



AIKCHOL HOSPITAL
PUBLIC COMPANY LIMITED
บริษัท โรงพยาบาลเอกชล จำกัด (มหาชน)

ANNUAL REPORT 2020

รายงานประจำปี 2563



ได้รับการรับรองคุณภาพและมาตรฐานโดย
Joint Commission International (JCI)
and Hospital Accreditation (HA)



Facility Renovation

โครงการพัฒนาปรับปรุงพื้นที่

AHC

โรงพยาบาลเอกชล
AIKCHOL HOSPITAL

“ หนูและคุณแม่
ชื่นชอบโรงพยาบาลเอกชล
และบำรุงราษฎร์ค่ะ ”

สุจิตรา อรุณพิพัฒน์.



ศูนย์กระดูกสันหลัง

ABSOLUTE SPINE CARE CENTER

ด้วยมาตรฐาน **เอกชล + บำรุงราษฎร์**

ตอบสนองครบทุกด้าน... **เรื่องกระดูกสันหลัง**

โดย **แพทย์ผู้ชำนาญการ** ในราคามิตรภาพ

AHC
โรงพยาบาลเอกชล
AIKCHOL HOSPITAL



Bumrungrad
Health Network



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Message from the Chairman

In the year of 2020, the world has confronted the severe pandemic so called Covid-19 which directly affected the way of life and business operation. Many countries have announced a shutdown in order to prevent the spread of such an epidemic. Thailand, as well, has implemented a strict measure to control the travel to and from the country including the “Lockdown” measure where citizens are to stay at home to prevent the spread of Covid-19. The Covid-19 pandemic has had a massive impact resulting in a number of business shutdowns in many industries due to the inability to bear the costs and expenses. Private hospital businesses are also among those affected by the Covid-19 crisis.

Spreading throughout the globe, the pandemic crisis is believed to last for quite a long time from now. This urged the Company to adapt itself so the business is able to continue forward. In the midst of this situation, a new way of life, as known as “New Normal”, has aroused meanwhile. Many organizations have developed the new way of working by allowing their staff to work from home where the majority of people prefer online shopping more than ever. The Hospital has adopted several technologies to provide medical service. Namely, providing health consultation via Application LINE regarding chronic disease, diabetes, blood pressure disease, for example, including medical treatment for patients through Call Center and sending them medications by post. Moreover, On-site Service was also adopted by the Company. For instance, the on-site service for influenza vaccination provided to the Company’s partners so the staff does not have to come to the Hospital. However, all of the services are still to be operated with quality, code of conduct, and transparency including the adoption of protective measures specified by the Government in a strict manner to protect all service recipients and our staff.

Even though 2020 was truly a challenging year for the Hospital as the new pandemic Covid-19 has caused a critical change in many aspects and put a lot of pressure on profitability for the business, the Company is still committed to continually improve its quality standard in both medical wise and the improvement of service quality to the excellence including shifting its working processes to align with the changing world at the present time. Additionally, the Company recognizes the importance of the human resources development which is one of the keys to a successful business as stated in the Company’s Mission in 2021 that “We will be a high-quality hospital providing holistic services by our multidisciplinary team to ensure our customers are safe and satisfied.”

On behalf of the Board of Directors, I would like to thank the Service Recipients, Shareholders, Business Partners and Allies, Executives, Doctors, Nurses, and all the staff for the kind trust and support for the Company’s business after all this time. The Company is well-prepared for the improvement to create values for all stakeholders together with sustainable growth.

(Mr. Apirag Vanich)
Chairman

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Section 1

Business Operation and Performance Results

1. Structure and operation of the Group Company

The Company was established on November 15, 1978 with 20 million baht registered capital to conduct a private hospital business under the name Aikchol Hospital Company Limited. The name derives from the name of the founder, Dr. AikkaphotVanich, together with the name of Chonburi province to become “Aikchol.” The objective of business is to provide 24-hour medical treatment for different types of illnesses. It was considered as the first private hospital in Chonburi province. The company officially commenced operation on February 22, 1981 with 80 hospital beds and increased to 105 hospital beds in 1990. The continuous growth of the hospital is the result from its service potential and the close patient care. In order to be able to facilitate the increased number of patients in 1992, the management team resolved to expand the business by constructing an 11-story building which was completed in 1995. The hospital was able to service patients and has a total of 270 hospital beds.

The company began to trade its shares on the stock market in 1992 where it was the first regional private hospital to be listed on the stock market. The funds gathered will be used towards developing the area of medicine as well as to provide medical services by expert doctors and experienced personnel. The Company being listed on the stock market was one of the highest prides of the management team and all employees.

From the successful operation, having gained trust from the people and hospital patrons, in 2006, the Company expanded further by building Aikchol 2 Hospital at the location on Angsila road, Samet subdistrict, Muang district, Chonburi province. Today, Aikchol Hospital and Aikchol 2 Hospital have a total of 310 hospital beds.

1.1 Policy and overall business

The Company emphasizes the quality of services provided by doctors who specialize in all medical treatment fields. The Company also takes into account the efficiency, safety and satisfaction of the clients of Aikchon Hospital. It is an internationally accredited hospital in accordance with the US Accreditation Standards from the Joint Commission International: JCI. Aikchol 2 Hospital has received national hospital accreditation (Hospital Accreditation: HA).

1.1.1 Vision, Mission and Quality Goal

Vision

Aikchol Hospital strives to be an international standard quality hospital to serve Chonburi residents and nearby provinces.

Mission

Aikchol Hospital is aware of providing quality holistic health services, promoting patients to have a good quality of life, providing medical care for complex diseases with modern medical equipment, and a team with professional expertise to



provide one-stop service, in line with the hospital's motto: "Safe, Impressive, filled with Happiness."

Quality goals

With the determination to be an international standard quality hospital to serve Chonburi residents and nearby provinces, the Company has continuously developed quality covering the entire organization and has always maintained the quality system according to international hospital standards (Joint Commission International: JCI). The seven quality goals set are as follows:

- | | |
|-------------------------------|---|
| 1. Clinical & Care Excellence | - To raise the level of care to the level of Tertiary Care. |
| 2. Smart Hospital | - To develop a service system that is convenient, fast, correct and accurate. |
| 3. Marketing 4.0 | - To develop the market proactively. |
| 4. Communication | - To achieve an efficient communication system (Internal Communication). |
| 5. Service Support System | - To develop and improve the system to be more conducive to service. |
| 6. Reform Service | - To raise the level of service to exceed expectations. |
| 7. Human Resource Development | - To develop personnel in the whole system with an emphasis on Leadership and Engagement. |

1.1.2 Major Changes and Developments

In 2020, the company had no change in controlling authority of the company and nature of business.

1.1.3 In 2020, the company had not raised additional funds.

1.1.4 In 2020, the company did not offer securities for sale or any additional obligations.

1.1.5 Name, location of head office, type of business, company registration number, telephone number, fax number, company website, the number and type of total paid-up shares of the company.

Company Name	Aikchol Hospital Public Company Limited
Head Office	Aikchol Hospital 68/3 Moo 2 Prayasatja Rd., Bansuan Sub-district, Muang District, Chonburi Province 20000
Type of Business	Private Hospital
Registered Number of PLC	0107537001064
Telephone	0-3827-3840-7, 0-3893-9999
Facsimile	0-3827-3848
Web Site	www.aikchol.com



Registered Capital	150,000,000 Baht
Registered Paid-up Capital	149,909,264 Baht
Common Share	149,909,264 common shares
Par Value per Share	1.00 Baht

1.2 Nature of business

The company operates a private hospital business, consisting of: Aikchol Hospital, which is capable of accepting overnight patients with a capacity of 210 beds, and Aikchol 2 Hospital, which has a capacity for 100 beds of overnight patients. Both provide comprehensive patient care services including health promotion, prevention, examination and rehabilitation services for common diseases and specific diseases. The hospital focuses on providing quality medical services with reasonable prices that are good for the value.

1.2.1 Income structure

The company has income from operating a hospital business, namely Aikchol Hospital and Aikchol 2 Hospital. In year 2020, the income earned by the Company can be categorized as follows:

Income	2020	2019	2018
Medical service income	1,405,474,475	1,656,021,463	1,636,781,435
Other income	35,058,824	40,748,463	34,989,541

1.2.2 Product information

(1) Characteristics of products or services Hospital medical services include

- Cardiology Clinic
- General Medicine Clinic
- Ear Nose Throat Clinic
- Eye Clinic
- General Surgery Clinic
- Orthopedic Clinic
- Anesthesiology
- Obstetric & Gynecology Clinic
- Pediatric Clinic
- Pediatric Surgery Clinic
- Dental Clinic
- Dermatology Clinic
- Gastrointestinal and Liver Clinic
- Renal and Dialysis Clinic
- Urology Clinic
- Physical Medicine Rehabilitation Clinic
- Psychiatry clinic
- Emergency Department
- Health Service Center
- Medical Radio Diagnosis & Technology
- Premium Clinic
- Social Security Clinic



- **Orthopedic Center of the Eastern Region, Aikchol Hospital**

In 2020, Aikchol Hospital has signed an agreement with Bumrungrad Hospital to establish the Absolute Spine Care Center, aiming to diagnose and analyze diseases with a team of specialists from Bumrungrad Hospital to provide services to patients who are in doubt and have abnormal spinal problems, spinal cord and nerve pain, back pain, and chronic neck pain with “state-of-the-art endoscope laparoscopic technology at a friendly price.” It is a new dimension of medical services at Bumrungrad Hospital called the “Bumrungrad Health Network.” It is the combination of the medical knowledge, experienced personnel and technology of Bumrungrad Hospital, which has been accumulated for over 40 years, with that of Aikchol Hospital by jointly establishing The Eastern Spine Center at Aikchol Hospital. The two hospitals are working together to provide close medical services by a team of doctors and specialists for treating spinal diseases. Modern technology is used, such as endoscope surgery with a small incision that enables a fast recovery, for the successful outcome of treatment and the good quality of life of the patient.

(2) Marketing and competition

Marketing policy

The main customers of the company can be divided into two categories: general customers and public health welfare project customers.

1. General customers include cash customers, customers with life insurance, counter contract parties' customers, customers with act of legislation, customers with compensation fund.

2. The public health welfare project customer groups are those under the social security scheme including customer groups under the social security program and government welfare.

Market conditions and competition

The hospital's top management acknowledges that COVID-19 has completely changed the economic structure and is about to become the “New Normal” or the new lifestyle of the world, economy, and the changing consumer behavior. Businesses must catch up in order to capture the customer base as much as possible. The lockdown and the country shutdown announced that the government intended to enhance measures to contain the COVID-19 outbreak by imposing travel restrictions, cancellation of public activities and confinement at home, resulting in non-emergency patients avoiding receiving treatment. This led to the loss of income of private hospitals in both groups including the group that a high proportion of income is reliant on foreign patients and another group that are located in the industrial zone. These hospitals have to bear higher expenses and costs which pressures the profitability of the business. Therefore, the overall income of private hospitals in general will shrink and the rate of growth will decline as well.

With the changes in hospital business due to COVID-19, the management has to adjust the long-term business directions including business plans and strategy with a new perspective. For instance, hospitals that focus on outpatient care will experience a fewer number of patients making the trip to the hospital for treatments; thus, their systems must



be adjusted by adopting technology as a medium of communication in providing services to focus on monitoring to prevent severe diseases or to conduct analysis before complications arise. For hospitals that focus on patients with specific diseases, there is a greater variety of surgery types and disease analysis by more specialized doctors in various fields. From the situation where hospitals used to wait for patients to visit, now it is changed to hospitals visiting the patients instead. After the outbreak situation, people also began to take better care of themselves, by eating better nutrition and exercising in order to avoid getting sick.

Therefore, it is estimated that due to many businesses having not yet recovered, the hospital business was also affected. What needs to be monitored now is the effectiveness of the vaccines that will arrive to heal the world's population. For some hospitals that have invested in business since the beginning of the year, all they need to do is to sustain the key businesses and apply every measure, including debt suspension, top-up income to help maintain employment, and continuing to maintain financial stability.

The COVID-19 epidemic, whose spread the Thai government has successfully managed to reduce or control, together with the reputation of kindness in helping each other and care for foreigners without discrimination, unlike some other countries, foreigners still have a greater demand for tourism and health services, which may generate income and help restore the Thai economy after COVID transmission levels have reduced.

(3) Procurement of products and services

Aikchol Hospital and Aikchol 2 Hospital have a team of specialist and experienced doctors in a variety of fields that is ready to serve and treat patients 24 hours a day. Due to the COVID-19 epidemic, the service has become more difficult because of the concerns about being infected by hospitalization. 2020, therefore, was the year in which the Company used various technology in combination with the treatment.

- Real-time chatting between doctors and patients via online system among patients with chronic diseases such as diabetes, hypertension, and heart disease, and drug dispensing by express mail after seeing the doctor.
- Provide off-site health examination services to employees within the organization and companies by the staff and a team of skilled doctors and a quality mobile laboratory to facilitate the users.
- Issuance of influenza vaccination to employees of the contracted companies without the need for employees to come to the hospital.
- Establish Line application channel of the hospital to provide health advice to clients.

These are the provision of services to reach the clients as much as possible, which in 2020 represents a significant change in the Company's medical services. In addition, the Company has signed medical cooperation and academic cooperation to continuously develop the service potential.



Medical cooperation

Aikchol Hospital has signed a partnership agreement with Bumrungrad International Hospital by opening the Absolute Spine Care Center with the objective of diagnosing and analyzing the disease. This is done by a team of specialists from Bumrungrad Hospital. The aim is to provide specialized services for those with spinal problems with “State-of-the-art Endoscope Technology at Friendship Price” with small incisions that enable a fast recovery and better quality of life for the patients.

Academic cooperation

The Company has signed an academic cooperation agreement with Panyapiwat Institute of Management to organize an educational cooperation project, which will also give rise to new knowledge and research, as well as human resource development of both parties. The objectives of the cooperation agreement are, namely, to jointly develop academic knowledge and exchange useful academic information, develop practical knowledge, especially the Faculty of Nursing and other future schools of health sciences.

(4) Assets used in business operation in 2020

Items	Book Value	Ownership	Collateral limit
Land	60,160,300	Use as Collateral	30 ล้านบาท
Plant	264,832,243		
Land	48,000,000	Use as Collateral	300 ล้านบาท
Plant	264,546,111		
Work in progress	782,154		
Medical equipment	62,447,622	owner	-
Property, plant and equipment	3,610,855	owner	-
Intangible Asset	49,657,272	owner	
Vehicle	4,393,693	owner	-
Work in progress	15,165,306	owner	-
	<u>773,595,556</u>		

(5) Work not yet delivered - **none** –

1.3 Shareholding Structure of the Company Group

The company is listed on the Stock Exchange of Thailand as Aikchol Hospital Public Company Limited in 1992 and operates a private hospital business consisting of Aikchol Hospital and Aikchol 2 Hospital.



1.3.1 The Company has no shareholding structure of the group of companies because there are no subsidiaries.

1.3.2 The Company does not have any person or group of persons who may have conflicts, holding more than 10% of the shares with voting rights of the Company.

1.3.3 The main business of the Company does not have a significant relationship or involvement in other business operations of its major shareholders.

1.3.4 Shareholders

(1) List of major shareholders

a.) A group of shareholders who hold the top 10 shares

List of the top 10 major shareholders of the Company as of the latest shareholder register book closing date on March 4, 2020 is as follows:

NO.	Name	Amount	%
1	Mr. Apirag Vanich and spouse	19,020,084	12.69%
2	Chean Vanich Co.,Ltd.	12,612,000	8.41%
3	Mrs. Tuanjit Kittiwut	9,994,140	6.67%
4	Mrs. Phorthana Manoch and spouse	4,317,408	6.10%
	Mr. Siriphort Manoch (Child)	1,713,596	
	Mr. Khunphat Manoch (Child)	1,552,384	
	Mr. Sidthiphort Manoch (Child)	1,560,284	
	Total	9,143,672	
5	Ramkhamhaeng Hospital Public Company Limited	7,065,300	4.71%
6	Ms. Rojana Vanich	6,062,940	4.02%
7	Ms. Oranuj Vanich	5,801,016	3.87%
8	Ms. Aungkhana Vanich	5,325,984	3.55%
9	Mrs. Aunchalee Thepphabutr	4,917,972	3.28%
10	Ms. Amornrat Kasemsakdakorn	4,861,740	3.24%

b.) The major shareholders of the Company do not have any behavior that significantly influences the policy, management or operation of the Company.

(2) The company does not operate a holding company business.

(3) The company has no agreement between the major shareholders.



1.4 Amount of registered capital and paid-up capital

1.4.1 The company has registered capital. 150,000,000 baht, already paid 149,909,264 baht, divided into ordinary shares 149,909,264 shares at par value of 1 baht per share, no preferred shares.

1.4.2 The Company has no shares other than ordinary shares.

1.4.3 The Company does not have convertible shares or securities.

1.5 Issuance of other securities in 2020: the company has no other securities issuance.

1.6 Dividend Policy (No translation required)

Barring compelling circumstances, the Board's policy is to propose to the shareholders' meeting dividend payment of no less than 50% of Aikchol's net income (profit) after income tax deduction.

Dividend profile for the past five years (2015 - 2019)

Annual dividend payment	2019	2018	2017	2016	2015
Net earnings per share (consolidated financial statements)	0.89	0.94	0.85	1.22	1.07
Dividend payment per share (Baht)	0.45	0.48	0.44	0.63	0.55
Dividend payment in percentage of net profit per share	50.66%	51.14%	51.58%	51.74%	51.46%
Date of payment	18/05/63	17/05/62	18/05/61	19/05/60	18/05/59



2. Risk Management

2.1 Risk Management Policy

The Company realizes the importance of risk management, which is an essential element of good corporate governance. We believe that risk management is an important mechanism and a management tool that will bring the Company to achieving the set objectives and goals. It will also help reduce obstacles or unexpected events that may occur in terms of profitability, performance and trust from investors and other stakeholders to the company, the Board of Directors has therefore established a risk management policy for the Company as follows:

1. The Company operates its business under acceptable risks in order to achieve organizational objectives by requiring risk management as part of decision-making, strategic planning and business planning, including project management processes.

2. Risk management is part of the core culture of the organization. Risk management is the responsibility of management and employees at all levels to be aware of the risks posed in the operation of their work units and organizations. Risk management in various areas should be emphasized at sufficient and appropriate level.

3. Establish processes, guidelines and measures for risk management that are of international standard and sufficient quality. This includes identifying, analyzing, ordering, managing, controlling, monitoring reports, evaluating and communicating and providing information on risks on a regular basis and must be practiced throughout the company.

4. Risks affecting the achievement of all organizational objectives, need to be handled as follows.

- Timely identification of risks
- Analyze, assess and prioritize the likelihood of risks and impacts, if it happens.
- Manage the risks in accordance with the established risk management process, taking into account the related expenses and the impact received from such risk management.
- Follow up and evaluate to ensure that corporate risks are managed appropriately.

5. Risks at high and very high level that may affect the organization's business plans and strategies must be reported to the Audit Committee and the Board of Directors for their acknowledgement.

6. The Board of Directors supervises and supports the implementation of the policy. The risk management is carried out in the Company through the Chief Executive Officer.

7. The Board of Directors supervises the implementation of the risk management policy and framework within the company, follows up on the risk management process and ensures the adequacy of critical risk management.



8. The management is responsible for the implementation of the risk management policy. The Board of Directors shall continuously monitor its implementation.

9. In the event that the management finds that the risk management policy is inappropriate for business conditions, it must be presented to the Board of Directors to seek approval to revise the risk management policy.

10. The Board of Directors reviews the risk management policy every year to ensure that the policy is still suitable for the environment and business operation of the Company.

2.2 Risk factors to the business operation of the company

Although healthcare is one of the four essential factors of life, the changing consumer demand, a volatile economic environment, as well as emerging diseases leave the company with income pressures due to the unfavorable economic conditions. The state of the epidemic that affects the world in 2020 is a year has exposed the Company to all-round risks. The main risk factors that impacted the Company included:

- **The risk of emerging disease, COVID-19 disease.**

The COVID-19 outbreak has resulted in patients having limitations in receiving healthcare services, together with the panic and worry about infection, which led to the non-emergency patients avoiding receiving treatment. There was also an interruption of some economic activities which also resulted in the decrease in the income of the hospital, while the hospital still having to bear the high expenses and costs; the business profitability is therefore pressured.

In terms of operations, the Company has to strictly adhere to the preventive control measures of the Ministry of Public Health, with screening and separation of patients from general service recipients. The company has an infection control committee with a focus on risk assessment and separation of management to prevent the spread. The committee continually reports the situation of infection to manage and prevent risks that may affect service recipients and the business.

- **Risk from competition.**

The private hospital business in Chonburi province is highly competitive because it is a region with economic development to the international level. Besides competing with private hospitals at the same level, the competition also extends to the specialized healthcare facilities that have increased in the area of Chonburi and nearby, and hospitals providing services at a premium level also dropped to compete in the middle level as well.

However, the Company remains committed to continuous improvement and upholding the US Hospital Accreditation (HA) and Joint Commission International (JCI) standards.

- **Risk of standards and regulation changes.**

The Company operates its business under the supervision of the Ministry of Public Health, and complies with the law. We have received a license to operate a medical facility and a license to operate a sanatorium. In addition, the Company, which



is a listed company on the Stock Exchange, abides by and follows the rules and regulations of the stock exchange as well.

From the changing circumstances due to COVID-19, the company has to continuously monitor changes to standards or regulations as required by the law and must strictly comply with various regulations that came out, especially in the field of public health services as it will directly affect the business operation and reputation of the Company.

- **Risks for Healthcare Providers**

The Company relies on skilled medical personnel, including doctors, registered nurses, pharmacists and technicians. Currently, in the hospital business, there is a shortage of medical personnel to meet the needs, causing the need to review the compensation of doctors in order to convince medical professionals to work with the Company, which affects the operating costs of the Company.

However, the Company places great importance on taking care of employees and medical personnel by providing welfare and compensation at an appropriate level. From the situation of the COVID-19 epidemic, many companies have a policy to layoff employees, but the Company continues to pay attention to caring for the employees and medical personnel so that both the Company and employees can get through the crisis together without a policy to reduce staff.

- **Risks in terms of the Social Security Office.**

The Company has faced various risks and challenges in 2020 and social security is another factor that affects both operational and financial risks. This is due to the payment of medical services not being in accordance with the agreement between the Social Security Office and the private hospital that is the contractual party. However, the Company has Aikchol 2 Hospital, which is a contracted medical facility with the Social Security Office. In 2020, the Social Security Office has increased the medical service fee which has a positive effect on Aikchol 2 Hospital which serves social security clients. This made it possible to compensate for income from the loss of cash customers in the situation of COVID-19.

The Social Security Office provides assistance to entrepreneurs and insurers in the event of an economic crisis from the COVID-19 epidemic with measures for relief and remedy for affected people and entrepreneurs. The insured persons under Section 33 of the Social Security System and entrepreneurs are entitled to a reduction of their contributions to the Social Security Fund for employers and employees from 5% to 3%.

