 January 2023)
Rental rate and service fee	<ul style="list-style-type: none"> Monthly rent of THB 30,504 Service fee <ul style="list-style-type: none"> Monthly service fee of THB 93,799.80 Monthly management fee of THB 24,403.20
Main objective	To be used as a clinic and office for the normal business of the tenant.
Leased property	Room No. 2.1, 18 th Floor, Amarin Plaza Building
Renewal	<ul style="list-style-type: none"> If the tenant wishes to renew the lease term when it expires, the tenant must provide written notice to the lessor at least 6 months before the term expires to request a term renewal in accordance with the lease agreement. The parties will once again negotiate and agree on the lease terms and conditions. If the lessor does not receive a letter of intent to extend the lease term from the lessee within such time Considered that the lessee does not wish to extend the lease period upon the expiration of the lease period.



- (4) Lease (Room No. 4 , Floor 18, Amarin Plaza Building) between Next Generation Genomic Company Limited and Amarin Ratchaprasong Company Limited, dated 25 November 2022.

Term	3 years (from 1 December 2022 – 30 November 2025)
Counterparty	Lessor : Amarin Ratchaprasong Company Limited Tenant : Next Generation Genomic Company Limited
Rental rate and service fee	Monthly rent of THB 76,000 Service fee <ul style="list-style-type: none"> Service fee <ul style="list-style-type: none"> Monthly service fee of THB 252,700 (from 1 December 2022 – 30 November 2024) Monthly service fee of THB 262,200 (from 1 December 2024 – 30 November 2025) Monthly management fee of THB 60,800
Main objective	To be an office for the tenant's normal business
Leased property	Room No. 4 , Floor 18 , Amarin Plaza Building
Renewal	<ul style="list-style-type: none"> If the tenant wishes to renew the lease term when it expires, the tenant must provide written notice to the lessor at least 6 months before the term expires to request a term renewal in accordance with the lease agreement. The parties will once again negotiate and agree on the lease terms and conditions. If the lessor does not receive a letter of intent to extend the lease term from the lessee within such time Considered that the lessee does not wish to extend the lease period upon the expiration of the lease period.

- Khon Kaen Branch**

- (1) Land lease for utilization between the Company and Mr. Chanyut Kosirinon, dated 26 August 2015.

Term	15 years (from 1 September 2015 until 31 August 2030)
Counterparty	Lessor : Mr. Chanyut Kosirinont Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	The monthly rent is THB 50,000 for the initial 3-year period, and the rent will be adjusted by 10% every 3 years based on the last month's rent.
Main objective	To conduct healthcare, medical, commercial, and residential activities or any other beneficial activities in accordance with the purpose of the lease, including the tenant's construction of buildings or other structures on the lessor's land to support the leased premises.
Leased property	<ul style="list-style-type: none"> A vacant land with land title deed number 277477, land number 216, survey page 45968, located in Nai Mueang Sub-District, Mueang Khon Kaen District, Khon Kaen Province. The land measures 1 ngan 86.4/10 square wah. A vacant land with land title deed number 101085, land number 146, survey page 22183, located in Nai Mueang Sub-District, Mueang Khon Kaen District, Khon Kaen Province. The land measures 1 ngan 37.9/10 square wah.
Renewal	<ul style="list-style-type: none"> If the tenant intends to renew the agreement, the tenant must notify the lessor at least 3 months before the lease expires. The terms and duration of the lease will be subject to separate agreement between the parties. When the lease term expires without the renewal, all structures on the leased land will immediately become the lessor's ownership. If the lease agreement is terminated without renewal, the tenant must vacate the premises and remove all belongings within 60 days from the date of lease termination. Otherwise, the tenant must pay daily rent of THB 2,500 to the lessor for the remaining period, not exceeding 90 days from the date of lease termination.



(2) Land lease agreement for utilization between the Company and Mr. Chanchai Kosirinon, executed on 26 August 2015.

Term	15 years from 1 September 2015 to 31 August 2030
Counterparty	Lessor : Mr. Chanchai Kosirinont Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	The monthly rent is THB 50,000 for the initial 3-year period, and the rent will be adjusted by 10% every 3 years based on the last month's rent.
Main objective	To conduct healthcare, medical, commercial, and residential activities or any other beneficial activities in accordance with the purpose of the lease, including the tenant's construction of buildings or other structures on the lessor's land to support the leased premises.
Leased property	<ul style="list-style-type: none"> A vacant land with land title deed number 277478, land number 217, survey page 45969, located in Nai Mueang Sub-District, Mueang Khon Kaen District, Khon Kaen Province. The land measures 2 ngan 60.4/10 square wah. A vacant land with land title deed number 277480, land number 218, survey page 45971, located in Nai Mueang Sub-District, Mueang Khon Kaen District, Khon Kaen Province. The land measures 1 ngan 37.9/10 square wah.
Renewal	<ul style="list-style-type: none"> If the tenant intends to renew the agreement, the tenant must notify the lessor at least 3 months before the lease expires. The terms and duration of the lease will be subject to separate agreement between the parties. When the lease term expires without the renewal, all structures on the leased land will immediately become the lessor's ownership. If the lease agreement is terminated without renewal, the tenant must vacate the premises and remove all belongings within 60 days from the date of lease termination. Otherwise, the tenant must pay daily rent of THB 2,500 to the lessor for the remaining period, not exceeding 90 days from the date of lease termination.

- Ram Indra Branch**

(1) Lease between the Company and Panya Property Company Limited, executed on 20 August 2020.

Term	3 years from 1 September 2020 to 31 January 2024
Counterparty	Lessor : Panya Property Company Limited Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	<ul style="list-style-type: none"> Rent <ul style="list-style-type: none"> Monthly rent of THB 81,255 throughout the contract period for the first year from 1 September 2020 to 31 December 2020 Monthly rent of THB 85,318 throughout the contract period from 1 January 2021 to 31 August 2021 Monthly rent of THB 87,350 throughout the contract period for the second year Monthly rent of THB 89,380 throughout the contract period for the third year
Main objective	To conduct healthcare, medical, commercial, and residential activities or any other beneficial activities in accordance with the purpose of the lease
Leased property	91 Room no. L 2-10,11. 2 nd Floor, Panya Inthra Road, Khan Na Yao Subdistrict, Khan Na Yao District, Bangkok
Renewal	The tenant intends to renew the agreement, the tenant must notify the lessor at least 90 days before the lease expires.



(2) Lease between the Company and P&G Optimal Company Limited dated 27 March 2023

Term	25 years from 1 October 2023 until 31 December 2048
Counterparty	Lessor : P & G Optimal Company Limited Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	<ul style="list-style-type: none"> Contract Compensation <ul style="list-style-type: none"> Contract fee THB 56,000,000 Rent <ul style="list-style-type: none"> Monthly rent of THB 20,000 บาท throughout the term
Main objective	To operate a hospital, medical clinic, commercial establishment, or for any other continuous use in accordance with the intended purpose of the lease.
Leased property	The area of the renovated building is designated for use as the Safe Fertility Centre, a medical facility for fertility purposes, located on the 2 nd floor of the main building within the Golf Channel Golf Centre project, situated on Ramindra Road, Kannayao, Bangkok. The area measures 650 square meters and is equipped with water and electricity systems for convenience.
Renewal	-None-

5) Phuket Branch

- (1) Lease executed on 21 January 2022 between the Company and Bangkok Phuket International Hospital for an area to provide assisted reproductive technology services.

Term	3 years (from 1 December 2021 to 30 November 2024)
Counterparty	Lessor : Bangkok Phuket International Hospital Company Limited (Siriroj Hospital) Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	The monthly rent is THB 534,996, and the rental rate is recalculated each time the lease is renewed.
Main objective	To provide assisted reproductive technology services under the Assisted Reproductive Services Support Agreement No. CI2021/012-005 (2), dated 21 January 2022.*
Leased property	Some areas of the 5-storey building, 4 th floor, totaling 972.72 square meters.
Renewal	<ul style="list-style-type: none"> When the lease term expires, if the tenant wishes to renew the term, the tenant must notify the lessor of the renewal at least 30 days before the expiration. Both parties will sign a new lease. If the tenant does not notify the lessor of the renewal within this deadline, the tenant will be treated as waiving the lease right. The lessor has the discretion over the rental rates or other service fees to be included in a new lease. But any increase in the lessor's rental rate must not exceed 10 percent of the original rental rate. If both parties cannot agree on the terms of the new lease, the lessee is treated as not intending to continue to use the leased property, and this lease will be treated as terminated. The lessor may seek a new tenant without giving the tenant the prior notice.

*Note : Under the technology service support agreement, the Company must provide services within the scope of assisted reproductive technology services, including consultation, examination, and treatment of infertility using assisted reproductive technology, in accordance with legal standards and the Joint Commission International (JCI) standards. The Company must not engage in any competitive activities or actions that conflict with the interests of the hospital's business. Additionally, the hospital must obtain the necessary permits, conduct its operations, and seek certification for the standards of assisted reproductive technology services on behalf of Bangkok Phuket International Hospital Company Limited.



6) Sri Racha Branch

(1) Land lease between the Company and Mrs. Chalor Sripiam dated 26 June 2018

Term	15 years (from 1 November 2018 until 31 October 2033) This lease was registered with the Department of Lands on 9 July 2018.
Counterparty	Lessor : Mrs. Chalor Sripiam Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	The monthly rent is THB 15,000, and the rent is adjusted by 10% of the last month's rent every 3 years.
Main objective	To conduct healthcare, medical, commercial, and residential activities or any other beneficial activities in accordance with the purpose of the lease, including the tenant's construction of buildings or other structures on the lessor's land to support the leased premises.
Leased property	<ul style="list-style-type: none"> The land in question is a specific portion on title deed number 153063, land number 5033, survey page 16350, located in Bang Phra Subdistrict, Si Racha District, Chonburi Province.
Renewal	<ul style="list-style-type: none"> If the tenant intends to renew the agreement, the tenant must notify the lessor at least 3 months before the lease expires. The terms and duration of the lease will be subject to separate agreement between the parties. When the lease term expires without the renewal, the tenant must vacate the land and remove all belongings within 60 days from the date of lease termination. Otherwise, the tenant must pay daily rent of THB 2,500 to the lessor for the remaining period, not exceeding 90 days from the date of lease termination.

(2) Land lease between the Company and Mrs. Pattaraporn Chatawong, dated 26 June 2018.

Term	15 years (from 1 November 2018 until 31 October 2033)
Counterparty	Lessor : Mrs. Pattaraporn Chatawong Tenant : Safe Fertility Group Public Company Limited
Rental rate and service fee	The monthly rent is THB 15,000, and the rent is adjusted by 10% of the last month's rent every 3 years.
Main objective	To operate a healthcare facility, medical clinic, commercial establishment, residential, and for other purposes.
Leased property	<ul style="list-style-type: none"> A specific portion on title deed number 153064, land number 5034, survey page 16351, located in Bang Phra Subdistrict, Sri Racha District, Chonburi Province.
Renewal	<ul style="list-style-type: none"> If the tenant intends to renew the agreement, the tenant must notify the lessor at least 3 months before the lease expires. The terms and duration of the lease will be subject to separate agreement between the parties. When the lease term expires without the renewal, the tenant must vacate the land and remove all belongings within 60 days from the date of lease termination. Otherwise, the tenant must pay daily rent of THB 2,500 to the lessor for the remaining period, not exceeding 90 days from the date of lease termination.



Insurance policy

The Company has obtained insurance coverage for the assets related to its business operations, including its subsidiaries. The Company determines that the existing insurance coverage is adequate and sufficient. The important details of the insurance coverage are as follows.

Insured party	Policy type	Insured property	Insurance limit	Coverage term
The Company	Property risk insurance	The furniture, machinery, and product inventory located at 496-502 Amarin Plaza Building, 22 nd floor.	THB 40,000,000	19 April 2024 – 19 April 2025
Safe Wellness Company Limited	Property risk insurance	The add-on improvements, furniture, machinery, and product inventory located at 496-502 Amarin Plaza Building, 18 th floor.	THB 12,000,000	21 February 2024 – 21 February 2025
Next Generation Genomic Company Limited	Property risk insurance	The add-on improvements, furniture, machinery, and product inventory located at 496-502 Amarin Plaza Building, 18 th floor.	THB 45,000,000	19 August 2022 – 19 August 2023
Company (Khon Kaen Branch)	Property risk insurance	The buildings, furniture, machinery, and inventory are situated at 294/10, Moo 7, Nai Mueang Sub-District, Mueang Khon Kaen District, Khon Kaen.	THB 45,000,000	29 August 2023 – 29 August 2024
Company (Ramindra Branch)	Property risk insurance	The furniture, machinery, and inventory at No. 999/2 Ramindra Road, Khan Na Yao Subdistrict, Khan Na Yao District, Bangkok.	THB 25,000,000	6 February 2024 – 6 February 2025
Company (Phuket Branch)	Property risk insurance	Furniture, machinery, and stock products at 44 Krungthep-Siriroj Building, 4 th Floor, Chalermsak Road, Rama 9 Road, Wichit Subdistrict, Mueang Phuket District, Phuket.	THB 25,000,000	19 August 2022 – 19 August 2023
Company (Sri Racha Branch)	Property risk insurance	Buildings, furniture, machinery, and product stock at 218/12 Moo 10, Bang Phra Subdistrict, Sri Racha District, Chonburi.	THB 73,000,000	25 February 2024 – 25 February 2025



Investment policy in subsidiaries and associated companies

The Company has a policy to invest in subsidiaries and associated companies that have the potential for growth and can generate favorable returns on investment. These businesses may support the Company's core operations and create synergies, enhancing the Company's competitive advantage and enabling it to become a leading player in its core industry. Additionally, the Company may consider additional investments in businesses that exhibit growth potential, have opportunities for business expansion, or provide benefits to the Company's operations. All investments will be in line with the Company's business conditions, growth strategy plan, and comply with the rules, regulations, and requirements of the relevant regulatory bodies.

The Company emphasizes long-term investments by considering fundamental factors and trends in the businesses it invests in. It invests in an adequate proportion to actively participate in overseeing and shaping the business operations of its subsidiaries and associated companies. Additionally, the Company promotes sustainable growth in the businesses it invests in.

The Company will carefully and prudently consider investments, thoroughly analyzing the feasibility of the investment plan. It will consider factors such as risks, returns, the company's financial liquidity, and the economic conditions of the country. The investment plan will be presented to the Board of Directors and/or shareholders (as applicable). The Company may establish a monitoring system and provide regular reports on investment performance to the Board of Directors.

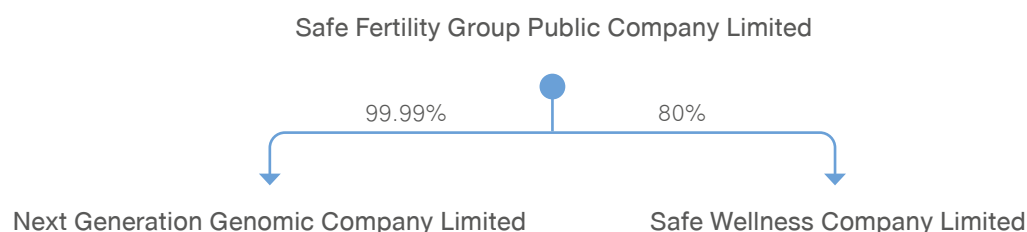
(e) Undelivered work

- None -

1.3 SHAREHOLDING STRUCTURE OF THE GROUP

1.3.1 Shareholding Structure of the Group

The current Group structure can be illustrated as follows :



Subsidiaries' details as of 31 December 2023 are discussed below.

Company's names	Next Generation Genomic Company Limited
Nature of business	Providing embryo genetic diagnosis services and operating laboratories for embryo culture and various genetic studies.
Date of incorporation	17 October 2014
Par value	THB 100
Registered capital	THB 3,000,000
Head office	496-502 Amarin Plaza Building, 18 th Floor , Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330



Company's names		Safe Wellness Company Limited
Nature of business	Providing skin care and aesthetic services	
Date of incorporation	15 November 2022	
Par value	THB 100	
Registered capital	THB 30,000,000	
Head office	496-502 Amarin Plaza Building, 18 th Floor , Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330	

1.3.2 Parties with Conflict of Interest in Subsidiaries or Joint Ventures

-None-

1.3.3 Relations with Major Shareholders' Business Group

-None-

1.3.4 Shareholder

The Company has a shareholder structure according to the record date for the right to attend the 2024 Annual General Meeting of Shareholders (as of 7 March 2024) as follows:

	Name of shareholders	Number of shares (shares)	%
1	Quangkananurug Family	185,540,800	61.04%
1.1	Mr. Wiwat Quangkananurug	119,045,600	39.17%
1.2	Mrs. Parinyarat Quangkananurug	30,795,200	10.13%
1.3	Mr. Pariwat Quangkananurug	17,850,000	5.87%
1.4	Ms. Pawanrat Quangkananurug	17,850,000	5.87%
2.	North Haven Thai Private Equity Saturn Company (Hongkong) Limited	37,996,000	12.50%
3	Thai NVDR Company Limited	7,320,023	2.41%
4	K Mid Small Cap Fund	5,103,000	1.68%
5	Bangkok Insurance Public Company Limited	4,850,000	1.60%
6	Thai Life Insurance Public Company Limited	4,681,400	1.54%
7	Mr. Sura Kanittaweekul	3,130,800	1.03%
8	UOB Kay Hian (HONG KONG) Limited	2,000,000	0.66%
9	Mr. Kachen Benjakul	1,938,700	0.64%
10	Ms. Chanida Pattanotai	1,667,560	0.55%
11	Other shareholders	49,719,517	16.36%
Total		303,947,800	100.00%



1,4 REGISTERED AND PAID-UP CAPITAL

As of 31 December 2023, the Company has a registered and paid-up capital of THB 303,947,800, divided into 303,947,800 ordinary shares each with a par value of THB 1.

1.5 ISSUANCE OF OTHER SECURITIES

-None-

1.6 DIVIDEND POLICY

SAFE

The Company has a policy to distribute dividends to shareholders at least 50% of the net profit based on the specific financial statements, after deducting corporate income tax, legal reserves, and other reserves (if applicable). The Board of Directors will approve dividend payment by considering various factors, primarily for the benefit of shareholders. These factors include economic conditions, operating results, financial position of the company, cash flow, reserves for future investments, reserves for loan repayment, or as internal working capital. The conditions and limitations specified in the loan agreement and dividend payment will not have a significant impact on the Company's regular operations as the Board of Directors considers appropriate.

The Board of Directors may consider the payment of the Company's annual dividends. This dividend payment requires the shareholders' approval. However, the Board of Directors may from time to time approve interim dividend payments when it considers that the Company has sufficient profitability. Subsequently, the Board of Directors must report to the shareholders the interim dividend payment in the next meeting.

Subsidiaries

The subsidiary's Board of Directors may consider the annual dividend payment of the subsidiary, subject to its general meeting's approval. Also, the subsidiary's Board of Directors may from time to time approve interim dividend payments when the subsidiary has adequate profits. Subsequently, the Board of Directors must report to the shareholders the interim dividend payment in the next meeting.

The subsidiary's Board of Directors will consider dividend payments primarily for the benefit of shareholders. Factors considered include the subsidiary's operating results and financial position, cash flow, contractual obligations (such as loan repayments), reserves for working capital, future investment plans including business expansion, market conditions, and other relevant factors as the subsidiary's Board of Directors considers appropriate.

2

RISK MANAGEMENT



2.1 RISK MANAGEMENT POLICY AND PLAN

Safe Fertility Group Public Company Limited (the “Company”) is dedicated to effectively managing risks that impact the achievement of organizational objectives. This encompasses the management of security risks, health, and hygiene risks of employees in accordance with international standards, compliance with laws, regulations, and operational standards, and adherence to relevant operational guidelines. The Company responds fairly to stakeholders while considering the performance goals and investments of the Group in both the short and long term, consistent with principles of good corporate governance. This approach aims to minimize the likelihood of potential risks or damages, and to seize business opportunities, while creating sustainable value for the business. To ensure clarity in the Company’s risk management, the management establishes the following guidelines.

1. The Company will establish a system and process for enterprise-wide risk management that aligns with the business strategies and objectives, in accordance with international standards.
2. The Company will maintain risks at an acceptable level or ensure that the deviation of risks from the established level will not exceed the level acceptable to the Company.
3. The management will supervise the Company’s risk management, ensuring compliance with the policy, conducting screenings, providing feedback, suggestions, and monitoring to enhance the efficiency and effectiveness of risk management. The management must also report any significant risks that may severely impact the Company’s business operations to the Audit Committee and the Board of Directors and seek appropriate remedies.
4. The Board of Directors must oversee and manage risk within the organization and approve remedial measures.



5. The management oversees the risk management across the Group and monitors the management of each risk in accordance with their responsibilities. This includes ensuring that the management aligns with the company's various policies and regularly providing reports on risk management performance to the Board of Directors for their approval or feedback, as appropriate.

6. Executives across all departments of the Company must manage risks at the organizational, functional, and operational levels, either through their designated responsibilities or as assigned by management. They must also report operational outcomes in the formats and guidelines specified by management. Additionally, they are encouraged to promote employee awareness of the importance of risk management.

7. The management must provide advice, opinions, suggestions, and guidelines on risk management to various departments within the Company and regularly report to the Board of Directors or as appropriate.

8. All employees must comply with the Company's risk management systems and processes at the organizational, functional, and operational levels as determined by the Company or management.

9. Each year, the internal auditors or internal audit department must audit internal controls and verify operational risks within the Company.

2.2 FACTORS AFFECTING THE COMPANY'S BUSINESS OPERATIONS

The Company acknowledges the importance of effective organizational management to drive sustainable growth and business expansion. It aims to maintain a solid financial position and deliver appropriate returns to shareholders. The Company's ability to achieve its goals and core missions, as well as those of its subsidiaries, may be impacted by both internal and external factors, considering the constantly evolving business competition landscape.

Investors should thoroughly evaluate the information in this document, particularly the risk factors, as well as other comprehensive information presented in this document, before making any investment decisions. The risk factors discussed in this document are derived from current and foreseeable information, which holds

certain importance. These factors have the potential to adversely impact the Company's share value. However, these risk factors do not encompass all potential risks. Other risks may be currently unknown to the Company. Additionally, certain risk factors may arise if the Company cannot effectively manage or mitigate those risks. This could negatively impact the Company's future business opportunities, financial position, operating results, and ability to pay dividends. The trading price of the Company's shares (if applicable) may decrease, and investors may incur a total or partial loss of their investment. Therefore, investors should exercise caution and carefully consider the information before making investment decisions.

Furthermore, statements in this document that are forward-looking statements, estimates, intentions, or expectations of the Company, indicated by the use of terms such as "expects," "believes," "may," "estimates," "plans," "considers," or similar words or phrases, represent predictions of future events. Therefore, actual results may significantly differ from the anticipated outcomes.

2.2.1 Risk relating to the Company's business and operations

1. Risk of reliance on distributors for drugs, medical supplies, tools, equipment, and reagents used in laboratory analysis.

The Company procures drugs, medical supplies, tools, equipment, and reagents used in laboratory analysis from multiple partners. The majority of these trading partners are domestic manufacturers or major distributors specializing in the distribution of certified products, including pharmaceuticals and high-quality medical equipment. Between 2020-2023, the Group made purchases from three distributors whose purchases accounted for more than 10%. In 2020, the purchases from these distributors accounted for 25%, 28%, and 14% of the Company's total purchases, respectively. In 2021, the percentages were 36%, 25%, and 16%, respectively. In 2022, the percentages were 46%, 27%, and 8%. And in the first quarter in 2023, the percentages were 57%, 20%, and 4% of the Company's total product purchases, respectively. As the industry norms, pharmaceutical companies do not engage in self-distribution. Therefore, drugs and medical supplies



are sometimes purchased from various companies. However, they may possibly be distributed by the same company. This can be observed in the case of 2 out of 3 major distributors, whose purchases exceed 10%, and who appear to be large distributors with distribution contracts for multiple pharmaceutical companies. Consequently, the Group may face risks associated with relying on these distributors.

To effectively manage the risk of relying on manufacturers or distributors in the future, the Company has implemented a procurement policy for pharmaceutical products and medical supplies. The policy includes sourcing from domestic manufacturers or distributors representing foreign manufacturers who meet the Company's standards. Additionally, an Approved Vendor List has been created, considering various factors such as licensing and certification requirements, including ISO, CE, or TIS certifications, as well as compliance with regulations set by the Food and Drug Administration (FDA). Thailand has the capability to procure high-quality pharmaceutical products and medical supplies that are renowned and meet the requirements of healthcare professionals. The Company's selection criteria also consider the supplier's financial stability and adherence to standardized delivery systems. Notably, the Company has not had any exclusive or unique contractual obligation regarding the procurement of medicines, medical supplies, medical materials, or medical devices with any specific supplier.

The Group is confident in its ability to effectively manage the risks associated with purchasing pharmaceutical products, medical supplies, and analytical reagents for laboratory analysis. This is due to the Group's history of establishing and maintaining strong relationships with manufacturers of pharmaceuticals, medical supplies, and laboratory analytical reagents. The Group ensures timely and complete payments, consistently adhering to its procurement policies. The Group has a dedicated department responsible for systematically and continuously overseeing risk management in this area. Regular discussions and meetings are conducted to monitor inventory levels and proactively plan future orders for pharmaceuticals, medical supplies, and medical devices. Additionally, the Group maintains positive relationships with other

distributors, allowing it to source drugs and medical supplies from alternative suppliers beyond those previously mentioned. Consequently, the Group has never encountered any issues or shortages in ordering pharmaceutical products, medical supplies, and analytical reagents for laboratory analysis in the past.

2. Risk of competition in the infertility treatment business.

Currently, the infertility treatment services tends to be more intensely competitive. As the incumbent operators improve their service quality and increase their reputation. And as new operators are gradually entering the market, causing the market share to be taken from the existing operators. As a result, there is an awareness of service competition and the use of pricing policies to attract customers. In addition, the impact of trade and service liberalization under the agreement of the ASEAN Economic Community (AEC) may result in new competitors within ASEAN countries expanding their service scope into Thailand. These competitive factors may inevitably affect the Company. However, when compared to other infertility treatment centers in the market, the Group has many competitive advantages. Both in terms of the long-established reputation, location, as well as the quality and modern service standards of the Group.

The Group acknowledges the risk of competition and has therefore established a quality policy for efficient organizational development. The risk management policy aims to establish a sustainable competitive advantage, including access to services in branches located in key tourist destinations within the country. This is done to cater to consumer needs and ensure their access to the services provided by the Group. The quality policy encompasses advancements in medical practices, compliance with relevant laws, regulations, and requirements, and emphasizes the provision of comprehensive services through innovative approaches. The development of staff capabilities to meet consumer demands is also prioritized. Based on this organizational development policy, the Company believes it can effectively create a sustainable competitive advantage.



3. Risk from the impact of other epidemic situations or situations similar to COVID-19

The spread of infectious diseases may impact the country's overall economy, tourism, and the confidence to use the services provided by the Company's infertility treatment centre. This potentially affects the operating results, financial position, and business opportunities of the Company. The previous spread of COVID-19 significantly impacted the Company's important foreign customers, leading to a significant impact on the Company's operating results.

However, during the epidemic, the Company's executives and relevant departments closely monitored news that may impact the Company, allowing them to develop appropriate response plans if a communicable disease were to occur. This includes building a positive image that instils confidence in using the services provided by the Company's infertility treatment centres. Specific measures are implemented to ensure the safety of customers, such as requiring the use of masks throughout working hours and scheduling appointments appropriately for each patient. Additionally, medical equipment and operating rooms are properly conducted to comply with established standards.

Additionally, amidst the COVID-19 epidemic and travel restrictions that significantly affected the influx of foreign customers seeking services from the Group, the Company has adjusted its business strategy to align with the prevailing circumstances. By targeting the local Thai customer base during this period, the Company could mitigate the impact to a considerable extent and generate a net profit from its operations amidst the COVID-19 outbreak.

Currently, the COVID-19 epidemic situation in Thailand is gradually improving, leading to increased relaxation of entry measures as the country reopens to international tourists. Consequently, foreign customers have begun to return and use the services. However, the Company remains vigilant, closely monitoring news that may impact its operations in order to effectively manage business activities according to the established operational plan.

4. Risk of compliance with relevant laws, regulations, and guidelines related to the business

As a business operator engaged in providing medical assisted reproductive technology services, laboratory analysis services, genetic disease screening, and beauty clinic services, the Group must obtain a business license from the relevant authorities and comply with applicable laws, regulations, and various standards. This includes the Act on the Protection of Children Born Using Assisted Reproductive Technologies, B.E. 2558 (2015) and relevant regulations, as well as other government agencies responsible for regulating licenses or standards necessary for the Company's operations, such as the Sanatorium Act, B.E. 2541 (1998) (as amended) and the Medical Device Act, B.E. 2551 (2008) (as amended). The Company must also adhere to any periodic license renewal requirements specified in announcements by the Ministry of Public Health. Changes or amendments to current laws, regulations, rules, and announcements, or the introduction of new regulations, may impact the Company's operations, necessitating additional actions. Interpretation of current laws, regulations, rules, and announcements, as well as the promulgation of new laws or regulations, indicates a trend towards increased stringency. These developments may impact the Company's operations.

However, the Group recognizes the significance of adhering to announcements, regulations, and relevant laws, and prioritizes compliance with applicable announcements, rules, regulations, and laws. It has a policy in place to ensure that responsible personnel actively and consistently monitor, inspect, attend training sessions, and seminars to stay informed about the Company's medical business operations as provided by the government. This enables the Company to comply with announcements, rules, regulations, and relevant laws accurately and to meet the established standards. Furthermore, it emphasizes that responsible personnel must ensure that the Company obtains and maintains the licenses required for its business operations. They must also ensure that there are no grounds to revoke these licenses. The management team will adhere to various regulatory requirements, including newly issued regulations, to effectively plan the Company's business operations and adapt to any necessary changes.



promptly. This approach enables uninterrupted business operations.

5. Risk of being sued for damages arising from medical services or the risks involved in patient care, including symptoms or complications from surgery or procedures

The Group prioritizes quality treatment and meeting patient expectations. However, each patient has different expectations, and treatment outcomes vary depending on the individual. Failure to meet patient expectations puts the Group at risk of treatment outcomes falling short of expectations. This could lead to patient criticism on social media, complaints to relevant agencies, and potential legal action. Therefore, the Group is at risk of being sued due to patient dissatisfaction with the treatment outcomes or potential implications related to the medical care provided by the physicians and specialists within the Company. The Group and/or the physicians may be required to compensate the claimant, which can impact the future performance and reputation of the Group.

To respond to these risks, the Group has consistently developed the quality of its services, prioritizing safety. This includes selecting experienced and skilled physicians and personnel, establishing policies and procedures for treatment, assessing the patient's mental condition, and obtaining clear and explicit consent through documents such as consent letters that specify the relevant laws or regulations. Additionally, the Group regularly assesses the quality of service, particularly in medical treatment and patient satisfaction when customers receive services and treatment from the Group. These measures allow the Group to continuously monitor operational efficiency and the quality of service delivery. The established procedures also indirectly aim to prevent potential legal claims and various damages that may occur. The processes are also implemented, controlled, and monitored within a consistent framework, process, and policy across all service branches. This is to maintain the Group's uniform service quality standards. It involves regular training for personnel based on their roles and responsibilities to enhance their skills and expertise in their work. Furthermore, the Group has established a risk management working group to comply

with sound corporate governance principles. Their role is to identify, assess, and monitor risks, as well as manage them effectively, to systematically and efficiently minimize potential risks.

In the past 4 years, from 2020 to 2023, the Group has not faced any lawsuits claiming damages resulting from medical treatment services that significantly impact the Group.

6. Risk of a shortage of skilled physicians or medical personnel

The Group's business operations rely on medical personnel who possess knowledge, abilities, and specialized expertise in various fields, including physicians, nurses, pharmacists, and embryo culture scientists. Therefore, there may be a shortage of personnel, which could impact the Group's business operations. Specifically, physicians must have specialized knowledge in reproductive technology, while scientists need specific skills for processes such as laser procedures, egg drilling, sperm insertion, and egg selection. Currently, personnel with these skills are limited. Consequently, the Group may face future challenges due to a shortage of these personnel. Notably, the Group's key physicians include (1) Dr. Wiwat Quangkananurug, (2) Dr. Nattharut Kulabhavesuwan, and (3) Dr. Tosaporn Reungkrit. They are experienced and renowned in the field of reproductive medicine for infertility treatment. Their professional fees constituted 63.2%, 54.0%, 61.5%, and 57.7% of the total medical professional fees of the Company in 2020-2023, respectively.

Historically, the Group did not experience any shortage of personnel. The average employee turnover rate in the Group was 1.67% in 2023. Acknowledging the significance of medical personnel, the Group has implemented a talent management policy. This includes the following incentives.

(1) The Group recruits personnel with knowledge, skills, experience, and values that align with the Group's organizational culture, both through its own recruitment channels and in collaboration with external agencies.

(2) The Group establishes compensation, welfare, and benefits that are commensurate with the individual's experience, knowledge, and abilities, and can be compared to those offered by other companies.



(3) The Group prioritizes personnel development and provides career pathways that support employees in all positions. It encourages further studies relevant to their roles and responsibilities and ensures regular participation in training programs and site visits organized by both internal and external entities, including educational and research institutions, both domestically and internationally. Moreover, Group personnel may also serve as consultants or trainers, sharing their knowledge with individuals both domestically and internationally.

(4) The Company evaluates its employees and makes necessary adjustments to ensure that compensation, welfare, and performance benefits are commensurate with employees' abilities and job positions. This approach aims to motivate employees and encourage their personal development.

(5) The Group regularly reviews its manpower plan to ensure a continuous supply of knowledgeable, skilled, and experienced personnel who are ready to fulfil their roles effectively. It also establishes a succession plan for key positions, considering performance and potential, particularly in leadership, and alignment with corporate values.

7. Risks from a discrepancy between the Company's approach and the assessment of personal income tax by the Revenue Department regarding the withholding tax remittance for physicians

Physicians are essential personnel in providing the Company's services. The Company has executed a written agreement titled "Agreement for the Use of Premises for Independent Professional Practice" with specialist doctors who provide patient care on behalf of the Company. The objective of the agreement is for physicians to use the Company's premises, equipment, drugs, and medical supplies to operate their own medical clinics and provide patient with treatment. Additionally, the physicians share their income with the Company. They are not considered the Company's employees. Under the agreement, these physicians authorize the Company to collect healthcare free from patients for payment to them. The Company must provide the necessary facilities and equipment for the medical treatment. Under the agreement, income received by the physicians from hospital medical examinations is

treated as compensation for independent professionals under section 40(6) of the Revenue Code. Therefore, the hospital is not required to withhold income tax before remitting the share of income to the physicians.

However, the hospital may face a risk of non-compliance with tax remittance, as the criteria for collecting tax from physician income may differ from the hospital's practices, in line with the Revenue Department's tax treatment guidelines.

To minimize the potential impact of future tax risks, the Company has undertaken revisions to the wording of the agreement. Specifically, the revised agreement clearly stipulates that the physicians assume responsibility for any expenses resulting from additional tax assessments that may be imposed on the Company, specifically relating to the case of withholding tax for each individual physician. These revisions aim to provide greater clarity and specificity about withholding tax for each physician.

8. Risk associated with technological advancements in medical instruments and equipment

The Company's infertility treatment services rely on state-of-the-art medical and laboratory equipment. The rapid advancement of medical technology may impact the Company's financial position, operating results, and business prospects, as well as customer satisfaction and future customer demands.

The Company's executives and working group continuously monitor news and advancements in medical technology related to assisted reproductive technology. They also assess the necessity and suitability of adopting new, efficient technologies that adhere to international standards, ensure high security, and have the potential for economic benefits. The Company encourages relevant personnel to regularly participate in academic conferences and seminars organized by government agencies or trusted medical institutions. Additionally, it establishes action plans for senior executives to present new innovations to the Board of Directors and medical experts, including scientists. This demonstrates the Company's excellent potential in adapting to changes in technology, treatment methods, and medical instruments, and equipment. By continuously selecting and importing new technologies, the Company has achieved a high success rate in treatments and



consistently improved its performance. These innovative technologies have gained significant popularity in infertility treatment centers throughout Thailand. The Group is committed to preserving this capability to ensure continuous operations and development consistent with its strategic and business objectives.

9. Risk of renewing branch lease agreements

The Company's primary business is providing infertility treatment services. Currently, it operates through 5 branches, namely Amarin Tower (Headquarter), and 4 other branches located in key economic areas in Bangkok and each region in Thailand. Next Generation Genomic Company Limited provides genetic laboratory services. Safe Wellness Company Limited operates as a skin and aesthetic clinic service provider under the brand "The Fountain Wellness Centre". The head office, located in the Amarin Tower, has been operational since 5 November 2009. Currently, the headquarter, including the Ram Indra branch and Phuket branch, operate under a short-term lease agreement with a term of 3 years. Therefore, the Company may face the risk of lease agreement non-renewal or an increase in rental and service rates. These risks may impact the Company's operational continuity.

However, throughout the Company's past operations since its establishment, the owners of the rental spaces have never terminated the Company's lease agreements. Moreover, the Company has the ability to renew the lease agreements at any time. Under the majority of the lease agreements, the Company may negotiate lease renewals upon expiration. The leases include clearly defined rental rate adjustment terms. The Company continues to foster and maintain positive relationships with all lessors by consistently making timely rental payments and faithfully adhering to the terms of the leases.

10. Risk of dependence on key executives

Since the Company was founded by Dr. Wiwat Quangkananurug, an executive who plays a crucial role in the Company's management, his expertise, knowledge, and reputation as a renowned specialist in reproductive medicine have greatly contributed to the Company's success. Dr. Wiwat Quangkananurug has held the position of Chief Executive Officer for over 15 years, as well as Chief Medical Officer and Executive Director. The Company's operations have largely relied on the decisions made by the management, including the direction of business growth, adoption of new medical technologies and innovations, and the selection of the medical team. Therefore, the Group may face risks associated with its dependence on key executives.

