



RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED

# 2021

## 56-1 One Report



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**Section 1**  
**Business Operation and Performance**

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### 1.1 Policy and Business Overview

Rajthanee Hospital Public Company Limited (“the Company”) was established in 1990 to operate health care business. At the onset, the company’s name was “Ayutthaya Wetchakarn Co., Ltd.”. It was founded by a team of doctors, mostly graduated from Siriraj Hospital, together with leading businessmen in Phra Nakhon Si Ayutthaya.

There were many industrial estates in Phra Nakhon Si Ayutthaya whereas healthcare supplies in this province and nearby were relatively limited comparing to demand. Therefore, they established Rajthanee Hospital in Khlong Suan Phlu Sub-district, Phra Nakhon Si Ayutthaya District, Phra Nakhon Si Ayutthaya. The hospital’s location is in the high-growth area which near main roads such as Asian Highway and Rojana Road. Since the operation started in 1992, the hospital has been well-recognized by consumers in Phra Nakhon Si Ayutthaya as well as nearby provinces.

Moreover, the promulgation of Social Security Act B.E. 2533 (1990) which promoted public healthcare and basic security for the insured members, has brought about the company business opportunity. The company participated Social Security Project in 1994 and ever since, the Social Security income has become one of the company’s main sources of income.

Since the establishment in 1992, the company has been consistently focusing on development of service quality and human quality in order to deliver satisfied services to all patients. The company’s business philosophy is reflected in its motto: “Warm as home, service as family at our Rajthanee”

Company	Registered Capital (Baht million)	shareholding (%)	Registered Hospital Beds
Rajthanee Hospital Public Company Limited	300	-	253
Rajthanee Rojana Hospital Company Limited	270	98.31	100
Ratchathani Nongkhae Hospital Company Limited	60	99.99	-
<b>Group Total</b>			<b>353</b>

#### 1.1.1 Vision Mission Strategy

##### **VISION**

Leading private hospital with high-quality treatment and medical service in Phra-Nakhon Si Ayutthaya and central region

##### **MISSION**

Providing services of medical standards and professional ethics with client-centric approach

##### **VALUES**

- **Quality** : working up to standard, accuracy, safety, swiftness without flaw to meet patients’ expectation.



## 1. GROUP STRUCTURE AND BUSINESS OPERATION

- **Unity** : working in harmony with friendliness and smooth cooperation
- **Pride** : Confident on and taking pride in our organization to cultivate the bond between staff and organization with the aim to build “Rajthanee as our home”

### 1.1.2 Major Milestones

Year	Major Milestones
1990	- Ayutthaya Vechakarn Company Limited was founded to operate hospital business under the name “Rajthanee Hospital”, with initial registered capital of Baht 10,000,000, at Baht 10 per share. The hospital is located on Rojana Road near Asia Highway and the City Hall of Phra Nakhon Si Ayutthaya.
1992	- The operation was commenced on June 29, 1992, with capacity of 33 patient beds.
1994	- The company applied for Social Security Program under Social Security Act B.E. 2537 (1994). With the confidence on Rajthanee hospital, number of insured persons has been increasing.
1995	- The company was converted to public company and renamed “Rajthanee Hospital Public Company Limited ”to prepare for the listing on the Stock Exchange of Thailand.
1999	- December 29, 1999, the Company was awarded ISO 9002: 1994 Certification.
2002	- October 8, 2002, the Company was awarded ISO 9001: 2000 Certification.
2009	- Due to crowded facilities, the Company invested on new building (Building C) to expand capacities.
2010	- The Company was awarded the Environmental and Health Impact Assessment (EHIA), by the Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment  - Building C was open on 8 December 2010 to serve social security patients, pediatric patients, dental clinic and pharmacy store.
2012	- The Company was awarded the accreditation for Level 1 Hospital Accreditation (HA) on June 22, 2012.  - The Company achieved the acknowledgement for Level 2 Hospital Accreditation (HA) on November 29, 2012.
2013	- The Company was awarded the accreditation for Level 2 Hospital Accreditation (HA) on November 21, 2013.
2014	- The Company acquired 52.17% stake of Rojanavej Hospital Company Limited which was subsequently renamed to Rajthanee Rojana Hospital Company Limited and the hospital name was changed to Rajthanee Rojana Hospital. This hospital is located on Rojana-Wangnoi Road near Rojana Industrial Estate, capturing the potentials from nearby industrial estates.

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

Year	Major Milestones
2015	<ul style="list-style-type: none"> <li>- The Company launched cardiac catheterization service on January 7, 2015 and was granted permission as a cardiac referral center from National Health Security Office (NHSO) which enabling it to treat patients referred from other nearby hospitals under the National Health Security Scheme.</li> <li>- The registered capital was raised by 203,514,000 shares, from Baht 96,486,000 to Baht 300,000,000 for the issuance of 128,514,401 dividend shares and for the initial public offering of 74,999,599 shares.</li> <li>- February 27, 2015 the Company was awarded the accreditation of HA for 2-year period.</li> </ul>
2016	<ul style="list-style-type: none"> <li>- The Company's shares were listed on the Stock Exchange of Thailand on September 1, 2016.</li> <li>- The subsidiary increased its registered capital from Baht 230 million to Baht 270 million on November 15, 2016. The 4,000,000 new ordinary shares were offered to the existing shareholders at the ratio of 23 existing ordinary shares to 4 new ordinary shares, at Baht 25 each. As a result, the Company held 53.93% stake in the subsidiary.</li> </ul>
2017	<ul style="list-style-type: none"> <li>- The Company was awarded the re-accreditation of HA for 3-year period on June 27, 2017.</li> </ul>
2018	<ul style="list-style-type: none"> <li>- January 2018, the Company opened MRI Center, the first and only MRI center in Ayutthaya province.</li> <li>- The Company was selected by Thaipat Institute to be one of ESG100 (Environmental, Social and Governance) ie a listed company with outstanding dedication to environment, society and good governance.</li> <li>- The Company has acquired additional shares in subsidiary which ultimately increased its holding to 98.31%.</li> </ul>
2019	The Company established a new subsidiary named "Ratchathanee Nong Khae Hospital Company Limited" located in Nong Khae district, Saraburi province. This was to be developed as new hospital for both social security patients and general patients.
2020 - 2021	Amid Covid-19 pandemic, the Company has quickly responded to the crisis by setting up more than 1300-bed of field hospitals and renovating the existing ward to be cohort ward. We are active at screening for the infected. This helped prevent the infected from transmission and alleviate the shortage of beds during pandemic crisis.

### 1.1.3 Utilization of fund from public

During 2021, the Company have not raised fund from public by issuing either shares or debt instruments.

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### 1.1.4 Company's general information

#### RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED

Nature of business	Private hospitals with two operating hospitals : Rajthanee Hospital and Rajthanee Rojana Hospital
Head Office	111 Moo 3, Khlong Suan Phlu Sub-district, Phra Nakhon Si Ayutthaya District, Phra Nakhon Si Ayutthaya 13000
Company Registration No.	0107538000509
Registered Capital	THB 300,000,000
Paid-up Capital	THB 300,000,000 Consisting of 300,000,000 ordinary shares Par value 1 Baht per share
Telephone	035-335-555-71
Fax.	035-335-555 ต่อ 878
Website	www.rajthanee.com

### 1.2 Nature of Business

The Company operates two hospitals, namely Rajthanee Hospital and Rajthanee Rojana Hospital. Both are in prime locations of Phra Nakhon Si Ayutthaya Province. Ayutthaya is surrounded by Pathum Thani, Suphan Buri, Ang Thong and Saraburi Provinces. There are 3 large industrial estates, namely Ban Wa (Hi-Tech) Industrial Estate, Bang Pa-in Industrial Estate and Saha Rattana Nakorn Industrial Estate located in Phra Nakhon Si Ayutthaya Province. Meanwhile, there are two industrial parks ie. Factory Land Wangnoi and Rojana Industrial Park. Therefore, Ayutthaya is one of densely populated provinces. The industrial employees are the company's main patients. In addition, the Company has policy to allow social security patients to conveniently visit either hospital of the group regardless of which hospitals they insured.

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### 1.2.1 Revenue Structure

Revenue from hospital business	Consolidated financial statements					
	2021		2020		2019	
	Bht mil.	%	Bht mil.	%	Bht mil.	%
Revenue from general patients <sup>/1</sup>						
Revenue from out-patients (OPD)	500	16.03	492	26.53	522	29.50
Revenue from in-patients (IPD)	481	15.43	449	24.17	519	29.30
Revenue from Covid-19 related <sup>/2</sup>	1,346	43.17	140	7.56		
<b>Total revenue from general patients</b>	<b>2,327</b>	<b>74.63</b>	<b>1,081</b>	<b>58.26</b>	<b>1,041</b>	<b>58.80</b>
Social Security scheme	791	25.37	774	41.74	730	41.20
<b>Grand Total</b>	<b>3,118</b>	<b>100.00</b>	<b>1,855</b>	<b>100.00</b>	<b>1,771</b>	<b>100.00</b>

Note: /1 included revenue from self-pay, insurance, corporate contract, civil servant, Universal Coverage for Cathlab, Universal Coverage for Emergency Patients (UCEP) etc.

/2 Revenue related to Covid-19 comprise of revenue from lab test of infection, revenue from treatment of infected patients and revenue from vaccination.

#### Hospital capacity and utilization rate

OPD capacity is evaluated by number of examination rooms (Including emergency room, dental clinic and hemodialysis beds) while IPD capacity is evaluated by number of beds in service.

Utilization rate is evaluated by number of services granted to patients compared to the maximum capacity.



## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### OPD :

Annual Average	2 0 2 1			2 0 2 0			2 0 1 9		
	Rajthanee	Rojana	Total	Rajthanee	Rojana	Total	Rajthanee	Rojana	Total
OPD									
Examination rooms	64	10	74	62	10	72	58	10	68
Hemodialysis	44	20	64	38	20	58	27	20	47
<b>Total OPD units</b>	<b>108</b>	<b>30</b>	<b>138</b>	<b>100</b>	<b>30</b>	<b>130</b>	<b>85</b>	<b>30</b>	<b>115</b>
Utilization (%)	59%	100%	66%	62%	115%	70%	72%	124%	82%

### IPD :

Annual Average	2 0 2 1			2 0 2 0			2 0 1 9		
	Rajthanee	Rojana	Total	Rajthanee	Rojana	Total	Rajthanee	Rojana	Total
IPD									
Rooms	242	79	321	208	37	245	191	36	227
ICU beds	28	2	30	20	2	22	16	2	18
Nursery beds	15	0	15	15	0	15	15	0	15
<b>Total IPD units</b>	<b>285</b>	<b>81</b>	<b>366</b>	<b>243</b>	<b>39</b>	<b>282</b>	<b>222</b>	<b>38</b>	<b>260</b>
Field hospitals (bed)	548	73	621	0	0	0	0	0	0
<b>Total IPD units and field hospital beds</b>	<b>833</b>	<b>154</b>	<b>987</b>	<b>243</b>	<b>39</b>	<b>282</b>	<b>222</b>	<b>38</b>	<b>260</b>
Utilization (%)	59%	58%	59%	67%	38%	63%	81%	46%	76%

Note: Based on annual average

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### 1.2.2 Products or services

#### (1) Characteristics of products or services

The Company provides medical services, health improvement, rehabilitation and medical prevention encompassing both general and acute illness by general practice and specialty physicians. The 9 main areas of expertise are as follows:

1. Medicine
2. Surgery and Orthopedics
3. Pediatrics
4. Obstetrics and gynecology
5. Otolaryngology
6. Ophthalmology
7. Anesthesiology
8. Radiology
9. Dentistry

#### Company's medical centers:

- **Emergency medicine and brain neurosurgery center:** the Company provides the emergency call center and team of physicians available for 24/7. A rescue team can be at the scenes of the accidents in a timely manner.
- **Heart Center:** provides medical treatment for cardio vascular system and heart diseases, such as Ischemic heart disease (IHD), Valvular heart disease, Cardiac arrhythmia and Hypertension, etc. The scope of medical services encompasses initial diagnosis, medication, cardiac catheterization, and cardiac surgery. This enable the Company to be one of the referral centers of heart diseases in the area of Phra Nakhon Si Ayutthaya and nearby provinces.
- **Minimally Invasive Surgery Center:** provides various surgical services with innovation in surgery developed into modern medical technology in surgery that doctors do not need to open a long incision on the abdomen of the patient. Able to diagnose and treat diseases through the camera which is a very popular method nowadays and as alternative to patients.
- **General surgery clinic:** provides open/laparoscopic cholecystectomy, appendectomy, rhinoplasty and excision operation with state-of-the-art equipment.
- **Orthopedics Center:** examination and surgery for patients with traumatic and degenerative change of bones, Arthroscopic Shoulder, Back and Knee Surgery, Arthroplasty Replacement Surgery for hip and knee and medical treatments for osteoarthritis and osteoporosis, etc.
- **Health Check-up Center:** equipped with occupational physicians and check-up programs customized for customers of various ages. The services have included annual check-up programs and pre-employment check-up programs.

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

- **Radiology Center:** provides general x-ray, special x-ray, mammogram and ultrasound equipped with picture archiving and communication system (PACS).
- **MRI Center:** Providing diagnostic services with electromagnetic waves
- **Ophthalmology Center:** provides examination and treatment for eye disease such as eye infection, cataracts and glaucoma plus operation.
- **Hemodialysis Center:** taking care of patients suffering from acute and chronic kidney diseases
- **Sleep Test Center:** provides examination services to observe the work of the body while sleeping. The test results can help diagnose and assess the severity of the disease, such as obstructive sleep apnea, twitching of various muscles and abnormal behavior during sleep. This information help lead to planning or monitoring the correct treatment.
- **Dental Center:** complete scope of dental services such as scaling, filling, pediatric dentistry, orthodontics, endodontic, prosthesis, periodontal disease treatment, oral surgery and dental implant with sterilized equipment

### Internal Medicine Clinic and Specialized Medicine Clinic

- **Internal Medicine Clinic:** provides examination and treatment for infectious diseases, pulmonary and respiratory systems, renal system, endocrine system, etc.
- **Neurology Clinic:** provides examination and treatment for patients with cerebrovascular diseases (stroke), degenerative disease of brain and spinal cord.
- **Rheumatology Clinic:** provides diagnosis and treatment services for patients with arthritic and rheumatic diseases. This is a group of immune and inflammatory diseases affecting the musculoskeletal system, such as the joint, ligaments, etc.
- **Gastroenterology and Liver Clinic:** provide examination and treatment for gastrointestinal system and liver disease, etc., which includes esophagogastroduodenoscopy (EGD) and colonoscopy.
- **Hematology Clinic:** provide examination and treatment for patients with blood diseases resulting from cancers and genetic blood diseases, including bone marrow aspiration.
- **Hemodialysis Clinic:** taking care of patients suffering from acute and chronic kidney diseases.
- **Endocrinology Clinic:** Provides diagnosis and treatment services for patients with endocrine system disease.

### Clinics and other medical services

- **General Practice Clinic:** provide examination and treatment for general diseases such as upper-respiratory infections, acute gastroenteritis, etc.
- **Obstetrics and gynecology Clinic:** provide examination, treatment and advice for gynecologic diseases and obstetric patients for various age groups, including antenatal care which has 4D ultrasound scans to detect for any fetal abnormalities, high-risk pregnancy, contraception, infertility and menopause.

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

- **Maternal and Fetal Medicine Clinic:** provide in-depth care for the pregnant mother and the fetus detect risk ultrasound looks at the health of the baby. Evaluate treatment prevent possible malfunctions as well as giving advice and advice closely throughout the pregnancy.
- **Pediatrics clinic:** provide examination, treatment and advice for sick children (from newborn to teenage) and well-baby's growth and development, including vaccination program.
- **Otolaryngology Clinic:** provide advice, examination and treatment for patients with diseases related to ears, noses and throats such as otitis media and sinusitis, plus operation such as tonsillectomy, nasal polypectomy, tympanytoplasty and fiberoptic laryngoscope.
- **Cancer Clinic and Chemotherapy:** provide services for treating cancer patients to recover and never come back again.
- **Dermatology Clinic:** provides examination and treatment for skin diseases, including aesthetics.
- **Psychiatric Clinic:** provides examination, treatment and diagnosis services for patients with psychiatric problems. Including mental problems linked to physical ailments

## (2) Market and Competition

### A) Marketing strategy of main product and services

#### Characteristics of healthcare service providers

The healthcare services in Thailand can be categorized into two main groups.

- **Public sector:** Healthcare services in Thailand are provided mostly by state hospitals, which can be categorized by their strengths and treatment capacity, e.g., university hospitals (i.e. medical schools), hospitals in Bangkok, state provincial hospitals, district hospitals, community healthcare center. Generally, the medical fees charged by state hospitals are lower than those charged by private hospitals as they are subsidized by the government.
- **Private sector:** The healthcare services can be categorized by capacity, e.g., large private hospitals, medium private hospitals, and private clinics. Each offers different services, based on the capacity. As some large private hospitals possess high potential to attract foreign patients with high purchasing power. In order to provide access to healthcare services for most people, the government has invited private hospitals to join state social welfare. The subsidy to each private hospital depends on number of insured people.

#### Healthcare schemes in Thailand

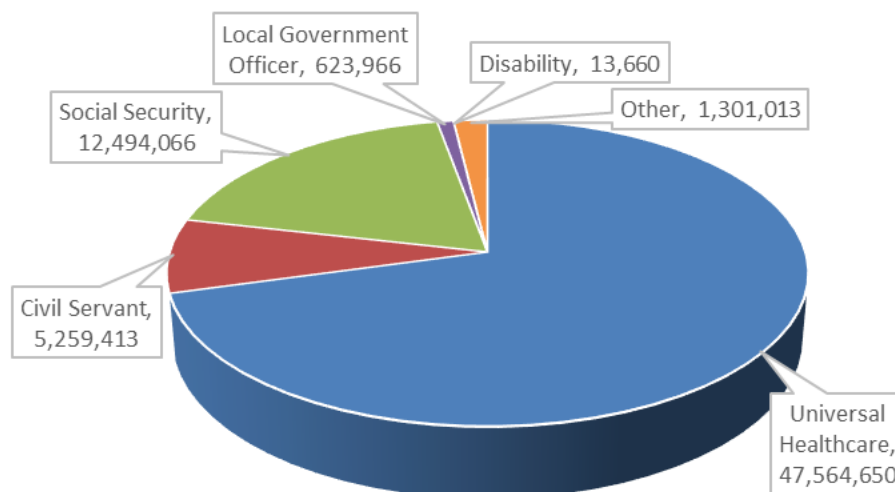
- **Social Security:** Provided by the Social Security Office under supervision of the Ministry of Labor, this scheme offers healthcare benefits to employees of the private sector. The benefits cover sickness, disability, injuries from hazardous incidents and death, both from work or non-work. Moreover, the social security benefits also cover maternity, child allowance, old-age and unemployment. Thailand kicked off the social security scheme in 1972 by establishing a compensation fund to take care of those suffered by occupational hazard in Bangkok. The coverage of the scheme expanded nationwide on July 1, 1988. Later, the Social Security Act B.E. 2533 (1990) has come into effect since September 2, 1990.



## 1. GROUP STRUCTURE AND BUSINESS OPERATION

- **Universal Health Coverage Scheme:** Under management of the National Health Security Office, the Universal Health Coverage Scheme was established under the National Health Security Act B.E. 2545 (2002). It was aimed to provide healthcare services for those who are not in any other healthcare schemes. The scheme focuses mainly on medical services provision for general sickness
- **Welfare scheme for state and state enterprise employees:** Under supervision of the Comptroller General's Department, the Ministry of Finance, the program offers healthcare services for state workforce, including government officials and state enterprises' employees. The benefits for government officials cover medical allowance for spouses, parents and children not attaining of majority.

Chart 1-1: Segmentation of capitation schemes as of 31 December 2021



Source: National Health Security Office (NHSO)

Medical service standards can be classified by patient service capability as follows:

1. **Primary care:** Healthcare service providers capable of providing treatment for patients with low-severity and low-complication illness, e.g. clinics or small-sized healthcare service providers
2. **Secondary care:** Healthcare service providers capable of providing treatment for patients with illness with greater severity and complication as well as hospitals capable to serve both outpatients and inpatients
3. **Tertiary care:** Healthcare service providers reaching the highest standards, equipped with modern medical equipment and specialty clinics for treatment of illness that need specialized health professionals

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

Currently, the Company's two hospitals, i.e. Rajthanee Hospital and Rajthanee Rojana Hospital, are categorized as secondary care hospitals. Nonetheless, the Company's Heart center is able to provide tertiary care.

### Target customers

#### 1. General customers

- **Self-pay customers** are customers who paying their own medical bills. The Company's target groups include middle income earners who live or work near the Company's hospitals
- **Contract customers:** consists of employees from corporate who have contracts with the Company and patients under healthcare insurance. The Company directly charges medical bills to corporate or insurance companies. Note that the number of corporate contract customers is likely to increase in tandem with the growth of the insurance business and the rising popularity of the health-conscious trend.
- **Customers under Protection for Motor Vehicle Accident Victims Act B.E. 2535 (1992):** These customers include the injuries from motor vehicle accidents under Protection for Motor Vehicle Accident Victims Act B.E. 2535 (1992). The Company's hospitals are located on main roads, namely Asian Highway and Rojana Road, where road accidents take place regularly. The Group's hospitals do not charge these customers but claim from the insurance companies of the customers or their parties that have insurance policies according to the Act.
- **Customers under Workmen Compensation Fund:** These customers are employees of companies or industrial factories who are injured by accidents at work according to the Workmen's Compensation Act B.E. 2537 (1994). The hospitals do not charge the customers but claim from Employment Injury Compensation Fund.

#### 2. Capitation customers

- **Customers under Social Security Scheme:** According to the Social Security Act B.E. 2533 (1990), for each payment of wages, the employer shall deduct wages of an insured person for contributions to the Social Security Fund and the insured person shall be able to receive free medical services from the contracted hospital that he or she has registered. There are two types of payments that the Social Security Office gives to the hospitals participating in the Social Security Scheme, i.e. 1) capitation payment at fixed rate per insurer and 2) additional payments such as payment form high-cost care, chronic cases etc.
- **Customers under Universal Healthcare Scheme:** Currently, Rajthanee Hospital Group provides limited services to this category ie Heart Center and Hemodialysis Center.
- **Customers under Universal Coverage for Emergency Patients (UCEP):** This is the Government policy which implemented on April 1, 2017 that required all hospitals, either private or state hospitals, to provide free treatment to patients who require emergency medical care for up to 72 hours.

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

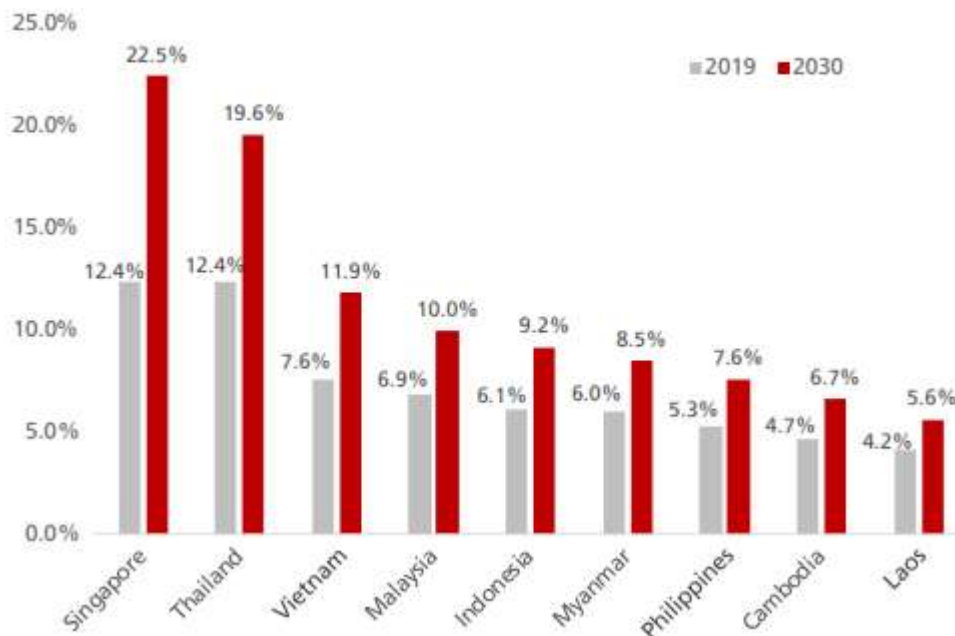
### B) Business Competition

**Sector Outlook and Competition** (Source: research from DBS Vickers Securities (Thailand) Co., Ltd.)

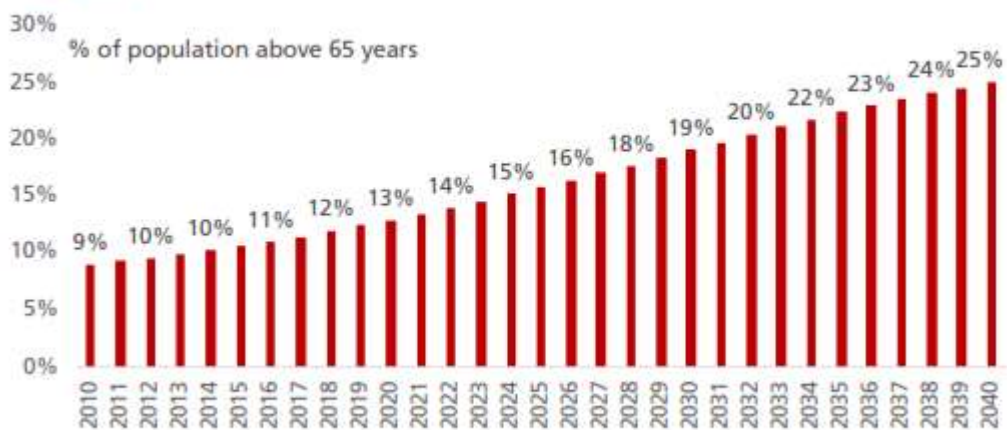
According to the Thailand Development Research Institute (TDRI), healthcare expenditure is expected to quadruple from Bt 415 bn in 2018 to Bt1.407-1.825tr in 2030. This will be driven by four major factors:

- i) Change in demographics to an ageing population.
- ii) Uptrend in non-communicable diseases (NCDs).
- iii) One of the top destinations for medical tourism.
- iv) Increasing demand for health insurance

**Citizens 65 years or over in ASEAN (%)**



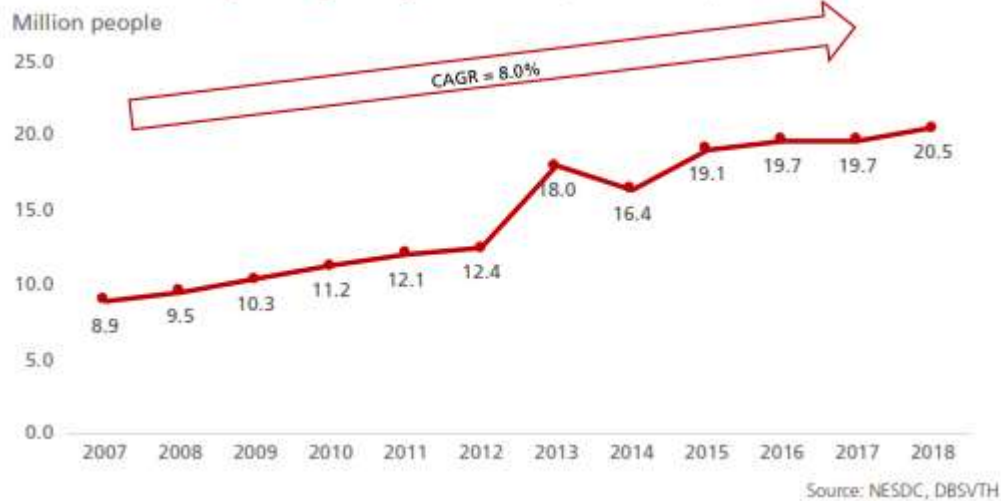
**Ageing population in Thailand**



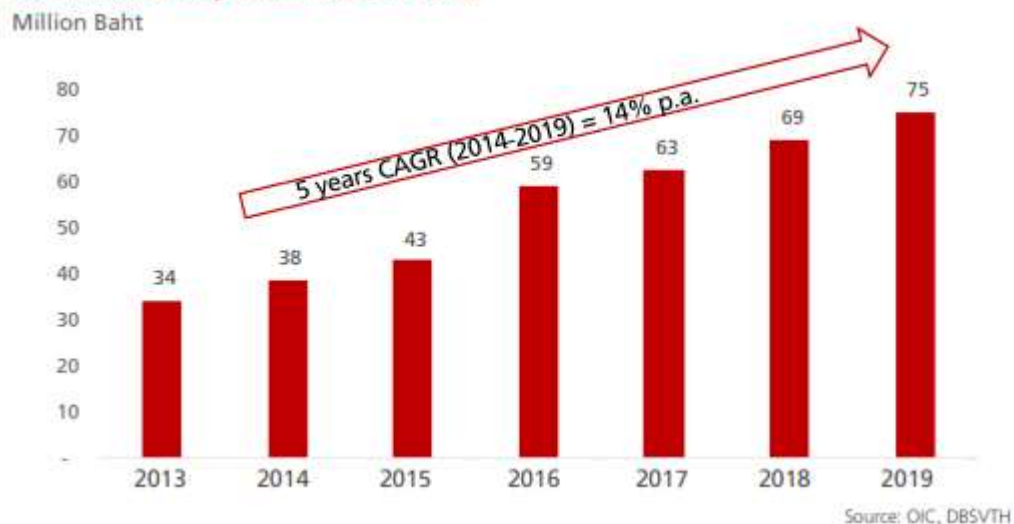
Source: Government Strategic Information Centre, DBSVTH

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### Number of mortality cases grew by 8.0% CAGR (2008- 2018)



### Health insurance premiums (2014-2019)



Despite having 1,281 hospitals in Thailand, in 2018 the majority of hospital beds were located at public hospitals with 122,203 beds (79%), while private hospitals had only 24,717 beds (21%). During the past three years, private hospital beds grew by 1.9% CAGR over 2016-2018, while public hospital beds grew by only 0.5%. We believe that the faster growth of private hospitals is due to; i) the defensive nature of the business that allows hospitals to thrive even during an economic downturn, ii) recurring income and, iii) high margins. Besides healthcare operators embarking on expansion of capacity, new non-healthcare players also plan to roll out new hospitals.



## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### Healthcare supply in Thailand (2018)

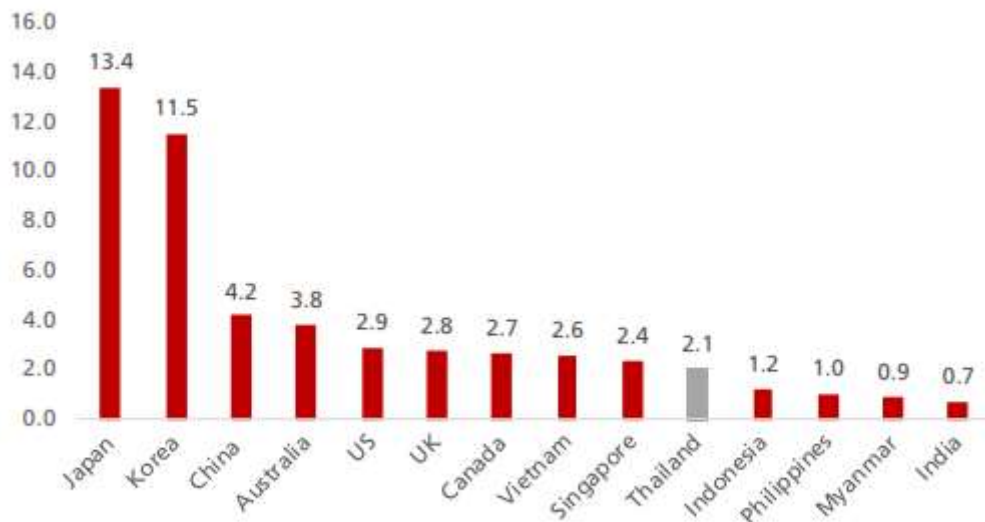
Healthcare Supply in Thailand (2018)	No. of hospitals	No. of beds	% chg y-o-y	CAGR 2014-2018
Public	1,051	122,203	3%	0.5%
Private	230	24,717	-22%	1.9%
<b>Total</b>	<b>1,281</b>	<b>146,920</b>		

Source: MOPH, DBSVTH

According to the World Health Organization (WHO), the number of beds per 1,000 population in Thailand stands at only 2 beds compared to the global benchmark of 4 beds, behind Singapore and Vietnam at 2.4 and 2.6 beds respectively.

### Hospital beds (per 1,000 population)

Hospital beds per 1k population



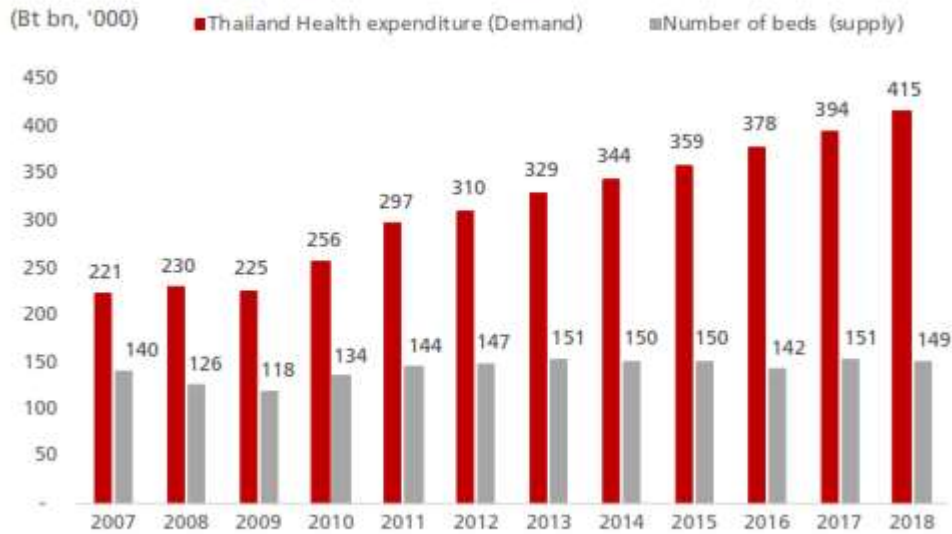
Source: WHO (latest data in 2017), DBSVTH

Even though public hospitals are much more affordable and have higher hospital and bed counts, the local population has to contend with; i) long wait for treatments, ii) occupancy of inpatient department (IPD) beds reaching almost 100% and. iii) Shortage of specialist doctors. All these factors have opened the door for private hospitals despite their higher charges.