- **Product sourcing risks.**

During a time of emergency such as this, the supply chain is an area that requires the Company to have a management plan, ensure that products are efficient and safe, including proper handling of raw materials and production, especially products from abroad, as some countries were ordered to shut down due to the epidemic. The hospital was looking for alternative strategies during this period, which was to search for replacement products or services for businesses that were facing shipping issues. The decline in demand for products and services, caused by travel restrictions and businesses and people making decisions more cautiously, contributed to greater



difficulties in conducting air freight resulting with the increased shipping prices. In addition, strict measures in the inspection of products and medical products led to the overall increase in travel and transportation cost. Therefore, the company had to analyze and assess risks by reviewing all types of supply sources, and, considering their importance, that determined there must be a partner company that can supply service or deliver products quickly. The company had to estimate the quantity of stock to maintain a sufficient level to prevent any shortage. Another option was to buy products that were manufactured in the Eastern Zone that has been certified by the Food and Drug Administration or the Food and Drug Administration of Thailand.

3. Driving business for sustainability

3.1 Policy and Sustainability Management Goals

The company has a guideline in formulating a sustainability policy with management goals in 2021. The company intends to develop businesses taking into account the community, society and environment. In 2020, the company organized projects including “Aikchol for the Good Health of the Community” and “Aikchol Shares Kindness with Blood Donation.” These are projects that the Company has continually organized on a yearly basis.

Aikchol for the Good Health of the Community: In the past year, the Company focused on the development of communities surrounding the hospital’s location. Aikchol Hospital collaborated with the Ban Suan Municipality and Aikchol 2 Hospital collaborated with Ang Sila Municipality. In this project, the Company has organized a team of medical personnel, nurses and supporting agencies to visit communities for a health check-up for the elderly and the disabled, as well as providing knowledge on sanitation care and general knowledge of the healthcare for the elderly, disabled and the caregivers who are caring for this group.

Aikchol Shares Kindness with Blood Donation: This is the key project that the Company has continuously arranged. As the main business of the Company is in healthcare, giving blood to save lives is therefore very important. The company has cooperated with the Thai Red Cross Chonburi Province to accept blood donation from hospital personnel and interested parties. The donated blood will be used in saving lives of patients in both Chonburi and nearby areas.

3.2 Managing stakeholder impacts in the business value chain

3.2.1 Business value chain

Primary Activities

(1) Procurement of drugs, medical supplies and medical devices that are of modern quality and sufficient to meet the requirements

In the wake of the COVID-19 epidemic, the company had to try changing its approach to meet customers’ satisfaction to increase competitiveness in the administration of drug, medical supplies, and medical equipment. In the time of the



severe epidemic, drugs, supplies, and medical equipment cost significantly more. Efficient procurement of drugs, pharmaceuticals and medical equipment faced procurement obstacles. Therefore, the drugs, pharmaceuticals, and medical equipment the company previously procured from abroad were changed to be sourced from within the country only. The procurement consideration was based on the previous trade partners as the purchase volume cannot be made in large quantities due to the decrease in clients/patients, of which the smaller supply will increase the price. Therefore, through the relationship with the previous partners, it was possible to provide drugs, medical supplies, and medical equipment sufficiently and meet the needs of the customers. The Company was able to save costs, and the fact that all payments were made on time, the company was able to maintain business partners and negotiate with these partners under the conditions of being a long-term trade partner.

(2) Effective consultation and treatment

Regarding treatment processes, in addition to the Company's opening the hospitals, Aikchol Hospital and Aikchol 2 Hospital, for service, the company also continued proactive service operations in order to reach the maximum number of service recipients. Medical examination services were provided at home in the form of Health Home Service, such as providing a doctor's visit service via social media and mail delivery. For chronic disease patients who have existing treatment history, the Company provided off-site wound dressing service, provided vaccinations for contracted companies without the service recipients having to come to the hospital. Additionally, health consultations were offered through the Line Application.

Furthermore, the hospital has planned for environmental protection and conservation from hazardous chemicals by implementing waste management processes, with the wastes accumulated from the main service processes. The company has set guidelines on the care, storage and transportation of waste, infectious and dangerous substances by establishing a policy on waste management in hospitals that all employees are to strictly abide by. The environmental, occupational health, and safety committee has been assigned to take the responsibility of overseeing this matter.

(3) Health centers or hospitals that provide modern medical services

The services of Aikchol Hospital and Aikchol 2 Hospital are available 24 hours a day with specialists in providing medical examination services. In addition, business partners are sought to provide a more comprehensive range of specialist treatment services for both complex and specific diseases.

In 2020, Aikchol Hospital signed a memorandum of cooperation with Bumrungrad Hospital to open a spine center in order to develop more advanced services.

(4) Marketing and sales

Determining the healthcare and service prices appropriately at the best value to be as fair as possible to the patients. The government sector also has measures to control the prices of drugs, medical supplies, and medical services which became effective in May 2019. The company has followed the above measures.

(5) After-sales service

Provide close monitoring and supervision of patients after treatment with appointments and follow-up calls to ensure patients receive timely treatment.



Support activities

As the core activities of the service business value chain, the company has continuously developed supporting activities that are a human resources development to acquire the knowledge and capability in order to use such knowledge and capabilities to develop technology and service quality.

3.2.2 Stakeholder Analysis in the Business Value Chain

Stakeholders	Stakeholders' expectations	Meeting the stakeholders' expectations
Within the Organization		
- Shareholders	<ul style="list-style-type: none"> * Good performance and business growth. * Get a good return on investment. * Accurate and timely disclosure of information. 	<ul style="list-style-type: none"> • Organize an annual general meeting of shareholders. • Fully report all information to the Stock Exchange of Thailand. • Provide operational results through the 56-1 form and the annual report in both Thai and English language. • Display company information through the company website www.aikchol.com: Investor Relations • Notify the news of the shareholders' meeting, publish financial statements, and dividends through local newspapers in accordance with the rules of the Stock Exchange. • Operate under good corporate governance.
- Employees	<ul style="list-style-type: none"> * Listen to and understand the needs of employees. * Engagement between employees and the organization. * Developing potential and promoting learning. 	<ul style="list-style-type: none"> • Survey employee engagement once a year. • Increase communication channels between employees by adopting the Application Line Group. • Develop professional skills and knowledge for employees. • Set a progression path. • Health and occupational healthcare.



Stakeholders	Stakeholders' expectations	Meeting the stakeholders' expectations
Outside of the Organization		
- Customers	<ul style="list-style-type: none"> * Satisfaction with the service. * Privacy * Safe medical treatments. 	<ul style="list-style-type: none"> • Improve the services of employees throughout the organization. • Prepare a service satisfaction survey.
- Business partners	<ul style="list-style-type: none"> * Creating mutual value in business operations. * Conduct business with all business partners equitably and transparently. 	<ul style="list-style-type: none"> • Refrain from accepting gifts and rewards from all partners. • Make payments to all partners on the agreed schedule. • Communicate with business partners to build good relationships.
- Community and society	<ul style="list-style-type: none"> * Improve the quality of life of the surrounding society for the better. * Listen to the feedback from the community. 	<ul style="list-style-type: none"> • Conduct activities with the community. • Provide health knowledge to local communities.

3.3 Sustainability management in environmental dimensions

3.3.1 Environmental Policies and Practices

Throughout the years, the Company has always operated its business with social and environmental responsibility. The company focuses on the efficient use of resources and energy to achieve maximum efficiency and comply with all laws related to environmental protection.

The company has an Environmental, Occupational health and Safety Committee to control, supervise and monitor the work on the safety and environment of the hospital. There is an establishment of a standardized wastewater treatment pond to improve the quality of wastewater to meet the standard before release into public water sources. The Company also selects partners who use products that have been certified by the Thai Environment Institute ensuring that they engage in a production process that is environmentally friendly.

3.3.2 Environmental performance

Power management

The hospital business has a very high rate of energy consumption. Since it is open 24 hours a day, energy costs are one of the major costs that must be addressed by the management for the most efficient and cost-effective use. The Company has appointed a working group on energy management to assess the initial status of energy



management, monitor and evaluate energy management, and review, analyze and modify energy management defects.

In 2020, the company has the following energy saving projects:

- (1) Install a central TV timer to open at a specified time with a maintenance schedule for central TV.
- (2) Install a timer for air conditioning to turn on and off at the specified time to prevent the air conditioning from being left on while not in use.
- (3) Adjust the temperature of cold water at the chiller system of the hospital to be in the appropriate criteria according to the climate to reduce unnecessary cooling energy consumption.
- (4) Encourage employees to use stairs instead of elevators.
- (5) Replace the fluorescent lamp from the LED bulb.

Water management

The Company controls and supervises the use of raw water to be the most cost-effective. There is a maintenance and inspection of the water distribution system in the hospital building and a wastewater management system by creating a wastewater treatment pond with a biological turntable system. Partially treated wastewater is recycled for outdoor activities such as watering plants and trees surrounding the hospital buildings and areas. The remainder is released to public water sources. In this regard, as the hospital is a place that is at risk of various pathogens and viruses which come with water that is used for cleansing, the wastewater that is released to the public must therefore go through the process of treatment from the treatment pond. The water quality must be checked to ensure that safety level meet the standards of the Department of Health, Ministry of Public Health, before being released into public water sources. The Company has been assessing water quality before release into public water sources by hiring a private sector to conduct the audit. Wastewater samples were collected for analysis and results are reported to the Company every month. In addition, the Company requires the maintenance department of the Company to take care and maintain the wastewater system on a daily basis.

Hospital waste management

The company has systematic garbage and waste management in its business processes. There is an efficient sorting of waste according to the type along with building awareness and involvement with employees. Symbols used to indicate different types of waste in the hospital are divided into five types as follows:





In the process of handling general waste, recyclable waste, infectious waste, and hazardous waste of both types, the Company has hired a private contractor certified for standard waste management for its handling. The company regularly monitors and examines the work processes of the waste management contractor to prevent waste management from destroying the environment. These processes are part of the JCI standard, with which the Company has been accredited.

Management to reduce greenhouse gas problems

Climate change is a crisis that has a serious impact on all countries in the world. The crisis is the result of nature and human actions that affect the environment and the living conditions of the people, such as drought, floods, disasters. The impacts continue to the agricultural sector, the food chain, the livelihoods of the people, nutritional status, outbreak of diseases, which are all the consequences of climate change causing an increased amount of greenhouse gas emissions of many kinds, resulting in global warming.

The company pays attention to management to reduce the greenhouse gas problem by following the law and regulations. It is considering the preparation of greenhouse gas emission data and setting a clear policy. However, the Company intends to reduce its greenhouse gas emissions in order to reduce the pollution that is emitted into the air through its activities that help reduce greenhouse gas emissions in hospitals, including:

- (1) The hospital uses a paper bag for taking home medicine.
- (2) Use of electric cars for transporting patients between the parking lot and the service building.
- (3) Establish a policy of smoking cessation in every area of the hospital.
- (4) Measures to refrain from burning waste, leaves, and litter in all areas of the hospital to reduce carbon monoxide, nitrogen dioxide, volatile organic compounds, including dust, smoke, ash and soot.

3.4 Sustainability management in the social dimension

3.4.1 Social policy and practice

The company has policies and social practices that are in line with the law, rules, and regulations governing social management in business processes, including respect for human rights throughout the value chain with fair labor treatment and responsibility towards the service recipients, employees and stakeholders.

3.4.2 Social Performance

(1) Employees and labor

The Company treats employees with due regard for human rights, such as fair employment and compensation. There is training and development of employees, improvement of employees' engagement and satisfaction. There is a management of Safety, Occupational health, and work environment. In 2020, the Company has no issues of disputes related to employees and labor. The key operations on employees are as follows:



Employment

Description	Total employees (people)	
	Male	Female
Full-time employees	169	1,059
Disabled employees	4	4
Total	173	1,063

Employee training

In 2020, the company organized 206 training courses for employees to increase their skills and working potential, with the number of training hours or the average knowledge development activity of 58 hours per person per year from the target of 40 hours per person per year.

Safety, occupational health and working environment

In 2020, the Company continuously improved the efficiency of its safety operations in order to reduce the risk of illness, injury or death and take care of the quality of life of staff or employees appropriately. The following operations have been implemented: Establish policies and guidelines for taking care of the safety and health of employees by setting up an Environmental, Occupational health and Safety Committee to develop the physical structure and environment at work to be safe in accordance with international standards (Joint Commission International Accreditation Standard for Hospital: JCI), Training to educate employees on the Environment, Occupational health and safety annually, Organize training on infection prevention and infection control, inspect the working environment and assess the risks that may arise, put up signs, signals, indicating signs, warning signs at various risk points and organize an annual health check for employees.

In 2020, there were 12 cases of injury from work. The company has provided accident prevention measures by organizing training to educate on infection prevention and control and safety at work for new employees. The existing employees' knowledge is reviewed yearly. The Company provided anti-infection equipment and protective clothing (PPE) for employees to perform adequate work and required that the equipment be inspected before and after use to ensure they are in perfect condition, and always ready to use. There is a review of the competency development of material skills and medical equipment accurately and safely.

Employee engagement

In 2020, the Company planned to develop employee engagement as follows: Employee Engagement Development Plan to promote career advancement, training to develop knowledge and skills for employees, take care of employees' health and promote participation of the organization to the community. In 2020, employees voluntarily quit their jobs (turnover rate) in the rate of 1.14%, a decrease of 0.24% from last year, and had an employee engagement estimate of 71.31% from the target of 80%.



(2) Customer

The company continually improves patient services to meet customers' satisfaction in a responsible, honest and ethical manner. In 2020, the company has achieved a highly satisfactory level of customer satisfaction (88%).

(3) Community and society

The company operates its business with responsibility towards the community and society by focusing on reducing environmental impact and avoiding activities that may have a negative impact on the quality of life of the communities surrounding the establishment. In 2020, there were no complaints from the community on social or environmental issues.

In addition, the company also takes part in improving the quality of life and promoting participation with the community. "Aikchol Good Health to Community" provided health check-up services and gave advice on healthcare to the elderly people with disabilities in the surrounding communities and Hospital location.

4. Management Discussion and Analysis: MD&A

Performance and Profitability

Profit and Loss Statement(Unit: Million Baht)	2020	2019	Change
Revenues			
Medical service income	1,405.47	1,656.02	-15.1%
Other income	35.06	40.75	-14.0%
Total Revenues	1,440.53	1,696.77	-15.1%
Expenses			
Cost of medical services	1,244.52	1,434.31	-13.2%
Administrative expenses	106.36	97.28	9.3%
Total expenses	1,350.88	1,531.58	-11.8%
Profit from operating activities	89.65	165.19	-45.7%
Earnings Before Interest Tax Depreciation and Amortization (EBITDA)	158.38	228.51	-30.7%
Earnings Before Interest Tax Depreciation and Amortization Margin(EBITDA Margin)	11.0%	13.5%	
Finance costs	0.20	-	-

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Profit and Loss Statement(Unit: Million Baht)	2020	2019	Change
Profit before income tax expenses	89.46	165.19	-45.8%
Income tax expenses	17.26	32.04	-46.1%
Profit for the year	72.20	133.15	-45.8%
Basic earnings per share (Baht per share)	0.48	0.89	

Hospital Operating Revenue

In year 2020, the total revenues from both hospitals were Baht1,440.53million, a decrease of Baht 256.24 million or 15.1% from last year. The main reason was COVID-19 outbreak, which caused unprecedented shifts in how people go about their daily routines, and the extension of the State of Emergency, which impacted numerous restrictions on the company. Revenues from general medical service decreased by Baht 232.73 million or 18.8% reflect from out-patients and in-patients decreased.

Revenues from social security program decreased by 17.83 Baht in million, or 4.3%. Despite, the Social Security Office increased the reimbursement rate from 1,500 Baht to 1,640 Baht per insured person, the revenue from high complexity disease (AdjRW>2) decreased due to referral cases from heart disease has reduced. Also, the Social Security Office has cancelled the policy that pay additional income for hospital accredited with HA (Hospital Accreditation)effective by January 1, 2020.

Other Income

Other income in year 2020 totaled Baht 35.06 million, a decrease of Baht 5.69million or 14.0% from last year. The decrease came mainly from deposit rate on commercial bank declined from 0.50% to 0.25%at the end of year 2020 and dividend received from investment in Bangkok Dusit Medical Services Plc. decreased.

Cost of Medical Services

The total medical services costs and administrative expenses relating to both hospitals in year 2020 including depreciation and amortization showed at Baht 1,350.88 million, a decrease of Baht 180.70 million, 11.8% year-on-year.

Medical services cost was Baht 1,244.52 million, a decrease of Baht 189.79 million. This was mostly due to the reduction of medicines and medical supplies as a consequence of decreasing in revenue which decreased by Baht 53.60 million. Moreover, the company carefully reviewed and controlled staff expenses (especially part time and overtime) and administrative expenses which decreased by Baht 117.98 million. Also, the post-employment benefit expense lowered by Baht 11.45 million due to the company amend the Labor Protection Act (LPA) in 2019, which impacted one-time expense for employee benefit in year 2019.



Administrative expenses was Baht 106.36 million, an increase of Baht 9.09 million. This mainly due to company set a provision for settlement of lawsuit Baht 15.00 million.

Earnings before interest tax depreciation and amortization(EBITDA) was Baht 158.38 million, a decrease of Baht70.13 million or 30.7%. Its EBITDA margin stood at 11.0%, against 13.5% of 2019.

Finance Cost

Since, the company has adopted the TFRS 16Leases, the accretion of the interest in lease payments reflected in finance cost of Baht 0.20 million.

Income Tax

In year 2020, Aikchol's corporate income tax equaled Baht 17.26 million, a decrease of Baht 14.78 million or 46.1%, which represented expenses as a function of profits.

Annual Net Profit

In year 2020, the company's net profit was Baht 72.20 million was recorded, a decrease of Baht 60.95 million or 45.8% from last year. The net profit per share equaled Baht 0.48 compared to Baht0.89 in2019.

Total Comprehensive Income

In year 2020, comprehensive income was Baht 45.26million, a decrease of Baht 94.85 million or 67.7% over the previous year due to the decline in last year's net profit of Baht 60.95 million and the decrease in the fair value of Bangkok Dusit Medical Services Plc., which underwent revaluation to decrease by Baht 33.67 million.

Asset Management Ability

Statement of financial position (Unit:Million Baht)	2020	2019	Change
Total current assets	971.54	916.12	6.1%
Total non-current assets	929.38	989.62	-6.1%
Total assets	1,900.92	1,905.74	-0.3%
Total current liabilities	218.04	199.55	9.3%
Total non-current liabilities	85.15	86.45	-1.5%
Total liabilities	303.19	286.00	6.0%
Total Shareholders' equity	1,597.73	1,619.73	-1.4%
Total liabilities and shareholders'equity	1,900.92	1,905.74	-0.3%

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(Mrs.Phorthana Manoch)



Assets

Key components relating to significant changes in assets and asset quality as of December 31, 2020, were detailed below:

- Cash and cash equivalents was Baht 135.90 million, a decrease by Baht 572.23 million year-on-year. This was mainly due to the company adopted Thai Financial Reporting Standard 9 Financial Instruments (TFRS9) which classified Mutual funds - fixed income (hold to maturity within 1 year) as Cash and cash equivalents in 2019 and reclassified as other current financial assets in 2020 for Baht 464.49 million. Also, cash at bank - savings accounts and current accounts decreased by Baht 106.78 million because company used cash to invest in public financial instruments with high liquidity.
- Other current financial assets was Baht 671.72 million, an increase of Baht 671.72 million from the previous year. This was mainly due to the TFRS9 which reclassified the investment in mutual funds from short-term investment in 2019 to other current financial assets for Baht 661.28 million and fixed deposit Baht 10.44 million in 2020.
- Account receivables in net trade was Baht 65.30 million, a decrease of Baht 7.61 million from the previous year. This represented current account receivables average of 17 days of debt collection period. However, these debtors were considered high-grade account receivables, such as government agencies, insurance companies, life assurance companies, and corporate contracts to receive medical services at the hospital. The company has reviewed its allowance for doubtful accounts and bad debts in line with the defined financial reporting standard on a quarterly basis.

	Baht			
Trade receivables	2020	percentage	2019	percentage
Within credit terms	44,698,984	74.4%	49,763,723	75.1%
Overdue:				
Less than 3 months	14,261,354	23.7%	14,339,336	21.6%
3 – 6 months	614,175	1.0%	1,809,246	2.7%
6 – 12 months	605,428	1.0%	753,025	1.1%
over12months	882,824	1.5%	993,344	1.5%
Total trade receivables	61,062,765	101.6%	67,658,674	102.1%
<u>Less</u> allowance for doubtful accounts	(972,095)	-1.6%	(1,370,705)	-2.1%
Net trade receivables	60,090,670	100.0%	66,287,969	100.0%

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- Accrued income from social security office was Baht 46.57 million, a decrease of Baht 33.26 million. This mainly due to the Social Security Office changed payment term which lowered the accrual income from social security office and improved the recognition of revenues. Also, referral cases from heart disease reduced which lowered accrual income from high complexity disease (AdjRW>2).
- Inventory was Baht 52.04 million, a decrease of Baht 1.80 million, was intended to accommodate the number of out-patients, in-patients, medical check-up programs, and COVID-19 screening. In this case, the company considered the entire inventories of high quality – that is, constantly circulated goods with an average turnaround of 16 days. Therefore, the company decided not to book an allowance for deteriorated or expired inventory.
- Other non-current financial assets was Baht 138.00 million, an increase of Baht 138.00 million from the previous year. This was mainly due to the TFRS9 which classified long-term investment on available-for-sale security represented of Bangkok Dusit Medical Services Plc. (BDMS) valued at Baht 171.67 million in 2019 and reclassified this security as other non-current financial assets valued at Baht 138.00 million in 2020.
- Property, plant and equipment totaled Baht 740.05 million net, a decrease of Baht 16.54 million from last year. The company has revised the investment plan in year 2020 correspondence with the COVID-19 situation. Therefore, the company showed the investment amount of Baht 43.13 million in 2020.
- Right-use-of-assets was Baht 4.03 million, an increase of Baht 4.03 million from the previous year. This was mainly due to the Company has adopted TFRS 16 the first-time in its financial statements by applying modified retrospective approach of adoption which the cumulative effect as an adjustment to the retained earnings as at January 1, 2020 and the comparative information was not restated.

Liabilities and Sources of Funds

Suitability of Capital Structure

The financial structure of Aikchol remained robust, respectively. As of December 31, 2020 and 2019, the debt-to-equity ratios were 0.19 and 0.18 respectively. It firmly maintained a strict management policy and control over its financial structure, keeping financial ratios and liquidity appropriate.

Liabilities

Aikchol was completely free of short-term and long-term loans. Most liabilities were from account payables with timely payment. As of December 31, 2020, total liabilities showed at Baht 303.19 million, an increase of Baht 17.19 million. This mainly due to the company set a provision for settlement of lawsuit Baht 15.00 million.



Equity

As of December 31, 2020 and 2019, total equity stood at Baht 1,597.73 million and Baht 1,619.73million, respectively. The decrease in shareholders' equity mainly because of the fair value of BDMS security has declined. Despite the declining in security value, the shareholders' equity still showed the increased because of Aikchol's consistent profitability.