The Group acknowledges the potential risks and has implemented an adequate internal control system. It has also established guidelines for risk reduction in accordance with the criteria specified in the Capital Market Supervisory Board's notification. The Company has a well-defined organizational structure that specifies the scope of authority, responsibilities, and approval authority for each position and department. It also has a system in place to carefully select personnel with relevant experience and suitability for their respective positions. The Group has also implemented a succession plan to effectively manage personnel, ensuring a suitable decentralization of power and mitigating the risks. Furthermore, the Group benefits from a management team comprising predominantly long-term employees who have been working with the Group for an average of over 10 years, including physicians and key medical personnel. This tenure ensures that they possess extensive experience, knowledge, and a deep understanding of the infertility service business.



2.2.2 Risk relating to shareholders' investment

1. Risk of future share sales by existing shareholders, directors, and/or executives, particularly when selling a significant amount of shares, may lead to a decrease in the trading price of the Company's shares.

The Company prohibits the sale of its shares to comply with the regulations of the Stock Exchange of Thailand regarding the listing of ordinary or preferred shares, enacted in 2015. Under these regulations, after the initial public offering, share sales prohibition applies to the Company's shares representing 55 percent of the registered capital. This includes shares held by executives and shareholders owning more than 5 percent, as well as shares held by other existing shareholders if the total shares held by executives and major shareholders are less than 55 percent. The share sale is prohibited for 1 year from when the Company's shares begin to trade on the SET. After the initial six-month period from the start of the Company's shares being traded on the SET, those shareholders may sell the prohibited shares, not exceeding 25 percent of the total number of prohibited shares. The remaining 75 percent of the prohibited shares can be sold after one year from the start of the Company's shares trading on the SET. Thus, when the prohibition period on share sales expires, investors may experience a negative impact as the market price of shares may decrease due to the selling of previously restricted shares.

As of 5 April 2019, the major shareholder of the Company, North Haven Thai Private Equity Fund, is a Private Equity Fund holding 13.57% of the Company's registered and fully paid-up capital. This major shareholder is expected to hold 6.88% of the Company's registered and fully paid-up capital after this public offering. Five point fifteen percent of the Company's shares held by North Haven Thai Private Equity Fund will be subject to a 6-month selling restriction from the start of trading on the SET. Additionally, 3.86% of the shares will be prohibited from being sold for 1 year from the start of trading on the SET. However, due to the limited investment period of the Private Equity Fund,

investors may experience negative consequences resulting from a decrease in the market price of shares. This can be attributed to the sale of shares by North Haven Thai Private Equity Fund that are not subject to selling restrictions, as well as the sale of shares after the restricted selling period. North Haven Private Equity Fund has appointed one representative as a director of the Company. Therefore, after the sale of North Haven Private Equity Fund shares, North Haven Private Equity Fund may or may not continue to appoint its director after the sale of their shares in the Company. The Company anticipates that this potential change in director appointment will not significantly impact its operations. This is due to the Company's substantial number of directors and executives who possess extensive knowledge, capabilities, and years of experience in the Company's business. This has been the case for several consecutive years, even before the investment by the Private Equity Fund in 2019.

The Company's share price may decrease because of the sale of shares by existing shareholders, directors, and/or executives of the Company, or because of the anticipation of a significant number of shares being sold. The Company cannot predict the potential impact (if any) of future share sales or the holding of shares for future sale on the Company's share price on the SET. A substantial sale of shares on the SET may negatively impact the Company's share price.

2. Risk from major shareholders collectively holding shares exceeding 50.00%.

Now, Dr. Wiwat Quangkananurug and his family will be a major shareholder collectively holding 185,540,800 shares, representing 61.04% of shareholding in the Company. Their substantial shareholding significantly influences setting management policies in any one direction. This majority holding also enables them to control the Company's policies and management, including the authority to approve resolutions at a general meeting of shareholders that require a majority vote. Therefore, other shareholders may not be able to gather enough votes to scrutinize or counterbalance matters proposed by the major shareholder.



However, the Company acknowledges these risks and has included in its Board of Directors three independent directors who serve as members of the Audit Committee. Their role is to audit and balance the operations of the Board of Directors and the Company's executives. All members of the Audit Committee are highly qualified and widely recognized in society. The management structure has clearly and transparently defined the scope of authority, responsibilities, and duties of various committees. Additionally, comprehensive measures have been established, and the Board of Directors recognizes the importance of complying with policies related to the principles of good corporate governance. The Company will strictly comply with the principles of good corporate governance. Furthermore, the Company has established clear boundaries of authority and an approval authority table for each level of transactions within appropriate scopes or monetary limits, including those involving major shareholders, individuals with controlling powers, and potential conflicts of interest.





3

DRIVING BUSINESS FOR SUSTAINABILITY



3.1 SUSTAINABILITY MANAGEMENT POLICY AND OBJECTIVES

The company is fully committed to being responsible for the environment, society and economy in order to achieve the objectives of sustainable development. The company operates its business with adherence to and emphasis on duties and responsibilities towards society and stakeholders, including shareholders, customers, business partners, employees, communities and society. This is to create commitment to operating the business and determination to conduct business as a good role model for society, with ethical principles and good corporate governance, to generate benefits for society, the environment and sustainable development. To achieve these goals, the company has established a good corporate governance policy and a code of conduct, as well as setting policy frameworks and operational guidelines as follows:

1) Responsibility to Customers and Consumers

The company considers the utmost satisfaction of customers, who purchase goods and services from the company, as well as consumers who use the company's goods and services, at fair prices, with quality and with responsibility towards customers, with the following operating guidelines:

- (1) The company aims to develop comprehensive products and services and provide prompt services with quality to continuously meet the needs of customers and consumers. The company's personnel must dedicate themselves fully to meeting the needs of customers and consumers reasonably, keeping up with situations, ensuring quality, not limiting consumer rights and setting fair conditions for consumers.



- (2) The company must not engage in any deception or cause misunderstanding about the quality of the company's products and services.
- (3) The company aims to develop safety in the use of the company's products and services. Consumer safety is of utmost importance. The company must provide warning labels, inspect safety at its premises, strictly and continuously campaign and train employees on consumer safety.

2) Community and Social Development Participation

The company realizes that as a company existing in society, it has the responsibility to develop and create stability for society and communities. It also wishes to return profits to the community and society. The indirect result is that the company will grow sustainably and stably along with the development of society. The operational guidelines are as follows:

- (1) The company aims to understand and communicate with society about its status and facts regarding its operations, the company's responsibilities towards the community and society and the company's environmental responsibilities. It does not conceal facts that can be disclosed and cooperates in providing information to investors, shareholders, and the public in a timely manner.
- (2) The company is committed to seriously and continuously participating in social responsibility regarding quality, safety, occupational health, and the environment in order to maximize the use of natural resources. It recognizes the importance of the environment and the safety of relevant stakeholders, as well as promotes social activities to conserve the environment and develop the quality of life of people in communities based on the principles of sustainable development.
- (3) The company will consider options for utilizing natural resources that have the least impact on societal damage, the environment, and people's quality of life. It supports reducing energy and resource usage.
- (4) The company continuously instills a sense of responsibility towards society and the environment in its personnel at all levels. It emphasizes doing business with partners who share the same intention as the company regarding social and environmental responsibility. It leads in promoting efficient energy use and conservation for the benefit of future generations.
- (5) The company will regularly return a portion of its profits to activities that will contribute to society and the environment. These activities must be appropriate, truly beneficial to communities, society, and the environment. When selecting donations, it must verify information about the recipients to ensure the donations are used effectively and efficiently for charitable purposes, generate real benefits and have supporting documentation.

3) Environmental Conservation

The company pays attention to the safety and health of its personnel and surrounding communities. The company aims to promote and instill awareness of quality, safety and the environment for the benefit of all, including communities and society. The operational guidelines are as follows:

- (1) The company promotes safety as an important matter by establishing quality, safety, occupational health and environmental standards and requirements no less strict than legally mandated by international standards. The company's personnel must study and strictly comply with all relevant laws, policies, requirements and standards regarding quality, safety, occupational health and the environment.
- (2) The company will take every avenue to control and prevent losses in various forms arising from accidents, fires, injuries, or illnesses from work, lost or damaged property, violations of safety systems, improper operations, and any errors that occur. It also maintains a safe working environment for company personnel and regularly conducts safety plan drills. It is the responsibility of executives and employees to report accidents and incidents by following the prescribed procedures.



- (3) The company will conduct public relations and communications to build knowledge, understanding and disseminate information to company personnel, contractor employees, as well as relevant stakeholders, to make them aware of and understand the policies, regulations, procedures, practices and precautions regarding quality, safety, occupational health and the environment, so that they can properly adhere to them without causing danger to health, property and the environment.
- (4) The company is committed to seriously and continuously participating in social responsibility regarding quality, safety, occupational health and the environment, maximizing the use of natural resources while recognizing the importance of the environment and safety of relevant stakeholders, as well as promoting social activities to conserve the environment and develop the quality of life of people in communities based on the principles of sustainable development.

3.2 MANAGEMENT OF IMPACT ON STAKEHOLDERS IN THE BUSINESS VALUE CHAIN

3.2.1 Business Value Chain

The company takes into account stakeholder groups and places importance on sustainably managing activities throughout the business value chain. The company's business value chain consists of procuring quality raw materials for services, research, and development of services, including studying new technologies, tools and equipment to enhance efficient, effective, and environmentally friendly service delivery. There is also monitoring and measuring of customer satisfaction for improving services and better handling of customer complaints. The main activities in the company's value chain are as follows:



Core Activities	Details
1. Research and Development	Continuous study and development of services to meet customer needs, including studying new technologies, tools, and equipment to enable efficient, effective and environmentally friendly service delivery.
2. Procurement	Procuring medicines, medical supplies, medical and laboratory tools and equipment, considering quality, standards and safety.
3. Service Delivery	Providing quality services with standards and appropriate pricing, with ethics and morality towards customers.
4. Marketing and Sales	Advertising, public relations, communicating articles and knowledge about services to customers.
5. After-Service	Monitoring and measuring customer satisfaction for service improvement and better handling of customer complaints.

3.2.2 Stakeholders Analysis in the Business Value Chain

The company has grouped internal and external stakeholders who are related to the business value chain and has established practices to address stakeholder expectations as follows:

Stakeholder Group	Stakeholder Expectations	Company's Engagement Channels and Approaches
Shareholder 	<ul style="list-style-type: none"> - Efficient management and successful development of projects for the benefit of the company and shareholders - Management of opportunities and risks in business operations - Good operational performance and continuous, sustainable business growth - Good corporate governance - Anti-corruption - Appropriate qualifications of the company's board of directors and executives - Dividends payments according to company policy - Complete, accurate and timely disclosure of information 	<ul style="list-style-type: none"> - Holding shareholders' meetings - Allowing shareholders to propose meeting agenda items and nominate director candidates in advance. - Disclosing accurate and timely information such as financial data, annual reports, etc. - Holding analyst meetings - Participating in Opportunity Day events for listed companies to meet investors. - Allowing shareholders and investors to visit company operations
Employees 	<ul style="list-style-type: none"> - Fair compensation and other benefits - Welfare not less than legally required or more as appropriate. - Care for occupational health, safety, and wellbeing. - Training, capability development, career advancement support and opportunities for skill development in other areas 	<ul style="list-style-type: none"> - Equal and fair treatment - Providing welfare at least as legally required - Overseeing occupational health, safety and wellbeing - Supporting knowledge and skill development
Business Partners 	<ul style="list-style-type: none"> - Fair procurement processes, contracts and agreements - Supporting partner capabilities and developing collaborative projects to jointly drive business growth goals. - Social and environmental responsibility, including monitoring, auditing and evaluating partners to develop sustainable business practices together. - Ability to fulfil contracts, agreements, and payment terms transparently, fairly and verifiably to provide equal opportunities for quality partners 	<ul style="list-style-type: none"> - Adhering honestly to procurement processes and contractual terms - Holding annual partner consultations to improve procurement processes, contracts and agreements. - Continuously and sustainably selecting and evaluating partner performance - Assessing risks and evaluating partners - Holding meetings, training, and seminars with business partners - Visiting partner and company operations
Customers 	<ul style="list-style-type: none"> - Quality service with standards and appropriate pricing - Fair fulfilment of agreements and contracts, with ethics and morality towards customers - Protecting customer confidentiality - Prompt service delivery and customer assistance 	<ul style="list-style-type: none"> - Prioritizing and ensuring services meet standards and customer needs. - Monitoring and measuring customer satisfaction for service improvement and addressing complaints



Stakeholder Group	Stakeholder Expectations	Company's Engagement Channels and Approaches
Competitors 	<ul style="list-style-type: none"> - Not creating unfair competitive advantages - Adhering to good competitive practices, maintaining fair competition standards, and not using dishonest methods to damage competitors' reputations 	<ul style="list-style-type: none"> - Not taking any actions to gain unfair competitive advantages. - Not seeking trade secrets of competitors through dishonest means - Conducting business competition transparently
Communities 	<ul style="list-style-type: none"> - Preventing impacts from business operations on communities - Social and environmental responsibility - Promptly resolving and mitigating impacts from operations - Providing opportunities, engagement and listening to opinions of surrounding communities and society - Strengthening communities, developing quality of life alongside business growth - Supporting and promoting community enterprises - Environmental development and providing knowledge beneficial to community/social development 	<ul style="list-style-type: none"> - Applying business knowledge/experience to develop projects that can tangibly benefit communities, with long-term progress/success monitoring. - Preventing, reducing, managing to ensure no negative environmental/community impact from the company. - Meetings to listen and exchange views with communities/society. - Supporting and organizing activities with the broader communities/society

3.3 ENVIRONMENTAL SUSTAINABILITY MANAGEMENT

3.3.1 Environmental Policies and Practices

The company is concerned about the safety and well-being of its personnel and surrounding communities. The company aims to promote and instill awareness of quality, safety, occupational health and the environment as a way of daily living for its personnel, for the benefit of all, including communities and society. The company supports appropriate resource utilization and reduction of wasteful usage.

Practices

- 1) The company promotes safety as an important matter by establishing quality, safety, occupational health and environmental standards and requirements no less strict than legally mandated by international standards. The company's personnel must study and strictly comply with all relevant laws, policies, requirements and standards regarding quality, safety, occupational health and the environment.
- 2) The company will take every avenue to control and prevent losses in various forms arising from accidents, fires, injuries, or illnesses from work, lost or damaged property, violations of safety systems, improper operations and any errors that occur. It also maintains a safe working environment for company personnel and regularly conducts safety plan drills. It is the responsibility of executives and employees to report accidents and incidents by following the prescribed procedures.
- 3) The company will conduct public relations and communications to build knowledge, understanding and disseminate information to company personnel, contractor employees, as well as relevant stakeholders, to make them aware of and understand the policies, regulations, procedures, practices and precautions regarding quality, safety, occupational health, and the environment, so they can properly adhere without causing danger to health, property and the environment.



- 4) The company is committed to seriously and continuously taking part in social responsibility regarding quality, safety, occupational health, and the environment. It aims to maximize the use of natural resources while being mindful of the importance of the environment and the safety of all stakeholders involved. Additionally, it promotes social activities in environmental conservation and improving the quality of life in communities, following the principles of sustainable development.
- 5) The company will establish emergency prevention and control plans in all operational areas. It will have an organizational emergency and crisis management plan in order to be prepared to manage various potential emergencies such as fires, gas leaks, chemical spills, or waste leaks. It will also be prepared for other crises that could disrupt business operations, damage the company's reputation and image.
- 6) If any operation is unsafe or unable to comply with quality, safety, occupational health and environmental standards, or is found to have severe environmental impacts, company personnel must temporarily cease that operation as much as possible. They should then notify co-workers, supervisors and responsible agencies to rectify the situation or plan corrective actions. Operations must not proceed under any circumstances.

Greenhouse Gas Management

The company recognizes the issue of climate change resulting from current greenhouse gas emissions, which is a significant environmental concern in the present era. The company is highly aware of this environmental problem. Therefore, the company is committed to taking actions to reduce greenhouse gas emissions, with the following details:

Practices

- 1) The company will operate in compliance with laws, international standards, and other relevant requirements regarding greenhouse gas emissions management.
- 2) The company will install an appropriate energy management system within its buildings/offices and establish energy conservation and management as part of its operations.
- 3) The company will require personnel at all levels to prioritize controlling indirect greenhouse gas emissions from energy use within the organization by reducing energy consumption that may generate heat and steam, such as air conditioning and vehicle use.
- 4) The company will regularly monitor and review its objectives, targets and policies.
- 5) The company will strive to protect the environment to mitigate the impacts of global climate change by reducing greenhouse gas emissions and preventing pollution from all organizational activities. Emissions reduction targets will be set in line with Thailand's national targets.

However, the company is currently in the process of hiring a consultant to assess its organizational carbon footprint, which is expected to be completed in 2024.



3.4 SOCIAL SUSTAINABILITY MANAGEMENT

3.4.1 Social Policy and Practices

The company conducts its business by adhering to and prioritizing its duties and responsibilities towards society and stakeholders, including shareholders, customers, business partners, employees, communities, and the broader society. This is to create a commitment to conducting business and a determination to operate the business as a good example for society, guided by ethical principles and good corporate governance, in order to provide benefits to society, the environment, and sustainable development. To achieve these goals, the company has established corporate governance policies and a code of business conduct, as well as a framework for social responsibility policies and practices, as follows:

1) Corporate Governance

The company has established a management system based on good corporate governance principles, with transparent, equitable, and fair management practices. This is to build confidence and trust among shareholders, investors, stakeholders, and all related parties.

Practices

The company has adhered to the corporate governance policy and adopted the 2017 Corporate Governance Code for Listed Companies as a guideline for establishing its corporate governance policies.

2) Fair Business Practices

The company adheres to fair business practices, fostering confidence among all related parties which will benefit the company in the long run.

Practices

- (1) Avoid actions that may lead to conflicts of interest. If a conflict does arise, implement fair mediation processes and fully disclose all relevant information.
- (2) Promote free and fair-trade competition. Avoid engaged in trade cartels or collusion.
- (3) Do not support any actions that violate intellectual property rights or copyrights.
- (4) Establish a management system capable of preventing bribery and corruption, or detecting it promptly, as well as having effective corrective processes in place. Treat such cases fairly if they occur.
- (5) Promote awareness among directors, executives, and employees on the importance of combating corruption, extortion and all forms of bribery.



3) Respect for Human Rights and Fair Labor Treatment

The company recognizes and appreciates the importance of respecting human rights with equality, embracing human dignity and individual freedoms.

Practices

- (1) Support and respect the protection of human rights by vigilantly ensuring that the company's business operations do not become involved in human rights violations.
- (2) Promote monitoring of compliance with human rights principles within the business and encourage adherence to international human rights standards. Business responsibilities regarding human rights also extend to subsidiaries, joint ventures and business partners.
- (3) The company will treat all personnel equally without discrimination based on place of birth, ethnicity, gender, age, skin color, religion, physical abilities, status, ancestry, education or any other status unrelated to job performance.
- (4) The company provides opportunities for all personnel to fully demonstrate their capabilities, offering appropriate compensation and incentives in the form of salaries, bonuses, and suitable operating expenses per company regulations. Employees are also given opportunities for further education at the tertiary level as well as short and long-term training programs.
- (5) All company personnel must perform their duties and responsibilities to the best of their abilities with honesty, fairness and adherence to moral principles. They should not delegate their duties to others, whether directly or indirectly, except when necessary or for the sake of convenience in tasks that do not require specific expertise.
- (6) Company personnel must follow the chain of command, accept orders directly from their supervisors, and avoid bypassing the chain of command unless necessary. They should refrain from criticizing supervisors or colleagues in a way that could cause harm to those individuals or the company. At the same time, company personnel should remain open-minded, unbiased, and willing to reasonably consider the opinions of their subordinates and colleagues.
- (7) Company personnel can fully utilize the company's resources, labor, premises and facilities in the course of their duties. They are prohibited from using these resources for purposes other than performing their assigned tasks or utilizing entitled welfare benefits.
- (8) Company personnel must maintain polite manners, dress appropriately according to the occasion, and conduct themselves properly in line with their job duties and local customs, without tarnishing the company's image.
- (9) Company personnel can use their names and positions to solicit donations for charitable causes organized by the company. However, they are prohibited from using the company's name or their position within the company to solicit personal donations for any purpose.
- (10) Company personnel should cooperate and participate in company-organized activities aimed at promoting unity, mutual assistance, as well as social activities organized by the company.
- (11) Company personnel are prohibited from acting in a manner that causes annoyance, demoralizes others, creates hostility or disrupts operations through sexual harassment towards company personnel or external parties conducting business with the company. This includes sexual assault, solicitation, harassment, indecent acts, as well as the possession of pornographic materials, whether verbal or physical.



4) Responsibility to Customers and Consumers

The company prioritizes maximizing satisfaction for its customers who purchase its products and services, as well as consumers who utilize its products and services, by offering fair pricing, quality and responsibility towards customers and consumers.

Practices

- (1) The company is committed to comprehensively developing its products and services to continuously meet customer and consumer needs through prompt, quality service. Company personnel must dedicate themselves fully to addressing customer and consumer demands at reasonable and timely prices, with quality and without limiting consumer rights or imposing unfair conditions on consumers.
- (2) The company must not engage in any deceptive practices or make misleading claims about the quality of its products and services.
- (3) The company strives to ensure the safety of its products and services for consumer use. Consumer safety is of utmost importance. The company must provide warning labels, inspect safety at operating premises, and strictly and continuously campaign and train employees on consumer safety issues.

5) Community and Social Development

The company exists within society and cannot be separated from it. As such, the company bears the responsibility to contribute to the development and return profits to local communities and society. This allows the company to grow sustainably in tandem with societal progress. The company views it as a key duty and policy to prioritize community and social activities, focusing on developing communities, the environment, preserving religion, creating and conserving natural resources, as well as supporting education for youth and public service activities for underprivileged communities to empower them towards self-reliance and strength.

Practices

- (1) The company aims to foster understanding and communicate with society regarding its operational status, facts, responsibilities towards the overall community and society, as well as its environmental responsibilities. It will not conceal information that can be disclosed and will cooperatively provide timely information to investors, shareholders, and the public.
- (2) The company is seriously and continuously committed to social responsibility in terms of quality, safety, occupational health, and the environment, maximizing the utilization of natural resources while recognizing the importance of the environment and safety of all stakeholders involved. It also promotes social activities for environmental conservation and improving community quality of life based on sustainable development principles.
- (3) The company will consider options that allow utilizing natural resources with minimal impact and damage to society, the environment and people's quality of life. It supports reducing energy and resource consumption.
- (4) The company continuously instills a sense of social and environmental responsibility in personnel at all levels. It prioritizes conducting business with partners who share the same commitment to social and environmental responsibility. The company aims to lead in promoting efficient energy use and conservation for the benefit of future generations.



- (5) The company will consistently allocate a portion of its profits towards activities that contribute positively to society and the environment. Such activities must be appropriate, truly beneficial to communities, society and the environment. If donations are chosen, the company will verify the recipients to ensure the funds are used efficiently, effectively and meaningfully for charitable causes. Donations must be properly documented.

6) Innovation and Dissemination of Innovations from Social Responsibility Practices

The company applies the concept of social responsibility to adapt and develop business innovations that create benefits and competitive advantages for the business and society.

Practices

- 1) Examine current business processes to identify risks or negative impacts on society and the environment. Study and find solutions to mitigate these impacts. Analyze work processes in detail and comprehensively to create opportunities for developing business innovations.
- 2) Disclose innovations that benefit society and the environment to encourage adoption by other businesses and entrepreneurs.
- 3) Continuously analyze problem-solving approaches and develop innovations through an ongoing process, in order to create opportunities for developing new products and enabling sustainable business growth and profitability.

3.4.2 Social Performance

Employees and Labor

The company group adheres to human rights principles, employment laws, fair compensation, employee training and care, working environment and provision of legally mandated employee benefits such as social security. It also offers additional benefits beyond legal requirements, such as a provident fund, funeral allowances for employees' parents, spouses, and children, annual health checks, accident insurance and provision of consumables at workplaces.

Furthermore, the company group organizes training courses for employees, both internally and externally. Each year, training schedules, budgets, and participants are determined to develop employees' work capabilities, safety knowledge and personal skills. For example, Basic First Aid and CPR (Cardiopulmonary Resuscitation and Automated External Defibrillator) programs are provided to clinic staff to review and enhance their knowledge of proper first aid and basic life support techniques to be able to provide CPR and assist patients during emergencies.



Community and Social Activities

The company group organizes community and social assistance activities annually. The community and social activities in 2023 were as follows:

1) The executives and employees of SAFE Fertility Group organized a CSR activity by donating 50,000 baht raised from the “Aid for the Underprivileged in Society” donation campaign, along with necessary supplies and consumables, to children at the Protection and Development Center for Disabled Persons (Baan Fuang Fa - Pak Kret) on November 30, 2023.



2) SAFE Fertility Group Phuket together with Kajonkiatsuksa Phuket School brought donated items and financial support to be helping children at “Beluga School for Life” for impoverished children and orphaned, Phang Nga Province on 12 December 2023.





4

MANAGEMENT DISCUSSION
AND ANALYSIS

4.1 ANALYSIS OF PERFORMANCE AND FINANCIAL POSITION

Performance

Consolidated	31 December 2022	31 December 2023	Increase (Decrease)	
	(Mil. Baht)	(Mil. Baht)	Mil. Baht	%
Revenue from sales and services	726.61	848.64	122.03	16.79
Cost of sales and services	(329.16)	(379.55)	50.39	15.31
Gross profit	397.45	469.09	71.64	18.02
Other income	2.71	8.32	5.62	207.51
Profit before expenses	400.16	477.41	77.25	19.31
Selling expenses	(37.79)	(60.81)	23.02	60.90
Administrative expenses	(156.89)	(165.86)	8.96	5.71
Reversal of expected credit loss	0.93	0.0002	(0.93)	(99.98)
Other gain (loss)	(0.02)	0.006	(0.03)	(130.46)
Net gain (loss) from exchange rate	1.0	(0.0005)	(1.00)	(100.51)
Profit before finance costs and income tax	206.48	250.75	44.27	21.44
Finance costs	(3.45)	(3.44)	(0.01)	(0.31)
Profit before income tax	203.02	247.31	44.28	21.81
Income tax	(41.29)	(47.17)	5.88	14.23
Net profit for the period	161.73	200.14	38.41	23.75
Other comprehensive income (expense) for the year, net of tax	2.23	-	(2.23)	(100.00)
Total comprehensive income for the year	163.96	200.14	36.18	22.07
Profit attributable to owners of the parent	161.93	201.83	39.92	24.66
Basic earnings per share (Baht)	0.72	0.77	0.05	6.94



Revenue from sales and services

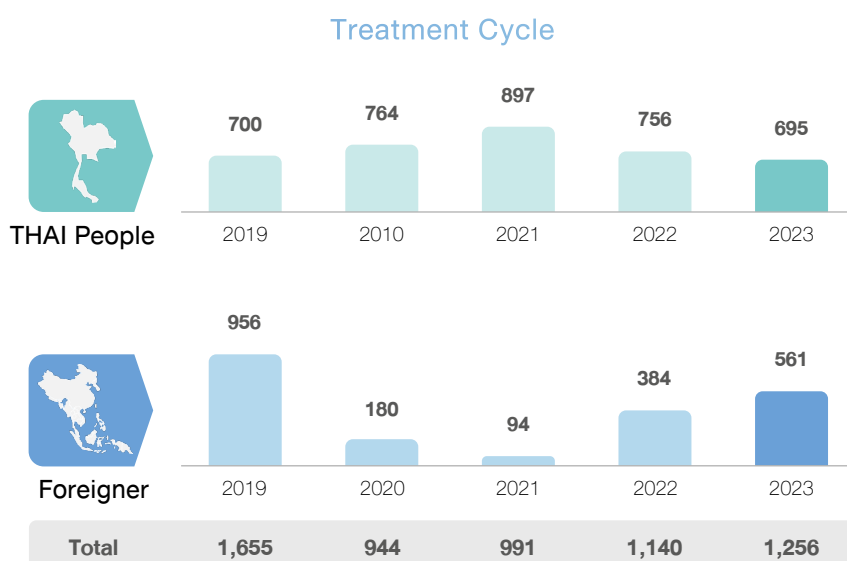
The Group has revenue from sales and services for 2023 equal to 848.64 million baht, compared to the same period of 2022 at 726.61 million baht, an increase 122.03 million baht or 16.79%.

The Company's revenue can be classified into 3 main groups as follows: 1) revenue from infertility treatment services (SAFE) 2) revenue from embryo and fetal genetic screening services (NGG) and 3) revenue from skin and aesthetic business (SWC). Revenue from infertility treatment services is the major revenue of the Group.

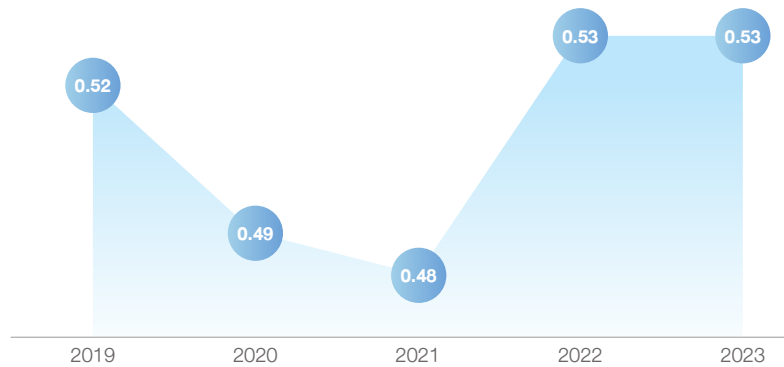
	Operate by	31 December 2022	31 December 2023	Increase (Decrease)	
		(Mil. Baht)	(Mil. Baht)	Mil. Baht	%
Revenue from infertility treatment services	SAFE	608.79	667.11	58.32	9.58
Revenue from embryo and fetal genetic testing services	NGG	117.82	175.68	57.86	49.10
Revenue from assthetic and wellness business	SWC	-	5.84	5.84	100.00
Total revenue from sales and services		726.61	848.64	122.03	16.79
Other income		2.71	8.32	5.61	207.01
Total income		729.32	856.96	127.64	17.50

- Revenue from infertility treatment services

For the year 2023, revenue from infertility treatment services was 667.11 million baht, compared to the year 2022 at 608.79 million baht, an increase 58.32 million baht or 9.58 %. This is because the total number of treatment cycles increased to 116 cycles from an increase of the number of infertile patients who came to receive treatment services, compared to the previous year, especially foreign customers who have no restrictions on traveling to Thailand. Treatment cycles from 2019 - 2023 from all branches, divided by nationality is the graph below:



Income (THB million) per number of treatment cycles

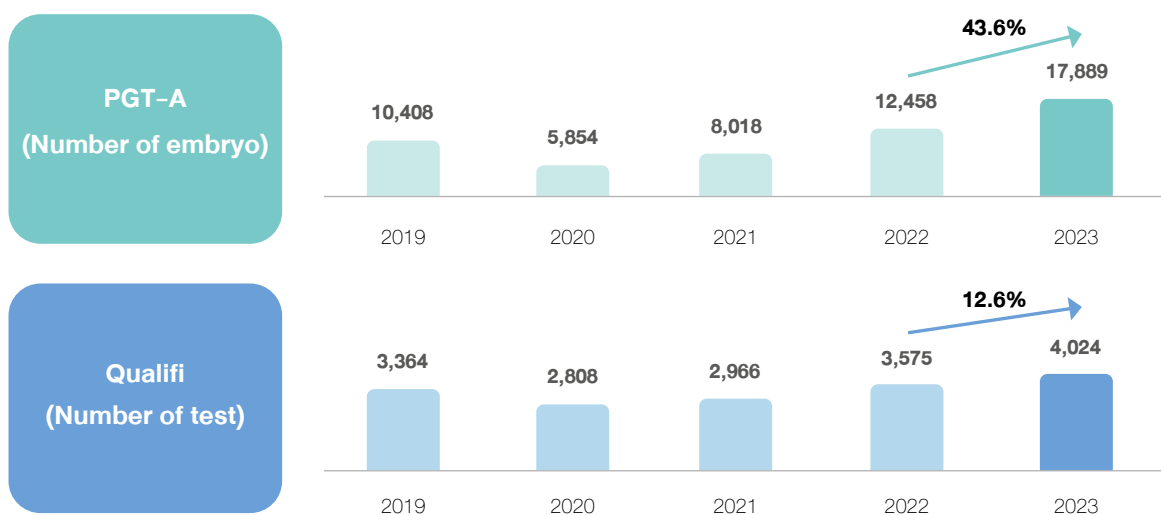


The graph shown that in 2023 the company had the number of treatment cycles at 1,256 cycles, compared to 2022 with the number of treatment cycles at 1,140 cycles, an increase of 116 cycles or representing 10.35%. foreign customers have 561 cycles, increasing 177 cycles from 2022, or 46.09%, and Thai customers have 695 cycles, decreasing 61 cycles, or 7.8% from 2022. Income per treatment cycle still the same at 0.53 million baht per 1 treatment cycle.

– Revenue from embryo and fetal genetic testing services

For the year 2023, revenue from embryo and fetal genetic testing services was 175.68 million baht, compared to the year 2022 at 117.82 million baht, an increase 57.86 million baht or 49.11%. The main reason is that PGT-A increased by 5,431 embryos and Qualifi increased by 449 tests due to the expansion of IVF, resulting in NGG's customers which are mostly IVF clinics and hospitals more sending for inspection. Moreover, NGG benefits from economies of scale, so it is more cost-effective to send them to NGG for inspection. Embryo and fetal genetic testing is a service that is getting more and more popular because it increases the chances of pregnancy and the fertility of the child to be born.

Statistics on the number of PGT-A and Qualifi from 2019 to 2023 are as follows:



The graph shown that in 2023 NGG had the number of PGT-A at 17,889 embryos, compared to 2022 with the number PGT-A at 12,458 embryos, an increase of 5,431 embryos or 43.59% and the number of Qualifi tests at 4,024 embryos, compared to 2022 with the number of Qualifi tests at 3,575 tests, an increase of 449 tests or 12.56%.



– Revenue from skin and aesthetic business

The company begins generating income in March 2023. For the year 2023, revenue from skin and aesthetic business was 5.84 million baht. Safe Wellness Co., Ltd. (SWC) operates a skin and aesthetic business under the brand “The Fountain Wellness Center”. The company was registered on 15 November 2022.

– Other income

For the year 2023, other income was 8.32 million baht, compared to the same period of 2022 at 2.71 million baht, an increase 5.61 million baht or 207.01%, mainly due to interest income increase and higher interest rate

Cost of sales and services

The Group's costs of services consist of 6 main groups of expenses: 1) medicine, medical supplies, and medical equipment, 2) doctor fees, 3) cost of laboratory 4) employee benefit expenses. 5) depreciation and 6) Other costs, such as maintenance costs of medical tools and equipment, etc. The cost of services with the greatest proportion is medicines, medical supplies, and medical equipment.

For the year 2023, the cost of services of the Group was 379.55 million baht, compared costs of services for the year 2022 at 329.16 million baht, an increase 50.39 million baht or 15.31%, mainly due to (1) an increase in the cost of medicines, medical supplies and medical equipment and cost of laboratory of 38.40 million baht, (2) an increase in doctor fees of 7.66 million baht, according to increasing of the number of infertile patients and more customers using genetics laboratory services. However, the increase in cost of sales and service is a smaller rate compared to the increase in income. This caused the profit margin to increase from the previous year.

Gross profit and Gross profit margin

For the year 2023, the Group had a gross profit of 469.09 million baht, compared to gross profit for the year 2022 at 397.45 million baht, an increase of 71.64 million baht or 18.02%, in line with the increase in revenue from services, in particular, revenue from genetic testing services for embryos and fetuses increased significantly. As a result, the group has higher gross profits. Meanwhile, the gross profit margin for the year 2023 was 55.28%, compared to the year 2022 equal to 55.34%, the gross profit margin was relatively stable.

Selling expenses

The Group can divide selling expenses into 4 parts, namely 1) commission fee, 2) employee expenses, 3) advertising and sales promotion expenses, and 4) other distribution costs such as entertainment and promotion expenses. other sales, etc.

For the year 2023, the Group had selling expenses equal to 60.81 million baht, compared to the year 2022 with sales expenses equal to 37.79 million baht, an increase of 23.02 million baht or 60.90% due to an increase in advertising and promotion expenses by 14.08 million baht and increase in commission for agents 5.51 million.

Administrative expenses

The Group divided administrative expenses into 5 parts, namely 1) employee and management expenses, 2) depreciation expenses, 3) rental and service expenses, 4) repair and maintenance expenses, and 5) other administrative expenses such as cleaning expenses, signboard tax, bank charge, professional fees, and fines, etc. The main administrative expenses of the Group are employee and management expenses and depreciation.

For the year 2023, the Group had administrative expenses of 165.86 million baht, compared to the year in 2022 at 116.45 million baht, an increase of 8.96 million baht or 5.71%, mainly due to employee benefit expenses increased by 3.68 million baht, other expenses increased by 6.78 million baht.



Finance costs

The Group's financial costs is interest on lease liabilities. For the year 2023, the Group had financial costs of 3.44 million baht, compared the year 2022 with financial cost equal 3.45 million baht, a decrease of 0.01 million baht or 0.31%.

Net profit and Net profit margin

For the year 2023, the Group had a net profit of 201.83 million baht, representing a net profit margin of 23.58%, compared the year 2022, an increase of 39.92 million baht at a growth rate of 24.66% in line with the increase of income of the group of companies, both in terms of income from infertility treatment services and income from embryo and fetal genetic testing services. Even though the cost of services increase as well, the increase was in a smaller proportion than the increase in income, causing the group of companies to have a net profit and net profit margin increased.

Financial position analysis

Consolidated	31 December 2022	30 September 2023	Increase (Decrease)	
	(Mil. Baht)	(Mil. Baht)	Mil. Baht	%
Assets	1,412.69	1,893.60	480.92	34.04
Liabilities	202.45	235.71	33.26	16.42
Equity	1,210.24	1,657.90	447.66	36.98

Assets

The Group has total assets as at 31 December 2023 equal to 1,893.60 million baht, compared as at 31 December 2022 with total assets of 1,412.69 million baht, a increase 480.92 million baht or 34.04%. The Group's significant assets include cash and cash equivalents, financial assets measured at fair value through profit or loss, building and equipment and right-of-use assets, etc. The details of the changes are as follows.