Private hospitals grew seven-fold during the past 10 years from a market capitalization of Bt119bn with 13 listed hospitals in 2009 to Bt800bn market capitalization with 23 listed hospitals in 2019. This has mainly been driven by the growing popularity of medical tourism, rising middle-income households and higher insurance premiums. With this rapid growth for domestic healthcare, not only are current healthcare providers planning to increase their capacity, new players also plan to enter this sector by launching new hospitals in 2020-2021. We expect intense competition from mid-range and high-end hospitals, especially in Bangkok with significant new entrants. Based on our data, there will be additional supply of c.3,964 beds by 2022.

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### Healthcare demand growing faster than supply



Source: NESDB (latest data in 2018), DBSVTH

### Competitors

The group's hospitals are located in Phra Nakhon Si Ayutthaya Province which is surrounded by Pathum Thani, Suphan Buri, Ang Thong and Saraburi Provinces. These provinces are considered as high potential area for medical services. Three large industrial estates, namely Ban Wa (Hi-Tech) Industrial Estate, Bang Pa-in Industrial Estate and Saha Rattana Nakorn Industrial Estate, are in Phra Nakhon Si Ayutthaya Province. There are two industrial parks, namely Factory Land Wangnoi and Rojana Industrial Park located in this province. Moreover, the nearby province, Pathum Thani, is the location of Nava Nakorn Industrial Estate

Number of insurers of Social Security Office in Ayutthaya under section 33 and section 39 at the end of 2020 are 371,943 people. Of these insurers, 203,954 registered with the hospital group.

The Company's competitors are large government hospitals and private hospitals as follows:

Hospital	Operated by	Location	Social Security Scheme	Capacity (No. of registered bed)
Phra Nakhon Si Ayutthaya	Gov't	Phra Nakhon Si Ayutthaya District	✓	528
Sena Hospital	Gov't	Sena District	✓	180
Peravech Hospital	Private	Phra Nakhon Si Ayutthaya District	-	53
Karunvej Ayutthaya Hospital	Private	Bang Pa-in District	✓	105
Supamitrsena Hospital	Private	Sena District	-	100

## **1. GROUP STRUCTURE AND BUSINESS OPERATION**

Comparing to the competitors, the Company appeared to have competitive edges as follows :

- Medical service capability: The Company has wide range of state-of-the-art medical equipment. Number of examination rooms and hospital beds are considered sufficient.
- Both of the Company's hospitals are situated in prime locations which are conveniently accessible by patients and their relatives.
- The Company's medical team has extensive experience and is specialized in wide range of treatments.

The Company nevertheless has to compete with hospitals in Bangkok's suburb area such as Paolo Rangsit or Phatra Thonburi which have renowned reputation. However, these suburb hospitals are located distant to Ayutthaya clients comparing to the Company's hospitals, the Company remain to be more competitive.

### **(3) Procurement of products and services**

#### **Medicines and medical supplies**

Medicines and medical supplies are the main products used in hospitals. The Company has a policy to purchase medicines and medical supplies from varied manufacturers and distributors to prevent risk of product shortage. Note that the Company's purchase of medicines and medical supplies from each manufacturer and distributor did not exceed 30 % of the total value of the medicine and medical supply. Furthermore, the Company does not make a commitment with any distributor to purchase medicines or medical supplies that are worth more than 30 % of the total value of its future procurement .

The Company runs an efficient drug and medical supply management system. The staffs at the Company's drug storage keep track of the maximum and minimum levels of each type of medicines and medical supplies to ensure efficient orders and inventory management and to minimize overdue or expired medicines. However, the Company is able to ask the distributors for replacement or return of expired or nearly-expired drugs. Furthermore, the Company's medicines and medical supplies are stored at appropriate temperature conditions, up to international standards, to ensure the quality and efficiency of the medicines and medical supplies when they are used in treatment .

Despite the efficient medicine and medical supply management system, there could be unexpected events, e.g. physicians need to use certain medicines and medical supplies but the Company does not have such products in stock as they have run out, are in short supply or face a delay in delivery from suppliers. The Company has various solutions, e.g. urgent procurement, supply borrowing from nearby hospitals and from the hospitals under its umbrella, including Rajthanee Hospital and Rajthanee Rojana Hospital. This ensures that the Company's customers receive medicines and medical supplies in a timely manner.

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### Medical equipment

Modern and efficient standard medical equipment is a significant factor to enhance the quality of treatment. With realization of its importance, the Company requests physicians to closely follow technological advancements of medical equipment. Moreover, the Company minutely selects solely manufacturers and distributors who have reach its standards. Only high-quality medical equipment with reasonable prices and good after-sale services shall be selected.

### Medical staff

Important human resources of a hospital are medical staff, including physicians, nurses and practical nurse. The Company places great importance on these medical personnel and has policies to encourage them to work for the Company in the long run. For example, the Company offers justified and competitive rates of remuneration and fringe benefits, i.e. medical treatment expenses and accommodation for physicians and nurses. Furthermore, the Company creates favorable organizational culture and pleasant work atmosphere as well as building a good relationship among its employees. Also, the Company provides its staff with scholarships and also encourages them to attend related training courses to widen their knowledge. Moreover, thanks to a strong and long relationship between the Company and medical schools and medical training organizations, the Company always gets attention from medical staff who likes to join its team.

## (4) Operating Assets

### Detail of operating assets and intangible assets as of 31 December 2021

- Main fixed assets used for operation are land, buildings, land improvement, medical equipment, furniture & fixture, office equipment and vehicle with the total value of 1,427.76 million Baht
- Intangible assets equivalent to 96.7 million Baht of which mostly was goodwill incurred from the acquisition of subsidiary, Rajthanee Rojana Hospital Co., Ltd.

### Policy of Investment in Subsidiaries

The Company will invest in other companies with the same business objectives as the Company's core business or similar businesses or businesses that support the company's business which will increase operating results or profits, or invest in businesses that provide benefits to the Company which can support the Company's core business to be more comprehensive. In order to increase the competitiveness of the Company, the Board of Directors may consider investing in other businesses other than main business or other businesses of the Company. If the Board of Directors deems that such business is a business with potential and such investment is beneficial to the Company and shareholders as a whole

The Company acquired Rajthanee Rojana Hospital Co., Ltd. since 1 May 2014 and hold 98.31% stake as of 31 December 2021 with the investment value of 609.43 million Baht. For Ratchathani Nongkhao Hospital Co., Ltd., it is during project developmet. As of 31 December 2021, the Company has a 99.99% shareholding and has an investment value of 60 million Baht.

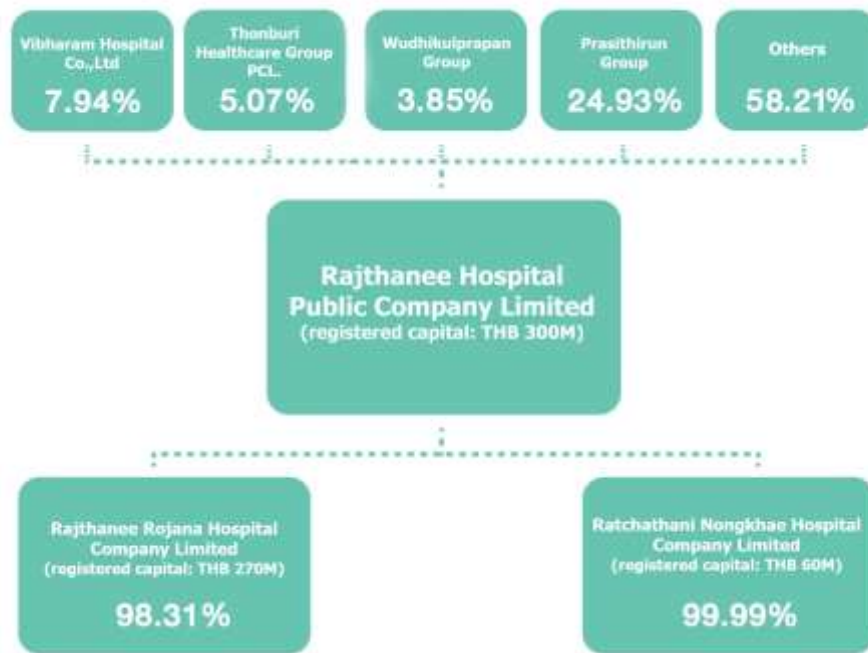


## 1. GROUP STRUCTURE AND BUSINESS OPERATION

### 1.3 Structure of Company Group

#### Structure of shareholding

Rajthanee Hospital Public Company Limited has two subsidiaries i.e. Rajthanee Rojana Hospital Co., Ltd. and Ratchathanee Nongkae Hospital Co.,Ltd. which the latter is being developed as the 3<sup>rd</sup> hospital of the group. The shareholding structure is shown in the diagram.



#### Note:

1. Shareholding in the Company is as of 23 November 2021
2. Shareholding in Rajthanee Rojana Hospital Co., Ltd is as of 31 December 2021
3. Shareholding in Ratchathanee Nongkhae Hospital Co., Ltd is as of 31 December 2021

#### 1.3.1 Shareholders

Top 10 of major shareholders as of 23 November 2021 are as follows:

No.	Shareholders		No .of shares	(%)
1	<b>Prasithirun Group</b>		<b>74,790,382</b>	<b>24.93%</b>
1.1	Mr.Surin	Prasithirun	40,661,805	13.55%
1.2	Ms.Phitrapphee	Prasithirun	9,591,800	3.20%
1.3	Ms.Phitramphai	Prasithirun	9,327,800	3.11%
1.4	Ms.Phitrappa	Prasithirun	9,327,800	3.11%
1.5	Mrs.Smorn	Prasithirun	5,881,177	1.96%
2	<b>Wudhikulprapan Group</b>		<b>11,541,119</b>	<b>3.85%</b>
2.1	Mr.Wachira	Wudhikulprapan	4,800,049	1.60%
2.2	Mrs.Pornthip	Wudhikulprapan	4,240,085	1.41%
2.3	Mr.Wanat	Wudhikulprapan	2,500,985	0.83%

## 1. GROUP STRUCTURE AND BUSINESS OPERATION

No.	Shareholders	No .of shares	(%)
3	Vipharam Hospital Company Limited	23,815,039	7.94%
4	Thonburi Healthcare Group	15,220,745	5.07%
5	BBHISL NOMINEES LIMITED	13,731,700	4.58%
6	Thai NVDR Company Limited	13,320,588	4.44%
7	Bualuang Long Term Equity Fund	12,054,000	4.02%
8	Mr.Narongsak Sripochsomboon	6,349,898	2.12%

Source :The Stock Exchange of Thailand

Details of major shareholders who are juristic persons and doing the same business as the Company:

### (1) Vibharam Hospital Company Limited

Vibharam Hospital Company Limited is operating private hospitals. Its major shareholders as of 31 October 2021 are Ramkhamhaeng Hospital Public Company Limited, Vibhavadi Medical Center Public Company Limited and Synphaet Company Limited, who held 50.00%, 33.73% and 9.39% respectively.

(2) **Thonburi Healthcare Group Public Company Limited** is operating private hospitals. Its top-10 shareholders as of 14 February 2022 are as follows:

No.	Shareholders	No .of shares	(%)
1.	Ramkhamhaeng Hospital Public Company	178,489,544	21.02
2.	Mrs.Jaruwan Wanasin	121,539,119	14.31
3.	Mr.Amnuay Unnanuntana	43,882,670	5.17
4.	Mrs. Navara Vanasin	40,800,363	4.81
5.	Rajthanee Land Development Co., Ltd	30,930,600	3.64
6.	Mr. Arsa Meksawan	29,664,737	3.49
7.	Thai NVDR Co., Ltd	26,395,029	3.11
8.	Mr.Aurchart Kanjanapitak	14,259,500	1.68
9.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	10,815,650	1.27
10.	F&S 79 Co., Ltd	8,695,656	1.02

The above two shareholders operate the hospital business as same as the Company. However, neither of their hospitals are located in Phra Nakhon Si Ayutthaya or nearby provinces. Therefore, the competitive landscape is not overlapping.

### 1.4 Registered and Paid-Up Capital

As of 31 December 2021, the Company has registered capital of 300,000,000 Baht, divided into 300,000,000 ordinary shares with a par value of 1.00 Baht per share, and a paid-up capital of 300,000,000 Baht, divided into 300,000,000 ordinary shares with a par value of the shares. 1.00 baht per shares

## **1. GROUP STRUCTURE AND BUSINESS OPERATION**

Listed Stock Exchange: The Stock Exchange of Thailand

### **1.5 Issuance of Other Securities**

-None -

### **1.6 Dividend Policy of the Company and the Subsidiary**

The Company has a dividend payout policy of 40 %of the net profit after tax and appropriation of legal reserve, based on its separated financial statement .Nonetheless, the Company's payout may in a different manner from that defined in the policy, depending on its operating performance, financial position, financial liquidity and cash requirement for business operation and expansions, and economic conditions .

The annual dividend payment is subject to approvals from shareholders 'meetings whereas the interim dividend payment can be approved by the Company's board of directors and subsequently reported to the immediate shareholder's meeting .

## **2. RISK MANAGEMENT**

### **2.1 Risk Management Policy and Plan**

Executive management and employees at all levels have the responsibility of being aware of the risks that may occur in their work and organizations and should give sufficient and appropriate importance to risk management. The Board also determined important risk achievement of the organization's objectives as follows:

- Determine risks in a timely manner
- Analyze, assess and prioritize potential risks and their impact in case they actually take place
- Manage risks in accordance with the established risk management process by taking into consideration any related expenditures and impacts from such risk management
- Follow-up and evaluate results to ensure that organizational risks have been appropriately mitigated

Furthermore, risks that may affect high and very high-level business plans and strategies of the organization must be reported to the, the Executive Committee and the Board of Directors for their acknowledgement.

The Board of Directors has approved and announced the information technology security management policy to enable the most efficient use of IT system and computer network as well as to prevent potential problem arising from risky use that may cause damage. The Board also monitors IT system while simultaneously ensuring the security of data and communication network so that any operations in term of personal data protection will be safe and in line with an international standard as well as conform to both Thai and foreign laws.

### **2.2 Risk to the Company's Business**

#### **1. Risk of retaining medical personnel or key executives**

Providing medical services is heavily dependent on quality of medical personnel in relevant fields of specialization. However, the supply of new medical personnel remains rather limited currently. Moreover, as the medical service industry is in an expansionary territory, demand for high quality and experienced medical staff is on the rise. Nonetheless, it takes a long time for these staff to enhance their knowledge and develop necessary capabilities. Given such a circumstance, the Company may be negatively impacted by possible shortages of medical personnel in various fields of specialization in the future.

However, the Company has not been confronted with any problem related to a shortage of medical personnel, thanks to its policies on appropriate remuneration packages and fringe benefits as well as its provision of pleasant working environment and well-being at work to the personnel. Furthermore, the Company has a policy to provide training and scholarships for qualified medical personnel, with an objective to enhance their skills and knowledge in various fields of specialization. This policy should help create a bond between the personnel and the Company, and the Company believes that this policy will help reduce exposure to the risk related to medical personnel scarcity.

## **2. RISK MANAGEMENT**

### **2. Risk of Intense Competition in the Medical Service Market**

At present, the medical service market sees more intense competition as major players in the market have continuously consummated mergers and acquisition. The moves for merger and acquisition bring about cost advantages as well as broadening service channels. Furthermore, an increasing number of new comers have taken over revenue sharing from existing operators. Consequently, operators have become more enthusiastic on competing to provide better services and apply pricing strategies to attract potential customers.

### **3. Risk of Lawsuits Filed by Patients**

Medical service providers are at risk of being sued by patients or their relatives if the service standard or the result of medical treatment fails to meet their expectations. Addressing this risk, the Company has attempted to continuously enhance its medical service standard, both in terms of examination and treatment evaluation practices. In light of this, the Company provides an evaluation form to survey customers' satisfactions on its service as well as managing risk by responding to customers' complaints in order to prevent lawsuits. This practice should help mitigate possible impacts from this risk factor. It is worth highlighting that as of December 31, 2020 there were no significant lawsuits filed by customers who sought compensations from the Company.

### **4. Risk of Default Payments of Medical Service Fees**

In addition to patients under the capitation scheme, the Company also provides medical services to non-capitation patients. According to the ethics of medical service provision, the Company provides medical treatments to patients first before collecting the medical service fees. This practice can be risky as there is a possibility that the Company may be unable to collect the medical service fees from the patients after the completion of the medical treatments.

In regard to the quality of the Company's accounts receivables which were mostly attributed to accounts receivables from the Social Security Office, life insurance firms and non-life insurance firms. As these accounts demonstrate low default risk; therefore, the Company accordingly sees low risk of collection of medical service fee payments.

### **5. Risk of Changes of Social Security Scheme Policy**

At present, the Company's exposure to revenue under the Social Security Scheme is relatively high, at approximately 40-50% of the total revenue. This high exposure put the Company at risk of being affected by possible changes of Social Security Scheme policy. However, the Company's management is confident that Thailand's social security system is financially established in terms of reimbursement system and fund's financial stability. Mostly, changes of policy were to increase medical service payment so as to reflect the actual higher service costs borne by participating hospitals. As a result, these changes were beneficial to the Company. The Company's management closely monitors relevant government policies through the Hospital Association for Development of Social Security System. Therefore, the management can participate and voice their concerns prior to the implementation of new policies by government body.

## **2. RISK MANAGEMENT**

### **6. Risk of Discrepancies of Receipt from Social Security Scheme**

There are uncertainties of the absolute amount to be received from Social Security Office under the category of high-cost care which are subject to the country's budget. To make a revenue projection, the Company compiled the historical data and the most recent actual amount received, coupled with the updated conditions from the Social Security Office. As the Company adopted a conservative policy in recording social security revenue, the actual revenue received usually exceeded the accounting record.

### 3. DRIVING BUSINESS TOWARDS SUSTAINABILITY

The Company attaches importance to its service areas 'surroundings to ensure that its patients and employees are in appropriate and safe environment .

#### Environment and health promotion

The Company's policies are to organize activities that will help to improve eating habits .The Company sets up exhibitions to publicize information about appropriate choices of food and, at the same time, sells toxin-free vegetables and healthy food to the employees and patients .

Moreover, the Company sets up outdoor exercise areas and also allocate some space inside the hospitals to build indoor gardens as rest spots .The pleasant environment helps speed up the recovery of the patients and boost happy sentiment in the workplace of the employees .

#### Environment conservation

The Company is aware of environmental impacts of the hospitals 'patient treatment process and other activities .The Company, therefore, sets up environmental care guidelines on pollution prevention and on natural resource saving .Initial steps are as follows :

- **Wastewater treatment:** Wastewater from the hospitals is treated until its quality meets standards before it is disposed outside the hospitals. The Company uses two wastewater treatment systems, namely, oxidation ditch and wastewater treatment tank .Both systems have a combined capacity to treat 360 cubic meters of wastewater per day, which matches the hospitals 'current capacity .Tests indicate that the quality of the hospitals 'wastewater meets required standards .
- **Hazardous material and waste management:** The hospitals 'hazardous materials and waste are mostly syringes, sharps, and chemical waste and infectious materials .The Company has standards of waste sorting, measures on wearing personal protection equipment, procedures for spills of hazardous materials as well as route maps and schedules for waste transportation . Trainings are also provided to the parties concerned to minimize risks.

#### Safety measures

The Company pays attention to safety measures to minimize risks as safety issues could be harmful to patients 'and staff's health .In terms of policy, the Company has certified occupational safety staff to monitor and give advice on safety measures .In addition, the Company conducts EVN Rounds on a regular basis to proactively determine risks, find their causes and prepare preliminary solutions .The data derived from the EVN Rounds is proposed to the monthly meeting of the safety, occupational health and work environment committee .Moreover, safety training is provided to the representatives of each department so that they can assess risks in their own departments .

- **Public utilities reserve:** In case of emergencies, e.g. fires or floods, the Company has reserves of public utilities for the patients until the situations return to normal or until the patients are safely transferred to other hospitals. The details are as follows:
- **Power reserve:** The Company has a 448-KVA generator which is able to run 16 hours continuously. Moreover, fuel can be re-filled to keep the generator working. The generator's capacity is sufficient

### 3. DRIVING BUSINESS TOWARDS SUSTAINABILITY

to serve key departments, e.g. Emergency Center, Surgery Center and Labor & Delivery Center, and other emergency systems, e.g. elevators, patient beds, refrigerators, water treatment system, lighting system. The generator starts generating electricity within five minutes after the main power system stops functioning.

- **Water reserve:** The Company's water storage is sufficient to satisfy demand for two days. There are also ground water resources in case of emergency.
- **Oxygen reserve:** In case the normal oxygen system does not function properly, the Company has oxygen reserve that is sufficient for around 24 hours of usage.



#### 4. MANAGEMENT DISCUSSION AND ANALYSIS

<b>Operation : Consolidated Profit &amp; Loss Statement</b>			
<b>Unit : THB million</b>	<b>31-Dec 2021</b>	<b>31-Dec 2020</b>	<b>31-Dec 2019</b>
Revenue from Non-Social Security	2,326.47	1,081.02	1,041.26
Revenue from Social Security	791.26	774.47	729.57
<b>Revenue from Hospital Operations</b>	<b>3,117.73</b>	<b>1,855.50</b>	<b>1,770.84</b>
Cost of Hospital Operations	1,684.21	1,261.61	1,213.45
Gross Margin	1,433.52	593.89	557.38
<i>% Gross Margin</i>	<i>46.0%</i>	<i>32.0%</i>	<i>31.5%</i>
Administrative Expenses	183.46	163.27	188.19
EBITDA *	1,413.10	542.67	493.11
<i>% EBITDA *</i>	<i>45.3%</i>	<i>29.2%</i>	<i>27.8%</i>
Other Income	27.09	22.90	32.25
Gain from sale of land	-	-	98.74
Financing Cost	5.92	0.26	4.34
Earnings before Tax	1,271.24	453.26	495.84
Corporate Tax Expense /(Income)	254.92	39.64	99.30
<b>Net Profit</b>	<b>1,016.32</b>	<b>413.62</b>	<b>396.54</b>
<i>% Net Profit / Total Revenue</i>	<i>32%</i>	<i>22%</i>	<i>21%</i>
Non-Controlling Interests	4.36	1.13	0.65
<b>Net Profit Attributable to The Company</b>	<b>1,011.96</b>	<b>412.49</b>	<b>395.89</b>
<i>* Non-cash items included depreciation and accounting adjustment</i>			
<i>Earnings per share</i>	<b>3.37</b>	<b>1.37</b>	<b>1.32</b>
<b>Non-Recurring Items : Increase/(Decrease) Net Profit</b>			
Previous period of SW income	(25.03)	(20.95)	(5.07)
Cost : Staff benefit	-	-	8.15
SG&A : Staff benefit	-	-	2.19
SG&A : Previous yr SW income over-record	-	3.29	24.01
(Gain) from disposal of land	-	-	(98.74)
Defer tax (income)	-	(41.22)	-
	<b>(25.03)</b>	<b>(58.88)</b>	<b>(69.46)</b>

#### Revenue from Hospital Operations

Total revenue increased by 68% from THB 1,855 million to THB 3,118 million. Covid-19 related revenue helped boost general revenue up by 115% whereas social security revenue ("SW revenue") edged up only 2%.

The Company earned revenue related to Covid-19 for THB 1,345 million in 2021 comprising THB 419 million from tests, THB 893 million from admission and THB 33 million from Moderna vaccine. Apart from Cohort ward, nearly 1,400 beds of 6 field hospitals were set-up to accommodate Covid-19 patients.

#### **4. MANAGEMENT DISCUSSION AND ANALYSIS**

Amid Covid-19 pandemic, conventional OPD & IPD revenue remained increase by 1.7% and 7.2% respectively. Number of OPD visits decreased by 2.2%% stood at 267k visits but revenue per head slightly increased from THB 1,800 to THB 1,870. IPD visits decreased considerably by 18% but revenue per head increased from THB 40,700 to THB 53,200. This was mainly due to more high-intensity cases, particularly Cardiac Catheterization Lab.

For SW revenue, 2021 revenue increased by 2.2% yoy which was mainly attributable to rising SW insurers. Annual average number of SW insurers increased over 5,800 persons yoy from the average of 194k to 200k. It is noted that there were upward adjustments due to under-recorded SW revenue of preceding year for THB 20 million and THB 25 million in 2020 and 2021 respectively.

##### **Cost of Hospital Operations**

Cost of hospital operations increased by 33% stemming from cost relating to Covid-19 ie medical & supplies, doctor fee, rental and depreciation. Since the hefty investment in 2020, depreciation cost has increased by THB 20 million annually. In addition, the investment of field hospitals raised depreciation cost for another THB 32 million. However, gross profit improved considerably from 32% to 46% of revenue. The massive expansion in capacity for Covid19 patients have translated to economy of scale.

##### **Administrative Expenses**

Administrative expenses increased substantially by 12% because of expenses related to Covid19.

##### **Earnings before interest, taxes and depreciation (“EBITDA”)**

For EBITDA (not included other revenue), 2021 posted margin of THB 1,413 million, increased by 2.6 times. EBITDA margin was 45% of revenue comparing to 29% yoy.

##### **Financing Cost**

The financing cost increased sharply from merely THB 0.3 million to THB 5.9 million yoy because of much short-term loans borrowed in 2021.

##### **Net Profit**

Net profit increased 146% to an all-time high of THB 1,016 million compared to THB 414 million last year. The net profit margin escalated yoy from 22% to 32% of revenue. This robust growth was mostly boosted by Covid-19 related revenue. It is noted that 2020 tax expense was at much lower than normal 20% corporate income tax rate because of tax benefit earned from capital expenditure investments. THB 41 million (net of the first year amortization) tax benefit was recorded as deferred tax revenue in 2020. In term of cash flow, the Company can save tax THB 10 million annually from 2020-2025.

#### 4. MANAGEMENT DISCUSSION AND ANALYSIS

Financial Position : Consolidated Balance Sheet	31-Dec	31-Dec	31-Dec
Unit : THB million	2021	2020	2019
Cash and Temporary Investments	174.71	58.31	223.42
Trade Receivables	858.72	329.74	298.63
Inventory	59.92	36.04	31.09
Long-term Investments	565.50	10.00	10.00
Property, Plant and Equipment	1,427.78	1,272.27	966.84
Other assets	265.74	192.97	155.43
<b>Total Assets</b>	<b>3,352.37</b>	<b>1,899.34</b>	<b>1,685.41</b>
Trade Payable	205.14	154.47	136.50
Interest-Bearing Debts / Leasing	750.31	70.89	0.91
Employee Benefit Obligation	59.72	56.02	56.25
Other Liabilities	372.26	116.70	91.93
<b>Total Liabilities</b>	<b>1,387.42</b>	<b>398.08</b>	<b>285.60</b>
Total Shareholders' Equity of the Company	1,977.16	1,496.14	1,395.82
Treasury Stock	(21.68)	-	-
Non-Controlling Interests	9.47	5.11	3.99
<b>Total Shareholders' Equity</b>	<b>1,964.95</b>	<b>1,501.25</b>	<b>1,399.80</b>

The consolidated total asset as of 31 December 2021 was THB 3,352 million increased considerably by 1,453 million or 77%. The was mainly due to more accrued Covid-19 revenue, as well as substantial investment in listed hospital shares.

Thai government provided free treatment for all infected Covid-19 Thai patients under Universal Coverage for Emergency Patients (Covid-19 UCEP) scheme. Hospitals can reimburse both Covid-19 screening tests and treatment at specific rates. As the number of Covid-19 went spiral, cost of Covid-19 subsidy began straining government's budget. Payment from government delayed. At the end of 2021, the Company's accrued revenue to be reimbursed under Covid-19 UCEP stood at THB 546 million.

During 2021, the Company has invested long-term in Bangkok Dusit Medical Services Plc. ("BDMS") for 2.25 million shares at THB 22.4 per share and Ramkhamhaeng Hospital Plc ("RAM") for 12.5 million shares at THB 28.2 per shares. In addition, the Company has invested more in Nan-Ram Hospital Co., Ltd for THB 10 million, totaling THB 20 million which equivalent to 6.67% stake.

Liabilities increased sharply from THB 398 million to THB 1,387 million. The highest contribution of this increase was short-term loan which rose from the outstanding THB 70 million to THB 750 million in order to bolster liquidity as credit term of Covid-19 UCEP delayed. In addition, a great deal of investments in hospital shares was spent this year. Accounts payable increased by 33% from purchases in relation to Covid-19 supplies & services. Other liabilities increased by 219% due to income received in advance of Moderna vaccines for THB 70 million and higher accrued income tax for THB 142 million.

#### 4. MANAGEMENT DISCUSSION AND ANALYSIS

The shareholders' equity at the end of December 2021 increased by 31% yoy because of profit earned. The Company has launched treasury stock program in this quarter. As of December 2021, 630,500 shares were acquired totaling THB 21.7 million. Moreover, unrealized gain from investment in listed hospital shares for THB 114 million were recorded this year.

<b>Consolidated Cash Flow Statement</b>	<b>31-Dec</b>	<b>31-Dec</b>	<b>31-Dec</b>
<b>Unit : THB million</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Profit before Income Tax	1,016.32	413.62	495.84
Adjustment to Profit before Income Tax for Cash Received (Paid) from Operations	431.85	160.17	25.52
Profit from Operation Activities before Changes in Operating Assets and Liabilities	1,448.17	573.79	521.36
(Increase) Decrease in Operating Assets	(512.52)	97.45	(140.60)
Cash Received (Paid) from Operation Activities	935.65	671.24	380.76
Cash Received from Interest Income	0.38	0.93	1.87
Cash Paid for Income Tax	(105.40)	(74.93)	(83.57)
Cash Received from Withholding Tax	5.13	8.24	-
<b>Net Cash and Cash Equivalents Increase (Decrease)</b>	<b>835.76</b>	<b>605.49</b>	<b>299.06</b>
Cash Flows from Investing Activities	(715.27)	(421.11)	189.85
Cash Flows from Financing Activities	(0.31)	(252.90)	(655.70)
<b>Net Cash and Cash Equivalents Increase (Decrease)</b>	<b>120.19</b>	<b>(68.53)</b>	<b>(166.79)</b>
Cash and Cash Equivalents at Beginning of the Year	54.52	123.05	289.84
Cash and Cash Equivalents at Ending of the Year	174.71	54.52	123.05

Cash flow from operation before changes of operating assets and liabilities ("working capital") increased substantially by 152% to THB 1,448 million. Due to the aforementioned delayed payment of Covid-19 UCEP receivables, cash flow after realizing working capital subsided to THB 935 million. However, the operating cash flow remained higher than preceding year by 39%.

Total cash spending on investment was THB 715 million and THB 421 million in 2021 and 2020 respectively. The investments in 2021 were in hospital shares for THB 413 million and fixed assets for THB 300 million whereas 2020 investment was solely in fixed assets.

For financing activities, the Company paid dividend for THB 643 million comparing to THB 315 million of preceding year. In addition, treasury stocks were acquired for THB 21.7 million this year. Consequently, the Company borrowed higher from last year for THB 680 million.

#### 4. MANAGEMENT DISCUSSION AND ANALYSIS

<b>Ratio Analysis : Consolidated Financial Statements</b>			
<b>Unit : THB million</b>	<b>31-Dec 2021</b>	<b>31-Dec 2020</b>	<b>31-Dec 2019</b>
<b>Returns (%)</b>			
Return on Assets *	30.3%	21.7%	23.5%
Return on Equity *	51.7%	27.5%	28.3%
<b>Working Capital Management (Days)</b>			
Trade Receivable Period	101	65	62
Inventory Period **	45	43	40
Trade Payable Period	57	61	54
<b>Leverage Ratios (x)</b>			
Interest Coverage	238.8	2,111.4	113.7
Debt Service Coverage	1.9	7.7	103.9
Total Debt to Equity	0.7	0.3	0.2

\* calculated by using earnings of current quarter to be estimated for annual earnings

\*\* based on only cost of medicine & medical supplies

Both return on assets and return on equity improved due to favorable performance.

In respect of liquidity, the receivable days increased from 65 days to 101 days stemming from Covid-19 receivables. Other ratios were on par with preceding year.

For financial risk perspective, debt to equity ratio increased on back of higher borrowing. However, it remained at low leverage of merely 0.7x. Despite the substantial increase of EBITDA, debt service coverage ratio decreased from 7.7x to 1.9x because of relatively higher growth of short-term debt.