Liquidity and Capital Adequacy

Statement of Cash Flows (Unit: Million Baht)	2020	2019	Change
Net cash provided by operating activities	199.84	183.15	9.1%
Net cash used in investing activities	-236.17	-45.62	417.7%
Net cash used in financing activities	-71.42	-71.76	-0.5%
Net increase (decrease) in cash and cash equivalents	-107.75	65.78	-263.8%
Cash and cash equivalents at beginning of the year	708.14	642.37	10.2%
<u>Less</u> Current investments classified under the new financial reporting standards	-464.49	-	-
Cash and cash equivalents at end of the year	135.91	708.14	-80.8%

- The company's net cash from operating activities was Baht 199.84 million, compared to Baht 183.15 million from last year. This was mainly due to profit provided by operating activities before change in operating assets and liabilities decreased by Baht 76.51 million. The increase in net cash flow from operating activities mainly resulted from a decreased in accrued income from social security office by Baht 29.68 million, a decreased in accrued expense by Baht 29.51 million, an increased in provisions for settlement in lawsuits by Baht 15.00 million, a decreased in employee benefits paid by Baht 31.59 million and a decreased in inventories by Baht 8.00 million. The increase in net cash flow offset by less income tax paid by Baht 16.86 million and lower trade and other current payables by Baht 4.92 million.
- The company's net cash from investing activities was Baht 236.17 million, compared to Baht 45.62 million from last year. This was mainly because company used cash to invest in public financial instruments with high liquidity by Baht 204.52 million.
- The company's net cash from financing activities was Baht 71.42 million, compared to Baht 71.76 million from last year. This was mainly due to the dividend payment for Baht 67.27 million.



- According to TFRS 9, the deduction of current investments classified under the new financial reporting standard has reclassified the investment in mutual funds from short-term investment in 2019 to other current financial assets for Baht 464.49 million in 2020.

As of December 31, 2020, Aikchol held net cash and cash equivalents of Baht 135.19 million, a decrease of Baht 572.23 million. Without taking into account of the new accounting standard in the investment in mutual funds, the company still be able to maintain cash flow and invested in public financial instruments with high liquidity.

Key Ratios

In 2020 and 2019, Aikchol maintained current ratios of 4.46 and 4.59, respectively, whereas the quick ratios were 4.22 and 4.32, respectively. Considering all these ratios, it was found that Aikchol's key current ratios remained robust, demonstrating its high competency in short-term financial obligation payment.

Liability Obligations and Off-Balance Sheet Liability Management

As of December 31, 2020, Aikchol engaged in bank guarantee obligation with a certain commercial bank. It leveraged its fixed deposit to guarantee the use of electricity provided by the Provincial Electricity Authority and the Social Security Office, a total amount of Baht 13.59 million.

Key Factors Affecting Future Performance and Financial Status

The COVID-19 pandemic continues to spread and induce economy downturn globally. As a result, the extension of the State of Emergency in Thailand still impacts numerous restrictions in business activities and cause purchasing power to decrease. The private hospital sector also affects with this crisis which reflects in declining in the performance. In according with the situation, the company still strictly follow the Department of Disease Control's guideline for clinical practice, diagnosis, treatment and prevention of healthcare-associated infection in response to patients with COVID-19 infection.

Although, Thailand's economic recovery is uncertain, the private hospital business still shows a steady growth and offers security and relatively low levels of risk which reflect from many new private hospitals have planned to launch in year 2020 onward. The supporting positive factors consist of the aging society, the complication of diseases, the continuing urbanization, the health-awareness and the continuous improvement of medical technology that attract new competitor into this business.

Higher hospital business competition is fully expected, thus compelling Aikchol hospital to correspondingly develop higher treatment quality with the focus on clinical excellence of the Joint Commission International (JCI)'s standard requirements. This includes greater development of both services and modern facilities to satisfy and retain customers with our service delivery. Moreover, Aikchol hospital has partnered with Bumrungrad hospital to establish Absolute Spine Care Center which will advance quality of services and penetrate new, high-potential markets.



Currently, the entire domestic hospital business is encountering a shortage of medical personnel and nurses. Aikchol hospital has to compete with other medical business operations, but the company can retain its medical personnel, nurses and experts. These factors result in a sharp increase in operating costs, such as salary adjustment, welfare and other benefit packages. The hospital has set a standard of its welfare that is competitive with other hospitals in the vicinity together with a clear-cut and fair evaluation measure for all its medical staff.

Since 2019, the Commerce Ministry has approved medical-related fees, including medicines, supplies and service charges, on the price control list. To comply with the regulation, company will have difficulty for price increasing which will impact on the revenue. Since the COVID-19 crisis, the cost of medicines and supplies has been increased inevitably. Therefore, the company has appointed the committee to review and revise all medical-related fees for fairness and competitiveness.

The effectiveness of the COVID-19 vaccines have been improved recently, which result in the Ministry of Public Health urge to start kick off vaccination program. The company has updated with the vaccine news closely to ensure that the company is ready to proceed for the procurement and providing vaccination for patients whenever they are approved. Although, vaccines are an important part of relieving the pandemic and help recovering the medical tourism, a certain amount of the population need to be vaccinated in order to create herd immunity and confidence for visitors.

Overall, the healthcare industry is still attractive for new competitor to entry and should recover along with demand from domestic and international patients. Though, the combined impact of the challenges outlined above could limit growth, the company strives to enhance in quality of services, increases the excellence center for complicated treatments. Moreover, company aims to improve in process management and implement innovation to reduce cost in order to maintain profitability and competitiveness.



Summary of Financial Information

	(Unit: Thousand Baht)		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Revenues	1,440,533	1,696,770	1,671,771
Medical Service income	1,405,474	1,656,021	1,636,781
Other income	35,059	40,748	34,990
Cost of medical services	1,244,518	1,434,308	1,383,684
Gross Profit Margin	160,956	221,713	253,097
Administrative Expenses	106,364	97,276	113,568
Income tax expenses	17,258	32,039	33,803
Profit for the year	72,198	133,146	140,716
Basic earnings per share (Baht per share)	0.48	0.89	0.94
Current assets	971,542	916,116	851,150
Non-current assets	929,377	989,621	989,903
Total assets	1,900,919	1,905,736	1,841,053
Current liabilities	218,043	199,551	220,606
Non-current liabilities	85,149	86,453	69,070
Total liabilities	303,192	286,004	289,675
Total shareholders' equity	1,597,727	1,619,732	1,551,377



Financial Ratios

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Liquidity ratios			
Current Ratio (times)	4.46	4.59	3.86
Quick Ratio (times)	4.22	4.32	3.64
Cash flow liquidity ratio (times)	0.96	0.87	0.75
Accounts receivable turnover ratio (times)	21.84	23.44	21.93
Average Payable Period (days)	16.71	15.57	16.65
Inventory turnover (times)	23.51	28.27	29.88
Average product sales period (days)	15.53	12.91	12.21
Payable turnover ratio (times)	16.47	18.69	18.32
Payable period (days)	22.16	19.53	19.92
Cash cycle (days)	10.08	8.95	8.94
Profitability ratio			
Gross Profit Margin Ratio (%)	11.45	13.39	15.46
Return on medical expense income (%)	5.14	8.04	8.60
Operating profit margin (%)	3.88	7.51	8.52
Other margin (%)	2.43	2.40	2.09
Cash to profit ratio (%)	366.06	147.18	124.24
Net Profit on Sales (%)	5.01	7.85	8.42
Return on Equity (%)	4.49	8.40	9.36
Efficiency Ratios			
Return on Assets (%)	3.79	7.11	7.82
Return on fixed assets (%)	17.92	24.61	24.84
Asset turnover (times)	0.76	0.91	0.93
Financial policy ratio			
Debt to Equity Ratio (times)	0.19	0.18	0.19

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



5. General Information

Company Name	Aikchol Hospital Public Company Limited
Registered Number of PLC	0107537001064
Type of Business	Private Hospital
Registered Capital	150,000,000 Baht
Registered Paid-up Capital	149,909,264 Baht
Common shares /	149,909,264 Share /
Par Value per Share	Par Value 1.00Baht/Share
Listed Date	January 10,1992
Accounting Period	1 January – 31 December
Location	<u>Head Office : Aikchol Hospital</u> 68/3 Moo 2 Prayasatja Rd., Bansuan Sub-district, Muang District, Chonburi Province 20000 Telephone 0-3827-3840-7, 0-3893-9999 Facsimile 0-3827- 3848 Web site : www.aikchol.com <u>Aikchol 2 Hospital</u> 31/2 Moo.3 Angsila Rd., Samed Sub-district, Muang District, Chonburi Province 20000 Telephone 0-3893-9888 Facsimile 0-3893-9800 <u>Shareholder Coordinator Department</u> Telephone 0-3893-9999 Ext.1126, E-mail : ir@aikchol.com
Reference	Thailand Securities Depository Company Limited. 93 Floor14 Rachadapisek Rd., Dindang, Bangkok 10400 Telephone 0-2009-9999 Web site : www.set.or.th/tsd
Share Registrar	Dharmniti Auditing Company Limited. 178 Dharmniti Building, 6 th -7 th Floor, Sai Permsap (Prachachuen 20), Prachachuen Road, Bangsue, Bangkok 10800 Telephone 0-2555-0600 Web Site : www.dharmniti.co.th
Auditor	



Legal Advisor

International Legal Counsellors Thailand Ltd.

175 South Sathorn Road Bangkok 10120, Thailand

Telephone 0-2679-6005

website : www.ilct.co.th

5.2 Other Information –none-

5.3 Legal disputes

As of December 31, 2020, the Company does not have any legal disputes that adversely affect the Company's assets, which has a value higher than 5% of the shareholders' equity.

5.4 The company has only one listed securities on the Stock Exchange of Thailand.

5.5 Contacted financial institutions (the company will not issue debt instruments in 2020)



AIKCHOL HOSPITAL

PUBLIC COMPANY LIMITED

บริษัท โรงพยาบาลเอกชล จำกัด (มหาชน)

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Aikchol for the Good Health of the Community 2020

Its objectives are to focus on community, social and business sustainable development.



**In the vicinity of Akchon Hospital And Akchon 2 Hospital
With cooperation from local government agencies including
Ban Suan municipality and
Ang Sila Municipality**





AIKCHOL HOSPITAL
PUBLIC COMPANY LIMITED
บริษัท โรงพยาบาลเอกชล จำกัด (มหาชน)

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The area around Aikchol 2 Hospital





Aikchol Shares Kindness with Blood Donation



Aikchol Hospital with Thai Red Cross Society

Organize the activity of Aikchol shares Kindness with Blood Donation.

To increase the blood supply in the reserve blood supply to be sufficient to save the lives of patients in Chonburi and nearby provinces.





Section 2

Corporate Governance

6. Corporate Governance Policy

The Company has a strong commitment to being quality hospital providing services as per international standards to ensure its reliability among the investors and stakeholders in its business operation as well as to create sustainable value for the business based on good corporate governance for the registered company. The policies for management and corporate governance in 2017 were implemented to bring about the following results of the organization's performance:

- (1) To gain more competitiveness and turnover with careful consideration of the long-term impact.
- (2) To run the business with morality, respect the rights of and be accountable to the shareholders and stakeholders.
- (3) To be in favor of society and develop or reduce negative impacts on the environment.
- (4) To be able to adapt itself through changes.

6.1 The Overview of the Corporate Governance Policy and Guidelines

The Company's corporate governance policy has settled the guidelines regarding the rights of the shareholders, equal treatment among the shareholders, disclosure of information and transparency, and the responsibilities of the Directors which include recruitment, nomination, and remuneration for the Directors and Executives, Directors' development and work performance appraisals. Furthermore, the Company has implemented the policy against fraud and corruption in order to have clearer instructions in operating the business and to be developed as a sustainable organization.

6.2 Code of Business Conduct

The Company has implemented corporate governance in the operation as well as the Code of Business Conduct as a guideline for the Board of Directors, Executives and staff to comply with where good corporate governance principles are emphasized. The Code of Business Conduct is disclosed on the Company's website in the Investor Relations section – Corporate Governance. www.aikchol.com

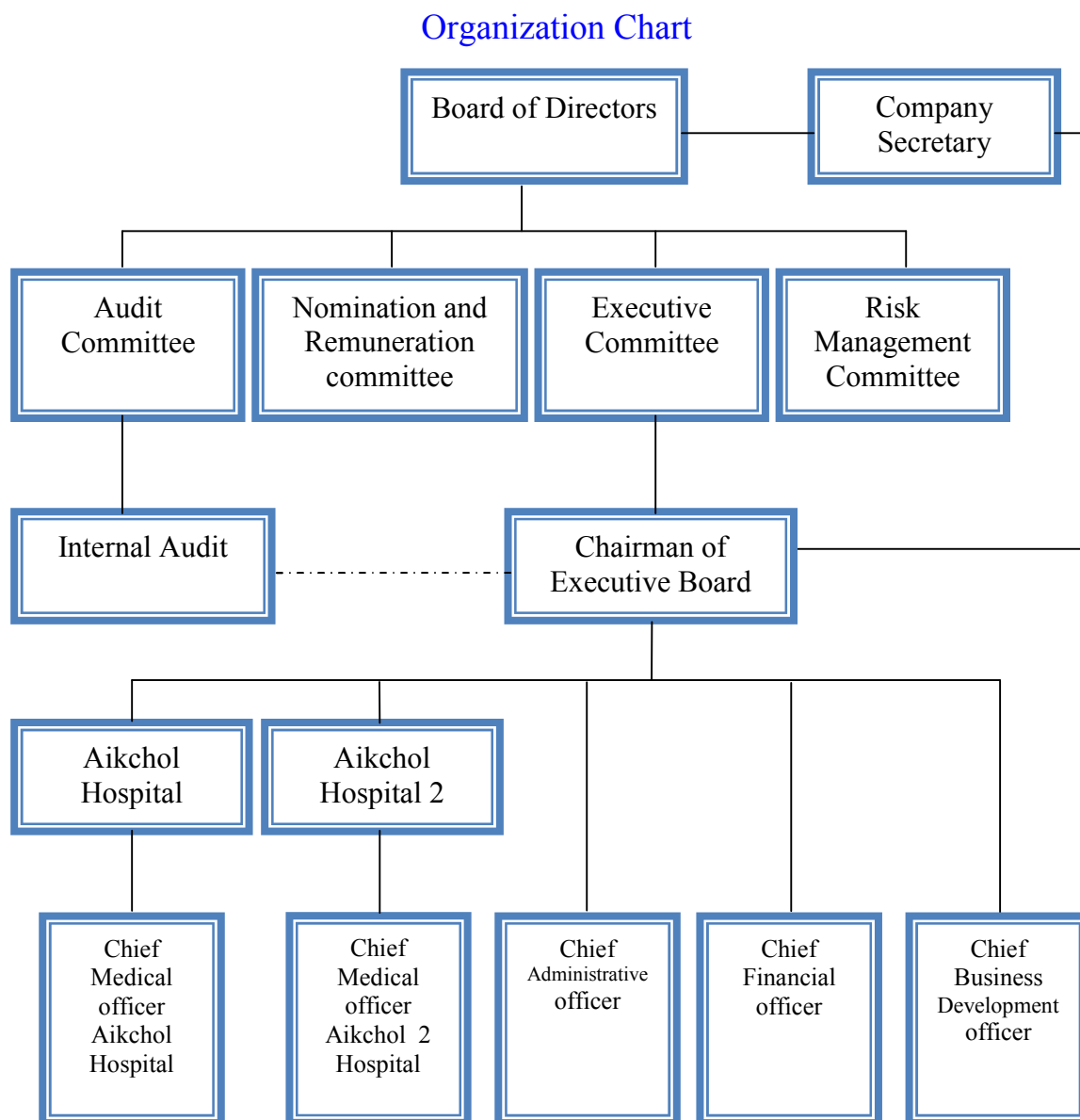
6.3 Significant Changes and Development of the Policy, Guidelines, and Corporate Governance System over the Previous Year

In 2020, the Company has reviewed and revised the policy of corporate governance including the Board of Directors Charter to be aligned with the good corporate governance principles for the registered company in 2017 at the Board of Directors' Meeting No. 322 on the 29th day of June 2020.



7. The Corporate Governance Structure, Important Information regarding the Board of Directors, Sub-Committee, Executives, Staff and Others

7.1 The Corporate Governance Structure



The Chairman of the Executive Directors was Mrs. Phortchana Manoch whose term was completed on 31st December 2020. Therefore, the Company has selected and appointed Asst. Prof. Dr. Terdsak Rojsurakitti MD. as the Chairman of the Executive Directors in her place which has been effective from the 1st day of January 2021. Nevertheless, Mrs. Phortchana Manoch still holds the position in the Board of Directors as Vice Chairman of the Board of Directors.

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



The Risk Management Committee at the Sub-Committee level has been terminated as per the resolution in the Board of Directors' Meeting No. 322 on 29th June 2020, with the new resolution to establish the Risk Management Team in the management level on 20th November 2020.

7.2 Details of the Board of Directors

The Board of Directors consists of highly qualified persons equipped with profound knowledge and experience in many aspects. All of the Directors truly understand their duties and responsibilities towards the shareholders and participate in determining the Company's vision, mission, strategies, goals, business plan as well as the Company's budget including supervising the Executive Committee to implement the plans effectively and efficiently.

The structure of the Board of Directors and management are sufficiently inspected and balanced. There are 11 Directors in total. However, two of which resigned during 2020 due to health problems and workload making it impossible to perform the duties as a Director to the fullest capacity. Therefore, there have been nine Directors since September 2020 consisting of two Executive Directors, three non-Executive Directors, and four Independent Directors representing 44% of the total number of Directors. There are three Audit Committee members, of which two members are highly skilled and experienced in verifying the credibility of financial statements. The Board of Directors as of the 31st day of December 2020 are as follows:

Name		Position
1. Mr. Apirag	Vanich	Chairman
2. Phortchana	Manoch	Vice-Chairman, Chairman of Executive Board
3. Dr. Krisada	Banchuin	Independent Director / Chairman of Audit Committee / Chairman of Nomination and Remuneration Committee / Risk Management Committee
4. Ms. Kanchana	Vanich	Director
5. Ms. Oranuj	Vanich	Director
6. Dr. Sanit	Charkrit	Director, Executive Director
7. Mrs. Thitawat	Pothanant	Independent Director/ Audit Committee / Nomination and Remuneration Committee / Risk Management Committee
8. Asst. Prof. Sarayut	Rueangsuwan	Independent Director / Audit Committee / Nomination and Remuneration Committee
9. Mr. Kudun	Sukhumananda	Director

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



Scope of Duties and Responsibilities of the Board of Directors

The Board of Directors is entitled with the authority to make decisions and approve a number of matters including overseeing the operation of the Company as per the scope of duties specified by the Law, Company's regulations, Board of Directors Charter and the resolutions made in the Shareholders' Meeting as well as determining and reviewing the vision, operational strategies, operation plans, risk management policy, budget plan, business plan, follow-ups, performance evaluation as per the plan as well as overseeing the expense and investment management, business amalgamation and separation, and joint venture.

Subject to the Company's regulations, two of the following three Directors are entitled to sign and affix the Company's stamp – (1) Mr. Apirag Vanich (2) Mrs. Phortchana Manoch and (3) Ms. Kanchana Vanich.

7.3 Sub-Committee

The Board appoints the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee, whose scopes of authority, duties, and responsibilities are clearly defined in their respective charters.

Aikchol has disclosed the directorships in other companies as shown in the Board's structure. None of the directors holds more than five directorships in listed companies.

7.3.1 Audit Committee

The Audit Committee consists of four independent directors with a term of two years as follows:

1. Dr. Krisada	Banchuin	Chairman
2. Associate Prof. Dr. Atirek	Chivabongs	Member
3. Mrs. Thitawat	Pothanant	Member
4. Assistant Prof. Sarayut	Rueangsuwan	Member

In the Audit Committee, there are Mrs. Thitawat Pothanant and Asst. Prof. Dr. Sarayut Rueangsuwan whose knowledge and experience are highly qualified especially in verifying the financial statements for the company as shown in the Board of Directors' Profile.

Assoc. Prof. Dr. Atirek Chivabongs M.D. resigned on 27th August 2020 due to health problems. Therefore, there are only three Audit Committee members at present.

The Qualifications of the Audit Committee

1. Holds shares not exceeding 1% of the total voting shares of the Company, the parent company, subsidiaries, associates, major shareholders, or controlling persons of the applicant or juristic persons with conflicts of interest. However, it shall include the shareholding of those involved by the independent directors.



2. Has never been, or used to be, a Director involved in management, employee, staff, salaried consultant, or the regulatory or controlling person of the Company, the parent company, subsidiaries, associated companies in same order, the major shareholders, or the juristic persons with conflicts of interests, unless they have retired from such a position for not less than two years prior to the nomination.
3. Shall not be a person with blood relation, or by legal registration in the form of father, mother, spouse, siblings, and children, including spouses of the children of other Directors, Executives, the major shareholders, controlling persons, or the persons nominated as Executive Directors, or the controlling persons of the Company or subsidiaries.
4. Never had, or used to have the business relationship with the Company, the parent company, subsidiaries, associated companies, the major shareholders, the controlling persons of the Company or the juristic persons who may have conflicts in such a way that may impede the independent judgment, including never been or had been a significant shareholder or controlling persons of a person who has a business relationship with the Company, the parent company, subsidiaries, associated companies, major shareholders, authority of the grantee, Directors who are not independent, or Executive of those who have a business relationship with the Company or the juristic persons who may have conflicts, unless they have retired from such a position or characteristics for not less than two years prior to the nomination.

Such a business relationship mentioned above includes normal commercial transactions which are usually done for the business operation – leasing or property leasing, asset transactions or service, providing or receiving financial aids by receiving or lending, guarantees, lending assets as a collateral for liabilities including other similar circumstances which cause the grantee or counterparties to be liable to pay debts to the other party, from 3% of the net tangible assets of the grantee, or more than 20 million baht, depending on which is lower. Notwithstanding, the calculation of such debt obligations shall be in accordance with the method of calculating the value of the connected transactions as per the announcement of the Capital Market Supervisory Committee regarding the requirements for the connected transactions. However, in determining such liabilities, the liabilities incurred during the year before the date of business relationship with the same person shall also be included.

5. Never been or used to be an auditor of the Company, parent company, subsidiaries, associated companies, or juristic persons who may have conflict, major shareholders, Director who is not independent, Executives, significant shareholder, controlling persons or Managers' partners of the audit company carrying out the audit for the Company, or juristic persons who may have corporate affiliate conflicts unless they have retired from such a position or characteristics for not less than two years prior to the nomination.
6. Never been or used to be a professional service provider including providing services as a legal advisor or financial advisor with the service fee paid by the Company exceeding 2 million baht per year, or by the parent company, subsidiaries, associated companies, or the juristic persons who may have conflicts of interest. However, if such professional service provider is a



juristic person, the major shareholder, director who is not independent, executives, controlling person or managers' partners of such a professional service provider shall be taken to the consideration as well, unless they have retired from such a position or characteristics for not less than two years prior to the nomination.