Consolidated	31 December 2022	30 September 2023	Increase (Decrease)	
	(Mil. Baht)	(Mil. Baht)	Mil. Baht	%
Current assets				
Cash and cash equivalents	850.66	1,251.02	400.36	47.06
Financial assets measured at fair value through profit or loss	228.47	231.84	3.37	1.48
Trade and other accounts receivable	20.25	23.34	3.09	15.28
Inventories	48.66	65.12	16.46	33.81
Total current assets	1,148.05	1,571.33	423.28	36.87
Non-current assets				
Building and equipment (net)	150.46	151.15	0.69	0.46
Right-of-use assets (net)	87.13	144.25	57.12	65.56
Intangible assets (net)	7.38	8.68	1.29	17.52
Deferred tax assets (net)	5.63	6.46	0.83	14.69
Other non-current assets	14.04	11.74	(2.30)	(16.36)
Total non-current assets	264.64	322.28	57.64	21.78
Total assets	1,412.69	1,893.60	480.92	34.04



– Cash and cash equivalents

Cash and cash equivalents of the Group consist of cash and cash deposits. As at 31 December 2023, the Group had cash and cash equivalents in the amount of 1,251.02 million baht, compared to at the end of 2022 which cash and cash equivalents equal to 850.66 million baht, a increase of 400.36 million baht or 47.06%. The changes in cash and cash equivalents are mainly due to increases or decreases in the Group's net cash flows from or uses in operating, investing, and financing activities. (Please consider additional information in the section cash flow analysis)

– Financial assets measured at fair value through profit or loss

As at 31 December 2023, the Group had financial assets measured at fair value through profit or loss in the amount of 231.84 million baht, compared to the end of 2022 with an amount of 228.47 million baht, an increase of 3.37 million baht or 1.48%, due to fair value is measured through profit or loss. The financial assets invested by the Group are still debt securities

– Trade and other accounts receivable

As at 31 December 2023, the Group had trade and other receivables in the amount of 23.34 million baht, compared to the end of 2022 with an amount of 20.25 million baht, an increase of 3.09 million baht or 15.28%.

– Inventories

As at 31 December 2023, the Group had inventories in amount of 65.12 million baht, compared to the end of 2022 with an amount of 48.67 million baht, an increase of 16.46 million baht, or 33.81%.

– Building and equipment – net

Buildings and equipment of the Group mainly consist of buildings, office furnishings, and medical tools and equipment. As at 31 December 2023, the Group had net buildings and equipment in amount of 151.15 million baht, compared to the end of 2022 with an amount of 150.46 million baht, a increase of 0.69 million baht or 0.45% due to relocate Ramintra branch.

– Right-of-use assets – net

As at 31 December 2023, the Group had right-of-use assets - net in amount of 144.25 million baht, compared to the end of 2022 with an amount of 87.13 million baht, a increase of 57.12 million baht or 65.56% due to relocate Ramintra branch that requires long-term rental payments for the leased land.



Liabilities

The Group has total liabilities as at 31 December 2023 equal to 231.51 million baht, compared as at 31 December 2022 with total liabilities of 202.45 million baht, an increase 29.07 million baht or 114.36%. The main liabilities of the Group are trade and other payables, lease liabilities, income tax payable, other current liabilities, employee benefit obligations and provision for decommissioning of fixed assets.

Consolidated	31 December 2022	30 September 2023	Increase (Decrease)	
	(Mil. Baht)	(Mil. Baht)	Mil. Baht	%
<u>Current liabilities</u>				
Trade and other accounts payable	66.35	85.33	18.98	28.60
Current portion of lease liabilities	13.78	21.31	7.52	54.59
Income tax payable	17.69	16.67	(1.02)	(5.79)
Other current liabilities	1.30	2.06	0.75	57.73
Total current liabilities	99.13	125.36	26.23	26.46
<u>Non-current liabilities</u>				
Lease liabilities (net)	72.54	72.53	(0.09)	(0.01)
Employee benefit obligations	17.48	20.72	3.25	18.57
Provision for decommissioning	13.29	17.08	3.79	28.51
Total non-current liabilities	103.32	110.34	7.03	6.80
Total liabilities	202.45	235.71	33.26	16.43

– Trade and other accounts payable

As at 31 December 2023, the Group had trade and other payables in the amount of 85.33 million baht, compared to the end of 2022 with an amount of 66.35 million baht, an increase of 3.60 million baht, or 28.60%. due to an increase in trade payables from the purchase of NGG's lab solution, which is in line with the income increased.

– Income tax payable

As at 31 December 2023, the Group has income tax payable in the amount of 16.67 million baht, compared to the end of 2022 with an amount of 17.69 million baht, a decrease of 1.02 million baht, or 5.79%.

– Lease liabilities

As at 31 December 2023, the Group had lease liabilities in the amount of 93.84 million baht, compared to the end of 2022 with an amount of 86.33 million baht. Lease liabilities arise from the Group has entered into lease agreements for land used in business operations.

– Employee benefit obligations

As at 31 December 2023, the Group has employee benefits obligations in the amount of 20.72 million baht, compared to the end of 2022 with an amount of 17.48 million baht, an increase of 3.25 million baht, or 18.57%. The employee benefit obligations of the Group comprise retirement benefits and other long-term employee benefits. The Company has obligations for compensation to employees upon retirement under labor law and according to other employee compensation programs. The Company treats this compensation as a defined benefit plan for employees that an independent expert has assessed such obligations based on actuarial principles.



- Provision for decommissioning

As at 31 December 2023, the Group has a provision for decommissioning of fixed assets in the amount of 17.08 million baht, compared to the end of 2022 with an amount of 13.29 million baht, an increase of 3.79 million baht, or 28.51% due to relocate Ramintra branch.

Equity

กลุ่มบริษัทมีส่วนของผู้ถือหุ้น ณ วันที่ 31 ธันวาคม 2566 เท่ากับ 1,657.90 ล้านบาท เมื่อเทียบกับ ณ วันที่ 31 ธันวาคม 2565 ที่มีส่วนของผู้ถือหุ้น เท่ากับ 1,210.24 ล้านบาท เพิ่มขึ้นจำนวน 447.66 ล้านบาท หรือคิดเป็นร้อยละ 36.98 มีสาเหตุมาจากการเสนอขายหุ้นสามัญ มีรายละเอียดการเปลี่ยนแปลงดังนี้

Consolidated	31 December 2022	30 September 2023	Increase (Decrease)	
	(Mil. Baht)	(Mil. Baht)	Mil. Baht	%
Equity				
Issued and fully paid-up share capital	225.00	303.95	78.95	35.09
Premium on share capital	920.11	1,382.23	462.12	50.23
Discount from business combination under common control	(178.29)	(178.29)	-	0.00
Retained earnings - Appropriated	22.42	30.39	7.97	35.55
Retained earnings - Unappropriated	212.94	115.48	(97.46)	(45.77)
Other component of equity	2.23	-	(2.23)	(100.00)
Equity attributable to owners of parent	1,204.41	1,653.77	449.36	37.31
Non-controlling interests	5.83	4.13	(1.70)	(29.15)
Total equity	1,210.24	1,657.90	447.66	36.98

Discount from business combination under common control

The Extraordinary General Meeting of Shareholders No. 2/2017 held on 29 December 2017 has resolution to approve the purchase of 99.99% of shares in Next Generation Genomic Company Limited (a subsidiary) from the existing shareholders which is same shareholder with the Company. Therefore, it is considered a business combination under the common control. The Company paid for the shares by issuing 29,998 new ordinary shares with a par value of 100 baht per share, totaling 2,999,800 baht and having a value on the payment date of 6,896 baht per share, resulting in a premium on share capital at 6,796 baht per share or equivalent to 203,866,408 baht to existing shareholders of Next Generation Genomic Company Limited.

On 9 January 2018, the book value of the net assets of Next Generation Genomic Company Limited was 28,577,064 baht and the discount from business combination under common control was 178,289,144 baht.



Liquidity

Consolidated	30 December 2022 (Mil. Baht)	30 December 2023 (Mil. Baht)
Net cash receipts (payment) from operating activities	211.36	252.76
Net cash receipts (payment) from investing activities	38.52	(79.18)
Net cash receipts (payment) from financing activities	(67.14)	226.78
Net increase (decrease) in cash and cash equivalents	182.74	400.36
Cash and cash equivalents - opening balance	667.92	850.66
Cash and cash equivalents - closing balance	850.66	1,251.02

From changing in cash flows from operating activities, investing activities and financing activities, as at 31 December 2023, the Group had cash and cash equivalents at the end of the year equal to 1,251.02 million baht with the details of significant changes in cash flows as follows:

Cash flows from operating activities

For the year 2023, the Group had net cash from operating activities of 252.76 million baht. Profit from operating activities before changes in operating assets and liabilities equal to 305.60 million baht. Cash received from operations were trade payables of 5.97 million baht and other current liabilities 0.50 million baht. While cash used in operations were trade and other receivables of 5.40 million baht and inventory of 1.96 million baht.

Cash flow from investing activities

For the year 2023, the Group had net cash outflows used in investing activities of 79.18 million baht, mostly from prepayment for right-of-use asset of 47.60 million baht and purchase of buildings and equipment of 32.89 million baht.

Cash flow from financing activities

For the year 2023, the Group had net cash used in financing activities of 226.78 million baht, from cash received from share issuance offering to the public in the amount of 536.86 million baht, while dividend payment in the amount of 293.55 million baht and repayments for lease liabilities in the amount of 16.53 million baht.



Key financial ratios

Liquidity Ratios

Financial ratios	Unit	31 December 2022	31 December 2023
Current ratio	times	11.58	12.97
Quick current ratio	times	11.09	12.43
Cash flow ratio	times	2.13	2.29
Trade receivable turnover	times	45.91	38.94
Average Collection Period	days	7.95	9.37
Inventories turnover	times	7.96	6.67
Average Sales (Inventory) Period	days	45.85	54.72
Account receivable turnover	times	5.10	5.00
Average Payment Period	days	71.57	73.00
Cash cycle	days	(17.77)	(8.91)

The Group has current ratios as at 31 December 2023 equal to 12.97 times. The current ratio increased because cash and cash equivalents decreased from dividend payments. and an increase in other current liabilities.

In addition, considering the cash cycle as at 31 December 2023, the Group had a cash cycle of (8.91) days. This was mainly due to the average sales period increased from increasing in inventories to support business expansion.

Profitability Ratios

Financial ratios	Unit	31 December 2022	31 December 2023
Gross profit margin	%	54.70	55.28
EBIT margin	%	28.31	29.26
EBITDA margin	%	37.14	36.14
Net profit margin	%	22.26	23.58
Return of equity (ROE)	%	14.03	13.98

Gross profit margin : The Group has a gross profit margin for the year ending 31 December 2023 equal to 55.28% due to an increase in infertile people who came to receive treatment, especially from foreign customers without travel restrictions. Meanwhile The cost of service increased in a smaller proportion due to cost management measures, resulting profits higher.

EBIT margin : The Group has EBIT margin for 2023 is equal to 29.26%, an increase from 2022 with EBIT Margin at 28.31%

EBITDA margin : The Group has EBITDA Margin for 2023 equal to 36.14%, slightly decreased from 2022 with EBITDA margin at 37.14%.

Net profit margin : The Group has a gross profit margin for the year ending 31 December 2023 equal to 23.58% due to revenue from sales and services increased. Although sales and administrative expenses increased, the proportion was less than revenue. As a result, the net profit margin increased.

Return on equity : As at 31 December 2023, The Group had return on equity equal to 13.98%, an decreased because shareholder equity increased from the Company's initial public offering of common shares.



Efficiency ratios

Financial ratios	Unit	31 December 2022	31 December 2023
Return of assets (ROA)	%	11.94	10.62
Return of fixed assets	%	89.11	129.62
Asset turnover	times	53.64	51.97

Return on assets : As at 31 December 2023, The Group had return on assets equal to 10.62%, decreasing because the Group's net profit increased higher than the increase in assets.

Return of fixed assets : As at 31 December 2023, The Group had return on fixed assets equal to 129.62%, an increase compared to 2022.

Asset turnover : As at 31 December 2023, The Group had asset turnover equal to 51.97 times, decreasing due to the Group having more assets.

Financial Risk Ratios

Financial ratios	Unit	31 December 2022	31 December 2023
Debt to equity	times	0.17	0.14
Dividend payout	%	80.69	95.88

The Group has total debt to equity ratio as at 31 December 2023 equal to 0.14 times which was mainly due to a decrease in shareholders' equity from paying dividends from retained earnings

Details of Dividend Payment

- At The Board of Directors' meeting on 11 May 2023, The Board of Directors resolved to approve the dividend payment from the retained earnings at the rate of 1.85 baht per share for 45.00 million shares, totaling 83.25 million baht. The company paid such dividends within May 2023
- At The Board of Directors' meeting on 10 August 2023, The Board of Directors resolved to approve the dividend payment from the retained earnings at the rate of 0.15 baht per share for 280.00 million shares, totaling 42 million baht. The company paid such dividends within August 2023
- At The Board of Directors' meeting on 27 September 2023, The Board of Directors resolved to approve the dividend payment from the retained earnings at the rate of 0.10 baht per share for 280.00 million shares, totaling 28 million baht. The company paid such dividends within October 2023
- At The Board of Directors' meeting on 25 October 2023, The Board of Directors resolved to approve the dividend payment from the retained earnings at the rate of 0.035 baht per share for 280.00 million shares, totaling 9.80 million baht. The company paid such dividends within October 2023



4.2 FACTORS THAT MAY AFFECT FINANCIAL STATUS OR OPERATIONS (FORWARD-LOOKING STATEMENTS)

4.2.1 Changes to and compliance with government policies.

The Group's business operations are regulated by various agencies, including the Ministry of Public Health. These regulations encompass standards for assisted reproductive technology services in accordance with the Protection of Children Born from Assisted Reproductive Technologies Act, B.E. 2558 (2015) and/or the requirements of other government entities that have the power to oversee the licensing and compliance standards necessary for the Group's business operations. To maintain and renew licenses, the Group must strictly comply with the laws, rules, and regulations, as well as many prescribed conditions. However, in the past, the Group consistently adhered to the prescribed standards and maintained the licenses required for its business operations without any instances of license revocation. Furthermore, in 2017, the government formulated a strategic plan to develop Thailand into an internationally recognized center for healthcare services (Medical Hub) over a 10-year period (2017 to 2026). This plan aimed to develop four key pillars, namely the Wellness Hub, Medical Service Hub, Academic Hub, and Product Hub. These developments have had a positive impact on the Group and provided an opportunity to generate income by providing infertility treatment services, particularly for foreign nationals.

4.2.2 Competition in the infertility treatment service business

Currently, the business of providing infertility treatment services tends to be more intensely competitive. As the incumbent operators improve their service quality and increase their reputation. And as new operators ARE gradually entering the market, causing the market share to be taken from the existing operators. As a result, there is an awareness of service competition and the use of pricing policies to attract customers. In addition, the impact of trade and service liberalization under the agreement of the ASEAN Economic Community (AEC) may result in new competitors within ASEAN countries expanding their service scope into Thailand. These competitive factors may inevitably affect the Company. However, when compared to other infertility treatment centers in the market, the Group has many competitive advantages. Both in terms of the long-established reputation, location, as well as the quality and modern service standards of the Group.

4.2.3 Opening a skincare and aesthetic service business

In 2022, the group established Safe Wellness Company Limited with a registered capital of THB 30,000,000 to begin providing skincare and aesthetic services. This venture primarily aims to serve foreign customers residing in Thailand while undergoing medical treatments for infertility issues. The objective is to offer comprehensive services encompassing various medical treatments and seize the opportunity to expand into the skincare and aesthetic industry. Anticipated revenue is expected to start generating from March 2023 onwards, providing an additional revenue stream for the Group in the future.

4.2.4 Expansion of fertility tourism

The fertility tourism market continues to experience continuous growth due to the easing of the Covid-19 pandemic situation and the increasing demand for children among Chinese individuals. This growth is further supported by China's official announcement on 31 May 2021, regarding the cancellation of the one-child policy and the implementation of a new policy allowing couples to have up to three children. Furthermore, data from the Centers for Disease Control and Prevention (CDC) in the United States reveals an increasing trend in pregnancy among women aged 35 and over. According to the latest data in 2018, the birth rate for women in this age group in the United States was 65.3 (person) out of 1,000 female population of the same age, representing a 13.8 percent increase from 2008 when it was 57.4 (person) out of 1,000 women of the same age. This trend aligns with the pregnancy pattern among women aged 35 and over in Thailand. In 2018, the birth rate for women aged 35 and



over was 40.5 (person) out of 1,000 female population of the same age, representing a 14.7% increase from 2008 when it was 35.3 (person) out of 1,000 women of the same age. Pregnancy at an older age carries an increased risk of miscarriage and genetic abnormalities. Therefore, infertility treatment technology can help mitigate these risks. According to a research by Precedence Research, the medical tourism industry is projected to have a market value of USD 300 billion by 2032, at a CAGR of 11% from 2022 to 2032. The Asia-Pacific market is poised to become the world's most valuable market, while Europe is expected to be the fastest-growing market. Key destinations for fertility tourism among foreigners in the Asia-Pacific region include India, Malaysia, Thailand, Japan, and Australia. Thailand is a prominent destination for fertility tourism among foreigners. An important highlight of medical services in Thailand is the affordability of healthcare expenses compared to other countries. This is in addition to the renowned reputation of doctors, high quality and standards of treatment, and excellent services provided by doctors and nurses. According to the Medical Tourism Association, the average cost of infertility treatment in Thailand is USD 7,860, which is 49% cheaper than the United States. In addition, Thailand offers advantages in terms of cleanliness and safety standards, digital connectivity, continuous infrastructure development, and relatively flexible policies that attract foreigners. These factors play a crucial role in the future growth of the infertility tourism market and have a positive impact on the Group. The increased revenue from infertility treatment services, which is the main source of income for the Group, is influenced by these factors.

4.3 SUMMARY OF FINANCIAL STATEMENT

4.3.1 Statement of financial position

Items	Consolidated financial statements as of 31 December					
	2021		2022		2023	
	(Mil. Baht)	%	(Mil. Baht)	%	(Mil. Baht)	%
Asset						
Current asset						
Cash and cash equivalents	667.92	51.51	850.66	60.22	1,251.02	66.07
Financial assets measured at fair value through profit or loss	303.15	23.38	228.47	16.17	231.84	12.24
Trade and other accounts receivable (net)	11.41	0.88	20.25	1.43	23.34	1.23
Inventories (net)	34.07	2.63	48.67	3.44	65.12	3.44
Total current assets	1,016.55	78.40	1,148.06	81.27	1,571.33	82.98
Non-current assets						
Building and equipment (net)	162.85	12.56	150.46	10.65	151.15	7.98
Right-of-use assets (net)	92.64	7.14	87.13	6.17	144.25	7.62
Intangible assets (net)	7.13	0.55	7.38	0.52	8.68	0.46
Deferred tax assets (net)	5.76	0.44	5.63	0.40	6.46	0.34
Other non-current assets	11.75	0.91	14.04	0.99	11.74	0.62
Total non-current assets	280.13	21.60	264.64	18.73	322.28	17.02
Total assets	1,296.68	100.00	1,412.69	100.00	1,893.60	100.00



Items	Consolidated financial statements as of 31 December					
	2021		2022		2023	
	(Mil. Baht)	%	(Mil. Baht)	%	(Mil. Baht)	%
Liabilities and equity						
Current liabilities						
Trade and other accounts payable	62.75	4.84	66.35	4.70	85.33	4.51
Current portion of lease liabilities (net)	14.61	1.13	13.78	0.98	21.31	1.13
Income tax payable	11.78	0.91	17.69	1.25	16.67	0.88
Other current liabilities	1.05	0.08	1.3	0.09	2.06	0.11
Total current liabilities	90.19	6.96	99.13	7.02	125.36	6.62
Non-current liabilities						
Lease liabilities (net)	79.65	6.14	72.54	5.13	72.53	3.83
Employee benefit obligations	18.67	1.44	17.48	1.24	20.72	1.09
Provision for decommissioning	12.09	0.93	13.29	0.94	17.08	0.90
Total non-current liabilities	110.41	8.51	103.32	7.31	110.34	5.83
Total liabilities	200.6	15.47	202.45	14.33	235.71	12.45
Equity						
Issued and fully paid-up share capital	225.00	17.35	225.00	15.93	303.95	16.05
Premium on share capital	920.11	70.96	920.11	65.13	1,382.23	72.99
Discount from business combination under common control	(178.29)	(13.75)	(178.29)	(12.62)	(178.29)	9.42
Retained earnings - Appropriated - legal reserve	17.83	1.38	22.42	1.59	30.39	1.61
Retained earnings - Unappropriated	111.42	8.59	212.94	15.07	115.48	6.10
Other component of equity	-	-	2.23	0.16	-	0.00
Equity attributable to owners of parent	1,096.07	84.53	1,204.41	85.26	1,653.77	87.33
Non-controlling interests	0.01	-	5.83	0.41	4.13	0.22
Total equity	1,096.08	84.53	1,210.24	85.67	1,657.90	87.55
Total liabilities and equity	1,296.68	100.00	1,412.69	100.00	1,893.60	100.00



4.3.2 Statement of Comprehensive Income

Items	Consolidated financial statements as of 31 December					
	2021		2022		2023	
	(Mil. Baht)	%	(Mil. Baht)	%	(Mil. Baht)	%
Revenue from sales and services	559.73	100.00	726.61	100.00	848.64	100.00
Cost of sales and services	(282.24)	(50.42)	(329.16)	(45.30)	(379.55)	(44.72)
Gross profit	277.49	49.58	397.45	54.70	469.09	55.28
Other income	2.23	0.40	2.71	0.37	8.32	0.98
Profit before expenses	279.72	49.98	400.16	55.07	477.41	56.62
Selling expenses	(29.84)	(5.33)	(37.79)	(5.20)	(60.81)	(7.17)
Administrative expenses	(145.90)	(26.07)	(156.89)	(21.59)	(165.86)	(19.54)
Expected credit loss	(0.71)	(0.13)	0.93	0.13	0.0002	0.00
Other expenses	(1.06)	(0.19)	(0.02)	(0.00)	0.006	0.00
Net gain (loss) from exchange rate	(0.16)	(0.03)	0.09	0.01	(0.0005)	(0.00)
Profit before finance costs and income tax	102.05	18.23	206.48	28.42	250.75	29.55
Finance costs	(3.51)	(0.62)	(3.45)	(0.48)	(3.44)	(0.41)
Profit before income tax	98.54	17.61	203.03	27.94	247.31	29.14
Income tax	(20.31)	(3.63)	(41.29)	(5.68)	(47.17)	5.56
Net profit for the year	78.23	13.98	161.73	22.26	200.14	23.58
Other comprehensive income (expense)						
Remeasurement of employee benefit obligation	-	0.00	2.79	0.38	-	0.00
Income tax on item that will not be reclassified to profit or loss	-	0.00	(0.56)	(0.08)	-	0.00
Other comprehensive income (expense) for the year, net of tax	-	0.00	2.23	0.30	-	0.00
Total comprehensive income attributable to:						
Owners of the parent	78.23	13.98	164.14	22.59	201.83	23.78
Non-controlling interests	0.001	0.00	0.18	(0.02)	(1.69)	(0.20)
Total comprehensive income for the year	78.23	13.98	163.96	22.56	200.14	23.58
Earnings per share for profit						
Basic earnings per share (Baht)	1.74		0.72		0.77	



4.3.3 Statement of Cash Flows

Items	Consolidated financial statements as of 31 December		
	2021	2022	2023
	THB Million	THB Million	THB Million
Cash flows from operating activities			
Profit before income tax	98.54	203.03	247.31
Adjustments for:			
(Reversal) Expected credit loss	0.71	(0.93)	0.00
Allowance (Reversal) for obsolete inventories	0.04	(0.03)	0.06
Depreciation expenses building and equipment	58.98	47.17	42.57
Depreciation expenses right-of-use assets	16.10	15.97	14.94
Amortization expenses intangible assets	1.45	1.29	1.41
Bad debt expense	-	0.59	-
Rental discount	-	(0.02)	0.01
	0.01	-	-
Loss on write-off of building and equipment	0.76	0.03	0.01
(Gain) loss on disposal of building and equipment	0.30	(0.00)	0.00
Employee benefit obligations	2.11	1.99	3.35
Interest incomes	(0.72)	(1.15)	(4.00)
Gain from transfer of financial assets measured at fair value through profit or loss	-	(0.42)	-
Unrealized gain on measurement of financial assets measured at fair value through profit or loss	(0.85)	(0.32)	(3.37)
Interest expense from lease liabilities	3.21	3.00	2.90
Difference from actual payment of provision of decommissioning	-	(0.54)	0.00
Interest expense from provision for decommissioning	0.31	0.45	0.54
Cash received from operations before changes in working capital	180.95	270.11	305.71
Changes in working capital			
Trade and other accounts receivable	3.30	(8.49)	(3.09)
Inventories	(6.89)	(14.56)	(16.51)
Other non-current assets	(1.76)	(2.29)	2.30
Trade and other accounts payable	9.52	2.55	8.53



Items	Consolidated financial statements as of 31 December		
	2021	2022	2023
	THB Million	THB Million	THB Million
Other current liabilities	0.08	0.25	0.75
Employee benefit obligations	-	(0.40)	(0.10)
Cash flows receipts from operating activities before income tax paid	185.20	247.17	297.58
Income tax paid	(13.39)	(35.81)	(44.82)
Net cash receipts from operating activities	171.81	211.36	252.76
<u>Cash flows from investing activities</u>			
Purchases of building and equipment	(13.45)	(33.82)	(32.93)
Purchases of intangible assets	-	(1.54)	(2.66)
Payment for right-of-use assets	-	-	(47.60)
Proceeds from disposals of building and equipment	0.31	0.01	0.00
Payment for decommissioning expense	(0.93)	(2.70)	0.00
Interest income received	0.72	1.15	3.99
Proceeds from gain from transfer of financial assets measured at fair value through profit or loss	-	75.42	-
Net cash receipt (payments) from investing activities	(13.35)	38.52	(79.18)
<u>Cash flows from financing activities</u>			
Repayments for lease liabilities	(13.57)	(14.39)	(13.68)
Interest paid from lease liabilities	(3.19)	(2.95)	(2.84)
Cash received from share issuance			55.00
Cash received from share issuance offering to the public - net of tax	-	-	502.90
Cash paid from share issuance offering to the public - net of tax	-	-	(21.04)
Proceeds received from non-controlling interest	-	6.00	-
Dividends payment	(66.15)	(55.80)	(293.55)
Net cash receipts (payments) from financing activities	(82.91)	(67.14)	226.78
Net increase (decrease) in cash and cash equivalents	75.55	182.74	400.36
Cash and cash equivalents - opening balance	592.37	667.92	850.66
Cash and cash equivalents - closing balance	667.92	850.66	1,251.02



4.3.4 Financial ratios

Items	Unit	Consolidated financial statements as of 31 December		
		2021	2022	2023
<u>Current ratio</u>				
Current ratio	times	11.27	11.58	12.97
Quick ratio	times	7.53	8.79	12.43
Cash flow liquidity ratio	times	1.91	2.13	2.29
Account receivable turnover	times	41.72	45.90	38.94
Average collection period	Days	8.63	7.84	9.37
Inventory turnover	times	9.21	7.96	6.67
Average inventory period	Days	39.09	45.24	54.72
Account payable turnover	times	4.86	5.10	5.00
Average payment period	Days	74.04	70.60	73.00
Cash cycle	Days	(26.31)	(17.51)	(8.91)
<u>Profitability ratio</u>				
Gross profit margin	%	49.58	54.70	55.28
EBIT margin	%	18.23	28.31	29.26
EBITDA margin	%	31.81	37.14	36.14
Net profit margin	%	13.98	22.26	23.58
Return on equity	%	7.18	14.03	13.98
<u>Efficiency Ratio</u>				
Return on asset	%	6.10	11.94	10.62
Return on fixed asset	%	53.26	89.11	129.62
Asset turnover	times	43.61	53.64	51.97
<u>Leverage Ratio</u>				
Debt to equity ratio	times	0.18	0.17	0.14
Interest coverage ratio	times	55.91	91.99	72.80
Interest-bearing debt to EBITDA	times	0.53	0.32	0.30
Dividend payout ratio	%	71.32	80.69	95.88



5

GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION

5.1 GENERAL INFORMATION

References

1) Auditor

Name	PricewaterhouseCoopers ABAS Ltd.
Address	5 th Floor, Bangkok City Tower 179/74-80 South Sathorn Road, Thung Maha Mek, Sathorn, Bangkok, 10120
Telephone	0-2844-1000
FAX	0-2286-5050
Website	www.pwc.com/th/en/

2) Securities registrar

Name	Thailand Securities Depository Company Limited
Address	The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400
Telephone	0-2229-2800
FAX	0-2359-1259
Website	www.set.or.th/tsd

3) Legal advisor

Name	TTT & PARTNERS Company Limited
Address	Unit DE, Tower B, 18th Floor, Vanissa Building 29 Chit Lom Alley, Lumpini, Pathum Wan, Bangkok 10330
Telephone	0-2080-5699
Website	www.tttandpartners.com



4) Internal audit

Name	Dharmniti Company Limited
Address	178 Soi Permsap (Prachachuen 20), Prachachuen Road, Bang Sue, Bang Sue, Bangkok 10800
Telephone	0-2596-0500
FAX	0-2596-0539
Website	www.dharmniti.co.th

5) Financial advisor

Name	OptAsia Capital Company Limited
Address	UNIT OFML 1711, 17 TH Floor, The Offices at Central World 999/9, Rama 1 Road, Pathumwan, Pathumwan, Bangkok 10330
Telephone	0-2654-2929
FAX	0-2254-8178
Website	www.optasiacapital.com



6) Underwriter

6.1) Lead underwriter

Name	Bualuang Securities PCL.
Address	23 th Floor, Silom Complex Building 191 Silom Road, Silom, Bang Ruk, Bangkok 10500
Telephone	0-2231-3777 และ 0-2618-1000
Website	www.bualuang.co.th

6.2) Underwriter

Name	Krungsri Securities PCL.
Address	3 rd Floor, Phloen Chit Tower, 898 Lumpini, Pathum Wan, Bangkok 10330
Telephone	0-2231-3777 และ 0-2618-1000
Website	www.krungsrisecurities.com

Name	KGI Securities (Thailand) PCL
Address	8 th -11 th Floor, Asia Centre Building, 173 South Sathorn Road, Thungmahamek, Sathorn Bangkok 10120
Telephone	0-2658-8916
Website	www.kgiworld.co.th

Name	Finansia Syrus Securities PCL.
Address	18 th Floor, The Offices at Central World 999/9 Rama 1 Road, Pathum Wan, Bangkok 10330
Telephone	0-2658-9000
Website	www.fnsyrus.com

5.2 OTHER IMPORTANT INFORMATION

-None-

5.3 LEGAL DISPUTES

-None-



02

CORPORATE GOVERNANCE

6

CORPORATE GOVERNANCE
POLICY

6.1 OVERVIEW OF CORPORATE GOVERNANCE POLICY AND PRACTICES

The Company recognizes the importance of sound corporate governance as a crucial element in facilitating efficient and sustainable business operations. It aims to maximize benefits for all stakeholders, including employees, investors, shareholders, and other parties involved. Consequently, the Board of Directors considers it necessary to establish a corporate governance policy encompassing key principles such as the structure, roles, responsibilities, and accountability of the Board of Directors. Additionally, it emphasizes transparent, clear, and auditable management practices for guiding the organization. This instills confidence that all Company operations are conducted with integrity and in the best interests of shareholders and all stakeholders.

The Company has developed a robust Corporate Governance Policy to establish the Company's credibility among shareholders and all stakeholders, and to create sustainable value that aligns with the expectations of the business sector, investors, and the overall capital market and society. This policy adheres to the principles of Good Corporate Governance for Listed Companies in 2017, as outlined by the Office of the Securities and Exchange Commission. It serves as a comprehensive guideline for effectively overseeing the Company's operations and can be summarized as follows:



(1) Roles and responsibilities of the Board of Directors as an organization leader who creates sustainable value for the business

- The Board of Directors must understand their roles, duties, and responsibilities as the organization leader entrusted with the task of overseeing the Company's effective management. This includes:
 - setting objectives and goals;
 - formulating strategies, operational policies, and the allocation of significant resources to achieve objectives and goals; and
 - monitoring, evaluating, and overseeing performance reporting.
- To create sustainable value for the business, the Board of Directors oversees the operations to achieve the following outcomes of governance:
 - being competitive and achieving favorable performance while considering the long-term impacts;
 - operating the business with integrity, respect for rights, and responsibilities towards shareholders and stakeholders;
 - benefiting society and contributing to the development or mitigation of adverse environmental impacts; and
 - being capable of adapting to changing factors.
- The Board of Directors must supervise all directors and executives to fulfil their duties with responsibility and diligence (duty of care), maintain integrity towards the organization (duty of loyalty), and ensure compliance with the law, articles of association, and resolutions of the general meeting of shareholders.
- The Board of Directors must ensure that they clearly understand the scope of duties and responsibilities of the Board of Directors and establish the boundaries for delegating duties and responsibilities to the Chief Executive Officer and Managing Director, as well as the management team. Furthermore, the Board of Directors must actively monitor and oversee the performance of the Chief Executive Officer and Managing Director, and the management team, to ensure compliance with assigned responsibilities.

(2) Defining objectives and primary goals of the business that aim to achieve long-term sustainability

- The Board of Directors must supervise the objectives of the business to ensure sustainability and alignment with value creation for the business, customers, stakeholders, and society as a whole.
- The Board of Directors must ensure that the objectives and goals, as well as the medium-term strategy and/or the annual performance of the business, are aligned with the achievement of the objectives and main goals of the business. This should be done by appropriately and safely using innovations and technologies.

(3) Strengthening effective Board of Directors composition

- The Board of Directors must establish and review the structure of the Board of Directors, including the size and composition, as well as the appropriate and necessary proportion of independent directors, to effectively lead the organization towards its defined objectives and main goals.
- The Board of Directors must select a suitable individual to serve as the Chairman of the Board of Directors and ensure that the composition and operations of the Board of Directors facilitate the exercise of independent discretion.
- The Board of Directors must oversee the nomination and selection of directors to ensure a transparent and clear process, in order to have a Board of Directors that possesses the qualifications in line with the specified criteria.

- In proposing Board of Directors remuneration for shareholders' approval, the Board of Directors must consider the structure and remuneration rate to be commensurate with their responsibilities and to motivate the Board of Directors to lead the organization to achieve short-term and long-term goals.
- The Board of Directors must ensure that all directors perform their duties and allocate sufficient time.
- The Board of Directors must oversee the establishment of an oversight framework and mechanism to supervise the policies and operations of subsidiaries and other businesses in which the Company significantly invests at an appropriate level for each business. This includes subsidiaries and other businesses in which the Company invests, ensuring a proper and consistent understanding.
- The Board of Directors must organize an annual performance assessment for the Company's Board of Directors, sub-committees, as well as individual director. The assessment results must be used for the ongoing development of performance.
- The Board of Directors must supervise the Company's Board of Directors and ensure that each director knows and understands their roles, responsibilities, the nature of business operations, and relevant laws. Additionally, they will support all directors in continuously enhancing their skills and knowledge to fulfil their duties effectively.
- The Board of Directors must ensure the smooth functioning of the Board's operations, including access to essential information. The Board of Directors must appoint a Company Secretary who has the necessary knowledge and experience to effectively support its activities.

(4) Recruiting and developing senior executives and personnel management

- The Board of Directors will ensure the recruitment and development of the Chief Executive Officer, Managing Director, and senior management team, who have the necessary knowledge, skills, experiences, and attributes to drive the organisation towards its goals.
- The Board of Directors must ensure that the remuneration structure and evaluation is appropriate.
- The Board of Directors must comprehend the structure and relationship of shareholders that may impact the management and operations of the business.
- The Board of Directors must oversee and develop personnel to possess the appropriate quantity of knowledge, skills, experience, and motivation.

(5) Promoting innovation and responsible business practices

- The Board of Directors must prioritize and support the development of innovations that generate value for the business while benefiting customers or relevant stakeholders and demonstrate responsibility towards society and the environment.
- The Board of Directors must actively monitor and ensure that the management operates the business with social and environmental responsibility, as well as aligns with the objectives, main goals, and strategic plans of the organization. This commitment should be reflected in the operation plan.
- The Board of Directors must oversee the management in allocating and managing resources efficiently and effectively, considering the impact and development of resources throughout the value chain, to achieve sustainable objectives and main goals.
- The Board of Directors will establish a framework for overseeing and managing information technology at the organisational level that aligns with its needs. It will also ensure the information technology is used effectively to enhance business opportunities and facilitate operational development and risk management, enabling it to achieve the Company's objectives and primary goals.



(6) Ensuring an appropriate risk management and internal control system

- The Board of Directors must ensure that the Company has an effective risk management and internal control system in place to achieve its objectives and comply with relevant laws and standards.
- The Board of Directors must establish an Audit Committee to carry out its responsibilities efficiently and independently.
- The Board of Directors must oversee and manage potential conflicts of interest between the Company, the management, and shareholders. This includes preventing improper use of the Company's property, information, and opportunities, as well as inappropriate related party transactions.
- The Board of Directors must establish a clear and effective anti-corruption policy and practice and communicate these policy and practices to all levels of the organization and to external parties, facilitating its practical implementation.
- The Board of Directors must ensure that the Company has a mechanism to receive complaints and handle cases of whistleblowing.

(7) Maintaining financial credibility and disclosure

- The Board of Directors must oversee that the financial reporting system and the disclosure of important information is correct, sufficient, and timely, in accordance with relevant rules, standards and practices.
- The Board of Directors will monitor the adequacy of financial liquidity and debt servicing capabilities.
- If a situation arises where the business faces financial difficulties or is likely to encounter such challenges, the Board of Directors will ensure that the Company has a plan to address the issue or alternative mechanisms to resolve the financial problem, while considering the rights of stakeholders.
- The Board of Directors may consider preparing a sustainability report as may be appropriate.
- The Board of Directors must oversee the management to establish departments or designate individuals responsible for investor relations to effectively communicate with shareholders and other stakeholders, including investors and analysts appropriately, equally, and timely.
- The Board of Directors will promote the use of information technology for information disclosure.