## 5. GENERAL AND OTHER INFORMATION

### 5.1 Reference Information

#### SECURITIES REGISTRAR

Company's name	Thailand Securities Depository Co., Ltd. (TSD)
Head Office	62 The Stock Exchange of Thailand Building 11/F., Rachadapisek Road, Klongtoey, Bangkok 10110
Tel.	02-229-2800
Fax.	02-359-1259

#### EXTERNAL AUDITOR

Company's name	CWHP CO., LTD.
Head Office	128/334-335 Phayathai Plaza Building 31th Floor, Phayathai Road, Thung Phayathai, Ratchathewi, Bangkok 10400
Tel.	02-216-2265, 02-216-2268-9, 02-216-2279
Fax.	02-216-2286

#### INTERNAL AUDITOR

Company's name	RESOURCEFUL CO., LTD.
Head Office	45/6 Pechwongwan (Soi 9) Kanchanapisek Road, Bangbon, Bangkok, 10150
Tel.	02-415-7779, 02-895-0738
Fax.	02-895-2442

### 5.2 Legal Disputes

- None -

### 5.3 Secondary Market

- None -

### 5.4 Financial institutions that are in constant contact (Only in the case of bond issue)

- No bond issue –

## **Section 2**

### **Corporate Governance**

## **6. CORPORATE GOVERNANCE POLICY**

The Company realizes the importance of good corporate governance, and is committed to follow the Principles of Good Governance Guideline in order to manage its business with transparency to build confidence for all stakeholders and to compete efficiently. The five principles were stipulated as follows:

### **Section 1 The Rights of Shareholders**

The Company realizes and emphasizes basic rights of the shareholders, both as an owner and an investor. Such basic rights include the right to buy or transfer their existing shares, the right to receive adequate information about the Company, the right to receive shared profits from the Company, general rights regarding shareholders' meetings, the right to express their opinions, and the right to make decisions on the Company's crucial matters, e.g., dividend payment, appointments or dismissal of directors, appointments of authorized auditors, approvals of significant transactions that might affect the Company's business operation outlook, and etc.

Apart from the aforementioned rights, the Company also facilitates the right exercises for the shareholders, with the details as shown in Attachment 5

### **Section 2 The Equitable Treatment of Shareholders**

The Company offers equal opportunities for all shareholders and determines their voting rights in the AGM in accordance with their stake-holding. The holding of one share is equal to one voting right. No actions limit/infringe the rights of the shareholders regardless of categories, i.e., major shareholders, minor shareholders, institutional investors, and foreign shareholders. The Company assigns independent directors to take care of minority shareholders. In light of this, the minority shareholders may express their suggestions, opinions or complaints to the independent directors who will consider the matters and take appropriate action. For the case of complaints, for instance, the independent directors examine the facts and accordingly seek appropriate solutions. Regarding the case of suggestions on crucial matters that may affect the overall stakeholders or the Company's business operation, the independent directors shall consider proposing such matters as AGM meeting agendas.

The minority shareholders are eligible to nominate directors or propose additional agendas prior to the AGM date, with the Company providing clear guidelines of how to nominate directors and criteria for considerations of additional agendas suggested by the minority shareholders.

The AGM is conducted in compliance with the Company's rules and regulations, with the agendas being discussed in order. All relevant information for each agenda is clearly provided. No uninformed agendas, especially those relating to important matters that shareholders may require some time to study the details before making decisions, are unnecessarily added in the AGM agenda. Shareholders are allowed to ask an independent director or any individual to act as their representative in case they are unable to attend the AGM by themselves, provided that they submit any of the proxy forms attached to the AGM invitation letter. In terms of the voting procedure, the voting is conducted with transparency according to the agenda. On the agenda about director nomination, each shareholder has the right to vote to select a director(s).



## 6. CORPORATE GOVERNANCE POLICY

Moreover, the Company asks the directors to report the details about stake-holding in particular agenda before considering such matters in the Board of Directors 'meetings and the details about stake-holding are recorded in the minute of the meeting. Any directors who involve stake-holding in particular matters and have a tendency to provide bias comments are not allowed to participate in that particular agenda.

Furthermore, the Company also determines the measures to prevent insider trading involved by connected persons, including directors, executives, employees who whose duties relate to the Company's internal information (including their spouses and minority children) be careful in making transactions for buying, selling, transferring or accepting the transfer of the Company's shares during the period before disclosing the financial statements or the financial position to the public.

The Company provides the directors and executives with information regarding the requirements that they have to report their stake-holding, according to the Securities and Exchange Act B.E. 2535 as well as the regulation set by the Stock Exchange of Thailand. Directors or executives who engage in trading transactions of the Company's securities are required to report their stake-holding, their spouses 'holding and their minority children's holding to the Security Exchange Commission of Thailand and the Stock Exchange of Thailand within three working days, according to the Securities and Exchange Act B.E. 2535; such information is subsequently publicized.

### **Section 3 The Roles of Stakeholders**

The Company emphasizes the importance of the rights of all stakeholders, both internal ones, i.e., the Company's employees and executives, and external ones, e.g., competitors, trade partners, customers, and etc. Having been well aware that support and comments from all stakeholders will benefit the Company's operation and business development, the Company thus complies with relevant rules and regulations to ensure that all stakeholders are treated decently. Furthermore, the Company promotes collaborations between the Company and all groups of stakeholders to ensure the business sustainability. The details are illustrated in Attachment 5

### **Section 4 Disclosure and Transparency**

The Company realizes the importance of disclosure of accurate, adequate, and transparent information concerning financial information, general information, in accordance with the principles sent forth by the Security Exchange Commission of Thailand and the Stock Exchange of Thailand, and other information that might have an impact on the Company's securities 'prices. Such information is important to decision making of the investors and stakeholders. After the Company was listed to the Stock Exchange of Thailand, the Company has publicized its information for shareholders, investors, and public through the following channels:

- Disclose information on the websites of the Stock Exchange of Thailand and the Security Exchange Commission of Thailand
- Financial information on the website: [www.setsmart.com](http://www.setsmart.com)
- Annual Information Disclosure Form (56-1) and the Company's annual report
- The Company's website <http://www.rajthaneer.com>

## 6. CORPORATE GOVERNANCE POLICY

The Company has also set up the Investor Relations Department to contact and communicate with investors, shareholders, stock analysts, and relevant state agencies.

The information released to public and stakeholders may also be obtained from the Company's website where information is updated regularly. Users can access to the information promptly and conveniently and gain the highest benefits from such information.

Regarding the financial statement and the financial information in the annual report, the Audit Committee reviews the quality of the financial statement and the internal control system. Sufficient information is disclosed in the footnotes to the financial statement and subsequently reported to the Company's Board of Directors. Also, the report about responsibility of the Board of Directors on the financial reports also accompanies the Audit Committee 'report in the annual report. Moreover, the Board of Directors also supports the discussions and analysis of the operation department to include in the disclosure of financial statement.

### **Section 5 Responsibilities of the Board of Directors**

The Board of Directors realizes responsibilities and roles in determining the direction of business operation to comply with laws, the Company's objectives, Articles of Association, and shareholders' resolution. It sets policies, vision, mission, and 5-year strategic plans, with an annual review to align with changing business environment. The Board of Directors supervises the Management to effectively and efficiently conduct the business according to the established policies based on the principles of good corporate governance for the best interest of the Company and shareholders' values. The detailed information on the composition, structure, qualifications, office tenure, appointment and retirement of directors, roles, duties, responsibilities and the authority of the Board of Directors and Chairman of the Board can be found in Attachment 5: Corporate Governance Guidelines, Policies and Code of Conduct

### **Directorship at Other Companies**

The Board of Directors establishes a policy regarding directorship at other companies as follows:

1. A director can hold a directorship at other companies, but being a director must not be a hindrance to the duties of the Company's Board and must comply with the guidelines set by the SEC and the SET. In addition, a director must not operate the same business and compete with the Company's business; or become a partner or a director in other juristic persons that have the same condition and in competition with the business of the Company, whether doing it for his/her own benefit or for the benefit of another person, unless notified to the shareholders meeting before the appointment.
2. Holding a directorship at other companies by the Chief Executive Officer must be approved by the Board of Directors and the business operation of such companies must not have any conflict of interest with the business of the Company.

The Company stipulates that "subsidiaries and associated companies strictly follow the policy of Board of Directors holding the position in other companies, which does not affect the efficiency of the Board to perform the duties thereof.

## 6. CORPORATE GOVERNANCE POLICY

### Separation of roles and responsibilities between the Board and the Management

The Board of Directors clearly separates roles, duties, and responsibilities to balance and review the management. The Board of Directors will consider and approve the overall policy such as vision, mission, strategy, operating policy, including allocation of important resources, corporate governance policy, anti-corruption policy, and overall financial objectives to ensure the achievement of the Company's objectives and goals. These include following up, evaluating, and overseeing the performance reporting, whilst the Management must manage the Company according to the policy set by the Board of Directors.

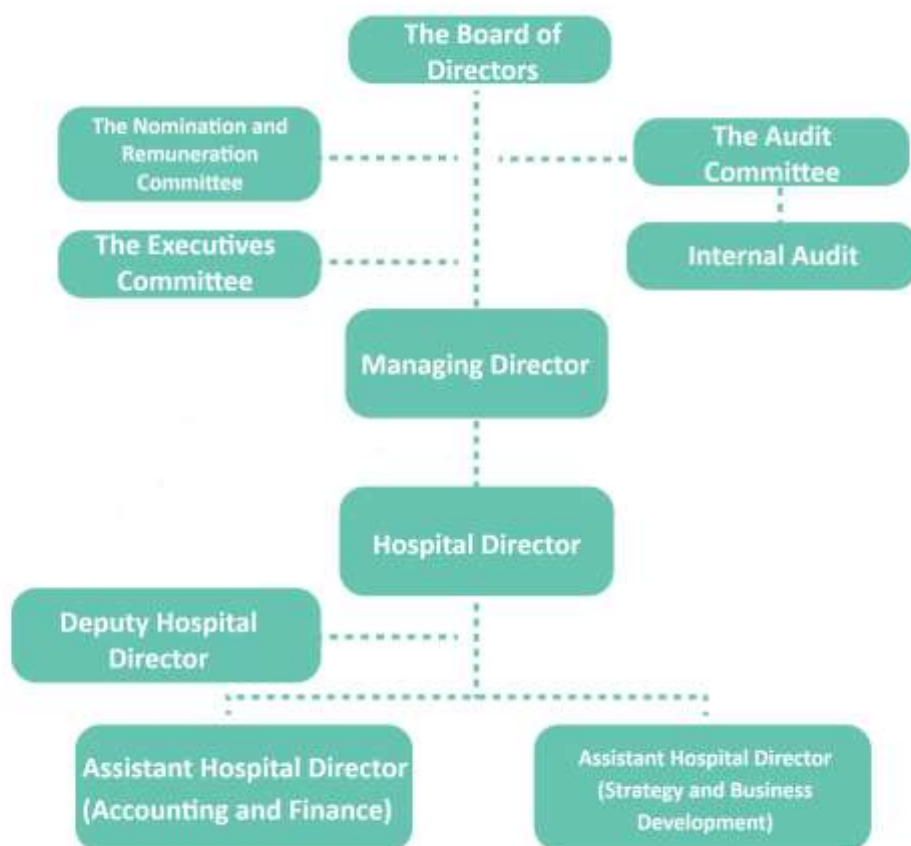
With the purpose of clearly segregating duties and responsibilities between the Board and the management, the Chairman of the Board and Chief Executive Officer shall not be the same person. The Chairman of the Board has a duty to oversee activities of the Board of Directors which supervises and governs the management of business operations. Chief Executive Officer is the chief of the management team who manages corporate activities as prescribed by policy guidelines and objectives approved by the Board of Directors. Since the Chairman of the Board and Chief Executive Officer is not the same person, the separation of powers provides checks and balance and gives the Chairman of the Board more leeway to perform the duties independently.

In addition, the composition of the Board of Directors also consists of only 2 executive directors out of the total number of 10 directors. The least number of executive directors in the Board of Directors ensures that the Board of Directors is not overwhelmed by the management.

The Chairman of the Board shall chair a meeting and have a duty to allocate sufficient time for each prescribed agenda item, allowing the Board members to freely express their opinions about relevant issues taking into consideration the interests of shareholders and stakeholders fairly and impartially. At the meetings, the Chairman of the Board shall summarize important agenda issues for the Board's review and support, as well as giving opportunities to any Board members to express their opinions prior to concluding the meeting resolutions.

## 7. CORPORATE GOVERNANCE STRUCTURE AND INFORMATION OF BOARD OF DIRECTORS, SUB-COMMITTEE AND MANAGEMENT

### 7.1 Corporate Governance Structure



### 7.2 Board of Directors

As of 31 December 2021, the Board of Directors is as follows:

1.	Ms.Vilailak	Anyamaneerat	Chairman of Board of Directors. Chairman of Audit Committee. Independent Director, Chairman of Nomination and Remuneration Committee
2.	Dr.Surin	Prasithirun	Director / Chairman of Executive Committee
3.	Dr.Wachira	Wudhikulprapan	Director
4.	Dr.Pornthip	Wudhikulprapan	Director
5.	Ms.Phitraphee	Prasithirun	Director
6.	Mr.Charoonsak	SriPOCHsomboon	Director
7.	Mr.Saran	Supaksaran	Audit Committee / Independent Director Nomination and Remuneration Committee
8.	Mr.Teerasak	Na Ranong	Audit Committee / Independent Director Nomination and Remuneration Committee
9.	Dr.Thanatip	Suppradit	Director
10.	Ms.Sudthida	Jirapatsakul	Independent Director

## 7. CORPORATE GOVERNANCE STRUCTURE AND INFORMATION OF BOARD OF DIRECTORS, SUB-COMMITTEE AND MANAGEMENT

### The Company's authorized directors

The Company's authorized directors are two out of four directors to jointly sign with the Company's seal affixed .

1. Dr. Wachira Wudhikulprapan
2. Dr. Surin Prasithirun
3. Mr. Charoonsak Sripochsomboon
4. Ms. Phitraphee Prasithirun

Dr.Surin Prasithirun and Ms Phitraphee Prasithirun are not allowed to co-sign as they are father and daughter

### 7.3 Sub-committees

#### (1) Audit Committee

- |    |             |              |             |
|----|-------------|--------------|-------------|
| 1. | Ms.Vilailak | Anyamaneerat | Chairperson |
| 2. | Mr.Saran    | Supaksaran   | Director    |
| 3. | Mr.Teerasak | Na Ranong    | Director    |

#### (2) Nomination and Remuneration Committee

- |    |             |              |             |
|----|-------------|--------------|-------------|
| 1. | Ms.Vilailak | Anyamaneerat | Chairperson |
| 2. | Mr.Saran    | Supaksaran   | Member      |
| 3. | Mr.Teerasak | Na Ranong    | Member      |

#### (3) Executive Committee

- |    |                            |             |
|----|----------------------------|-------------|
| 1. | Dr.Surin Prasithirun       | Chairperson |
| 2. | Dr.Chatcharin Pinsuwan     | Member      |
| 3. | Ms.Manassa Lertdumrongluck | Member      |
| 4. | Mr.Thanawit Inthara        | Member      |

Remark: For roles and duties of the Board of Directors and sub-committees, please refer to Attachment 5: Corporate Governance Guidelines, Policies and Code of Conduct.

### 7.4 Executives

#### 7.4.1 List of Executives: as of 31 December 2021 as follows

- |    |                           |   |
|----|---------------------------|---|
| 1. | Dr.Surin Prasithirun      | Managing Director   |
| 2. | Dr.Chatcharin Pinsuwan    | Hospital Director   |
| 3. | Dr.Kanokkrin Boonvisut    | Deputy Hospital Director  |
| 4. | Ms.Manassa Lartdumrongrak | Assistant Hospital Director (Accounting and Finance)            |
| 5. | Ms.Phitraphee Prasithirun | Assistant Hospital Director (Strategy and Business Development) |
| 6. | Ms.Benja Ruengsri         | Accounting Manager  |

## **7. CORPORATE GOVERNANCE STRUCTURE AND INFORMATION OF BOARD OF DIRECTORS, SUB-COMMITTEE AND MANAGEMENT**

### **7.4.2 Policy on Executives Remuneration**

1. Short-term remuneration: The Company has determined remuneration payment which is appropriately comparable to prevailing rate of other organizations of the same business so as to maintain and promote the competitiveness in human resources for the organization. Besides, the Company has specified bonus payment from the business performance of each year by connecting with the performance to encourage them to perform their respective duties as stipulated in the organization's annual goals and objectives.

2. Long-term remuneration: The Company has determined remuneration payment to maintain and encourage performing duty in order to achieve its established goals in the long run such as guidelines on annual increase of wages, medical welfare provident funds and their career path etc.

In addition, the Company has adhered to the remuneration principles as follows:

- The Company has determined the remuneration which is comparable to the standard payment rate of other organizations within the same industry to maintain and promote the competitiveness in human resources for the organization.
- The Company has connected Corporate Performance with Individual Performance under transparent criteria in determining appropriate remuneration according to the performance.
- The Company has specified the framework in planning and control of remuneration payment to the organization's annual budget plan and such remuneration payment can be determined from its ability to pay both short-term and long-term. Moreover, the Company shall possess tin improving the budget during the year to be in line with the organization's performance in a timely manner.

### **7.4.3 Remuneration of Directors and Executives**

In 2021, the Company paid the remuneration to executives which includes salaries, bonuses, contributions to the social security fund, provident fund and other remuneration (not include director remuneration) totaling of Baht 36.54 million and the Company did not have policy to pay any other remuneration to the executives.

## **7.5 Personnel**

Numbers of physicians and employees as of 31 December 2021 are:

<b>The Company</b>	<b>Full-time Physicians / Employees</b>	<b>Part-time Physicians / Employees</b>
Physicians	48	189
Nurses	424	81
Medical technologists	67	26
Pharmacists	70	34
Others	284	52
<b>Total</b>	<b>893</b>	<b>382</b>

## 7. CORPORATE GOVERNANCE STRUCTURE AND INFORMATION OF BOARD OF DIRECTORS, SUB-COMMITTEE AND MANAGEMENT

The Company's subsidiary	Full-time Physicians / Employees	Part-time Physicians / Employees
Physicians	10	71
Nurses	68	17
Medical technologists	22	14
Pharmacists	12	12
Others	86	15
<b>Total</b>	<b>198</b>	<b>129</b>

### Remuneration for physicians and employees

In 2021, the Company paid the total amount of Baht 809.66 million to physicians in form of doctor fees and to employees in forms of salaries, bonuses, overtime, contributions to the social security fund and provident fund

Moreover, there are other remunerations to employees ie. uniforms, medical welfare as well as 0.50 Baht weight of gold for employees who have been working for 10 years and education fund to employees' children so as to enhance working morale.

### Provident Fund

The Company established the provident fund pursuant to the Provident Fund Act B.E .2530 (as amended) since 2003 which has been managed by BBL Asset Management Co.,Ltd. with the main purpose to enhance employees' morale and motivate long-term employment.

For the provident fund, the employees can make contribution in the range of 3-15% of salary while the Company makes contribution up to 3% of salary

## 7.6 Other information

### 7.6.1 List of responsible persons

#### (1) Company Secretary

The Board of Directors appointed Ms. Kamolporn Boonprakob as the Company Secretary to be responsible for administering the Board of Directors' meetings, sub-committee's meeting and shareholders' meetings, for preparing minutes of each meeting annual report, and for safekeeping documents as required by rules and regulations. In addition, Company Secretary is responsible for advising the Board of Directors and management regarding rules and regulations related to listed companies and corporate governance policies.

#### (2) Person assigned to the direct responsibility of supervising accounting preparation

Ms. Manassa Lertdamrongluck as Assistant Director of the Hospital Accounting and Finance is the person who is assigned the highest responsibility of accounting and finance. Ms. Benja Ruangsri is directly responsible for the supervision of accounting.

## 7. CORPORATE GOVERNANCE STRUCTURE AND INFORMATION OF BOARD OF DIRECTORS, SUB-COMMITTEE AND MANAGEMENT

### (3) Head of internal audit

The Company has appointed Resourceful Company Limited as an internal auditor for the Company. Ms. Phasuwadee Buppha acts as the head of internal audit.

### 7.6.2 Head of Investor Relations

The company assigned Ms. Manassa to Lertdamronglak served as Head of Investor Relations

Contact: E-mail: manassa-rjh@rajthanee.com

Phone: 035 335 555 ext. 953

### 7.6.3 Auditor Remunerations

The Company and subsidiaries had compensated the auditor , CWWP Co., Ltd., as follows :

	<b>The Company</b>	<b>Subsidiaries</b>	<b>Total</b>
Annual audit and review of quarterly financial statements	1,090,000	550,000	1,640,000
Other non-audit fee i.e. travelling and overtime	180,554	115,008	295,562
<b>Total expenses</b>	<b>1,270,554</b>	<b>665,008</b>	<b>1,935,562</b>

Remark: The two subsidiaries consist of Rajthanee Rojana Hospital Co.,Ltd. and Ratchani Nongkhae Hospital Co.,Ltd.



## **8. REPORT ON KEY PERFORMANCE OF CORPORATE GOVERNANCE**

### **8.1 Summary of the performance of the Board of Directors in the past year**

#### **8.1.1 Nomination and Development of the Board of Directors**

In appointing the Directors, the Nomination and Remuneration Committee comprises 3 independent directors, with the responsibilities for nomination and selection of well-qualified candidates according to the regulations of the Company. The candidates must be knowledgeable with diverse background and experiences that are beneficial to the Company's business operation. The Director Pool database will be applied for consideration of the nomination, the structure and composition of the Board of Directors. The Nomination and Remuneration Committee will provide opinions to the Board of Directors for approval prior to proposing the candidate for the shareholders' meeting in accordance with the rules and procedures specified in the Company's Articles of Association and the requirements of relevant laws.

In consideration of the Company's nature of business and future plan, the Nomination and Remuneration Committee determined the qualifications of the directors by taking into account the following elements.

##### **1) Prerequisite qualifications.**

The Nomination and Remuneration Committee should consider and define the specific characteristics of the director nominees, such as integrity and accountability, informative and rational decision-making, maturity and firmness, good listening and assertive expression of different opinions, independence, working by principles and professional standards, and other characteristics deemed essential.

##### **2) Skills and Expertise**

The Nomination and Remuneration Committee should consider and define the required expertise in the directors to enable the Board to establish policy and strategy as well as effectively governing the execution in compliance with the policy.

##### **3) Diversity of the Board of Director**

The Nomination and Remuneration Committee explores the development of Board Skill Matrix to enhance diversity and qualification of the Directors such as age, knowledge, expertise, experience, hard skills, and soft skills. Determination of director nominees is based on the qualifications required to ensure the appropriate mix of skills and expertise needed for the Company's successful business operation. Moreover, Nomination and Remuneration Committee uses the Board Skill Matrix as a tool for appointing new director in replacement of the vacating directors after their terms of office expired. The skill matrix is categorized into 3 dimensions as listed below:

- 3.1) Macro-management expertise: Expertise is required in different areas including industry-specific expertise, enterprise administration, human resource management either the public or private sector, economics, investment, strategic planning related to marketing, public relations, foreign affairs, and risk management.
- 3.2) Specific Knowledge, Experience or Expertise: Three areas of specific expertise are required as follows
  - (1) Legal expertise, including knowledge of government regulations relating to business operations.
  - (2) Accounting and finance expertise, with knowledge and understanding of financial statements, accounting standards, or be a member of audit committee of listed companies.

## **8. REPORT ON KEY PERFORMANCE OF CORPORATE GOVERNANCE**

(3) Expertise in healthcare, real estate which adds diversity to the Board and supports the maximum efficiency of the Board's duties.

3.3) Corporate Governance Expertise: The expertise can be specified into 2 areas as follows;

(1) Corporate governance and formulation of the policy and related guidelines.

(2) Stakeholders treatment.

### **Qualifications of the Board of Directors**

1. Directors must have knowledge, abilities, honesty, business ethics, expertise, and experience beneficial to the Company. It also requires leadership, vision, good work history, dedication, and the ability to devote full time to the Company's duties.
2. Directors must have full qualifications and must not have any prohibited characteristics under the law governing public limited companies, the law on securities and exchange, and other relevant laws. Also, they must not have untrustworthy status, according to the announcement of the Office of the Securities and Exchange Commission.
3. Directors can hold directorships in other companies. However, being such a director must not be an obstacle to the performance of a director of the Company. It must be in accordance with the guidelines set by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. However, a director must not operate a business, or become a partner, or a director in another juristic person who operates businesses of the same nature and is in competition with the business of the Company, whether for their benefit. or another person's benefit unless notified to the shareholders' meeting before the resolution of appointment.
4. Directors can perform duties, ask questions, express opinions, express visions, and use independent judgment in making decisions, for example, determining strategy, administration, resource utilization, appointment of directors, and operational measures. Also, in case of conflicting opinions on matters that affect the Company's best interests, shareholders, and stakeholders, the directors shall be independent to oppose the actions of other directors or the management.
5. Independent directors must possess a complete qualification related to independency as prescribed by the Company in compliance with the Notification of the Capital Market Supervisory Board. The independent directors must be unrestrained by the control of management, major shareholder, or controlling person and must not have any involvement or vested interest related to the financial and management of the Company's business.

**Independent directors of the Company** must possess the following qualifications.

1. A person holds shares not more than 1% of total number of shares with voting rights of the Company, parent company, subsidiary company, associated company, major shareholder, or controlling person. In this regard, it shall also include the shareholding of related persons of that independent director.

## **8. REPORT ON KEY PERFORMANCE OF CORPORATE GOVERNANCE**

2. A person is not or used to be a director, employee, personnel, consultant with monthly pay, or controlling person of the Company, parent company, subsidiary, associated company, same-level subsidiary, or major shareholder, or controlling person unless the aforementioned nature has been vacated for not less than two years. However, such prohibited characteristics do not include the case where the independent director used to be a government official or advisor of a government agency that is a major shareholder or controlling person of the Company.

3. A person does not have a blood relationship or by legal registration in the manner of father, mother, spouse, siblings, and children, child's spouse related to executive, major shareholder, controlling person of the Company, or person to be nominated as an executive or controlling person of the Company or its subsidiary.

4. A person does not have or ever had a business relationship with the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company in a manner that would impede the exercise of one's independent judgment. Also, he/she must not be or have been a significant shareholder, controlling person of the Company, or controlling person of a person having a business relationship with the Company, parent company, subsidiary, associated company, major shareholder, unless the previous relationship has been terminated for not less than two years.

5. A person is not or has been an auditor of the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company. Also, he/she must not be a partner of the audit firm coincided with auditors of the Company, parent company, subsidiary company, associated company, major shareholder, or controlling person of the Company; unless the status as mentioned above has been vacated for not less than two years.

6. A person is not or has been a provider of any professional services, including legal advisory or financial advisory who receive service fees over 2 million baht per year from the Company, parent company, subsidiary company, associated company, major shareholder, or controlling person of the Company. Also, he/she must not be a significant shareholder, controlling person of the Company, or partner of the professional service provider, unless terminated from such position mentioned above for not less than two years.

7. A person has not been appointed to represent the director of the Company's major shareholders or shareholders who are related to the major shareholders.

8. A person does not have any other characteristics that prevent independent opinions on the Company's operations.

The details about the composition, structure, qualifications, tenure of office, appointment and termination of directorship, roles, duties, responsibilities and the authority of the Board of Directors and the Chairman of the Board, meetings, quorum, and voting, including the remuneration package criteria, can be found in the Company's website under the topic "Board of Directors Charter".

## 8. REPORT ON KEY PERFORMANCE OF CORPORATE GOVERNANCE

### 8.1.2 Meeting attendance and remuneration of individual committees

In 2021, the Company held various meetings of which attendance details are as follows.

	Name of Directors		AGM	BOD	AC	NC
1	Dr.Aurchart	Kanjanapitak	1/1	4/6	-	-
2	Ms.Vilailak	Aunyamaneerat	1/1	6/6	4/4	2/2
3	Dr.Wachira	Wudhikulprapan	1/1	6/6	-	-
4	Dr.Porntip	Wudhikulprapan	1/1	6/6	-	-
5	Dr.Surin	Prasithirun	1/1	6/6	-	-
6	Ms.Phitraphee	Prasithirun	1/1	6/6	-	-
7	Mr.Charoonsak	Sripochsomboon	1/1	6/6	-	-
8	Mr.Saran	Supaksaran	1/1	6/6	4/4	2/2
9	Mr.Teerasak	Naranong	1/1	6/6	4/4	2/2
10	Dr.Thanatip	Suppradit	1/1	6/6	-	-
11	Ms.Sudtida	Jirapatsakul	1/1	6/6	-	-

Remark:

- AGM : 2021 Annual General Meeting of Shareholder  
BOD : Meeting of the Board of Directors  
AC : Meeting of the Audit Committee  
NC : Meeting of the Nomination & Remuneration Committee
- Dr.Aurchart Kanjanapitak has resigned from the position of Board of Directors and Chairman of the Board since 27 September 2021 and the Company has not recruited any other person to replace him but appointed Ms. Vilailak Anyamaneerat as the chairman of the board instead.

### Remuneration of the Directors

In 2021, the Company has paid directors' remuneration as follows:

			2021 Meeting Allowance			2020 Bonus	Total
Names			Board of Directors	Audit Committee	Nomination & Remuneration Committee		
1	Dr.Aurchart	Kanchanapitak	80,000	-	-	360,000	440,000
2	Ms.Vilailak	Aunyamaneerat	120,000	80,000	40,000	360,000	600,000
3	Dr.Wachira	Wudhikulprapan	120,000	-	-	360,000	480,000
4	Dr.Porntip	Wudhikulprapan	120,000	-	-	360,000	480,000
5	Dr.Surin	Prasithirun	120,000	-	-	360,000	480,000
6	Ms.Phitraphee	Prasithirun	120,000	-	-	360,000	480,000
7	Mr.Charoonsak	Sripochsomboon	120,000	-	-	360,000	480,000
8	Mr.Saran	Supaksaran	120,000	80,000	40,000	360,000	600,000
9	Mr.Teerasak	Naranong	120,000	80,000	40,000	360,000	600,000
10	Dr.Thanatip	Suppradit	120,000	-	-	360,000	480,000
11	Ms.Sudtida	Jirapatsakul	120,000	-	-	360,000	480,000
Total			1,280,000	240,000	120,000	3,960,000	5,600,000

## **8. REPORT ON KEY PERFORMANCE OF CORPORATE GOVERNANCE**

In addition, the Company granted other remuneration such as training allowances, discounts for medical expenses

### **8.1.3 Governance of the subsidiaries and associated companies**

Directors or executives who are representatives of the Company must supervise the subsidiary to disclose information on transactions between the Subsidiary and the Connected Persons of the Subsidiary. Acquisition and disposal of assets or any other important transactions of the said subsidiary to be accurate and complete and use the above-mentioned disclosure and transaction rules in the same manner as the Company's guidelines. As well as supervising the subsidiaries to prepare financial statements that are complete, accurate and can be audited and completed on time.

To supervise the subsidiary, the board of directors of the Company assigns the persons to hold the directorship in the subsidiary.

In addition, the Company has a policy to assign independent auditors to inspect the operations of the subsidiaries in order to prevent possible errors and to ensure transparency as necessary and appropriate. There are periodic internal audit and the reports are submitted director to the Audit Committee for review.

### **8.1.4 Monitoring of compliance with corporate governance policies and practices**

#### **(1) Prevention of conflicts of interest**

The Company monitors and manages potential conflicts of interest among the Company, the management, the Board of Directors, and shareholders. Inappropriate trading transactions and improper use of property, information, and opportunities are strictly prohibited. The Board of Directors, executives and employees shall perform their duties in the best interest of the Company. The directors and executives are required to submit a form reporting the interests of their own and related parties to the Company, while the Company Secretary shall maintain such reports for monitoring and review purposes to govern the conflicts of interests.

#### **(2) Use of inside information for gains**

The Company has policies and procedures for supervising directors and executives in using the Company's internal information which has not yet been disclosed to the public for personal gain including securities trading as follows:

- Provide knowledge to directors and executives of various departments regarding the duty to report the holding of securities of one's, spouse and minor children to the Securities and Exchange Commission and the Stock Exchange of Thailand under Section 59 and penalties under Section 59 and penalties under Section 275 of the Securities and Exchange Act B.E. 2535.
- Directors and executives are required to report changes in their securities holdings to the Office of the Securities and Exchange Commission in accordance with Section 59 of the Securities Act.

## **8. REPORT ON KEY PERFORMANCE OF CORPORATE GOVERNANCE**

2535 within 3 business days following the date of the change and submit a copy of this report to the Company on the same day the report is submitted to the Office of the Securities and Exchange Commission.

- The Company will assign directors, executives and related operators who are aware of material inside information which affects the change in securities prices be cautious when making transactions for buying, selling, transferring or accepting transfers of the Company's securities in the period prior to the publication of financial statements or the release of financial position and the status of the Company until the company will disclose the information to the public including prohibiting the disclosure of such material information to other persons.

The company imposes disciplinary penalties if there is a violation of using inside information for personal gain. This starts from a written warning, wage cut, temporary suspension without pay or leave work. The punishment will be determined based on the intention of the act and the seriousness of the offense.

### **(3) Anti-corruption**

The Company attaches great importance to anti-corruption and corruption giving or receiving bribes as well as supporting and encouraging personnel at all levels to have awareness of anti-corruption and corruption in all forms. The guidelines have been set up to prevent and join against corruption as follows:

#### **3.1 Anti-Corruption Policy Announcement**

The Company has a policy to act against corruption by providing written a guideline which is specified in the document "Rules and regulations in the operation of the hospital" and communicated to the directors, executives and employees for acknowledgment and implementation. In addition, this topic has been included in every new employee orientation for employees to be aware of and strictly adhere to. If the Company's employees commit corruption It is a disciplinary penalty for termination of employment.

#### **3.2 Corruption Risk Assessment**

- Executive Committee has prepared a risk account of the Company according to the level of risks incurred in order to plan internal audits and manage potential operational risks
- Arrange an internal audit according to the risk assessment plan that has been prepared. by assigning internal auditors from experienced external companies and suitable qualifications in accordance with the requirements and laws for efficient and transparent operation which must coordinate with the Audit Committee of the Company

#### **3.3 Control and Prevention of Corruption Risks**

- The Company has established rules for purchasing, hiring, entering into contracts. Disbursement by setting a limit on the approval authority and the purpose of the transaction which must have clear supporting documents with an audit system from internal auditors with appropriate experience and qualifications.