7. Have never been a Director appointed as a representative of the Board of Directors, the major shareholders or the shareholders who are associated with the major shareholders of the Company.
8. Have no other characteristics preventing the Audit Committee giving independent opinions on the Company's operation.
9. Not a Director assigned by the Board of Directors to make decisions on any operations of the Company, parent company, subsidiaries, associated companies, or the juristic persons who may have conflicts of interest.
10. Not a Director of the parent company, subsidiaries, or the subsidiary in the same order which is a registered company.
11. In order to determine such qualifications, the definitions are provided as follows:
 - 11.1 "Parent Company" shall mean the company that holds shares in the registered company, either directly or indirectly, exceeding 50% of the paid-up capital of such registered company.
 - 11.2 "Subsidiary" shall mean the company in which the registered company holds shares, either directly or indirectly, exceeding 50% of the paid-up capital of such registered company.
 - 11.3 "Major Shareholder" shall mean the person who holds accumulated shares, either directly or indirectly, in the registered company or its subsidiaries at more than 10% of the paid-up capital of the company or its subsidiaries. Such shares include the shares held by the associates.
 - 11.4 "Executive" shall mean an executive director, manager or the staff in the department manager level or higher, or a person who holds an equivalent position called otherwise who has management authority of the Company, subsidiaries, including the person with which the Company or its subsidiaries has entered into contracts to grant a complete or partial authority in the management of the Company or its subsidiaries.
 - 11.5 "Associate" shall mean an individual as per Section 258 (1) and (2) of the Securities and Stock Exchange Act B.E.2535
 - 11.6 "Independent Opinion" shall mean the ability to give opinions or report independently as per the assigned tasks without thinking about any other interests concerning assets or position and duties, and not being under any influence of any person or group of persons, and there is no circumstance or situation which can oppress the right to express the opinion.

Duties and Responsibilities of the Audit Committee

1. Verify the Company's financial reports accurately and sufficiently.
2. Verify the Company's internal control and audit system appropriately and effectively including a review on the independence of the internal audit, and

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



approve the nomination, transfer, lay-off as well as determine a reward or penalty to the internal audit manager by participating in the performance evaluation with the chief executives.

3. Verify the Company's compliance with the laws of the securities and stock exchange, regulations of the Stock Exchange, or related laws with respect to the Company's business.
4. Review the internal procedures regarding whistleblowing and complaints, especially for transactions in the financial statements or other issues. The whistleblowers must be assured that the investigation process has been carried out independently with appropriate follow-ups.
5. Verify the evidence from the internal audit when there is a suspicion or assumption of fraud, irregularity, or significant deficiency found in the internal control system before reporting to the Board of Directors.
6. Approve the Internal Audit Charter.
7. Approve the annual audit plan prepared by the Internal Audit Department.
8. Consider, select, and nominate the independent individual to perform as the Company's auditor together with his/her remuneration and attend the meeting with the auditors without the management at least once a year.
9. Verify the connected transactions or the transactions which may include a conflict of interest subject to laws and the Stock Exchange's regulations. This is to ensure that such transactions are reasonable and the most beneficial to the Company.
10. Prepare the Corporate Governance Report of the Audit Committee to be included in the Company's Annual Report and which the Chairman of Audit Committee has signed therein. Such a report is required to conclude of the following information as minimum:
 - 10.1 The opinions regarding the accuracy, correctness, and reliability of the Company's financial reports.
 - 10.2 The opinions regarding the adequacy of the Company's internal control.
 - 10.3 The opinions regarding the compliance with the laws of the securities and stock exchange, the Stock Exchange's regulations, or other related laws with respect to the Company's business.
 - 10.4 The opinions about the suitability of the auditors.
 - 10.5 The opinions about the transactions with a possibility of conflicts of interest.
 - 10.6 The number of the Audit Committee's meetings and participation in such meetings of each Audit Committee member.
 - 10.7 The overall opinions or remarks obtained from the duties and responsibilities specified in the Charter.

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



10.8 Other transactions which other shareholders and investors should be aware of, subject to the duties and responsibilities assigned by the Board of Directors.

10.9 Perform other duties as assigned by the Board of Directors which the Audit Committee agrees to.

11. Other Duties

11.1 Review the Audit Committee Charter every one year regularly in order to ensure if any changes in the Audit Committee's responsibilities are required. If required, directly report to the Board of Directors for approval.

11.2 The Audit Committee is entitled to seek further advice from an independent external advisor if necessary, at the expense of the Company. In performing the abovementioned duties, the Audit Committee is directly liable for the Board of Directors, and the Board of Directors shall remain liable for the Company's operation towards third parties.

7.3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of independent directors with a term of two years as follows:

1. Dr. Krisada	Banchuin	Chairman
2. Associate Prof. Dr. Atirek	Chivabongs	Member
3. Mrs. Thitawat	Pothanant	Member
4. Assistant Prof. Sarayut	Rueangsuwan	Member

Assoc. Prof. Dr. Atirek Chivabongs M.D. resigned on 27th August 2020 due to health problems. The Board of Directors has appointed Asst. Prof. Sarayut Rueangsuwan as the Nomination and Remuneration Committee on November 9, 2020.

Authority and responsibilities

Nomination considerations

1. Consider the structure and composition of the Company Board of Directors in terms of the number of directors in the Board that is appropriate for the business size, type and complications. Review the qualification of each director in terms of skills, experience, and unique abilities that are relevant to the business of the Company.
2. Consider the qualifications of the person who is to become an independent director to match with the Company's characteristics. The independence must be in accordance with the regulations set out by the Securities and Exchange Commission (SEC).



3. Define the criteria and methods for recruiting a person to take the directorship position that is suitable to the unique characteristics of the Company in order to be selected as the Company's director, sub-committee member, or senior management and propose the nominees to the Board of Directors meeting for further consideration.
4. Supervise the orientation of the new directors to ensure their understanding of their roles and responsibilities including providing information regarding the Company's policies and nature of business.
5. Arrange to have a training and development plan to develop the knowledge and expertise of the current directors and the new directors to ensure their understanding of the business, roles and responsibilities of directors, and the various developments that are essential and appropriate to the changes of external circumstances and the Company's sustainable developments.
6. Arrange to have a succession plan for the succession of directors and high-level executives to ensure the continuity of the business operation.
7. Disclose policies and details of the nomination procedures in the Company's annual report.

Remuneration considerations

1. Define the regulations or the methods for the consideration of the remuneration and other benefits as well as propose the remuneration package for the senior management positions by having clear and transparent criteria and present to the Board of Directors for their consideration and approval.
2. Ensure that the Company directors and senior management receive remuneration appropriate to their duties and responsibilities.
3. Establish performance evaluation guidelines of the directors and senior management to consider annual remuneration.
4. Disclose policies regarding the determination of remuneration and disclose the remuneration in various forms including preparation of the remuneration report detailing at least the goals, actions, and opinions of the Nomination and Remuneration Committee to include in the Company's annual report.
5. Suggest the appropriate remuneration of the Board of Directors and Sub-Committee to the Board of Directors to receive their approval prior to proposing to the shareholders' meeting for their consideration and approval.
6. Perform duties as assigned by the Board of Directors.

7.3.3 Executive Directors

Board Meeting No. 323 of August 7, 2020, appointed an Executive Committee with a one-year term. Membership of the Executive Committee will end upon termination of directorship of Aikchol, resignation, death, or dismissal by Board resolution. When an executive director ends directorship before term completion, the Board will appoint a qualified director to replace him or her for only as long as the remaining term.

The Executive Committee currently consists of:

1. Ms. Phortchana Manoch Chairman
2. Dr. Sanit Charkrit Executive director.

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



Duties and Responsibilities

1. Define plans and operating plans based on the Board-assigned policies to meet Aikchol's objectives.
2. Define the core business structure of Aikchol, that is, medical treatment and its supporting units in compliance with the economic situations and competition, and submit this to the Board for approval.
3. Define business plans, budgets, management authority, and responsibility of each department and submit them to the Board for approval.
4. Approve financial operation within a Board-defined limit.
5. Maintain an internal control system to safeguard the capital of the shareholders and the assets of Aikchol.
6. Be responsible for the efficiency of the internal audit system, covering financial audit, operational audit, compliance audit, and managerial audit, especially risk management.
7. Be responsible for relevant third parties such as business partners and contractual parties to ensure joint profit and satisfaction, honoring of creditors' conditions, and stewardship of collaterals.
8. Exert stewardship of the development and promotion of a safe environment, a sound work environment, and a teamwork corporate culture.
9. Be responsible for the management of employees, who are valuable resources and Aikchol's success factor by recognizing their rights.
10. When witnessing any unethical or unlawful practice, monitor and report it to the Board or the Audit Committee.
11. Disclose performance data in the annual report as required by law and relevant regulations for transparency and good corporate governance.
12. Perform other Board-assigned tasks.

7.3.4 Risk Management Committee

The Risk Management Committee consists of 3 members and has a 3-year term, whose names are as follows:

- | | | |
|-------------------------|-------------|----------|
| 1. Asso.Prof.Dr. Atirek | Chivabongs. | Chairman |
| 2. Dr. Krisada | Banchuin | Member |
| 3. Mrs. Thitawat | Pothanant | Member. |

This Committee was terminated on 29th June 2020 and Assoc. Prof. Dr. Atirek Chivabongs M.D. resigned on 27th August 2020 due to health problems. However, the Board of Directors has considered and appointed the Risk Management Team (Organization level) instead to perform the duties in 2021.



Duties and responsibilities

1. Screen policies and approaches for overall risk management embracing key risks, including financial, investment, reputation risks, and submit them to the Board for endorsement.
2. Define strategies and approaches for corporate risk management in line with its risk management policy by assessing, monitoring, and ensuring that its risks are suitable
3. Oversee and monitor compliance with its risk management policy under the Board-approved approach and policy
4. Set criteria for measuring risks and risk appetites
5. Set suitable measures for dealing with risks under prevailing circumstances
6. Review the adequacy of the risk management policy and systems, embracing system effectiveness and compliance with the policy.
7. Regularly report to the Board Aikchol's administration, execution, risk situations, and changes, as well as items needing improvement to align with the corporate strategies.
8. Put in place essential risk management taskforces.
9. Support risk management taskforces through personnel, budget, and other essential resources in keeping with their scopes of responsibility.

7.4 Executives

7.4.1 List of Names and Positions

Name		Position
1. Mrs. Phortchana	Manoch	Chairman of Executive Bord
2. Mr. Sanit	Chakrit M.D	Chief Medical Officer Aikchol Hospital
3. Mr. Pichai	Siripornpanich M.D	Chief Medical Officer Aikchol 2 Hospital
4. Mrs Pariyanat	Chalermchoung	Chief Financial Officer
5. Mr. Siriphort	Manoch	Chief Administrative Officer
8. Mr.Kessada	Jansawang	Chief Business Development Officer

In this regard, Mrs. Phortchana Manoch, the Chairman of the Board of Directors completed her term on 31st December 2020. The Company, therefore, has nominated and appointed Asst. Prof. Terdsak Rojsurakitti M.D. as the current Chairman of the Board of Directors from 1st January 2021 onwards.

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



7.4.2 Executive Compensation

(1) Monetary Compensation

In 2020, the Company paid the executive remuneration including salaries, bonuses, and meeting allowances to the Executive Directors for six persons with the total amount of 25.27 million Thai baht.

(2) Other Compensation

The Company has provided a provident fund for the Executives where the Company contributed at a 3% ratio of the salary. In 2020, the Company contributed to the provident fund for one Executive with the total amount of THB 36,888

7.5 Employees

The Company has 1,236 employees in total. In 2020, the Company provided remuneration for all employees in the total amount of 499.66 million Thai baht including salaries, overtime payment, professional fees, living expenses, bonuses, social security contribution, provident fund contribution, medical expenses and other welfare.

Number of Employees and Employees joining the Provident Fund

Employees	Aikchol Hospital	Aikchol 2 Hospital	Total
Medical and nursing Dept.	545	388	933
Administrative Dept.	93	70	163
Business Development Dept.	33	15	48
Accounting and Financial Dept.	59	33	92
Total	730	506	1,236
Number of Employees joining the Provident Fund	480	306	786
%	65.75	60.47	63.59

Employee Compensation

Employees	Aikchol Hospital	Aikchol 2 Hospital	Total
Employee Compensation	281.78 Million Baht	197.88 Million Baht	479.66 Million Baht

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



7.6 Company Secretary and Chief Financial Officer

7.6.1 The Board of Directors has resolved to appoint Mrs. PrapaphanTanthavirat as the Company Secretary to perform the duties specified by the Law of Securities and Stock Exchange and the announcement of the Stock Market Supervisory Board. The Company Secretary is also to ensure the disclosure of information and information reports to the extent of his/her responsibilities to the regulatory sectors in compliance with the law, regulations, and the Company's policy on information disclosure, as well as coordinating to ensure the Board of Directors' and the Shareholders' resolutions are carried out for the work to be completed and aligned with the good corporate governance principles. Last but not least, the Company Secretary is to perform other duties as assigned by the Board of Directors. The qualifications of the Company Secretary are listed hereby in [Attachment 1](#).

7.6.2 The Board of Directors has appointed Mrs. Pariyanath Chalermchuangas the Director of Accounting and Finance as well as the Chief Financial Officer. The qualifications for the Chief Financial Officer are also hereby stated in [Attachment 1](#).

7.6.3 The Company has assigned Ms.Taweeporn Kaewsailert as the Internal Audit Supervisor. The qualifications of the Internal Audit Supervisor are hereby listed in [Attachment 3](#).

7.6.4 In regard to the Auditor's remuneration in the previous year, the Company has paid Dharmniti Auditing Company Limited the audit fee of THB 915,000 (nine hundred and fifteen thousand baht) without other non-audit fees.

8. Corporate Governance Report

8.1 The Summary of the Board of Directors' Performance during the Previous Year

8.1.1 Nomination, development and performance evaluation of the Board of Directors

The Nomination Committee consists of three Independent Directors who are responsible for selecting and filtering as well as nominating the person with appropriate qualifications as per the Company's regulations in order to acquire the professional Directors from various areas of expertise based on the structure, size and components of the Board of Directors. In addition, the shareholders are allowed to participate in the nomination process as well. The number of the nominated Directors shall be equal to those who have finished their terms. The shareholder wishing to nominate shall propose such to the Board of Directors for approval and present such Director's name in the Shareholders' Meeting accordingly to be a part in the Director election as specified in the Company's regulations where, in regard to the voting of the Company's Director Election, the shareholder shall use the ballot individually by casting his/her entire existing votes to select one nominated person at a time.



In late 2020, the Board of Directors considered and assigned the Nomination Committee to review the requirements and nomination procedure to select a qualified and suitable person to hold the position of Chairman of the Board of Directors. During the nomination process, the Board considered and selected the person who is highly qualified and suitable with the knowledge, skills, and experience which is possibly beneficial to the Company's operation, including having a profound understanding in the Company's business and being able to manage his/her work to achieve the target objective set by the Board of Directors.

The Board of Directors has regularly conducted the self-assessment every year. As of the year 2020, the performance evaluation can be summarized as follows:

1. Most Directors have an average score at 89.10% from the self-assessments of the Board of Directors (as a team).
2. Most Directors have an average score at 90.91% from the self-assessments of the Board of Directors (as an individual).
3. The self-assessments rating score of the Audit Committee is 100%.
4. The self-assessments rating score of the Nomination and Remuneration Committee is 100%.

8.1.2 Meeting Attendance and Remuneration of Individual Directors

Name	Position / Compensation	จำนวนครั้งที่เข้าร่วมประชุมคณะกรรมการ					
		AGM Meeting	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee
1. Mr. Apirag Vanich	Chairman	1/1	7/7				
	Compensation		84,000				
2. Mrs. Phortchana Manoch	Vice Chairman	1/1	7/7			22/22	
	Compensation		84,000			-	
3. Dr. Krisada Banchuin	Independent Director	1/1	7/7	9/9	5/5		1/1
	Compensation		84,000	90,000	20,000		20,000
4. Ms. Kanchana Vanich	Director	1/1	7/7				
	Compensation		84,000				

Sign..... Vice Chairman

(Mrs. Phortchana Manoch)



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Name	Position / Compensation	จำนวนครั้งที่เข้าร่วมประชุมคณะกรรมการ					
		AGM Meeting	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee
5. Ms. Oranuj Vanich	Director	0/1	7/7				
	Compensation		84,000				
6. Dr.Sanit Charkrit	Director	1/1	7/7			22/22	
	Compensation		84,000			-	
7. Asso. Prof. Dr. Atirek Chivabongs (Resign : August 27, 2020)	Independent Director	1/1	3/4	4/5	1/2		1/1
	Compensation		36,000	40,000	5,000		20,000
8. Mrs. Thitawat Pothanant	Independent Director	1/1	7/7	9/9	5/5		1/1
	Compensation		84,000	90,000	20,000		20,000
9. Asst.Prof. Sarayut Ruengsuwan	Independent Director	0/1	7/7	8/9	2/2		
	Compensation		84,000	80,000	5,000		
10. Prof. Saweak Werakiat (Resign : September 1, 2020)	Independent Director	0/1	0/4				
	Compensation		-				
11. Mr. Kudun Sukumananda	Independent Director	1/1	4/7				
	Compensation		48,000				

(1) Monetary Remuneration: The remuneration of the Directors consists of meeting allowances to be paid based on the number of times of actual attendance.

* There were in total five meetings where remuneration shall be paid to the Nomination and Remuneration Committee. However, there was one online meeting which took only half an hour and the meeting allowance for such a meeting was therefore not considered.

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



** The Board of Directors in 2020 were not paid the meeting allowances as the Board of Directors agreed that, in 2020, the Company must supervise and control all expenses in every aspect including those for employees. Therefore, they agreed not to be paid the meeting allowances. However, regular salaries and other welfare were still provided as per the Company's regulations.

*** The Risk Management Committee has brought the meeting allowances of December 2019 to be paid in 2020.

(2) Other Remuneration : None

8.1.3 Supervision of Subsidiaries and Associated Companies

The Company does not have any subsidiaries and associated companies.

8.1.4 Monitoring on the Compliance with Corporate Governance Policies and Practices

The Company has emphasized good corporate governance by implementing the policies and related practices in the Company's Corporate Governance Policy and Code of Business Conduct as well as promoting them in practice in order to create reliability for all of its stakeholders. In 2020, the Company monitored to ensure the compliance with good corporate governance covering employee care and non-discrimination, monitoring the environment, well-being and safety within the organization as well as the security of data and information; it was found that the Company has completely performed its duties as specified in the guideline of each issue. Moreover, the Company has also monitored to ensure the compliance with good corporate governance in another four issues as follows:

(1) Prevention of Conflicts of Interest

The Company has implemented the policy where the Board of Directors, Executives, and staff are to perform their duties in the best interests of the Company. There was no case indicating the possibility of conflicts of interest in the previous year.

(2) The Exploitative Use of Internal Information

The Company has monitored the use of internal information for exploitation as per the law and good corporate governance principles by determining the Company's Corporate Governance Policy and Code of Business Conduct in writing, and can be summarized as follows:

(2.1) The Executives and employees who work in the component acknowledging the internal information shall be prohibited from trading Company stock in one month prior to the public disclosure of the financial statement.

(2.2) The Board of Directors and Executives are to comply with the Stock Exchange's regulations and the Securities and Exchange Commission (SEC) regarding the preparation and disclosure of the securities holding reports of the Executives and auditors. The report of one's own securities holding shall be submitted to the SEC within 30 days from the day s/he has been nominated and within three days from the trading date/transfer date. Should there be any nonconformity by any of the Board of Directors or Executives, s/he shall be penalized under the Securities and Stock Exchange Act B.E. 2535.



(3) Anti-Corruption Policy

The Company has implemented the policy and procedures against corruption by assigning the Audit Committee to monitor and supervise the internal control system and the Executives with the responsibility to create the awareness, and communicate their duties towards employees in good faith. The practices are described as follows:

- Determine the policy to prevent corruption by implementing risk assessment in several aspects, communicating with the internal and external persons about the regulations in order to share social responsibility and morality. All internal officers within the organization are to conduct the business ethically, which is to be honest to both their own self and others.
- The Regulations are put in place to control and prevent potential risks. Procurement, disbursement, budget preparation, the limitation on approval authority in each level, charitable donations, receptions, or gifting are all to be recorded as an evidence for transparency and to prevent the exploitative use of the Company's assets.
- Communicate about the Anti-Corruption Policy to other components within the Company through various channels. For example, the staff orientation, training, managers' meeting, as well as the intranet system and company website by promoting participation in solving fraud issues and being assertive against the use of corrupt methods in operating the business.
- The Company has provided the platform to report any corruption found (Whistleblowing). Should there be any violation, or unlawful or unethical act, or a breach of the Company's policies which indicates characteristics of fraud, the Company shall provide protective measures for those in cooperation with such reporting and shall prevent all possible damages to the reporter or whistleblower.
- The Audit Committee has performed its duties in reviewing, verifying, and planning the annual plan for the Company and sufficiently supervised as per the policies set by the Company.

(4) Whistleblowing

The Board of Directors has provided a platform for all employees and stakeholders to report and complain about unlawful or unethical acts, including inaccurate financial reporting or deficiencies in the internal controls as specified in the following:

Person who has the right to make a complaint

(1) Employees who witness acts that violate the law, rules and regulations of the company or the code of conduct in business of the company.

(2) Employees who have been bullied, threatened, are subject to disciplinary action, such as salary cuts, suspended from work or discriminated against in an unlawful



manner in connection with employment conditions due to their complaints, giving information or providing information, assist in the investigation process or compile facts for the complaint recipient. This includes any litigation, testimony, providing statements or co-operation with the court or government agencies.

Complaint recipient

1. Supervisor
2. Human Resources Manager / Head of Human Resources Department
3. Company Secretary
4. Chairman of the Executive Committee
5. Audit Committee
6. Director

How to make a complaint

Complain to one of the following recipients of the complaint:

1. Through the website, the system for receiving complaints and reporting clues.
2. Make a complaint directly orally or in writing.
3. Via E-mail Address: cg@aikchol.com
4. Make a letter to the recipient of the complaint.
5. In the event that the complainant chooses to remain anonymous, the details, facts or evidence that are sufficiently clear to indicate that there is a reasonable ground to believe that an act is in violation of the law, regulations and company regulations or the code of conduct in business of the company has occurred.

The complaint is treated as confidential and the complainant can make a complaint in more than one channel and does not need to disclose the identity of the complainant, but the employee decides to self-disclose, this will allow the Company to inform the outcome of the action or additional details on the complaint.

Fact verification process

1. The recipient of the complaint will investigate and gather facts or may assign a person or a trusted agency to investigate the facts.
2. The complaint recipient or delegate may discreetly invite any employee to provide information or request to send any documents related to the investigation of the facts relating to the violation or unethical conducts.
3. If you find that information or evidence that there is reasonable ground to believe that the person who has been reported of misconduct has been behaving wrongfully as stated in the report, the Company will give the complainant the right to acknowledge the allegation and give the complainant the right to prove himself/herself by seeking additional information or evidence to show that they are not involved in the wrongful acts as complained.