(8) Encouraging participation and communication with shareholders

- The Board of Directors must ensure that shareholders can meaningfully participate in decision-making on important matters of the Company.
- The Board of Directors must organize an orderly, transparent, and efficient general meeting of shareholders to facilitate shareholders in exercising their rights.
- The Board of Directors must ensure that the disclosure of resolutions adopted at the general meeting and the preparation of the meeting minutes are accurate and complete.

6.1.1 Policies and practices related to the Board of Directors

(1) Nomination and remuneration of directors, members of sub-committees, and senior management

The Board of Directors must oversee the nomination and selection of directors following a transparent and clear process to ensure that the recruitment of personnel comply with good corporate governance principles for a listed company. The main objectives and goals of this oversight are to establish a framework and mechanism to oversee the Company's policies and operations, and to ensure that the Company recruits directors and authorized individuals with the necessary knowledge, skills, experience, and characteristics to drive the organization towards its goals and maintain an appropriate proportion. The Company has established the following guidelines.



- The Board of Directors has established the Nomination and Remuneration Committee with the responsibility of considering the remuneration of directors and senior executives, including the screening of director nominations before proposing them to the Board of Directors' meeting. This is done to ensure transparency and compliance with good corporate governance principles.
- The Nomination and Remuneration Committee comprises at least three members of the Board of Directors, with at least half of them being independent directors. Independent members of the Nomination and Remuneration Committee will propose a candidate and appoint an individual to serve as the chairman of the Nomination and Remuneration Committee.
- The Nomination and Remuneration Committee will evaluate the criteria and forms of compensation for directors and senior executives and recommend them to the Board of Directors. This includes both monetary and non-monetary considerations, benchmarked against leading companies in the same industry. To motivate effective management and ensure the retention of high-quality directors and executives, the committee will consider factors such as past performance, experience, responsibilities, role scope, business expansion, financial position, the Company's performance, and alignment with long-term strategies and goals. The Board of Directors will approve the remuneration of senior executives, while the remuneration of the Board of Directors itself will be presented to the general meeting of shareholders each year for approval.
- The Nomination and Remuneration Committee will evaluate the remuneration of senior executives to ensure alignment with their performance, using goals and assessment criteria that are linked to both short-term and long-term strategies and plans.
- The Nomination and Remuneration Committee will consider the criteria and process for nominating qualified individuals for director positions to align with the Company's business strategy. This will be done by creating a Board Skill Matrix to aid in recruitment and selecting candidates through the established nomination process. For example, this may involve reviewing the names and backgrounds of nominees from the previous committee, providing shareholders with the opportunity to nominate directors, engaging an external consulting firm, or considering individuals from professional networks. The committee will assess diverse qualifications, including professional qualifications, skills, age, experience, gender, race, religion, origin, expertise, and specific abilities necessary for the Board of Directors. Furthermore, the committee will actively participate in creating benefits for the Company and propose recommendations to the Board of Directors.
- The Nomination and Remuneration Committee will establish programs to develop directors and senior executives, as well as a succession plan for the Board of Directors and executives. These programs and plans will be reviewed each year.
- The Nomination and Remuneration Committee will oversee the orientation of new directors to ensure they understand their roles, responsibilities, and the Company's policies and business practices, including the relevant environmental considerations.
- The Nomination and Remuneration Committee will establish training and knowledge development plans to enhance the expertise of current directors, aligning with the changing external circumstances and the sustainable development of the Company in both business operations and corporate governance. Additionally, the committee will review the Director Skill Matrix to identify any skills and knowledge gaps and select appropriate courses to further develop the directors.



- The Nomination and Remuneration Committee will propose methods for evaluating the performance of the Board of Directors and sub-committees and will do the review each year. External consulting services may be considered, and the assessment results will be monitored and summarized for the Board of Directors' information. This is to enhance operational efficiency and strengthen the knowledge and competencies of the Company's directors.

(2) Board of Directors' performance evaluation

- The Board of Directors and sub-committees will evaluate performance at least once a year to enable the Board of Directors to collectively assess their performance and identify any issues for further improvement.
- The performance will be evaluated both as an individual evaluation and self-evaluation. The self-evaluation is the minimum requirement. Alternatively, the Board of Directors will consider using a cross-evaluation approach. Additionally, the criteria, process, and results of the evaluation will be disclosed and summarised in the annual report.
- The Board of Directors may engage external consultants to assist in establishing guidelines and recommending the periodic performance evaluation, at least once every three years, and disclose these actions in the annual report.
- The evaluation results of the Board of Directors must be used to assess the suitability of the composition of the Board of Directors.

(3) Oversight of subsidiaries and associated companies

The Company has established a policy for overseeing the operations of its subsidiaries and associated companies. The objective is to develop measures and mechanisms, both direct and indirect, to enable the Company to effectively supervise and manage these entities. This includes monitoring compliance with various measures and mechanisms, treating the subsidiaries and associated companies as if they were internal departments of the Company, in accordance with the Company's policy and relevant laws, such as the Public Limited Company Act, the Civil and Commercial Code, securities laws, and other applicable regulations, notifications, and guidelines issued by the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand. The aim is to safeguard the Company's investment interests in its subsidiaries and associated companies. Details of this oversight policy is outlined below.

- 1) The Company will appoint individuals as its representatives to serve as directors in each subsidiary and/or associated company based on the Company's respective shareholding. Their role is to oversee the operations of the subsidiary and/or associated company to ensure they comply with the law, Good Corporate Governance Policy, and other policies. However, the appointment of Company representatives as directors in each subsidiary and/or associated company must be considered and approved at the Board of Directors' meeting, considering the suitability of each company.
- 2) The Company must seek approval from the Board of Directors' meeting and/or the Company's general meeting of shareholders if a transaction or action of the subsidiary falls within the scope of an acquisition or disposal of assets as stipulated in the Notifications on Acquisition or Disposal of Assets, or if it is a connected transaction as defined in the Notifications on Connected Transactions. Alternatively, approval must be obtained from the relevant legal entities before entering into the transaction. A subsidiary must obtain approval from the Company's Board of Directors' meeting and/or general meeting of shareholders, and/or the relevant agencies (depending on the case) before proceeding with the transaction or action.

Moreover, the representative director of the subsidiary must promptly notify the Company's management when they are aware of the subsidiary's plans to enter into a transaction or of a certain event within the subsidiary that requires the company to disclose information to the Stock Exchange of Thailand, as stipulated by the regulations of the Office of the Securities and Exchange Commission of Thailand.

- 3) The board of directors and executives of each subsidiary and/or associated company have significant powers, duties, and responsibilities as required by relevant laws. These duties include disclosing financial information and operational results to the Company. The relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand's Board of Governors apply, with necessary changes, to the disclosure by the subsidiary and/or associated company. Furthermore, they must disclose and submit information regarding personal interests and related parties to the Board of Directors, enabling it to acknowledge the relationships and transactions with the Company, the Company's subsidiaries and/or associated companies that may give rise to conflicts of interest. They must not engage in transactions that may result in conflicts of interest.
- 4) The Company will establish plans and implement necessary measures to ensure that its subsidiaries and/or associated companies disclose information regarding their financial status and operating results to the parent company. The Company must implement necessary measures and monitor the subsidiaries and/or associated companies to ensure that they have adequate and appropriate internal control systems and information disclosure mechanisms for operating business.

Furthermore, the Company will closely monitor the performance and operations of these subsidiaries and/or associated companies and present comprehensive analysis, including opinions or recommendations, to the Board of Directors and the board of the respective subsidiary or associated company. This information will be used to consider policy setting or make improvements and enhancements to foster continuous development and growth of the businesses of subsidiaries and/or associated companies.

6.1.2 Policies and practices relating to shareholders and stakeholders

The Company has policies and practices concerning shareholders and stakeholders. These encompass the care of shareholders, treating shareholders fairly, promoting the exercise of their rights, preventing insider trading as well as conflicts of interest, and taking responsibility for stakeholders. Additionally, the Company provides compensation in case of infringements, opposes corruption, and implements measures against those who fail to comply with the relevant policies and practices. Furthermore, the Company discloses investor relations information. Details are discussed below.

(1) Shareholders rights and equality

The Company has policies and practices regarding shareholders and stakeholders. These policies cover the care of shareholders, equal treatment of shareholders, promotion of shareholders' rights, prevention of inside information abuse as well as conflicts of interest, and combating corruption, including accurate and comprehensive information disclosure. Details are discussed below.

- The Board of Directors must oversee important matters, including issues mandated by law and matters that may impact the business's operations. These matters must be carefully considered and/or approved at the general meeting of shareholders. These important matters must be included as an agenda item of the general meeting of shareholders.



- The Board of Directors must support the participation of shareholders. Examples of the support include the followings.
 - The Board of Directors must establish criteria to allow minority shareholders to propose additional meeting agenda items ahead of the scheduled meeting date. The Board of Directors must consider including the matters proposed by shareholders as part of the meeting agenda. If the Board of Directors rejects a proposed agenda item, they must provide the shareholders with the reasons for their decision.
 - The Board of Directors must establish criteria for minority shareholders to nominate individuals for directorship and must disclose the criteria to shareholders in advance.
- The Board of Directors must ensure that the invitation to the general meeting provides accurate, complete, and adequate information to enable the exercise of shareholders' rights.
- The Board of Directors must ensure that the meeting invitation letter, together with relevant documents, are dispatched and made available on the Company's website at least 28 days before the meeting date.
- The Board of Directors must give shareholders the opportunity to submit questions in advance of the meeting date, by setting criteria for advance question submission and publishing them on the Company's website.
- The invitation letter to the general meeting and related documents must be in English in their entirety and must be published simultaneously with the Thai version, containing comprehensive and adequate information.
- The Board of Directors must establish the date, time, and location of the meeting, considering the convenience of shareholders in their participation. This includes offering an appropriate and sufficient meeting duration for discussions and choosing venues that are convenient for travel.
- The Board of Directors must prevent any actions that limit the shareholders' opportunity to attend the meeting or unduly burden shareholders. For example, they must not mandate shareholders or proxies to present documents or proof of identification beyond the requirements specified in the guidelines of the relevant regulatory authority.
- The Board of Directors must encourage the use of technology in the shareholders' meeting, including shareholder registration, vote tabulation, and result presentation, to facilitate a fast, accurate, and precise meeting process.
- The Chairman of the Board will preside over the general meeting, ensuring that it complies with relevant laws, regulations, and the Company's articles of association. The Chairman will allocate appropriate time for each agenda item specified in the meeting invitation and provide an opportunity for shareholders to express their opinions and raise questions regarding matters concerning the Company during the meeting.
- To facilitate collective decision-making by shareholders on important matters, directors, both as meeting participants and shareholders, must not introduce additional meeting agenda items without sufficient prior notice. This is especially crucial for agenda items that require shareholders to study information before making decisions.
- All directors and executives involved must attend the meeting, enabling shareholders to ask questions on various matters.
- Before the meeting starts, the Company will inform shareholders of the number and proportion of shareholders who attend the meeting in person and by proxy. They will also be informed of the meeting procedures, voting methods, and the vote counting.



- If there are multiple items on the agenda, the meeting chairman will organise separate voting for each item. For instance, shareholders may exercise their individual right to appoint directors in the director appointment agenda.
- The Board of Directors must facilitate the use of voting ballots for significant agenda items and encourage independent individuals to attend the meeting as vote counters or verifiers during the meeting. The voting results, indicating agreement, disagreement, and abstentions on each agenda item, must be disclosed to the meeting attendees, and recorded in the meeting minutes.

(2) Disclosure of information

The Company upholds the principles of fairness and transparency in disclosing its information. This ensures that shareholders, investors, the public, and various stakeholders are confident in the accuracy, clarity, and compliance of the Company's disclosed information and financial documents. This applies to both positive and negative information, aligning with the laws, criteria, standards, and practices of relevant regulatory bodies. The Company achieves equal treatment through news dissemination channels of the Stock Exchange of Thailand and the Company's website. Details are discussed below.

- In disclosing material non-public information, the Company must ensure that the disclosure is cautious, accurate, complete, timely, and in accordance with the laws, criteria, standards, and practices of relevant regulatory bodies. The Company must also ensure that shareholders or investors receive sufficient, equal, and easily accessible information, considering the timing of the disclosure.
- The disclosure of material public information that has already been disclosed must be clear and comprehensive to avoid confusion and prevent any misunderstanding with the previously disclosed information.
- Non-material information must be disclosed based on facts. The disclosure must not intentionally mislead others regarding facts about financial status, performance, share prices, or cause others to understand the securities' price as increasing or decreasing.
- Forward-looking information must be disclosed with caution. The disclosure must explain the conditions or assumptions used in making the predictions. The source of the data must be verified, and the accuracy of the data should be considered before using it for analysis or predictions.

6.2 CODE OF CONDUCT

The Company's vision is "to be a leader in infertility treatment, embryonic genetic diagnosis, and wellness in Asia" and its mission is "to focus on providing world-class services, prioritizing patient safety through innovative and modern technology.

The Company does not solely aim for business success, but also considers the processes that impact business success. The Company acknowledges the importance of ethical conduct and integrity among its personnel, which forms a crucial foundation for promoting and enhancing sound corporate governance. It serves as a vital cornerstone for fostering stable and sustainable business growth. Furthermore, it supports the Company in achieving its business objectives.

The Board of Directors therefore recognizes the need to establish a Code of Conduct as a guiding framework for the conduct and ethics of individuals within the Company. This code applies to directors, executives, employees, as well as consultants, representatives, or individuals authorized to act on behalf of the Company or these individuals.



Basic principles

- Perform duties with honesty, integrity, morality, and responsibility;
- Maintain confidentiality of information and not unlawfully use inside information or confidential information for the benefit of oneself or others;
- Prevent or refrain from engaging in any actions that may give rise to conflicts of interest;
- in a manner befitting a healthcare professional, demonstrating knowledge, expertise, and diligence, while upholding the ethical standards of the medical profession.

Conducts towards shareholders

- The Company conducts business with honesty, integrity, and efficiency to establish enduring value. It strives to achieve strong performance and sustainable growth, aiming to maximize long-term benefits for shareholders. Additionally, the Company ensures transparent and trustworthy information disclosure to shareholders.
- The Company manages its operations by fully applying knowledge and management skills. Every decision and action is executed with caution, discretion, and prudence.
- The Company discloses its information accurately, adequately, timely, ensuring that shareholders are fully informed in accordance with the criteria specified by relevant laws.
- The Company safeguards and respects fundamental shareholder rights, including the right to buy or transfer shares, the right to receive a share of profits from the business, the right to access sufficient business information, the right to participate in general meeting of shareholders for director appointment or removal, appointment of auditors, dividend allocation, defining or amending articles of association or memorandum of association, capital reduction or increase, and approval of special items.
- The Company encourages and supports shareholders to exercise their rights in various matters during the annual general meeting. These include the right to propose meeting agenda items in advance, the right to nominate individuals for director appointment in advance, the right to submit questions before the meeting, and the right to express opinions and ask questions during the meeting.
- The Company refrains from doing anything that violates or restricts, or undermines the rights of shareholders to access the Company's disclosed information as required by various regulations, and to participate in general meeting of shareholders. For example, the Company avoids presenting sudden documents containing additional significant information and does not add meeting agenda items or changes important information without providing advance notice to shareholders.
- The Company facilitates shareholders in exercising their rights such as by providing up-to-date and significant information on its website.

Conduct towards employees

- The Company treats all employees equally, fairly, and politely, while honouring and respecting their human dignity and personal rights. The Company also listens to appropriate and beneficial opinions and suggestions to the Group.
- The Company provides employees with fair and appropriate compensation, along with benefits and rewards that align with the Company's performance. This is done by considering the same industry with similar characteristics.
- The Company appoints, transfers, rewards, and disciplines employees honestly and transparently, based on their knowledge, abilities, and suitability.



- The Company provides equal and regular opportunities for the full and comprehensive development of employees' knowledge, competency, and potential. This involves organising training, seminars, and workshops, as well as trying to motivate highly skilled employees to remain with the Company for the continuous development of the organization.
- The Company complies with laws, regulations, and directives related to employees without any form of discrimination.
- The Company establishes a complaint channel for employees to report cases of unfair treatment in accordance with the prescribed system and procedure. This includes preventing any unfair actions that may impact the job security of employees.
- The Company prepares a safe and conducive working environment for employees, promoting safety as a paramount concern. The Company prioritizes safety, occupational health, and the working environment, ensuring standards that meet or exceed legal requirements.
- The Company establishes guidelines to combat corruption, ensuring that all employees comply with relevant laws and regulations. This includes strictly prohibiting the use of confidential information, among other measures.
- The Company refrains from engaging in any unfair practices that could potentially impact the job security of employees.

Conducts towards customers

- The Company aims to establish enduring and collaborative relationships with customers, guided by the principles of honesty, integrity, customer confidentiality, and mutual trust.
- The Company endeavors to maximize customer satisfaction by assuming responsibility, demonstrating care, and prioritizing customer issues and needs as the foremost priority.
- The Company takes responsibility for customers by upholding the quality and standards of products and services. This includes ensuring a comprehensive and thorough response to customer needs, with the aim of prioritizing long-term customer satisfaction.
- The Company serves customers sincerely and straightforwardly by providing accurate, complete, and beneficial information that prioritizes their interests. The Company will not provide exaggerated information, as it may lead to customer misunderstandings regarding the service or its associated conditions. Additionally, the Company communicates service-related information to customers transparently through easily accessible communication channels.
- The Company strictly adheres to the terms and conditions when dealing with customers. If the Company cannot comply with any of the conditions, it will promptly notify customers, allowing them to participate in finding solutions without delay.
- The Company interacts with customers courteously and maintains its trustworthiness in its conduct.
- The Company maintains its customer's confidentiality and will not unlawfully use it for personal or third-party benefits.
- The Company continuously strives to always enhance the efficiency and effectiveness of meeting customer needs.
- The Company is committed to offering and delivering products and services that adhere to the highest quality standards, meeting the specific needs of customers.
- The Company establishes a customer feedback channel for customers to report any issues regarding unsatisfactory products and services. This enables the Company to promptly address and resolve the issues and use the feedback to enhance and develop its products and services.



Conducts towards business partners

- The Company establishes a selection process for potential and suitable business partners that align with the Company's business practices and support fair competition. The process is based on ensuring fair returns for both parties involved.
- The Company's procurement, sourcing, or contracting with business partners must be fair, transparent, using verifiable process and criteria of business partner selection. Business partners are evaluated and selected based on the Company's criteria, aiming to avoid engaging in business with partners offering any form of dishonest benefits in order to gain an advantage over other partners.
- The Company treats business partners and creditors equally and fairly, while adhering to the conditions with them honestly and strictly. It strives to find solutions based on business relationships and actively avoids situations that may lead to conflicts.
- The Company prepares appropriate and fair contract templates for all parties involved in the contract. It establishes a system of supervision and monitoring to ensure full compliance with the contract terms and conditions, and to prevent corruption and misconduct at every stage of the procurement process. The Company purchases products from business partners based on trade conditions and strictly adheres to the agreements made with them.
- The Company prohibits executives and all employees from receiving any personal benefits from partners, whether directly or indirectly. The Company has established a policy to prohibit acceptance of gifts and/or incentives. The Company does not have a policy to offer gifts and/or incentives to business partners for business exchanges.
- The Company prohibits executives and all employees from using information obtained through procurement for personal or third-party benefits

Conducts towards creditors

- The Company establishes relationships and interacts with creditors based on the principles of honesty, integrity, and mutual trust.
- The Company complies with the various conditions stipulated in an agreement with the creditor, including the repayment of principal, interest, and the maintenance of various collaterals as outlined in the relevant agreements.
- If the agreed-upon conditions cannot be met, the Company will notify the creditors in advance to jointly consider solutions to the problems.

Conducts towards competitors

- The Company adheres to the framework of good competition, behaving ethically and within the bounds of the law, while also supporting and promoting a policy of free and fair competition.
- The Company will not seek confidential information of its trade competitors through dishonest or inappropriate means for the benefit of its business operations.
- The Company will not make accusations or aim to tarnish the reputation of its trade competitors.
- The Company will not do anything that infringes the intellectual property of others, including commercial competitors.



Conduct towards the community, society, and environment

- The Company pays attention to and prioritizes the safety of the community, society, environment, and the quality of life of individuals involved in its operations.
- The Company has a clear policy on corporate social responsibility (CSR) and diligently adheres to it.
- The Company promotes community, society, and the environment awareness and responsibility among its employees.
- The Company respects the customs, traditions, and cultures of each locality in which it operates.
- The Company promptly and efficiently responds to incidents that impact communities, the environment, lives, and property resulting from its operations. It will collaborate fully with government officials and relevant agencies.
- The Company carries out activities to actively contribute to the development of society, communities, and the environment. This is aimed at improving the quality of life in the communities where each branch of the Company is located, both through independent initiatives and collaborations with government agencies, private sector, and the community.
- The Company promotes the efficient use and conservation of energy.
- The Company ensures strict compliance with the spirit of the law and regulations issued by relevant government agencies through practice, cooperation, and control.

Conducts towards government agencies

- The Company strictly complies with relevant laws and regulations that have been defined.
- The Company follows the prescribed procedures accurately when interacting with officials or government agencies.
- The Company is always aware that laws, rules, or regulations in different government agencies may have varying conditions, procedures, or practices. The Company should acknowledge and strictly adhere to them.

Please see Attachment 5, titled "Policy and Practice Guidelines for Corporate Governance and code of conduct - Full Version", prepared by the Company for the relevant information and details regarding the code of conduct.



6.3 IMPORTANT CHANGES AND DEVELOPMENTS IN POLICIES, PRACTICES, AND CORPORATE GOVERNANCE SYSTEMS DURING THE PAST YEAR

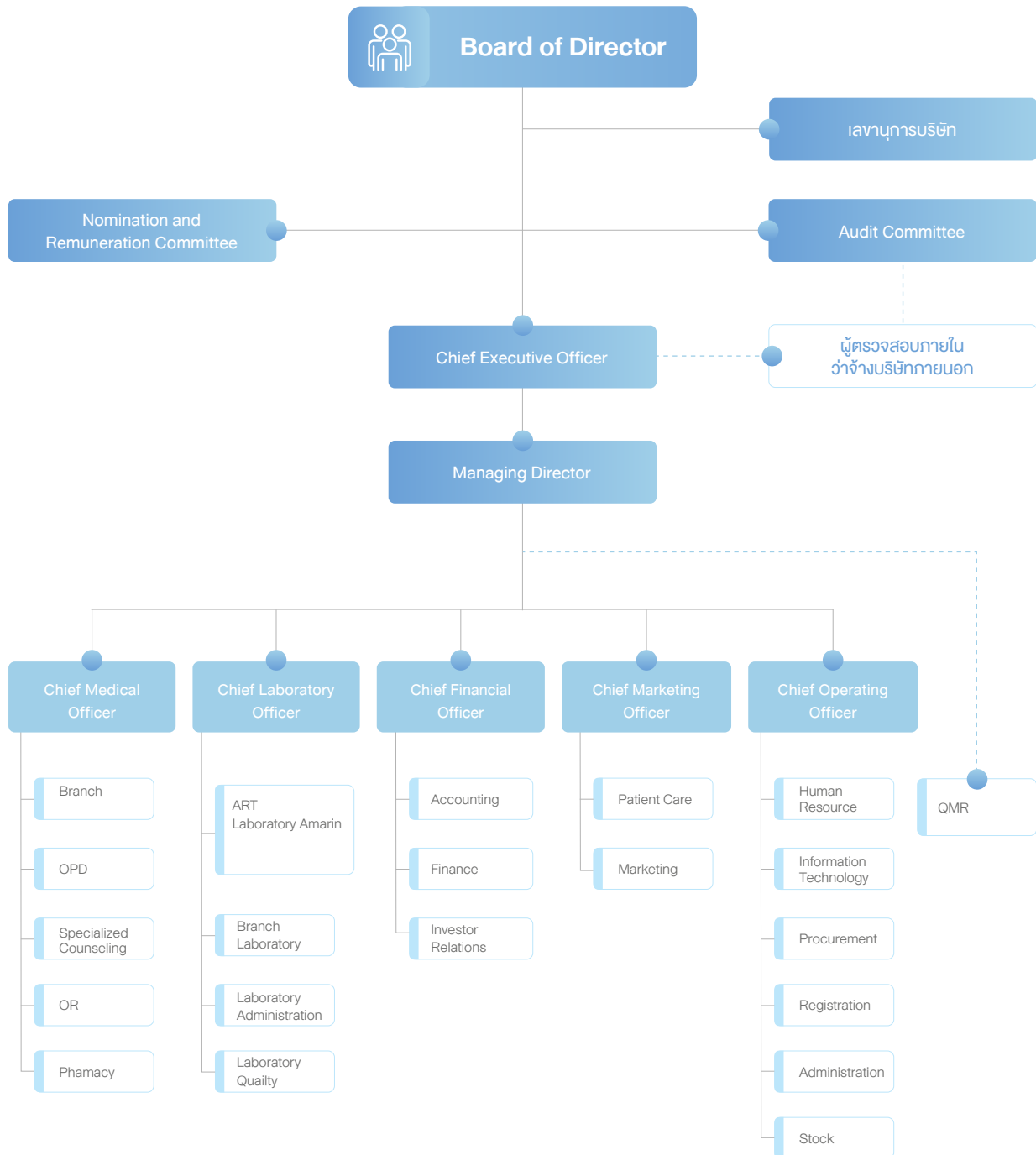
The Board of Directors has considered adopting the principles of good corporate governance practices for listed companies in 2017 to establish its charters and various policies. It also has a process for reviewing and adapting these principles to suit the business context at least once a year.



7 CORPORATE GOVERNANCE STRUCTURE AND SIGNIFICANT INFORMATION ABOUT THE BOARD OF DIRECTORS, SUB-COMMITTEES, EXECUTIVES, EMPLOYEES, AND OTHERS

7.1 CORPORATE GOVERNANCE STRUCTURE

The company's management structure is as follows:



Remark /1 The company has engaged an external internal auditor by appointing Dharmniti Internal Audit Co., Ltd. to perform internal control system audits.



7.2 INFORMATION ABOUT THE BOARD OF DIRECTORS

7.2.1 Composition of the Board of Directors

The composition of the Board of Directors has the following requirements:

- 1) The Board of Directors shall consist of at least five directors, with no less than one-half of the total number of directors having a residence in the Kingdom of Thailand.
- 2) The Board of Directors must comprise independent directors of at least one-third of the total number of directors, but not less than three persons, and must include no less than three audit committee members. The independent directors and audit committee members must fully qualify according to the notifications of the Capital Market Supervisory Board and/or the regulations of the Securities and Exchange Commission (SEC) of Thailand. They must also have the scope of duties and responsibilities as prescribed by the Stock Exchange of Thailand.
- 3) The Board of Directors shall elect one independent director as the Chairman of the Board. In cases where the Board deems appropriate, one or more directors may be elected as Vice Chairman.

As of December 31, 2023, the company's Board of Directors consisted of eight members, in compliance with relevant laws and the company's Articles of Association. There were five non-executive directors as defined by the SEC (62.5% of total directors), and three executive directors as defined by the SEC (37.5% of total directors). Additionally, the Board included three independent directors, more than one-third of the total, who qualified under the relevant criteria. Details on the directors' profiles are provided in Attachment 1 "Details of Directors, Executives, Controlling Persons, Chief Accountant, Chief Bookkeeper, and Company Secretary."

7.2.2 Information on Individual Directors and Controlling Persons

As of December 31, 2023, the company's Board of Directors consisted of eight members, including three independent directors, as follows:

Name	Position
1. Mr. Amnuay Preemonwong	Chairman of the Board / Independent Director / Audit Committee Member
2. Mr. Jirayut Rungsritthong	Independent Director / Chairman of the Audit Committee / Nomination and Remuneration Committee Member
3. Mr. Gran Chayavichitsilp	Independent Director / Audit Committee Member / Chairman of the Nomination and Remuneration Committee
4. Admiral Pichet Tanaset	Director
5. Mr. Yuthapong Ma	Director
6. Mr. Wiwat Quangkananurug	Director / Nomination and Remuneration Committee Member
7. Mrs. Parinyarat Quangkananurug	Director
8. Miss Chanida Pattanotai	Director

Authorized Directors with Binding Signature for the Company

The authorized directors with binding signature for the company are Mr. Wiwat Quangkananurug or Mrs. Parinyarat Quangkananurug or Miss Chanida Pattanotai. Any two of these directors can jointly sign with the company's seal attached.

7.2.3 Roles and Responsibilities of the Board of Directors

Scope of Duties and Responsibilities of the Board of Directors

The scope of duties, authorities and responsibilities of the Board of Directors as prescribed in the Board of Directors Charter, with reference to the Public Limited Companies Act B.E. 2535 (1992) (including amendments), the Securities and Exchange Act B.E. 2535 (1992) (including amendments), and the company's Articles of Association, are as follows:

- 1) Perform duties in compliance with laws, objectives, the company's Articles of Association, resolutions of the Board of Directors' meetings and shareholders' meetings with responsibility, care and integrity.
- 2) Consider and approve the vision, mission, goals, business objectives, business strategies, business plans and annual budgets for the company and subsidiaries (if any) as proposed by management.
- 3) Oversee the administration and performance of the President, Managing Director, management, or any assigned persons to ensure compliance with the prescribed vision, mission, goals, business objectives, strategies, business plans and annual budgets approved by the Board.
- 4) Monitor the performance of the company and its subsidiaries (if any) on a continuous basis to ensure compliance with the company's business plans and budgets.
- 5) Ensure the Company and its subsidiaries adopt appropriate and efficient accounting systems, as well as adequate and effective internal control and internal audit systems. Also ensure regular assessment of the adequacy of the internal control systems of the Company and its subsidiaries (if any).
- 6) Arrange for preparation of the balance sheets and profit and loss statements as of the end of the company's accounting period. Sign to certify such financial statements for submission to the annual general meeting of shareholders for approval.
- 7) Consider and approve the selection and appointment of the auditor, and appropriate remuneration as proposed by the Audit Committee, before proposing to the annual general meeting of shareholders for approval.
- 8) Establish a written corporate governance policy in line with the principles of good governance, and ensure its effective implementation, to ensure the company's fair responsibility toward all stakeholders.
- 9) Appoint sub-committees, including the Audit Committee or other committees, and determine the authority and responsibilities of such sub-committees to assist and support the Board's duties as deemed appropriate. Consider and determine the total remuneration for the sub-committee members based on the budget proposed by management.
- 10) Consider the appointment and determination of remuneration for the President, Managing Director, and Company Secretary. Also, authorize the President or Managing Director to appoint executives as defined by the SEC and/or the Capital Market Supervisory Board, and consider determining the remuneration for such executives.
- 11) Approve expenditures for investments, operations, borrowings or obtaining credits from financial institutions, as well as giving guarantees for normal business operations of the company, subsidiaries, and affiliates without limitation under the company's rules and regulations as well as relevant rules of the Stock Exchange of Thailand and the Capital Market Supervisory Board.
- 12) Consider and approve connected transactions between the company, subsidiaries, associates, and related persons as specified in the Securities and Exchange Act B.E. 2535 (1992) (including amendments) as well as relevant regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board. Also, consider and approve principles regarding commercial agreements with normal trade conditions for transactions between the company and subsidiaries with directors, executives, or related persons, in order to set operational guidelines allowing management to conduct such transactions within the framework of relevant laws and criteria.



- 13) Establish appropriate communication channels with each shareholder group and oversee information disclosure to ensure accuracy, clarity, transparency, reliability, and high standards.
- 14) Appoint people to be directors or executives of subsidiaries (if any) or associates (if any) at least in proportion to the company's shareholding in those subsidiaries (if any) or associates (if any). Clearly define the scope, authority, duties and responsibilities of the appointed directors and executives, including setting a clear discretionary framework for casting votes at board meetings of the subsidiaries (if any) or associates (if any) on significant matters that require prior approval from the company's Board of Directors. This is to ensure control over the administration in line with the company's policies and compliance of transactions with relevant laws, including complete and accurate disclosure of financial position, performance, related transactions, and acquisition or disposition of significant assets.
- 15) Consider and approve interim dividend payments.
- 16) Consider and amend the authorized directors with binding signature for the company.
- 17) Seek professional opinions from external agencies if necessary to support appropriate decision-making.
- 18) Oversee the efficient performance of the company and safeguard the interests of all stakeholders.
- 19) Arrange for an annual general meeting of shareholders within 4 months of the end of the company's fiscal year.
- 20) Convene board meetings at least once every 3 months.
- 21) Prepare an annual report and be responsible for the preparation and disclosure of financial statements for the company and subsidiaries to accurately present their financial position and performance for the past year. Present to shareholders for consideration and approval.
- 22) Evaluate the overall performance of the Board to review achievements, issues, and obstacles each year, utilizing the evaluation to enhance and improve various operational aspects.
- 23) Supervise and oversee the management and operations of the company and subsidiaries in compliance with the company's policies, securities laws, as well as relevant notifications, rules and regulations of the Capital Market Supervisory Board, the SEC, and the Stock Exchange of Thailand. This includes overseeing related party transactions, acquisition or disposition of significant assets insofar as not contradicting other laws. Also ensure adequate and appropriate internal control and audit systems are in place.
- 24) The Board of Directors may delegate authority and/or assign other people to perform specific tasks on its behalf. Such delegation of authority shall be within the scope conferred by the power of attorney and/or in accordance with the rules, regulations or orders set by the Board of Directors and/or the company. However, such delegation shall not constitute an authorization or sub-delegation that allows the Board or its delegates to approve transactions benefiting themselves or persons who may have conflicts of interest (as defined by notifications of the SEC and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or other relevant authorities) in a way that may cause conflicts of interest with the company or its subsidiaries. Exceptions are transactions in compliance with policies and criteria approved by shareholders or the Board for normal business transactions under normal trade conditions as specified by relevant notifications.
- 25) Review the Board of Directors Charter at least once a year.

7.3 INFORMATION ON SUB-COMMITTEES

The company has two sub-committees: the Audit Committee and the Nomination and Remuneration Committee.

(1) Audit Committee

As of December 31, 2023, the Audit Committee consisted of three independent directors who fully qualified under the criteria of the Capital Market Supervisory Board as follows:

No.	Name	Position
1	Mr. Jirayut Rungsritthong	Chairman of the Audit Committee
2	Mr. Amnuay Preemonwong	Member of the Audit Committee
3	Mr. Gran Chayavichitsilp	Member of the Audit Committee

Mr. Jirayut Rungsritthong is an Audit Committee member with sufficient accounting and financial experience to review the credibility of the financial statements. (Mr. Jirayut's experience is detailed in Attachment 1 "Details of Directors, Executives, Controlling Persons, Chief Accountant, Chief Bookkeeper, and Company Secretary")

Miss Tasanun Chuiklom serves as the Secretary to the Audit Committee.

Scope of Duties and Responsibilities of the Audit Committee

- 1) Review to ensure the company's financial reporting is accurate and adequate according to financial reporting standards by coordinating with the external auditor and management responsible for preparing quarterly and annual financial reports. The Audit Committee may recommend that the auditor review or examine any transactions deemed significant and necessary during the audit.
- 2) Review to ensure the company has appropriate, adequate, and effective internal control and internal audit systems.
- 3) Consider the independence of the internal audit unit, and provide opinions on appointment, transfer, dismissal of the head of the internal audit unit or other units responsible for internal audits.
- 4) Have access to all levels of information within the company, including inviting executives, management, supervisors, employees, or relevant persons to attend meetings to provide clarification and information under the scope of duties and authority delegated by the Board of Directors.
- 5) Consider and approve the annual budget, workforce, and necessary resources for the internal audit department's operations. Approve the annual audit plan, including considering and approving revisions to the audit plan for significant aspects. Supervise the internal audit department's operations to ensure compliance with the approved annual audit plan and adherence to international professional standards for internal auditing. Annually evaluate the quality of internal audit performance, as well as meeting with the head of the internal audit at least once a year to discuss significant issues.
- 6) Review the company's compliance with securities and stock exchange laws, requirements of the Stock Exchange of Thailand and the SEC, or laws related to the company's business.
- 7) Consider, select, and propose the appointment of an independent person to serve as the company's auditor, and propose their remuneration, taking into account credibility, adequacy of resources, audit workload of that audit firm, and experience of personnel assigned to audit the company. Additionally, meet with the auditor without management present at least once a year.
- 8) Consider related party transactions or transactions that may involve conflicts of interest, acquisitions, or disposals of assets to ensure accuracy, completeness, and compliance with relevant laws and regulations of the Stock Exchange of Thailand and the SEC. This is to ensure that such transactions are reasonable and in the best interests of the company and shareholders.



- 9) Prepare a report on the audit committee's corporate governance oversight, to be disclosed in the company's annual report. This report must be signed by the chairperson of the audit committee and must contain at least the following information:
- (1) Opinion on the accuracy, completeness, and reliability of the company's financial statements.
 - (2) Opinion on the adequacy of the company's internal control system.
 - (3) Opinion on compliance with securities and stock exchange laws, regulations of the Stock Exchange of Thailand, or laws related to the company's business.
 - (4) Opinion on the appropriateness of the auditor.
 - (5) Opinion on transactions that may involve conflicts of interest.
 - (6) Number of audit committee meetings and attendance of each committee member.
 - (7) Overall opinions or observations received by the audit committee from performing duties under the charter.
 - (8) Other matters that shareholders and general investors should be informed of, within the scope of duties and responsibilities assigned by the board of directors.
 - (9) Review and monitor risk management results from management and/or related units.
 - (10) Review and propose amendments to the audit committee charter as appropriate, at least once a year.
 - (11) Review performance for the past year by preparing a performance report and presenting it to the board at least once a year.
 - (12) Obtain independent opinions from other professional advisors to provide opinions or recommendations within the scope of responsibilities, as appropriate and necessary, at the company's expense.
 - (13) Perform other duties as assigned by the board of directors with approval of the audit committee.

In performing the duties, the audit committee is directly responsible to the board of directors, while the board of directors remains responsible for the company's operations to external parties.

The board of directors has the authority to revise, amend the definition and qualifications of independent directors, and the audit committee charter to align with the audit committee's responsibilities and conform to the regulations of the SEC, the Stock Exchange of Thailand, the Capital Market Supervisory Board, and/or other relevant laws.

(2) Nomination and Remuneration Committee

As of December 31, 2023, the Nomination and Remuneration Committee consists of three members as follows:

Name	Position	ตำแหน่ง
1	Mr. Gran Chayavichitsilp	Chairman of the Nomination and Remuneration Committee
2	Mr. Jirayut Rungsrithong	Member of the Nomination and Remuneration Committee
3	Mr. Wiwat Quangkananurug	Member of the Nomination and Remuneration Committee

Miss Tasanun Chuiklom serves as the Secretary of the Nomination and Remuneration Committee.



Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

- 1) Consider the criteria for payment and forms of remuneration for directors and senior executives to propose opinions to the Board of Directors, in both monetary and non-monetary forms, by comparing and referencing leading companies in the same industry, past performance, experience, duties, scope of roles and responsibilities, business expansion, financial position, company's performance that is in line with the company's strategies and long-term goals in order to create incentives for management and retain qualified directors and senior executives. The Board of Directors approves the remuneration for senior executives, while directors' remuneration is proposed to shareholders for annual approval.
- 2) Evaluate senior executive remuneration to be consistent with their performance by using targets and evaluation criteria linked to short-term and long-term strategies and plans.
- 3) Consider the criteria and process for recruiting qualified candidates to serve as directors in alignment with the company's business strategies by developing a Board Skills Matrix to facilitate recruitment. Select individuals through the defined recruitment process, such as considering names and profiles proposed by the existing Board of Directors, providing opportunities for shareholders to nominate directors, considering external consulting firms, or professional directories. Evaluate candidates' qualifications, diversity in terms of educational background, skills, age, experience, gender, nationality, religion, place of origin, expertise, and specific capabilities necessary for the Board of Directors, as well as their contributions to the company's benefits, and propose opinions to the Board of Directors.
- 4) Implement development programs for directors and senior executives, as well as a senior executive succession plan, and annually review such programs and plans.
- 5) Oversee the orientation for new directors to ensure understanding of their roles, duties and responsibilities, and provide information on the company's policies, business nature, and environmental considerations.
- 6) Implement training and knowledge development plans for current directors that are appropriate for changes in external conditions and the company's sustainable development, in terms of business operations and corporate governance. Review whether the current board lacks any critical skills, knowledge, and expertise according to the defined Director Skills Matrix in order to appropriately select necessary development courses for directors.
- 7) Suggest methods for evaluating the performance of the company's board of directors and sub-committees by regularly reviewing annually. This may include considering using external consultants, as well as monitoring and summarizing the evaluation results for the company's board of directors in order to improve the efficiency of their performance and enhance the knowledge and capabilities of the company's directors.
- 8) Perform other duties as assigned by the Board of Directors. In performing duties under the scope of this charter, the Nomination and Remuneration Committee has the authority to summon management or relevant employees to provide opinions, attend meetings, or submit necessary documents. Additionally, the committee may seek advice from independent external advisors or experts in other professions if deemed necessary and appropriate.



7.4 INFORMATION ABOUT EXECUTIVES

7.4.1 Names and Positions of Executives

As of December 31, 2023, the company has five executives according to the definition of “executive” under the Notification of the Capital Market Supervisory Board No. Tor Chor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offering of Securities (including amendments), as follows:

No.	Name	Position ⁽¹⁾
1	Mr. Wiwat Quangkananurug	President and Chief Executive Officer / Chief Medical Officer
2	Mrs. Parinyarat Quangkananurug	Managing Director / Chief Operating Officer / Acting Chief Sales and Marketing Officer
3	Miss Chanida Pattanotai ⁽²⁾	Chief Financial Officer
4	Miss Sujin Chanchamroen	Chief Laboratory Officer
5	Miss Jaturapat Thanasuwichai	Accounting Manager

Remark : (1) According to the definition in the Notification of the Capital Market Supervisory Board No. Kor Jor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offering of Securities (including amendments), “executive” means the manager or the next four persons holding an executive position descending from the manager, and every person holding an equivalent position to the fourth executive and shall include persons holding executive positions in accounting or finance at the level of department manager or equivalent.

(2) The person authorized as the highest responsibility for accounting and finance functions.

Details and information related to the company’s executives are shown in Attachment 1 “Details about Directors, Executives, Controlling Persons, Person Assigned the Highest Responsibility in Accounting and Finance, Person Assigned Direct Responsibility for Supervising Accounting, and Company Secretary.”

7.4.2 Executive Remuneration Policy

The remuneration for the company’s executives consists of:

- (1) Monetary remuneration comprising salaries and bonuses.
- (2) Other remuneration - The company has established a provident fund, which is a long-term compensation and savings for the President and Chief Executive Officer, Managing Director, and executives, similar to the company’s employees. The contribution rates range from 5 - 15% of the salary, and the company contributes 5% to the provident fund.



For the fiscal year ended December 31, 2023, the company paid remuneration to executives as defined by the SEC in the total amount of 46.15 million baht (excluding remuneration received by executives for being the company's directors), with the following details:

Item	Monetary Remuneration (Baht)	
	2022	2023
Salaries and Bonuses	13,737,370	15,300,850
Medical Professional Fees	19,926,127	23,642,165
Social Security Contributions	18,900	27,000
Provident Fund Contributions	173,990	183,832
Other Remuneration	8,919,655	7,000,012
Total	42,776,042	46,153,859

Remark : (1) Medical professional fees are remuneration paid by the company to one executive, Mr. Wiwat Quangkananurug (please refer to additional information in Section 9.2 Related Party Transactions)

(2) Other monetary remuneration consists of medical treatment fees and telephone allowances.

7.5 EMPLOYEE INFORMATION

Number of Employees

As of December 31, 2023, the company and its subsidiaries had a total of [--] employees (excluding executives), categorized by department as follows:

Department/Division	Number of Employees (Person)		
	As of December 31, 2021	As of December 31, 2022	As of December 31, 2023
Medical and Nursing Department			
Medical Doctors (Full time)	8	8	8
Medical Doctors (Part time)	5	5	5
Nursing Officers	24	22	24
Pharmacists	4	6	4
Phlebotomists	1	1	1
Department Secretaries	2	2	2
Psychologists	1	0	0
Genetic Counselors	1	1	1
Medical Assistants	22	19	21
Laboratory Department			
Scientists	14	14	10
Medical Technicians	4	4	11
Department Secretaries	2	2	2
Operations Officers	20	20	20



Department/Division	Number of Employees (Person)		
	As of December 31, 2021	As of December 31, 2022	As of December 31, 2023
<u>Sales and Marketing Department</u>			
Sales and Marketing Officers	13	14	15
Receptionist and Personal Care Assistants	21	17	14
Department Secretaries	1	1	1
Product Officers	1	1	1
<u>Accounting and Finance Department</u>			
Accounting Officers	6	6	6
Finance Officers	8	8	8
<u>Operations Department</u>			
Human Resources Officers	2	2	3
Procurement Officers	4	4	3
Administrative Officers	6	9	6
IT Officers	4	4	5
Medical Record Officers	8	7	7
Warehouse Officers	1	2	2
Statisticians	1	1	1
Department Secretaries	2	2	2
<u>Quality Management System Department</u>			
Quality Management System Officers	1	1	6
Total	185	183	193

Employee Remuneration

For the fiscal year ended December 31, 2023, the group paid remuneration to employees in the total amount of 117.31 million baht, consisting of salaries, wages, and other remuneration such as bonuses, incentive fees, other employee benefits, training and seminar fees, social security contributions, and provident fund contributions.

Provident Fund

Currently, the group has a provident fund managed by Kasikorn Asset Management Co., Ltd. under the name “K Master Pooled Fund,” which is already registered. The contribution rates range from 5-15% of salary, and the company contributes 5% to the provident fund.



Human Resource Development Policy

Safe Fertility Group Public Company Limited (“the Company”) is committed to being a leader in fertility treatment and embryo genetic diagnosis in Asia and provides excellent fertility treatment services with outstanding success rates and patient safety as top priorities. The company recognizes that human resources are a key factor in driving the achievement of these goals. Therefore, the Board of Directors deems it appropriate to establish a human resource development policy to promote capacity building and enhance the competency of the company’s personnel to become well-rounded professionals upholding professional ethics.

The company aims to promote the development of its personnel, including directors, executives, and employees, in order to build a potential-filled organization that values and respects people, maintains transparency and ethics, assumes responsibility and gives back to society, and strives for excellence.

– Executive Development

To guarantee effective normal business operations and that its executives have a thorough understanding of the business nature and corporate management, the Board of Directors believes it is appropriate to set the following guidelines for executive development:

- 1) Establish managerial competencies to serve as a basis for developing executives’ skills, knowledge and abilities to work successfully.
- 2) Provide appropriate training courses and other development approaches aligned with the managerial competencies to the company’s executives.
- 3) Conduct orientation for newly appointed executives to support their adaptation to the new roles, responsibilities and expectations, as well as the corporate culture and business nature.
- 4) Encourage executives to share their work experiences with other executives and employees within the company to foster an organizational learning and development environment.

– Personnel Development

The company has a policy to develop employees’ potential, knowledge, and work skills continuously and appropriately so that employees have professional skills, thinking skills, personal skills, and technical work skills as follows:

- 1) External Training to develop potential, knowledge, and capabilities suitable for job characteristics, especially specialized knowledge and understanding in the field of assisted reproductive technology in medicine. Employees are sent for training or seminars on various courses with external training institutes.
- 2) In-house Training to develop concepts, potential, knowledge, and work capabilities as well as aligning with organizational goals, the constantly evolving body of knowledge in assisted reproductive technology in medicine, and current competitive environments.
- 3) On-the-Job Training to develop employees’ practical work skills for more efficient job performance.

– Human Resource Management

The company will select, promote, and take care of employees who have skills, knowledge, abilities, virtues, and ethics, and encourage employees to use their knowledge and abilities to work efficiently and effectively so that the company can operate its business to achieve its set goals and objectives. To achieve the company’s personnel management goals, the company has established the following policies as guidelines for human resource management:

- 1) All employees will be treated fairly and with appropriate dignity because every employee is an important part of the company.



- 2) The recruitment and hiring of individuals for positions in the company will be conducted fairly, taking into account the qualifications for each position, skills, knowledge, abilities, and other necessary qualifications for the job. Employees will be appointed to suitable positions or duties and may be rotated or replaced as appropriate.
- 3) The company realizes that good communication leads to efficiency and good working relationships. Therefore, the company will encourage employees to receive relevant information at appropriate opportunities and provide as much information as possible.
- 4) The company will determine compensation for employees based on the nature and characteristics of the work, as well as employee performance.
- 5) The company will evaluate the performance of employees at all levels at least once a year to improve work efficiency and enhance the core competencies of each employee, as well as providing advice and consultation, and developing individual development plans for employees based on the evaluation results.

7.6 OTHER SIGNIFICANT INFORMATION

7.6.1 List of Persons Assigned the Following Responsibilities:

– Company Secretary

At the Board of Directors' Meeting (Safe Fertility Group Public Company Limited) No. 1/2023 held on August 10, 2023, a resolution was passed to appoint Miss Tasanun Chuiklom as the Company Secretary. Her duties and responsibilities are as prescribed in Sections 89/15 and 89/16 of the Securities and Exchange Act B.E. 2535 (1992) (including amendments), which shall be performed with responsibility, care, and honesty, as well as in compliance with the laws, objectives, the company's Articles of Association, board resolutions, and shareholders' meeting resolutions. The profile of the Company Secretary is provided in Attachment 1 "Details of Directors, Executives, Controlling Persons, Person Assigned the Highest Responsibility in Accounting and Finance, Person Directly Responsible for Supervising Accounting, and Company Secretary."

– Person Directly Responsible for Supervising Accounting

The person directly responsible for supervising the company's accounting is Miss Jaturapat Thanasuwichai, who has been the Accounting Manager since July 1, 2018. Miss Jaturapat Thanasuwichai is a qualified accountant who meets the criteria specified by the Department of Business Development's announcement. Details about the person directly responsible for supervising accounting are provided in Attachment 1 "Details of Directors, Executives, Controlling Persons, Person Assigned the Highest Responsibility in Accounting and Finance, and Person Directly Responsible for Supervising Accounting."

– Head of the Company's Internal Audit

At the company's Board of Directors Meeting No. 1/2023 on February 23, 2023, a resolution was passed to appoint Dharmaniti Internal Audit Co., Ltd. ("Dharmaniti") as the outsourced internal auditor. The scope of work covers from the 1st quarter of 2023 to the 4th quarter of 2024. Dharmaniti has assigned Miss Somjaree Kaewkomdee as the Head of Internal Audit for the Group.

The Board of Directors has considered the qualifications of Dharmaniti Internal Audit Co., Ltd. and Miss Somjaree Kaewkomdee and viewed that the internal audit firm and the work supervisor are qualified to review and assess the adequacy of the Group's internal control system. Details of the Head of Internal Audit are provided in Attachment 3 "Details of the Company's Head of Internal Audit."



7.6.2 Name of Head of Investor Relations

The person appointed as Head of Investor Relations is Miss Tasanun Chuiklom, effective April 1, 2023. Investors or the general public can contact Investor Relations on Tel. 0-2252-3833 ext. 311, email: investorrelations@safefertilitygroup.com, or through the company's website www.safefertilitygroup.com.

7.6.3 Auditor's Remuneration

For the fiscal year ended December 31, 2023, the 2023 Annual General Meeting of Shareholders on April 28, 2023, resolved to appoint the auditors from PricewaterhouseCoopers ABAS Ltd. as the company's auditors and determined the audit fee for 2023.

The group paid an audit fee of THB 4,450,000 to PricewaterhouseCoopers ABAS Ltd., the auditors' firm. This included THB 750,000 for auditing services related to the Initial Public Offering and listing of the company's ordinary shares on the Stock Exchange of Thailand, which was a one-time charge for the IPO process. The total fee was THB 5,200,000. This remuneration excludes other non-audit services such as out-of-pocket expenses incurred during service provision.



REPORT ON KEY PERFORMANCE IN CORPORATE GOVERNANCE

8.1 SUMMARY OF THE BOARD OF DIRECTORS' PERFORMANCE OVER THE PAST YEAR

The Board of Directors adheres to the conduct of business in accordance with the laws, objectives, articles of association, and resolutions of the shareholders' meeting of the Company, including good corporate governance principles following the guidelines set by the Stock Exchange of Thailand (SET) and the principles of good corporate governance for listed companies in 2017 according to the guidelines set by the Office of the Securities and Exchange Commission (the "SEC") to create sustainable value for the business. In addition, the Board of Directors quarterly monitors the Company's operating results and financial status and considers planning strategies and policies for business operations so that the Company can continue to operate its business and be able to adapt to various changing factors that may affect the business in order to enable the Company to operate smoothly and increase the Company's competitiveness in the future.

The Board of Directors regularly oversees the adequacy of the Company's internal control system and manages the Company's risks, along with providing the disclosure of financial reports that are accurate, complete, and consistent with relevant financial reporting standards in order to build the confidence of investors and shareholders in the Company.

8.1.1 Nomination, Development, and Evaluation of the Board of Directors' Performance Directors and Independent Directors

Consider recruiting and nominating persons with appropriate qualifications and expertise to serve as directors, subcommittees, and the Chief Executive Officer, as well as considering the profile of such persons to be fully qualified as defined in the Company's various charters and related laws, as well as not contradicting laws related to the Company's business operations. The Company has a policy of appointing independent directors for at least one-third of the total number of directors and must have at least three directors. As of November 18, 2019, the Board of Directors consists of three independent directors out of a total of eight directors, which is not less than one-third of the total number of directors and more than one-half of the total number of directors.

Directors of the Company must have the following qualifications:

- 1) Possess qualifications and do not possess prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (including as amended), the Securities and Exchange Act B.E. 2535 (1992) (including as amended), the Notification of the Capital Market Supervisory Board, and/or the rules prescribed by the SEC, as well as not having characteristics that show a lack of suitability to be entrusted with the management of a business in which the general public is a shareholder, as determined by the Office of the SEC.
- 2) Have knowledge, abilities, and experience that are beneficial to business operations and be intentional and ethical in conducting business.
- 3) Be able to adequately devote time to the Company in which they are directors and pay attention to the performance of their responsibilities.



- 4) If a director serves as an independent director, such director must have the qualifications as specified in the Notification of the Capital Market Supervisory Board No. Tor Jor. 39/2559 on Request for Permission and Authorization for Offering of Newly Issued Shares dated September 30, 2016 (including as amended), the Announcement of the Stock Exchange of Thailand No. Bor Jor/Ror 01-04 on Qualifications and Scope of Operation of the Audit Committee B.E. 2558 (2015), and amendments that may be made in the future.
- 5) Directors can hold directorship positions in other companies. However, such directorship must not hinder the performance of the duties of the Company's directors and must comply with the guidelines of the SEC and/or the Stock Exchange of Thailand.
- 6) Directors may not operate a business of the same nature and in competition with the business of the Company and its subsidiaries, or become partners or directors in other juristic persons with the same nature and in competition with the business of the Company and its subsidiaries, whether for their own benefit or the benefit of other persons, unless notified to the shareholders' meeting before the resolution of appointment.
- 7) Directors must notify the Company without delay if there is an interest in a contract entered into by the Company or its subsidiaries, whether directly or indirectly.

Independent directors must have the following qualifications:

- 1) Hold shares not exceeding 1% of the paid-up registered capital of the Company, its subsidiaries, or related companies, including the shareholding of related persons of independent directors.
- 2) Not be a director who has the authority to sign to bind the Company, its employees, staff, or advisors receiving a regular salary from the Company, its subsidiaries, related companies, or major shareholders.
- 3) Not be a director assigned to be responsible for the normal management of the Company's business, its subsidiaries, related companies, or major shareholders.
- 4) No direct or indirect interest, either directly or indirectly, in either finance or administration.
- 5) Not be an auditor of the Company, its subsidiaries, or juristic persons that may have conflicts.
- 6) Not be a professional service provider who receives service fees exceeding two million baht per year from the Company, its subsidiaries, or juristic persons who may have conflicts.
- 7) Not be related persons or close relatives of executives or major shareholders.
- 8) Not be a director appointed as a representative to protect the interests of the Company's directors, subsidiaries, or major shareholders.
- 9) There are no other characteristics that prevent it from giving an independent opinion on the Company's operations.

Election and Term of Office of the Board of Directors

At every annual general meeting of shareholders, one-third (1/3) of the total number of directors shall retire from office. If the total number of directors cannot be divided into three (3) equal parts, the number of retiring directors shall be the nearest to one-third (1/3). A director who leaves for that term may be re-elected.

In addition to the expiration of the term of office, directors retire upon:

- 1) Death.
- 2) Resignation (with effect from the date the Company receives the resignation letter).
- 3) Lack of qualifications or possessions of characteristics prohibited by laws, regulations, and announcements issued in accordance with the laws or the Company's Articles of Association.
- 4) The shareholders' meeting voted to leave.
- 5) Dismissal by the court's order.



Nomination of Directors

The Board of Directors will ensure that the Chief Executive Officer, the Managing Director, and senior executives are recruited and developed to have the knowledge, skills, experience, and attributes necessary to drive the organization toward its goals.

Nomination

- 1) The Board of Directors will consider the criteria and procedures for the nomination of suitable persons to serve as Chief Executive Officer and Managing Director.
- 2) The Board of Directors will monitor and ensure that the Chief Executive Officer and the Managing Director have appropriate senior executives. At least, the Board of Directors must, together with the Chief Executive Officer and the Managing Director, consider the criteria and procedures for nominating and appointing persons, and approve the persons proposed by the Chief Executive Officer and the Managing Director as senior executives.
- 3) To ensure the continuity of business operations, the Board of Directors supervises the establishment of a succession plan in preparation for the succession of the Chief Executive Officer, the Managing Director, and senior executives. The Chief Executive Officer and the Managing Director shall report the performance of the succession plan to the Board of Directors at least once a year.
- 4) The Board of Directors will encourage and support the Chief Executive Officer, Managing Director, and senior executives to receive training and development to enhance knowledge and experience that is beneficial to the performance of their duties.
- 5) The Board of Directors will clearly define policies and practices for directorship at other companies of the Chief Executive Officer, the Managing Director, and senior executives, both the types of director positions and the number of companies that can go to the position.

Compensation Considerations

- 1) The Board of Directors will ensure that an appropriate remuneration and evaluation structure is established.
- 2) The Board of Directors will establish a remuneration structure that incentivizes the Chief Executive Officer and the Managing Director, senior executives, and other personnel at all levels to perform their duties in accordance with the long-term interests of the business, including:
 - (1) Considering the appropriateness of the proportion of salary remuneration and short-term performance, such as bonuses and long-term performance, such as the Employee Stock Ownership Plan.
 - (2) Formulating a policy on remuneration payment that must take into account factors such as the level of remuneration above or equal to the estimated industry level, the performance of the business.
 - (3) Establishing a policy on evaluation criteria and communicating them.
- 3) The Board of Directors, excluding executive directors, shall play a role in relation to the remuneration and performance evaluation of the Chief Executive Officer and the Managing Director, at least in the following matters:
 - (1) Approval of the criteria for the performance evaluation of the Chief Executive Officer and the Managing Director that motivates them to manage the business in accordance with the objectives, main goals, strategies, and in accordance with the long-term interests of the business. The evaluation criteria must be communicated to the Chief Executive Officer and the Managing Director in advance.

- (2) Annual evaluation of the performance of the Chief Executive Officer and the Managing Director and the Chairman of the Board of Directors or the Senior Director shall communicate the results of the consideration, including issues for development, to the Chief Executive Officer and the Managing Director.
- (3) Approval of the annual remuneration of the Chief Executive Officer and the Managing Director by considering their performance evaluation results and other factors altogether.
- 4) The Board of Directors will consider the criteria and factors for performance evaluating, approve the remuneration structure of senior executives, and monitor the Chief Executive Officer and the Managing Director to evaluate senior executives in accordance with such evaluation principles.
- 5) The Board of Directors will oversee the establishment of criteria and factors for the evaluation of performance for the entire organization.

Nomination of the Chief Executive Officer, Managing Director, and Executives of the Company

To ensure the continuity and efficiency of the Company's business operations, the Board of Directors therefore agrees to prepare the succession plan for critical positions as follows:

- Chief Executive Officer
- Managing Director
- Chief Medical Officer
- Chief Laboratory Officer
- Chief Accounting and Finance Officer
- Chief Sales and Marketing Officer
- Chief Operating Officer, and
- Other positions that the Chief Executive Officer or the Managing Director deems appropriate to have a succession plan.

Guidelines for Succession Planning

- 1) Designation or nomination of successors

Critical position holders shall nominate a few persons they deem to have the potential for succession, considering two factors: 1. performance and 2. potential (especially leadership potential and behaviors aligned with corporate values).

The Company may consider internal personnel, including those in subordinate positions, or external recruitment when selecting successors. In cases where there is a shortage of personnel or there may be a shortage in the future, the Company may proactively recruit and select personnel to fill these positions.

The Company may proactively plan the recruitment and selection of personnel to recruit successors in positions where there is or may be a shortage of personnel in the future.

- 2) Review and finalization of the successor list

Critical position holders may periodically review the list of successors to ensure that the most suitable person is designated as their successor.

Director Development

The Board and management value regular participation in training and seminars concerning their competencies for their jobs. (Training details appear in directors' profiles in Attachment 1.) Most PTT directors (more than 90%) underwent training with the Thai Institute of Directors Association (IOD) and other leading entities and institutes as well as seminars on related topics.



At present, the Board was trained in courses related to director duties, namely 5 in the Director Certification Program (DCP) and 3 in the Director Accreditation Program (DAP).

And on 25 March 2024, Mr. Parinyarat Quangkananurug and Ms. Chanida Pattanotai attended the Board Orientation for New Listed Companies seminar on the topic “Business Sustainability based on Good Corporate Governance” organized by the Stock Exchange of Thailand in collaboration with the Thai Institute of Directors (IOD)

Evaluation of the Performance of the Duties of the Board of Directors

Evaluation Results	Percentage	Score
Directors by the entire Board of Directors	95%	Very Good
Audit Committee by the entire committee	100%	Very Good
Nomination and Remuneration Committee by the entire committee	100%	Very Good
Individual Board of Directors	95%	Very Good

8.1.2 Meeting Attendance and Remuneration Payment by Individual Directors and Committees

(1) Board of Directors' Meetings

In 2023, the Company held seven meetings of the Board of Directors. The details of the attendance of each director can be summarized as follows:

No.	Name-Surname	Number of Meetings Attended/Total Number of Meetings in 2023	
		SAFE Fertility Center Company Limited	SAFE Fertility Group Public Company Limited
1	Mr. Amnuay Preemonwong	3/3	4/4
2	Mr. Jirayut Rungsrithong	3/3	4/4
3	Mr. Kran Chayavichitsilp	3/3	4/4
4	Mr. Wiwat Quangkananurug	3/3	4/4
5	Mrs. Parinyarat Quangkananurug	3/3	4/4
6	Admiral Pichet Tanaset	3/3	4/4
7	Mr. Yuthaphong Ma	3/3	4/4
8	Ms. Chanida Pattanotai	3/3	4/4

(2) Remuneration of Directors

The Company has determined the directors' remuneration to be at an appropriate rate and in line with the Company's performance and the income structure of the directors of the group of companies in the same industry by considering the goals of the organization and the Company's performance, as well as the roles, duties, and responsibilities of the directors. The directors' remuneration has been approved by the shareholders' meeting.



Directors' Remuneration

The remuneration of the Board of Directors and various subcommittees consists of monthly remuneration and meeting allowances. The executive directors will not receive monthly remuneration. For the year 2023, the Annual General Meeting of Shareholders 2023 on April 28, 2023, resolved to approve the remuneration of the Board of Directors and subcommittees for the year 2023 as follows:

Position	Monthly Remuneration (baht/person/month)	Meeting Allowance (baht/person/time)
Board of Directors		
- Chairman of the Board of Directors	40,000	30,000
- Director	22,500	20,000
Audit Committee		
- Chairman of the Audit Committee		30,000
- Committee Member	-	25,000
Nomination and Remuneration Committee		
- Chairman of the Nomination and Remuneration Committee	-	15,000
- Committee Member	-	10,000

Remuneration Received by Directors Individually Between January 1, 2023 and December 31, 2023

No.	Director	Position	Board of Directors (baht)	Audit Committee (baht)	Total (baht)
1	Mr. Amnuay Preemonwong	Chairman of the Board of Directors Independent director Audit Committee Member	690,000	150,000	840,000
2	Mr. Jirayut Rungsritthong	Chairman of the Audit Committee Independent director Nomination and Remuneration Committee Member	410,000	125,000	535,000
3	Mr. Kran Chayavichitsilp	Chairman of the Nomination and Remuneration Committee Independent Director Audit Committee Member	410,000	125,000	535,000
4	Admiral Pichet Tanaseth	Director	410,000	-	410,000
5	Mr. Yutthaphong Ma*	Director	-	-	-
6	Mr. Wiwat Quangkananurug	Director Nomination and Remuneration Committee Member	140,000	-	140,000
7	Mrs. Parinyarat Quangkananurug	Director	140,000	-	140,000
8	Ms. Chanida Pattanotai	Director	140,000	-	140,000

Note* a representative director from North Haven Thai Private Equity Saturn Company (Hongkong) Limited which will not receive any remuneration for directors



8.1.3 Supervision of Subsidiaries and Associated Companies

The Company establishes an operational supervision policy in its subsidiaries and associated companies with the objective of establishing direct and indirect measures and mechanisms to enable the Company to supervise and manage the business of its subsidiaries and associated companies, including monitoring and ensuring that subsidiaries and associated companies comply with the measures and mechanisms set forth as if they were the Company's own entities and in accordance with the Company's policies, including public limited company laws, civil and commercial codes, securities laws, and related laws, as well as relevant announcements, regulations, and rules of the Capital Market Supervisory Board, the Office of the SEC, and the Stock Exchange of Thailand. This is to protect the interests in the Company's investments in such subsidiaries and associated companies. The details are as follows:

1) The Company will send a person representing the Company to be a director in each subsidiary and/or associated company in proportion to the shareholding in each company in order to supervise the subsidiary and/or associated company to act in accordance with the law, good corporate governance policy, and other policies of the Company. However, the appointment of a representative of the Company as a director in each subsidiary and/or associated company must be considered and approved by the Board of Directors' meeting, taking into account the suitability of each company.

2) In the event of entering into any transaction or operation of a subsidiary that falls under the scope or is an acquisition or disposal of assets according to the announcement of the acquisition or disposal of assets or related party transactions pursuant to the announcement of the related party transaction, resulting in the Company being obliged to request approval from the Board of Directors' meeting and/or request approval from the shareholders' meeting of the Company or seek approval from relevant authorities in accordance with the law before entering into the transaction, the subsidiary can enter into such transaction or perform such operation only after the approval of the Board of Directors' meeting and/or the shareholders' meeting of the Company and/or relevant authorities (as the case may be) has already been granted.

Furthermore, in the event of entering into a transaction or occurring in certain circumstances of a subsidiary that cause the Company to be obliged to disclose information to the Stock Exchange of Thailand in accordance with the rules prescribed in the relevant notification of the Board of Directors of the Stock Exchange of Thailand, the representative director of such subsidiary is obliged to notify the management of the Company immediately upon becoming aware that the subsidiary plans to enter into such transactions or occurrence of such circumstances.

3) The Board of Directors and executives of each subsidiary and/or associated company shall have a scope of powers, duties, and important responsibilities in accordance with relevant laws, such as disclosing information on its financial position and operating results to the Company by adopting the relevant notifications of the Capital Market Supervisory Board and the Notification of the Stock Exchange of Thailand mutatis mutandis. This also includes disclosing and submitting information about its interests and related persons to the Board of Directors about its relationships and transactions with the Company, its subsidiaries, and/or associated companies in a manner that may cause a conflict of interest and avoiding transactions that may cause a conflict of interest.

4) The Company will establish plans and take necessary actions to ensure that its subsidiaries and/or associated companies disclose information about their performance and financial position to the parent company and will take necessary actions and monitor the subsidiaries and/or associated companies to have adequate and appropriate disclosure systems and internal control systems for conducting business.

Besides this, the Company will closely monitor the operating results and operations of such subsidiaries and/or associated companies and present the results of the analysis and comments or recommendations to the Board of Directors and the Board of Directors of such subsidiaries or associated companies for consideration in formulating policies or improving and fostering the business of the subsidiaries and/or associated companies to constantly develop and grow.

8.1.4 Monitoring Compliance with Corporate Governance Policy and Practices

The Company recognizes the importance of good corporate governance in promoting the Company's operations for effective and sustainable growth, which will lead to maximum benefits for all stakeholders, including employees, investors, shareholders, and other stakeholders. Therefore, the Board of Directors deems that it should have a good corporate governance policy. It covers key principles ranging from the structure, roles, duties, and responsibilities of the Board of Directors to the transparent, clear, and accountable management principles of executives to guide the management of the organization in order to ensure that any operation of the Company is fair and takes into account the best interests of shareholders and all stakeholders.

To ensure the Company's reliability for shareholders and all stakeholders and for the benefit of creating sustainable value for the business in line with the expectations of the business sector, investors, as well as the capital market and society as a whole, the Company has developed a good corporate governance policy based on the principles of good corporate governance for listed companies in 2017, which was prepared by the SEC as a guideline for the Company's corporate governance.

(1) Prevention of Conflicts of Interest

The Company values the principles of good corporate governance. It expects the directors, executives, and employees of the Company to perform their duties in an efficient, transparent, and accountable manner, which will be beneficial to the Company's business operations and build confidence for customers and all related parties. Therefore, the Company has established a policy on the prevention of conflicts of interest on the principle that any decision in conducting business activities must be in the best interests of the Company and its shareholders and should avoid actions that cause conflicts of interest by requiring those who are involved in or have an interest in the transaction to be considered to inform the Company of their relationship or interest in such a transaction and must not participate in the consideration and have no authority to approve such transactions. The key principles are as follows:

- 1) The Company shall consider carefully, honestly, logically, and independently eliminating conflicts of interest within a good ethical framework, as well as fully disclosing information for the overall benefit of the Company and its customers.
- 2) Directors and executives shall refrain from operating businesses that are in the same nature and competition with the Company's business, whether for their own benefit or others, which may directly or indirectly damage the Company, or become partners or shareholders with decision-making power, or executives in businesses that are competitive or similar to the Company, unless it can be shown that such action will not affect the Company. There will be measures for the best interests of the Company and the shareholders as a whole, and directors should not be directors of more than five other listed companies.
- 3) All directors, executives, and employees should disclose business transactions or businesses that constitute personal, family, or relatives or dependents that may cause a conflict of business interest with the Company, such as:
 - Joint investment or interest with traders doing business with the Company or its customers.
 - Holding any position or even being an advisor to a partner doing business with the Company or its customers.
 - Trading goods or providing services directly with the Company or through others.
- 4) Directors, executives, and employees shall not seek benefits for themselves or others based on confidential information of the Company, such as plans, revenues, meeting resolutions, business projections, results from experiments and research, or auctions, for personal benefit, whether or not they cause damage to the Company. They must also strictly comply with the Company's internal information use policy.



- 5) The Board of Directors shall supervise the Company and the management to accurately and completely disclose information on transactions that may have conflicts of interest in the annual report (Form 56-1, One Report).

In addition, the Company recognizes the importance of conducting business with transparency and taking into account all stakeholders. Therefore, the Company has clearly defined a policy and procedure for making related party transactions. This is to serve as a guideline for agreeing to enter into related party transactions and to prevent potential conflicts of interest. The policy and procedure for making related party transactions were approved by the Audit Committee meeting on April 5, 2023.

(2) Exploitation of Inside Information

The Company and its subsidiaries conduct business with transparency and awareness of the importance of using inside information to comply with the Securities and Exchange Act B.E. 2535 (1992) (including amendments) (the “**Securities and Exchange Act**”), including relevant announcements, regulations, and/or rules. The Company has established a policy on the use of inside information as follows:

- 1) Directors, executives, staff, and employees of the Company (and its subsidiaries) are prohibited from knowing or possessing “inside information” and/or in a position or line of responsibility for “inside information” or having access to “inside information.”
 - (1) Buy or sell the Company’s securities or enter into contracts to be bound by futures relating to the Company’s securities, whether for themselves or another person.
 - (2) Disclose “inside information” to other persons, whether directly or indirectly, and in any way in which they know or should know that the recipient of the information may use the information for the purpose of buying or selling securities or being bound by futures relating to the securities, whether for themselves or other persons. The term “inside information” means information that has not been disclosed to the general public that is material to changes in the price or value of the Company’s securities, for example, that the Company’s information is likely to be significant to changes in the price or value of the securities or investment decisions. Such information includes, but is not limited to, information about the Company, major shareholders, controlling persons, or key executives of the Company, and is reasonably clear information that general investors are likely to use to make investment decisions.
- 2) Directors, executives, staff, and employees of the Company (and its subsidiaries) in the line of finance must
 - (a) Suspend the purchase or sale of the Company’s securities, whether for themselves or other persons; and
 - (b) Not to disclose financial information directly or indirectly to other persons.

At least 30 days prior to the publication of the Company’s annual or quarterly financial statements, the Company should disclose such information to the Stock Exchange of Thailand and should wait at least 24 hours after such disclosure before buying or selling the Company’s securities. Those involved in inside information must not disclose such information to others until such information has been notified to the SET.

- 3) If business partners of the Company and its subsidiaries are companies whose shares are listed on the Stock Exchange of Thailand and transactions with such partners may be considered “inside information” of the partners, the directors, executives, staff, and employees of the Company (and its subsidiaries) are obliged to process the “inside information” of such business partners in the same way as the Company’s “inside information” in accordance with Clause 1 above.

- 4) In the event that the Company has “inside information” that cannot be disclosed for reasons that are inconclusive or highly uncertain, the directors, executives, staff, and employees of the Company (and its subsidiaries) involved are responsible for maintaining the confidentiality of such information to prevent anyone from exploiting or disclosing it improperly. They should comply with the “Guidelines for Managing Confidential Information Affecting Securities Prices” prepared by the Office of the SEC.

Additionally, if it is necessary to disclose inside information to those with relevant duties who have a role in taking necessary actions for the Company, such as legal advisors who are responsible for advising transactions or credit rating institutions (CRAs), then the directors, executives, staff, and employees of the Company (and its subsidiaries) involved must ensure that the recipient of the information is aware of the duty and has a system for maintaining the confidentiality of the information in order to prevent the use or disclosure of that information to other persons.

In this regard, the “Guidelines for Managing Confidential Information Affecting Securities Prices” prepared by the SEC shall be applied. The Company will provide training on the policy on the use of inside information to the directors, executives, staff, and employees of the Company (and its subsidiaries) involved once a year to review the understanding and to comply with the Securities and Exchange Act.

- 5) In the event that the Company holds shares or any other securities in other companies whose shares are listed on the Stock Exchange of Thailand, it must not appear that the directors, executives, staff, employees of the Company and/or any other persons involved in or participating in the decision to invest in shares or any other securities of such listed companies shall take any action that may significantly affect changes in the stock price or securities of such listed companies or may mislead the general public about the price or trading volume of such shares or securities.
- 6) If the Company finds that any directors, executives, staff, and employees of the Company (and its subsidiaries) involved violate this Inside Use Policy, the Company shall be deemed to be committing a serious disciplinary offense punishable by termination of office as directors, executives, staff, and employees of the Company (and its subsidiaries), namely, dismissal.

(3) Anti-Corruption

The Company conducts its business with transparency and recognizes the importance of anti-corruption in all forms by operating the business in accordance with the law, benefiting society, and encouraging employees to operate with morality and good citizenship. In this regard, the Company has established an Anti-Corruption Policy as a guideline to prevent and combat the Company’s corruption problems more clearly by creating a corporate culture for everyone to be aware of the dangers of corruption, establishing the right values, and increasing confidence among all stakeholders in order to effectively fight corruption.

(4) Whistleblowing

The Company provides guidelines for whistleblowing, complaints of non-compliance with the code of conduct (whistleblower), or illegal acts or behaviors that may imply corruption or misconduct of individuals in the Company, including deficiencies in the internal control system. Employees and other stakeholders are able to report whistleblowing or complaints.

The Company will keep such information from whistleblowing or complaints confidential and limit the recipients of the information by disclosing it to relevant parties only to protect the potential impact on such whistleblowers or complainants. However, whistleblowers or complainants can choose to disclose themselves or remain anonymous. If it appears that someone is bullying or unfairly treating the whistleblower or complainant, the Company will decisively punish that person.