## **8. REPORT ON KEY PERFORMANCE OF CORPORATE GOVERNANCE**

- Set up an internal control system covering finance, accounting, and record keeping. Including other internal processes related to financial accounting to ensure that such financial transactions are for approved purposes and for transparent business operations.
- Charitable donations or public contributions. It must be for public charity purposes only. and must have clear documentary evidence as well as having to operate in accordance with the rules and regulations of the company that have been set
- Giving or receiving a gift and entertainment must be transparent Legitimate It is customary or customary at a reasonable value.

### **3.4 Corruption Risk Report**

Directors, executives and employees of the Company have a duty to report to the company Be aware of actions that are considered corruption related to the Company by notifying the supervisor and cooperate in the investigation of various facts

### **3.5 Screening and Managing Risks of Corruption**

Audit Committee of the Company to perform audits and reviews for the Company has good corporate governance that is consistent with the hospital's anti-corruption and anti-corruption policy and related laws. If the Audit Committee finds or suspects that there are transactions or actions that may affect the transparency of the Company's operations The Audit Committee is independent to report its findings to the Board of Directors or managing director so that the problem can be solved in a timely manner. And if the directors, executives and employees have any action who violates or does not comply with the company's policy or committing a violation of the code of conduct according to the status in which he or she exists, the Company will consider guidelines or measures of action that are suitable for that person From the disciplinary action according to the regulations set forth in the Company's Articles of Association as well as relevant legal actions.

### **3.6 Protection of Corruption Whistleblowers**

The Company will provide fairness and protection for whistleblowers regarding corruption. Including those who cooperate in reporting and in the corruption investigation process. In order to prevent any possible impact on whistleblowers that is beneficial to the Company.

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

### 9.1 Overview of Internal Control System

The Company's Board of Directors and management are directly responsible for internal control system. The internal control system covers financials, operation, and corporate governance and risk management. The Board of Directors authorizes the Audit Committee to perform several functions. First, the Audit Committee is assigned to review the Company's financial reports, ensuring their accuracy and adequacy. Second, the Audit Committee is also authorized to review the Company's internal control system in order to ensure that it is appropriate and effective. Third, the Committee is also in charge of examining whether the Company's risk assessment and management operation is conducted appropriately. Finally, the Audit Committee is also responsible for ensuring that the Company's business operation complies with the laws relating to securities and the securities market, the regulations set by the Stock Exchange of Thailand as well as other relevant laws concerning the Company's business.

An independent internal auditor is responsible for independent inspection and assess of the Company's internal control operation as well as reviewing whether the Company complies with regulatory. For the year 2021 the Company has appointed Resourceful Co., Ltd. as its independent internal auditor to inspect and assess the internal control system within the Company. The independent internal auditor provided suggestions and the Company continued to improve its internal control, taking such suggestions from the independent internal auditor into consideration.

All members of the Audit Committee attended to review the adequacy of the Company's internal control system, according to an assessment form provided by the Securities and Exchange Commission of Thailand. The assessment covers five factors that are significant to the efficiency and effectiveness of the internal control:

1. Evaluation of the elements of internal control at the organizational level
2. Inventory system
3. Accounting and Finance System

The preliminary opinions provided by the Audit Committee, coupled with the information obtained from queries with the management, suggested that the Company's internal control system was adequate and accorded with the internal control assessment form provided by the Securities and Exchange Commission of Thailand. This was particularly true for the case of the internal control regarding the transactions involved by major shareholders, directors, executives and connected persons.

Moreover, the Company's auditor, i.e., CWWP Co., Ltd. who audited 2021 financial statements has no observations on the internal control system.

#### **Internal Control System**

The Company employed Resourceful Co., Ltd. as its independent internal auditor who inspected the operations of all departments within the Company and its subsidiary. The audit reports were presented to the Audit Committee. The Audit Committee reviews the internal control report with the independent internal auditor in order to give advice on policies as well as internal control system. It should be noted that the Audit Committee shall convene at least four meetings annually and prepare the Audit



## **9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS**

Committee's report, which will be subsequently reviewed by the Board of Directors and disclosed in the Company's annual reports.

The Company has written guideline for limit amount and authorization. The guideline clearly indicates scopes of responsibilities, decision-making power, as well as authority of each position, according to a chain of command. The Company has a policy to review such guideline annually in order to fine-tune it to suit the future business operation outlook.

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

### 9.2 Connected Transactions

The connected transactions involved among the Company, subsidiary, persons/juristic persons during the year ending 31 December 2020 and as of 31 December 2021 can be summarized below:

#### 1. Details of persons and juristic persons with potential conflicts of interest

Persons / juristic persons involving in potential conflicts of interest and transactions with the Company and/or the subsidiary		Nature of Business	Relationship
1	Vibharam Hospital Co., Ltd.	Medical service provider	<ul style="list-style-type: none"> <li>As of 12 October 2021, Vibharam Hospital Co., Ltd. held 7.94% of the Company's paid-up capital. Vibharam Hospital Co., Ltd.'s major shareholders is Ramkhamhaeng Hospital Plc. (50.00%)</li> <li>Dr. Auchart Kanjanapitak used to be the Company's director and has resigned since 27 September 2021</li> </ul>
2	Thonburi Healthcare Group Plc.	Medical service provider	<ul style="list-style-type: none"> <li>As of 12 October 2021, Vibharam Hospital Co., Ltd. held 5.07% of the Company's paid-up capital. Thonburi Healthcare Group Plc. 's major shareholders is Ramkhamhaeng Hospital Plc. (20.85% as of 13 August 2021)</li> <li>Dr. Tanatip Supradit is the director of both the Company and Thonburi Healthcare Group Plc.</li> </ul>
3	Ramkhamhaeng Hospital Plc.	Medical service provider	<ul style="list-style-type: none"> <li>As of 12 October 2021, Ramkhamhaeng Hospital Plc. indirectly hold the Company shares through Vibharam Hospital Co., Ltd and Thonburi Healthcare Group Plc. as described in item 1 and 2 respectively.</li> <li>Dr. Auchart Kanjanapitak used to be the Company's director and has resigned since 27 September 2021</li> </ul>

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Persons / juristic persons involving in potential conflicts of interest and transactions with the Company and/or the subsidiary		Nature of Business	Relationship
4	Rajthanee Rojana Hospital Co., Ltd. ("the subsidiary")	Medical service provider	<ul style="list-style-type: none"> <li>Rajthanee Rojana Hospital Co., Ltd. is the Company's subsidiary of which the Company holds 98.31% of paid-up capital.</li> <li>As of 31 December 2021, the Company and the subsidiary have the same following directors:               <ol style="list-style-type: none"> <li>Dr.Surin Prasithirun</li> <li>Dr.Wachira Wudhikulprapan</li> <li>Mr.Charoonsak Sripochsomboon</li> <li>Ms.Phitraphee Prasithirun</li> </ol> </li> </ul>
5	Ratchathani Nongkae Hospital Co.,Ltd ("the subsidiary")	Medical service provider	<ul style="list-style-type: none"> <li>Ratchathani Nongkae Hospital Co., Ltd. is the Company's subsidiary of which the Company holds 99.99% of paid-up capital.</li> <li>As of 31 December 2021, the Company and the subsidiary have the same following directors:               <ol style="list-style-type: none"> <li>Dr.Surin Prasithirun</li> <li>Dr.Wachira Wudhikulprapan</li> <li>Mr.Charoonsak Sripochsomboon</li> </ol> </li> </ul>
6	Dr. Surin Prasithirun	-	<ul style="list-style-type: none"> <li>Dr Suring is the Company's major shareholder , director and managing director of the Company as well as the subsidiaries ie. Rajthanee Rojana Co.Ltd and Ratchathani Nongkae Hospital Co. Ltd.</li> <li>He is used to be the Company's advisor and was terminated since 31 December 2019</li> </ul>
7	The Medicpharma Co., Ltd	Distributor of medicine and medical supplies	<ul style="list-style-type: none"> <li>Dr. Auchart Kanjanapitak used to be the Company's director and has resigned since 27 September 2021</li> </ul>
8	Rangspan Co., Ltd.	Provide services for industrial machinery and equipment	<ul style="list-style-type: none"> <li>Dr. Auchart Kanjanapitak used to be the Company's director and has resigned since 27 September 2021</li> </ul>

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Persons / juristic persons involving in potential conflicts of interest and transactions with the Company and/or the subsidiary		Nature of Business	Relationship
9	Bangkok Cancer Specialized Hospital	Medical service provider	<ul style="list-style-type: none"> <li>Dr. Auchart Kanjanapitak used to be the Company's director and has resigned since 27 September 2021</li> </ul>
10	Coffee Planet Co., Ltd	Beverage and bakery	<ul style="list-style-type: none"> <li>Dr. Surin Prasithirun , the Company's major shareholder (13.55%) and Managing Director , used to hold 14.56% shares of Coffee Planet Co., Ltd. In August 2020, he sold all of his shares in Coffee Planet Co., Ltd. to Ms Pitrampai Prasithirun and Ms Pitrampa Prasithirun. Both of them are also the Company's shareholders with 3.11% holdings each.</li> </ul>
11	Medtech Medical (Thailand) Co.,Ltd.	Selling medical equipment	<ul style="list-style-type: none"> <li>Ms.Phitrapee Prasithiran , the Company's director, used to be Deputy Managing Director of Medtech Medical (Thailand) Co., Ltd. during October 1, 2020 – January 31, 2021.</li> </ul>
12	Charoenpaiboon City Co., Ltd.	Distributor of electrical appliances	<ul style="list-style-type: none"> <li>As of 12 October 2021, SriPOCHSOMBOON Group held 3.17% of the Company's shares and also held 100% of Charoenpaiboon City Co., Ltd.'s shares.</li> </ul>
13	La Cremongs Publishing Ltd., Part.	Printing service provider	<ul style="list-style-type: none"> <li>As of 12 October 2021, Wudhikulprapan Group held 3.85% of the Company's shares and also held 90% of La Cremongs Publishing Ltd., Part's shares.</li> </ul>
14	Bophit Vejchakarn Co., Ltd.	Hemodialysis service provider	<ul style="list-style-type: none"> <li>As of 12 October 2021, Wudhikulprapan Group held 3.85% of the Company's shares and also held 5% of Bophit Vejchakarn Co., Ltd.'s shares</li> </ul>
15	Sabuy Technology Public Company Limited	Online top up machine	<ul style="list-style-type: none"> <li>Mr.Saran Supaksaran is the director of both the Company and Sabuy Tachnology PLC.</li> <li>Mr.Saran Supaksaran has been appointed as the Company's director since 27 April 2014</li> </ul>

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

### 2. Connected transactions involved the Company , the subsidiaries and connected persons in fiscal years ending 31 December 2020 and 31 December 2021

#### 2.1 Normal business transactions or supporting transactions that will continue in the future

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Ramkhamhaeng Hospital Plc.	<u>Income of screening service and laboratory examination</u> to confirm the infection of Covid-19	26.68	2.10	<ul style="list-style-type: none"> <li>- Ramkhamhaeng Hospital Plc. hired the company to collect samples from the Covid-19 risk group (PUI). At the same time, the company sent samples of the company's PUI to Ramkhamhaeng Hospital Plc to conduct Covid-19 lab tests because during that time The Group has not yet set up a Covid-19 testing lab</li> <li>- Because RJH group has ordered the Moderna vaccine from the GPO through Ramkhamhaeng Hospital Plc. Therefore, RJH Group has made a deposit to Ramkhamhaeng Hospital Plc.</li> </ul> <p><b>Comments from the Audit Committee</b></p> <ul style="list-style-type: none"> <li>- These transactions were necessary and justified. It is a normal business transaction with general trading conditions and beneficial to the company's business. However, since the subsidiary established the Covid-19 Lab, the Company has no longer send samples to Ramkhamhaeng Hospital Plc.</li> <li>- Ramkhamhaeng Hospital Plc. has ordered Moderna vaccine for the Company. The vaccine is expected to be gradually delivered to the Company by November 2021</li> </ul>
	<u>Outstanding receivable at the end of the period</u>	17.26	0.49	
	<u>Screening costs and laboratory examination</u> to confirm infection	1.29	0.23	
	<u>Outstanding payable at the end of the period</u>	1.29	-	
	<u>Moderna vaccine deposit</u>	-	22.84	

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Ramkhamhaeng Hospital Plc.	<u>Medicine and medical supplies expenses:</u> The Company purchased medicine and medical supplies, e.g. gloves, needles, and etc., for patient treatment purposes.	28.82	98.25	<p>Ramkhamhaeng Hospital Plc. sold good quality of medicine and medical supplies. The pricing as well as terms and conditions were under fair market's conditions and in line with other counterparties quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. It was a normal business transaction with general trading conditions and it was approved in principle by the Audit Committee and the Company's Board of Directors.</p>
	<u>Outstanding payable at the end of the period</u>	5.36	20.44	
Ramkhamhaeng Hospital Plc.	<u>Maintenance cost for golf carts:</u> Such as brake pads, tire replacement and etc.	0.26	0.28	<p>The maintenance services with Ramkhamhaeng Hospital Plc. were to keep golf carts in good conditions.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because Ramkhamhaeng Hospital Plc. was the seller of the Company's golf carts.</p>
	<u>Outstanding payable at the end of the period</u>	-	0.07	

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Ramkhamhaeng Hospital Plc	<u>Expense for purchase of golf carts and medical equipment :</u>	4.92	0.73	<ul style="list-style-type: none"> <li>The Company purchased golf carts to facilitate the patients commuting between the hospital buildings and the parking lots.</li> <li>Medical equipment was necessary for treatment purpose</li> </ul> <p>The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparties quoted to the Company.</p> <p><b>Comments from the Audit Committee</b></p> <p>The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions and are useful to the Company's business operation.</p>
	<u>Outstanding payable at the end of the period</u>	1.63	-	
Thonburi Healthcare Group Pcl.	<u>Moderna vaccination service income</u>	-	2.91	<p>Thonburi Healthcare Group Pcl. has hired the Company to provide Moderna vaccination services for those who ordered vaccines through Thonburi Healthcare Group Pcl. The Company charged 385 Baht per shot.</p> <p><b>Comments from the Audit Committee</b></p> <p>The transactions are necessary and justified. This is a normal business transaction with general trading conditions and beneficial to the Company's business operations.</p>
	<u>Outstanding payable at the end of the period</u>	-	2.91	

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Rajthanee Rojana Hospital Co., Ltd.	<u>Diagnosis and treatment income</u> : The subsidiary's social security insurers can utilize services at the Company's hospital. Besides the general healthcare services, the Company also earned income from the subsidiary for Covid-19 swab.	117.69	175.03	<p>Since the Company's social security quota was near the limit whereas the subsidiary's quota remained adequate. For the insurer's convenience and to promote the number of insurers as a whole, the insurers of either hospitals can use service at any hospital. The pricing policy between the Company and its subsidiary were of the same conditions as the following:</p> <ul style="list-style-type: none"> <li>• <u>OPD</u> : 30% discount except 1) doctor fee and pharmaceutical fee 50% 2) Hospital Service Fee &amp; Nurse Service Fee charged at THB 100 each 3) no discount for MRI service</li> <li>• <u>IPD</u> : 25% discount except 1) doctor fee 50% 2) no discount for pharmaceutical fee and MRI service</li> </ul> <p><b>Comments from the Audit Committee</b>            The transaction was necessary and justified as it helped the social security patients to conveniently use the service. The pricing between each other was reasonable and business acceptable. It was a normal business transaction with general trade terms and conditions and it was approved in principle by the Audit Committee and the Company's Board of Directors.</p>
	<u>Outstanding receivable at the end of the period</u>	28.61	47.75	
Rajthanee Rojana Hospital Co., Ltd.	<u>Diagnosis and treatment expenses</u> : The Company's social security insurers can utilize services at the subsidiary's hospital	117.74	124.38	
	<u>Outstanding payable at the end of the period</u>	31.86	29.22	



## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Rajthanee Rojana Hospital Co., Ltd.	<u>Product procurement</u>  <u>Outstanding payable at the end of the period</u>	0.01  -	0.0004  -	<b>Comments from the Audit Committee</b> The transaction was necessary and justified as the pricing between each other was reasonable and acceptable in the sense of business operation. It was a normal business transaction with general trade terms and conditions and it was approved in principle by the Audit Committee and the Company's Board of Directors.
Rajthanee Rojana Hospital Co., Ltd.	<u>Sale of medicine</u> : The Company sold medicines to its subsidiary for treatment purposes  <u>Outstanding receivable at the end of the period</u>	0.006  -	0.001  -	The Company lent its subsidiary medicines for emergency cases without any fee charged. In addition, the Company has sold medicines at cost plus 20% profit since October 1, 2015. Mostly, these borrowing or selling medicines were the items that the subsidiary carrying stock at low level due to minimal usage. In case of medicine borrowing, there were reports reconciled on monthly basis and the borrowing were reimbursed in form of either medicine or cash payment.  <b>Comments from the Audit Committee</b> The transaction was necessary and justified as the subsidiary needed medicines for emergency cases. The transaction volumes were marginal and the 20% profit margin was deemed reasonable and acceptable in the sense of business operation. It was a normal business transaction with general trade terms and conditions and it was approved in principle by the Audit Committee and the Company's Board of Directors.

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Rajthanee Rojana Hospital Co., Ltd.	<u>Telecommunication Revenue</u> : The Company and its subsidiary shared telecommunication service in order to have access to each other's data for consolidated financial statement purpose.	0.076	0.05	<p>The Company and its subsidiary shared telecommunication service in order to have access to each other's data for consolidated financial statement purpose. The sharing cost was 50:50.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified and it was acceptable in the sense of business operation. It was a normal business transaction with general trade terms and conditions, and it was approved in principle by the Audit Committee and the Company's Board of Directors.</p>
	<u>Outstanding receivable at the end of the period</u> :	0.01	0.002	
Bophit Vejchakarn Co., Ltd.	<u>Expenses related to hemodialysis services</u> : The subsidiary, in collaboration with Bophit Vejchakarn Co., Ltd. provided hemodialysis services, based on the agreed revenue sharing basis.	23.38	23.13	<p>Bophit Vejchakarn Co., Ltd was founded by a group of doctors, nurses and etc., with extensive experience and knowledge in hemodialysis services. The Company's subsidiary partnered with Bophit Vejchakarn Co., Ltd to provide hemodialysis services. The pricing as well as terms and conditions were under fair market's conditions and in line with the rates Bophit Vejchakarn Co., Ltd agreed with the other counterparty.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified with agreed revenue sharing. It was a normal business transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>
	<u>Outstanding payable at the end of the period</u>	6.52	6.13	

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
La Cremongs Publishing Ltd., Part.	<u>Expenses of printing material:</u> The Company and its subsidiary hired La Cremongs Publishing Ltd., Part. to print documents such as purchase request forms etc.	0.56	0.46	<p>La Cremongs Publishing Ltd., Part. provided printing services concerning general paper documents for The Company's day-to-day operation, such as purchase request forms etc. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. The pricing as well as terms and conditions were in line with the prices quoted by the others. It was a normal business transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>
	<u>Outstanding payable at the end of the period</u>	0.08	0.05	
Charoenpaiboon City Co., Ltd.	<u>Expenses related to electrical appliances :</u> The Company purchased electrical appliances from Charoenpaiboon City Co., Ltd for hospital business.	0.43	2.64	<p>Charoenpaiboon City Co., Ltd sell electrical appliances. This group was distributors of electrical appliances in Phra Nakhon Si Ayutthaya for many years with good reputation of product warranty. Being located near the Company, Charoenpaiboon City Co., Ltd can deliver products in timely manner. The Company purchased electrical products for hospital operation. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. The pricing, as well as terms and conditions, was equivalent to the prices for the products sold by other sellers. It was a normal business transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>
	<u>Outstanding payable at the end of the period</u>	0.003	0.005	

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
The Medicpharma Co., Ltd.	<u>Medicine expenses</u> : The Company and its subsidiary purchased medicine from The Medicpharma Co., Ltd. to provide treatment for patients.	2.55	2.37	<p>The Medicpharma Co., Ltd. distributed high-quality medicine and medical supplies. The Company needed such products for providing treatment services for its patients. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. It was a normal business transaction with general trade terms and conditions and it was already approved in principle by the Audit Committee and the Company's Board of Directors.</p>
	<u>Outstanding payable at the end of the period</u>	1.12	-	
Directors, Executive Directors	<u>Medical service fee discounts</u> : The Company offered discounts to the Company's directors, executive directors as well as other connected persons	1.89	1.58	<p>The persons who are eligible for discounts are :</p> <ol style="list-style-type: none"> <li>1. Director</li> <li>2. Director's parents, spouses and children</li> <li>3. Director's siblings</li> <li>4. Executive Committee</li> <li>5. Executive Committee's parents, spouses and children</li> </ol> <p><b>Comments from the Audit Committee</b> The transaction was considered as personnel's welfare and work motivation.</p>
	<u>Outstanding receivable at the end of the period</u>	-	-	

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Dr.Surin Prasithirun	<u>Expense for advisor:</u> advisor to the Company's Hospital Director  <u>Outstanding payable at the end of the period</u>	-	-	<p>Dr. Surin Prasithirun has extensive experience on healthcare management. The remuneration was Baht 150,000 per month.</p> <p><b>Comments from the Audit Committee</b> To improve hospital business management. However, the contract was expired on 31 January 2019 and he was subsequently appointed as Managing Director</p>
Dr.Surin Prasithirun	<u>Investment</u>  <u>Outstanding of advance at the end of the period</u>	-	-	<p>The advance was for the investment in non-listed healthcare business</p> <p><b>Comments from the Audit Committee</b> In order to successfully settle the acquisition deal, the negotiation process needed to be swift and confidential. The Board of Directors approved to advance for this purpose with the conditions that the acquisition has to be in accordance with related law and regulations and has to be periodically reported to the Board.</p>
Sabuy Technology PLC.	<u>Income from online top-up machine</u>  <u>Outstanding payable at the end of the period</u>	0.02	0.02	<p>The Company installed a top-up kiosk for the convenience of staff and customers</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions.</p>
Rangsipan Co., Ltd.	<u>Maintenance and repair expenses:</u>  <u>Outstanding payable at the end of the period</u>	0.07	0.09	<p>The Company entered into a contract with Rangsiphan Co., Ltd. for maintenance of medical equipment.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions.</p>

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Coffee Planet Co., Ltd	<u>Service income</u> : rental income under 3-year contract , water and electricity income	0.50	0.31	<p>For the Company's clients to have recreational place while waiting for services and to generate income on the vacant land.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. It is 3-year rental agreement and is beneficial to the Company's business operations.</p>
	<u>Outstanding receivable at the end of the period</u>	0.04	0.02	
Bangkok Cancer Specialized Hospital	<u>Expenses for referring patients</u> :	0.08	-	<p>The Company referred cancer cases to Bangkok Cancer Specialized Hospital as some types of cancer were beyond the Company's capacity.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because it was a normal business transaction with general trade terms and conditions.</p>
	<u>Outstanding payable at the end of the period</u>	-	-	
Medtech Medical (Thailand) Co.,Ltd.	<u>Expenses for the purchase of medical equipment and medical supplies</u> : The Company bought medical supplies such as gloves, needles, etc.	4.98	0.12	<p>Medtech Medical (Thailand) Co.,Ltd. sells high-quality medical supplies. The Company needed those products for patient treatment. The pricing as well as terms and conditions were under fair market's conditions and in line with what the other counterparty quoted to the Company.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified because that provides support to business partners for the benefit of general business partners.</p>
	<u>Outstanding payable at the end of the period</u>	0.12	0.30	
	<u>Other income</u> : The company received academic support	0.01	0.005	

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

### 2.2 Normal business transactions or supporting transactions that will discontinue - None-

### 2.3 Financing transactions

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Rajthanee Rojana Hospital Co., Ltd.	<u>Short -term loan:</u> The Company lent to subsidiary for working capital purpose. Balance at the beginning - Lending during the period - Repayment during the period <u>Balance at the ending</u>  Accrued interest receivable at the beginning - Interest income - Interest received during the period <u>Accrued interest receivable at the ending</u>	102.80   32.80 70.00 32.80 70.00  0.19  1.83 1.77  0.25	70.00   70.00 - 35.78 34.22  0.25  1.28 1.46  0.07	Interest rate : 2.15%  <b>Comments from the Audit Committee</b> The transaction was necessary and justified as the subsidiary needed funding for its working capital. The interest rate was approximate to the prevailing commercial banks' deposit rate plus the Company's financing cost. Since the Company had excess liquidity and the subsidiary's financing cost was higher than the Company's, the inter-company borrowing was cost-saving on consolidated basis.
Rajthanee Rojana Hospital Co., Ltd.	<u>Advance from subsidiary</u>  <u>Outstanding payable at the end of the period</u>	0.53  0.53	-  -	The advance was for Covid-19 swab service to the subsidiary. The credit term was due upon the receipts from National Health Security Office to the subsidiary. The outstanding balance was due to the reconciliation of number of patients.  <b>Comments from the Audit Committee</b> The transaction was necessary and justified. Meanwhile, the company has paid off the advance in the following month.

## 9. INTERNAL CONTROL AND CONNECTED TRANSACTIONS

Connected persons / Juristic persons	Transactions	Value (Baht Million)		Justification and Necessity
		2020	2021	
Ratchathani Nongkae Hospital Co.,Ltd	<u>Advance to Subsidiary</u>	31.00	44.00	<p>Since the subsidiary was during the project development without any income and the paid-up capital was insufficient.</p> <p><b>Comments from the Audit Committee</b> The transaction was necessary and justified. Meanwhile, the subsidiary was due to increase capital in 2022 and will repay this advance</p>
	<u>Outstanding receivable at the end of the period</u>	31.00	44.00	



## **Section 3**

### **Financial Statements**

**(TRANSLATION)**  
**INDEPENDENT AUDITOR’S REPORT**

To the Shareholders and Board of Directors of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED

**Opinion**

I have audited the accompanying consolidated financial statements of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED and its subsidiaries (“the Group”) and the separate financial statements of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED (“the Company”), which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in shareholders’ equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED and its subsidiaries and the separate financial position of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

**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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group and 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 consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

### Recognition of Medical Service Revenues from the Social Security Office, and Treatment of Patients with Corona Virus 2019 Disease Revenues from the National Health Security Office

The Group earn medical service revenues that are paid by the Social Security Office, and revenues from treatment of patients with Corona Virus 2019 disease that are paid by the National Health Security Office as mentioned in the accounting policies stated in the notes to the financial statements no. 6.15. The Group earn the medical service revenues from the Social Security Office in term of insured persons who have chosen the hospital for their medical services and the medical service revenues for diseases with risk factors and diseases with high expenditure that require continuous medical care. The Group earn revenues from the Social Security Office based on the calculation and the rates determined by the notifications of the Medical Committee prescribed under the Social Security Act, B.E. 2533. The said estimation of the medical service revenues for diseases with risk factors and diseases with high expenditure that require continuous medical care is significant accounting estimate that required the management to be highly judgmental. There are several factors involving the estimation, such as the number of insured persons registered with the hospital, the statistic information on the services provided by the hospital, and the patients' health evaluation scores, which required specialists' consideration on the severity of diseases rate, to applied in revenue estimation. Furthermore, it depends on the consideration of the Social Security Office, which is time-consuming to collect the information from all medical service providers under the Social Security Office, and the annual fund allocation by the Social Security Office. The Group also earn revenues from treatment of patients with Corona Virus 2019 disease from the National Health Security Office. The revenues from treatment of patients with Corona Virus 2019 disease are paid by the National Health Security Office pursuant to the criteria, procedures and conditions that determined the expenses for the emergency patients with dangerous communicable disease process under the Communicable Disease Act for the patients with Corona Virus 2019. For the patients with Corona Virus 2019, portion of the revenues is significant accounting estimate that required the management to be highly judgmental since the receivable amount depends on the consideration of the National Health

Security Office. Therefore, my audit is concentrated on the said revenue recognition since it presented significant risk to the audit.

My audit procedures have included: -

- Obtain an understanding of the revenue estimation process involved in the Social Security medical service revenues for diseases with risk factors and diseases with high expenditure that require continuous medical care and the revenues estimation from treatment of patients with Corona Virus 2019 disease.
- Review the sources and reliability of the data for the number of insured persons and the patients' health evaluation scores applied in the calculation of the Social Security medical service revenue estimation. Review the sources and reliability of the data for the number of patients with Corona Virus 2019 disease applied in the calculation of the estimation of revenues from treatment of patients with Corona Virus 2019 disease.
- Assess the appropriateness of the severity of diseases rate. Test the accuracy of the management's Social Security medical service revenue estimation by comparing with the criteria, procedures, and conditions pursuant to the announcements issued by the Social Security Office.
- Test the accuracy of the management's estimation of revenues from treatment of patients with Corona Virus 2019 disease by comparing with the criteria, procedures, and conditions pursuant to the announcements by the National Health Security Office.
- Analyze the reasonableness of the previous Social Security medical service revenue estimation. Analyze the causes for the difference between the medical service revenue estimation and the treatment of patients with Corona Virus 2019 disease revenues estimation recognized in the period in comparison to the actual revenues received from the Social Security Office and the National Health Security Office after their consideration.
- Review the Social Security medical service revenues and the treatment of patients with Corona Virus 2019 disease revenues for the payments received after the accounting period.

#### **Other Matters**

The consolidated and separate financial statements of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED and its subsidiaries, and the separate financial statements of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED for the year ended 31 December 2020 were audited by

another auditor in the same firm as myself, whose report dated 22 February 2021 expressed an unmodified opinion on those financial statements.