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



4. If the person being complained about has actually engaged in the corrupt action, it is considered an offense under the Anti-Corruption Policy and must be subject to disciplinary action in accordance with the regulations set by the Company. If such act of fraud is illegal, the offender may face legal punishment. However, the Company's disciplinary penalties are in accordance with the Company's regulations and the Audit Committee's decision is final.
5. Reporting of results: Complaint recipient has a duty to inform the results to the complainant if the complainant discloses himself. If the case is significant, the results shall be reported to the Chairman and / or the Board of Directors for acknowledgment.

Protection measures to protect employees who have provided information or clues

1. The complainant may choose not to disclose himself if he believes that the disclosure may be self-damaging. However, they must provide sufficient details, facts or evidence to show that there is a reasonable cause to believe that an action was taken that is a violation of the law, rules and regulations of the company. However, if they choose to disclose themselves, the recipient of the complaint will be able to take actions more promptly.
2. The Company shall treat related information as confidential and will disclose only as necessary taking into account the safety and damage of the reporter, sources of information or persons involved. The person responsible for every process must keep the information they know at the highest level of confidentiality and not disclose it to any third parties. If this is violated, it is a violation of discipline.
3. In the event that the complainant believes that he/she may have been exposed which may led to some danger, the complainant can request the Company to prescribe appropriate protective measures. The Company may also prescribe protection measures without requesting the complainant if it is deemed that the situation may bring danger.
4. Employees who treat others unfairly, discriminate in an improper way or cause damage to the other person with motive from that other person has made a complaint, a report or provide clues about fraud or non-compliance with the law, rules, regulations or the Code of Conduct in the Company's business, including giving statement in the prosecution, testimony or co-operation with the Court or government agencies, it is considered an offense to the discipline and must be punished. They may also be legally prosecuted if such offense is against the law.
5. Persons who suffer damage will be alleviated by appropriate and fair methods or procedures.



8.2 Performance Report of the Audit Committee during the Previous Year

8.2.1 Nine Audit Committee's Meetings were held in 2020.

8.2.2 Performance Results of the Audit Committee

The Audit Committee prepares the self-assessment of the Audit Committee by itself every year and summarizes all issues based on the significant duties and responsibilities specified in the Audit Committee Charter, as shown in [Attachment 6](#).

8.3 Performance Report of the other Sub-Committees

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for the nomination and remuneration of the Director level or higher. There were five meetings of the Nomination and Remuneration Committee held in 2020 to consider the remuneration for the Board of Directors, Sub-Committees and Executives as well as nominating the Chairman of the Board of Directors to replace Mrs. Phortchana Manoch whose term of office would terminate on 31st December 2020, and implemented the Charter of the Nomination and Remuneration Committee including reviewing the policies for succession planning.

Executive Directors

The Executive Committee meets twice a month (every other week). Meeting notices with accompanying documents are forwarded in the same manner as those for the Board meetings. For the Executive Committee there were 22 meetings.

At each committee meeting, the minutes of the meeting are in written form, properly filed, and traceable. The contents of the minutes cannot be changed without prior approval of the meeting of each committee. The documents are always ready for inspection by the Board or relevant parties.

Risk Management Committee

There was a meeting of the Risk Management Committee held in 2020 to summarize the risk management and present such to the Board of Directors' Meeting No. 322 on 29th June 2020. During the Board of Directors' Meeting No.324 on 9th November 2020, it was resolved that the Board of Directors shall supervise the risk management policy as well as promoting such policies to be conducted in the Company through the Chairman of the Board of Directors, and the Board of Directors was to appoint the Risk Management Team in the organization level.



9. Internal Control and Inter-Transaction

9.1 Internal Control

During the Board of Directors' Meeting No. 326 on 21st December 2020, the Board of Directors evaluated the performance of the Company's internal control system by preparing the assessment form to be adequate for the internal control system. According to the assessment of the Company's internal control system in five elements –internal control within the organization, risk assessment, operational control, information system and communication and tracking system, it was summarized by the Committee that the Company's internal control system was sufficient and appropriate. The Company has sufficiently allocated the appropriate human resources to effectively perform as per the system and prevent Company's assets from the exploitative or unauthorized use by the Directors or Executives including the transactions with the persons who may have conflicts and other related persons. The other issues in the internal control were considered by the Board of Directors as sufficient as well.

The Audit Committee's conclusion on the internal control system also aligned with that of the Board of Directors.

The Company's Auditor was Dharmniti Auditing Co., Ltd. who audited the quarterly and annual financial statements in 2020 and concluded with the opinion in the audit report that the Company had no deficiencies with the internal control system.

9.2 Related Transactions

In 2020, the Company was engaged in no connected transaction, as regulated by the Office of The Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET).

Measures and approval procedures for connected transactions

The Company has in place measures and approval procedures for connected transactions, as regulated by SEC and SET. Connected transactions are subjected for approval of the Board of Directors or at shareholders' meeting, or both, depending on the case.

Policy and trends for connected transactions

With strictly adherence to SEC and SET regulations, Aikchol manages its business with transparency under its strong Corporate Governance policy.

SECTION 3
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020



INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
Aikchol Hospital Public Company Limited

Opinion

I have audited the financial statements of Aikchol Hospital Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2020, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Aikchol Hospital Public Company Limited as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 matters that, in our professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters

Revenue recognition from general medical treatment

The revenue from medical service is the core transaction that affects the operation and has material value, representing 70% of total revenues. The revenue from hospital operations has several components such as revenues from sales of medicine and medical supplies, revenues from medical services, revenues from patient rooms, etc. Therefore, I have paid special attention with respect to the amount, value and timing of the Company's revenue recognition.

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



I audited the revenue recognition from medical treatment by assessing the appropriateness and testing the effectiveness of the internal control system with respect to the revenue cycle by making enquiries of the responsible persons, gaining an understanding and selecting samples to test the operation of the designed controls. In addition, I random audited the supporting documents for medical fee transactions that occurred during the year and near the end of the reporting period. I also audited credit notes that the Company issued after the end of the period. In addition, I performed comparative data analysis of subdivide revenue account to detect possible irregularities in medical fee transactions throughout the period, particularly for accounting entries made through journal vouchers.

Revenue recognition of medical treatment from Social Security

The Company has medical treatment revenue from the Social Security Office on the part of the insured who select medical treatment at the hospital and in-patient cases burden with high-cost diseases as presented in the financial statements, representing 28% of total revenues. Receiving money from such revenue in each time has to be approved from the Social Security Office and the consideration process by the Social Security Office takes long time. Regarding the measuring process of the revenue amount to be recognized, it requires significant judgment of the management due to the uncertainty related to the amount to be received which depends on the allocation of the Social Security Office in each year. The Company will receive cash income from the Social Security Office according to the method of calculation and rate determined by the announcement of the Medical Board issued under the Social Security Act, B.E. 2533. To ensure that the medical service fee revenue from social security is recognized in the accounts correctly and appropriately. Accordingly, I have paid special attention to the revenue recognition of medical service fee from social security because the transaction is a risk to the financial statements.

I made an understanding for the process of estimating the medical service revenue for inpatient cases with burden of high-cost disease by investigating the sources and reliability of the insured persons' information used in calculating the revenue estimate, assessing the appropriateness of the severity rate of the disease by comparing with the rules, method and conditions as announced by the Social Security Office, testing the completeness of the recording of the use of Social Security service against the recording system of the Social Security, testing the accuracy of the estimates of the management by comparing between the basis of the management and the basis, procedures and conditions announced by the Social Security Office and testing the items in the journal entries prepared by the management with respect to the recognition of revenue estimate. This also includes comparing of receipts during the period and analyzing the difference cause compared to the estimated medical service revenue and reviewing the receiving of medical service fee for the cases with burden of high-cost disease after the end of the accounting period.



Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the 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 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 financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my



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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.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Roongnapha Saengchan.

(Miss Roongnapha Saengchan)
Certified Public Accountant
Registration No. 10142

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 22, 2021



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		<u>ASSETS</u>	
		Baht	
	Note	2020	2019
Current assets			
Cash and cash equivalents	8	135,910,330	708,143,626
Current investments	12	-	1,386,731
Trade and other current receivables	9	65,303,730	72,918,198
Accrued income from social security office	10	46,569,611	79,827,351
Inventories	11	52,043,273	53,840,004
Other current financial assets	12	671,715,490	-
Total current assets		971,542,434	916,115,910
Non-current assets			
Fixed deposit pledge as collateral	12	13,587,200	22,427,200
Other non-current financial assets	12	137,999,862	-
Long-term investment	12	-	171,666,495
Property, plant and equipment	13	740,053,145	756,588,718
Right-of-use assets	14	4,025,543	-
Intangible assets	15	33,542,411	38,748,932
Other non-current assets		168,490	189,190
Total non-current assets		929,376,651	989,620,535
Total assets		1,900,919,085	1,905,736,445

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht	
	Note	2020	2019
Current liabilities			
Trade and other current payables	17	95,804,088	97,591,391
Accrued expenses	18	83,739,743	85,765,590
Current portion of lease liabilities	19	3,165,526	-
Corporate income tax payables		9,246,115	6,884,771
Other current provisions	35	15,000,000	-
Other current liabilities		11,087,957	9,309,203
Total current liabilities		218,043,429	199,550,955
Non-current liabilities			
Lease liabilities	19	922,859	-
Deferred tax liabilities	16	8,884,737	20,410,773
Employee benefit obligation	20	75,341,247	66,041,927
Total non-current liabilities		85,148,843	86,452,700
Total liabilities		303,192,272	286,003,655

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Note	Baht	
		2020	2019
Shareholders' equity			
Share capital			
Authorized share capital			
150,000,000 ordinary shares of Baht 1 each		150,000,000	150,000,000
Issued and paid-up share capital			
149,909,264 ordinary shares of Baht 1 each		149,909,264	149,909,264
Share premium		74,000,000	74,000,000
Retained earnings			
Appropriated			
Legal		14,990,926	14,990,926
Unappropriated		1,250,186,731	1,245,259,401
Other components of shareholders' equity		108,639,892	135,573,199
Total shareholders' equity		1,597,726,813	1,619,732,790
Total liabilities and shareholders' equity		1,900,919,085	1,905,736,445

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

		Baht	
	Note	2020	2019
Revenues			
Medical service income		1,405,474,475	1,656,021,463
Other income	23	35,058,824	40,748,463
Total revenues		1,440,533,299	1,696,769,926
Expenses			
Cost of medical services		1,244,517,813	1,434,308,163
Administrative expenses		106,363,708	97,276,308
Total expenses		1,350,881,521	1,531,584,471
Profit from operating activities		89,651,778	165,185,455
Finance costs		195,280	-
Profit before income tax expenses		89,456,498	165,185,455
Income tax expenses	25	17,258,248	32,039,053
Profit for the year		72,198,250	133,146,402
Other comprehensive income (loss)			
Component of other comprehensive income that will be reclassified to profit or loss			
Gain on long-term investment		-	6,999,993
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	25	-	(1,399,999)
Total component of other comprehensive income that will be reclassified to profit or loss		-	5,599,994

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2020

	Note	Baht	
		2020	2019
Component of other comprehensive income that will not be reclassified to profit or loss			
Gain on re-measurements of defined benefit plans		-	1,705,970
Loss on investment in equity designed at fair value through other comprehensive income		(33,666,634)	-
Income tax relating to component of other comprehensive income that will not be reclassified to profit or loss	25	6,733,327	(341,194)
Total component of other comprehensive income that will not be reclassified to profit or loss		(26,933,307)	1,364,776
Other comprehensive income (loss) for the year, net of income tax		(26,933,307)	6,964,770
Total comprehensive income for the year		45,264,943	140,111,172
Basic earnings per share (Baht per share)	29	0.48	0.89

Sign..... Vice Chairman
(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020

		Baht				
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholder's equity
				Appropriated to legal reserve	Unappropriated	Gain (loss) on measuring financial assets
						Total shareholders' equity
Beginning balance as at January 1, 2020		149,909,264	74,000,000	14,990,926	1,245,259,401	135,573,199
Dividend	2 2	-	-	-	(67,270,920)	-
Profit for the year		-	-	-	72,198,250	-
Other comprehensive income (loss) for the year, net of income tax						
Loss on measuring financial assets		-	-	-	-	(26,933,307)
Balance at December 31, 2020		149,909,264	74,000,000	14,990,926	1,250,186,731	108,639,892
Beginning balance as at January 1, 2019		149,909,264	74,000,000	14,990,926	1,182,503,871	129,973,205
Dividend	2 2	-	-	-	(71,755,648)	-
Profit for the year		-	-	-	133,146,402	-
Other comprehensive income (loss), net of income tax						
Gain on long-term investment		-	-	-	-	5,599,994
Gain on re-measurements of defined benefit plans		-	-	-	1,364,776	-
Balance at December 31, 2019		149,909,264	74,000,000	14,990,926	1,245,259,401	135,573,199

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Baht	
	2020	2019
Cash flows from operating activities		
Profit for the year	72,198,250	133,146,402
Reconciliations of profit for the year to net cash received (paid)		
from operating activities :		
Depreciation and amortization	68,732,172	63,326,616
Interest income	(3,261,667)	(7,370,280)
Dividend income	(1,999,998)	(2,933,330)
Bad debt written off and allowance for doubtful accounts	691,577	594,172
Gain on sale of fixed assets	(124,920)	(120,962)
Loss on disposal of fixed assets	268,210	335,937
Employee benefits expenses	13,075,978	24,526,215
Finance costs	195,280	-
Income tax expenses	17,258,248	32,039,053
Profit provided by operating activities before changes in operating assets and liabilities	167,033,130	243,543,823
(Increase) decrease in operational assets		
Trade and other current receivables	6,889,880	4,174,346
Accrued income from social security office	33,257,740	3,573,527
Inventories	1,796,731	(6,206,715)
Other non-current assets	20,700	499,999
Increase (decrease) in operational liabilities		
Trade and other current payables	(446,776)	4,474,296
Accrued expenses	(2,025,847)	(31,535,428)
Other current provisions	15,000,000	-
Other current liabilities	1,778,753	2,520,242
Cash flows received operating activities	223,304,311	221,044,090
Employee benefits paid	(3,776,657)	(35,066,414)
Income tax paid	(19,689,613)	(2,825,934)
Net cash provided by operating activities	199,838,041	183,151,742

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2020

	Baht	
	2020	2019
Cash flows from investing activities		
Interest received	3,294,678	7,369,827
Dividend received	1,999,998	2,933,330
Increase in other current financial assets	(205,841,312)	(1,324,435)
Decrease in fixed deposit pledge as collateral	8,840,000	1,033,561
Purchase of property, plant and equipment	(44,472,112)	(55,409,830)
Purchase of intangible assets	(140,000)	(687,935)
Sale of equipment	152,505	177,130
Receipt from purchase of intangible assets	-	288,900
Net cash used in investing activities	(236,166,243)	(45,619,452)
Cash flows from financing activities		
Lease liabilities paid	(4,146,727)	-
Dividend paid	(67,270,920)	(71,755,648)
Net cash used in financing activities	(71,417,647)	(71,755,648)
Net increase (decrease) in cash and cash equivalents	(107,745,849)	65,776,642
Cash and cash equivalents at beginning of the year	708,143,626	642,366,984
<u>Less</u> Current investments classified under the new financial reporting standards (Note 6)	(464,487,447)	-
Cash and cash equivalents at end of the year	135,910,330	708,143,626

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2020

	Baht	
	2020	2019
<u>Supplement disclosures of cash flows information</u>		
Reconciliation of proceed from purchase of property, plant and equipment		
Purchase of property, plant and equipment	(43,131,585)	(57,570,775)
Increase (decrease) in other payable from acquisition		
of fixed assets	(1,340,527)	2,160,945
Cash paid from purchase of property, plant and equipment	(44,472,112)	(55,409,830)

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



AIKCHOL HOSPITAL PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

1. GENERAL INFORMATION

Aikchol Hospital Public Company Limited, “the Company”, is incorporated in Thailand. A registered office is at 68/3 Moo 2, Phrayasatja Road, Amphoe Muang, Cholburi and a branch is at 31/2 Moo 3, Tambol Samed, Amphoe Muang, Cholburi. The Company operates in Cholburi Province. And it is well known in medical and nursing care services under the trademark namely, “Aikchol Hospital”.

The Company was listed on the Stock Exchange of Thailand on January 10, 1992.

The principal activities of the Company are providing full hospital services including diseases protection, medical treatment, health strengthening and health rehabilitation services with 340 beds in service.

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the Thai financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

3. FINANCIAL REPORTING STANDARDS THAT BECAME EFFECTIVE IN THE CURRENT YEAR

During the year, the Company has adopted the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. Except, the new standard involves changes to key principles, as summarized below.

Financial reporting standards related to financial instruments:

A set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective are cancelled.

TFRS 16 Leases

TFRS 16 Leases supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The Company has adopted TFRSs related to financial instruments and TFRS 16 the first-time in its financial statements by applying modified retrospective approach of adoption of which the cumulative effect as an adjustment to the retained earnings as at January 1, 2020 and the comparative information was not restated. The cumulative effect of the change is described in Note 6 to the financial statements.



4. FINANCIAL REPORTING STANDARDS THAT BECOME EFFECTIVE IN THE FUTURE

On September 27, 2020, the Federation of Accounting Professions issued a notification of the Federation of Accounting Professions and published in the Government Gazette for the **conceptual** framework of financial reporting (new) and several revised financial reporting standards from the year 2019 by becomes effective for the accounting period beginning on or after January 1, 2021 onwards. Which such adjustments are improve/revise principles the financial reporting is as follows:

Adjustment is reference to the conceptual framework in the financial reporting standards

Several financial reporting standards are reference to “IASB’s Framework for the Preparation and Presentation of Financial Statements.” The adjustment of reference project on the conceptual framework in the financial reporting standards has updated reference or partial reference adjustment and other to describe clearly whether each document is reference to “the conceptual framework” of which year.

Conceptual Framework for Financial Reporting

The conceptual framework for financial reporting consisted of revised definitions of assets and liabilities. Criteria for recognition assets and liabilities in the financial statements. It also includes the following new principles and guidance:

1. Measurement, including factors that must be considered in selecting the valuation criteria
2. Presentation and disclosure which includes when the income and expenses are classified into other comprehensive income.
3. Reporting entities
4. When the assets and liabilities derecognition from the financial statements

In addition, this Conceptual Framework for Financial Reporting clearly clarifies management’s stewardship of the entity’s economic resources, prudence, and measurement uncertainty of financial information.

Definition of Business

Business definition revised in the financial reporting standard No. 3 “Business Combination” describes more clearly on definition of business. The objective is for the business to establish that such transaction has to be recorded as “business combination” or “purchase of assets” or not. Adjustments are as follows:

1. Describe clearly on the consideration of “business”, activity group and acquired assets must include input data factor, key process that at least combined will significantly generate outputs.
2. Eliminate the assessment that the market partner can substitute input factor or missing process and generate further outputs from the standards.



3. Add practice guide and example to support understanding and help the company assess whether the key process is acquired.
4. Narrow down the definition of business and definition of outputs by placing interest in the product and service provided to the customer and eliminate the reference on ability to reduce cost from the standards.
5. Add the intention test as an alternative which allows to make assessment easily whether the activity group and acquired assets are business or not.

Definition of significance

The definition of significance resulted in revising the accounting standard No.1 “Presentation of Financial Statements, Presentation of Financial Statements and Accounting Standards No.8 – Accounting Policy, Change of Accounting Estimates and Error and the revision that resulted in other financial reporting standards.

The adjustment creates better understanding of the definition of significance by

1. For the definition to follow the same direction of the financial reporting standards and conceptual framework to avoid the confusion that may arise from the definition difference.
2. Include the requirements together of the accounting standard No.1 “Presentation of financial statements” in the definition for it to become clearer and describe how the materiality can be clearly applied.
3. Applying existing practice guidance of the definition of the materiality in the same place as the definition.

Reform of swap interest rate

The reform of swap interest rate resulted in the adjustment of the financial reporting standards No. 9 financial instruments and financial reporting standards No.7 financial instrument disclosure. Such adjustment has changed the hedge accounting requirements, especially to reduce the impact arising from the uncertainty as a result of the swap interest rate reform such as interbank offer rates-IBORs. In addition, the adjustment requires the business to provide additional information to investors regarding the relation of hedging directly impacted from any uncertainties.

Thai Financial Reporting Standard No.16 “Leases”

The Federation of Accounting Professions has revised TFRS 16 lease agreements and published in the Government Gazette on January 27, 2021 with the following revisions.

1. The Rent Concessions related to COVID-19, which is effective from June 1, 2020 with earlier application permitted. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19



pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.

2. Added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The management of the Company is in the process to assess the impact of these TFRSs to the financial statements in the year when they are adopted.

5. SIGNIFICANT ACCOUNTING POLICIES

5.1 Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, savings accounts and current accounts and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

5.2 Trade receivables

Applicable from January 1, 2020

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

Trade receivables are stated at the amount expected to be collectible, the Company applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The Company has identified the GDP, the unemployment rate and the 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. The impairment losses are recognized in profit or loss within administrative expenses.

Applicable prior to January 1, 2020

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts (if any).



The allowance for doubtful accounts is estimated losses are based on a percentage of outstanding receivables classified by aging of accounts receivable. Assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

5.3 Investments

Applicable prior to January 1, 2020

Investment in debt securities which the Company intent and able to hold investment in debt securities to maturity is classified in current investment. Investment in debt securities is stated at amortization cost net from impairment loss (if any). Interest income is recognized by using the effective interest rate method in statement of comprehensive income.

Investment in equity security in a marketable equity security is classified as being available-for-sale and is stated at fair value, with any resultant gain or loss being recognized directly in equity, and recorded as gains as losses in the statement of comprehensive income when the securities are sold.

The fair value of security available for sale is determined as the quoted bid price at the statement of financial position date.

5.4 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

5.5 Financial assets and financial liabilities

Applicable from January 1, 2020

Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortized cost

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.



The equity instruments held must be irrevocably classified to two measurement categories;

- i) at fair value through profit or loss (FVPL), or
- ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset or financial liability 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.

Subsequent measurement of debt instruments depends on the Company's business model for managing the financial assets and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company classifies its debt instruments:

- Amortized cost: A financial asset will be measured at amortized cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- FVOCI: A financial asset will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.



- FVPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognized in profit or loss when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Classification and measurement of financial liabilities

Financial liabilities measured subsequently at amortized cost. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in profit or loss.

Recognition and derecognition

The Company shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets.

Impairment of financial assets

The Company recognized an allowance for expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Company applies a simplified approach to determine the lifetime expected credit losses.



5.6 Property, plant and equipment

Land is stated as cost. Plant and equipment are stated at cost less accumulated depreciation and allowance on decline in value (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:-

Buildings and building improvements	5 - 50	Years
Medical equipment	5 - 10	Years
Furniture and fixtures	5 - 10	Years
Office equipment	2 - 10	Years
Vehicles	8 - 10	Years

The Company has reviewed the residual value and useful life of the assets on a regular basis.