Complaints and whistleblowing about corruption are the duty of personnel at all levels of the Company and its subsidiaries. Whistleblowing for corruption can be reported anonymously through the following methods and channels:

By Email:

Chairman of the Audit Committee: Mr. Jirayut Rungsrihong

Email: whataboutjay@gmail.com

Chief Executive Officer: Mr. Wiwat Kwangkananurak

Email: dr.wiwat@safefertilitycenter.com

Managing Director: Mrs. Parinyarat Kwangkananurak

Email: md@safefertilitycenter.com

By Post:

Chairman of the Audit Committee or Chief Executive Officer or Managing Director

SAFE Fertility Center Company Limited

496,498,500,502 Amarin Plaza, 17th Floor, Ploenchit Road, Lumpini Subdistrict,

Pathumwan District,

Bangkok 10330

Tel: 0-2252-3833

8.2 REPORT ON THE PERFORMANCE OF DUTIES OF THE AUDIT COMMITTEE

- Number of meetings and attendance of individual Audit Committee members

No.	Name-Surname	Number of Meetings Attended/Total Number of Meetings in 2023	
		SAFE Fertility Center Company Limited	SAFE Fertility Group Public Company Limited
1	Mr. Jirayut Rungsrihong	2/2	3/3
2	Mr. Amnuay Preemonwong	2/2	3/3
3	Mr. Kran Chayavichitsilp	2/2	3/3

- Performance of the Audit Committee

1. Review of financial reports

The Audit Committee reviewed the quarterly financial statements and the 2023 financial statements of the Company and its subsidiaries to ensure that the preparation of the Company's financial statements, disclosure of supporting information to the financial statements, special transactions, significant accounting adjustments, and estimates are complete, sufficient, and reliable. The Audit Committee obtained satisfactory clarifications from the auditor, the management, and the internal control system auditor that the preparation of the financial statements meets the requirements of the law and financial reporting standards, is reliable and timely, as well as providing adequate disclosures in the notes to the financial statements and containing information that will be useful to shareholders and investors.

The Audit Committee considers that the financial reports are materially accurate as they should be in accordance with the financial reporting standards, and the information in the financial statements and notes to the financial statements is disclosed completely, adequately, and timely, which is beneficial to shareholders and users of the financial statements.

2. Supervision of internal audits

The Audit Committee supervised the internal audit by considering the internal audit results and recommendations reported by Dharmniti Internal Audit Company Limited, which is the outsourced internal audit agency of the Company and its subsidiaries reporting directly to the Audit Committee, including monitoring the progress of the management's implementation, improvements, and corrections according to the recommendations in such reports on a quarterly basis. The Audit Committee is of the opinion that the Company's internal control system is adequate, appropriate, and in accordance with the approved internal audit plan, and the Internal Audit Unit is independent and meets professional performance standards.

3. Risk management review

The Audit Committee reviewed the adequacy and effectiveness of the Company's risk management policies and strategies. The Audit Committee has regular meetings with the executives responsible for the Company's risk management to acknowledge both external and internal risk factors, risk assessment results, and risk management guidelines to be at an acceptable level, as well as providing recommendations for further development and improvement. The Audit Committee also emphasizes the importance of new risks that may arise due to rapid changes.

4. Compliance with securities and exchange laws, requirements of the Stock Exchange of Thailand, or laws related to the Company's business

The Audit Committee regularly reviews compliance with the securities and exchange law, the requirements of the Stock Exchange of Thailand, or laws related to the Company's business. The Audit Committee is of the opinion that the Company has fully complied with the securities and exchange law, the requirements of the Stock Exchange of Thailand, or relevant laws.

5. Review of related party transaction reports or transactions that may have a conflict of interest

The Audit Committee reviewed and commented on related party transactions or transactions with conflicts of interest according to the provisions of relevant laws and rules and the requirements of the Stock Exchange of Thailand, which are disclosed and listed in the financial statements and notes to the financial statements on a quarterly basis. The Audit Committee is of the opinion that such transactions are reasonable and beneficial to the business operations of the Company and its subsidiaries, and the information is disclosed accurately and completely in accordance with the laws and requirements of the Capital Market Supervisory Board.

6. Appointment of auditor and annual audit fee

The Audit Committee considered the qualifications of a certified public accountant, approved by the SEC, who has an understanding of the Company's business and independence. In 2024, the Audit Committee approved and proposed to the Annual General Meeting of Shareholders to consider the appointment of an auditor from PricewaterhouseCoopers ABAS Co., Ltd., as the auditor of the Company and its subsidiaries for the year 2024, with a review and audit fee of not more than 4,650,000 baht.

8.3 SUMMARY OF THE PERFORMANCE OF DUTIES BY OTHER SUBCOMMITTEES

- Nomination and Remuneration Committee

In 2023, there was no meeting of the Nomination and Remuneration Committee, so there was no result of the performance of duties.



INTERNAL CONTROL AND RELATED PARTY TRANSACTIONS

9.1 INTERNAL CONTROL

9.1.1 Adequacy and appropriateness of the internal control system

The Company and its subsidiaries (the “Group”) recognize the importance of having a good internal control system to ensure that the Group has an appropriate and adequate internal control system in accordance with the principles of good corporate governance in overseeing business operations and to prevent potential risks and damages to the Group and its stakeholders, and to prepare and disclose complete, accurate, and reliable financial reports.

In addition, the Board of Directors has established and reviewed the corporate risk management framework by assessing and analyzing both internal and external risk factors affecting the organization in order to implement it throughout the organization and systematically control the risks of the organization. The Risk Management Committee has been assigned to oversee the implementation of risk management policies and framework within the organization, monitor the risk management processes and adequacy of key risk management, and support and develop risk management at all levels throughout the organization.

At the Board of Directors’ meeting No. 1/2566 on February 28, 2023, which was attended by three members of the Audit Committee, the Board of Directors considered and evaluated the adequacy of the Group’s internal control system by enquiring with the management. It was concluded from the evaluation of the internal control system according to the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), which consists of five components as follows:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Board of Directors is of the opinion that the Company has provided adequate management and internal control systems. The management has encouraged employees in the organization to be aware of the importance of internal control and has provided adequate and appropriate personnel to ensure that the Company’s operations meet its objectives and conform to relevant laws and regulations in alignment with the principles of good corporate governance. The Company has clearly defined its duties and responsibilities, and established appropriate rules, regulations, policies, and authority for approving appropriate operations in writing.

Moreover, the Company has provided an internal audit department that is independent in monitoring and evaluating internal control by hiring an outsourced internal auditor to inspect the internal control system. This internal auditor reports directly to the Audit Committee. The Audit Committee also considered and approved the Company’s internal control system adequacy assessment form for the year 2023.

Auditor’s Observations

PricewaterhouseCoopers ABAS Co., Ltd. (the “Auditor”), with the approval of the SEC, has studied and evaluated the Group’s accounting and internal control systems with the objective of defining the scope of audit performance and various audit methods appropriately in order to accurately express opinions on the financial statements. According to the audit of the financial statements for the year ended December 31, 2023, there were no issues of observation detected.



9.1.2 Internal audit supervisor of the Company

The Audit Committee considered the qualifications of Dharmniti Internal Audit Company Limited, which is the annual internal auditor of the Group, and appointed Ms. Somjaree Khaewkhomdee as the internal audit supervisor due to her appropriate educational qualifications, experience, and training sufficient to perform the duties of the internal auditor of the Company. The internal auditor has independence in operations to audit and assess the adequacy of the internal control system and compliance with the Company's systems. The internal auditor has coordinated with personnel of all departments of the Company, monitored the improvement of the internal control system in accordance with the recommendations of the internal auditor, and prepared a report on the results of the evaluation and audit of the internal control system of the Company, and presented the report to the meeting of the Audit Committee directly on a regular basis (details about the qualifications of the internal audit supervisor appear in Attachment 3, "Details of the Internal Audit Supervisor of the Company").

According to the scope of powers, duties, and responsibilities of the Audit Committee, the Audit Committee has the authority with the management to evaluate the performance, determine the merits, remove, transfer, or dismiss the internal audit supervisor of the Group.

9.2 RELATED PARTY TRANSACTIONS

9.2.1 Persons who may have conflicts and relationship characteristics

The Company and its subsidiaries had related party transactions with persons who may have conflicts in 2022 and 2023, as follows:

Persons Who May Be in Conflict	Relationship Characteristics
Mr. Wiwat Quangkananurug	Physician/Major Shareholder/Chief Executive Officer/Chief Medical Officer/Director

9.2.2 Details of related party transactions in 2022 and 2023

Person Who May Have a Conflict	Nature of Transaction	Value of Related Party Transaction (Baht)		Necessity and Reasonableness of Transaction	Opinion of the Audit Committee
		December 31, 2022	December 31, 2023		
Mr. Wiwat Quangkananurug	Medical Professional Fee	19,926,127.45	23,642,165.20	The Company has paid the medical professional fees to Mr. Wiwat Kuangkananurug as a senior physician of the Company. Such professional fees are charged at the rate set by the Company, which is the standard professional fee rate of all senior doctors paid to all senior doctors equally according to the package provided with the same conditions as other senior doctors who are not persons who may have conflicts with the Company. The payment of such fees is a net amount after deducting the use of the facility fees at a fair rate according to the medical fee payment policy announced to all doctors.	Such a related party transaction is reasonable and is a transaction of a general nature with an agreement that is a requirement in the same way as entering into a transaction with other parties in general, and the transaction does not create a transfer of interest between the Company or its subsidiaries.



9.2.3 Necessity and reasonableness of related party transactions

In cases where related party transactions are necessary and reasonable to make the transaction maximize the benefits of the Company, the Audit Committee will review and approve it as the nature of normal business and make a comparison of prices with third parties that the Company received and paid at a fair price.

9.2.4 Measures or procedures for approving related party transactions

In making related party transactions by the Company and its subsidiaries, the Company will comply with the rules of the Securities and Exchange Act B.E. 2535 (1992) (including amendments), regulations, announcements, orders, and related rules of the Stock Exchange of Thailand and/or the Securities and Exchange Commission and/or the Capital Market Supervisory Board, as well as the requirements regarding the disclosure of related party transactions in the notes to the financial statements audited and/or reviewed by the auditors of the Company and its subsidiaries, the annual report, and the Form 56-1. The measures and procedures for approval of entering into related party transactions and related party transactions are as follows:

1) The Board of Directors will establish procedures for approving related party transactions in line with the operating procedures of the Company and its subsidiaries under a good ethical framework. The procedures will be reviewed by the Audit Committee, taking into account the interests of the Company and its shareholders. The Audit Committee will ensure compliance with relevant regulations, announcements, orders, and rules of the Stock Exchange of Thailand, the Securities and Exchange Commission, and/or the Capital Market Supervisory Board, and consider the disclosure of information on related party transactions to the public to be accurate and complete.

2) The approval of the transaction will take into account the appropriateness of the price and the reasonableness of the transaction by considering various conditions in accordance with the nature of normal business in the industry and/or comparing them with the price of a third party and/or the market price and/or having the same price or conditions of such a transaction as a third party and/or being able to demonstrate that such a transaction is priced with a reasonable or fair price or condition.

3) In approving related party transactions by the Board of Directors, directors with interests and/or directors who are connected persons will not attend the meeting and will not have the right to vote on the approval of such transactions. This is to ensure that the transaction will not be a transfer of the Company's interests but rather a transaction that takes into account the best interests of the Company and its shareholders.

4) The Company will only enter into a related party transaction if such transaction has been approved in accordance with the criteria established by the Stock Exchange of Thailand, the Securities and Exchange Commission, and/or the Capital Market Supervisory Board, unless it is a transaction that constitutes a commercial agreement in the same manner that a natural person should do with the general counterparty in the same situation with a bargaining power without influence in his or her status as a director, executive, or related person, as the case may be, and is a formal agreement approved by the Board of Directors or in accordance with the principles approved by the Board of Directors.

5) In the event that it deems appropriate, the Company may provide a person with knowledge, expertise, and special expertise, such as an independent expert, an auditor, or an independent valuer, to provide an opinion on such related party transactions for consideration by the Audit Committee and/or the Board of Directors and/or the shareholders' meeting (as the case may be).

6) The Company will prepare a summary report on related party transactions to be reported at the Audit Committee meeting and the Board of Directors' meetings every quarter to comply with the securities and exchange law, regulations, announcements, orders, or requirements of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand.



7) The Company's the Internal Audit Office will review related party transactions according to the audit plan, which must be reported to the Audit Committee, and there are measures to control, monitor, and ensure that a random review of actual transactions is conducted to be accurate and in accordance with the contract or policies or conditions set forth.

9.2.5 Policy and trends of future related party transactions

At the Board of Directors' meeting No. 2/2566 on April 5, 2023, which was attended by three members of the Audit Committee, the Board of Directors acknowledged the policy on future related party transactions, including various policies of the Company.

In the event of entering into a related party transaction, the Company will enter into the transaction according to the following principles:

1) Compliance with the Company's policies, securities and exchange law, regulations, announcements, orders, or requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission, and/or the Capital Market Supervisory Board, as well as the requirements regarding the disclosure of information on related party transactions of the Company or its subsidiaries pursuant to the accounting standards established by the Thai Accountants and Certified Public Accountants Association, the Federation of Accounting Professions, and other relevant rules. However, such transactions must not be a transfer of interests between the Company or its shareholders but must be transactions in which the Company takes into account the best interests of the Company and all shareholders.

2) In the event that the transaction occurs normally or supports normal business and is expected to continue in the future, the Company will implement the rules and guidelines in accordance with the general nature of trade, with reference to prices and conditions that are reasonable, fair, and verifiable. The entry into such transactions will be in accordance with the principles of the agreement with general commercial conditions as approved by the Board of Directors' meeting. In this regard, the management will prepare a summary of such transactions for reporting at the Audit Committee meeting every quarter for the preparation of Form 56-1.

3) The disclosure of related party transactions of the Company shall be in accordance with the laws and regulations prescribed by the Office of the Securities and Exchange Commission, including the Stock Exchange of Thailand, and in accordance with accounting standards regarding companies or related persons of the Federation of Accounting Professions.



03

FINANCIAL STATEMENTS



Independent Auditor's Report

Safe Fertility Group Public Company Limited

To the shareholders and the Board of Directors of Safe Fertility Group Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Safe Fertility Group Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Key audit matters

Key audit matters are those that, in my professional judgement, were of the most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Revenue Recognition. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Revenue recognition</p> <p>Refer to Note 4.18 to the financial statements: Revenue recognition.</p> <p>The Company has service income from assisted reproductive technology businesses. The Company's revenue is recognised in several contract types and different contract conditions made with each customer.</p> <p>I focused on this area as revenue recognition involves significant management's judgement over the performance obligation in contracts. This includes:</p> <ul style="list-style-type: none"> Freezing eggs, sperms and embryos which are the performance obligations satisfied over time and the recognised revenue over time. Procedure and examining patients which are the performance obligations satisfied at a point in time and the recognised revenue when the Company has completed the services. <p>I identified revenue recognition from services as a key audit matter because the revenue amount is material to the financial statements and consist of high volume of revenue transactions. Also, the recognition depends on the conditions stipulated in each contract. I focused on examining whether the revenue transactions were accurate and occurred in the relevant period.</p>	<p>My key audit procedures in relation to revenue recognition included:</p> <ul style="list-style-type: none"> reading the contracts to assess whether the appropriateness of performance obligations identified, and the revenue recognition method was relevant and consistent with TFRS. understanding the information and technology systems for the fertility business operation and accounting systems. understanding the process and accounting treatment as well as internal controls relating to recording revenue transactions. In addition, I tested key internal controls over revenue and receivables cycle. sampling tests the revenue recognition to assess that the Company recorded revenue transactions at the appropriate recognition point according to the contract conditions. I also examined the package price list, outpatient department form, and receipts to determine whether the transactions were accurate and occurred. For revenue transactions that had been collected, the cash receipts from customers were traced to receipts and transactions in the bank statements. testing the accuracy of the calculation revenue table based on the duration of the frozen service, as well as test the appropriateness of method for preparing the standalone selling price of packages, including freezing eggs, sperm and embryos. <p>Based on these procedures, I noted that the method of the revenue recognition of each selected contract was recorded reasonably and consistently with supporting documents.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee 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 also provide the audit committee 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 the audit committee, 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.

PricewaterhouseCoopers ABAS Ltd.

Krit Chatchavalwong

Certified Public Accountant (Thailand) No. 5016

Bangkok

22 February 2024



Statement of Financial Position

Safe Fertility Group Public Company Limited
As at 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	10	1,251,019,964	850,659,889	1,185,750,046	746,864,670
Financial assets measured at fair value					
through profit or loss	11	231,844,516	228,473,019	231,844,516	228,473,019
Trade and other accounts receivable (net)	12	23,341,550	20,247,466	5,995,673	5,863,321
Inventories (net)	13	65,119,620	48,664,477	21,527,513	23,783,455
Total current assets		1,571,325,650	1,148,044,851	1,445,117,748	1,004,984,465
Non-current assets					
Investment in a subsidiary	14	-	-	230,866,208	230,866,208
Building and equipment (net)	15	151,149,091	150,458,965	135,127,173	139,256,419
Right-of-use assets (net)	16	144,248,418	87,125,878	136,878,268	78,475,961
Intangible assets (net)	17	8,676,292	7,382,992	6,908,538	5,602,126
Deferred tax assets (net)	18	6,460,377	5,632,785	5,210,399	4,506,781
Other non-current assets		11,744,587	14,042,475	9,861,813	12,159,701
Total non-current assets		322,278,765	264,643,095	524,852,399	470,867,196
Total assets		1,893,604,415	1,412,687,946	1,969,970,147	1,475,851,661

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Financial Position

Safe Fertility Group Public Company Limited
As at 31 December 2023

		Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
Notes		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other accounts payable	19	85,333,936	66,353,830	70,367,085	53,805,043
Current portion of lease liabilities (net)	20	21,305,449	13,781,895	20,145,478	12,678,541
Income tax payable		16,666,844	17,691,239	11,946,340	15,469,007
Other current liabilities		2,058,181	1,304,887	1,793,083	1,054,665
Total current liabilities		125,364,410	99,131,851	104,251,986	83,007,256
Non-current liabilities					
Lease liabilities (net)	20	72,534,987	72,543,812	66,358,723	65,207,561
Employee benefit obligations	21	20,724,815	17,479,645	19,240,350	16,316,155
Provision for decommissioning	22	17,082,652	13,292,343	14,189,899	10,516,882
Total non-current liabilities		110,342,454	103,315,800	99,788,972	92,040,598
Total liabilities		235,706,864	202,447,651	204,040,958	175,047,854

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Financial Position

Safe Fertility Group Public Company Limited
As at 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Equity					
Share capital	23				
Authorised share capital					
45,000,000 ordinary shares of					
par value Baht 5 each			225,000,000		225,000,000
Authorised share capital					
303,947,800 ordinary shares of					
par value Baht 1 each		303,947,800		303,947,800	
Issued and fully paid-up share capital					
45,000,000 ordinary shares of					
par value Baht 5 each			225,000,000		225,000,000
Issued and fully paid-up share capital					
303,947,800 ordinary shares of					
par value Baht 1 each		303,947,800		303,947,800	
Premium on share capital	23	1,382,233,778	920,108,908	1,382,233,778	920,108,908
Discount from business combination					
under common control	14	(178,289,144)	(178,289,144)	-	-
Retained earnings					
Appropriated - legal reserve	24	30,394,780	22,422,843	30,394,780	22,422,843
Unappropriated		115,482,498	212,943,705	49,352,831	131,336,131
Other component of equity		-	2,227,964	-	1,935,925
Equity attributable to owners of parent		1,653,769,712	1,204,414,276	1,765,929,189	1,300,803,807
Non-controlling interests		4,127,839	5,826,019	-	-
Total equity		1,657,897,551	1,210,240,295	1,765,929,189	1,300,803,807
Total liabilities and equity		1,893,604,415	1,412,687,946	1,969,970,147	1,475,851,661

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Comprehensive Income

Safe Fertility Group Public Company Limited
For the year ended 31 December 2023

		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenue from sales and services		848,637,929	726,612,604	667,111,918	609,118,873
Cost of sales and services		(379,552,345)	(329,162,171)	(289,104,955)	(281,917,289)
Gross profit		469,085,584	397,450,433	378,006,963	327,201,584
Dividend received from subsidiary		-	-	53,996,400	-
Other income	27	8,323,360	2,706,698	7,943,376	2,602,925
Profit before expenses		477,408,944	400,157,131	439,946,739	329,804,509
Selling expenses		(60,806,132)	(37,790,411)	(40,118,195)	(23,051,017)
Administrative expenses		(165,840,657)	(156,894,935)	(143,521,124)	(140,619,414)
Expected credit loss		166	931,589	-	-
Other expenses	28	(8,185)	(20,837)	(8,178)	(20,837)
Net gain (loss) from exchange rate		(500)	98,388	(26,111)	114,832
Profit before finance costs and income tax		250,753,636	206,480,925	256,273,131	166,228,073
Finance costs		(3,444,182)	(3,454,968)	(2,921,086)	(3,033,788)
Profit before income tax		247,309,454	203,025,957	253,352,045	163,194,285
Income tax	29	(47,171,268)	(41,293,976)	(35,749,333)	(32,947,423)
Net profit for the year		200,138,186	161,731,981	217,602,712	130,246,862
Other comprehensive income (expense)					
Remeasurement of employee benefit obligation		-	2,784,955	-	2,419,906
Income tax on item that will not be reclassified to profit or loss		-	(556,991)	-	(483,981)
Other comprehensive income (expense) for the year, net of tax		-	2,227,964	-	1,935,925
Total comprehensive income for the year		200,138,186	163,959,945	217,602,712	132,182,787

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Comprehensive Income

Safe Fertility Group Public Company Limited
For the year ended 31 December 2023

Note	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Profit attributable to:				
Owners of the parent	201,832,766	161,911,205	217,602,712	130,246,862
Non-controlling interests	(1,694,580)	(179,224)	-	-
Net profit for the year	<u>200,138,186</u>	<u>161,731,981</u>	<u>217,602,712</u>	<u>130,246,862</u>
Total comprehensive income attributable to:				
Owners of the parent	201,832,766	164,139,149	217,602,712	132,182,787
Non-controlling interest	(1,694,580)	(179,204)	-	-
Total comprehensive income for the year	<u>200,138,186</u>	<u>163,959,945</u>	<u>217,602,712</u>	<u>132,182,787</u>
Earnings per share for profit attributable to the owners of the parent				
Basic earnings per share (Baht)	30 0.77	0.72	0.83	0.58

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Changes in Equity

Safe Fertility Group Public Company Limited
For the year ended 31 December 2023

Consolidated financial statement

	Attributable to owners of the parent									
	Authorised, issued and fully paid-up share capital	Share premium	Retained earnings		Discount from business combination under common control		Total owners of parent	Non- controlling interests	Total equity	
Notes	Baht	Baht	Appropriated - legal reserve	Baht	Unappropriated	Baht	Baht	Baht	Baht	Baht
	225,000,000	920,108,908	17,833,489		111,421,854		(178,289,144)	1,096,075,107	5,243	1,096,080,350
	-	-	4,589,354		(4,589,354)		-	-	-	-
24	-	-	-		(55,800,000)		(55,800,000)	-	-	(55,800,000)
31	-	-	-		-		-	-	-	-
	-	-	-		-		-	6,000,000	6,000,000	6,000,000
	-	-	-		161,911,205		-	161,911,205	(179,224)	161,731,981
	-	-	-		2,227,964		-	2,227,964	-	2,227,964
	225,000,000	920,108,908	22,422,843		215,171,669		(178,289,144)	1,204,414,276	5,826,019	1,210,240,295
	225,000,000	920,108,908	22,422,843		215,171,669		(178,289,144)	1,204,414,276	5,826,019	1,210,240,295
	78,947,800	462,124,870	-		-		-	541,072,670	-	541,072,670
24	-	-	7,971,937		(7,971,937)		-	-	-	-
31	-	-	-		(293,550,000)		-	(293,550,000)	(3,600)	(293,553,600)
	-	-	-		201,832,766		-	201,832,766	(1,694,580)	200,138,186
	303,947,800	1,382,233,778	30,394,780		115,482,498		(178,289,144)	1,653,769,712	4,127,839	1,657,897,551
	303,947,800	1,382,233,778	30,394,780		115,482,498		(178,289,144)	1,653,769,712	4,127,839	1,657,897,551

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Changes in Equity

Safe Fertility Group Public Company Limited
For the year ended 31 December 2023

		Separate financial statement				
Notes		Authorised, issued and fully paid-up share capital	Share premium	Retained earnings		Total equity
				Appropriated - legal reserve	Unappropriated	
		Baht	Baht	Baht	Baht	Baht
	Opening balance as at 1 January 2022	225,000,000	920,108,908	17,833,489	61,478,623	1,224,421,020
	Changes in equity for year					
24	Legal reserve	-	-	4,589,354	(4,589,354)	-
31	Dividends payment	-	-	-	(55,800,000)	(55,800,000)
	Net income for the year	-	-	-	130,246,862	130,246,862
	Other comprehensive income for the year - Remeasurement of employee benefit obligations (net of tax)	-	-	-	1,935,925	1,935,925
	Closing balance as at 31 December 2022	225,000,000	920,108,908	22,422,843	133,272,056	1,300,803,807
	Opening balance as at 1 January 2023	225,000,000	920,108,908	22,422,843	133,272,056	1,300,803,807
	Changes in equity for year					
	Issuance of ordinary shares	78,947,800	462,124,870	-	-	541,072,670
24	Legal reserve	-	-	7,971,937	(7,971,937)	-
31	Dividends payment	-	-	-	(293,550,000)	(293,550,000)
	Net income for the year	-	-	-	217,602,712	217,602,712
	Closing balance as at 31 December 2023	303,947,800	1,382,233,778	30,394,780	49,352,831	1,765,929,189

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Cash Flows

Safe Fertility Group Public Company Limited
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		247,309,454	203,025,957	253,352,045	163,194,285
Adjustments for:					
(Reversal) Expected credit loss	12	(166)	(931,589)	-	-
Allowance (Reversal) for obsolete inventories	13	59,139	(32,889)	53,755	(32,889)
Depreciation expenses building and equipment	15	42,566,379	47,170,987	38,274,799	41,478,929
Depreciation expenses right-of-use assets	16	14,938,438	15,972,146	13,658,671	14,959,251
Amortisation expenses intangible assets	17	1,407,815	1,290,978	1,084,377	999,700
Bad debt expense		-	587,000	-	-
Rental discount		(11,312)	(16,583)	(11,312)	(16,583)
Loss on write-off of building and equipment	28	14,532	25,080	14,525	25,080
Gain on disposal of building and equipment	28	(6,347)	(4,243)	(6,347)	(4,243)
Employee benefit obligations	21	3,348,248	1,990,446	2,983,097	1,741,738
Interest incomes	27	(3,992,451)	(1,148,708)	(3,721,414)	(1,069,370)
Gain from transfer of financial assets measured at fair value through profit or loss	27	-	(423,966)	-	(423,966)
Unrealised gain on measurement of financial assets measured at fair value through profit or loss	27	(3,371,497)	(323,574)	(3,371,497)	(323,574)
Dividend income		-	-	(53,996,400)	-
Interest expense from lease liabilities		2,903,873	3,004,396	2,498,069	2,662,781
Difference from actual payment of provision of decommissioning		-	(540,500)	-	(540,500)
Interest expense from provision for decommissioning	22	540,309	450,572	423,017	371,007
		305,706,414	270,095,510	251,235,385	223,021,646
Changes in working capital					
Trade and other accounts receivable		(3,093,918)	(8,493,730)	(132,352)	(2,936,431)
Inventories		(16,514,282)	(14,560,004)	2,202,187	(2,001,366)
Other non-current assets		2,297,888	(2,292,932)	2,297,888	(1,791,493)
Trade and other accounts payable		8,529,865	2,559,463	6,293,363	(4,877,823)
Other current liabilities		753,294	257,702	738,418	157,117
Employee benefit obligations		(103,078)	(396,241)	(58,902)	(326,650)
Cash flows receipts from operating activities					
before income tax paid		297,576,183	247,169,768	262,575,987	211,245,000
Income tax paid		(44,815,473)	(35,812,541)	(35,767,836)	(28,541,147)
Net cash receipts from operating activities		252,760,710	211,357,227	226,808,151	182,703,853

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Cash Flows

Safe Fertility Group Public Company Limited
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Payment for investment in subsidiary		-	-	-	(24,000,000)
Purchases of building and equipment		(32,927,215)	(33,817,535)	(23,958,922)	(25,378,967)
Purchases of intangible assets		(2,661,135)	(1,540,100)	(2,390,789)	(1,294,000)
Payment for right-of-use assets		(47,600,000)	-	(47,600,000)	-
Proceeds from disposals of building and equipment		13,300	5,955	13,300	5,955
Payment for decommissioning expense		-	(2,701,386)	-	(2,701,386)
Interest income received		3,992,451	1,148,708	3,721,414	1,069,370
Proceeds from gain from transfer of financial assets measured at fair value through profit or loss		-	75,423,966	-	75,423,966
Proceed from dividend income		-	-	53,996,400	-
Net cash receipt (payments) from investing activities		(79,182,599)	38,519,608	(16,218,597)	23,124,938
Cash flows from financing activities					
Repayments for lease liabilities		(13,684,938)	(14,390,640)	(12,581,568)	(13,575,576)
Interest paid from lease liabilities		(2,844,386)	(2,945,170)	(2,437,498)	(2,616,022)
Cash received from share issuance	23	55,000,000	-	55,000,000	-
Cash received from share issuance offering to the public - net of tax	23	502,903,800	-	502,903,800	-
Cash paid from share issuance offering to the public - net of tax	23	(21,038,912)	-	(21,038,912)	-
Proceeds received from non controlling interest		-	6,000,000	-	-
Dividends payment	31	(293,553,600)	(55,800,000)	(293,550,000)	(55,800,000)
Net cash receipts (payments) from financing activities		226,781,964	(67,135,810)	228,295,822	(71,991,598)
Net increase (decrease) in cash and cash equivalents		400,360,075	182,741,025	438,885,376	133,837,193
Cash and cash equivalents - opening balance		850,659,889	667,918,864	746,864,670	613,027,477
Cash and cash equivalents - closing balance	10	1,251,019,964	850,659,889	1,185,750,046	746,864,670

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Statement of Cash Flows

Safe Fertility Group Public Company Limited
For the year ended 31 December 2023

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Non-cash items					
Payable balances from purchase of					
building and equipment		11,375,698	984,944	10,899,912	691,804
Increase in right-of-use assets	16	27,778,792	19,699,644	27,778,792	16,405,508
Transfer from advance payment to					
right-of-use assets	16	47,600,000	-	47,600,000	-
Transfer of right of use asset					
to building and equipment	16	-	1	-	1
Interest payable from lease liabilities		132,840	73,353	121,457	60,886
Changes in liabilities from financing activities					
Lease liabilities (net)					
- At 1 January		86,325,707	94,266,518	77,886,102	87,543,385
- Addition		24,528,792	15,704,235	24,528,792	13,172,699
- Reassessment of lease liabilities	16	(3,317,813)	(9,237,823)	(3,317,813)	(9,237,823)
- Rental discount		(11,312)	(16,583)	(11,312)	(16,583)
- Interest expense from lease liabilities		2,844,386	2,945,170	2,437,498	2,616,022
- Cash flows paid		(16,529,324)	(17,335,810)	(15,019,066)	(16,191,598)
- At 31 December		93,840,436	86,325,707	86,504,201	77,886,102

The accompanying notes on pages 15 to 56 are an integral part of these consolidated and separate financial statements



Notes to the Consolidated and Separate Financial Statements

Safe Fertility Group Public Company Limited
For the year ended 31 December 2023

1 General information

Safe Fertility Group Public Company Limited (the “Company”) is a public company limited. The Company is incorporated in Thailand on 20 July 2009. The Company registered to transform to a public limited company on 29 May 2023 with Department of Business Development. As a result, the Company changed its name from Safe Fertility Center Company Limited to Safe Fertility Group Public Company Limited and listed in the Stock Exchange of Thailand (SET) on 2 November 2023. The address of the Company’s registered office are as follows:

Head office : No. 496, 498, 500, 502 Amarin Plaza 17th Floor, Ploenchit Road, Lumpini, Pathum Wan, Bangkok 10330

Branch 1 : No. 294/10 Moo 7, Naimuang, Muang Khon Kaen, Khon Kaen 40000

Branch 2 : No. 999/2 Ramintra Road, Kannayao, Kannayao, Bangkok 10230

Branch 3 : No. 44 Moo 5, Bangkok-Siroj Building 4th floor, Chalempriak Ratchakan Thi 9 Road, Wichit, Muang Phuket, Phuket 86000

Branch 4 : No. 218/12 Moo10, Bang Phra, Sriracha District, Chonburi 20110

During the year, the Company register relocation 1 branche as follows:

Branch 2 : No. 91, Room No. 2 - 10, 11, Panya Village Building, 2nd Floor, Panya Indra Road, Kannayao, Bangkok 10230

For reporting purposes, the Company and its subsidiary are referred to as “the Group”.

The principal business operations of the Group are Obstetrics and Gynecology hospital and Medical laboratory and Cosmetic dermatology.

These consolidated and separate financial statements were authorised by the Board of Directors on 22 February 2024.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except otherwise disclosed in Note 4.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 New and amended financial reporting standards

3.1 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and have significant impacts to the Group

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate



- c) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- d) **Amendment to TFRS 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

The new and amended financial reporting standards have no significant impacts to the Group.

3.2 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 and have significant impacts on the Group.

The following amended TFRSs were not mandatory for the current reporting period and the Group has not early adopted them.

- a) **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. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- c) **Amendments to TAS 12 - Income taxes**

- c.1) Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.

- c.2) Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation.

In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal, or 'GloBE' to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and during the period between the legislation being enacted or
- enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

Earlier application is permitted.

- d) **Amendment to Accounting Guidance related to financial instruments and disclosures applicable to insurance business** revised the disclosures in 'material accounting policies' to align with Amendment to TAS 1 - Presentation of financial statements. The Group's management has considered that the amended TFRS have no significant impacts to Group.

The Group's management has considered that the amended TFRS have no significant impacts to Group.

3.3 **Amended financial reporting standards that is effective for the accounting period beginning on or after 1 January 2025 and has impacts on the Group.**

TFRS 17 Insurance Contracts TFRS 17 has replaced TFRS 4 Insurance Contracts.

The Group's management has considered that the amended TFRS have no significant impacts to Group.

4 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separated financial statements are set out below:

4.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

A list of the Group's subsidiaries is set out in Note 14.

b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

c) Intercompany transactions on consolidation

Balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

d) Separate financial statements

In the separate financial statements, investments in subsidiaries and associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable cost of investment.

4.2 Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions or the date the acquiree has become under common control, as if the combination had occurred on the later of the beginning of the preceding comparative period.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred or received and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and The Group is derecognised when the investment is disposed.



4.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of gains and losses on a non-monetary item that recognised in other comprehensive income, in otherwise other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

4.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

4.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially by Group at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.7 e).

4.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories is determined by the first-in, first-out method. Cost of inventories comprise purchase price and costs directly attributable to the acquisition of the inventory such as import duties and transportation charges less trade discounts, refundable or other similar items.

Net realisable value is the estimate of the selling price in the ordinary course of business, less estimated cost of completion and applicable variable selling expenses. Allowance is made by Group, where necessary, for slow-moving, obsolete and defective inventories.

4.7 Financial assets

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.



c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered by Group in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income / other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in finance income / other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade accounts receivable which applies lifetime expected credit loss, from initial recognition, for all trade accounts receivable.

To measure the expected credit losses, trade accounts receivable has been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item.



4.8 Building and equipment

All other building and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	15 - 20 years
Office Decoration	5 - 10 years
Furniture	5 years
Office equipment	5 years
Computer equipment	5 years
Medical tool and equipment	5 - 10 years
Utility system	5 - 10 years
Vehicle	5 years

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

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gains or losses.

4.9 Intangible assets

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company is recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Computer software development costs recognised as intangible assets are amortised using the straight-line method over their estimated useful lives, which does not exceed 10 years.

4.10 Impairment of assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.11 Leases - where the Company is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office equipment.

4.12 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.



c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

4.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current income tax

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

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements 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.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.14 Employee benefits

Post-employment benefits

The Group operates various retirement benefit schemes. The Group has both defined contribution plan and retirement benefit plan.

a) Defined contribution plan

A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to separate fund which is managed by external fund manager in accordance with the Provident Fund Act B.E. 2530. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

b) Retirement benefit plan

A defined benefit plan is a retirement benefit plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit, that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by the independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of 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.

Remeasurement gains and losses arising from experience adjustments and changed in actuarial assumptions are charged or credited to the equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately to profit or loss.

c) Other long-term employee benefits

The Group provides long-service award in gold to employee who works for 4 years. The Group estimates a provision at the end of reporting period, which calculation is based on employee turnover and working period of employees. The Group estimates a provision at the end of reporting period using an independent actuary. The benefit is charged to the statement of income in the period to which it relates.

4.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognized as interest expense.

4.16 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

4.17 Dividend distribution

Dividend distributed to the Group's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

4.18 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable. Revenue is shown net of value-added tax, returns, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements.

Revenue include all revenues from ordinary business activities.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfilment of the obligation to the customer.

Revenue from service packages:

- revenue from sales is recognised at point in time, when control of the goods transfers to the customer,
- revenue from doctor fee is recognised at point in time, each time the service has been performed, and
- revenue from services is recognised over time, for separate performance obligations in the contract when the customer can benefit from services which are services for laboratories to be provided after the completion of the main services in the package.



The transaction price needs to be allocated to the distinct performance obligations based on the relative standalone selling price of sales and services.

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

4.19 Finance cost

Finance costs comprise interest expense from lease liabilities and provision from decommissioning.

4.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5 Financial risk management

5.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risks and how these risks could affect the future financial performance are as follows:

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Deposit at financial institutions and lease liabilities	Sensitivity analysis	The Group doesn't use financial instruments for hedge interest rate risk because the management believes that the group doesn't have interest rate risk that will materially affect the group.
Credit risk	Trade and other receivables and contract assets	Aging analysis Credit ratings	Appropriate credit control policies and procedures.
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.

The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

5.1.1 Foreign exchange risk

Foreign exchange risk arises from the change in foreign currency exchange rate to have an effect on the Group in the current reporting period and in future years. The Group has not entered into the hedging contracts because the Group assesses that the changes in exchange rates will not significantly affect assets and liabilities dominated in foreign currencies.