### **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 consolidated and separate financial statements and my auditor's report thereon, which is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

### **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

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

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

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

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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 I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

(Miss Waraporn Phanpakdeenupong)  
Certified Public Accountant, Registration No. 12261

CWWP Company Limited  
Bangkok,  
21 February 2022

**RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENT OF FINANCIAL POSITION**

**As at 31 December 2021**

**Unit : Baht**

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	Notes	31 December 2021	31 December 2020	31 December 2021	31 December 2020
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	7	174,707,299.20	54,522,195.23	73,875,968.63	24,526,754.21
Trade and Other Current Receivables	8	964,786,549.71	342,512,099.83	771,596,921.39	339,763,709.59
Short-term Loans to Subsidiary	30.3	-	-	34,220,000.00	70,000,000.00
Inventories	9	59,919,340.90	36,043,212.03	48,760,748.30	29,244,741.14
Other Current Assets		3,952,711.18	3,632,126.04	2,025,298.74	2,766,481.41
TOTAL CURRENT ASSETS		1,203,365,900.99	436,709,633.13	930,478,937.06	466,301,686.35
NON-CURRENT ASSETS					
Bank Deposits as Collateral		8,534,359.80	3,791,056.22	-	-
Other Non-Current Financial Assets	10	565,500,000.00	10,000,000.00	565,500,000.00	10,000,000.00
Investments in Subsidiaries	11	-	-	669,432,660.00	669,432,660.00
Property, Plant and Equipment	12	1,427,784,009.26	1,272,266,182.21	1,020,131,602.85	895,087,046.64
Right-of-Use Assets		294,446.96	817,029.59	71,778.82	119,631.46
Goodwill	13	87,802,508.74	87,802,508.74	-	-
Intangible Assets	14	8,941,152.48	9,114,003.10	7,364,717.28	8,736,065.46
Deferred Tax Assets	15	48,655,175.79	57,741,702.62	40,443,274.99	48,347,851.50
Other Non-Current Assets		1,491,718.07	21,092,914.33	1,089,697.00	761,235.00
TOTAL NON-CURRENT ASSETS		2,149,003,371.10	1,462,625,396.81	2,304,033,730.94	1,632,484,490.06
TOTAL ASSETS		3,352,369,272.09	1,899,335,029.94	3,234,512,668.00	2,098,786,176.41



RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

Unit : Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Short-term Borrowings from Financial Institutions	17	750,000,000.00	70,000,000.00	750,000,000.00	70,000,000.00
Trade and Other Current Payables	18	378,234,805.57	240,954,228.34	342,815,597.42	225,821,008.68
Current Portion of Lease Liabilities		118,741.77	439,970.53	49,270.64	47,341.85
Corporate Income Tax Payable		169,332,489.02	28,894,908.58	125,341,203.64	24,507,391.19
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,297,686,036.36</b>	<b>340,289,107.45</b>	<b>1,218,206,071.70</b>	<b>320,375,741.72</b>
<b>NON-CURRENT LIABILITIES</b>					
Lease Liabilities		189,045.66	454,660.71	25,383.05	74,653.69
Deferred Tax Liabilities	15	28,503,406.44	-	28,503,406.44	-
Non-Current Provisions for Employee Benefit	19	59,715,910.51	56,018,613.92	58,841,737.76	55,276,078.91
Other Non-Current Liabilities		1,321,069.00	1,321,069.00	1,321,039.00	1,321,039.00
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>89,729,431.61</b>	<b>57,794,343.63</b>	<b>88,691,566.25</b>	<b>56,671,771.60</b>
<b>TOTAL LIABILITIES</b>		<b>1,387,415,467.97</b>	<b>398,083,451.08</b>	<b>1,306,897,637.95</b>	<b>377,047,513.32</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share Capital					
Authorized Share Capital	20				
300,000,000 Ordinary Shares, par value @ Baht 1.00		300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Issued and Paid-up Share Capital					
300,000,000 Ordinary Shares, par value @ Baht 1.00		300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Share Premium on Ordinary Shares		1,092,894,156.63	1,092,894,156.63	1,092,894,156.63	1,092,894,156.63
Retained Earnings					
Appropriated					
Legal Reserve		30,000,000.00	30,000,000.00	30,000,000.00	30,000,000.00
Treasury Shares Reserve		21,676,000.00	-	21,676,000.00	-
Unappropriated		772,255,460.73	426,925,757.23	390,707,247.64	298,844,506.46
Treasury Shares	21	(21,676,000.00)	-	(21,676,000.00)	-
Other Components of Shareholders' Equity		(239,668,865.79)	(353,682,491.57)	114,013,625.78	-
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>1,955,480,751.57</b>	<b>1,496,137,422.29</b>	<b>1,927,615,030.05</b>	<b>1,721,738,663.09</b>
Non-Controlling Interests		9,473,052.55	5,114,156.57	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>1,964,953,804.12</b>	<b>1,501,251,578.86</b>	<b>1,927,615,030.05</b>	<b>1,721,738,663.09</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>3,352,369,272.09</b>	<b>1,899,335,029.94</b>	<b>3,234,512,668.00</b>	<b>2,098,786,176.41</b>

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

Unit : Baht

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	Notes	31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>REVENUES</b>					
Revenue from Hospital Operations		3,117,732,481.68	1,855,499,104.45	2,551,183,250.58	1,648,225,165.28
Interest Income		379,897.09	930,021.61	1,462,954.80	2,671,805.87
Other Income		26,712,900.74	21,971,244.80	23,813,911.76	20,002,553.85
<b>TOTAL REVENUES</b>		<b>3,144,825,279.51</b>	<b>1,878,400,370.86</b>	<b>2,576,460,117.14</b>	<b>1,670,899,525.00</b>
<b>EXPENSES</b>					
Cost of Hospital Operations		1,684,211,727.04	1,270,946,962.65	1,478,106,600.89	1,171,407,013.15
Administrative Expenses		183,460,310.39	153,931,520.43	143,924,895.51	119,170,846.80
Finance Costs		5,917,215.77	257,024.22	5,737,991.90	160,508.57
<b>TOTAL EXPENSES</b>		<b>1,873,589,253.20</b>	<b>1,425,135,507.30</b>	<b>1,627,769,488.30</b>	<b>1,290,738,368.52</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>1,271,236,026.31</b>	<b>453,264,863.56</b>	<b>948,690,628.84</b>	<b>380,161,156.48</b>
Tax (Expense) Income	24	(254,919,263.92)	(39,641,302.85)	(190,204,485.89)	(31,867,654.10)
<b>PROFIT FOR THE YEAR</b>		<b>1,016,316,762.39</b>	<b>413,623,560.71</b>	<b>758,486,142.95</b>	<b>348,293,502.38</b>
<b>OTHER COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>					
<b>Components of Other Comprehensive Income that will not</b>					
<b>Reclassified to Profit or Loss</b>					
Gains (losses) on Investment in Equity Designated at Fair Value					
Through Other Comprehensive Income - Net of Tax		114,013,625.78	-	114,013,625.78	-
Gains (losses) on Remeasurements of Defined Benefit Plans - Net of Tax		6,587.09	2,826,407.00	11,348.23	2,845,778.26
<b>Total Components of Other Comprehensive Income that</b>					
<b>will not be reclassified to Profit or Loss - Net of Tax</b>		<b>114,020,212.87</b>	<b>2,826,407.00</b>	<b>114,024,974.01</b>	<b>2,845,778.26</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME (EXPENSE)</b>					
<b>FOR THE YEAR - NET OF TAX</b>		<b>114,020,212.87</b>	<b>2,826,407.00</b>	<b>114,024,974.01</b>	<b>2,845,778.26</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>		<b>1,130,336,975.26</b>	<b>416,449,967.71</b>	<b>872,511,116.96</b>	<b>351,139,280.64</b>
<b>PROFIT ATTRIBUTABLE TO:</b>					
Equity Holders of the Company		1,011,957,785.95	412,494,824.38		
Non-Controlling Interests		4,358,976.44	1,128,736.33		
<b>TOTAL</b>		<b>1,016,316,762.39</b>	<b>413,623,560.71</b>		
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO:</b>					
Equity Holders of the Company		1,125,978,079.28	415,321,558.75		
Non-Controlling Interests		4,358,895.98	1,128,408.96		
<b>TOTAL</b>		<b>1,130,336,975.26</b>	<b>416,449,967.71</b>		
BASIC EARNINGS PER SHARE	25	3.37	1.37	2.53	1.16

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2021

CONSOLIDATED FINANCIAL STATEMENTS

												Unit : Baht	
	Notes	Issued and Paid-up Share Capital	Share Premium on Ordinary Shares	Retained Earnings			Treasury Shares	Other Components of Shareholders' Equity			Equity Attributable to Owners of the Company	Non-Controlling Interests	Total
				Appropriated Legal Reserve	Appropriated Treasury Shares Reserve	Unappropriated		Gains (Losses) from Fair Value Financial Assets	Part of the Changes The Proportion of Subsidiary	Total Other Components of Shareholders' Equity			
Balance as at 1 January 2021		300,000,000.00	1,092,894,156.63	30,000,000.00	-	426,925,757.23	-	-	(353,682,491.57)	(353,682,491.57)	1,496,137,422.29	5,114,156.57	1,501,251,578.86
Total Comprehensive Income (Expense) for the year													
Profit for the year		-	-	-	-	1,011,957,785.95	-	-	-	-	1,011,957,785.95	4,358,976.44	1,016,316,762.39
Other Comprehensive Income (Expense) for the year		-	-	-	-	6,667.55	-	114,013,625.78	-	114,013,625.78	114,020,293.33	(80.46)	114,020,212.87
Total Comprehensive Income (Expense) for the year		-	-	-	-	1,011,964,453.50	-	114,013,625.78	-	114,013,625.78	1,125,978,079.28	4,358,895.98	1,130,336,975.26
Transactions with Owners													
Contributions by and Distributions													
Treasury Shares	21	-	-	-	-	-	(21,676,000.00)	-	-	-	(21,676,000.00)	-	(21,676,000.00)
Appropriated - Treasury Shares Reserve	21	-	-	-	21,676,000.00	(21,676,000.00)	-	-	-	-	-	-	-
Dividends	22	-	-	-	-	(644,958,750.00)	-	-	-	-	(644,958,750.00)	-	(644,958,750.00)
Total Contributions by and Distributions		-	-	-	21,676,000.00	(666,634,750.00)	(21,676,000.00)	-	-	-	(666,634,750.00)	-	(666,634,750.00)
Total Transactions with Owners		-	-	-	21,676,000.00	(666,634,750.00)	(21,676,000.00)	-	-	-	(666,634,750.00)	-	(666,634,750.00)
Balance as at 31 December 2021		300,000,000.00	1,092,894,156.63	30,000,000.00	21,676,000.00	772,255,460.73	(21,676,000.00)	114,013,625.78	(353,682,491.57)	(239,668,865.79)	1,955,480,751.57	9,473,052.55	1,964,953,804.12
Balance as at 1 January 2020		300,000,000.00	1,092,894,156.63	30,000,000.00	-	326,604,198.48	-	-	(353,682,491.57)	(353,682,491.57)	1,395,815,863.54	3,985,747.61	1,399,801,611.15
Total Comprehensive Income (Expense) for the year													
Profit for the year		-	-	-	-	412,494,824.38	-	-	-	-	412,494,824.38	1,128,736.33	413,623,560.71
Other Comprehensive Income (Expense) for the year		-	-	-	-	2,826,734.37	-	-	-	-	2,826,734.37	(327.37)	2,826,407.00
Total Comprehensive Income (Expense) for the year		-	-	-	-	415,321,558.75	-	-	-	-	415,321,558.75	1,128,408.96	416,449,967.71
Transactions with Owners													
Contributions by and Distributions													
Dividends	22	-	-	-	-	(315,000,000.00)	-	-	-	-	(315,000,000.00)	-	(315,000,000.00)
Total Contributions by and Distributions		-	-	-	-	(315,000,000.00)	-	-	-	-	(315,000,000.00)	-	(315,000,000.00)
Total Transactions with Owners		-	-	-	-	(315,000,000.00)	-	-	-	-	(315,000,000.00)	-	(315,000,000.00)
Balance as at 31 December 2020		300,000,000.00	1,092,894,156.63	30,000,000.00	-	426,925,757.23	-	-	(353,682,491.57)	(353,682,491.57)	1,496,137,422.29	5,114,156.57	1,501,251,578.86

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2021

SEPARATE FINANCIAL STATEMENTS

								Unit : Baht
Notes	Issued and Paid-up Share Capital	Share Premium on Ordinary Shares	Retained Earnings			Treasury Shares	Other Components of	Total
			Appropriated Legal Reserve	Appropriated Treasury Shares Reserve	Unappropriated		Shareholders' Equity	
							Gains (Losses) from Fair Value Financial Assets	
Balance as at 1 January 2021	300,000,000.00	1,092,894,156.63	30,000,000.00	-	298,844,506.46	-	-	1,721,738,663.09
Total Comprehensive Income (Expense) for the year								
Profit for the year	-	-	-	-	758,486,142.95	-	-	758,486,142.95
Other Comprehensive Income (Expense) for the year	-	-	-	-	11,348.23	-	114,013,625.78	114,024,974.01
Total Comprehensive Income (Expense) for the year	-	-	-	-	758,497,491.18	-	114,013,625.78	872,511,116.96
Transactions with Owners								
Contributions by and Distributions								
Treasury Shares	21	-	-	-	-	(21,676,000.00)	-	(21,676,000.00)
Appropriated - Treasury Shares Reserve	21	-	-	21,676,000.00	(21,676,000.00)	-	-	-
Dividends	22	-	-	-	(644,958,750.00)	-	-	(644,958,750.00)
Total Contributions by and Distributions	-	-	-	21,676,000.00	(666,634,750.00)	(21,676,000.00)	-	(666,634,750.00)
Total Transactions with Owners	-	-	-	21,676,000.00	(666,634,750.00)	(21,676,000.00)	-	(666,634,750.00)
Balance as at 31 December 2021	300,000,000.00	1,092,894,156.63	30,000,000.00	21,676,000.00	390,707,247.64	(21,676,000.00)	114,013,625.78	1,927,615,030.05
Balance as at 1 January 2020	300,000,000.00	1,092,894,156.63	30,000,000.00	-	262,705,225.82	-	-	1,685,599,382.45
Total Comprehensive Income (Expense) for the year								
Profit for the year	-	-	-	-	348,293,502.38	-	-	348,293,502.38
Other Comprehensive Income (Expense) for the year	-	-	-	-	2,845,778.26	-	-	2,845,778.26
Total Comprehensive Income (Expense) for the year	-	-	-	-	351,139,280.64	-	-	351,139,280.64
Transactions with Owners								
Contributions by and Distributions								
Dividends	22	-	-	-	(315,000,000.00)	-	-	(315,000,000.00)
Total Contributions by and Distributions	-	-	-	-	(315,000,000.00)	-	-	(315,000,000.00)
Total Transactions with Owners	-	-	-	-	(315,000,000.00)	-	-	(315,000,000.00)
Balance as at 31 December 2020	300,000,000.00	1,092,894,156.63	30,000,000.00	-	298,844,506.46	-	-	1,721,738,663.09

Notes to the financial statements are an integral part of this financial statements.

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

Unit : Baht

	CONSOLIDATED		SEPARATE		
	Notes	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit For the Year		1,016,316,762.39	413,623,560.71	758,486,142.95	348,293,502.38
Adjustment to Profit before Income Tax for Cash Received (Paid) from Operations					
Tax Expense (Income)		254,919,263.92	39,641,302.85	190,204,485.89	31,867,654.10
Bad Debts and Expected Credit Losses		4,715,515.72	2,617,385.19	3,822,656.74	1,450,148.26
Loss from Obsoleted Inventories		198,788.24	304,783.28	82,460.07	119,950.26
Gain from the Termination of Lease		-	(4,401.10)	-	-
Depreciation for Property, Plant and Equipment		159,327,586.52	105,753,377.56	128,825,612.04	84,405,359.87
Depreciation for Right-of-Use Assets		522,582.63	558,975.61	47,852.64	47,852.65
Transfer Fixed Assets to Expense		254,460.96	-	254,460.96	-
Amortization for Intangible Assets		3,188,645.62	2,447,987.33	2,830,293.18	1,911,401.84
Gain from Disposal of Assets		(478,766.55)	(769,153.09)	(478,766.55)	(619,184.09)
Loss on Written-off of Fixed Assets		-	267,701.00	-	117,701.00
Loss on Written-off of Trade and Other Current Receivables		81,000.00	3,560,305.09	81,000.00	2,919,210.36
Written-off Withholding Tax to Expense		20,764.70	34,623.02	-	-
Loss from Disposal of Other Current Financial Assets		-	251,682.56	-	251,682.56
Employee Benefit Expense		6,377,634.94	6,173,872.00	6,193,448.79	5,943,833.56
Dividend Income		(2,812,500.00)	-	(2,812,500.00)	-
Interest Income		(379,897.09)	(930,021.61)	(1,462,954.80)	(2,671,805.87)
Interest Expense		5,917,215.77	257,024.22	5,737,991.90	160,508.57
Profit from Operation Activities before Changes in Operating Assets and Liabilities		1,448,169,057.77	573,789,004.62	1,091,812,183.81	474,197,815.45
(Increase) Decrease in Operating Assets					
Other Non-Current Financial Assets		-	100,115,391.72	-	100,115,391.72
Trade and Other Current Receivables		(627,070,965.60)	(36,178,884.05)	(435,922,164.44)	(41,858,864.22)
Inventories		(24,074,917.11)	(5,262,834.58)	(19,598,467.23)	(3,572,213.86)
Other Current Assets		(320,775.79)	(250,748.91)	741,182.67	(408,769.65)
Other Non-Current Receivables		530,956.04	1,483,500.49	153,190.00	1,132,875.00
Increase (Decrease) in Operating Liabilities					
Trade and Other Current Payables		141,088,540.97	39,971,324.90	117,001,724.68	17,749,205.65
Non-Current Provisions for Employee Benefit		(2,672,104.48)	(3,544,997.00)	(2,613,604.65)	(3,091,847.00)
Other Non-Current Liabilities		-	1,121,039.00	-	1,121,039.00
Cash Received (Paid) from Operation Activities		935,649,791.80	671,242,796.19	751,574,044.84	545,384,632.09
Cash Received from Interest Income		379,897.09	930,021.61	184,778.08	846,179.01
Cash Paid for Income Tax		(105,396,852.10)	(74,925,936.94)	(81,468,933.99)	(69,169,650.34)
Cash Received from Withhodng Tax		5,131,366.84	8,240,787.68	-	-
NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES		835,764,203.63	605,487,668.54	670,289,888.93	477,061,160.76

RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

Unit : Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash Received from Short-term Loans to Subsidiary		-	-	35,780,000.00	32,800,000.00
Cash Received from Short-term Loans to Other Companies		20,000,000.00	-	-	-
Cash Paid for Short-term Loans to Other Companies		(20,000,000.00)	-	-	-
(Increase) Decrease in Deposit at Bank Used as Collateral		(4,743,303.58)	(3,791,056.22)	-	-
Cash Paid for Other Long-term Investment		(412,982,967.78)	-	(412,982,967.78)	-
Cash Paid for Purchase of Property, Plant and Equipment		(298,655,112.62)	(401,368,687.79)	(253,549,600.50)	(326,412,530.94)
Cash Paid for Advance for Fixed Assets		(581,652.00)	(14,500,000.00)	(581,652.00)	(100,000.00)
Cash Received from Sale of Property, Plant and Equipment		565,638.30	830,186.91	565,638.30	830,216.91
Cash Paid for Purchase of Intangible Assets		(1,687,925.00)	(2,282,994.59)	(893,450.00)	(2,156,734.59)
Cash Received from Dividends		2,812,500.00	-	2,812,500.00	-
Cash Received from Interest Income		-	-	1,463,472.62	1,761,821.92
<b>NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES</b>		<b>(715,272,822.68)</b>	<b>(421,112,551.69)</b>	<b>(627,386,059.36)</b>	<b>(293,277,226.70)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Cash Received for Short-term Borrowings from Financial Institutions		2,230,000,000.00	165,000,000.00	2,200,000,000.00	165,000,000.00
Cash Paid for Short-term Borrowings from Financial Institutions		(1,550,000,000.00)	(95,000,000.00)	(1,520,000,000.00)	(95,000,000.00)
Cash Paid for Assets Payable		(9,301,874.86)	(7,269,832.47)	(3,268,938.86)	(6,898,399.47)
Cash Paid for Lease Liabilities		(586,843.81)	(511,484.92)	(47,341.85)	(45,488.57)
Cash Paid for Interest Expense		(5,519,804.82)	(247,051.64)	(5,340,580.95)	(150,535.99)
Cash Payments for Treasury Shares		(21,676,000.00)	-	(21,676,000.00)	-
Cash Paid for Dividends		(643,221,753.49)	(314,874,882.37)	(643,221,753.49)	(314,874,882.37)
<b>NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES</b>		<b>(306,276.98)</b>	<b>(252,903,251.40)</b>	<b>6,445,384.85</b>	<b>(251,969,306.40)</b>
<b>NET CASH AND CASH EQUIVALENTS INCREASE (DECREASE)</b>		<b>120,185,103.97</b>	<b>(68,528,134.55)</b>	<b>49,349,214.42</b>	<b>(68,185,372.34)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>54,522,195.23</b>	<b>123,050,329.78</b>	<b>24,526,754.21</b>	<b>92,712,126.55</b>
<b>CASH AND CASH EQUIVALENTS AT ENDING OF THE YEAR</b>	7	<b>174,707,299.20</b>	<b>54,522,195.23</b>	<b>73,875,968.63</b>	<b>24,526,754.21</b>

# **RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2021**

### **1. General Information**

#### **1.1 Company Information**

The Company was registered as a corporate entity under the Civil and Commercial as a corporate entity with registration number Bor. Aor. Jor. Aor. Yor. 152 on 4 October 1990 and the Company was registered as a public company with registration number 0107538000509 on 13 October 1995. The office is located at No. 111 Moo 3 Rojana Road, Khlong Suan Phlu Sub-district, Phra Nakhon Si Ayutthaya District, Phra Nakhon Si Ayutthaya, Thailand. The Company's major shareholder is Prasithirun family. The Group operates mainly in Healthcare services.

#### **1.2 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. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

### **2. Basis of Preparation the Financial Statements**

- 2.1 The financial statements have been prepared in accordance with Financial Reporting Standards including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission and The Stock Exchange of Thailand.
- 2.2 The financial statements were presented in compliance with the notification of Department of Business Development regarding of brief particulars must be contained in financial statements.
- 2.3 In order to prepare the financial statements to comply with financial reporting standards, the Group's management had to make some estimates and suppositions which may have an effect on the amount shown for revenues, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ from the estimated amount.

2.4 The financial report in Thai language is the official statutory financial report of the Company. The financial report in English language has been translated from the Thai language financial report.

### 3. Basis of Preparation the Consolidation Financial Statements

3.1 In preparation of the consolidated financial statements, the Company will only take its subsidiaries which is under the main control of RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED into account, after having eliminated the remaining balances and transactions among themselves. The Company holds shares in subsidiaries with the percentage of shareholdings in subsidiaries as follows:

Company's Name	Percentage of Shareholdings		Country of Incorporation	Type of Business
	As at	As at		
	31 December 2021	31 December 2020		
Rajthanee Rojana Hospital Co., Ltd.	98.31	98.31	Thailand	Healthcare Services
Rajthanee Nongkhae Hospital Co., Ltd.	99.99	99.99	Thailand	Healthcare Services

3.2 The accounting period of the above subsidiaries is the same as the RAJTHANEE HOSPITAL PUBLIC COMPANY LIMITED.

3.3 In preparation of the consolidated financial statements, the Company has eliminated the amounts of assets, liabilities, and inter-transactions.

3.4 Accounting policies for the subsidiaries will utilize the same policies as the Company.

### 4. Financial Reporting Standards that became Effective in the Current Period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. 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.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.



## **5. Financial Reporting Standards that will become Effective for Fiscal Years Beginning on or After 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. 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.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## **6. Summary of Significant Accounting Policies**

### **6.1 Measurements bases used in the Preparation of Financial Statements**

Measurement bases used in the preparation of financial statements are historical cost measurement basis and combination of variety measurement bases used. Some assets and liabilities that use other measurement bases have been disclosed the measurement bases used in the particular accounting policies.

### **6.2 Financial Instruments**

#### 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.

Financial assets are subsequently measured in the following categories:

- Financial assets measured subsequently at amortised cost.
- Financial assets measured subsequently at fair value through profit or loss or through other comprehensive income.
- Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

- Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

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

- Financial Assets Designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

#### Classification and measurement of financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

At initial recognition, the Group measures a financial asset and financial liabilities at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset and financial liabilities. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

#### Derecognition of financial instruments

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

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

#### Impairment of financial assets

The Group applied the simplified approach for expected credit loss measurement, which required to measure lifetime expected losses and to recognize the loss at initial recognition of the trade receivables. For the measurement of expected credit loss, the Group classified trade receivables into groups according to their mutual credit risks and overdue periods. Expected credit loss rate is considered from historical payment nature and credit loss information from past experiences. Loss in impairment is record as profit or loss under administrative expenses.

The Group assesses on a forward-looking basis the expected credit loss associated with its short-term loans to subsidiary company carried at amortised cost. The Group applies general approach for credit-impaired consideration.

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

#### Offsetting of financial instruments

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

### 6.3 Cash and Cash Equivalents

Cash and cash equivalents includes bank deposits in type of current accounts, saving accounts and 3 months fixed accounts without guarantee obligation but excludes bank overdrafts which shown as current liabilities.

### 6.4 Inventories

Inventories are stated at cost price under first-in first-out method or net realizable value which ever the lower is.

Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

#### 6.5 Investments in Subsidiaries

Investments in subsidiaries as shown in the separate financial statements is recorded under the cost method net of allowance for impairment (if any).

#### 6.6 Property, Plant and Equipment

Land is recorded at cost price at the transaction date deduction of accumulated impairment losses (if any).

Plant and equipment are recorded at cost price at the transaction date after deduction of accumulated depreciation and accumulated impairment losses (if any) and calculated depreciation on a straight-line method over their approximate useful lives as follows:

- Land Improvement	20 Years
- Buildings and Constructions	5 - 30 Years
- Appliance and Other Fixed Assets	3 - 10 Years

Work in process is recorded at cost price not depreciated until assets as above complete already and condition necessary for its intended use.

Repair and maintenance is recognized as expense in profit or loss that it is incurred. Cost of significant improvement should be recognized as a part of carrying amount of assets when it is probable that the Group will obtain the future economic benefits from that transaction and able to measure the cost of that transaction reliably. Cost of improvement should be depreciated by the basis of estimated useful lives.

The Group eliminated land, plant and equipment on disposal or when no future economic benefit is expected from its use or disposal. The gain or loss on disposal (the difference between the net proceeds received in exchange for the asset disposed and the carrying amount at the time of disposal) is recognized under gain or loss when the Group eliminated the said assets.

#### 6.7 Goodwill

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses (if any).

#### 6.8 Intangible Assets

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 5 years.

#### 6.9 Impairment of Non – Financial Assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognized when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

#### 6.10 Leases

- Leases – where the Group is the lessee

At inception of a contract, the Group 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 Group recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed payments including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- The exercise price, under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period; and
- Payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

To apply a cost model, the Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- A change in an index or a rate used to determine those payments.
- A change in the Group's estimate of the amount expected to be payable under a residual value guarantee.
- The Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the remeasurement in profit or loss.

#### Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the

lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### 6.11 Borrowing Costs

Borrowing costs directly attributable to the construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 6.12 Employees Benefit

##### Short-term Benefits

The Group recognizes salary, wage, bonus, and social security fund as expense in profit or loss when the transaction occurs.

##### Long-term Employee Benefits

- Defined Contribution Plans

The Group and employees of the Group have jointly established a provident fund so as to pay to employees on termination in accordance with the fund's rules, which include the monthly contributions from employees and the Group. The fund's asset of the provident fund is separated from the Group's assets and has been managed by a fund manager. The Group recognizes the contribution as expense in profit or loss for the accounting period which the transaction incurred.

- Defined Benefit Plans

The Group has made provision for post-employment benefits so as to pay as severance pay to employees under the labor laws applicable in Thailand and provision for other long-term benefits so as to pay to employees who served defined period by actuarial technique using the projected unit credit method and presents as non-current liabilities. Hereby, the costs associated with employee benefits will be recognized in profit or loss so as to spread the cost over the employment period.

Gain or loss on remeasurement for post-employment benefits will be recognized in other comprehensive income (expense) and gain or loss on remeasurement for other long-term benefits will be recognized in profit or loss.

#### 6.13 Provision of Liabilities

The Group recognized provision of liabilities when it is probable that there is a present legal or constructive obligation as a result of past events and an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the group expects a

provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

#### 6.14 Treasury share

Where any companies within the Company repurchases its shares, the consideration paid, including any directly attributable incremental costs (net of taxes) is deducted from equity until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity.

In accordance with the regulations of the Stock Exchange of Thailand, the Company has to reserve the unappropriated retained earnings to the treasury shares reserve until the treasury shares are all sold or when the decrease in the paid-up capital of the treasury shares.

#### 6.15 Recognition of Revenues

- Revenue from general hospital services: mainly consisted of the revenue from hospital services, revenue from sales of medicines and medical supplies, revenue from medical services, revenue from patient rooms, etc., and recognized as revenues when the service is rendered.
- Revenues from medical services received from the Social Security Office and National Health Security Office are recognized as revenues according to the criteria, procedures and conditions stipulated by the said organizations.
- Interest Income is recognized on by period based on effective rate.
- Rental Income is recognized on straight line basis and agreement rate.
- Other incomes are recognized on an accrual basis.

#### 6.16 Recognition of Expenses

- Expenses are recognized on an accrual basis.

#### 6.17 Income Taxes

##### Income Taxes

Income taxes expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in equity which will recognize in other comprehensive income or recognized directly in equity as same as that items.

##### Current Tax



The Group recognized current tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation, using the tax rates enacted at the end of reporting period.

#### Deferred Tax

The Group recognized deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of reporting period.

Deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which such deduction temporary difference can be utilized. At the end of each reporting period, deferred tax assets are reduced to the extent that the related tax benefit will be realized.

#### 6.18 Earnings per share

Earnings per share are calculated by dividing profit or loss for the year by the weighted average number of issued and paid up common shares. The Group uncalculate diluted earnings per share since there is no equivalents to ordinary shares.

#### 6.19 Appropriation of Retained Earnings

The appropriation of retained earnings is attributable to the Public Company Act B.E.2535. and to the Public Company (No. 2) Act B.E. 2544. The Company will appropriate retained earnings when it is approved at the Shareholders Meeting.

#### 6.20 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair values are measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 in put are quoted prices in active market for identical assets or liabilities that the Group can access at the measurement date.

Level 2 in put are other observable inputs either directly or indirectly, for the assets or liabilities other than quoted price included within Level 1 inputs.

Level 3 in put are unobservable inputs for the assets and liabilities.

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

#### 6.21 Significant Accounting Judgments and Estimates

In order to prepare the financial statements to comply with the financial reporting standards, the Company's management had to make some judgment and estimates which may have an effect on the amount shown in the financial statements and notes to the financial statements, therefore the actual result may differ from the estimated amount. Significant estimates and provisions are as follows:

##### **Accrued Medical Service Revenues**

Accrued medical service revenues represents medical revenues that has not been collected from the Social Security Office and the National Health Security Office. The Group are not able to determine the certain amount to be collected. In this regard, the management of the Group is required to make an estimation of such accrued income in accordance with criteria, procedures and conditions specified by such organization, and consider the amount of the latest actual collection together with the current circumstances.

##### **Reduction of Inventories to become Net Realizable Value**

In estimating the reduction of inventories to become net realizable value, the management makes a judgment in estimating the net realizable value of inventories by their aging.

##### **Impairment of Investments**

The management is required to review the impairment of investments. The impairment loss is recorded when it is determined that their recoverable amount is lower than the value of investments and the use of discretion is for considering that such value of investments significantly reduces and is permanent or not.

##### **Property, Plant and Equipment and Depreciation**

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and residual values of the Company's building and equipment and to review estimate useful lives and residual values when there are any changes.

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

#### **Intangible Assets and Amortized**

Intangible assets are systematically amortized over their estimated useful lives, and are subject to impairment if there is an indication they may be impaired.

#### **Deferred Tax Assets**

The management of the Group has to use judgment in the consideration to recognize deferred tax assets by estimating the future taxable profit in each period and assess the probable that the Group will have sufficient future taxable profit which can be utilised.

#### **Post-Employment Benefits under Defined Benefit Plans**

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, turnover rate and other demographic factors etc. However, actual post-employment benefits that may be different from those estimated.

#### **Fair value**

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

## **7. Cash and Cash Equivalents**

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Cash	889,495.00	890,310.00	819,788.00	810,986.00
Current Deposit Accounts	40,359.91	40,759.91	4,783.39	4,983.39

(Unit : Baht)

Savings Deposit Accounts	173,776,280.29	53,591,125.32	73,051,397.24	23,710,784.82
Cheque on hand	1,164.00	-	-	-
Total	174,707,299.20	54,522,195.23	73,875,968.63	24,526,754.21

## 8. Trade and Other Current Receivables

Consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Accrued Medical Service Revenues				
from the Social Security Office	185,432,761.93	166,444,610.50	160,393,416.03	146,722,458.60
Accrued Medical Service Revenues				
from the National Health Security Office	197,990,318.20	-	111,328,163.20	-
Accrued Service Revenue	4,069,373.90	2,799,359.40	5,108,257.00	2,853,477.90
Unbilled Trade Receivables	387,492,454.03	169,243,969.90	276,829,836.23	149,575,936.50
Trade Receivables	476,778,945.90	163,293,680.55	371,919,244.81	148,949,553.38
<u>Less</u> Allowance for Expected Credit Losses	(5,553,693.06)	(2,794,402.19)	(3,683,737.70)	(1,582,965.26)
Trade Receivables - Net	471,225,252.84	160,499,278.36	368,235,507.11	147,366,588.12
Other Receivables	106,068,842.84	12,768,851.57	126,531,578.05	42,821,184.97
Total	964,786,549.71	342,512,099.83	771,596,921.39	339,763,709.59

Trade receivables were classified by aging as follows:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Trade Receivables within due period	130,087,495.50	75,514,421.18	91,174,257.62	64,396,624.07
Trade Receivables classified by overdue period as follows				
- Less than 3 months	266,784,491.18	43,128,786.17	210,964,522.68	49,064,241.37
- Over 3 months to 6 months	65,515,576.58	15,543,993.10	60,039,473.58	12,353,969.60
- Over 6 months to 9 months	4,221,984.23	23,139,501.82	3,397,403.73	19,475,346.52
- Over 9 months to 12 months	1,304,215.00	2,530,519.43	513,895.00	1,487,041.02

- Over 12 months to 24 months	7,010,006.41	2,657,836.80	4,613,654.70	1,557,827.30
- Over 24 months	1,855,177.00	778,622.05	1,216,037.50	614,503.50
Total	476,778,945.90	163,293,680.55	371,919,244.81	148,949,553.38
<u>Less Allowance for Expected Credit Losses</u>	<u>(5,553,693.06)</u>	<u>(2,794,402.19)</u>	<u>(3,683,737.70)</u>	<u>(1,582,965.26)</u>
Net	471,225,252.84	160,499,278.36	368,235,507.11	147,366,588.12

For the year ended 31 December 2021 and 2020, allowance for expected credit loss of trade receivables have the movement as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Beginning Balance	(2,794,402.19)	(2,493,117.48)	(1,582,965.26)	(1,249,363.04)
Increase during the year	(4,905,342.72)	(1,536,268.71)	(3,822,656.74)	(850,946.22)
Decrease during the year from Received	189,827.00	166,882.00	-	2,817.00
Decrease during the year from Write - off	1,956,224.85	1,068,102.00	1,721,884.30	514,527.00
Ending Balance	<u>(5,553,693.06)</u>	<u>(2,794,402.19)</u>	<u>(3,683,737.70)</u>	<u>(1,582,965.26)</u>

Other Receivables consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Deposit Vaccine	42,042,000.00	-	19,206,000.00	-
Prepaid Expense	1,595,733.00	1,764,983.38	1,438,985.56	1,533,784.23
Advance Payment	52,530,247.42	561,947.00	96,530,247.42	31,000,000.00
Other Receivables	8,631,086.48	9,753,524.79	8,024,484.48	9,631,623.79
Others	1,269,775.94	688,396.40	1,331,860.59	655,776.95
Total	<u>106,068,842.84</u>	<u>12,768,851.57</u>	<u>126,531,578.05</u>	<u>42,821,184.97</u>

As at 31 December 2021, Consolidated and separate financial statements, Advance payment in amounting of Baht 52.50 million of the Company's board of directors' meeting no. 5/2021 held on 11

October 2021, it resolved to approve the following matters approved the advance payment not exceeding Baht 40.00 million for investment. The fund will be used to purchase certain shares of non-listed entities in healthcare industry. The Chairman of Executive Committee has been assigned to execute and complete the said purchases within 31 December 2021. The related rules and regulations shall be observed and the process shall be reported to the Company's board of directors as in Note 34.1.