No depreciation is provided on freehold land or assets under construction and installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

5.7 Intangible assets

Computer software with finite useful lives are stated at cost less accumulated amortization and allowance on impairment (if any).

Amortization is charged to the statement of comprehensive income on a straight-line basis over the period for which the computer software are expected to generate economic benefit from 5 - 10 years.

5.8 Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the



statement of comprehensive income unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognized directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognized directly in equity is recognized in the statement of comprehensive income even though the financial asset has not been derecognized. The amount of the cumulative loss that is recognized in the statement of comprehensive income is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognized in the statement of comprehensive income.

5.9 Provision

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

5.10 Employee benefits

Short-term employment benefits

The Company recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income.



5.11 Revenue

Revenue from medical service is exempt from value added taxes and is arrived at after deduction of trade discounts.

Revenues from medical service

Revenues from medical service, mainly consisted of medicine and medical supplies, patient room service charge, medical profession charge and other service are recognized as income when the services are delivered, based on an accrual basic.

Revenues from social security is recognized on an accrual basic.

Interest and dividend income

Interest income is recognized in the statement of comprehensive income as it accrues. Dividend income is recognized in the statement of comprehensive income on the date the Company's right to receive payments established. In the case of quoted securities is usually the ex-dividend date.

Others income

Others income is recognized on an accrual basis.

5.12 Expense

Expenses are recognized on an accrual basis.

5.13 Leases

Applicable from January 1, 2020

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

The Company assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases at the date of initial application (as at January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

Right-of-use assets-as a lessee

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



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

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets.

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

Operating lease

Applicable prior to January 1, 2020

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense on a straight-line basis over the lease term.



5.14 Income tax

Current tax

The Company records income tax expenses, if any, based on the amount currently payable under the Revenue Code at the income tax rates at 20% of profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

5.15 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect amounts reported in the financial statements and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon past collection history, aging profile of outstanding debts.



Accrued revenues from hospital operations

In determining the certain amount of receivable from the social security office provided to patients with severe diseases and of chronic diseases. In this regard, the amount of such income are set, adjusted and accrued based on the latest actual collection within current relative circumstances.

Determining the lease term of contracts with renewal and termination options

The Company determines the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination.

After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Property, plant and equipment and right-of-use assets/Depreciation

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

In addition, the management is required to review property, plant and equipment and right-of-use assets for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

In recording the initial recognition and measurement of intangible assets as at the acquired date and subsequent impairment testing, the management is required to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.



Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

As described in Note 3 to the financial statements, during the current year, the Company has impacts from adoption of TFRSs related to financial instruments and TFRS16 using the modified retrospective method of adoption. The cumulative effect of the changes in accounting policies such financial reporting standard is recognized. Therefore, the comparative information was not restated.

The changes in accounting policies due to the adoption of the above financial reporting standards, are summarized below.

	Baht			
	As at December 31, 2019	The impacts of TFRSs related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
Statement of financial position				
Current assets				
Cash and cash equivalents	708,143,626	(464,487,447)	-	243,656,179
Current investments	1,386,731	(1,386,731)	-	-
Other current financial assets		465,874,178	-	465,874,178
Non-current assets				
Right-of-use assets	-	-	8,039,832	8,039,832
Current liabilities				
Current portion of lease liabilities	-	-	3,951,447	3,951,447
Non-current liabilities				
Lease liabilities	-	-	4,088,385	4,088,385

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



6.1 Financial instruments

On January 1, 2020 (the date of initial application, the Company's management has assessed which business models applied to the financial assets and liabilities held by the Company has classified the financial assets and liabilities as below.

	Baht			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at January 1, 2020				
Cash and cash equivalents	-	-	243,656,179	243,656,179
Trade and other current receivables	-	-	72,918,198	72,918,198
Accrued income from social security office	-	-	79,827,351	79,827,351
Other current financial assets	464,550,290	-	1,323,888	465,874,178
Fixed deposit pledge as collateral	-	-	22,427,000	22,427,000
Other-non current financial assets	-	171,666,495	-	171,666,495
	464,550,290	171,666,495	420,152,616	1,056,369,401

The Company classified debt investments that do not qualify for measurement at either amortized cost or FVOCI at fair value through profit or loss (FVPL).

Financial assets mandatorily measured at FVPL include the following:

	Baht
Financial assets as at January 1, 2020	
Mutual funds - fixed income (hold to maturity within 1 year)	464,550,290
Total financial assets	464,550,290

	Baht	
	Amortized cost	Total
Financial liabilities as at January 1, 2020		
Trade and other current payables	97,591,391	97,591,391
Lease liabilities	8,039,832	8,039,832
	105,631,223	105,631,223

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Impairment of financial assets

The Company has trade receivables that are subject to the expected credit loss model.

The Company applies the simplified approach to measuring expected credit losses, which use a lifetime expected loss allowance for all trade receivables

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles, the corresponding historical credit losses experienced and the impact of potential factor to the expected loss rates.

On that basis, the loss allowance for the trade receivables was follow:

	Baht					Total
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	Over 12 months	
As at January 1, 2020						
Gross carrying amount	49,763,723	14,339,336	1,809,246	753,025	993,344	67,658,674
Loss allowance	17,816	46,498	46,404	94,453	993,944	1,199,115

The loss allowance for trade receivables as at December 31, 2019 is reconciled to the opening loss allowance for trade receivables as at January 1, 2020 as follow:

	Baht
<u>Loss allowance for trade receivables</u>	
As at December 31, 2019	1,370,706
The effect of the adoption of the financial reporting standard No.9	(171,591)
Opening loss allowance as at January 1, 2020	<u>1,199,115</u>

The adoption of such financial reporting standards had insignificant effect on the financial statements of the Company. Therefore, the management considered not to adjust such effect on unappropriated retained earnings as at the beginning of the period.

6.2 Leases

These liabilities were measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rates. The Company incremental borrowing rates applied to the lease liabilities as at January 1, 2020 was 3.13% per annum.



For leases previously classified as finance leases applying TAS 17, the Company reclassified the carrying amount of the lease assets and lease liabilities immediately before adoption of TFRS 16 as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application.

	Baht
Operating lease commitments disclosed as at December 31, 2019	3,741,362
<u>Add</u> : Purchase or extension options reasonably certain to be exercised	4,577,226
<u>Less</u> : Deferred interest expenses	(278,756)
Additional lease liabilities from TFRS 16 adoption	8,039,832
Finance lease liabilities as at December 31, 2019	-
Lease liabilities recognized as at January 1, 2020	8,039,832
<hr/>	
Of which are:	
Current lease liabilities	3,951,447
Non-current lease liabilities	4,088,385
	8,039,832
<hr/>	

The recognized right-of-use assets relate to the following types of assets as at January 1, 2020:

	Baht
Medical equipment	509,287
Office equipment	7,530,545
Total right-of-use assets	8,039,832
<hr/>	

7. SEASONAL OPERATION

The company's business is not affected significantly by seasonal or cyclical factor during the year.

8. CASH AND CASH EQUIVALENTS

Consisted of :-

	Baht	
	2020	2019
Cash on hand	1,989,668	2,960,366
Cash at bank - savings accounts and current accounts	133,920,662	240,695,813
Short-term investment not over three months	-	464,487,447
Total	135,910,330	708,143,626
<hr/>		

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As at December 31, 2020 and 2019, cash at bank-savings accounts have interest at the floating rates at 0.13% per annum and 0.38% per annum, respectively.

9. TRADE AND OTHER CURRENT RECEIVABLES

Consisted of :-

	Baht	
	2020	2019
Trade receivables		
Within credit terms	44,698,984	49,763,723
Overdue:		
Less than 3 months	14,261,354	14,339,336
3-6 months	614,175	1,809,246
6-12 months	605,428	753,025
Over 12 months	882,824	993,344
	61,062,765	67,658,674
<u>Less</u> allowance for doubtful accounts	(972,095)	(1,370,705)
Net	60,090,670	66,287,969
Other current receivables		
Prepaid expenses	1,760,784	3,061,215
Advance payment	455,203	733,369
Other accrued income	2,511,652	2,777,270
Others	485,421	58,375
	5,213,060	6,630,229
Total trade and other current receivables	65,303,730	72,918,198

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The normal credit term granted by the Company ranges from 30 days to 120 days.

	Baht					Total
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	Over 12 months	
As at December 31, 2020						
Gross carrying amount	44,698,984	14,261,354	614,175	605,428	882,824	61,062,765
Loss allowance	13,864	50,687	14,487	51,306	841,751	972,095

10. ACCRUED INCOME FROM SOCIAL SECURITY OFFICE

Consisted of :-

	Baht	
	2563	2562
Accrued income from social security office		
Chronic diseases	10,823,623	27,336,788
Patients with severe diseases	24,824,757	21,931,413
Social security - other	10,921,231	30,559,150
Total	46,569,611	79,827,351

The Company is unable to determine the certain amount of medical income for treatment provided to patients with severe diseases and medical income for treatment of chronic diseases that have not been received from the Social Security Office. Therefore, the management of the Company has estimated the accrued income based on the latest actual amount received along with the current circumstances. The management of the Company believes that the actual results will not be significantly different from the estimated amount.

11. INVENTORIES

Consisted of :-

	Baht	
	2020	2019
Medicine and medical supplies	44,591,587	45,038,667
Supplies	7,451,686	8,801,337
Total	52,043,273	53,840,004

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12. INVESTMENTS AND FINANCIAL ASSETS

Consisted of :-

	Baht	
	2020	2019
Current investments		
Fixed deposit	-	1,323,888
Mutual fund - fixed income (hold to maturity within 1 year)	-	62,843
Total	-	1,386,731
Other current financial assets		
Fixed deposit	10,436,993	-
Mutual funds - fixed income (hold to maturity within 1 year)	661,278,497	-
Total	671,715,490	-
Fixed deposit pledge as collateral		
Fixed deposit pledge as collateral	13,587,200	22,427,200
Total	13,587,200	22,427,200
	Baht	
	2020	2019
Long-term investment		
Equity security available for sale	-	171,666,495
Total	-	171,666,495
Other non-current financial assets		
Equity security designed at fair value through other comprehensive income	137,999,862	-
Total	137,999,862	-

As at December 31, 2020 and 2019, fixed deposits have interest rate at 1.00% per annum and 1.00% per annum, respectively, and investment in mutual funds - fixed income which the Company intends to hold to maturity within 1 year and has return at the rate of 0.12% per annum and 0.79%per annum, respectively.

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As at December 31, 2020 and 2019, fixed deposits in the amount of Baht 13.59 million and 22.43 million, are pledged as collateral for the letters of guarantee issued by a commercial bank.

As at December 31, 2020 and 2019, other non-current financial assets in marketable equity are stated at fair value through other comprehensive income, consisted of :-

	Holding of interest (%)		Million Baht			
	2020	2019	2020		2019	
			Cost	Market value	Cost	Market value
Bangkok Dusit Medical Services Plc.	0.06	0.06	2.20	138.00	2.20	171.67
<u>Add</u> Gain on measuring financial assets			135.80		169.47	
Total			138.00		171.67	

13. PROPERTY, PLANT AND EQUIPMENT

Consisted of :-

	Baht				
	Balance per book as at	Additions	Transfer in (Transfer out)	Deductions	Balance per book as at
	Dec. 31, 2019				Dec. 31, 2020
<u>Cost</u>					
Land	108,160,300	-	-	-	108,160,300
Buildings and building improvement	938,923,897	4,846,892	45,146,866	(256,960)	988,660,695
Medical equipment	301,051,430	5,636,991	24,825	(7,479,785)	299,233,461
Furniture and fixture	34,458,246	938,294	451,652	(17,438)	35,830,754
Office equipment	69,621,811	2,555,380	1,348,120	(1,537,219)	71,988,092
Vehicles	22,638,924	-	-	-	22,638,924
Assets under construction and installation	33,767,295	29,154,028	(46,973,863)	-	15,947,460
Total	1,508,621,903	43,131,585	(2,400)	(9,291,402)	1,542,459,686
<u>Less accumulated depreciation</u>					
Buildings and building improvement	425,320,969	34,217,526	-	(256,154)	459,282,341
Medical equipment	225,858,269	18,142,054	(906)	(7,213,578)	236,785,839
Furniture and fixture	31,038,727	1,198,603	-	(17,431)	32,219,899
Office equipment	52,642,044	4,741,124	-	(1,509,937)	55,873,231
Vehicles	17,173,176	1,072,055	-	-	18,245,231
Total	752,033,185	59,371,362	(906)	(8,997,100)	802,406,541
Net	756,588,718				740,053,145

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	Baht				
	Balance per book as at Dec. 31, 2018	Additions	Transfer in (Transfer out)	Deductions	Balance per book as at Dec. 31, 2019
<u>Cost</u>					
Land	108,160,300	-	-	-	108,160,300
Buildings and building improvement	917,675,140	4,253,365	17,463,129	(467,737)	938,923,897
Medical equipment	299,339,560	13,289,164	-	(11,577,294)	301,051,430
Furniture and fixture	34,078,539	630,664	-	(250,957)	34,458,246
Office equipment	64,241,870	6,787,946	168,196	(1,576,201)	69,621,811
Vehicles	22,747,174	400,000	-	(508,250)	22,638,924
Assets under construction and installation	19,017,784	32,209,636	(17,460,125)	-	33,767,295
Total	1,465,260,367	57,570,775	171,200	(14,380,439)	1,508,621,903
<u>Less</u> accumulated depreciation					
Buildings and building improvement	393,096,125	32,462,536	171,200	(408,892)	425,320,969
Medical equipment	218,313,369	18,912,597	-	(11,367,697)	225,858,269
Furniture and fixture	30,532,297	752,224	-	(245,794)	31,038,727
Office equipment	49,443,413	4,656,333	-	(1,457,702)	52,642,044
Vehicles	16,294,330	1,387,095	-	(508,249)	17,173,176
Total	707,679,534	58,170,785	171,200	(13,988,334)	752,033,185
Net	<u>757,580,833</u>				<u>756,588,718</u>

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Depreciation of the plant and equipment for the years ended December 31, 2020 and 2019 which were included in cost of medical services and administrative expenses, consisted of:-

	Baht	
	2020	2019
Cost of medical services	52,563,358	51,360,793
Administrative expenses	6,808,004	6,809,992
Total	59,371,362	58,170,785

As at December 31, 2020 and 2019, certain equipment and vehicle items of the Company have been fully depreciated but are still in use of cost in amount of Baht 309.59 million and Baht 289.91 million, respectively.

A portion of land, building and construction in progress, including future construction were pledged as collateral security for the long-term loan and a bank overdraft with a net book value as at December 31, 2020 and 2019 of approximately amounted of Baht 582.58 million and Baht 567.22 million, respectively.

As at December 31, 2020 and 2019, the Company covered All Risks Insurance Policy (ARIP) with an insurer. The sum insured has already been covered the value of the assets. The ARIP is renewed on an annual basis and a portion of proceeds from insurance claims under the ARIP.

14. RIGHT-OF-USE ASSETS

The net book value of right-of-use assets related to medical equipment and office equipment lease contracts and the movement for the year ended December 31, 2020 are presented below :-

	Baht		
	Medical equipment	Office equipment	Total
Cost			
As at December 31, 2019	-	-	-
Effects of the adoption of TFRS16	509,287	7,530,545	8,039,832
As at January 1, 2020	509,287	7,530,545	8,039,832
As at December 31, 2020	509,287	7,530,545	8,039,832
Accumulated depreciation			
Depreciation for the year	339,525	3,674,764	4,014,289
As at December 31, 2020	339,525	3,674,764	4,014,289
Net book value			
As at December 31, 2019	-	-	-
As at January 1, 2020	509,287	7,530,545	8,039,832
As at December 31, 2020	169,762	3,855,781	4,025,543

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15. INTANGIBLE ASSETS

Consisted of :-

	Baht			
	Balance per book as at Dec. 31, 2019	Additions	Transfer in (Transfer out)	Balance per book as at Dec. 31, 2020
<u>Cost</u>				
Computer software	72,120,926	140,000	-	72,260,926
<u>Less</u> accumulated amortization	33,371,994	5,346,521	-	38,718,515
Net	38,748,932			33,542,411

	Baht			
	Balance per book as at Dec. 31, 2018	Additions	Transfer in (Transfer out)	Balance per book as at Dec. 31, 2019
<u>Cost</u>				
Computer software	71,721,891	687,935	(288,900)	72,120,926
<u>Less</u> accumulated amortization	28,216,163	5,155,831	-	33,371,994
Net	43,505,728			38,748,932

Amortization of intangible assets for the years ended December 31, 2020 and 2019, which were included in cost of medical services and administrative expenses, consisted of :-

	Baht	
	2020	2019
Cost of medical services	4,990,140	4,882,442
Administrative expenses	356,381	273,389
Total	5,346,521	5,155,831

As at December 31, 2020 and 2019, certain intangible assets items of the Company have been fully amortized but they are still in used of cost in the amount of Baht 20.91 million and Baht 20.83 million, respectively.

16. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Changes in deferred tax assets (liabilities) for the years ended December 31, 2020 and 2019 are summarized as follows:



	Baht			
	Balance as at	Revenue (expenses) during the year		Balance as at
	Dec. 31, 19	In profit or loss	In other comprehensive income	Dec. 31, 20
Deferred tax assets:				
Trade receivables	274,141	(79,722)	-	194,419
Right-of-use assets	-	12,568	-	12,568
Other current provisions	-	3,000,000	-	3,000,000
Employee benefit obligation	13,208,386	1,859,863	-	15,068,249
Total	13,482,527	4,792,709	-	18,275,236
Deferred tax liabilities:				
(Gain) loss on measuring other non-current financial assets	(33,893,300)	-	6,733,327	(27,159,973)
Total	(33,893,300)	-	6,733,327	(27,159,973)
Deferred tax assets (liabilities)-net	(20,410,773)			(8,884,737)

	Baht			
	Balance as at	Revenue (expenses) during the year		Balance as at
	Dec. 31, 18	In profit or loss	In other comprehensive income	Dec. 31, 19
Deferred tax assets:				
Trade receivables	261,502	12,639	-	274,141
Employee benefit obligation	9,209,523	4,340,057	(341,194)	13,208,386
Total	9,471,025	4,352,696	(341,194)	13,482,527
Deferred tax liabilities:				
Unrealized gain on remeasuring available for sale				
Investments	(32,493,301)	-	(1,399,999)	(33,893,300)
Total	(32,493,301)	-	(1,399,999)	(33,893,300)
Deferred tax assets (liabilities)-net	(23,022,276)			(20,410,773)

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17. TRADE AND OTHER CURRENT PAYABLES

Consisted of :-

	Baht	
	2020	2019
Trade payables	72,662,845	78,441,540
Other current payables		
Asset payables	4,696,874	6,037,401
Expired cheque payables	4,413,015	4,034,487
Retention payables	3,240,392	2,424,137
Revenue department payables	1,408,444	2,081,325
Other	9,382,518	4,572,501
	23,141,243	19,149,851
Total trade and other current payables	95,804,088	97,591,391

18. ACCRUED EXPENSES

Consisted of :-

	Baht	
	2020	2019
Accrued doctor fee	38,817,525	43,439,108
Accrued wages	5,788,101	9,245,936
Accrued Bonus	12,153,226	12,233,997
Accrued electricity	993,841	972,902
Accrued medical referral expenses	15,170,906	6,995,692
Accrued other expenses	10,816,144	12,877,955
Total	83,739,743	85,765,590

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19. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2020 are presented below :

	Baht
As at December 31, 2019	-
Effects of the adoption of TFRS16	8,039,832
As at January 1, 2020	8,039,832
Accretion of interest	195,280
Payments	(4,146,727)
As at December 31, 2020	4,088,385
<u>Less:</u> current portion	3,165,526
Lease liabilities - net of current portion	922,859

The following are the amounts recognized in profit or loss:

	Baht
Depreciation of right-of-use assets	4,014,289
Interest expense on lease liabilities	195,280
Total	4,209,569

20. EMPLOYEE BENEFIT obligation

The statements of financial position

	Baht	
	2020	2019
Beginning employee benefit obligation	66,041,927	46,047,616
Benefits paid by the plan	(3,776,658)	(2,825,934)
Gain from changing actuarial estimates	-	(1,705,970)
Past service costs and interest change a post		
-Employment plan amendment	-	12,804,826
Current service and interest costs	13,075,978	11,721,389
Ending employee benefit obligation	75,341,247	66,041,927

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Expenses recognized in statements of comprehensive income

	Baht	
	2020	2019
For the year ended December 31,		
Past service costs and interest	-	12,804,826
Current service cost	11,525,699	10,453,582
Interest on obligation	1,550,279	1,267,807
Total	13,075,978	24,526,215

Principal actuarial assumptions at the reporting date

	%	
	2020	2019
Discount rate	2.44	2.44
Salary increase rate	6	6
Employee turnover rate	8 - 22	8 - 22
Disability rate	5*	5*

* reference to mortality rate in B.E. 2017

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2020 and 2019, are summarized below:

	Baht	
	2020	2019
Discount rate		
1% increase	(5,667,089)	(4,965,998)
1% decrease	6,523,922	5,716,485
Salary increase rate		
1% increase	7,640,452	6,046,802
1% decrease	(6,702,134)	(5,334,345)
Employee turnover rate		
1% increase	(6,331,344)	(5,549,555)
1% decrease	6,518,665	5,723,527

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21. RESERVES AND LEGAL RESERVES

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

Unrealized gain/loss

Unrealized gain/loss recognized in shareholders’ equity relate to cumulative net changes in the fair value of available for sale investment.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

22. DIVIDENDS

Year 2020

At the ordinary shareholders’ meeting held on April 23, 2020, the shareholders approved the appropriation of dividend from operating results of 2019 of Baht 0.45 per share, 149.91 million shares, amounting to Baht 67.27 million. The dividend will be proposed to pay to shareholders on May 18, 2020.

Year 2019

At The ordinary shareholders’ meeting held on April 23, 2019, the shareholders approved the appropriation of dividend from operating results of 2018 of Baht 0.48 per share, 149.91 million shares, amounting to Baht 71.76 million. The dividend will be proposed to pay to shareholders on May 17, 2019.