5.1.2 Market risk

Cash flow and fair value interest rate risk

The Group exposes to interest rate risk relates primarily to their cash at financial institutions, and lease liabilities. However, no hedging instruments have been used to reduce the fluctuation of interest rate since the management believe that the effect of interest rate fluctuation will not affect materially to the Group.

5.1.3 Credit risk

Credit risk arises from trade and other accounts receivable

a) Risk management

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on the assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

The Group and the Company's investments in debt instruments are considered to be low risk investments. The Group's regularly monitors the credit ratings of the investments for credit deterioration.

b) Impairment of financial assets

The Group and the Company has financial assets that are subject to the expected credit loss model as follows:

- Cash and cash equivalents
- Trade and other receivables

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables and contract assets

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade accounts receivable for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2021 or 1 January 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, the unemployment rate, and consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

5.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 1,251,019,964 (2022: Baht 850,659,889) that are expected to readily generate cash inflows for managing liquidity risk.

Management monitors i) rolling forecasts of the Group's liquidity reserve and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves monitoring balance sheet liquidity ratios and maintaining financing plans.



5.2 Capital management

5.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

During the year 2023, the Group's strategy, which remains unchanged, was to maintain a gearing ratio and credit rating. The credit rating was unchanged and the gearing ratios at 31 December are as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
Net debt	235,706,864	202,447,651
Equity (including non-controlling interests)	1,657,897,551	1,210,240,295
Net debt to equity ratio	14.22%	16.73%

6 Fair value

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1 : The fair value of financial instruments is based on the closing price by reference to the Thai Bond Dealing Centre.
- Level 2 : The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3 : The fair value of financial instruments is not based on observable market data.

The Group presents financial assets and liabilities that are measured at fair value in each level including fair value of financial assets and financial liabilities, excluding financial assets and liabilities measured at amortised cost where their carrying value approximated fair value are as follows:

Consolidated financial information	Separate financial information
Financial assets <ul style="list-style-type: none"> - Cash and cash equivalents - Trade and other receivables 	Financial assets <ul style="list-style-type: none"> - Cash and cash equivalents - Trade and other receivables
Financial liabilities <ul style="list-style-type: none"> - Trade and other payables - Lease liabilities 	Financial liabilities <ul style="list-style-type: none"> - Trade and other payables - Lease liabilities

7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Valuation of investment in subsidiaries

When the indications of impairment arise, management needs to estimate the valuation of investment in subsidiaries by considering the estimated future cash flows to be generated. The managements need to judgementally define significant assumptions used which are sales growth rate, gross profit, expenses, and discount rate.

(b) Deferred tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimation on a conservative basis.

Deferred tax is disclosed in Note 18.

(c) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended or terminated.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

(d) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

(e) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

(f) Employee benefit obligations

The present value of employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit liability.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 21.



8 Segment information

The group has 2 reportable segments as detailed below which are the group's significant business units. These business units relate to the difference businesses and service and are managed separately due to differences in technology and marketing strategies. The group examines the internal management reports of each important business unit at least every quarter. Summary of reportable segments of the Group's businesses is as follow;

Segment 1 Obstetrics and Gynecology hospital and medical laboratory

Segment 2 Cosmetic Dermatology

The operating segment information is showed below. The performances are accessed by net profit before tax of segment which is presented in the internal management reports that are reviewed by the Chief Operating Decision Maker (CODM). The Company's management use net profit before finance cost and income tax to assess the segments' operating performance which is consistent with other entities in the same industry.

The operating segment information is consistent with the internal management reports that are provided to the Chief Operating Decision Maker (CODM) who makes decisions related to the allocation of resources to the segments and assesses their performance. CODM is Chief Executive Officer who makes the strategic decisions.



Consolidated financial information						
For the years ended 31 December						
	Obstetrics and Gynecology hospital and medical laboratory		Cosmetic Dermatology		Total	
	2023	2022	2023	2022	2023	2022
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from sales of goods and rendering services	842,795,779	726,612,604	5,842,150	-	848,637,929	726,612,604
Other income	8,171,114	2,702,310	152,246	4,388	8,323,360	2,706,698
Total revenue from sales and services	850,966,893	729,314,914	5,994,396	4,388	856,961,289	729,319,302
Segment net profit (loss) before income tax	255,848,974	203,957,902	(8,539,520)	(931,945)	247,309,454	203,025,957
Income tax					(47,171,268)	(41,293,976)
Net profit (loss) for the year					200,138,186	161,731,981
Timing of revenue recognition:						
At a point in time	831,802,630	715,727,876	5,994,396	4,388	837,797,026	715,732,264
Over time	19,164,263	13,587,038	-	-	19,164,263	13,587,038
Total revenue	850,966,893	729,314,914	5,994,396	4,388	856,961,289	729,319,302
Separate financial statements						
For the years ended 31 December						
	Obstetrics and Gynecology hospital and medical laboratory					
	2023	2022				
	Baht	Baht				
Revenue from sales of goods and rendering services	667,111,918	609,118,873				
Other income	7,943,376	2,602,925				
Total revenue from sales and services	675,055,294	611,721,798				
Timing of revenue recognition:						
At a point in time	655,891,031	598,134,760				
Over time	19,164,263	13,587,038				
Total revenue	675,055,294	611,721,798				



Consolidated financial information						
For the years ended 31 December						
	Obstetrics and Gynecology hospital and medical laboratory		Cosmetic Dermatology		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Segment assets	1,867,243,608	1,379,155,436	26,360,807	33,532,510	1,893,604,415	1,412,687,946
Non-allocated assets	-	-	-	-	-	-
Total assets	1,867,243,608	1,379,155,436	26,360,807	33,532,510	1,893,604,415	1,412,687,946
Segment liabilities	229,956,228	198,008,228	5,750,636	4,439,423	235,706,864	202,447,651
Non-allocated liabilities	-	-	-	-	-	-
Total liabilities	229,956,228	198,008,228	5,750,636	4,439,423	235,706,864	202,447,651



Separate financial statements As at 31 December 2023														
Measurement categories	Carrying amounts					Carrying amounts					Contractual undiscounted amounts of financial liabilities			
	At call Baht	Within 1 year Baht	Between 1-5 years Baht	Over 5 years Baht	Total Baht	Fixed interest rate Baht	Float interest rate Baht	No interest rate Baht	Total Baht	Interest rate (%)	Within 1 year Baht	Between 1-5 years Baht	Over 5 years Baht	Total Baht
Financial assets														
Cash and cash equivalents														
Financial assets measured at fair value through profit or loss	1,185,750,046	-	-	-	1,185,750,046	-	1,185,750,046	-	1,185,750,046	0.50 - 0.60	-	-	-	-
Trade and other receivables (net)	231,844,516	-	-	-	231,844,516	-	-	231,844,516	231,844,516	-	-	-	-	-
Amortised cost	-	2,771,667	-	-	2,771,667	-	-	2,771,667	2,771,667	-	-	-	-	-
Financial liabilities														
Trade and other payables	-	56,930,536	-	-	56,930,536	-	-	56,930,536	56,930,536	-	(56,930,536)	-	-	(56,930,536)
Lease liabilities (net)	-	20,145,478	40,713,728	25,644,995	86,504,201	86,504,201	-	-	86,504,201	-	(22,824,376)	(47,660,276)	(35,733,283)	(106,217,935)
Separate financial statements As at 31 December 2022														
Measurement categories	Carrying amounts					Carrying amounts					Contractual undiscounted amounts of financial liabilities			
	At call Baht	Within 1 year Baht	Between 1-5 years Baht	Over 5 years Baht	Total Baht	Fixed interest rate Baht	Float interest rate Baht	No interest rate Baht	Total Baht	Interest rate (%)	Within 1 year Baht	Between 1-5 years Baht	Over 5 years Baht	Total Baht
Financial assets														
Cash and cash equivalents	746,864,670	-	-	-	746,864,670	-	746,864,670	-	746,864,670	0.25 - 0.35	-	-	-	-
Financial assets measured at fair value through profit or loss	228,473,019	-	-	-	228,473,019	-	-	228,473,019	228,473,019	-	-	-	-	-
Trade and other receivables (net)	-	2,354,528	-	-	2,354,528	-	-	2,354,528	2,354,528	-	-	-	-	-
Financial liabilities														
Trade and other payables	-	40,425,762	-	-	40,425,762	-	-	40,425,762	40,425,762	-	(40,425,762)	-	-	(40,425,762)
Lease liabilities (net)	-	12,678,541	51,195,493	14,012,068	77,886,102	77,886,102	-	-	77,886,102	-	(15,030,378)	(56,554,256)	(15,090,351)	(86,674,985)

10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cash on hand	155,000	145,000	115,000	115,000
Cash at bank - savings accounts	1,179,101,062	803,699,237	1,119,498,221	700,012,832
- current accounts	71,763,902	46,815,652	66,136,825	46,736,838
	1,251,019,964	850,659,889	1,185,750,046	746,864,670

As at 31 December 2023, the average interest rate of savings accounts in consolidated and separate financial statements was 0.50% - 0.60% per annum (2022: 0.25% - 0.35% per annum).

11 Financial assets measured at fair value through profit or loss

As at 31 December 2023 and 2022, the financial assets measured at fair value through profit or loss represent debt securities comprise the following:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Financial assets - Debt securities				
- Cost	225,000,000	225,000,000	225,000,000	225,000,000
- Fair value	6,844,516	3,473,019	6,844,516	3,473,019
Financial assets measured at fair value through profit or loss - Debt securities	231,844,516	228,473,019	231,844,516	228,473,019

The movements of financial assets measured at fair value through profit or loss for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Book value at the beginning of year	228,473,019	303,149,445	228,473,019	303,149,445
<u>Less</u> Decrease from disposal of financial assets during the period	-	(75,423,966)	-	(75,423,966)
<u>Add</u> Realised gain from disposal of financial assets (Note 27)	-	423,966	-	423,966
<u>Add</u> Change in fair value (Note 27)	3,371,497	323,574	3,371,497	323,574
Book value at the end of year	231,844,516	228,473,019	231,844,516	228,473,019

During the years ended 31 December 2023 unrealised gains from financial assets measured at fair value through profit or loss in consolidated financial statements and separate financial statements of Baht 3,371,497 were recognised in profit or loss (2022: Baht 323,574).

The fair value of financial assets measured at fair value through profit or loss are based on net asset value as at the end of the period distributed by the asset management companies. The fair values are within level 1 of the fair value hierarchy.

**12 Trade and other accounts receivable (net)**

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade accounts receivable - third parties	19,466,434	15,407,426	2,675,734	2,276,386
<u>Less</u> Expected credit loss	(1,895,745)	(1,895,911)	-	-
Trade accounts receivable - third parties (net)	17,570,689	13,511,515	2,675,734	2,276,386
Trade accounts receivable - related party (Note 32 b))	-	-	26,915	38,710
Other accounts receivable - third parties	121,754	61,253	121,593	61,171
Prepayments	4,547,038	5,025,029	2,317,002	1,890,261
Deposit for goods	892,263	1,539,173	664,429	1,539,173
Advance payments	209,806	110,496	190,000	57,620
	23,341,550	20,247,466	5,995,673	5,863,321

Outstanding trade accounts receivable - third parties as at 31 December 2023 and 2022 can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Not yet due	16,350,734	12,185,026	2,675,734	2,276,386
Up to 3 months	1,346,400	1,504,100	-	-
3-6 months	51,000	-	-	-
6-12 months	-	-	-	-
Over 12 months	1,718,300	1,718,300	-	-
	19,466,434	15,407,426	2,675,734	2,276,386
<u>Less</u> Expected credit loss				
Not yet due	(111,734)	(112,452)	-	-
Up to 3 months	(42,513)	(65,159)	-	-
3-6 months	(23,198)	-	-	-
6-12 months	-	-	-	-
Over 12 months	(1,718,300)	(1,718,300)	-	-
	(1,895,745)	(1,895,911)	-	-
	17,570,689	13,511,515	2,675,734	2,276,386

Outstanding trade accounts receivable - related party as at 31 December 2023 and 2022 can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Not yet due	-	-	26,915	38,710
Up to 3 months	-	-	-	-
	-	-	26,915	38,710

**13 Inventories (net)**

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Finished goods				
Medicine	14,595,440	9,922,391	13,075,466	9,922,391
Medical supplies	4,468,840	5,380,605	1,323,450	1,005,972
Lab solution	45,920,145	33,245,299	7,188,846	12,861,586
Facial skin care	206,285	128,133	-	-
	65,190,710	48,676,428	21,587,762	23,789,949
<u>Less</u> Provision for obsolete inventories				
- Medicine	(50,233)	(3,681)	(44,849)	(3,681)
- Medical supplies	(14,910)	(2,323)	(14,910)	(2,323)
- Lab solution	(5,947)	(5,947)	(490)	(490)
	65,119,620	48,664,477	21,527,513	23,783,455

The cost of inventories recognised as expenses and included in cost of goods sold and services in the consolidated and separate financial statements amounting to Baht 209,177,978 and Baht 91,502,417 (2022: Baht 170,870,275 and Baht 86,721,020), respectively (Note 26).

The Group and the Company recognised (reversal) allowance for obsolete inventories in statement of comprehensive income for the years ended 31 December 2023 and 2022 as follows:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
(Reversal) Allowance for obsolete inventories	59,139	(32,889)	53,755	(32,889)

14 Investments in a subsidiary

As at 31 December 2023 and 2022, the Group held shares in two subsidiaries which is included in consolidated financial statement. The Group directly holds the ordinary shares in the subsidiaries. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Entity name	Country of incorporation	Nature of business	Ownership interest held by Company		Ownership invests held by non-controlling interests		Separate financial statement Investment in cost method	
			2023 (%)	2022 (%)	2023 (%)	2022 (%)	2023 Baht	2022 Baht
Next Generation Genomic Co., Ltd.	Thai	Medical laboratory	99.99	99.99	0.01	0.01	206,866,208	206,866,208
Safe Wellness Co., Ltd.	Thai	Beauty Care Service	80.00	80.00	20.00	20.00	24,000,000	24,000,000
							230,866,208	230,866,208



Next Generation Genomic Co., Ltd.

At the Extraordinary General Meeting of the Company 2/2017 on 29 December 2017, has approved acquired 99.99% of the share capital of Next Generation Genomic Co, Ltd. from the former shareholders which are the same shareholders with the Company, so the business acquisition is considered as business combination under common control. The Company paid consideration by issuing an additional 29,998 ordinary shares with a par value of Baht 100 per share for a total of Baht 2,999,800, the value on the payment date is Baht 6,896 per share, then, which there was premium on share capital at Baht 6,796 per share for a total of Baht 203,866,408 to the former shareholders of Next Generation Genomic Co, Ltd. on 9 January 2018.

As at 9 January 2018, consideration paid by 29,998 ordinary shares with par value of Baht 6,896 per share for a total of Baht 206,866,208 and net book value of Next Generation Genomic Co., Ltd. is Baht 28,577,064 as discount from business combination under common control in equity section amount of Baht 178,289,144.

The Company recognised the difference amount between the amount of consideration transferred and the net book value of acquisition amount of Baht 178,289,144 as discount from business combination under common control in equity section on the consolidated financial statements.

Safe Wellness Co., Ltd.

At the Extraordinary General Meeting of the Company 4/2022 on 10 November 2022, has approved established Safe Wellness Co., Ltd by issuing Baht 30,000,000 of capital and 80% of ownership.

The Company found the subsidiary company on 15 November 2022 by acquiring 82% of Bath 10,000 as initial capital.

Later, Safe Wellness Co., Ltd. issued a additional ordinary shares on 14 December 2022. Total shares value of Baht 30,000,000 was held by the Company 80%. The Company made a stock settlement on 6 December 2022.

15 Building and equipment (net)

	Consolidated financial statements									
	Buildings	Building improvement	Furniture	Office equipment	Computer equipment	Medical tool and equipment	Utility system	Vehicle	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
As at 1 January 2022										
Cost	65,720,087	155,014,615	15,464,621	5,121,779	8,095,184	216,265,756	23,985,407	6,227,000	-	495,894,449
Less Accumulated depreciation	(10,469,791)	(107,413,418)	(8,979,399)	(3,515,097)	(6,602,486)	(173,501,633)	(17,302,353)	(5,256,007)	-	(333,040,184)
Net book amount	55,250,296	47,601,197	6,485,222	1,606,682	1,492,698	42,764,123	6,683,054	970,993	-	162,854,265
For the year ended 31 December 2022										
Opening net book amount	55,250,296	47,601,197	6,485,222	1,606,682	1,492,698	42,764,123	6,683,054	970,993	-	162,854,265
Additions	-	16,496,745	292,011	432,485	1,091,631	2,700,665	11,871,945	-	1,916,996	34,802,478
Transfer from right of use assets (Note 16)	-	-	-	-	-	-	-	3,590,000	-	3,590,000
- Cost	-	-	-	-	-	-	-	(3,589,999)	-	(3,589,999)
- Accumulated depreciation	-	-	(203,193)	(7,482)	(23,433)	(23,144,576)	-	-	-	(23,378,684)
Disposal	-	-	203,031	6,664	23,432	23,143,845	-	-	-	23,376,972
- Accumulated depreciation	-	-	(172,236)	(17,797)	(335,226)	(2,312,931)	(1,535,474)	-	-	(28,527,109)
Write-off	-	(24,153,445)	171,677	17,778	333,029	2,312,914	1,513,195	-	-	28,502,029
- Cost	-	24,153,436	-	-	-	-	-	-	-	-
- Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Depreciation charge building and equipment (Note 26)	(3,283,695)	(17,853,745)	(2,301,668)	(623,615)	(757,160)	(18,668,089)	(2,712,024)	(970,991)	-	(47,170,987)
Closing net book amount	51,966,601	46,244,188	4,474,844	1,414,715	1,824,971	26,795,951	15,820,696	3	1,916,996	150,458,965
As at 31 December 2022										
Cost	65,720,087	147,357,915	15,381,203	5,528,985	8,828,156	193,508,914	34,321,878	9,817,000	1,916,996	482,381,134
Less Accumulated depreciation	(13,753,486)	(101,113,727)	(10,906,359)	(4,114,270)	(7,003,185)	(166,712,963)	(18,501,182)	(9,816,997)	-	(331,922,169)
Net book amount	51,966,601	46,244,188	4,474,844	1,414,715	1,824,971	26,795,951	15,820,696	3	1,916,996	150,458,965





Consolidated financial statements										
	Buildings	Building	Furniture	Office	Computer	Medical tool	Utility system	Vehicle	Construction	Total
	Baht	improvement	Baht	equipment	equipment	and	Baht	Baht	in progress	Baht
		Baht	Baht	Baht	Baht	equipment	Baht	Baht	Baht	Baht
For the year ended 31 December 2023										
Opening net book amount	51,966,601	46,244,188	4,474,844	1,414,715	1,824,971	26,795,951	15,820,696	3	1,916,996	150,458,965
Additions	-	16,727,587	2,582,476	663,034	4,036,369	4,894,331	10,221,172	-	4,193,000	43,317,969
Transfer from right of use assets (Note 16)	-	-	-	-	-	-	-	5,700,000	-	5,700,000
- Cost	-	-	-	-	-	-	-	(5,699,999)	-	(5,699,999)
- Accumulated depreciation	-	-	-	-	-	-	-	-	-	(20,876)
Disposal - Cost	-	-	(899)	-	-	(19,977)	-	-	-	13,923
- Accumulated depreciation	-	-	898	-	-	13,025	-	-	-	(1,921,205)
Write-off - Cost	-	-	-	(190,293)	(780,912)	(950,000)	-	-	-	1,906,673
- Accumulated depreciation	-	-	-	188,916	767,758	949,999	-	-	-	-
Transfer of assets in (out)	-	-	119,996	-	-	5,990,000	-	-	(6,109,996)	-
Depreciation charge building and equipment (Note 26)	(4,348,082)	(16,382,339)	(2,143,592)	(621,320)	(911,067)	(14,832,086)	(3,327,893)	-	-	(42,566,379)
Reclassification items (Note 17)	-	-	-	-	(39,980)	-	-	-	-	(39,980)
Closing net book amount	47,618,519	46,589,436	5,033,723	1,455,052	4,897,139	22,841,243	22,713,975	4	-	151,149,091
As at 31 December 2023										
Cost	65,720,087	164,085,502	18,082,776	6,001,726	12,043,633	203,423,268	44,543,050	15,517,000	-	529,417,042
Less: Accumulated depreciation	(18,101,568)	(117,496,066)	(13,049,053)	(4,546,674)	(7,146,494)	(180,582,025)	(21,829,075)	(15,516,996)	-	(378,267,951)
Net book amount	47,618,519	46,589,436	5,033,723	1,455,052	4,897,139	22,841,243	22,713,975	4	-	151,149,091



Separate financial statements										
	Buildings	Building	Furniture	Office	Computer	Medical tool	Utility system	Vehicle	Total	
	Baht	improvement	Baht	equipment	equipment	equipment	Baht	Baht	Baht	
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
As at 1 January 2022										
Cost	65,720,087	142,792,375	15,224,515	4,561,678	7,428,053	166,772,474	21,686,115	4,577,000	428,762,297	
Less Accumulated depreciation	(10,469,791)	(95,574,146)	(8,744,479)	(3,038,933)	(6,063,206)	(131,205,908)	(15,094,875)	(3,879,590)	(274,070,928)	
Net book amount	55,250,296	47,218,229	6,480,036	1,522,745	1,364,847	35,566,566	6,591,240	697,410	154,691,369	
For the year ended 31 December 2022										
Opening net book amount	55,250,296	47,218,229	6,480,036	1,522,745	1,364,847	35,566,566	6,591,240	697,410	154,691,369	
Additions	-	12,739,156	235,306	432,485	1,001,361	981,204	10,681,258	-	26,070,770	
Transfer from right of use assets (Note 16)	-	-	-	-	-	-	-	3,590,000	3,590,000	
- Cost	-	-	-	-	-	-	-	(3,589,999)	(3,589,999)	
- Accumulated depreciation	-	-	(203,193)	(7,482)	(23,433)	(23,144,576)	-	-	(23,378,684)	
Disposal - Cost	-	-	203,031	6,664	23,432	23,143,845	-	-	23,376,972	
- Accumulated depreciation	-	-	(172,236)	(17,797)	(335,226)	(2,312,931)	(1,535,474)	-	(28,527,109)	
Write-off - Cost	-	(24,153,445)	171,677	17,778	333,029	2,312,914	1,513,195	-	28,502,029	
- Accumulated depreciation	-	24,153,436	-	-	-	-	-	-	-	
Depreciation charge building and equipment (Note 26)	(3,283,695)	(17,498,966)	(2,298,585)	(586,182)	(690,285)	(13,798,825)	(2,624,983)	(697,408)	(41,478,929)	
Closing net book amount	51,966,601	42,458,410	4,416,036	1,368,211	1,673,725	22,748,197	14,625,236	3	139,256,419	
As at 31 December 2022										
Cost	65,720,087	131,378,086	15,084,392	4,968,884	8,070,755	142,296,171	30,831,899	8,167,000	406,517,274	
Less Accumulated depreciation	(13,753,486)	(88,919,676)	(10,668,356)	(3,600,673)	(6,397,030)	(119,547,974)	(16,206,663)	(8,166,997)	(267,260,855)	
Net book amount	51,966,601	42,458,410	4,416,036	1,368,211	1,673,725	22,748,197	14,625,236	3	139,256,419	

As at 1 January 2022

Cost
Less Accumulated depreciation

Net book amount

For the year ended 31 December 2022

Opening net book amount
Additions
Transfer from right of use assets (Note 16)
- Cost
- Accumulated depreciation
Disposal - Cost
- Accumulated depreciation
Write-off - Cost
- Accumulated depreciation
Depreciation charge building and equipment (Note 26)

Closing net book amount

As at 31 December 2022

Cost
Less Accumulated depreciation

Net book amount



Separate financial statements									
	Buildings Baht	Building improvement Baht	Furniture Baht	Office equipment Baht	Computer equipment Baht	Medical tool equipment Baht	Utility system Baht	Vehicle Baht	Total Baht
51,966,601	42,458,410	4,416,036	1,368,211	1,673,725	22,748,197	14,625,236	3	139,256,419	
-	16,686,927	2,376,830	531,922	2,559,209	1,790,970	10,221,172	-	34,167,030	
-	-	-	-	-	-	-	5,700,000	5,700,000	
-	-	-	-	-	-	-	(5,699,999)	(5,699,999)	
-	-	(899)	-	-	(19,977)	-	-	(20,876)	
-	-	898	-	-	13,025	-	-	13,923	
-	-	-	(190,293)	(706,122)	(950,000)	-	-	(1,846,415)	
-	-	-	188,916	692,975	949,999	-	-	1,831,890	
(4,348,082)	(15,908,738)	(2,079,170)	(564,340)	(780,569)	(11,408,920)	(3,184,980)	-	(38,274,799)	
47,618,519	43,236,599	4,713,695	1,334,416	3,439,218	13,123,294	21,661,428	4	135,127,173	
65,720,087	148,065,013	17,460,323	5,310,513	9,923,842	143,117,164	41,053,071	13,867,000	444,517,013	
(18,101,568)	(104,828,414)	(12,746,628)	(3,976,097)	(6,484,624)	(129,993,870)	(19,391,643)	(13,866,996)	(309,389,840)	
47,618,519	43,236,599	4,713,695	1,334,416	3,439,218	13,123,294	21,661,428	4	135,127,173	

For the year ended 31 December 2023

Opening net book amount
 Additions
 Transfer from right of use assets (Note 16)
 - Cost
 - Accumulated depreciation
 Disposal - Cost
 - Accumulated depreciation
 Write-off - Cost
 - Accumulated depreciation
 Depreciation charge building
 and equipment (Note 26)

Closing net book amount

As at 31 December 2023

Cost
 Less Accumulated depreciation

Net book amount

**16 Right-of-use assets (net)**

	Consolidated financial statements			
	Buildings Baht	Vehicles Baht	Land leasehold rights Baht	Total Baht
As at 1 January 2022				
Opening net book amount	87,869,858	2,005,234	2,761,112	92,636,204
Addition	19,699,644	-	-	19,699,644
Lease termination	(9,237,823)	-	-	(9,237,823)
Transfer out to building and equipment (Note 15)				
- Cost	-	(3,590,000)	-	(3,590,000)
- Accumulated depreciation	-	3,589,999	-	3,589,999
Depreciation charge right-of-use assets (Note 26)	(14,086,318)	(1,652,495)	(233,333)	(15,972,146)
Closing net book amount	84,245,361	352,738	2,527,779	87,125,878
For the year ended 31 December 2023				
Opening net book amount	84,245,361	352,738	2,527,779	87,125,878
Addition	75,378,792	-	-	75,378,792
Lease termination	(3,317,813)	-	-	(3,317,813)
Transfer out to building and equipment (Note 15)				
- Cost	-	(5,700,000)	-	(5,700,000)
- Accumulated depreciation	-	5,699,999	-	5,699,999
Depreciation charge right-of-use assets (Note 26)	(14,352,368)	(352,737)	(233,333)	(14,938,438)
Closing net book amount	141,953,972	-	2,294,446	144,248,418
	Separate financial statements			
	Buildings Baht	Vehicles Baht	Land leasehold rights Baht	Total Baht
As at 1 January 2022				
Opening net book amount	81,501,182	2,005,234	2,761,112	86,267,528
Addition	16,405,508	-	-	16,405,508
Lease termination	(9,237,823)	-	-	(9,237,823)
Transfer out to building and equipment (Note 15)				
- Cost	-	(3,590,000)	-	(3,590,000)
- Accumulated depreciation	-	3,589,999	-	3,589,999
Depreciation charge right-of-use assets (Note 26)	(13,073,423)	(1,652,495)	(233,333)	(14,959,251)
Closing net book amount	75,595,444	352,738	2,527,779	78,475,961
For the year ended 31 December 2023				
Opening net book amount	75,595,444	352,738	2,527,779	78,475,961
Addition	75,378,792	-	-	75,378,792
Lease termination	(3,317,813)	-	-	(3,317,813)
Transfer out to building and equipment (Note 15)				
- Cost	-	(5,700,000)	-	(5,700,000)
- Accumulated depreciation	-	5,699,999	-	5,699,999
Depreciation charge right-of-use assets (Note 26)	(13,072,601)	(352,737)	(233,333)	(13,658,671)
Closing net book amount	134,583,822	-	2,294,446	136,878,268

For the years ended 31 December 2023 and 2022, amounts charged to profit or loss relating to leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Finance cost relating to leases	2,903,873	3,004,396	2,498,069	2,662,781
Expense relating to leases of low-value assets (that are not included short-term leases)	348,985	385,444	293,176	341,647
Total lease payment	16,878,309	17,721,254	15,312,242	16,533,245

**17 Intangible assets (net)**

	Consolidated financial statements			
	Computer software Baht	Computer program Baht	Computer software during installation Baht	Total Baht
As at 1 January 2022				
Cost	15,509,076	204,477	-	15,713,553
<u>Less</u> Accumulated amortisation	(8,517,312)	(62,371)	-	(8,579,683)
Net book amount	6,991,764	142,106	-	7,133,870
For the year ended 31 December 2022				
Opening net book amount	6,991,764	142,106	-	7,133,870
Additions	246,100	-	1,294,000	1,540,100
Amortisation charge intangible assets (Note 26)	(1,270,530)	(20,448)	-	(1,290,978)
Closing net book amount	5,967,334	121,658	1,294,000	7,382,992
As at 31 December 2022				
Cost	15,755,176	204,477	1,294,000	17,253,653
<u>Less</u> Accumulated amortisation	(9,787,842)	(82,819)	-	(9,870,661)
Net book amount	5,967,334	121,658	1,294,000	7,382,992
For the year ended 31 December 2023				
Opening net book amount	5,967,334	121,658	1,294,000	7,382,992
Additions	2,094,135	-	567,000	2,661,135
Transfer in (out)	1,037,423	-	(1,037,423)	-
Reclassification items (Note 15)	39,980	-	-	39,980
Amortisation charge intangible assets (Note 26)	(1,387,367)	(20,448)	-	(1,407,815)
Closing net book amount	7,751,505	101,210	823,577	8,676,292
As at 31 December 2023				
Cost	18,926,714	204,477	823,577	19,954,768
<u>Less</u> Accumulated amortisation	(11,175,209)	(103,267)	-	(11,278,476)
Net book amount	7,751,505	101,210	823,577	8,676,292



Separate financial statements				
	Computer software Baht	Computer program Baht	Computer software during installation Baht	Total Baht
As at 1 January 2022				
Cost	12,601,138	204,477	-	12,805,615
<u>Less</u> Accumulated amortisation	(7,435,418)	(62,371)	-	(7,497,789)
Net book amount	5,165,720	142,106	-	5,307,826
For the year ended 31 December 2022				
Opening net book amount	5,165,720	142,106	-	5,307,826
Additions	-	-	1,294,000	1,294,000
Amortisation charge intangible assets (Note 26)	(979,252)	(20,448)	-	(999,700)
Closing net book amount	4,186,468	121,658	1,294,000	5,602,126
As at 31 December 2022				
Cost	12,601,138	204,477	1,294,000	14,099,615
<u>Less</u> Accumulated amortisation	(8,414,670)	(82,819)	-	(8,497,489)
Net book amount	4,186,468	121,658	1,294,000	5,602,126
For the year ended 31 December 2023				
Opening net book amount	4,186,468	121,658	1,294,000	5,602,126
Additions	1,823,789	-	567,000	2,390,789
Transfer in (out)	1,037,423	-	(1,037,423)	-
Amortisation charge intangible assets (Note 26)	(1,063,929)	(20,448)	-	(1,084,377)
Closing net book amount	5,983,751	101,210	823,577	6,908,538
As at 31 December 2023				
Cost	15,462,350	204,477	823,577	16,490,404
<u>Less</u> Accumulated amortisation	(9,478,599)	(103,267)	-	(9,581,866)
Net book amount	5,983,751	101,210	823,577	6,908,538

18 Deferred income taxes (net)

As at 31 December 2023 and 2022 deferred tax assets and deferred tax liabilities presented by net tax taxable entities comprise the following:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Deferred tax assets (net)	6,460,377	5,632,785	5,210,399	4,506,781
Deferred tax liabilities (net)	-	-	-	-
	6,460,377	5,632,785	5,210,399	4,506,781

The movement of deferred income tax for the years ended 31 December 2023 and 2022 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Balance as at 1 January	5,632,785	5,760,394	4,506,781	4,466,367
(Debit)/credit to profit or loss (Note 29)	827,592	429,382	703,618	524,395
(Debit)/credit to other comprehensive income (Note 29)	-	(556,991)	-	(483,981)
Balance as at 31 December	6,460,377	5,632,785	5,210,399	4,506,781



The movements in deferred tax assets and liabilities are as follows:

	Consolidated financial statements		
	1 January 2023 Baht	Increase (decrease) to profit or loss Baht	31 December 2023 Baht
Deferred tax assets			
Allowance for expected credit loss	379,182	(33)	379,149
Provision for obsolete inventories	2,390	11,828	14,218
Buildings	-	212,876	212,876
Provision for decommissioning	1,334,158	516,858	1,851,016
Employee benefit obligations	3,495,929	649,034	4,144,963
Lease liabilities	17,265,144	(177,057)	17,088,087
	22,476,803	1,213,506	23,690,309
Deferred tax liabilities			
Unrealised gain from financial assets measured at fair value through profit or loss	(694,604)	(674,299)	(1,368,903)
Right-of-use assets	(16,149,414)	288,385	(15,861,029)
	(16,844,018)	(385,914)	(17,229,932)
Deferred tax assets (net)	5,632,785	827,592	6,460,377

	Consolidated financial statements			
	1 January 2022 Baht	Increase (decrease) to profit or loss Baht	Increase (decrease) to Other Comprehensive Income Bath	31 December 2022 Baht
Deferred tax assets				
Allowance for expected credit loss	565,499	(186,317)	-	379,182
Provision for obsolete inventories	8,968	(6,578)	-	2,390
Provision for decommissioning	1,203,451	130,707	-	1,334,158
Employee benefit obligations	3,734,078	318,842	(556,991)	3,495,929
Lease liabilities	18,853,306	(1,588,162)	-	17,265,144
	24,365,302	(1,331,508)	(556,991)	22,476,803
Deferred tax liabilities				
Unrealised gain from financial assets measured at fair value through profit or loss	(629,889)	(64,715)	-	(694,604)
Right-of-use assets	(17,975,019)	1,825,605	-	(16,149,414)
	(18,604,908)	1,760,890	-	(16,844,018)
Deferred tax assets (net)	5,760,394	429,382	(556,991)	5,632,785



Separate financial statements			
	1 January 2023 Baht	Increase (decrease) to profit or loss Baht	31 December 2023 Baht
Deferred tax assets			
Provision for obsolete inventories	1,299	10,751	12,050
Buildings	-	212,876	212,876
Provision for decommissioning	927,433	476,923	1,404,356
Employee benefit obligations	3,263,231	584,839	3,848,070
Lease liabilities	15,577,220	43,620	15,620,840
	19,769,183	1,329,009	21,098,132
Deferred tax liabilities			
Unrealised gain from financial assets Measured at fair value through profit or loss	(694,604)	(674,299)	(1,368,903)
Right-of-use assets	(14,657,798)	48,908	(14,518,890)
	(15,262,402)	(625,391)	(15,887,793)
Deferred tax assets (net)	4,506,781	703,618	5,210,399

Separate financial statements				
	1 January 2022 Baht	Increase (decrease) to profit or loss Baht	Increase (decrease) to Other Comprehensive Income Bath	31 December 2022 Baht
Deferred tax assets				
Provision for obsolete inventories	7,877	(6,578)	-	1,299
Provision for decommissioning	816,792	110,641	-	927,433
Employee benefit obligations	3,464,195	283,017	(483,981)	3,263,231
Lease liabilities	17,508,677	(1,931,457)	-	15,577,220
	21,797,541	(1,544,377)	(483,981)	19,769,183
Deferred tax liabilities				
Unrealised gain from financial assets measured at fair value through profit or loss	(629,889)	(64,715)	-	(694,604)
Right-of-use assets	(16,701,285)	2,133,487	-	(14,567,798)
	(17,331,174)	(2,068,772)	-	(15,262,402)
Deferred tax assets (net)	4,466,367	524,395	(483,981)	4,506,781

**19 Trade and other accounts payable**

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade accounts payable				
- third parties	33,368,109	27,378,098	20,767,828	16,589,113
- related party (Note 32 b))	-	-	5,364,473	4,295,914
Other accounts payable				
- third parties	14,848,469	4,771,361	13,375,334	2,793,662
Unearned income (Note 25.1)	15,500,588	14,058,956	13,436,549	13,379,281
Accrued expenses				
- Accrued employee expense	11,210,498	11,372,056	8,806,451	9,135,366
- Accrued doctor fee expense	6,879,922	5,038,627	6,598,013	5,038,627
- Others	3,526,350	3,734,732	2,018,437	2,573,080
	85,333,936	66,353,830	70,367,085	53,805,043

20 Lease liabilities (net)

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Liabilities under lease contracts	114,772,026	96,739,335	106,217,935	86,674,985
<u>Less</u> Future finance charges on lease contracts	(20,931,590)	(10,413,628)	(19,713,734)	(8,788,883)
	93,840,436	86,325,707	86,504,201	77,886,102
<u>Less</u> Current portion of liabilities				
- Liabilities under lease contracts	(21,305,449)	(13,781,895)	(20,145,478)	(12,678,541)
	72,534,987	72,543,812	66,358,723	65,207,561

As at 31 December 2023 and 2022, minimum payment to be made in subsequent years for liabilities under lease contracts and liabilities under finance lease contracts, respectively are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<u>Due to payment within</u>				
1 year	24,334,635	16,540,638	22,824,376	15,030,378
1 year - 5 years	53,605,964	63,644,154	47,660,276	56,554,256
Over 5 years	36,831,427	16,554,543	35,733,283	15,090,351
	114,772,026	96,739,335	106,217,935	86,674,985

21 Employee benefit obligations

As at 31 December 2023 and 2022, employee benefit obligations comprise of the details as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Statement of financial position:				
Retirement benefits	20,601,735	17,319,578	19,138,706	16,205,303
Other long-term benefit	123,080	160,067	101,644	110,852
Liabilities in the statement of financial position	20,724,815	17,479,645	19,240,350	16,316,155

The movement in retirement benefit over the years is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
As at 1 January	17,319,578	18,092,958	16,205,303	16,889,200
Current service cost	2,746,007	1,813,199	2,439,818	1,562,190
Interest cost	536,150	198,376	493,585	173,819
Gain (loss) on actuarial assumption on employee benefit obligations	-	(2,784,955)	-	(2,419,906)
As at 31 December	20,601,735	17,319,578	19,138,706	16,205,303

The movement in other long-term benefit over the years is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
As at 1 January	160,067	577,437	110,852	431,773
Current service cost	64,133	102,658	48,211	82,958
Interest cost	1,958	3,408	1,483	2,757
Remeasurement of other long-term employee benefit	-	(127,195)	-	(79,986)
Payment	(103,078)	(396,241)	(58,902)	(326,650)
As at 31 December	123,080	160,067	101,644	110,852

Employee benefit obligations recognised in the statement of comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cost of sales and services	940,417	921,689	724,334	791,677
Selling expenses	380,063	478,754	237,950	366,378
Administrative expenses	2,027,768	590,003	2,020,813	583,683
	3,348,248	1,990,446	2,983,097	1,741,738



The significant actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate	1.78% - 3.82%	1.78% - 3.82%	1.78% - 3.05%	1.78% - 3.05%
Salary increase rate	5.00%	5.00%	5.00%	5.00%
Turnover rate	1.91% - 22.92%	1.91% - 22.92%	1.91% - 22.92%	1.91% - 22.92%
Mortality rate	105% of TMO2560	105% of TMO2017	105% of TMO2560	105% of TMO2017

Sensitivity analysis for each significant actuarial assumption used is as follows:

		Increase (decrease) on employee benefit obligation			
		Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Discount rate	Increase by 0.50%	(790,390)	(743,568)	(682,486)	(652,274)
Discount rate	Decrease by 0.50%	852,991	803,260	735,048	703,049
Salary increase rate	Increase by 1.00%	1,230,863	1,024,870	1,085,442	909,580
Salary increase rate	Decrease by 1.00%	(1,073,580)	(894,965)	(950,934)	(797,661)
Turnover rate	Increase by 20.00%	(1,486,648)	(1,240,866)	(1,263,762)	(1,063,643)
Turnover rate	Decrease by 20.00%	1,775,990	1,478,580	1,506,087	1,264,494
Mortality rate	Increase by 20.00%	(93,565)	(78,381)	(83,592)	(70,494)
Mortality rate	Decrease by 20.00%	94,036	78,771	83,987	70,824

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined employee benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

As at 31 December 2023, the weighted average duration of legal severance pay in consolidated financial statements for the Company and the subsidiary are 11 years and 18 years, respectively and in separated financial statements is 11 years (2022 : in consolidated financial statements for the Company and the subsidiary are 12 years and 19 years, respectively and in separated financial statements is 12 years).