## 9. Inventories

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Medicines and Medical Supplies	41,617,140.10	30,460,691.67	34,447,793.52	24,642,905.58
Medical Supplies – Radiodiagnosis	60,994.70	47,157.22	58,212.70	33,335.70
Medical Supplies – Laboratory	18,812,179.19	5,907,547.99	14,528,792.65	4,760,090.36
Total	60,490,313.99	36,415,396.88	49,034,798.87	29,436,331.64
<u>Less</u> Allowance for Declining in				
Value of Inventories	(570,973.09)	(372,184.85)	(274,050.57)	(191,590.50)
Net	59,919,340.90	36,043,212.03	48,760,748.30	29,244,741.14

For the year ended 31 December 2021 and 2020, allowance for decline in value of inventories have the movement as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Beginning Balance	(372,184.85)	(251,689.99)	(191,590.50)	(71,640.24)
Increased during the Year	(198,788.24)	(304,783.28)	(82,460.07)	(119,950.26)
Reversed during the Year	-	-	-	-
Loss on Written-off to Expense	-	184,288.42	-	-
Ending Balance	(570,973.09)	(372,184.85)	(274,050.57)	(191,590.50)

## 10. Other Non-Current Financial Assets

Consist of:

(Unit : Baht)

	Consolidated and Separate Financial Statements	
	As at	As at
	31 December 2021	31 December 2020
Cost Price		
- Investments in Equity Instruments of Non-Listed Companies	24,500,000.00	14,500,000.00
- Investments in Equity Instruments of Listed Company	402,982,967.78	-
Total	427,482,967.78	14,500,000.00
Gain (Loss) on Fair Value Measurement		
- Investments in Equity Instruments of Listed Company	142,517,032.22	-
Total	142,517,032.22	-
Loss on Fair Value Measurement		
- Investments in Equity Instruments of Non-Listed Companies	(4,500,000.00)	(4,500,000.00)
Total	(4,500,000.00)	(4,500,000.00)
Net	565,500,000.00	10,000,000.00

For the year ended 31 December 2021 and 2020, other non-current financial assets have the movement as follows:

	For the year ended 31 December 2021	For the year ended 31 December 2020
	Baht	Baht
Beginning Carrying Amount	10,000,000.00	10,000,000.00
Purchase of Investments	412,982,967.78	-
Sale of Investments	-	-
Changes in Fair Value Recognized in Other Comprehensive Income		
Unrealized	142,517,032.22	-
Ending Carrying Amount	565,500,000.00	10,000,000.00

## 11. Investments in Subsidiaries

Consist of:

(Unit : Baht)

Separate Financial Statements					
Cost Method					
Name of Company	Business	Paid-up Share Capital	% Share- Holding	As at 31 December 2021	As at 31 December 2020
Rajthanee Rojana Hospital Company Limited	Healthcare Services	270,000,000.00	98.31	609,432,690.00	609,432,690.00
Rajthanee Nongkhae Hospital Company Limited	Healthcare Services	60,000,000.00	99.99	59,999,970.00	59,999,970.00
Total				<u>669,432,660.00</u>	<u>669,432,660.00</u>



## 12. Property, Plant and Equipment

Consist of:

(Unit : Baht)

	Consolidated Financial Statements								Total
	Land	Land Improvement	Building and Constructions	Medical Appliance	Office Appliance	Machinery Appliance and Vehicle	Other Fixed Assets	Construction in Process	
<b>Cost</b>									
As at 1 January 2020	304,249,277.88	3,733,404.75	901,569,491.80	349,750,087.48	70,885,065.74	49,925,592.35	31,565,938.31	26,196,002.88	1,737,874,861.19
Purchase	29,530,136.00	-	31,117,837.86	122,603,527.26	19,018,066.22	12,375,491.55	5,298,541.05	192,442,717.21	412,386,317.15
Transfer in/(Transfer out)	-	-	115,465,904.98	1,979,500.00	239,680.00	65,600.00	11,798,753.29	(129,549,438.27)	-
Disposal/ Written-off	-	-	(1,919,940.50)	(16,929,515.02)	(3,010,791.15)	(2,707,850.50)	(985,372.29)	-	(25,553,469.46)
As at 31 December 2020	333,779,413.88	3,733,404.75	1,046,233,294.14	457,403,599.72	87,132,020.81	59,658,833.40	47,677,860.36	89,089,281.82	2,124,707,708.88
<b>Accumulated Depreciation</b>									
As at 1 January 2020	-	(1,434,387.60)	(405,367,781.54)	(250,674,870.01)	(52,484,096.40)	(40,012,427.28)	(21,939,320.92)	-	(771,912,883.75)
Depreciation for the Year	-	(207,970.08)	(45,326,161.94)	(41,300,470.58)	(10,559,602.12)	(4,385,645.62)	(3,973,527.22)	-	(105,753,377.56)
Accumulated Depreciation for									
Disposal /Written-off	-	-	1,904,661.30	16,752,639.13	2,955,509.59	2,694,978.51	916,946.11	-	25,224,734.64
As at 31 December 2020	-	(1,642,357.68)	(448,789,282.18)	(275,222,701.46)	(60,088,188.93)	(41,703,094.39)	(24,995,902.03)	-	(852,441,526.67)
<b>Carrying Amount</b>									
As at 31 December 2020	333,779,413.88	2,091,047.07	597,444,011.96	182,180,898.26	27,043,831.88	17,955,739.01	22,681,958.33	89,089,281.82	1,272,266,182.21
<b>Depreciation for the Year</b>									
2020 (Amount of Baht 97.39 Million, Included in Cost of Hospital Operations ,The Rest Included in Administrative Expenses)									105,753,377.56

(Unit : Baht)

## Consolidated Financial Statements

	Land	Land Improvement	Building and Constructions	Medical Appliance	Office Appliance	Machinery Appliance and Vehicle	Other Fixed Assets	Construction in Process	Total
<b>Cost</b>									
As at 1 January 2021	333,779,413.88	3,733,404.75	1,046,233,294.14	457,403,599.72	87,132,020.81	59,658,833.40	47,677,860.36	89,089,281.82	2,124,707,708.88
Purchase	6,250,700.00	-	71,672,519.91	54,958,174.98	19,426,721.50	6,984,261.05	6,757,953.92	135,398,789.92	301,449,121.28
Transfer in/(Transfer out)	-	4,174,168.00	11,580,330.00	620,600.00	391,420.65	-	1,957,503.53	(5,240,858.14)	13,483,164.04
Disposal/ Written-off	-	-	(106,999.35)	(1,937,862.70)	(3,285,602.33)	(2,220,650.50)	(628,548.50)	-	(8,179,663.38)
As at 31 December 2021	340,030,113.88	7,907,572.75	1,129,379,144.70	511,044,512.00	103,664,560.63	64,422,443.95	55,764,769.31	219,247,213.60	2,431,460,330.82
<b>Accumulated Depreciation</b>									
As at 1 January 2021	-	(1,642,357.68)	(448,789,282.18)	(275,222,701.46)	(60,088,188.93)	(41,703,094.39)	(24,995,902.03)	-	(852,441,526.67)
Depreciation for the Year	-	(533,718.91)	(81,320,332.48)	(53,176,231.79)	(13,159,089.28)	(5,759,747.94)	(5,378,466.12)	-	(159,327,586.52)
Accumulated Depreciation for									
Disposal /Written-off	-	-	75,766.58	1,935,103.06	3,254,014.49	2,217,962.69	609,944.81	-	8,092,791.63
As at 31 December 2021	-	(2,176,076.59)	(530,033,848.08)	(326,463,830.19)	(69,993,263.72)	(45,244,879.64)	(29,764,423.34)	-	(1,003,676,321.56)
<b>Carrying Amount</b>									
As at 31 December 2021	340,030,113.88	5,731,496.16	599,345,296.62	184,580,681.81	33,671,296.91	19,177,564.31	26,000,345.97	219,247,213.60	1,427,784,009.26
<b>Depreciation for the Year</b>									
2021 (Amount of Baht 148.93 Million, Included in Cost of Hospital Operations ,The Rest Included in Administrative Expenses)									159,327,586.52

(Unit : Baht)

Separate Financial Statements									
	Land	Land Improvement	Building and Constructions	Medical Appliance	Office Appliance	Machinery Appliance and Vehicle	Other Fixed Assets	Construction in Process	Total
<b>Cost</b>									
As at 1 January 2020	163,909,617.88	3,591,404.75	661,558,666.14	296,187,370.17	55,891,200.26	41,019,112.12	27,443,318.82	25,433,627.88	1,275,034,318.02
Purchase	-	-	22,810,321.16	108,890,431.25	14,401,576.82	11,165,641.55	4,996,125.50	166,293,873.52	328,557,969.80
Transfer in/(Transfer out)	-	-	109,226,392.58	1,979,500.00	239,680.00	65,600.00	-	(111,511,172.58)	-
Disposal/ Written-off	-	-	(1,769,940.50)	(16,929,515.02)	(3,010,791.15)	(2,707,850.50)	(985,372.29)	-	(25,403,469.56)
As at 31 December 2020	163,909,617.88	3,591,404.75	791,825,439.38	390,127,786.40	67,521,665.93	49,542,503.17	31,454,072.03	80,216,328.82	1,578,188,818.36
<b>Accumulated Depreciation</b>									
As at 1 January 2020	-	(1,343,290.97)	(319,129,408.07)	(210,043,113.47)	(41,167,521.72)	(32,864,282.90)	(19,223,530.36)	-	(623,771,147.49)
Depreciation for the Year	-	(179,570.26)	(32,751,506.43)	(36,286,949.73)	(8,090,108.77)	(3,942,421.26)	(3,154,803.42)	-	(84,405,359.87)
Accumulated Depreciation for									
Disposal /Written-off	-	-	1,754,662.30	16,752,639.13	2,955,509.59	2,694,978.51	916,946.11	-	25,074,735.64
As at 31 December 2020	-	(1,522,861.23)	(350,126,252.20)	(229,577,424.07)	(46,302,120.90)	(34,111,725.65)	(21,461,387.67)	-	(683,101,771.72)
<b>Carrying Amount</b>									
As at 31 December 2020	163,909,617.88	2,068,543.52	441,699,187.18	160,550,362.33	21,219,545.03	15,430,777.52	9,992,684.36	80,216,328.82	895,087,046.64
<b>Depreciation for the Year</b>									
2020 (Amount of Baht 79.40 Million, Included in Cost of Hospital Operations ,The Rest Included in Administrative Expenses)									84,405,359.87

(Unit : Baht)

Separate Financial Statements									
	Land	Land Improvement	Building and Constructions	Medical Appliance	Office Appliance	Machinery Appliance and Vehicle	Other Fixed Assets	Construction in Process	Total
<b>Cost</b>									
As at 1 January 2021	163,909,617.88	3,591,404.75	791,825,439.38	390,127,786.40	67,521,665.93	49,542,503.17	31,454,072.03	80,216,328.82	1,578,188,818.36
Purchase	-	-	61,085,737.30	49,269,504.98	16,682,330.09	5,804,078.65	4,868,555.32	116,401,294.62	254,111,500.96
Transfer in/(Transfer out)	-	4,174,168.00	11,580,330.00	620,600.00	391,420.65	-	1,178,312.53	(18,099,292.14)	(154,460.96)
Disposal/ Written-off	-	-	(106,999.35)	(1,937,862.70)	(3,285,602.33)	(2,220,650.50)	(628,548.50)	-	(8,179,663.38)
As at 31 December 2021	163,909,617.88	7,765,572.75	864,384,507.33	438,080,028.68	81,309,814.34	53,125,931.32	36,872,391.38	178,518,331.30	1,823,966,194.98
<b>Accumulated Depreciation</b>									
As at 1 January 2021	-	(1,522,861.23)	(350,126,252.20)	(229,577,424.07)	(46,302,120.90)	(34,111,725.65)	(21,461,387.67)	-	(683,101,771.72)
Depreciation for the Year	-	(511,216.36)	(62,257,952.95)	(46,607,533.03)	(10,362,657.64)	(5,179,054.20)	(3,907,197.86)	-	(128,825,612.04)
Accumulated Depreciation for									
Disposal /Written-off	-	-	75,766.58	1,935,103.06	3,254,014.49	2,217,962.69	609,944.81	-	8,092,791.63
As at 31 December 2021	-	(2,034,077.59)	(412,308,438.57)	(274,249,854.04)	(53,410,764.05)	(37,072,817.16)	(24,758,640.72)	-	(803,834,592.13)
<b>Carrying Amount</b>									
As at 31 December 2021	163,909,617.88	5,731,495.16	452,076,068.76	163,830,174.64	27,899,050.29	16,053,114.16	12,113,750.66	178,518,331.30	1,020,131,602.85
<b>Depreciation for the Year</b>									
2021 (Amount of Baht 122.38 Million, Included in Cost of Hospital Operations ,The Rest Included in Administrative Expenses)									128,825,612.04

As at 31 December 2021 and 2020, The Group had land, building and constructions at the carrying amount in the consolidated financial statements in amount of Baht 741.82 million and Baht 808.00 million respectively, and in the separate financial statements in amount of Baht 502.54 million and Baht 560.45 million respectively, to mortgaged as collateral against the liabilities in accordance with loan agreements with financial institutions as in note no. 16.

As at 31 December 2021 and 2020, the Group has assets which are fully depreciated but still in use in the consolidated financial statements at the cost value in amount of Baht 401.31 million and Baht 359.59 million respectively, the carrying amount in amount of Baht 5,934.00 and Baht 5,459.00 respectively, and in the separate financial statements at the cost value in amount of Baht 329.18 million and Baht 295.72 million respectively, the carrying amount in amount of Baht 4,787.00 and Baht 4,501.00 respectively.

### 13. Goodwill

Consist of:

(Unit : Baht)

	Consolidated Financial Statements	
	For the year ended	For the year ended
	31 December 2021	31 December 2020
<b>As at 1 January</b>		
Cost	87,802,508.74	87,802,508.74
<u>Less</u> Allowance for Impairment	-	-
Carrying Amount	87,802,508.74	87,802,508.74
Transactions During the Year Ended 31 December	-	-
Ending Carrying Amount	87,802,508.74	87,802,508.74
<b>As at 31 December</b>		
Cost	87,802,508.74	87,802,508.74
<u>Less</u> Allowance for Impairment	-	-
Carrying Amount	87,802,508.74	87,802,508.74
Impairment testing of goodwill		

The Company has tested for impairment of goodwill that arises from the acquisition of the Rajthanee Rojana Hospital Company Limited by comparing the carrying amount of the asset unit which includes the goodwill and the recoverable amount of cash generating asset unit. This depends on the useful lives which is calculated from the future cash flows to be generated from the continual use of the cash

generating asset unit. The cash flows were projected over a period of 5 years before the terminal value growth rate.

The key assumptions used in estimating the value in use are as follows:

Key assumption	Rate	Approach used to determine the value
- Discount Rate	3.73%	The discount rate was based on weighted average cost of capital the Company
- Terminal Value Growth Rate	3.00%	Terminal value growth rate was determined based on conservative principle by referencing to the inflation rate
- Revenue growth Rate	5.00%	Budgeted was based on past experience by referencing from expected earnings growth. Revenue growth based on the conservative principle.

Based on the impairment testing, the recoverable amount was estimated to be higher than its carrying amount will not impairment of goodwill.

#### 14. Intangible Assets

Consist of:

	(Unit : Baht)		
	Consolidated Financial Statements		
	Computer Programs	Computer Programs to Installation	Total
<b>Cost</b>			
As at 1 January 2020	20,072,560.10	2,800,618.00	22,873,178.10
Purchase	1,411,978.18	871,016.41	2,282,994.59
Transfer in/(Transfer out)	1,524,750.00	(1,524,750.00)	-
As at 31 December 2020	23,009,288.28	2,146,884.41	25,156,172.69
<b>Accumulated Amortization</b>			
As at 1 January 2020	(13,594,182.26)	-	(13,594,182.26)
Amortization for the Year	(2,447,987.33)	-	(2,447,987.33)
As at 31 December 2020	(16,042,169.59)	-	(16,042,169.59)
<b>Carrying Amount</b>			
As at 31 December 2020	6,967,118.69	2,146,884.41	9,114,003.10
<b>Cost</b>			
As at 1 January 2021	23,009,288.28	2,146,884.41	25,156,172.69
Purchase	1,766,570.00	486,850.00	2,253,420.00

(Unit : Baht)

Consolidated Financial Statements			
	Computer Programs	Computer Programs to Installation	Total
Transfer in/(Transfer out)	3,251,659.41	(2,489,284.41)	762,375.00
As at 31 December 2021	28,027,517.69	144,450.00	28,171,967.69
<b>Accumulated Amortization</b>			
As at 1 January 2021	(16,042,169.59)	-	(16,042,169.59)
Amortization for the Year	(3,188,645.62)	-	(3,188,645.62)
As at 31 December 2021	(19,230,815.21)	-	(19,230,815.21)
<b>Carrying Amount</b>			
As at 31 December 2021	8,796,702.48	144,450.00	8,941,152.48
<b>Amortization for the Year</b>			
2020 (Amount of Baht 2.31 million Included in Cost of Hospital Operations, the rest included in Administrative Expenses)			2,447,987.33
2021 (Amount of Baht 3.05 million Included in Cost of Hospital Operations, the rest included in Administrative Expenses)			3,188,645.62

(Unit : Baht)

Separate Financial Statements			
	Computer Programs	Computer Programs to Installation	Total
<b>Cost</b>			
As at 1 January 2020	15,781,860.10	2,800,618.00	18,582,478.10
Purchase	1,285,718.18	871,016.41	2,156,734.59
Transfer in/(Transfer out)	1,524,750.00	(1,524,750.00)	-
As at 31 December 2020	18,592,328.28	2,146,884.41	20,739,212.69
<b>Accumulated Amortization</b>			
As at 1 January 2020	(10,091,745.39)	-	(10,091,745.39)
Amortization for the Year	(1,911,401.84)	-	(1,911,401.84)
As at 31 December 2020	(12,003,147.23)	-	(12,003,147.23)
<b>Carrying Amount</b>			
As at 31 December 2020	6,589,181.05	2,146,884.41	8,736,065.46

(Unit : Baht)

## Consolidated Financial Statements

	Computer Programs	Computer Programs to Installation	Total
<b>Cost</b>			
As at 1 January 2021	18,592,328.28	2,146,884.41	20,739,212.69
Purchase	972,095.00	486,850.00	1,458,945.00
Transfer in/(Transfer out)	2,489,284.41	(2,489,284.41)	-
As at 31 December 2021	<u>22,053,707.69</u>	<u>144,450.00</u>	<u>22,198,157.69</u>
<b>Accumulated Amortization</b>			
As at 1 January 2021	(12,003,147.23)	-	(12,003,147.23)
Amortization for the Year	<u>(2,830,293.18)</u>	<u>-</u>	<u>(2,830,293.18)</u>
As at 31 December 2021	<u>(14,833,440.41)</u>	<u>-</u>	<u>(14,833,440.41)</u>
<b>Carrying Amount</b>			
As at 31 December 2021	<u><u>7,220,267.28</u></u>	<u><u>144,450.00</u></u>	<u><u>7,364,717.28</u></u>
<b>Amortization for the Year</b>			
2020 (Amount of Baht 1.77 million included in Cost of Hospital Operations, the rest included in Administrative Expenses)			1,911,401.84
2021 (Amount of Baht 2.69 million included in Cost of Hospital Operations, the rest included in Administrative Expenses)			2,830,293.18



## 15. Deferred Taxes

Deferred taxes calculated at tax rate of 20%. The deferred taxation related to the temporary differences between the carrying amount and the tax bases of assets and liabilities of the Group are summarized below:

(Unit : Baht)

	Consolidated Financial Statements			
	As at	Recognized	Recognized in the Other	As at
	31 December 2020	in the	Comprehensive Income	31 December 2021
		Profit (Loss)	(Expense)	
<b>Deferred Tax Assets</b>				
Trade Receivables	422,030.52	401,768.57	-	823,799.09
Inventories	36,118.87	23,265.63	-	59,384.50
Property, Plant and Equipment	45,801,087.28	(10,194,274.75)	-	35,606,812.53
Right-of-Use Assets	16,555.56	(14,414.59)	-	2,140.97
Medicine and Medical Supply Estimation	262,187.60	(42,331.00)	-	219,856.60
Non-Current Provisions for				
Employee Benefit	11,203,722.79	741,106.09	(1,646.78)	11,943,182.10
Total	57,741,702.62	(9,084,880.05)	(1,646.78)	48,655,175.79
<b>Deferred Tax Liabilities</b>				
Other Non-Current Financial Assets	-	-	28,503,406.44	28,503,406.44
Total	-	-	28,503,406.44	28,503,406.44

(Unit : Baht)

Consolidated Financial Statements				
	As at 31 December 2019	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	As at 31 December 2020
<b>Deferred Tax Assets</b>				
Trade Receivables	129,468.80	292,561.72	-	422,030.52
Inventories	36,009.95	108.92	-	36,118.87
Property, Plant and Equipment	6,595,248.88	39,205,838.40	-	45,801,087.28
Right-of-Use Assets	-	16,555.56	-	16,555.56
Medicine and Medical Supply Estimation	-	262,187.60	-	262,187.60
Non-Current Provisions for				
Employee Benefit	11,384,549.54	525,775.00	(706,601.75)	11,203,722.79
Unused Tax Losses	3,751,888.96	(3,751,888.96)	-	-
Total	21,897,166.13	36,551,138.24	(706,601.75)	57,741,702.62
<b>Deferred Tax Liabilities</b>				
Other Non-Current Financial Assets	73,414.86	(73,414.86)	-	-
Total	73,414.86	(73,414.86)	-	-

(Unit : Baht)

Separate Financial Statements				
	As at 31 December 2020	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	As at 31 December 2021
<b>Deferred Tax Assets</b>				
Trade Receivables	211,995.01	365,640.91	-	577,635.92
Property, Plant and Equipment	36,817,980.29	(8,941,120.35)	-	27,876,859.94
Right-of-Use Assets	472.81	102.16	-	574.97
Medicine and Medical Supply Estimation	262,187.60	(42,331.00)	-	219,856.60
Non-Current Provisions for				
Employee Benefit	11,055,215.79	715,968.83	(2,837.06)	11,768,347.56
Total	48,347,851.50	(7,901,739.45)	(2,837.06)	40,443,274.99
<b>Deferred Tax Liabilities</b>				
Other Non-Current Financial Assets	-	-	28,503,406.44	28,503,406.44
Total	-	-	28,503,406.44	28,503,406.44

(Unit : Baht)

		Separate Financial Statements		
	As at	Recognized	Recognized in the Other	As at
	31 December 2019	in the	Comprehensive Income	31 December 2020
		Profit (Loss)	(Expense)	
<b>Deferred Tax Assets</b>				
Trade Receivables	129,468.80	82,526.21	-	211,995.01
Property, Plant and Equipment	3,552,341.90	33,265,638.39	-	36,817,980.29
Right-of-Use Assets	-	472.81	-	472.81
Medicine and Medical Supply Estimation	-	262,187.60	-	262,187.60
Non-Current Provisions for				
Employee Benefit	11,196,263.04	570,397.31	(711,444.56)	11,055,215.79
Total	14,878,073.74	34,181,222.32	(711,444.56)	48,347,851.50
<b>Deferred Tax Liabilities</b>				
Other Non-Current Financial Assets	73,414.86	(73,414.86)	-	-
Total	73,414.86	(73,414.86)	-	-

## 16. Credits and Guarantees

The Group has received the credit facilities from financial institutions consist of bank overdrafts, letters of guarantee, short-term borrowings and long-term borrowings; which are guaranteed by land, building and other constructions and future constructions (as in Note 12) including endorsing the transfer of insurance to the financial institutions as a beneficiary claim insurance on buildings and other assets.

## 17. Short-term Borrowings from Financial Institutions

As at 31 December 2021 and 2020, short-term borrowings from financial institutions in full amount is promissory note with 3 months the interest at 1.45% – 3.75% and 1.50% – 1.95% per annum.

## 18. Trade and Other Current Payables

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Trade Payables	205,135,751.43	154,467,921.93	187,808,081.99	158,719,736.25

(Unit : Baht)

Other Payables	173,099,054.14	86,486,306.41	155,007,515.43	67,101,272.43
Total	378,234,805.57	240,954,228.34	342,815,597.42	225,821,008.68

Other payables consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Accrued Expenses	20,639,854.71	18,730,032.64	15,692,443.65	14,500,178.72
Dividend Payables	4,196,748.48	2,459,751.97	4,196,748.48	2,459,751.97
Accrued Bonus	23,297,027.37	28,368,731.00	19,821,526.04	24,249,438.00
Assets Payables	3,359,503.66	9,301,874.86	1,127,395.46	3,268,938.86
Retention Payables	13,623,031.31	14,804,196.79	12,704,154.19	12,609,830.06
Accrued Withholding Tax	28,813,751.20	6,239,800.56	27,288,086.90	5,552,791.67
Current Contract Liabilities	70,259,704.05	103,611.00	70,259,704.05	103,611.00
Other Payables	8,909,433.36	6,478,307.59	3,917,456.66	4,356,732.15
Total	173,099,054.14	86,486,306.41	155,007,515.43	67,101,272.43

## 19. Non-Current Provisions for Employee Benefit

For the year ended 31 December 2021 and 2020, non-current provisions for employee benefit have the movement as follows:

(Unit : Baht)

	Consolidated Financial Statements		
	Post-employment	Other Long-term	Total
	Benefit	Benefit	
Present Value of the Obligation as at 1 January 2021	54,926,839.99	1,091,773.93	56,018,613.92
Current Service Cost	5,113,846.97	227,571.63	5,341,418.60
Interest Expense	1,027,658.03	8,558.31	1,036,216.34
(Gains) Loss on Remeasurements of Defined Benefit Plans	(8,233.87)	-	(8,233.87)
<u>Less</u> Payment During the Year	(2,499,978.38)	(172,126.10)	(2,672,104.48)
Present Value of the Obligation as at 31 December 2021	58,560,132.74	1,155,777.77	59,715,910.51

(Unit : Baht)

Consolidated Financial Statements			
	Post-employment	Other Long-term	Total
	Benefit	Benefit	
Present Value of the Obligation as at 1 January 2020	55,493,618.60	757,347.91	56,250,966.51
Employee Benefits due within one year	671,781.16	-	671,781.16
Current Service Cost	4,266,769.65	382,866.21	4,649,635.86
Interest Expense	1,462,676.33	61,559.81	1,524,236.14
(Gains) Loss on Remeasurements of Defined Benefit Plans	(3,533,008.75)	-	(3,533,008.75)
<u>Less Payment During the Year</u>	<u>(3,434,997.00)</u>	<u>(110,000.00)</u>	<u>(3,544,997.00)</u>
Present Value of the Obligation as at 31 December 2020	<u>54,926,839.99</u>	<u>1,091,773.93</u>	<u>56,018,613.92</u>

(Unit : Baht)

Separate Financial Statements			
	Post-employment	Other Long-term	Total
	Benefit	Benefit	
Present Value of the Obligation as at 1 January 2021	54,184,304.98	1,091,773.93	55,276,078.91
Current Service Cost	4,944,768.73	227,571.63	5,172,340.36
Interest Expense	1,012,550.12	8,558.31	1,021,108.43
(Gains) Loss on Remeasurements of Defined Benefit Plans	(14,185.29)	-	(14,185.29)
<u>Less Payment During the Year</u>	<u>(2,441,478.55)</u>	<u>(172,126.10)</u>	<u>(2,613,604.65)</u>
Present Value of the Obligation as at 31 December 2021	<u>57,685,959.99</u>	<u>1,155,777.77</u>	<u>58,841,737.76</u>

(Unit : Baht)

Separate Financial Statements			
	Post-employment	Other Long-term	Total
	Benefit	Benefit	
Present Value of the Obligation as at 1 January 2020	54,636,245.83	757,347.91	55,393,593.74
Employee Benefits due within one year	587,721.43	-	587,721.43
Current Service Cost	4,051,380.93	382,866.21	4,434,247.14
Interest Expense	1,448,026.61	61,559.81	1,509,586.42
(Gains) Loss on Remeasurements of Defined Benefit Plans	(3,557,222.82)	-	(3,557,222.82)
<u>Less Payment During the Year</u>	<u>(2,981,847.00)</u>	<u>(110,000.00)</u>	<u>(3,091,847.00)</u>
Present Value of the Obligation as at 31 December 2020	<u>54,184,304.98</u>	<u>1,091,773.93</u>	<u>55,276,078.91</u>

For the year ended 31 December 2021 and 2020, lists are included in the profit or loss shown as follows:

(Unit : Baht)				
	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Current Service Cost	5,341,418.60	4,649,635.86	5,172,340.36	4,434,247.14
Interest Expense	1,036,216.34	1,524,236.14	1,021,108.43	1,509,586.42
Total	<u>6,377,634.94</u>	<u>6,173,872.00</u>	<u>6,193,448.79</u>	<u>5,943,833.56</u>

The above expenses which are recognized in the profit or loss are included in the items as follows:

(Unit : Baht)				
	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Cost of Hospital Operations	4,502,488.98	4,470,248.47	4,437,068.91	4,407,157.39
Administrative Expenses	1,875,145.96	1,703,623.53	1,756,379.88	1,536,676.17
Total	<u>6,377,634.94</u>	<u>6,173,872.00</u>	<u>6,193,448.79</u>	<u>5,943,833.56</u>

(Gains) loss on remeasurements of defined benefit plans are recognized to comprehensive (income) expense occurred from

(Unit : Baht)				
	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Financial Assumption	-	5,958,545.65	-	5,934,331.58
Experience Adjustments	(8,233.87)	(9,491,554.40)	(14,185.29)	(9,491,554.40)
Total	<u>(8,233.87)</u>	<u>(3,533,008.75)</u>	<u>(14,185.29)</u>	<u>(3,557,222.82)</u>

The Group has long-term employee benefit that are expected to be paid in the future as follows:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Within one year	2,602,937.45	2,680,338.53	2,602,937.45	2,627,789.95
More than 1 year but not over 5 years	21,808,152.31	19,662,337.22	21,416,513.63	19,270,698.54
More than 5 years	161,443,398.57	166,192,151.11	157,556,224.11	162,304,976.65
Total	185,854,488.33	188,534,826.86	181,575,675.19	184,203,465.14

As shown in the consolidated financial statements as at 31 December 2021 and 2020, the weighted average duration of the liabilities for long-term employee benefit is 16 – 17 years and 16 years respectively and in the separate financial statements is 17 years and 16 years respectively.

The principal assumptions used for the purposes of the actuarial valuation were as follows:

	For the year ended 31 December 2021	For the year ended 31 December 2020
Discount rate	0.86% – 1.91% per annum	0.86% – 1.90% per annum
Salary increase rate	6.00% per annum	6.00% per annum
Employee turnover rate	1.91% – 34.38% per annum	1.91% – 34.38% per annum
Mortality rate	105.00 % per annum of mortality table year 2017	105.00 % per annum of mortality table year 2017
Disability rate	Included in the mortality rate	Included in the mortality rate
Retirement age	55 and 60 years old	55 and 60 years old
Gold Price	Gold price as at 30 November 2020	Gold price as at 30 November 2020

### Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined non-current provisions for benefit by the amounts shown as follows.

(Unit : Baht)

Consolidated Financial Statements		Separate Financial Statements	
As at	As at	As at	As at
31 December 2021	31 December 2020	31 December 2021	31 December 2020

**Post-employment benefit****Discount rate**

Increase 0.50%	(3,127,851.21)	(2,732,685.09)	(3,068,498.76)	(2,685,719.85)
Decrease 0.50%	5,995,109.68	2,977,490.68	5,881,780.47	2,925,765.92

**Salary increase rate**

Increase 1.00%	5,501,216.67	5,545,386.88	5,388,925.55	5,437,681.87
Decrease 1.00%	(11,911,548.83)	(4,790,383.18)	(11,665,8355.59)	(4,699,495.33)

**Employee turnover rate**

Increase 20.00%	(7,336,189.24)	(4,917,288.42)	(6,851,965.14)	(4,686,836.87)
Decrease 20.00%	13,084,587.73	6,192,975.75	12,315,946.01	5,804,194.75

**Mortality rate**

Increase 20.00%	(323,248.49)	(279,130.67)	(313,821.62)	(271,513.93)
Decrease 20.00%	644,045.40	281,167.62	625,299.90	273,463.48

**Other long-term benefit****Discount rate**

Increase 0.50%	(20,118.09)	(19,139.15)	(20,118.09)	(19,139.15)
Decrease 0.50%	39,643.92	19,734.94	39,643.92	19,734.94

**Employee turnover rate**

Increase 20.00%	(110,382.20)	(73,434.08)	(110,382.20)	(73,434.80)
Decrease 20.00%	209,251.29	81,106.15	209,251.29	81,106.15

**Mortality rate**

Increase 20.00%	(935.48)	(695.44)	(935.48)	(695.44)
Decrease 20.00%	1,869.51	696.43	1,869.51	696.43

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

**20. Share Capital**

Consist of:

For the year			For the year		
Par Value	ended 31 December 2021		Par Value	ended 31 December 2020	
Per Share	Number of Share	Per Share	Per Share	Number of Share	Amount



	Baht	Share	Baht	Baht	Share	Baht
<b>Authorized Share Capital</b>						
Beginning Ordinary Shares	1.00	300,000,000	300,000,000.00	1.00	300,000,000	300,000,000.00
Ending Ordinary Shares	1.00	<u>300,000,000</u>	<u>300,000,000.00</u>	1.00	<u>300,000,000</u>	<u>300,000,000.00</u>
<b>Issued and Paid-up Share Capital</b>						
Beginning Ordinary Shares	1.00	300,000,000	300,000,000.00	1.00	300,000,000	300,000,000.00
Ending Ordinary Shares	1.00	<u>300,000,000</u>	<u>300,000,000.00</u>	1.00	<u>300,000,000</u>	<u>300,000,000.00</u>

## 21. Treasury Shares

At the Board of Directors' Meeting No. 5/2021 of the Company on 11 October 2021, the Board of Directors has approved the shares repurchase program for financial management purpose detailed as follows:

- The maximum amount for the share repurchases are not exceeding Baht 150.00 million.
- Number of repurchased shares will be not exceeding 5.75 million shares at par value of Baht 1.00 per share, which is equivalent to 10.00% of the total issued shares.
- Repurchasing of shares on the Stock Exchange of Thailand.
- The repurchase period will be within 6 months since 1 November 2021 to 30 April 2022.

In determining the repurchase price, the average market price during 30 days prior to the date on which the Company discloses the information of shares repurchase will be used as the basis of calculation. The repurchase price must be not exceeded average closing price during 5 working days prior to each trading date plus 15.00% of such average closing price. The average market price during 30 days No.1 during 27 September 2021 to 9 November 2021 was Baht 32.24 per share. And No.2 during 8 October 2021 to 22 November 2021 was Baht 33.30 per share.