23. OTHER INCOME

Consisted of :-

	Baht	
	2020	2019
Revenue from sharing of kidney hemodialysis	13,414,949	12,342,900
Rental space income	8,797,924	9,212,714
Interest income	3,261,667	7,370,280
Others	9,584,284	11,822,569
Total	35,058,824	40,748,463



24. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2020 and 2019 are a follow:-

	Baht	
	2020	2019
Staff costs	479,658,446	555,492,332
Directors and management's remuneration	25,268,794	30,447,642
Doctor fee	334,092,294	383,494,037
Medicine, medical supplies and supplies	238,337,978	291,099,879
Depreciation and amortization	68,732,172	63,326,616
Others	204,791,836	207,723,965
Total	1,350,881,520	1,531,584,471

25. INCOME TAX EXPENSES

25.1 Major components of tax expenses

For the year ended December 31, 2020 and 2019 consisted of:

	Baht	
	2020	2019
Income tax expenses shown in profit or loss :		
Current tax expense :		
Income tax expense for the year	22,050,957	36,391,749
Deferred tax expense :		
Changes in temporary differences relating to the		
original recognition and reversal	(4,792,709)	(4,352,696)
Total	17,258,248	32,039,053
Income tax relating to components of other comprehensive income :		
Deferred tax relating to :		
Remeasuring available for sale investments	-	1,399,999
Remeasuring other non-current financial assets	(6,733,327)	-
Gain from changing actuarial estimates	-	341,194
Total	(6,733,327)	1,741,193

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25.2 A numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate

For the year ended December 31, 2020 and 2019 which are summarized as follows:

	Baht	
	2020	2019
Accounting profit for the year	89,456,498	165,185,455
The applicable tax rate (%)	20	20
Tax expense at the applicable tax rate	17,891,299	33,037,091
Reconciliation items:		
Tax effect of expenses that are not deductible in determining tax profit:		
- Expenses not allowed as expenses in determining taxable profit	130,364	216,147
Tax effect of income or profit that are not required in determining taxable profit:		
- Exemption of non - taxable dividend income	(400,000)	(586,666)
- Other	(363,415)	(627,519)
Total reconciliation items	(633,051)	(998,038)
Total tax expense	17,258,248	32,039,053

25.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the year ended December 31, 2020 and 2019 are summarized as follows:

	Baht			
	2020		2019	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before tax expense for the year	89,456,498		165,185,455	
Tax expense at the applicable tax rate	17,891,299	20.00	33,037,091	20.00
Reconciliation items	(633,051)	(0.64)	(998,038)	(0.60)
Tax expense at the average effective tax rate	17,258,248	19.36	32,039,053	19.40

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26. PROVIDENT FUND

The defined contribution plans comprise provident funds established by companies in the Company for their employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates 3% of their basic salaries and by the Company at rates 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager. The Company's contributions for the years ended December 31, 2020 and 2019 in the amount of to Baht 4.81 million and Baht 4.74 million, respectively.

27. DIRECTORS AND MANAGEMENT'S REMUNERATION

Directors and management's remuneration represent the benefits paid to the Company's directors and management such as salaries and related benefit including the benefit paid by other means. The Company's directors and management are the persons who are defined under the Securities and Exchange Act.

Directors of the Company is consisted of board of directors, audit committee and nomination and remuneration committee.

Management of the Company is consisted of executive board, chief medical officer and hospital administrator.

28. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources and assess its performance to the company's operating segment.

The one main operating segment of the Company is to provide healthcare as private hospital and hospital under the affiliated of social security and the single geographical area of their operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

Information about major customers

The groups of the Company's major customers include individuals, group of policyholders of the insurance company, group of contract parties' company and group of insured on social security who requires using the hospital service at the package rate from the government sectors.



29. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the year by the weighted average number of ordinary shares which are issued and paid-up during the year.

	2020	2019
Profit for the year (Baht)	72,198,250	133,146,402
Weighted average number of ordinary share (Shares)	149,909,264	149,909,264
Earnings per share (Baht per share)	0.48	0.89

30. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the statement of financial position as at December 31, 2020 and 2019, the Company's debt-to-equity ratio was 0.19 : 1 and 0.18 : 1, respectively.

31. FINANCIAL INSTRUMENTS

31.1 Financial risk management policies

The Company is exposed to normal business risks from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivative financial instruments for speculative or trading purposes.

31.2 Interest rate risk

Interest rate risk is the risk that future movements in market interest rates, which may affect the interest earnings and expenses in the present and future years. The Company is primarily exposed to interest rate risk that relates primarily to deposit at financial institution and financial assets due to changes in interest rates. The Company has no policy to use any derivative financial instruments to reduce this risk.



	Baht					
	As at December 31, 2020					
	Fixed interest		Floating	Non - interest	Total	Effective interest rate
	Within 1 year	1 - 5 years	interest rate	bearing		(% per annum)
Financial assets						
Cash and cash equivalents			133,920,662	1,989,668	135,910,330	0.13
Trade and other current receivables				65,303,730	65,303,730	-
Accrued income from social security office				46,569,611	46,569,611	-
Other current financial assets			671,715,490		671,715,490	0.12
Fixed deposit pledge as collateral	13,587,200				13,587,200	1.00
	<u>13,587,200</u>	<u></u>	<u>805,636,152</u>	<u>113,863,009</u>	<u>933,086,361</u>	
Financial liabilities						
Trade and other current payable				95,804,088	95,804,088	-
Lease liabilities			4,088,385		4,088,385	3.13
			4,088,385	95,804,088	99,892,473	

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Baht

As at December 31, 2019

	Fixed interest		Floating interest rate	Non - interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial Cost						
Cash and cash equivalents			705,183,260	2,960,366	708,143,626	0.38 - 1.25
Current investments	1,323,888		62,843		1,386,731	0.12 - 1.00
Trade and other current receivables				72,918,198	72,918,198	-
Accrued income from social security office				79,827,351	79,827,351	-
Fixed deposit pledge as collateral	22,427,200				22,427,200	1.00
	<u>23,751,088</u>		<u>705,246,103</u>	<u>155,705,915</u>	<u>884,703,106</u>	
Financial liabilities						
Trade and other current payable				97,591,391	97,591,391	-
				<u>97,591,391</u>	<u>97,591,391</u>	

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



31.3 Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations of the financial condition of its counterparties, to provide a term of payment, and to require partial payment of deposit, or call for collateral as other security. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for doubtful accounts.

31.4 Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

31.5 Fair value of financial instruments

Fair value

The Company uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

Level 1 - Use of Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. prices) or indirectly (e.g. derived from prices).

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

As of December 31, 2020, the Company had the following assets and liabilities that were measured at fair value using different levels of inputs as follows :-



	Baht			
	Level 1	Level 2	Level 3	Total
Assets				
Other current financial assets				
- Mutual funds - fixed income (hold to maturity within 1 year)	-	671,715,490	-	671,715,490
Other non-current financial assets				
- Equity security	137,999,862	-	-	137,999,862
Total	137,999,862	671,715,490	-	809,715,352

Fair valuation techniques and inputs to Level 2 fair valuation

The fair value of investments in investment units that are not listed on the Stock Exchange of Thailand is determined by using the net asset value per unit as announced by the fund managers.

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

32. FINANCIAL ASSET AND FINANCIAL LIABILITIES

On January 1, 2020 (the date of initial of new financial reporting standard), the Company's management has assessed which business models applied to the financial assets and liabilities and have classified the financial assets and liabilities balance as at January 1, 2020 has disclosed in Note 6 to financial statements.

	Baht			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2020				
Cash and cash equivalents	-	-	135,910,330	135,910,330
Trade and other current receivables	-	-	65,303,730	65,303,730
Accrued income from social security office	-	-	46,569,611	46,569,611
Other current financial assets	661,278,497	-	10,436,993	671,715,490
Fixed deposit pledge as collateral	-	-	13,587,200	13,587,200
Other-non current financial assets	-	137,999,892	-	137,999,892
	661,278,497	137,999,892	271,807,864	1,071,086,253

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



The Company classified debt investments that do not qualify for measurement at either amortized cost or FVOCI at fair value through profit or loss (FVPL).

Financial assets mandatorily measured at FVPL include the following:

	Baht
Financial assets as at December 31, 2020	
Mutual funds-fixed income (hold to maturity within 1 year)	661,278,497
Total financial assets	661,278,497

	Baht	
	Amortized cost	Total
Financial liabilities as at December 31, 2020		
Trade and other current payables	95,804,088	95,804,088
Lease liabilities	4,088,385	4,088,385
	99,892,473	99,892,473

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCIAL ACTIVITIES

Changes in the liabilities arising from financing activities for the year ended December 31, 2020 are as follows:

	Baht			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2020*	Increase (decrease)	Increase	December 31, 2020
Lease liabilities	8,039,832	(4,146,727)	195,280	4,088,385
	8,039,832	(4,146,727)	195,280	4,088,385

*** Lease liabilities arising from the adoption of TFRS 16.**

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



34. COMMITMENTS WITH NON-RELATED PARTIES

As at December 31, 2020 and 2019, the Company has commitments as follows :-

	Baht	
	2020	2019
34.1 Letters of guarantee issued by a commercial bank to the government unit and the state enterprise.	24,247,200	22,427,200
34.2 Construction and equipment installation agreements	7,858,797	17,532,591
34.3 Operating lease commitments, the company has entered into an agreement in respect of lease of computer and equipment from a company. The term of the agreement is generally 3 years, future minimum rental payable was as follows:-		
Payable within 1 year	-	2,274,606
Payable within 2 to 3 years	-	1,466,756
	-	3,741,362

During the year, the Company recognized right-of-use assets under lease agreements as presented in Note 14 to financial statements.

35. LAWSUITS

(1) The Company was sued by the patient to claim the compensation related to the medical treatment as the plaintiff was unsatisfied of the outcome of the medical treatment with the suing capital approximately Baht 40.97 million. The case is currently under the consideration of the court. The management of the Company had the opinion that the outcome of case may order the Company to compensate in the amount approximately of Baht 9.00 million to the plaintiff. Therefore, the Company recorded the estimation of compensation for damages that may arise in the Company's financial statements.

(2) The Company was complained by the patient due to the unsatisfactory delay in the doctor's medical planning which the patient had been affected from the such treatment. The patient claimed a compensation from the treatment by the hospital. The management of the company had the opinion that the company may have to pay to compensate to the patient in the amount approximately of Baht 6.00 million. Therefore, the Company records the compensation estimation for the damages that may arise in the company's financial statements.

36. RECLASSIFICATION

Certain amounts in the financial statements for the year 2019 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications were as follow:

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



	Baht		
	As previously reported	Increase (decrease)	As reclassified
The statement of financial position			
At as December 31, 2019			
Trade receivables	66,287,969	(66,287,969)	-
Trade and other current receivables	-	72,918,198	72,918,198
Accrued income	82,604,621	(82,604,621)	-
Accrued income from social security office	-	79,827,351	79,827,351
Other current assets	3,852,959	(3,852,959)	-
Trade payables	78,441,540	(78,441,540)	-
Trade and other current payables	-	97,591,391	97,591,391
Other payables	6,037,401	(6,037,401)	-
Other current liabilities	22,421,653	(13,112,450)	9,309,203

	Baht		
	As previously reported	Increase (decrease)	As reclassified
The statement of cash flows			
For year ended December 31, 2019			
Trade receivables	5,420,275	(5,420,275)	-
Trade and other current receivables	-	4,174,346	4,174,346
Accrued income	2,633,056	(2,633,056)	-
Accrued income from social security office	-	3,573,527	3,573,527
Other current assets	(305,458)	305,458	-
Trade payables	3,389,884	(3,389,884)	-
Trade and other current payables	-	4,474,296	4,474,296
Other current liabilities	3,604,654	(1,084,412)	2,520,242

37. CORONAVIRUS DISEASE 2019 PANDEMIC

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. The situation affects the results of operations of the Company, recognition and measurement of assets and liabilities in the financial statements. Nevertheless, the management will continue to monitor the ongoing development and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

38. TO APPROVED THE FINANCIAL STATEMENTS

The financial statements were authorized for issue by the Company's board of directors on February 22, 2021.

Sign..... Vice Chairman
(Mrs.Phorthana Manoch)



Section 4

Data Authentication for the Submission of 56-1 One Report

The Company has verified this Annual Data Statement/Annual Report in a cautious manner. The Company would like to confirm that such data is completely accurate, true, and does not mislead others or lack data required to disclose in the significant matters. Furthermore, the Company would like to confirm that:

(1) The Financial Statement and financial information summarized in the Annual Data Statement/ Annual Report are accurately and completely presented in the significant matters with respect to the financial status, operating results and cash flows of the Company and its subsidiary.

(2) The Company has implemented a good disclosure system to ensure the Company has completely disclosed all significant information of the Company and its subsidiary accurately including and to ensure the compliance with such a system.

(3) The Company has implemented a good internal control system and ensure its compliance, and the Company has already notified the Auditors and the Company's Audit Committee of the most recent internal control appraisal covering deficiency and significant changes of the internal control system including any misconducts which may affect the financial report preparation of the Company and its subsidiary.

In this regard, as evidence that all documents are exactly the same documents authenticated by the Company, the Company has appointed Mrs. Phortchana Manoch to affix the signature on each page of this document. Any document does not contain the affixed signature of Mrs. Phortchana Manoch, the Company shall regard all information as unauthenticated.

	<u>Name</u>	<u>Position</u>	<u>Sign</u>
1.	Mr. Apirag Vanich	Chairman
2.	Mrs. Phortchana Manoch	Vice Chairman
3.	Ms. Kanchana Vanich	Director

	<u>Name</u>	<u>Position</u>	<u>Sign</u>
	Mrs. Phortchana Manoch	Vice Chairman



Attachment 1

Details of the Board of Directors, Executives, Regulators, Chief Financial Officer, Company Secretary, Appointed Chief Accountant and Representative for Overseas Company

1. Details of the Board of Directors, Executives, Regulators, Chief Financial Officer, Company Secretary, Appointed Chief Accountant and Representative for Overseas Company

There are a total of nine Persons in The Board of Directors as of 31st December 2020 as follows.

Name		Position
1. Mr. Apirag	Vanich	Chairman
2. Mrs. Phortchana	Manoch	Vice-Chairman, Chairman of Executive Board
3. Dr. Krisada	Banchuin	Independent Director / Chairman of Audit Committee / Chairman of Nomination and Remuneration Committee / Risk Management Committee
4. Ms. Kanchana	Vanich	Director
5. Ms. Oranuj	Vanich	Director
6. Dr. Sanit	Charkrit	Director, Executive Director
7. Mrs. Thitawat	Pothanant	Independent Director/ Audit Committee / Nomination and Remuneration Committee / Risk Management Committee
8. Asst. Prof. Sarayut	Rueangsuwan	Independent Director / Audit Committee / Nomination and Remuneration Committee
9. Mr.Kudun	Sukhumananda	Director

Executives Directors, Chief Financial Officer and Company Secretary

Name		Position
1. Mrs. Phortchana	Manoch	Chairman of Executive Bord
2. Mr. Sanit	Chakrit, M.D.	Chief Medical Officer Aikchol Hospital
3. Mr. Pichai	Siripornpanich, M.D.	Chief Medical Officer Aikchol 2 Hospital
4. Mrs. Pariyanath	Chalermchuang	Chief Financial Officer
5. Mr. Siriphort	Manoch	Chief Administrative Officer
6. Mr. Kesada	Jansawang, M.D.	Chief Business Development Officer
7. Mrs. Prapaphan	Tanthavirat	Company Secretary

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



Attachment 1

Board of Director



1



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7



8



9

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Attachment 1

1. Mr. Apirag Vanich

Age 55

Position Chairman of the Board

Date of appointment as director April 15, 1991

Education / Training

Education

- MBA., Indiana University.
- B.S. Agricultural Economics, Purdue University.

Training

- Director Accreditation Program (DAP) Class 37/2005
- Director Certificate Program (DCP) Class 60/2005
- Finance for Non-Financial Director (FND) Class 19/2005
- Role of the Chairman Program (RCP) Class 13/2006
- Leadership Program, Capital Market Academy Class11

% Share Possession

21.10%

Family ties among executives

1. Mrs. Phortchana Manoch Sibling
2. Ms. Kanchana Vanich Sibling
3. Ms. Oranuj Vanich Sibling

Position held in other listed companies

1. Chairman of Univanich Palm oil Plc.

Other present positions

1. Chairman of Chean Vanich Co.,Ltd.
2. Chairman of Chean Vanich Transport Co.,Ltd.
3. Chairman of Vanich Gypsum Co.,Ltd.
4. Chairman of Vanich Lineal Co.,Ltd.
5. Chairman of Phuket Rubber Co.,Ltd.
6. Chairman of Aik Rock Industry Co.,Ltd.
7. Chairman of Assets-R-Us Co.,Ltd.



Attachment 1

2. Mrs. Phortchana Manoch

Age 66

Position Vice Chairman of the Board and Chairman of the Executive Board

Date of appointment as director April 27, 1981

Education / Training

Education

- Doctor of Philosophy in Philosophy and Ethics, Suan Sunandha Rajabhat University
- M.S. Hospital Administration, University of Wisconsin, U.S.A.
- B.S. Business Administration, University of Wisconsin, U.S.A.
- Bachelor of Laws Dhurakij Pundit University

Training

- Director Certificate Program (DCP) Class 25/2002
- Financial Statement for Director (FSD) Class 13/2011
- Anti-Corruption for Executive Program (ACEP) Class 13/2014
- Good Governance for Medical Executives 2012, King Prajadhipok's Institute
- Corporate Governance for Executives (CGE) Class 14/2019
- Director Accreditation Program Class 175/2020

% Share Possession

2.92%

Family ties among executives

1. Mr. Apirag Vanich Sibling
2. Ms. Kanchana Vanich Sibling
3. Ms. Oranuj Vanich Sibling
4. Mr. Siriphot Manoch Child

Position held in other listed companies

1. Director of Univanich Palm oil Public Company Limited.

Other present positions

1. Director of Chean Vanich Co.,Ltd.
2. Director of Vanich Lineal Co.,Ltd.

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



Attachment 1

3. Mr. Krisada Banchuin, M.D.

Age 73

Position Independent Director, Chairman of the Audit, Chairman of the Nomination and Remuneration Committee

Date of appointment as director September 12, 1978

Education / Training

Education

- Doctor of Medicine, Faculty of Medicine, Ramathibodi Hospital, Mahidol University
- DIP. American Board of Pediatrics
- Diploma, Thai Board of Pediatrics, Medical Council of Thailand
- Diploma, Family Medicine, Medical Council of Thailand

Training

- Director Accreditation Program (DAP) Class 37/2005
- Director Certificate Program (DCP) Class 156/2012
- Role of the Compensation Committee (RCC) Class 15/2012
- Audit Committee Program (ACP) Class 42/2013
- Monitoring the System of Internal Control and Risk Management (MIR) Class 14/2013
- Monitor the Internal Audit Function (MIA) Class 14/2013
- Monitor the Quality of Financial Reporting (MFR) Class 17/2013

% Share Possession

0.14%

Family ties among executives

None

Position held in other listed companies

None

Other present positions

1. Director, Chonburi Ice Plant Company Limited.



Attachment 1

4. Ms. Kanchana Vanich

Age 62

Position Director

Date of appointment as director February 23, 1994

Education / Training

Education

- B.S. Finance, University of Wisconsin, U.S.A.
- B.S. Human & Relationship University of Wisconsin, U.S.A.

Training

- Director Accreditation Program (DAP) Class 36/2005

% Share Possession

None

Family ties among executives

1. Mr. Apirag Vanich Sibling
2. Mrs. Phortchana Manoch Sibling
3. Ms. Oranuj Vanich Sibling

Position held in other listed companies

1. Director of Univanich Palm oil Plc.

Other present positions

1. Director of Chean Vanich Co.,Ltd.
2. Director of Chean Vanich Transport Co.,Ltd.
3. Director of Vanich Pilok Mining Co.,Ltd
4. Director of Vanich Gypsum Co.,Ltd.
5. Chairman of Vanich Lineal Co.,Ltd.
6. Chairman of Phuket Rubber Co.,Ltd.



Attachment 1

5. Ms. Oranuj Vanich

Age 56

Position Director

Date of appointment as director April 11, 2011

Education / Training

Education

- B.S. Marketing, Indiana State University, U.S.A.
- Hotel Management Diploma, Hotel Management School “Les

Roches”, Switzerland

Training

- Director Accreditation Program (DAP) Class 92/2011
- Financial Statements for Directors (FSD) Class 19/2013

% Share Possession

3.87%

Family ties among executives

1. Mr. Apirag Vanich Sibling
2. Mrs. Phortchana Manoch Sibling
3. Ms. Oranuj Vanich Sibling

Position held in other listed companies

None

Other present positions

1. Executive Director of Chean Vanich Co.,Ltd.
2. Executive Director of Chean Vanich Transport Co.,Ltd.
3. Executive Director of Vanich Gypsum Co.,Ltd.



Attachment 1

6. Sanit Charkrit, M.D.

Age 72

Position Director, Member of the Executive Board and Medical Director Aikchol Hospital

Date of appointment as director April 18, 2014

Education / Training

Education

- Bachelor of Medical Science, Chulalongkorn University
- Doctor of Medicine, Chulalongkorn University
- Bachelor of Laws, Sukhothai Thammathirat Open University

Training

- Director Accreditation Program (DAP) Class 121/2015

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

None

Other present positions

None



Attachment 1

7. Mrs. Thitawat Pothanant

Age 64

Position Independent Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee

Date of appointment as director April 21, 2017

Education / Training

Education

- M.B.A. (Finance), ST. John University, New York, U.S.A.
- B.S. (Business Administration), Kasetsart University, Thailand.

Training

- Director Accreditation Program (DAP) Class 140/2017
- Advance Audit Committee Program (AACP) Class 30/2018

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

None

Other present positions

None

Experience

1. First Executive Vice President, Head of Credit Risk Division, Risk Management Group, CIMB Thai Bank Plc.
2. Senior Credit Officer, Standard Chartered Bank Philipines.
3. Corporate Finance Executive Wholesales Banking Department The Chase Manhattan Bank, N.A., Bangkok Branch.



Attachment 1

8. Assistant Professor Sarayut Rueangsuwan, Ph.D.

Age 37

Position Independent Director, Member of Audit Committee, Member of the
Nomination and Remuneration Committee

Date of appointment as director April 23, 2019

Education / Training

Education

- Doctor of Philosophy in Accountancy, University of Exeter, UK
- Master of Research in Finance with Merit, City University London, UK
- Master of Business Administration Thammasat Business School, Thammasat University, Thailand
- Bachelor of Business Administration in Accounting First class Honor Thammasat Business School, Thammasat University

Training

- Advanced Audit Committee Program (AACP) Class 33/2019
- Directors Certification Program (DCP) Class 246/2017
- JENESYS 2016 Economics: Trade and Investment Promotions Japanese Government
- Directors Accreditation Program (DAP) Class 129/2016
- GW4 PhD Training in Accounting University of Exeter and University of Bristol

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

Independent director and Member of Audit Committee, Nex Point Plc.

Other Present Positions

1. Chief executive officer and director, Asia Cab Company Limited
2. Director, Asia Cab Application Consulting Company Limited.
3. Director, Cab Drivers Company Limited
4. Non-executive director, C.A.S Holding Group Company Limited
5. Director, All S Holding Company Limited
6. Independent director and Member of Audit Committee, Equator Solar Capital Company Limited
7. Director, Thai Aviation Company Limited.



Attachment 1

Experience

1. Assistant Professor of accounting Faculty of Business Administration, Kasetsart University
2. Assistant to the President for finance, Kasetsart University
3. Chairman of economic impact assessment of new financial reporting standards adoption working group, Federation of Accounting Professions of Thailand.
4. Independent director, Chairman of Audit Committee, Thai Nippon Rubber Industry Public Company Limited

9. Mr. Kudun Sukhumananda

Age 45

Position Director

Date of appointment as director April 23, 2019

Education / Training

Education

- Master of Laws, Columbia University, U.S.A
- Bachelor of Law (2nd Class Honours), Chulalongkorn University

Training

- Directors Certification Program (DCP) Class 154/2011

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

Director Srisawad Corporation Public Company Limited.