Expected maturity analysis of undiscounted retirement benefits are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Retirement benefits				
Less than 1 year	2,058,105	324,432	2,020,831	285,107
Over than 1 year but not less than 5 years	6,506,566	8,337,084	6,495,889	8,326,408
Over 5 years	15,245,983	15,189,463	12,985,362	13,001,309
	23,810,654	23,850,979	21,502,082	21,612,824

22 Provision for decommissioning fixed assets

The Group has building lease agreements for business establishment and decorations of rental areas to ready for business operation. Then, the group estimates the expenses for decommissioning the decoration at the end of the lease and does not exercise the right to renew the contract or terminate the contract prematurely to deliver the rental areas in its original condition back to the lessor as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Provision for decommissioning on building improvement	25,363,199	17,167,362	21,596,035	13,400,199
<u>Less</u> Future finance charges on provision for decommissioning	(8,280,547)	(3,875,019)	(7,406,136)	(2,883,317)
	17,082,652	13,292,343	14,189,899	10,516,882

The significant changes of provision for decommissioning (net) during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
As at 1 January	13,292,343	12,088,249	10,516,882	10,154,953
Increase in provision for decommissioning (net)	3,250,000	3,995,408	3,250,000	3,232,808
Recognised interest on a time basis	540,309	450,572	423,017	371,007
Provision for decommissioning used during the year	-	(3,241,886)	-	(3,241,886)
As at 31 December	17,082,652	13,292,343	14,189,899	10,516,882

23 Share capital and premium on share capital

	Consolidated and Separate financial statements				
	Number of shares	At a par value Baht	Ordinary share Baht	Share premium Baht	Total Baht
As at 1 January 2022	45,000,000	5	225,000,000	920,108,908	1,145,108,908
Issue of share	-	-	-	-	-
As at 31 December 2022	45,000,000	5	225,000,000	920,108,908	1,145,108,908
Issuance of authorised share capital	11,000,000	5	55,000,000	-	55,000,000
Change in par value of share	224,000,000	1	-	-	-
Issuance of authorised share capital	23,947,800	1	23,947,800	478,956,000	502,903,800
Transaction costs related to share issuance offering to the public - net of tax	-	-	-	(16,831,130)	(16,831,130)
As at 31 December 2023	303,947,800	1	303,947,800	1,382,233,778	1,686,181,578

As at 31 December 2023, the total number of authorised ordinary shares is 303,947,800 (2022 : 45,000,000 shares) shares with a par value of Baht 1 per share.(2022 :Baht 5 per share) All ordinary shares are issued and fully paid.



At the shareholders' meeting no. 1/2023 held on 28 April 2023 approved the following:

- to increase the authorised share capital from Baht 225,000,000 to Baht 280,000,000 by issuing additional 11,000,000 shares of par Baht 5 each. The Company registered the increased share capital with Ministry of Commerce on 23 May 2023.
- to change par value of share from Baht 5 per share to Baht 1 per share. As a result, the Company's shares are changed from 56,000,000 shares to 280,000,000 shares. The Company registered the changing of par value with Ministry of Commerce on 29 May 2023.
- to increase the authorised share capital from Baht 280,000,000 to Baht 303,947,800 by issuing additional 23,947,800 shares of par Baht 1 each. The Company registered the increased share capital with Ministry of Commerce on 29 May 2023.
- to allocate the additional 23,947,800 shares and some existing shareholders want to sell their shares not exceeding 52,799,000 shares to the general public along with the above-mentioned newly issued ordinary shares by including the number of ordinary shares issued and offered for sale at this time, will not exceed 76,746,800 shares.

At the Board of Directors Meeting No. 2/2023 held on 27 September 2023, the Board of Directors approved the right to subscribe for newly issued ordinary shares to related persons who are directors and executives and employees of the Company and its subsidiaries who are entitled to be allocated no more than 2,100,000 shares at a price of Baht 21 per share, which this exercise price is considered a fair value with reference to the price of shares that the Company first initial public offering. Therefore, there was no impact on the consolidated and separate financial statements. The Group has no legal obligation to buy back the rights or pay in cash. The Company registered as a listed company in the Stock Exchange of Thailand (SET) and initially offered to the public on 2 November 2023 at a price of Baht 21 per share.

24 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
As at 1 January	22,422,843	17,833,489	22,422,843	17,833,489
Appropriation during the year	7,971,937	4,589,354	7,971,937	4,589,354
As at 31 December	30,394,780	22,422,843	30,394,780	22,422,843

Under the Public companies Act, B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net profit accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. This reserve is not available for dividend distribution.

25 Assets and liabilities relating to contracts with customers

25.1 Contract liabilities

Contract liabilities related to contracts with customers as at 31 December 2023 and 2022 is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Unearned treatment and laboratory income	6,699,036	6,731,448	5,811,928	6,051,773
Unearned egg and embryo freezing income	7,624,621	7,327,508	7,624,621	7,327,508
Unearned aesthetic treatment income	1,176,931	-	-	-
Total (Note 19)	15,500,588	14,058,956	13,436,549	13,379,281

Revenue recognised in relation to contract liabilities

Revenue recognised in the current reporting year relates to carried forward contract liabilities.

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenue recognized from the balance of contract liabilities				
- Frozen service fee for preserving egg cells and embryos	5,384,489	5,881,352	5,384,489	5,881,352
- Medical procedure fee	6,598,256	16,060,043	5,918,581	15,359,008
	11,982,745	21,941,395	11,303,070	21,240,360

25.2 Unsatisfied long-term contracts

As of 31 December 2023 and 2022, the following table shows unsatisfied performance obligations resulting from egg and embryo freezing contracts.

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Egg and embryo freezing contract	7,624,621	7,327,508	7,624,621	7,327,508

Management expects that 66% of the transaction price allocated to the unsatisfied contracts as of 31 December 2023 will be recognised as revenue during the next reporting period amounting to Baht 5,028,677. The remaining 34% amounting to Baht 2,595,944 will be recognised as revenue in the 2025 to 2026 (2022: 82% amounting to Baht 6,034,234 and the remaining 18% amounting to Baht 1,293,274 will be recognised as revenue in the 2024 to 2026).

26 Expenses by nature

The expenditure items for the years ended 31 December 2023 and 2022 are classified by nature as follows:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Medicine and medical supply and medical equipments used	209,177,978	170,870,275	91,502,417	86,721,020
Doctors fees	74,392,533	64,325,609	71,428,309	64,325,609
Medical laboratory services	3,901,250	5,377,126	56,746,107	62,677,046
Depreciation and amortisation (Note 15, 16 and 17)	58,912,632	64,434,111	53,017,847	57,437,880
Employee expense	147,641,651	133,593,094	116,574,146	109,287,982
Rental and service fees	28,099,969	27,065,550	22,450,808	22,892,521
Repair and maintenance expense	10,970,871	9,353,954	7,131,927	6,282,680

**27 Other income**

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Interest income	3,992,451	1,148,709	3,721,414	1,069,370
Other service income	763,374	454,305	763,374	454,305
Gain from switching of financial assets measured at fair value through profit or loss (Note 11)	-	423,966	-	423,966
Unrealised gain on measurement of financial assets measured at fair value through profit or loss (Note 11)	3,371,497	323,574	3,371,497	323,574
Others	196,038	356,144	87,091	331,710
	8,323,360	2,706,698	7,943,376	2,602,925

28 Other Expenses

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Loss on write off				
- Building and equipment	(14,532)	(25,080)	(14,525)	(25,080)
Gain (loss) on disposal of building and equipment	6,347	4,243	6,347	4,243
	(8,185)	(20,837)	(8,178)	(20,837)

29 Income tax expense

Income tax expense for the years ended 31 December 2023 and 2022 comprises the following:

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Current tax:				
Current tax on profits for the year	(47,998,860)	(41,723,358)	(36,452,951)	(33,471,818)
Deferred tax:				
Origination and reversal of temporary difference (Note 18)	827,592	429,382	703,618	524,395
Income tax expense	(47,171,268)	(41,293,976)	(35,749,333)	(32,947,423)

Reconciliation of income tax for the years ended 31 December 2023 and 2022 comprises as following:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit before tax	247,309,454	203,025,957	253,352,045	163,194,285
Tax calculated at a tax rate of 20% (2022 : 20%)	(49,461,891)	(40,605,191)	(50,670,409)	(32,638,857)
Tax effect of:				
Income not subject to tax	-	-	10,799,280	-
Additional expenses deductible for tax purpose	4,234,751	14,500	4,234,751	14,500
Expenses not deductible for tax purpose	(1,944,128)	(703,285)	(112,955)	(323,066)
Tax charge	(47,171,268)	(41,293,976)	(35,749,333)	(32,947,423)

The Group's and Company's weighted average applicable tax rate was 19.07% and 14.11% respectively (2022 : 20.34% and 20.19%, respectively).

30 Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Basic earnings per share				
Net profit for the year attributable to the parent company (Baht)	201,832,766	161,911,205	217,602,712	130,246,862
Weighted average number of ordinary shares in issue during the year (shares)	262,670,585	225,000,000	262,670,585	225,000,000
Basic earnings per share (Baht per share)	0.77	0.72	0.83	0.58

The Company recalculates basic earnings per share for the years ended 31 December 2022 for the purpose of comparability in financial information, which is calculated by using weighted average number of ordinary shares as if the par value and the number of issued and paid-up share capital was changed in consistent with the change in the par value and the number of issued and paid-up share capital during the years ended 31 December 2023.

There are no potential dilutive ordinary shares issued for the years ended 31 December 2023 and 2022.



31 Dividends

On 25 October 2023, the Board of Directors' Meeting of the Company has approved interim dividend payment from its unappropriated retained earnings at the rate of Baht 0.035 per share, for 280,000,000 shares for a total dividend of Baht 9,800,000. The Company has paid the dividend to shareholders on 31 October 2023.

On 27 September 2023, the Board of Directors' Meeting of the Company has approved interim dividend payment from its unappropriated retained earnings at the rate of Baht 0.10 per share, for 280,000,000 shares for a total dividend of Baht 28,000,000. The Company has paid the dividend to shareholders on 12 October 2023.

On 10 August 2023, the Board of Directors' Meeting of the company has approved interim dividend payment from its unappropriated retained earnings at the rate of Baht 0.15 per share for 280,000,000 shares, for a total dividend of Baht 42,000,000. The Company has paid the dividend to shareholders on 22 August 2023.

On 11 May 2023, the Board of Directors Meeting of the Company has approved interim dividend payment from its unappropriated retained earnings at the rate of Baht 1.85 per share, for 45,000,000 shares for a total dividend of Baht 83,250,000. The Company has paid the dividend to shareholders on 16 May 2023.

On 23 February 2023, the Board of Directors' Meeting of the Company has approved interim dividend payment from its unappropriated retained earnings at the rate of Baht 2.90 per share for 45,000,000 shares, for a total dividend of Baht 130,500,000. The Company has paid the dividend to shareholders on 13 March 2023.

On 11 March 2022, the Shareholders' Meeting of the Company has approved dividend payment from its unappropriated retained earnings at the rate of Baht 1.24 per share for 45,000,000 shares, for a total dividend of Baht 55,800,000. The Company paid the dividend to shareholders on 17 March 2022.

Subsidiary

On 23 February 2023, the Board of Directors Meeting of the subsidiary has approved interim dividend payment from its retained earnings at the rate of Baht 1,800 per share, for 30,000 shares for a total dividend of Baht 54,000,000. The subsidiary has paid the dividend to shareholders on 13 March 2023.

32 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and follow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

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

As at 31 December 2023 and 2022, the major shareholders of the Company are members of the Quangkananurug family, who own 60.93% of the Company's share capital.

The relationships between the Company and related company are as follows:

Related company name	Relationship with the Company
Next Generation Genomic Co., Ltd.	Subsidiary
Safe Wellness Co., Ltd.	Subsidiary (Since 15 November 2022)
Piccadilly Peak Limited	Common Shareholders
Palmarosa Investments Ltd.	Common Shareholders



The following material transactions were carried out with related parties:

a) The material transactions as following are related party transaction for the years ended 31 December 2023 and 2022

	For the years ended 31 December	
	Separate financial statements	
	2023 Baht	2022 Baht
Revenue from sales to a subsidiary	358,043	331,647
	358,043	331,647
Purchase of goods from a subsidiary	9,852	11,488
	9,852	11,488
Purchase of services from a subsidiary	55,378,570	60,978,083
	55,378,570	60,978,083

Sales of goods and services transactions were charged by related companies under price as agreed between the parties.

b) Outstanding balances as at 31 December 2023 and 2022 arising from sales and purchases of goods/services comprise the following:

	Separate financial statements	
	2023 Baht	2022 Baht
Trade accounts receivables from a subsidiary (Note 12)	26,915	38,710
	26,915	38,710
Trade accounts payable to a subsidiary (Note 19)	5,364,473	4,295,914
	5,364,473	4,295,914

c) Directors and key management remuneration

Directors and key management remuneration of the Group and the Company are as follow:

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statement	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Salaries and other short-term employee benefits	23,153,143	23,024,518	23,153,143	23,024,518
Post-employment benefits	1,473,582	246,208	1,473,582	246,208
	24,626,725	23,270,726	24,626,725	23,270,726

**33 Commitments****a) Non-cancellable commitments**

As at 31 December 2023 and 2022, the Group and the Company have commitments from short-term and low-value assets leases as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<u>Due for payable within</u>				
1 year	212,698	336,973	153,438	293,176
1 year - 5 years	123,878	287,437	123,050	276,488
	336,576	624,410	276,488	569,664

b) Capital expenditure commitments

As at 31 December 2023 and 2022, the Group and the Company have commitments from Capital expenditure contracted but not recognised as liabilities as follows:

	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Software System	8,839,000	9,406,000	8,839,000	9,406,000
	8,839,000	9,406,000	8,839,000	9,406,000

34 Events occurring after the reporting period

At the Board of Directors' meeting no.1/2024 of Safe Fertility Group Public Company Limited, on 22 February 2024, the Board of Directors passed a proposal at the Annual General Shareholder's Meeting for the year 2024 to consider the approval of annual dividend payment from its retained earnings at the rate of Baht 0.15 per share for 303,947,800 ordinary shares, for a total dividend of Baht 45,592,170 which expected to be paid to shareholders within May 2024.



04

ATTACHMENTS



ATTACHMENT 1

Information of the Board of Directors, Executives, Controlling Persons, the person supervising Finance and Accounting, the person supervising Accounting and Company Secretary

1. DETAILS OF DIRECTORS, EXECUTIVES, AND COMPANY SECRETARY

1.1 Details of directors and executives, the individuals having top responsibility in accounting and finance, the individuals directly in charge of accounting control, and company secretary.



MR. AMNUAY PREEMONWONG

Chairman of the Board of Directors/
member of the Audit Committee

Age (years)

65

First appointed

18 November 2019

Shareholding in the Company (%)

0.16

Family relationship with executives

-

Education / Training

Educational qualifications

- bachelor's degree in economics, Ramkhamhaeng University
- Bachelor of Law, Sukhothai Thammathirat University
- Master of Public Administration, NIDA University

Training record

- Director Certification Program (DCP) Class 80/2006
- Audit Committee Program No. 38/2012
- Financial Statements for Directors (FSD) Class 11/2011
- Anti-Corruption for Executive Program (ACEP) Class 13/2014

Work experience in the past 5 years

- 2019 - 2023 Director SRT Company Limited
- 2019 - 2023 Director National Telecommunications Public Company Limited
- 2020 - present Director Royal Orchid Hotel Public Company Limited
- 2018 - present Chairman of the Board of Directors TCJ Public Company Limited
- 2021 - present Chairman of the Board of Directors SRTA Company Limited
- 2014 - 2018 Deputy Permanent Secretary Ministry of Finance
- 2018 - 2019 Director General of the Treasury Department Treasury Department
- 2011 - 2019 Director PTTGC Public Company Limited
- 2017 - 2018 Chairman of the Board of Directors Credit Bureau Company Limited
- 2018 - 2019 Chairman of the Board of Directors Government Savings Bank
- 2019 - 2022 Director Anti-Money Laundering Office (AMLO)
- 2016 - 2018 Independent director/Chairman PTT Go Company Limited
- 2017 - 2018 Director Bangkok Commercial Asset Management Public Company Limited



MR. JIRAYUT RUNGSRITHONG

Independent director/ Chairman of the Audit Committee

Age (years)

58

First appointed

18 November 2019

Shareholding in the Company (%)

0.08

Family relationship with executives

-

Education / Training

Educational qualifications

- Bachelor of Computer Engineering, King Mongkut's Institute of Technology Ladkrabang
- master's degree in Operational Research, The George Washington University

Training record

- Director Certification Program (DCP) Class 60/2005
- Director Accreditation Program (DAP) Class 36/2005

Work experience in the past 5 years

- 2018 - present Independent director/
Chairman of the Audit Committee
Index Living Mall Public Company Limited
- 2016 - 2022 President/Director
Eastern Water Resources Development
and Management Public Company Limited
- 2017 - 2022 Director
Universal Utilities Public Company Limited



MR. KRAN CHAYAVICHITSILP

Independent director/ member of the Audit Committee

Age (years)

51

First appointed

18 November 2019

Shareholding in the Company (%)

0.28

Family relationship with executives

-

Education / Training

Educational qualifications

- Bachelor of Business Administration, Rangsit University
- Certificate of the Executive Management Academy, University of California
- Master of Public Administration, Chulalongkorn University

Training record

- Director Certification Programme (DCP) Class 225/2016

Work experience in the past 5 years

- 2019 - present Director
D.A.D. SPV Company Limited
- 2015 - present Chairman of the Nomination and Remuneration Committee
Thai Plaspac Public Company Limited
- 2015 - present Independent director and member of the Audit Committee
Thai Plaspac Public Company Limited



ADMIRAL PICHET TANASET

Director

Age (years)

65

First appointed

18 November 2019

Shareholding in the Company (%)

0.08

Family relationship with executives

-

Education / Training

Educational qualifications

- Bachelor of Science degree in Electrical Engineering Naval Academy
- Master of Public Administration, Kasem Bundit University

Training record

- Director Certification Program (DCP) Class 324/2022
- Senior Executive Certificate Program, Capital Market Academy (CMA) class 28
- Director Accreditation Program (DAP) Class 175/2020

Work experience in the past 5 years

- 2019 - present Member of Deputy Prime Minister's working group
- 2019 - present Head of the working group for oversight and monitoring of government operations in the 16th inspectorate region
- 2019 - present Chairperson of the sub-commission for the study of guidelines for the management and administration of the eastern river basin
- 2019 - 2020 Member of the extraordinary commission for the study of guidelines for the comprehensive management of the overall water basis system
- 2017 - 2018 Chairman of the Board of Directors Bangkok Dock (1957) Company Limited
- 2017 - 2019 Committee member Defence Technology Institute



MR. YUTTUPONG MA

Director

Age (years)

56

First appointed

April 4 2019

Shareholding in the Company (%)

-

Family relationship with executives

-

Education / Training

Educational qualifications

- Bachelor of Philosophy (B.A), Columbia College
- Master of Business Administration, Columbia Business School, USA

Training record

- Director Accreditation Program (DAP) Class 203/2023

Work experience in the past 5 years

- 2022 - present Director
The Monk Studio Company Limited
- 2021 - present Director
TFV Company Limited
- 2021 - present Director
Asia Aviation Public Company Limited
- 2020 - present Director
JKN Global Media Public Company Limited
- 2018 - present Director
Do Day Dream Public Company Limited
- 1997 - present Director
Morgan Stanley (Thailand) Limited
- 2017 - 2018 Director
DSG International (Thailand)
Public Company Limited
- 2009 - 2018 Chairman of the Board of Trustees
International Children's Education Association



MR. WIWAT QUANGKANANURUG

Director/Chief Executive Officer/ Chief Medical Officer

Age (years)

58

First appointed

20 July 2009

Shareholding in the Company (%)

39.17

Family relationship with executives

Husband of Parinyarat Quangkananurug

Education / Training

Educational qualifications

- Bachelor of Medicine, Prince of Songkla University

Training record

- Director Certification Programme (DCP) Class 249/2017
- National Defence College,
National Defence Academy Class 62/2020

Work experience in the past 5 years

- 2009 - present Chief Executive Officer
Safe Fertility Group Public Company Limited



MRS. PARINYARAT QUANGKANANURUG

Director/Managing Director/ Chief Operating Officer /
Chief Sales and Marketing Officer

Age (years)

57

First appointed

20 July 2009

Shareholding in the Company (%)

10.13

Family relationship with executives

Wife of Mr. Wiwat Quangkananurug

Education / Training

Educational qualifications

- Bachelor of Law, Ramkhamhaeng University

Training record

- Director Accreditation Programme (DAP) Class 175/2020

Work experience in the past 5 years

- 2009 - present Managing director
Safe Fertility Group Public Company Limited



MS. CHANIDA PATTANOTAI

Director/ Chief Financial Officer

Age (years)

44

First appointed

18 November 2019

Shareholding in the Company (%)

0.55

Family relationship with executives

-

Education / Training

Educational qualifications

- bachelor's degree in accounting (Accounting Information System), Chulalongkorn University
- Master's degree in accounting, Thammasat University

Training record

- Director Accreditation Program (DAP) Class 175/2020

Work experience in the past 5 years

- 2023 - present Director
RPCG Public Company Limited
- 2018 - present Chief Financial Officer
Safe Fertility Group Public Company Limited
- 2017 - 2018 Manager
Siam Commercial Bank Public Company Limited





MS. JATURAPAT THANASUVICHAI

Accounting Manager

Age (years)

46

First appointed

1 July 2018

Shareholding in the Company (%)

0.004

Family relationship with executives

-

Education / Training

Educational qualifications

- bachelor's degree in accounting, Bangkok University
- master's degree in accounting, Kasetsart University

Training record

- Accounting income and expenses and correct practices according to financial reporting standards
- Finance for Non-Finance
- Ethics for accounting professionals and case studies
- Top Story important problems of accounting and tax

Work experience in the past 5 years

- 2018 - present Accounting Manager
Safe Fertility Group Public Company Limited
- 2014 - 2018 Accounting & Finance Manager
Maruboon Arrow Company Limited



MS. SUJIN CHANCHUMROEN

Chief Laboratory Officer

Age (years)

46

First appointed

1 September 2016

Shareholding in the Company (%)

0.03

Family relationship with executives

-

Education / Training

Educational qualifications

- Bachelor of Science (Medical Technology), Khon Kaen University
- Master of Science (Medical Technology), Khon Kaen University

Training record

- Seminar at Juno Genetics Lab in Valencia
- Troubleshooting: Embryo transfer by ESHRE
- PGT troubleshooting from intake to follow up by ESHRE
- Factoring genetics in the management of implantation and early pregnancy by ESHRE

Work experience in the past 5 years

- 2017 - Present Chief Laboratory Officer
Safe Fertility Group Public Company Limited



1.2 Details of the company secretary and responsibilities of the company secretary

MISS TASANUN CHUIKLOM

Company Secretary

Age (years)

43

First appointed

10 August 2023

Shareholding in the Company (%)

-

Family relationship with executives

-

Education / Training

Educational qualifications

- Master's degree,
Faculty of Business Administration National Institute of
Development Administration
- Bachelor's degree,
Faculty of Communication Arts Chulalongkorn University

Training record

- Financial Advisor (FA) Training Course, FA License
- Corporate Sustainability 2022
- IR Fundamental Course 2019
- IR Professional Development Program 2016

Work experience in the past 5 years

- 2023 - Present Investor Relation and Company Secretary
Safe Fertility Group Public Company Limited
- 2015 - 2022 Finance and Investor Relation Manager
Don Muang Tollway Public Company Limited

Duties and responsibilities of the company secretary

1. To perform duties with responsibility, vigilance, and integrity to comply with applicable regulations and guidelines;
2. To provide preliminary information and guidance to the Company's directors and executives; to monitor compliance with applicable laws, regulations, and guidelines concerning the Company's business operations; and to inform the Board of Directors about significant matters, such as legal changes and related rules and regulations;
3. To monitor and ensure the disclosure of relevant information in accordance with the criteria, regulations, and announcements of the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission (the "Office of the SEC"), and the Capital Market Supervisory Board;
4. To summarise and report on the holdings of securities and changes in the directors, managers, and executives of the Company, as well as related individuals, as required by securities laws, to the Board of Directors before reporting it to the Office of the SEC;
5. To prepare and maintain the register of directors, the Company's annual reports, invitations to general meetings of shareholders and board of directors' meetings, minutes of shareholders' meetings, minutes of board of directors' meetings, and other board meetings;
6. To monitor and ensure compliance with laws, the Company's articles of association, and relevant practices during general meetings and Board of Directors' meetings; to monitor compliance with resolutions passed during the general meetings and Board of Directors' meetings;
7. To support directors and/or executives of the Company in acknowledging and attending relevant training programmes related to the responsibilities of directors or specialised topics for directors and/or executives;
8. To assist in assessing the performance of the Board of Directors and all sub-committees, including self-assessment, and report the results of the assessment to the Board of Directors;
9. To act as the primary point of contact for coordinating with government agencies, such as the Office of the SEC, and ensure accurate and appropriate disclosure of information to government agencies and the public, in accordance with relevant rules and regulations;



ATTACHMENT 2

Details of Directors and Subsidiaries

DETAILS OF THE BOARD OF DIRECTORS' POSITIONS AND EXECUTIVES OF THE COMPANY, SUBSIDIARIES, AND RELATED COMPANIES AS OF 31 DECEMBER 2023

Name list	Safe Fertility Center Public Company Limited	Related companies	
		Next Generation Genomic Company Limited	Safe Wellness Company Limited
1 Mr. Amnuay Preemonwong	CD, AC, ID	-	-
2 Mr. Jirayut Rungsrithong	AC, ID	-	-
3 Mr. Kran Chayavichitsilp	AC, ID	-	-
4 Mr. Wiwat Quangkananurug	D, M	M, CD	M, CD
5 Mrs. Parinyarat Quangkananurug	D, M	D, M	D, M
6 Admiral Pichet Tanaseth	D	-	-
7 Mr. Yuttupong Ma	D	-	-
8 Ms. Chanida Pattanotai	D, M	-	D, M
9 Ms. Jaturapat Thanasuvichai	M	-	-
10 Ms. Sujin Chanchumroen	M	-	-

Notes:

CD = Chairman of the Board of Directors

D = Director

ID = Independent director

AC = Member of the Audit Committee

M = Management





ATTACHMENT 3

Details of the Head of Internal Audit and Compliance

HEAD OF INTERNAL AUDIT AND COMPLIANCE

The Group of Companies hired external agencies (Outsource), namely Dharmniti Internal Audit Company Limited (“Dharmniti”) as the internal auditor and compliance of the Group of Companies since 2019. Dharmniti has assigned Ms. Somcharee Kawkomdee is the head of the group’s internal audit.

MS. SOMCHAREE KAWKOMDEE

Certified Professional Internal Audit of Thailand (CPIAT)

Age (years)

40

First appointed

5 September 2013

Education / Training

Educational qualifications

- Bachelor Degree Faculty of Humanities and social Sciences at Burapha University (Account)

Training record

- Internal Auditor Program Class 1-2
- Risk Assessment Program
- COSO 2013 Program (Theory and Practice)
- Maintain and improve the quality of internal audit work project.
- Self-assessment on anti-corruption measurement.
- Guidelines for Investigating Fraud.
- International Standards for the Professional Practice of Internal Auditing.
- CIA Part II Training at Federation of Accounting Professions.
- Internal Audit Training Program to prepare for Internal Auditor (Pre CIA), Chulalongkorn University
- Asian Confederation of Institutes of Internal Auditors Conference 2018 (Malaysia)
- Agile Auditing
- CAC SME Independent Auditor Training

Work experience in the past 5 years

- 2007 - 2008 Internal Auditor
- 2009 - 2010 Senior Internal Auditor
- 2011 - 3/6/2016 Assistant Manager
Internal Audit department at
Dharmniti Auditing Co., Ltd
- June 2016 - Present Director
Dharmniti Internal Audit Co., Ltd.



ATTACHEMENT 4

Assets used in Business Operations and Details on Asset Valuation

- **ASSETS USED IN BUSINESS OPERATIONS**

Please see additional details of assets used in business operations in section 1 Structure and Operations of the Company's group, section 1.2.2 (4) Assets used in business operations.

- **DETAILS ON ASSET VALUATION**

- None -





ATTACHMENT 5

Policy and guidelines on Corporate Governance, Code of Conduct and Charter of the Board of Directors and Charters of Subcommittees

CORPORATE GOVERNANCE

The Company recognizes the importance of good corporate governance as it is important to help promote the company's operations to be efficient and have sustainable growth. This will lead to the highest benefit to all parties such as employees, investors, shareholders and other stakeholders. Therefore, the Company has created a policy of good corporate governance by adhering to the Principles of Good Corporate Governance for Listed Companies 2017, prepared by the Securities and Exchange Commission for the board of directors, executives and all employees to adhere to as guidelines for efficiency in business operations, good corporate governance.

In addition, the Company has created the charter of the Board and sub-committees that specifies the authority, duties and responsibilities for reference in performing duties and reviewed the charter to be consistent with the direction of business operations, laws, regulations and good practices. In this regard, policies and practices regarding corporate governance, code of conduct as well as the charter of the Board of Directors and sub-committees, the Company has disclosed it on the Company's website. www.safefertilitygroup.com subtopic "Corporate Governance" or you can study details at the link below.

Corporate Governance Policy :

<https://www.safefertilitygroup.com/storage/documents/cg-policy/20230301-safe-cg-policy-th.pdf>

Code of Conduct

<https://www.safefertilitygroup.com/storage/documents/code-of-conduct/20230301-safe-company-code-of-conduct-th.pdf>

Charter of the Board of Directors

<https://www.safefertilitygroup.com/storage/documents/charters/20230301-safe-board-of-directors-charter-th.pdf>

Charter of Audit Committee

<https://www.safefertilitygroup.com/storage/documents/charters/20230301-safe-audit-committee-charter-th.pdf>

Charter of Nomination and Remuneration Committee

<https://www.safefertilitygroup.com/storage/documents/charters/20230630-safe-nomination-remuneration-committee-charter-th.pdf>



ATTACHMENT 6

Report of the Audit Committee

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Safe Fertility Group Public Company Limited has been appointed by the Board of Directors to perform duties regarding the accuracy of financial reports, efficiency of internal control system and compliance with various laws, regulations, and codes of conduct to promote the Company's good corporate governance. Besides, the Audit Committee shall review the adequacy and efficiency of the Company's management and prepare its annual reports to ensure the transparency and reliability of overall operations and information disclosure.

The Audit Committee comprises three independent directors with various knowledge, expertise and experience in management, accounting and finance, including independence and appropriate qualifications in reviewing the reliability of financial statements according to the requirements of the Securities and Exchange Commission, the Stock Exchange of Thailand and the Audit Committee Charter, with the names as follows:

- | | |
|------------------------------|---------------------------------|
| 1) Mr. Jirayut Rungsritthong | Chairman of the Audit Committee |
| 2) Mr. Amnuay Preemonwong | Audit Committee |
| 3) Mr. Krant Chayawijitsilp | Audit Committee |

By having Ms.Tasanan Chuyaklom acting as the Secretary of the Audit Committee

In 2023, there was a total of five meetings of the Audit Committee, where the committee members attended all meetings and consulted with the internal and the external auditors, including the management of accounting and finance department. The Audit Committee reported the results of the Audit Committee's meeting to the meeting of the Board of Directors, with important details of the operating performance on various matters as follows:

1. Review of Financial Reports

The Audit Committee reviewed the quarterly and annual financial statements in 2023 of the Company and its subsidiaries to ensure the complete, sufficient and reliable preparation of the Company's financial statements, disclosure of information as attached to financial statements, special items and important accounting adjustments and estimates. The Audit Committee received clarification from the auditors, the executives and internal control system auditors until the satisfactory that the preparation of financial statements was complied with the requirements of the laws and financial reporting standards in a reliable and timely manner, including adequate disclosure of information in the notes to financial statements which shall be beneficial to shareholders and investors.

The Audit Committee had opinions that the Company's financial reports were accurately prepared under the financial report standards, with complete and adequate information disclosure and the notes to financial statements in a timely manner which shall be beneficial to shareholders and users of the financial statements.



2. Supervision of Internal Audit

The Audit Committee supervised the internal audit work by considering the results of internal audit and recommendations reported by Dharmniti Internal Audit Company Limited, an outsourced internal audit agency by the Company and its subsidiaries which directly reported to the Audit Committee, including the follow-up on the management's progress of operations, improvements and corrections according to the suggestions in such report on a quarterly basis.

The Audit Committee had opinions that the Company's internal control system was sufficient and appropriate in compliance with the approved internal audit plan, including the independence of its internal audit department according to the professional standards of practice.

3. Review of Risk Management

The Audit Committee reviewed the adequacy and efficiency of the Company's policies, strategies and risk management by having regular meetings with the executives responsible for the Company's risk management to acknowledge external and internal risk factors, results of risk assessment and management guidelines up to an acceptable level of risk. Also, the Audit Committee provided suggestions for further development and improvement, with emphasis on the importance of new risks that may possibly occur due to rapid changes.

4. Compliance with Securities and Exchange Laws, the Stock Exchange of Thailand's Requirements, or Related Laws to the Company's Business

The Audit Committee reviewed the compliance with securities and exchange laws, requirements of the Stock Exchange of Thailand, or related laws to the Company's business as regular basis. The Audit Committee had opinions that the Company accurately and completely complied with securities and exchange laws, requirements of the Stock Exchange of Thailand, and other related laws.

5. Review of Related Party Transactions or Transactions with Potential Conflicts of Interest

The Audit Committee reviewed and provided suggestions on related party transactions or transactions with potential conflicts of interest according to the laws and regulations of the Stock Exchange of Thailand, which were disclosed and listed in the financial statements and notes to the financial statements on a quarterly basis. The Audit Committee had opinions that the said transactions were reasonable and beneficial to the Company and its subsidiaries' business operations, including the accurate and complete disclosure of information in compliance with the laws and regulations of the Capital Market Supervisory Board.



6. Nomination of Auditors and Annual Audit Fees

The Audit Committee considered the qualifications of certified public accountant approved by the Securities and Exchange Commission, with understanding of the Company's business and the independence. In 2024, the Audit Committee approved and proposed to the general meeting of shareholders to consider appointing auditors from Price WaterhouseCoopers ABAS Company Limited, namely as the Company and its subsidiaries' auditors for the year 2024, with the fees for reviewing and auditing financial statements not exceeding 4,650,000 baht.

In summary, the Audit Committee performed its duties and responsibilities as specified in the Audit Committee Charter approved by the Board of Directors, with full knowledge, abilities, prudence, cautiousness and sufficient independence. The Audit Committee also gave opinions and suggestions for the benefit of all stakeholders equally. The Audit Committee had opinions that the Company maintained appropriate risk management measures, including suitable, sufficient and efficient internal control and audit systems. The Company's financial reports were significantly accurate, reliable and consistent with generally accepted accounting standards of adequate disclosure. Moreover, the Company operated in accordance with the laws and regulations related to its business operations.

Additionally, the Audit Committee had opinions that the top executives and all employees performed their duties with full abilities under the framework of good corporate governance, leading to the Company's satisfactory and sustainable growth towards the good and sustainable returns to overall stakeholders.

On behalf of the Audit Committee

(Mr. Jirayut Rungsrithong)

Chairman of the Audit Committee





Safe Fertility Group Public Company Limited

Head office | 496, 498, 500, 502

Amarin Plaza Building, 17th Floor,
Ploenchit Road, Pathumwan, Bangkok 10330

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 www.safefertilitygroup.com