The movement of treasury shares for the years ended 31 December 2021 is as follows:

	(Unit : Baht)	
	Consolidated and Separate	
	financial statements	
	Number of shares	Amount of
		treasury shares
Beginning Balance	-	-
Purchase during the year	<u>630,500</u>	<u>21,676,000.00</u>

Ending Balance	630,500	21,676,000.00
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In accordance with the regulations of the Stock Exchange of Thailand, the Company has to reserve the unappropriated retained earnings to the treasury shares reserve until the treasury shares are all sold or when the decrease in the paid-up capital of the treasury shares. As at 30 April 2025, the Company has treasury shares reserve of Baht 21,676,000.00 Baht.

As at 31 December 2021 all the repurchased shares have not been registered for capital reduction and are still held as treasury shares waiting for reissuance.

## 22. Dividends

- 22.1 The Annual General Shareholders' Meeting for 2020, held on 27 April 2020, has resolved to pay dividend to from net profit of operation for the year ended 31 December 2019, paid up shareholders of 300,000,000 shares, at Baht 1.10 per share. Payment details are as follows:
- 22.1.1 The Company has interim dividend in accordance with the minute of the Board of Directors of Meeting No.6/2019, held on 13 August 2019, it resolved to approve a payment of interim dividend from the Company's net profit for the six months period from 1 January 2019 ending on 30 June 2019 at Baht 0.60 per share, total amounted of Baht 180.00 million.
- 22.1.2 Dividends from the net profit for the six months period from 1 July 2019 ending on 31 December 2019, at Baht 0.50 per share, total amounted of Baht 150.00 million.
- 22.2 In accordance with the Board of Directors' meeting No.4/2020, held on 10 August 2020, has resolve to pay interim dividend from net profit for the six months period from 1 January 2020 endeding 30 June 2020 at Baht 0.40 per share, total amounted of Baht 120.00 million.
- 22.3 In accordance with the Board of Directors' meeting No.5/2020, held on 9 November 2020, has resolve to pay interim dividend from net profit for the three months period from 1 July 2020 endeding 30 September 2020 at Baht 0.15 per share, total amounted of Baht 45.00 million.
- 22.4 According to the resolution of the annual general meeting of shareholders for 2021. On 26 April 2021, has passed the resolution to to pay dividend from net profit for the year ended 31 December 2020 at Baht 1.00 per share amount of Baht 300.00 million, which the Company had paid the interim dividend at the rate of Baht 0.55 per share totaling in amount of Baht 165.00 million. Thus, the Company will pay the remaining dividend at the rate of Baht 0.45 per share, totaling in amount of Baht 135.00 million

- 22.5 In accordance with the Board of Directors' Meeting No.3/2021, On 10 May 2021, has passed the resolution of approved to pay interim dividend from net profit for the three months period ended 31 March 2021 at Baht 0.20 per share, totaling in amount of Baht 60.00 million.
- 22.6 In accordance with the Board of Directors' Meeting No. 4/2021, On 9 August 2021, has passed the resolve of approved to pay interim dividend from net profit for the six months period ended 30 June 2021 at Baht 0.60 per share, total amount of Baht 180.00 million, which the Company had paid the interim dividend at the rate of Baht 0.20 per share totaling in amount of Baht 60.00 million. Thus, the Company will pay the remaining interim dividend at the rate of Baht 0.40 per share, totaling in amount of Baht 120.00 million.
- 22.7 In accordance with the Board of Directors' Meeting No.6/2021, On 8 November 2021, has passed the resolution of approved to pay interim dividend from net profit for the three months period ended 30 September 2021 at Baht 1.10 per share, totaling in amount of Baht 330.00 million.

### 23. Capital Management

The primary objectives of the Company and its subsidiaries capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at 31 December 2021 and 2020, the consolidated financial statements present the debt to equity 0.71 : 1 and 0.27 : 1, respectively.

As at 31 December 2021 and 2020, the separate financial statements presents the debt to equity ratio in 0.68 : 1 and 0.22 : 1, respectively.

### 24. Tax (Expense) Income

Income tax which is recognized in the profit for the year consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Current Income Tax				
Tax (Expense) Income for Current Year	(245,834,383.87)	(76,265,855.95)	(182,302,746.44)	(66,122,291.28)
Deferred Income Tax				
Deferred Income Tax (Expense)	(9,084,880.05)	36,624,553.10	(7,901,739.45)	34,254,637.18
Tax (Expense) Income Recognized in the				
Profit or Loss	<u>(254,919,263.92)</u>	<u>(39,641,302.85)</u>	<u>(190,204,485.89)</u>	<u>(31,867,654.10)</u>

The differences between tax (expense) income which was calculated from accounting profits at the tax rate for the year ended 31 December 2021 and 2020 of 20% are as follows:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Profit before Income Tax	1,271,236,026.31	453,264,863.56	948,690,628.84	380,161,156.48
Tax (Expense) Income Calculated at the Tax rate of 20%	(254,247,205.26)	(90,652,972.71)	(189,738,125.77)	(76,032,231.30)
Expenses that are Deductible for Income Tax	(314,629.19)	(33,238.46)	(314,629.19)	(33,238.46)
Expenses that are not Deductible for Income Tax	(187,943.74)	(465,845.01)	(97,217.37)	(216,545.64)
Tax loss in Prior year that not Recognized as Deferred Tax Assets	(19,396.14)	(291,368.54)	-	-
Capital Expenditures with Deductible Rights	-	51,529,189.49	-	44,226,738.63
Deferred Tax Assets that not Recognized in Prior year	(150,089.59)	272,932.38	(54,513.56)	187,622.67
Tax (Expense) Income	(254,919,263.92)	(39,641,302.85)	(190,204,485.89)	(31,867,654.10)

Deferred tax which are not recognized in the financial statements as at 31 December 2021 and 2020 consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Deductible Temporary Differences	54,810.11	38,318.10	54,810.11	38,318.10

Deferred tax assets for deductible temporary differences do not expire under current tax legislation.

24.1 Income tax which is recognized in other comprehensive income (expense) consist of:

(Unit : Baht)

	Consolidated Financial Statements		
	Amount Before Tax	Tax (Expense) Income	Net of Tax
<b>For the year ended 31 December 2021</b>			
Gains (Losses) on Investment in Equity			
Designated at Fair Value Through Other Comprehensive Income	142,517,032.22	(28,503,406.44)	114,013,625.78

Gains (Losses) on Remeasurements of Defined			
Benefit Plans	8,233.87	(1,646.78)	6,587.09

**For the year ended 31 December 2020**

Gains (Losses) on Remeasurements of Defined			
Benefit Plans	3,533,008.75	(706,601.75)	2,826,407.00

(Unit : Baht)

	Separate Financial Statements		
	Amount Before Tax	Tax (Expense) Income	Net of Tax
<b>For the year ended 31 December 2021</b>			
Gains (Losses) on Investment in Equity			
Designated at Fair Value Through Other			
Comprehensive Income	142,517,032.22	(28,503,406.44)	114,013,625.78
Gains (Losses) on Remeasurements of Defined			
Benefit Plans	14,185.29	(2,837.06)	11,348.23
<b>For the year ended 31 December 2020</b>			
Gains (Losses) on Remeasurements of Defined			
Benefit Plans	3,557,222.82	(711,444.56)	2,845,778.26

**25. Earnings per share are calculated**

Basic earnings per share is calculated by dividing the net profit attributable to common shareholders by the weighted average number of ordinary shares in issue during the year

	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Profit for the year attributable to equity holder				
of the Company (Baht)	1,011,957,785.95	412,494,824.38	758,486,142.95	348,293,502.38
Weighted average number of				
ordinary shares (shares)	299,931,295	300,000,000	299,931,295	300,000,000
Basic earnings per share (Baht per share)	3.37	1.37	2.53	1.16

**26. Provident Fund**

The Group established a contributory registered provident fund in accordance with the Provident Fund Act.B.E. 2530, which comprise of the employees' contribution to the fund minimum 3% of their basic salary and the Group also contribute to the fund at 3%. The provident fund is managed by a fund manager. The benefit will be paid to the employees whom retire in accordance to the fund's regulations.

For the year ended 31 December 2021 and 2020, the Group has paid contribution to provident fund in the amount of Baht 3.90 million and Baht 3.40 million respectively.

For the year ended 31 December 2021 and 2020, the Company has paid contribution to provident fund in the amount of Baht 3.42 million and Baht 2.96 million respectively.

## 27. Expenses by Nature

Consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Change in Finished Goods	(24,074,917.11)	(5,078,546.16)	(19,598,467.23)	(3,572,213.86)
Medicines and Supplies	508,854,048.27	304,558,342.99	376,391,614.72	248,900,464.69
Employees Expenses	441,973,101.37	371,861,427.68	368,736,043.56	314,274,149.77
Hemodialysis	72,561,618.50	64,283,169.00	49,329,581.50	40,722,988.00
Social Security Expenses	42,323,375.54	19,500,620.41	159,723,179.25	160,141,816.50
Doctor Fee	367,691,225.12	314,171,512.18	311,703,844.58	263,576,655.93
Cost to Patients Food	40,240,502.86	13,853,246.00	32,244,880.86	12,008,338.00
Repair and Maintenance Expenses	15,557,186.35	11,756,858.04	12,558,859.98	9,641,529.41
Utility Expenses	32,927,899.29	31,032,617.99	26,292,079.21	24,823,272.95
Depreciation and Amortization	163,038,814.77	108,760,340.50	131,703,757.59	86,364,614.36
Management Compensation	36,536,066.47	26,705,859.00	31,067,105.59	22,784,477.64
Other Expenses	170,043,116.00	163,473,035.45	141,879,016.79	110,911,766.56
Total	<u>1,867,672,037.43</u>	<u>1,424,878,483.08</u>	<u>1,622,031,496.40</u>	<u>1,290,577,859.95</u>

## 28. Segment Financial Information

The Group operates the main business in the operating segment only 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 Group 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 rate from the government sectors.

## 29. Financial Instruments

### 29.1 Financial Risk Management Policies

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

### 29.2 Interest Rates Risk

The Group' exposure to interest rate risk trade and other current payables relate primarily to their deposits at banks, trade and other current receivables, short-term loans trade and other current payables and long-term borrowings. The significant financial assets and liabilities are classified by type of interest rate as follows:

(Unit : Baht)

Consolidated Financial Statements					
As at 31 December 2021					
	Floating Interest	Fixed Interest	Non Interest		
	Rate	Rate	Bearing	Total	Rate
<u>Financial Assets</u>					
Cash and Cash Equivalents	173,776,280.29	-	931,018.91	174,707,299.20	0.05% - 0.40%
Trade and Other Current Receivables	-	-	964,786,549.71	964,786,549.71	-
Bank Deposits as Collateral	-	8,534,539.80	-	8,534,539.80	0.125%
Other Non-Current Financial Assets	-	-	565,500,000.00	565,500,000.00	-
<u>Financial Liabilities</u>					
Short-term Borrowings from					
Financial Institutions	-	750,000,000.00	-	750,000,000.00	1.45% - 3.75%
Trade and Other Current Payables	-	-	378,234,805.57	378,234,805.57	-
Lease Liabilities	-	307,787.43	-	307,787.43	1.40% - 6.63%

(Unit : Baht)

## Consolidated Financial Statements

As at 31 December 2020

	Floating Interest	Fixed Interest	Non Interest		
	Rate	Rate	Bearing	Total	Rate
<u>Financial Assets</u>					
Cash and Cash Equivalents	53,591,125.32	-	931,069.91	54,522,195.23	0.05% - 0.50%
Trade and Other Current					
Receivables	-	-	342,512,099.83	342,512,099.83	-
Bank Deposits as Collateral	-	3,791,056.22	-	3,791,056.22	0.125%
Other Non-Current Financial					
Assets	-	-	10,00,000.00	10,00,000.00	-
<u>Financial Liabilities</u>					
Short-term Borrowings from					
Financial Institutions	-	70,000,000.00	-	70,000,000.00	1.50% - 1.95%
Trade and Other Current Payables	-	-	240,954,228.34	240,954,228.34	-
Lease Liabilities	-	894,631.24	-	894,631.24	1.40% - 6.63%

(Unit : Baht)

## Separate Financial Statements

As at 31 December 2021

	Floating Interest	Fixed Interest	Non Interest		
	Rate	Rate	Bearing	Total	Rate
<u>Financial Assets</u>					
Cash and Cash Equivalents	73,051,397.24	-	824,571.39	73,875,968.63	0.05% - 0.40%
Trade and Other Current Receivables	-	-	771,596,921.39	771,596,921.39	-
Short-term Loan to Subsidiary	-	34,220,000.00	-	34,220,000.00	2.15%
Other Non-Current Financial Assets	-	-	565,500,000.00	565,500,000.00	-
<u>Financial Liabilities</u>					
Short-term Borrowings from					
Financial Institutions	-	750,000,000.00	-	750,000,000.00	1.45% - 3.75%
Trade and Other Current Payables	-	-	342,815,597.42	342,815,597.42	-
Lease Liabilities	-	74,653.69	-	74,653.69	4.00%



(Unit : Baht)

## Separate Financial Statements

As at 31 December 2020

	Floating Interest	Fixed Interest	Non Interest		
	Rate	Rate	Bearing	Total	Rate
<u>Financial Assets</u>					
Cash and Cash Equivalents	23,710,784.82	-	815,969.39	24,526,754.21	0.05% - 0.40%
Trade and Other Current Receivables	-	-	339,763,709.59	339,763,709.59	-
Short-term Loan to Subsidiary	-	70,000,000.00	-	70,000,000.00	2.15%
Other Non-Current Financial Assets	-	-	10,000,000.00	10,000,000.00	-
<u>Financial Liabilities</u>					
Short-term Borrowings from					
Financial Institutions	-	70,000,000.00	-	70,000,000.00	1.50% - 1.95%
Trade and Other Current Payables	-	-	225,821,008.68	225,821,008.68	-
Lease Liabilities	-	121,995.54	-	121,995.54	4.00%

## 29.3 Foreign Exchange Rates Risk

The Group is not exposed to any risk from foreign exchange rate fluctuations because its main enterprise is conducted locally.

## 29.4 Credit risk

The Group has not the credit term risk from unable to collect from trade receivables. The majority of the Group trade accounts are revenue received in cash. Furthermore, the Group exercise conservative credit policy, therefore, the Group anticipate no significant damage will incurred from debt collection.

## 29.5 Classification and Measurement of Financial Assets and Financial Liabilities

Given that part of financial assets and financial liabilities which are cash and cash equivalents, trade and other current receivables, short-term loan, investment in equity securities, trade and other current payables, short-term borrowings and lease liabilities are short-term or bearing interest rate closely to market rate, the Group's management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying value.

The carrying value and fair value of financial assets and financial liabilities as at 31 December 2021 and 2020 are presented below.

(Unit : Baht)

	Consolidated Financial Statements				
	As at 31 December 2021				
	Book value				Fair value
	Fair value through profit or loss	Fair value through comprehensive profit (loss)	Amortised cost	Total	
<u>Financial Assets</u>					
Cash and Cash Equivalents	-	-	174,707,299.20	174,707,299.20	174,707,299.20
Trade and Other Current Receivables	-	-	964,786,549.71	964,786,549.71	964,786,549.71
Bank Deposits as Collateral	-	-	8,534,359.80	8,534,359.80	8,534,359.80
Other Non-Current Financial Assets					
- Investment In Equity Securities For					
Non-listed Companies	20,000,000.00	-	-	20,000,000.00	20,000,000.00
- Investment In Equity Securities For					
Listed Companies	-	545,500,000.00	-	545,500,000.00	545,500,000.00
Total	20,000,000.00	545,500,000.00	1,148,028,208.71	1,713,028,208.71	1,713,028,208.71
<u>Financial Liabilities</u>					
Short-term Borrowings from					
Financial Institutions	-	-	-	750,000,000.00	750,000,000.00
Trade and Other Current Payables	-	-	-	378,234,805.57	378,234,805.57
Lease Liabilities	-	-	-	307,787.43	307,787.43
Total	-	-	-	1,128,542,593.00	1,128,542,593.00

(Unit : Baht)

## Consolidated Financial Statements

As at 31 December 2020

	Book value				Fair value
	Fair value through profit or loss	Fair value through comprehensive profit (loss)	Amortised cost	Total	
<u>Financial Assets</u>					
Cash and Cash Equivalents	-	-	54,522,195.23	54,522,195.23	54,522,195.23
Trade and Other Current Receivables	-	-	342,512,099.83	342,512,099.83	342,512,099.83
Bank Deposits as Collateral	-	-	3,791,056.22	3,791,056.22	3,791,056.22
Other Non-Current Financial Assets					
- Investment In Equity Securities For					
Non-listed Companies	10,000,000.00	-	-	10,000,000.00	10,000,000.00
Total	10,000,000.00	-	400,825,351.28	410,825,351.28	410,825,351.28
<u>Financial Liabilities</u>					
Short-term Borrowings from					
Financial Institutions	-	-	-	70,000,000.00	70,000,000.00
Trade and Other Current Payables	-	-	-	240,954,228.34	240,954,228.34
Lease Liabilities	-	-	-	894,631.24	894,631.24
Total	-	-	-	311,848,859.58	311,848,859.58

(Unit : Baht)

## Separate Financial Statements

As at 31 December 2021

	Book value				Fair value
	Fair value	Fair value through	Amortised cost	Total	
	through profit	comprehensive			
	or loss	profit (loss)			
<u>Financial Assets</u>					
Cash and Cash Equivalents	-	-	73,875,968.63	73,875,968.63	73,875,968.63
Trade and Other Current Receivables	-	-	771,596,921.39	771,596,921.39	771,596,921.39
Short-term Loan to Subsidiary	-	-	34,220,000.00	34,220,000.00	34,220,000.00
Other Non-Current Financial Assets					
- Investment In Equity Securities For					
Non-listed Companies	20,000,000.00	-	-	20,000,000.00	20,000,000.00
- Investment In Equity Securities For					
Listed Companies	-	545,500,000.00	-	545,500,000.00	545,500,000.00
Total	20,000,000.00	545,500,000.00	872,692,890.02	1,445,192,890.02	1,445,192,890.02
<u>Financial Liabilities</u>					
Short-term Borrowings from	-	-	-		
Financial Institutions				750,000,000.00	750,000,000.00
Trade and Other Current Payables	-	-	-	342,815,597.42	342,815,597.42
Lease Liabilities	-	-	-	74,653.69	74,653.69
Total	-	-	-	1,092,890,251.11	1,092,890,251.11

(Unit : Baht)

	Separate Financial Statements				
	As at 31 December 2020				
	Book value				Fair value
	Fair value through profit or loss	Fair value through comprehensive profit (loss)	Amortised cost	Total	
<u>Financial Assets</u>					
Cash and Cash Equivalents	-	-	24,526,754.21	24,526,754.21	24,526,754.21
Trade and Other Current Receivables	-	-	339,763,709.59	339,763,709.59	339,763,709.59
Short-term Loan to Subsidiary	-	-	70,000,000.00	70,000,000.00	70,000,000.00
Other Non-Current Financial Assets					
- Investment In Equity Securities For					
Non-listed Companies	10,000,000.00	-	-	10,000,000.00	10,000,000.00
Total	10,000,000.00	-	434,290,463.80	444,290,463.80	444,290,463.80
<u>Financial Liabilities</u>					
Short-term Borrowings from					
Financial Institutions	-	-	-	70,000,000.00	70,000,000.00
Trade and Other Current Payables	-	-	-	225,821,008.68	225,821,008.68
Lease Liabilities	-	-	-	121,995.54	121,995.54
Total	-	-	-	295,943,004.22	295,943,004.22

## 29.6 Fair Value Hierarchy

As at 31 December 2021 and 2020, the Group had the assets that were measured at fair value for which fair value were disclosed using different level of input as follows:

(Unit : Baht)

Consolidated and Separate Financial Statements					
As at 31 December 2021					
		Fair Value			
	Carrying Value	Level 1	Level 2	Level 3	Total
Assets measured at Fair Value					
Other Non-Current Financial Assets	565,500,000.00	545,500,000.00	-	20,000,000.00	565,500,000.00

(Unit : Baht)

## Consolidated and Separate Financial Statements

As at 31 December 2020

	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
<b>Assets measured at Fair Value</b>					
Other Non-Current Financial Assets	10,000,000.00	-	-	10,000,000.00	10,000,000.00

During the current year, there are no change in valuation techniques methods has been made and no transfers between the fair value hierarchy are for financial assets measured at fair value in the recurring statement of financial position held at the end of the period report time.

**30. Transactions with Related Persons and Parties**

The Group has entered into significant transactions with the related persons and parties. Such transactions have bases agreed upon between the Company and those related persons and parties in ordinary course of business which are summarized as follows:

**30.1 Relationship among the Company**

<u>Name of Related Persons and Entities</u>	<u>Nature of Relationship</u>
Rajthanee Rojana Hospital Company Limited	Subsidiary by Direct Shareholding
Rajthanee Nongkhae Hospital Company Limited	Subsidiary by Direct Shareholding
Nan-Ram Hospital Company Limited	Related Company with Shareholding 6.67%
Vibharam Hospital Company Limited	Related Company by the Shareholder of the Company
Ramkhamhaeng Hospital Public Company Limited	Related Company with shareholding 1.04%
Charoenpaiboon City Company Limited	Related Company by Common Shareholder
Coffee Planet Company Limited	Related Company by Common Shareholder
Borphenitvedchakran Company Limited	Director of the Company is Shareholder
La Clemence Publishing Limited Partnership	Related Company by Close Relative which Director is a Shareholder
Sabuy Technology Public Company Limited	Related Company by Common Director
Thonburi Healthcare Group Company Limited	Related Company by Common Director
The Medicpharma Company Limited	Related Company by Common Director (Relationship ended due 27 September 2021)

<u>Name of Related Persons and Entities</u>	<u>Nature of Relationship</u>
Rangsiphan Company Limited	Related Company by Common Director (Relationship ended due 27 September 2021)
Bangkok Cancer Detection and Treatment Center Company Limited	Related Company by Common Director (Relationship ended due 27 September 2021)
Medtech Medical(Thailand) Company Limited	Related Company which the Company's Director is an Assistant Director (Relationship ended due 28 February 2021)
Khun Surin Prasithirun	Director and Shareholder of the Group
Khun Pornpip Wudhikulprapan	Director and Shareholder of the Group

### 30.2 Inter-Transactions

(Unit : Baht)

#### Consolidated Financial Statements

For the year ended

	Pricing Policy	31 December 2021	31 December 2020
<b>Inter-Transactions with Related Companies</b>			
Revenue from Hospital Operations	Mutually Agreed Price	5,011,600.00	26,681,200.00
Other Income	Mutually Agreed Price	339,003.92	530,935.92
Cost of Hospital Operations	Mutually Agreed Price	23,730,267.00	27,364,447.50
Cost of Medical	Mutually Agreed Price	2,064,361.72	-
Purchases Merchandise and Supplies	Mutually Agreed Price	101,295,136.91	29,838,480.25
Purchase of Fixed Assets	Mutually Agreed Price	1,216,550.00	10,050,240.00

(Unit : Baht)

#### Separate Financial Statements

For the year ended

	Pricing Policy	31 December 2021	31 December 2020
<b>Inter-Transaction with Subsidiary Company</b>			
Revenue from Hospital Operations	Mutually Agreed Price	175,026,872.00	117,690,825.70
Revenue from Sales Medical	Mutually Agreed price	985.52	6,222.21
Other Income	Mutually Agreed Price	54,000.00	60,000.00
Interest Income	Annual Interest Rate at 2.15%	1,278,176.72	1,825,626.86
Cost of Hospital Operations	Mutually Agreed Price	124,380,335.70	117,736,898.00
Cost of Medical	Mutually Agreed price	468.00	11,322.00

(Unit : Baht)

## Separate Financial Statements

For the year ended

	Pricing Policy	31 December 2021	31 December 2020
<b>Inter-Transactions with Related Companies</b>			
Revenue from Hospital Operations	Mutually Agreed Price	5,011,600.00	22,405,600.00
Other Income	Mutually Agreed Price	334,003.92	530,935.92
Cost of Hospital Operations	Mutually Agreed Price	592,550.00	3,863,706.50
Cost of Medical	Mutually Agreed Price	2,064,361.72	-
Purchases Merchandise and Supplies	Mutually Agreed Price	4,350,924.00	3,203,595.24
Purchase of Fixed Assets	Mutually Agreed Price	965,370.00	8,410,650.00

## 30.3 Inter-Outstanding Balances

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>Trade Receivables</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	46,610,206.00	28,331,358.20
Related Companies				
Ramkhamhaeng Hospital Public Company Limited	485,300.00	17,263,400.00	459,000.00	15,233,400.00
Thonburi Healthcare Group Company Limited	2,910,000.00	-	2,910,000.00	-
Total Trade Receivables	<u>3,395,900.00</u>	<u>17,263,400.00</u>	<u>49,979,806.00</u>	<u>43,564,758.20</u>
<b>Accrued Revenue</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	1,142,610.50	279,569.50
<b>Other Receivables</b>				
Related Companies				
Sabuy Technology Public Company Limited	2,000.00	2,000.00	2,000.00	2,000.00
Coffee Planet Company Limited	21,553.86	44,081.42	21,553.86	44,081.42
Total Other Receivables	<u>23,553.86</u>	<u>46,081.42</u>	<u>23,553.86</u>	<u>46,081.42</u>
<b>Deposit Vaccine</b>				
Subsidiary Company				
Ramkhamhaeng Hospital Public Company Limited	22,836,000.00	-	-	-
<b>Advances</b>				
Subsidiary Company				
Rajthanee Nongkhae Hospital Company Limited	-	-	44,000,000.00	31,000,000.00



(Unit : Baht)				
	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Related person				
Khun Surin Prasithirun	52,500,000.00	-	52,500,000.00	-
<b>Accrued Interest</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	66,224.65	251,520.55
<b>Short-term Loans to</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited				
Beginning Balance	-	-	70,000,000.00	102,800,000.00
Increase	-	-	-	-
Decrease	-	-	(35,780,000.00)	(32,800,000.00)
Ending Balance	-	-	34,220,000.00	70,000,000.00
<b>Trade Payables</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	29,218,057.20	31,862,262.00
Related Companies				
Ramkhamhaeng Hospital Public Company Limited	20,511,951.00	6,652,698.00	530,331.00	1,841,378.00
The Medicpharma Company Limited	-	1,121,268.62	-	968,983.99
Borphitvedchakran Company Limited	6,134,737.29	6,524,738.28	-	-
Charoenpaiboon City Company Limited	4,740.00	2,510.00	4,740.00	2,510.00
Medtech Medical (Thailand) Company Limited	303,477.66	119,590.00	215,277.66	72,210.00
La Clemence Publishing Limited Partnership	47,080.00	82,978.50	47,080.00	82,978.50
Total Trade Payables	27,001,985.95	14,503,783.40	30,015,485.86	34,830,322.49
<b>Advance Received</b>				
Subsidiary Company				
Rajthanee Rojana Hospital Company Limited	-	-	-	525,200.00
<b>Other Accounts Payable for Fixed Assets</b>				
Related Company				
Ramkhamhaeng Hospital Public Company Limited	-	1,629,500.00	-	5,500.00

As at 31 December 2021 and 2020, short-term loans to subsidiary company is in form of promissory notes with 1 year and promissory notes with 6 months period and 1 year respectively, carried interest rate at 2.15% per annum equally for both year and with no securities. Interest payment term is on monthly basis.

#### 30.4 Inter-guarantees

As at 31 December 2021 and 2020, the Company grant the guarantee in full amount against the bank overdrafts, promissory notes and long-term borrowings that the subsidiary company received from financial institutions.

### 30.5 Key Management Compensation

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Short-term Benefits	35,922,270.92	26,011,924.04	30,487,526.92	22,120,428.00
Post-employment Benefits				
- Defined Contribution Plans	161,930.00	169,240.00	138,158.00	149,430.00
- Defined Benefit Plans	451,865.55	524,694.96	441,420.67	514,619.64
Total	36,536,066.47	26,705,859.00	31,067,105.59	22,784,477.64

Remuneration represents the benefits paid to the executive and directors of the Group include monetary compensation including salary, benefits and director compensation including compensation in any other form.

## 31. Cash Flows Information

### 31.1 Non-Cash Transactions

Consist of:

(Unit : Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Allowance for Expected Credit Loss from the				
Adoption of New Standards	-	1,247,998.48	-	602,019.04
Purchase Property, Plant and Equipment on Credit	2,794,008.66	8,178,374.86	561,900.46	2,145,438.86
Transfer Advance for Fixed Assets to				
Property, Plant and Equipment	14,500,000.00	2,839,254.50	100,000.00	-
Transfer Property, Plant and Equipmen to				
Intangible Assets	762,375.00	-	-	-
Purchase Intangible Assets on Credit	565,495.00	-	565,495.00	-
Right-of-Use Assets increase from Lease				
Agreements	-	449,929.65	-	167,484.11
Gains on Remeasurements of				

Defined Benefit Plans	8,233.87	3,533,008.75	14,185.29	3,557,222.82
Gains on Investment in Equity				
Designated at Fair Value Through Other				
Comprehensive Income	142,517,032.22	-	142,517,032.22	-

### 31.2 Changes in Liabilities arising from Financing Activities

For the year ended 31 December 2021 and 2020, changes in liabilities arising from financing activities have the movement as follows:

(Unit : Baht)				
Consolidated Financial Statements				
For the year ended 31 December 2021				
	As at 1 January 2021	Changes from Financing Cash Flows Increase (Decrease)	Other Changes	As at 31 December 2021
Short-term Borrowings from Financial Institutions	70,000,000.00	680,000,000.00	-	750,000,000.00
Assets Payables	9,301,874.86	(9,301,874.86)	3,359,503.66	3,359,503.66
Lease Liabilities	894,631.24	(586,843.81)	-	307,787.43
Accrued Interest	9,972.58	(5,519,804.82)	5,917,215.77	407,383.53
Total	80,206,478.68	664,591,476.51	9,276,719.43	754,074,674.62

(Unit : Baht)				
Consolidated Financial Statements				
For the year ended 31 December 2020				
	As at 1 January 2020	Changes from Financing Cash Flows	Other Changes	As at 31 December 2020
Short-term Borrowings from Financial Institutions	-	70,000,000.00	-	70,000,000.00
Assets Payables	8,393,332.47	(7,269,832.47)	8,178,374.86	9,301,874.86
Lease Liabilities	914,672.31	(511,484.92)	491,443.85	894,631.24
Accrued Interest	-	(247,051.64)	257,024.22	9,972.58
Total	9,308,004.78	61,971,630.97	8,926,842.93	80,206,478.68

(Unit : Baht)				
Separate Financial Statements				
For the year ended 31 December 2021				
	As at 1 January 2021	Changes from Financing Cash Flows	Other Changes	As at 31 December 2020
Short-term Borrowings from Financial Institutions	70,000,000.00	680,000,000.00	-	750,000,000.00

Assets Payables	3,268,938.86	(3,268,938.86)	1,127,395.46	1,127,395.46
Lease Liabilities	121,995.54	(47,341.85)	-	74,653.69
Accrued Interest	9,972.58	(5,340,580.95)	5,737,991.90	407,383.53
Total	<u>73,400,906.98</u>	<u>671,343,138.34</u>	<u>6,865,387.36</u>	<u>751,609,432.68</u>

(Unit : Baht)

	Separate Financial Statements			
	For the year ended 31 December 2020			
	As at	Changes from	Other Changes	As at
	1 January 2020	Financing Cash Flows		31 December 2020
		Increase (Decrease)		
Short-term Borrowings from Financial Institutions	-	70,000,000.00	-	70,000,000.00
Assets Payables	8,021,899.47	(6,898,399.47)	2,145,438.86	3,268,938.86
Lease Liabilities	-	(45,488.57)	167,484.11	121,995.54
Accrued Interest	-	(150,535.99)	160,508.57	9,972.58
Total	<u>8,021,899.47</u>	<u>62,905,575.97</u>	<u>2,473,431.54</u>	<u>73,400,906.98</u>

### 32. Obligations

In addition to the liabilities shown in the statements of financial position, the Group has other obligations as follows:

32.1 The Group has obligations to the financial institutions as follows:

(Unit : Million Baht)

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Letters of Guarantee	35.67	29.10	26.98	25.50

32.2 As at 31 December 2021 and 2020, the Group have the contractual obligations with the significant terms and minimum payment amount as follows: -

- 1) The Group have several rental and service agreements. The significant agreement is
  - System maintenance service provider agreement with an other company. The payment shall be made monthly. From 2019 to 2021, the payment is Baht 40,000.00 per month and from 2021 to 2024, the payment is Baht 53,500.00 per month. The contractual term is 5 years and the agreement will expire in January 2024.

- Security service agreement with several other entities. The 1st agreement has the contractual term of 1 years, expiring in February 2022 with the monthly service fee of 328,704.00.
  - Contract for moving patients with another company for 2monthly, with the first edition 253,005.00 baht per month, the contract is for a period of 1 year, the contract expires in February 2022, the second issue is 50,290.00 baht per month, the contract is scheduled. Term 9 months, contract expires in February 2022.
  - cleaning service agreements with several other entities,with the monthly service fee of Baht 755,420.00 Agreement has the contractual term of 1 years, expiring in October 2022.
  - 2 Area lease agreements for setting up field hostipels entered into with 2 outside entities with monthly lease fee. The fist agreement's monthly lease fee was Baht 1,320,000.00 per month for the contractual term of 3 months, expiring on March 2022. The second agreement's monthly lease fee was Baht 600,000.00 per month for the contractual term of 3months, expiring on March 2022.
- 2) The Company entered into several maintenance and repair agreements. The significant agreement is
- 2 Medical tools and equipments service and maintenance agreements entered into with monthly payment. The monthly fee was Baht 198,642.29 The contractual term is 3 years, expiring on December 2024.
  - Maintenance and repair agreements for medical devices, products with an other company. The payment shall be made monthly at Baht 216,675.00 per month. The contractual term is 1 year will expire in December 2022.
- 3) The Company has several consulting agreements. The significant agreement is
- The consulting agreement to provide medical practice and service on cardiology and artery diseases with an other company. The payment shall be made monthly at Baht 53,500.00 per month. The contractual term is 2 year will expire in January 2024.
  - Contract of consulting fees for marketing and business development with an other company. The payment shall be made monthly at Baht 120,000.00 per month. The contractual term is 1 year will expire in December 2021.