Independent Director and Audit Committee, Srisawad Finance Public Company Limited

Other Present Positions

Director of Kudun and Partners Limited.

Experience

1. Audit Committee and Independent Director, GMM Grammy Plc.
2. Partner lawyer of Weerawong, Chinnawat and Peangpanor Co.,Ltd.
3. Lawyer, White and Case (Thailand) Co.,Ltd.

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Attachment 1

Executive



1



2



3



4



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6



7

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Attachment 1

1. Mrs. Phortchana Manoch

Age 66

Position Vice Chairman of the Board and Chairman of the Executive Board

Date of appointment as director April 27, 1981

Education / Training

Education

- Doctor of Philosophy in Philosophy and Ethics, Suan Sunandha Rajabhat University
- M.S. Hospital Administration, University of Wisconsin, U.S.A.
- B.S. Business Administration, University of Wisconsin, U.S.A.
- Bachelor of Laws Dhurakij Pundit University

Training

- Director Certificate Program (DCP) Class 25/2002
- Financial Statement for Director (FSD) Class 13/2011
- Anti-Corruption for Executive Program (ACEP) Class 13/2014
- Good Governance for Medical Executives 2012, King Prajadhipok's Institute
- Corporate Governance for Executives (CGE) Class 14/2019
- Director Accreditation Program Class 175/2020

% Share Possession

2.92%

Family ties among executives

1. Mr. Apirag Vanich Sibling
2. Ms. Kanchana Vanich Sibling
3. Ms. Oranuj Vanich Sibling
4. Mr. Siriphot Manoch Child

Position held in other listed companies

1. Director of Univanich Palm oil Public Company Limited.

Other present positions

1. Director of Chean Vanich Co.,Ltd.
2. Director of Vanich Lineal Co.,Ltd.

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



Attachment 1

2. Sanit Charkrit, M.D.

Age 72

Position Member of the Executive Board and Medical Director Aikchol Hospital

Date of appointment as director October 6, 2008

Education / Training

Education

- Bachelor of Medical Science, Chulalongkorn University
- Doctor of Medicine, Chulalongkorn University
- Bachelor of Laws, Sukhothai Thammathirat Open University

Training

- Director Accreditation Program (DAP) Class 121/2015

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

None

Other present positions

None



Attachment 1

3. Pichai Siripornpanich, M.D.

AGE 63

Position Medical Director Aikchol 2 Hospital

Date of appointment October 6, 2016

Education / Training

Education

- Faculty of Medicine, Siriraj Hospital, Mahidol University

Training

- Development Program for Deputy Directors of the Medical Department of the Regional/General Hospitals and the Hospitals under Ministry of Public Health (5th Class) year 2012
- Advanced Program for Ministry of Public Health Executives (28th Class) year 2013

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

None

Other present positions

None

Experience

1. Deputy Director of Medicine, Chon Buri Hospital
2. Medical Director Kamphaeng Phet Hospital, Kamphaeng Phet Province



Attachment 1

4. Mr. Siriphot Manoch

Age 37

Position Executive Director

Date of appointment July 19, 2019

Education / Training

Education

- Master of Fine Arts in Lighting Design (MFALD) : Parsons School of Design, New York, USA (2006-2008)
- Bachelor of Fine Arts in Interior Design (BFAID) : Faculty of Decorative Arts, Silpakorn University, Thailand (2001-2005)

Training

- Feasibility Study Certificate Program : Faculty of Commerce and Accountancy, Thammasat University : 2019
- Hospital Facility Management Certificate Program : Faculty of Medicine, KhonKaen University : 2018
- Hospital Environmental and Occupational Health and Safety Management : Faculty of Medicine, KhonKaen University : 2017
- Energy Management for Healthcare Facility : Department of Alternative Energy Development and Efficiency of Ministry of Energy : 2017
- Hospital Management for Chief Executive Officer (CEO) Certificate Program : Faculty of Medicine Ramathibodi Hospital, Mahidol University : 2016
- Advanced Healthcare Accreditation A-HA in Practice (HA 702) : The Healthcare Accreditation Institute : 2016
- Mini Financial Business Management Certificate Program : Faculty of Business Administration, Kasetsart University : 2014

% Share Possession

1.15 %

Family ties among executives

1. Mrs. Phortchana Manoch Mother

Position held in other listed companies

None

Other present positions

None

Experience

1. Director of Business Development, Aikchol Hospital Plc.
2. Guest Lecturer : Master Of Fine Arts Program in Design Innovation and Hotel and Real Estate Management Silpakorn University
3. Guest Lecturer : Restaurant Kitchen Design Bangkok University

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



Attachment 1

5. Mr. Kesada Jansawang

Age 61

Position Director of Business Development

Date of appointment November 28,2019

Education / Training

Education

- Bachelor of Medical Science ,Chiangmai University
- Doctor of Medicine ,Chiangmai University
- Bachelor of Public Health(Hospital Administration) ,Sukhothai Thammathirat University
- Graduate Diploma in Clinical Science(Pediatrics) ,Faculty of Medicine Chulalongkorn University
- Diploma Thai Board of Hematology ,The Medical Council of Thailand
- Diploma Thai Board of Family Medicine , The Medical Council of Thailand

Training

- Executive Development Program(5th Class) ,Consortium of Thai Medical Schools.
- Advance Executive Program(31st Class) ,Ministry of Public Health.
- Good Governance for Sustainable Development Program ,Office of Public Sector. Development Commission.
- Advance Program for Mediation in Medical and Public Health System , Ministry of Public Health

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

None

Other present positions

None

Experience

- Head ,Department of Pediatrics Chonburi Hospital : 2004-2012
- Deputy Director , Chonburi Hospital : 2012-2015
- Deputy Director of Medical Affairs, Chonburi Hospital : 2



Attachment 1

Chief Financial Officer

6. Mrs. Pariyanath Chalermchuang

Age 63

Position Account and Finance Director

Date of appointment February 1, 2019

Education / Training

Education

- Mini MBA in Business Administration, Faculty of Commerce and Accountancy, Thammasat University
- Bachelor of Accountancy, Faculty of Commerce and Accountancy Thammasat University

Training

- CFO'S Orientation Course for new IPOS Class 3/2019

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

None

Other present positions

None

Experience

1. Finance & Accounting Manager, TMN Co.,Ltd
2. Finance & Accounting Manager, Siam Paetra International Co.,Ltd
3. Senior Manager, Finance one Public Co.,Ltd



Attachment 1

Company Secretary

7. Mrs. Prapaphan Tanthavirat

Age 71

Position Company Secretary

Date of appointment August 18, 2008

Education / Training

Education

- Bachelor of Accountancy, Faculty of Commerce and Accountancy, Thammasat University
- Master of Public Administration, Faculty of Political Science, Thammasat University

Training

- Anti-Corruption the Practical Guide (ACPG) Class 12/2014
- Fundamental Practice for Corporate Secretary (FPCS) Class 18/2551

% Share Possession

None

Family ties among executives

None

Position held in other listed companies

None

Other present positions

None

Experience

- Executive Director Aikchol Hospital

Responsibilities of the Company Secretary

The Company Secretary shall perform his/her duties, as specified under Section 89/15 and Section 89/16 of the Securities and Exchange Act (No.4) B.E. 2551 effective on the 31st day of August 2008, with high accountability, carefulness and integrity in order to comply with the law, objectives, Company's regulations, Committee resolutions as well as

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Attachment 1

the resolution in the Shareholders' Meeting. The duties of the Company Secretary subject to the Law encompass the following:

1. Prepare and maintain the documents as follows:
 - A. Director Register
 - B. Invitation Letters to Attend the Board of Directors' Meeting, Board Meeting Minutes, and Company's Annual Report
 - C. Invitation Letters to the Annual General Meeting of Shareholders and Minutes of the Shareholders' Meeting
2. Keep all stakeholder reports reported by the Directors or the Executives and deliver a copy of the stakeholder report, as per Section 89/14, to the Chairman of the Board of Directors and the Chairman of the Audit Committee to acknowledge within seven days from the day such report has been sent to the Company.
3. Perform other duties as announced and specified by the Capital Market Supervisory Board.
4. Provide legal advice and relevant regulations including the governance code of practices to ensure the Board of Directors' implementations are in compliance with the Law.
5. Organize and arrange the Board of Directors' and Shareholders' Meetings.
6. Perform other duties as appointed by the Company.

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Details of the Directors of the Subsidiary

--None--



Internal Audit Supervisor and Compliance Supervisor

1. Internal Audit Supervisor

Ms.Taweeporn Kaewsailert

Position Head of Internal Audit, Audit Committee Secretary

Age 50

Education / Training

Education

- Bachelor's degree of Accounting : Thai Chamber of Commerce University.

Training

- Preparation of working paper For measures against corruption in the organization : Thailand Federation of Accounting Professions
- Analytical Thinking in the internal Audit Process : Thailand Federation of Accounting Professions
- Anti-Corruption : Synergy to Success : Thailand Federation of Accounting Professions
- Data Analytics for Internal Auditor : Thailand Federation of Accounting Professions
- IT Audit for Non - IT Auditor Master class : NSTDA Academy
- Health Service Management: The Private Hospital Association Thailand
- Business Management for Internal Audit : Thailand Federation of Accounting Professions
- Preparing for an IT audit : Information Systems Audit and Control Association – Bangkok Chapter (ISACA)
- Certification Professional Internal Audit of Thailand (CPIAT) : The Institute of Internal Auditors of Thailand (IIAT)
- Internal Audit Practice Techniques in 2013 : Faculty of Commerce and Accountancy
- Financial report analysis To find corruption : The Institute of Internal Auditors of Thailand
- Accountant and Internal Audit Practice Course 1: Thailand Federation of Accounting Professions

Experience

- 2019 – 2020 - Audit Committee Secretary Aikchol Hospital Public Company Limited
- 2010 – 2020 - Internal Audit Supervisor Aikchol Hospital Public Company Limited

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



2. Compliance Supervisor

--None--

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Attachment 4

Assets used in business operation

(1) Fixed Assets Used In Business

Fixed Assets Used In Business	Net Book Value		
	Aikchol	Aikchol 2	Total
Land	60,160,300.00	48,000,000.00	108,160,300.00
Plant	264,832,242.90	264,546,129.02	529,378,371.92
Medical equipment	50,803,047.01	11,644,574.65	62,447,621.66
furniture and fixtures	2,938,201.78	672,636.37	3,610,838.15
Equipment and Intangible assets *	37,840,921.13	11,816,351.02	49,657,272.15
Vehicle	2,962,538.90	1,431,153.37	4,393,692.27
Work in progress	15,165,306.29	782,153.95	15,947,460.24
รวม	434,702,558.02	338,892,998.38	773,595,556.40

* Intangible assets include computer software costs.

- (2) The Company has no subsidiaries and associates.
- (3) The company has no business restructuring. Therefore, the price of new assets is not banned during the accounting period.

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Attachment 5

**Policy
Corporate Governance
Code of Conduct**

1. Corporate Governance Full Version

Present in website : www.aikchol.com

2. Code of Conduct Full Version

Present in website : www.aikchol.com

3. Charter of the Board of Directors Full Version

Present in website : www.aikchol.com

4. Charter of Audit Committee Full Version

Present in website : www.aikchol.com .

5. Charter of the Nomination and Remuneration Committee Full Version

Present in website : www.aikchol.com

Sign..... Vice Chairman

(Mrs.Phorthana Manoch)



Attachment 6

Audit Committee Report

The Audit Committee has renewed its term as per the resolution concluded in the Board of Directors' Meeting at Aikchol Hospital Public Company Limited No. 321 effective on the 8th day of May 2020 with a 2-year term.

The Audit Committee has performed its duties as assigned by the Board of Directors in compliance with the Charter of the Audit Committee by emphasizing the importance of the review of financial statements, good governance, risk management system, internal control system, internal audit system and verification for the Company to comply with law regarding securities and exchange, the rules and regulations of the Stock Exchange of Thailand including other relevant laws with respect to the Company's operation where the Audit Committee utilizes its knowledge, capability, carefulness, and sufficient independence so that the Company's business is run with transparency and reliability.

The Audit Committee and Independent Directors of Aikchol Hospital PCL consists of:

- | | |
|---|--|
| 1. Asst.Prof. Krisada Banchuin M.D. | Chairman of the Audit Committee |
| 2. Asst. Prof. Dr. Atirek Chivabongs M.D. | Audit Committee (resigned 27 th Aug 2020) |
| 3. Mrs. Thitawat Pothanant | Audit Committee: Specializes in Finance and Accounting |
| 4. Asst. Prof. Dr. Sarayut Rueangsuwan | Audit Committee: Specializes in Finance and Accounting |

A total of nine Audit Committee's Meetings were held in 2020.

The following statements are a summary of the extent of significant responsibilities as per the Charter of the Audit Committee:

1. Verified the quarterly financial statements and the financial statement as of 2020 which had been reviewed by the Company's auditors before reporting to the Board of Directors for an approval where the Audit Committee and the Company's auditors were to take part in the meetings without the management.

The Audit Committee's opinion was aligned with that of the auditors that the documentation of the Company's financial statement was accurate and reliable in significant matters as per the generally certified accounting principles and has sufficient information disclosure.

2. Considered and proposed the appointment of the auditors under Dharmniti Auditing Co., Ltd. together with the audit fee for the 2021 year.

The Audit Committee agreed that the previous-year performance was in accordance with the procedures, and sufficient independence was clearly shown as a company auditor.

3. Verified the efficiency and sufficiency of the Company's internal control system.

The Audit Committee agreed that the Company had a proper internal control system with efficiency and sufficiency to help reduce any possible risks to an acceptable level.



Attachment 6

In addition, in 2020, the Audit Committee hired P&L Corporation Co., Ltd. to review the Company's internal control system comprised of:

- Expenditure Cycle System - Inventory and Warehouse Management System
- Revenue Cycle System - Fixed Asset Management System

4. Approved the Audit Plan as of 2020 prepared by the Internal Audit Department and considered the audit reports of each quarter as well as supervised the Internal Audit Department to follow up the assigned tasks to ensure the adjustment or revision as per the Audit Committee's suggestions or the Internal Audit Department's.

5. Reviewed and ensured that the Company is in compliance with the law involving the Securities and Stock Exchange, regulations of the Stock Exchange, and other legal terms related to the Company's business.

The Audit Committee agreed that there was no infringement from the Company against the law concerning the Securities and Stock Exchange, regulations of the Stock Exchange, and other related laws.

6. Verified all relevant transactions or transactions which may result in the conflict of interest of the Company to ensure the Company has complied with normal business conditions in accordance with all related laws.

The Audit Committee agreed that no relevant transaction or the transaction which may cause a conflict of interest was found in 2020.

7. The Audit Committee had a meeting with the Company's auditors without management on the 28th day of January 2021 to ensure the auditors' independence in reporting the problems or limitations arising during the Company's financial statement audit.

8. The Audit Committee was to support the good corporate governance so that all shareholders and staff are able to directly report (Whistleblowing) the complaints or suspicions regarding financial transactions or the internal control system to the Audit Committee and Directors as specified in the Company's Code of Conduct, or by email: cg@aikchol.com

On Behalf of the Audit Committee

(Asst. Prof. KrisadaBanchuin M.D.)
Chairman of the Audit Committee
28th January 2021



Annex A

Changes in portfolios of directors and the management

Data as of December 31, 2020

No.	Name	Position	Number of shares held as of December 31, 2018	Number of shares held as of December 31, 2019	Change of shareholding during 2018	% shareholding
1	Mr. Apirag Vanich	Chairman of the Board	16,327,392	16,327,392	-	10.89
	Spouse and minor children		2,692,692	2,692,692	-	1.79
2	Mrs. Phortchana Manoch	Vice Chairman of the Board	3,389,808	3,389,808	-	2.26
	Spouse and minor children		987,600	987,600	-	0.66
3	Dr. Krisada Banchuin	Director	215,268	215,268	-	0.14
	Spouse and minor children		-	-	-	-
4	Mrs. Kanchana Chitrudiamphai	Director	-	-	-	-
	Spouse and minor children		-	-	-	-
5	Ms. Oranuj Vanich	Director	5,801,016	5,801,016	-	3.87
	Spouse and minor children		-	-	-	-
6	Dr. Sanit Charkrit	Director and Medical Director, Aikchol Hospital	-	-	-	-
	Spouse and minor children		-	-	-	-
7	Associate Prof. Dr. Atirek Chirabongs	Director	-	-	-	-
	Spouse and minor children		-	-	-	-
8	Mrs. Thitawat Pothanant	Director	-	-	-	-
	Spouse and minor children		-	-	-	-
9	Assistant Professor Sarayut Rueangsuwan Ph.D.	Director	-	-	-	-
	Spouse and minor children		-	-	-	-
10	Mr. Sawaek Weerakiet M.D.	Director	-	-	-	-
	Spouse and minor children		-	-	-	-
11	Mr. Kudun Sukhumananda	Director	-	-	-	-
	Spouse and minor children		-	-	-	-
12	Mrs. Prapaphan Tanthavirat	Administrative Director, Aikchol Hospital	-	-	-	-
	Spouse and minor children		-	-	-	-
13	Dr. Pichai Siripornpanich	Medical Director, Aikchol 2 Hospital	-	-	-	-
	Spouse and minor children		-	-	-	-
14	Mrs. Pariyanath Chalermchuang	Accounting and Finance Director	-	-	-	-
	Spouse and minor children		-	-	-	-
15	Mr. Siriphot Mamoch	Administrative Director	1,700,496	1,720,496	-	1.15
	Spouse and minor children		-	-	-	-
16	Dr. Kesada Jansawang	Business Development Director	-	-	-	-
	Spouse and minor children		-	-	-	-

Sign..... Vice Chairman

(Mrs.Phortchana Manoch)



Annex B

Disclosure of impacts of the COVID-19 situation

Impacts of COVID-19

1. Operation

☒ **Impact** ☐ **No Impact**

- | | |
|---|--|
| <input checked="" type="checkbox"/> Demand for goods & services | <input type="checkbox"/> Pandemic Outbreak among employees |
| <input type="checkbox"/> Changes to previously announced plans, projects or targets | <input checked="" type="checkbox"/> Supply chain |
| <input type="checkbox"/> Halting of operations | <input type="checkbox"/> Other |
| <input checked="" type="checkbox"/> Operation constraints | |

Description:

1. The COVID-19 pandemic caused Thailand to initiate Thailand's state of emergency which impacts numerous restrictions in business activities and cause purchasing power to decrease. As a result, this lead to decreased in patients. In according with the situation, the company still strictly follow the Department of Disease Control's guideline for clinical practice, diagnosis, treatment and prevention of healthcare-associated infection in response to patients with COVID-19 infection.

2. The COVID-19 outbreak also impact on supply chain which lead to shortage in medical supplies such as masks, personal protective equipments (PPE), and face shields. Therefore, the company has realized this situation and has prepared to ensure that all staffs has sufficient medical supplies while working.

2. Financial

☐ **Impact** ☒ **No Impact**

- | | |
|---|------------------------------------|
| <input type="checkbox"/> Ability to fulfill obligations | <input type="checkbox"/> liquidity |
| <input type="checkbox"/> Debt covenants | <input type="checkbox"/> Other |
| <input type="checkbox"/> Ability to pay dividend | |

Description: No Impact



Annex B

3. Balance sheet and performance

☒ **Impact** ☐ **No Impact**

- | | |
|---|---|
| <input type="checkbox"/> Impairments of assets | <input type="checkbox"/> Changes in accounting estimates previously disclosed |
| <input type="checkbox"/> Acquisition or disposal of assets that otherwise not have occurred | <input checked="" type="checkbox"/> Changes to capex previously planned for |
| <input type="checkbox"/> Other | |

Description: The company has revised the investment plan in year 2020 correspondence with the COVID-19 situation.

4. Contractual Obligation

☐ **Impact** ☒ **No Impact**

- | | |
|--|--|
| <input type="checkbox"/> Threats to contractual rights, ability to fulfill obligations | <input type="checkbox"/> Temporary relief, force majeure clauses or termination of obligations |
| <input type="checkbox"/> Changes to material contractual terms | <input type="checkbox"/> Other |

Description: No Impact

5. Threats to viability

☒ **Impact** ☐ **No Impact**

- | | |
|--|---|
| <input type="checkbox"/> Ability to operate as a going concern | <input checked="" type="checkbox"/> Changes to business plan in order to manage near-term costs |
| <input type="checkbox"/> effects on related companies | <input type="checkbox"/> Other |

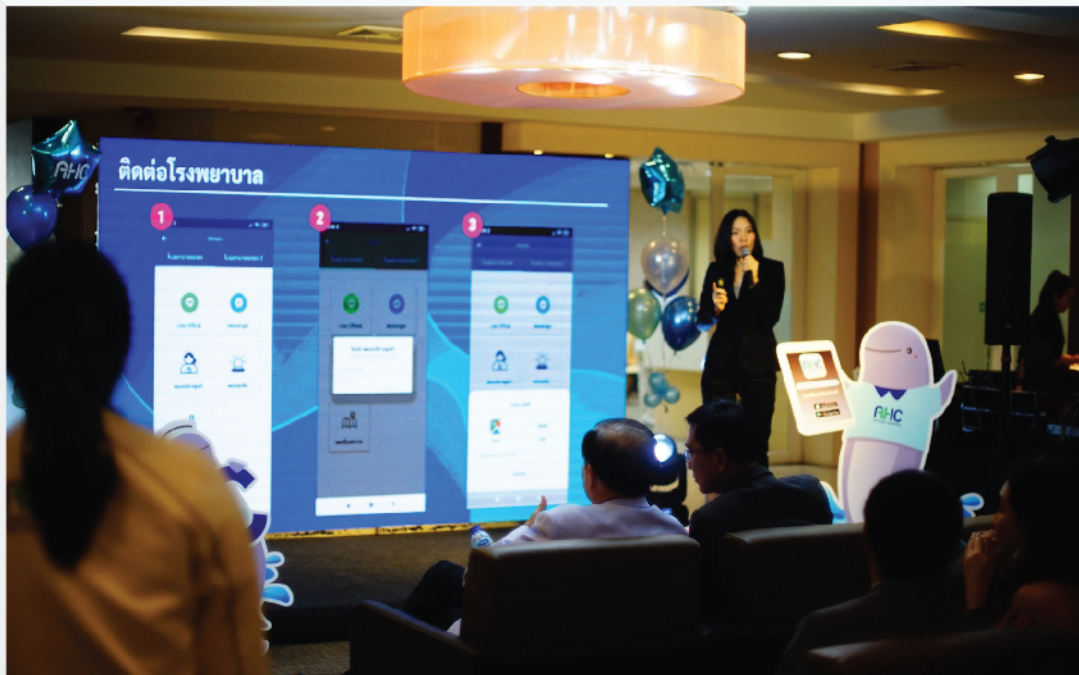
Description: The company carefully reviewed and controlled staff expenses (especially part time and overtime) and administrative expenses correspondence with the COVID-19 situation.



งานแอปพลิเคชัน 2563

Application 2020

AIHC
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AIKCHOL HOSPITAL





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