Minimum payments whole amount to be paid to the future under contracts above as follows

(Unit : Million Baht)

Consolidated Financial Statements

As at	As at
31 December 2021	31 December 2020

	Within 1 year	Over 1 year but not over 5 years	Total	Within 1 year	Over 1 year but not over 5 years	Total
Rental and Service Agreements	18.41	0.72	19.13	18.43	2.28	20.71
Repairation and Maintenance Agreements	6.31	5.82	12.13	7.96	0.11	8.07
Consultant Agreements	4.07	0.64	4.71	4.75	-	4.75
<b>Total</b>	<b>28.79</b>	<b>7.18</b>	<b>35.97</b>	<b>31.14</b>	<b>2.39</b>	<b>33.53</b>

(Unit : Million Baht)

#### Separate Financial Statements

	As at 31 December 2021			As at 31 December 2020		
	Within 1 year	Over 1 year but not over 5 years	Total	Within 1 year	Over 1 year but not over 5 years	Total
Rental and Service Agreements	15.03	0.70	15.73	13.48	2.17	15.65
Repairation and Maintenance Agreements	5.74	4.84	10.58	7.22	0.11	7.33
Consultant Agreements	3.59	0.64	4.23	3.14	-	3.14
<b>Total</b>	<b>24.36</b>	<b>6.18</b>	<b>30.54</b>	<b>23.84</b>	<b>2.28</b>	<b>26.12</b>

32.3 As at 31 December 2021 and 2020, the Group entered into assets and consulting fees construction agreements with several other companies as shown in the consolidated financial statements at the amount of Baht 58.70 million and Baht 68.24 million respectively, and in the separate financial statements at the amount of Baht 39.17 million and Baht 34.64 million respectively. The significant agreement is the construction for supporting the medical service (administrative building) and construction agreement for 2-storey hospital building.

### 33. Reclassification

The Group has reclassified certain items in the financial statements for comparative purposes. To be consistent with the current period accounting classification that does not affect reported gain (loss) or equity as follows

(Unit : Baht)

Previously Reported	Adjustment	New Reported
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(Unit : Baht)

	Previously Reported	Adjustment	New Reported
<b>Consolidated Statements of Financial Position</b>			
<b>As at 31 December 2020</b>			
Cash and Cash Equivalents	58,313,251.45	(3,791,056.22)	54,522,195.23
Bank Deposits as Collateral	-	3,791,056.22	3,791,056.22
Other Non-Current Receivables	1,406,441.18	(1,406,441.18)	-
Other Non-Current Assets	19,686,473.15	1,406,441.18	21,092,914.33

**Statement Of Comprehensive Income****For the year ended 31 December 2020**

Cost of Hospital Operations	1,261,606,618.00	9,340,344.65	1,270,946,962.65
Administrative Expenses	163,271,865.08	(9,340,344.65)	153,931,520.43

**Separate Statements of Financial Position****As at 31 December 2020**

Other Non-Current Receivables	643,185.00	(643,185.00)	-
Other Non-Current Assets	118,050.00	643,185.00	761,235.00

**Statement Of Comprehensive Income****For the year ended 31 December 2020**

Cost of Hospital Operations	1,163,961,442.70	7,445,570.45	1,171,407,013.15
Administrative Expenses	126,616,417.25	(7,445,570.45)	119,170,846.80

**34. Event after the Reporting Period**

34.1 In accordance with the resolutions of the Company's board of directors' meeting no. 1/2022 held on 7 February 2022, it resolved to approve the following matters:

- Approved the purchase of land with the approximate area of 13.5 Rai at Baht 15.00 million per Rai, aggregating to Baht 202,500,000.00. The objective of the purchase is to use the land for future hospital development. The deposit shall be made at 30% of the purchase price.
- Approved the increment of Baht 16.98 million in advance for investment to purchase portion of shares in wellness and health care business of a private entity, in addition to Baht 40.00 million that has already been approved by the resolution of the Company's board of directors' meeting no. 6/2021 held on 8 November 2021.
- Approved the borrowing from commercial bank for Rajthanee Nong Kae Hospital project with the total credit facility of Baht 300.00 million.

34.2 In accordance with the resolutions of the Company's board of directors' meeting no. 2/2022, on 21 February 2022, has passed the resolve of :

- Approved to pay dividend from net profit for the year ended 31 December 2021 and retained earnings at Baht 2.70 per share, The company has already paid interim dividends 3 times total at Baht 1.70 per share, total amounted of Baht 509.96 million also the remaining dividend will be paid at Baht 1.00 per share, totaling in amount of Baht 300.00 million and determine to set the record date to receive the interim dividend on 10 May 2022 and the dividend will be paid on 24 May 2022.
- Approved the increment of Baht 20.00 million in advance for investment to purchase portion of shares in wellness and health care business of a private entity, total amount of Baht 76.98 million that has already been approved by the resolution of the Company's board of directors' meeting no. 1/2022 held on 7 February 2022.

### **35. Approval of the Financial Statements**

The financial statements have been approved by the board of directors of the Company on 21 February 2022.

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## **Section 4**

### **Certification of Information Accuracy**

### Certification of Information Accuracy

To certify the accuracy of the information in the annual registration statement, the authorized director shall sign with company seal (if any) in the annual registration statement. And authorize any person to sign the document in the annual registration statement by using the format as follows:

(1) The financial statements and financial information accompanying the annual registration statement contains true, accurate, and complete information concerning the financial status, business operations, and cash flow of the Company and its subsidiaries.

(2) The Company sets up a proper disclosure system to ensure that the Company discloses all material parts of both the Company and its subsidiaries correctly and completely, as well as monitor compliance with such system.

(3) The Company establishes a proper internal control system and monitor compliance with the system. The Company has informed the internal control system assessment to the audit committee of the Company, which covers deficiencies and significant changes to the internal control system, including any wrongdoing that may affect the financial reporting of the Company and its subsidiaries.

In this regard, as proof that all documents are the same as the documents certified by the Company, I have assigned Mr.Surin Prasithirun and Mr.Charoonsak Sripochsomboon to sign every page of the documents. If any document does not contain Mr.Surin Prasithirun and Mr.Charoonsak Sripochsomboon's signature, I will deem that such document is not the information that I have certified as above.

Name	Position	Signature
1. <u>Mr.Surin Prasithirun</u>	Director	<u>Mr.Surin Prasithirun</u>
2. <u>Mr.Charoonsak Sripochsomboon</u>	Director	Mr.Charoonsak Sripochsomboon

## **Attachment**

**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
1. Ms.Vilailak Anyamaneerat  Chairman of the Board of Directors / Chairman of the Audit Committee / Independent Director / Chairman of the Nomination and Remuneration Committee (taken the position in 2014)	73	<ul style="list-style-type: none"> <li>- Bachelor's degree in Accounting,Thammas at University</li> <li>- Director Accreditation Program (DAP) No 116/2015 Thai Institute of Directors (IOD)</li> <li>- Advanced Audit Committee Program (AACP) No. 25/2017 (Thai Institute of Directors (IOD))</li> <li>- Board Nomination and Compensation Program (BNCP) No. 8/2019 (Thai Institute of Directors (IOD))</li> </ul>	0.03%	-	2021 – Present	Chairman of the Board of Directors	Rajthanee Hospital Plc.
					2018 – Present	Chairman of the Nomination and Remuneration Committee	Rajthanee Hospital Plc.
					2018 – 2021	Vice Chairman of the Board of Directors	Rajthanee Hospital Plc.
					2014 – Present	Chairman of the Audit Committee / Independent Director	Rajthanee Hospital Plc.
					2014 – 2018	Chairman of the Board of Directors	Rajthanee Hospital Plc.
					2019 – Present	Chairman of the Board of Directors / Independent Director / Audit Committee	Yggdrazil Group Plc.
					2016 – Present	Monetary Policy Subcommittee	Thai Health Promotion Foundation
2. Dr.Wachira Wudhikulprapan Director (Authorized Signatory) (taken the position in 1991)	65	<ul style="list-style-type: none"> <li>- Bachelor's degree, Doctor of Medicine Faculty of Medicine Siriraj Hospital, Mahidol University</li> <li>- Certificate of Expert</li> </ul>	3.57%	Husband of Dr.Porntip Wudhikulprapan	1990 – Present 2019 – Present 2014 – Present	Director Director Director	Rajthanee Hospital Plc. Ratchathani Nongkhae Hospital Co.,Ltd. Rajthanee Rojana Hospital Co.,Ltd.

<sup>1</sup> Number of Company shares held as of 23 November 2021, including spouse and minor children (if any)

**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
		Obstetrics and gynecology Faculty of Medicine Siriraj Hospital, Mahidol University - Mini MBA in Healthcare Business, Sasin - Director Accreditation Program (DAP) No. 116/2015 Thai Institute of Directors (IOD) -					
3. Dr.Porntip Wudhikulprapan Director (taken the position in 1991)	64	- Bachelor's degree, Doctor of Medicine Faculty of Medicine Siriraj Hospital, Mahidol University - Certificate of Expert Pediatrics Faculty of Medicine Siriraj Hospital, Mahidol University - Director Accreditation Program (DAP) No. 116/2015 Thai	3.57%	Wife of Dr.Wachira Wudhikulprapan	1990 – Present 2017 – 2018	Director Hospital consultant (Quality)	Rajthanee Hospital Plc. Rajthanee Hospital Plc.

**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
		Institute of Directors (IOD)					
4. Dr.Surin Prasithirun Managing Director / Chairman of Executive Committee (Authorized Signatory) (Take the position in 2019)	63	- Bachelor's degree, Doctor of Medicine Faculty of Medicine Siriraj Hospital, Mahidol University - Director Accreditation Program (DAP) No.162/2019 Thai Institute of Directors (IOD)	15.51%	Father of Ms.Phitraph ee Prasithirun	2020 – Present	Director/Managing Director	Ratchathani Nongkhae Hospital Co., Ltd
					2019 – Present	Director/Managing Director	Rajthanee Hospital Pcl.
					2019 – Present	Managing Director	Rajthanee Rojana Hospital Co., Ltd
					2018 2016 – Present 2014 – Present	Hospital Consultant Executive Committee Director	Rajthanee Hospital Pcl. Rajthanee Hospital Pcl. Rajthanee Rojana Hospital Co., Ltd
					2014 – 2019	Hospital Director	Rajthanee Rojana Hospital Co., Ltd
5. Mr.Charoonsak Sripochsomboon Director (Authorized Signatory) (Take the position in 2006)	58	- Master of Public Administration Pathumthani University - Director Accreditation Program (DAP) No. SEC/2015 Thai Institute of Directors (IOD)	0.20%	-	2020 – Present	Director	Ratchathani Nongkhae Hospital Co., Ltd
					2019 – Present	Chairman	Phra Nakhon Si Ayutthaya Chamber of Commerce
					2015 – Present	Director	Rajthanee Rojana Hospital Co., Ltd
					2014 – Present 2011 – 2019	Managing Director Secretary	V.Property Network Co., Ltd Phra Nakhon Si Ayutthaya Chamber of Commerce
					2006 – Present 1998 – Present	Director Director	Rajthanee Hospital Pcl. Vorakit World Phone Ayutthaya Co., Ltd
					1997 – Present 1997 – Present	Director Director	Vorakit Easy Call Ayutthaya Co., Ltd Phra Nakhon Si Ayutthaya Chamber of Commerce

**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
					1995 – Present 1995 – Present 1995 – Present	Director Director Director	Charoenpaibppn Ford Co., Ltd Ayutthaya Telecom Shop Co., Ltd Ayutthaya O&A Communication Co., Ltd
					1993 – Present	Managing Director	Rajana Plaza Co., Ltd
6. Ms.Phitraphee Prasithirun Director (Authorized Signatory) (Take the position in 2015)	32	- Bachelor's degree , BSC Accounting & Finance London School of Economics and Political Science - Master of Management Studies, Fuqua Business School, Duke University - Director Accreditation Program (DAP) No.124/2016 Thai Institute of Directors (IOD)	3.20%	Daughter of Dr.Surin Prasithirun	2015 – Present 2015 – Present	Director Director	Rajthanee Hospital Plc. Rajthanee Rojana Hospital Co.,ltd.
7. Mr. Teerasak Na Ranong  Audit Committee / Independent Director / Nomination and Remuneration Committee (Take the position in	45	- PhD Finance University of Exeter - Master of MBA Financial Management University of Exeter - Director Accreditation	-	-	2018 – Present  2014 – Present  2016 – Present  2016 – Present	Nomination and Remuneration Committee Independent Director / Audit Committee Independent Director / Audit Committee Head of the Department of Entrepreneurship	Rajthanee Hospital Plc.  Rajthanee Hospital Plc.  Ratchaphruek Hospital Plc.  Bangkok University

**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
2014)		Program (DAP) No 116/2015 (Thai Institute of Directors (IOD)) - Advanced Audit Committee Program (AACP) No 25/2017 (Thai Institute of Directors (IOD)) - CFO Focus on Financial Reporting Class (SEC) No. 2/2017 - Board Nomination and Compensation Program (BNCP) No 8/2019 (Thai Institute of Directors (IOD))			2015 – Present  2014 – Present	(International Program) Audit Committee  Monetary Policy Committee	Designated Areas for Sustainable Tourism Administration (Public Organization) Thai Health Promotion Foundation
8. Mr.Saran Supaksaran Audit Committee / Independent Director / Nomination and Remuneration Committee (Take the position in 2014)	48	- Master's degree, Master of Science in Finance Chulalongkorn University - Bachelor's degree in Accounting,Thammasat University - Director Accreditation	0.10%	-	2018– Present  2014 – Present  2019 – Present 2018 – Present  2018 – Present	Nomination and Remuneration Committee Independent Director / Audit Committee Director Independent Director / Audit Committee Independent Director / Chairman of the Audit Committee	Rajthanee Hospital Plc.  Rajthanee Hospital Plc.  SS IPO Consolidation co., Ltd. Sabuy Technology Plc.  Infraset Plc.



**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
		Program (DAP) No. 116/2015 (Thai Institute of Directors (IOD)) - Advanced Audit Committee Program (AACP) No. 25/2017 (Thai Institute of Directors (IOD)) - Board Nomination and Compensation Program (BNCP) No. 8/2019 (Thai Institute of Directors (IOD))			2015 – Present  2017 – Present  2015 – 2018	Independent Director / Audit Committee/ Chairman of the Auditing Standards Sub-Committee / Member of the Board of Accounting Professions on Auditing Managing Director	Ratchaphruek Hospital Plc.  Federation of Accounting Professions  BUNCHIKIJ P&S CONSOLIDATION COMPANY LIMITED
9. Dr.Tanatip Supradit Director (Take the position in 2019)	55	- Doctor of Medicine, Chulalongkorn University - General Surgery, Medical Council - Master of Business Administration, Thammasat University - Director Accreditation Program (DAP) Course 125/2016, IOD	-	-	– 2019Present – 2020Present – 2020Present – 2020Present – 2020Present – 2019Present – 2018Present – 2018Present – 2018 Present – 2018Present – 2017Present – 2017Present – 2017Present – 2016Present	Director Director Director Chief Executive Officer Chief Hospital Group 1 Director Director Director Director Director Director Director Director	Rajthanee Hospital Pcl. Thonburi Canabiz Pcl. Med Access Co., Ltd Thonburi Healthcare Group Pcl. Thonburi Healthcare Group Pcl. Thonburi Property Management Co., Ltd Ubolratana Co., Ltd. Thanarad Thung Song Co., Ltd. ARYU International Health Care Co.,Ltd Rajthanee Realty Co., Ltd. Thonburi Bamrungmuang Hospital Co., Ltd. Sirivej Chanthaburi Pcl. Rajyindee Hospital Pcl. Rajthanee Industrial Estate Co., Ltd

**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
		<ul style="list-style-type: none"> <li>- How to Develop a Risk Management Plan (HRP) Course 11/2016, IOD</li> <li>- Executive Program Capital Market Academy, Class 27</li> </ul>			– 2016Present – 2016Present – 2015Present  – 2014Present 2019– 2020  2019 – 2018  2020 – 2018  2018– 2020  2020 – 2016  2018 – 2015	Director Director Vice Chairman and Chairman of the Excexecutive Committee  Director Risk Management Committee  Acting Chief Business Service/Support Officer  Acting Chief Executive Officer  Chief Hospital Business - International  Director  Operations Director 4	Thonburi Hospital Heart Centers Co., Ltd. Uttaradit Thonburi Hospital Co.,Ltd Thonburi Healthcare Group Pcl.  Thonburi Wellbeing Co., Ltd. Thonburi Healthcare Group Pcl.  Thonburi Healthcare Group Pcl.  Thonburi Healthcare Group Pcl.  Thonburi Healthcare Group Pcl.  Weihai Thonburi Healthcare Investment Co.,Ltd Thonburi Healthcare Group Pcl.
10. Ms.Sudthida Jirapatsakul Independent Director (Take the position in 2019)	67	<ul style="list-style-type: none"> <li>- Master of Public Administration Krirk University</li> <li>- CMA (Capital Market Academy) CMA 26/2018 February 2018</li> <li>- DAP (Director Accreditation Program) Thai Institution of Directors (IOD)</li> </ul>	-	-	2019 – Present 20162019 – 2013 – 2016	Independent Director Co-Executive Director Chief Executive Officer	Rajthanee Hospital Pcl. Maybank Kim Eng Securities Thailand Pcl. Country Group Holdings Pcl.

**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
		23/2004 August 27, 2004					
11. Dr. Chatcharin Pinsuwan hospital director (appointed in 2019)	65	- Doctor of Medicine Khon Kaen University - Certificate of Expert Department of Eurology	-	-	2019 – Present 2018 – 2019 2005 – 2017	Hospital Director Deputy Hospital Director Hospital Director	Rajthanee Hospital Plc. Rajthanee Hospital Plc. Chaophraya Yommarat Hospital
12. Dr. Kanokrin Boonvisut (appointed in year 2020)	48	- Bachelor's degree, Doctor of Medicine Faculty of Medicine Siriraj Hospital Mahidol University - Diploma of Thai Board of Orthopedic Surgery Specialist Siriraj Hospital Mahidol University	-	-	2020 – Present 2005 – Present	Deputy Hospital Director Orthopedic Surgeon	Rajthanee Hospital Plc. Rajthanee Hospital Plc.
13. Ms. Manassa Lerddamrongluck Assistant Hospital Director Accounting and Finance (appointed in 2017)	57	- Master's degree M.B.A. Thammasat University - Bachelor's degree in Accounting, Chulalongkorn University	-	-	2017 – Present  2015 – 2017	Executive Director Assistant Hospital Director Accounting and Finance Deputy Managing Director	Rajthanee Hospital Plc.  Rermudom Co Ltd

**Attachment 1 Details of Directors, Executives, Chief Officers in Accounting and Finance and Company Secretary**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%) <sup>1</sup>	Family relationship between executives	Work experience for the past 5 years		
					Period	Position	Name of organization/company/business type
14. Ms. Benja Ruangsri Accounting Manager (appointed in 2017)	39	- Bachelor's degree in Business Administration, Rajamangala University of Technology Suvarnabhumi - Master's degree in Finance and Banking Ramkhamhaeng University	-	-	2005 - Present	Accounting Manager	Rajthanee Hospital Plc.
15. Ms. Kamolporn Boonprakob company secretary (appointed in 2017)	28	- Bachelor's degree in Political Science Maejo University - Basic training course for company secretary Thai Listed Companies Association	-	-	2017 - Present	Company Secretary	Rajthanee Hospital Plc.

**Attachment 2 Details of Directors of Subsidiaries, Associates and Related Companies**

No	Name	RJH	Subsidiary		Related companies		
			Rajthaneer Rojana	Ratchathani Nongkhae	Charoen- paiboon City	Sabuy Technology	Thonburi Healthcare Group
1.	Ms.Vilailak Anyamaneerat	AC,NRC,ID					
2.	Dr.Wachira Wudhikulprapan	D	D	D			
3.	Dr.Porntip Wudhikulprapan	D					
4.	Dr.Surin Prasithirun	D,M	D	D			
5.	Mr.Charoonsak Sripochsomboon	D	D	D	D		
6.	Ms.Phitraphee Prasithirun	D	D				
7.	Mr.Saran Supaksaran	AC,NRC,ID				ID,AC	
8.	Mr. Teerasak Na Ranong	AC,NRC,ID					
9.	Dr.Tanatip Supradit	D					D
10.	Ms.Sudthida Jirapatsakul	ID					
11.	Dr.Chatcharin Pinsuwan	M					
12.	Dr.Kanokrin Boonvisut	M					
13.	Ms.Manassa Lerddamrongluck	M					
14.	Ms.Benja Ruangsri	M					

Remarks:

- X = Chairman of the Board of Directors
- D = Director
- AC = Audit Committee
- NRC = Nomination and Remuneration Committee
- ID = Independent Director
- M = Management

**Attachment 3 Details of Head of Internal Audit**

Name / position / Appointment date	Age	Qualifications/ Training	Percentage of shareholding in the company (%)	Family relationship between executives	Work Experiences		
					Period	Position	Name of organization/company/ business type
Ms.Phasuwadee Bubpha	32	Bachelor of Accounting, Burapha University	-	-	2019 - Present 2015 - 2019	Audit Manager Assistant Internal Auditor	Resourceful Co.,Ltd Bunchikij Co.,Ltd.

#### Attachment 4 Assets for Business Operation

The Company and subsidiaries' assets used for operations as of 31 December 2021 can be illustrated in the table below:

- **Core assets**

Asset Type	Book Value Consolidated Financial Statements (Million Baht)	Ownership	Obligation
Land and land improvements	345.76	Own	Loan collateral (partial)
Buildings and structures	599.35	Own	Loan collateral (partial)
Medical equipment	184.58	Own	None
Office equipment	33.67	Own	None
Equipment and vehicle	19.18	Own	None
Other fixed assets	26.00	Own	None
Work in progress	219.25	Own	None
<b>Total</b>	<b>1,427.78</b>		

- **Intangible Assets**

Asset Type	Book Value Consolidated Financial Statements (Million Baht)
Goodwill	87.80
Other intangible assets	8.94
<b>Total</b>	<b>96.74</b>

- **Business Licenses:**

The Company's business licenses consisted of:

- 1) Health Establishment License for Organization (Sor.Por.7): issued by Department of Health Service Support, Public Health Ministry to individual or juristic person with the term of not exceeding than the end of year 10th since the issuing date.
- 2) Medical Facility Performance License (Sor.Por. 19): issued by Department of Health Service Support, Public Health Ministry to physician who is responsible for management of medical organization.

Hospital	Health Establishment License for Organization	Medical Facility Performance License
Rajthanee Hospital	<u>License No.</u> :10201017463 <u>Given to:</u> Rajthanee Hospital PCL. <u>Permitted until</u> : 31 December 2028 <u>Additional services provided:</u> - Hemodialysis service - Cardiac catheterization	<u>License No.</u> : D.10201000763 <u>Given to:</u> Dr.Chatcharin Pinsuwan <u>Permitted until</u> : 31 December 2023

#### Attachment 4 Assets for Business Operation

	- Traditional Chinese Medicine Service	
Rajthanee Rojana Hospital	<u>License No.</u> : 10201003756 <u>Given to</u> : Rajthanee Rojana Hospital Co.ltd <u>Permitted until</u> : 31 December 2020 (on process of renewal) <u>Additional services provided:</u> - Hemodialysis service	<u>License No.</u> : D.10201005363 <u>Given to:</u> Dr.Saroj Maroomdee <u>Permitted until</u> : 31 December 2023

- **Trademark :**

The Company has registered its logo with the Department of Intellectual Property, Ministry of Commerce for business operations according to the Trademark Act B.E. 2534

Rajthanee Hospital	 
Rajthanee Rojana Hospital	  <div>             บริษัท โรงพยาบาลราชธานี จำกัด              Rajthanee Rojana Hospital Co.,Ltd.           </div>



## **Attachment 5 Corporate Governance Guidelines, Policies and Code of Conduct**

Good Corporate Governance is setting structures and processes for the relationships between the Board, Management, employees and shareholders to boost the Company's long-term shareholder value, taking into account the interests of stakeholders.

The principles of good Corporate Governance are presented in five categories:

1. Rights of shareholders
2. Equitable treatment of shareholders
3. Role of stakeholders
4. Disclosure and transparency
5. Responsibilities of the Board

### **The importance of good Corporate Governance**

1. Improve the management systems to be transparent and internationally comparable, enhancing competitiveness and eliminating conflicts of interest, if any.
2. Create trust and confidence among domestic and foreign investors, by encouraging communication among the Company and its stakeholders, to boost the Company's share value.
3. A tool to measure and monitor the Company's performance, helping to improve the operational efficiency.
4. Set the Board's and the Management's responsibility framework to all stakeholders so that their authority shall not exceed their position.

### **Section 1 The Rights of Shareholders**

The Company realizes and emphasizes basic rights of the shareholders, both as an owner and an investor. Such basic rights include the right to buy or transfer their existing shares, the right to receive adequate information about the Company, the right to receive shared profits from the Company, general rights regarding shareholders' meetings, the right to express their opinions, and the right to make decisions on the Company's crucial matters, e.g., dividend payment, appointments or dismissal of directors, appointments of authorized auditors, approvals of significant transactions that might affect the Company's business operation outlook, and etc.

Apart from the aforementioned rights, the Company also facilitates the right exercises for the shareholders, with the details discussed below:

1. An annual general meeting (AGM) is organized annually, within four months from the end of the previous fiscal year. The meeting invitation letters, attached by agenda details, are sent to the shareholders seven days prior to the AGM date. In addition, the AGM details are publicized on newspapers for three consecutive days beforehand. Each meeting agenda also includes comments from the Board of Directors.
2. Related details on meeting agenda are publicized on the Company's website in advance, with clarifications on the rights for meeting attendance and voting rights being provided.
3. Any shareholder who is unable to attend the AGM is eligible to ask an independent director or any individual to act as his or her representative, provided that he or she submitted any of the proxy forms attached to the AGM invitation letter.

## **Attachment 5 Corporate Governance Guidelines, Policies and Code of Conduct**

4. A map of the AGM venue is shown in the invitation letter and the AGM date and time are appropriately set at the convenience of the shareholders. In addition, sufficient time is allocated for the AGM in order to facilitate the shareholders.

5. The shareholders are allowed to submit their comments, suggestions, and queries prior to the AGM.

6. During the AGM the shareholders are given time to make queries, provide suggestions or express their opinions independently and equally. In each AGM, the Company's directors and relevant executive management are present and be prepared to provide answers and clarification on discussed issues.

### **Section 2 The Equitable Treatment of Shareholders**

The Company offers equal opportunities for all shareholders and determines their voting rights in the AGM in accordance with their stake-holding. The holding of one share is equal to one voting right. No actions limit/infringe the rights of the shareholders regardless of categories, i.e., major shareholders, minor shareholders, institutional investors, and foreign shareholders. The Company assigns independent directors to take care of minority shareholders. In light of this, the minority shareholders may express their suggestions, opinions or complaints to the independent directors who will consider the matters and take appropriate action. For the case of complaints, for instance, the independent directors examine the facts and accordingly seek appropriate solutions. Regarding the case of suggestions on crucial matters that may affect the overall stakeholders or the Company's business operation, the independent directors shall consider proposing such matters as AGM meeting agendas.

The minority shareholders are eligible to nominate directors or propose additional agendas prior to the AGM date, with the Company providing clear guidelines of how to nominate directors and criteria for considerations of additional agendas suggested by the minority shareholders.

The AGM is conducted in compliance with the Company's rules and regulations, with the agendas being discussed in order. All relevant information for each agenda is clearly provided. No uninformed agendas, especially those relating to important matters that shareholders may require some time to study the details before making decisions, are unnecessarily added in the AGM agenda. Shareholders are allowed to ask an independent director or any individual to act as their representative in case they are unable to attend the AGM by themselves, provided that they submit any of the proxy forms attached to the AGM invitation letter. In terms of the voting procedure, the voting is conducted with transparency according to the agenda. On the agenda about director nomination, each shareholder has the right to vote to select a director(s).

Moreover, the Company asks the directors to report the details about stake-holding in particular agenda before considering such matters in the Board of Directors' meetings and the details about stake-holding are recorded in the minute of the meeting. Any directors who involve stake-holding in particular matters and have a tendency to provide bias comments are not allowed to participate in that particular agenda.

Furthermore, the Company also determines the measures to prevent insider trading involved by connected persons, including directors, executives, employees whose duties relate to the Company's

## **Attachment 5 Corporate Governance Guidelines, Policies and Code of Conduct**

internal information (including their spouses and minority children) be careful in making transactions for buying, selling, transferring or accepting the transfer of the Company's shares during the period before disclosing the financial statements or the financial position to the public.

The Company provides the directors and executives with information regarding the requirements that they have to report their stake-holding, according to the Securities and Exchange Act B.E. 2535 as well as the regulation set by the Stock Exchange of Thailand. Directors or executives who engage in trading transactions of the Company's securities are required to report their stake-holding, their spouses' holding and their minority children's holding to the Security Exchange Commission of Thailand and the Stock Exchange of Thailand within three working days, according to the Securities and Exchange Act B.E. 2535; such information is subsequently publicized.

### **Section 3 The Roles of Stakeholders**

The Company emphasizes the importance of the rights of all stakeholders, both internal ones, i.e., the Company's employees and executives, and external ones, e.g., competitors, trade partners, customers, and etc. Having been well aware that support and comments from all stakeholders will benefit the Company's operation and business development, the Company thus complies with relevant rules and regulations to ensure that all stakeholders are treated decently. Furthermore, the Company promotes collaborations between the Company and all groups of stakeholders to ensure the business sustainability. The details are discussed below:

**a) Shareholders:** The Company is committed to driving steady growth, raising its revenue and earnings, adding the Company's values, and thus maximizing returns for the shareholders.

**b) Customers:** The Company emphasizes quality and standards of the products while taking care of and being responsible for customers faithfully and fairly.

**c) Trade partners:** The Company has a policy to treat trade partners fairly in accordance with the mutually agreed trade conditions in order to tighten business relations that benefit all parties.  
**Competitors:** The Company promotes free and fair competition and behaves well within the decent competition rules.

**d) Employees:** The Company has a policy to treat employees with equality and fair, providing them with appropriate remuneration and benefit packages as well as supporting their skill development programs.

**e) Communities and Society:** The Company places great emphasis on the responsibility of the communities and society, running business with ethics and appropriately supporting social activities.

**f) Environment:** The Company strictly follows environmental rules and regulations and continues to draft policies to control environmental impacts.

It should be highlighted that the Company follows relevant rules and regulations to ensure that the rights of stakeholders are well provided and that they are decently treated.

### **Section 4 Disclosure and Transparency**

The Company realizes the importance of disclosure of accurate, adequate, and transparent information concerning financial information, general information, in accordance with the principles sent

## **Attachment 5 Corporate Governance Guidelines, Policies and Code of Conduct**

forth by the Security Exchange Commission of Thailand and the Stock Exchange of Thailand, and other information that might have an impact on the Company's securities' prices. Such information is important to decision making of the investors and stakeholders. After the Company was listed to the Stock Exchange of Thailand, the Company has publicized its information for shareholders, investors, and public through the following channels:

- Disclose information on the websites of the Stock Exchange of Thailand and the Security Exchange Commission of Thailand
- Financial information on the website: [www.setsmart.com](http://www.setsmart.com)
- Annual Information Disclosure Form (56-1) and the Company's annual report
- The Company's website <http://www.rajthanee.com>

The Company has also set up the Investor Relations Department to contact and communicate with investors, shareholders, stock analysts, and relevant state agencies.

The information released to public and stakeholders may also be obtained from the Company's website where information is updated regularly. Users can access to the information promptly and conveniently and gain the highest benefits from such information.

Regarding the financial statement and the financial information in the annual report, the Audit Committee reviews the quality of the financial statement and the internal control system. Sufficient information is disclosed in the footnotes to the financial statement and subsequently reported to the Company's Board of Directors. Also, the report about responsibility of the Board of Directors on the financial reports also accompanies the Audit Committee 'report in the annual report. Moreover, the Board of Directors also supports the discussions and analysis of the operation department to include in the disclosure of financial statement.

### **Section 5 Responsibilities of the Board of Directors**

The Board must consist of directors with a variety of qualifications, which include skills, experience and expertise that are useful to the Company, and shall perform its duties with dedication. The Board is appointed by the shareholders to oversee the Company's business. The Board appoints the Management in charge of business operations; the Sub-Committees to be accountable for specific matters; the Company's Auditor; and the Company Secretary to arrange meetings and compliance with laws and regulations. The Company may review the Corporate Governance Manual. Code of conduct and business ethics to suit the changing circumstances.

#### **5.1 Composition, Qualification and Appointment of the Board**

The Board, led by the Chairman, must give direction and manage the operation to be effective and efficient to achieve the success and add value for shareholders and other stakeholders.

5.1.1. The Board shall be composed of at least five directors but not more than 15 directors. One-third of the total directors and not less than 3 members shall be Independent Directors. The independent directors shall be well-educated, skillful, and have diverse experiences that will be beneficial to the Company's operations wide range of experience.

5.1.2. The Board shall be comprised of those who have the necessary skills, experience and ability sufficient for managing the Company's business. Furthermore, at least one Board member shall have accounting and or related financial management skill.

## **Attachment 5 Corporate Governance Guidelines, Policies and Code of Conduct**

5.1.3. Each director must be qualified in accordance with the Public Company regulation and the Standard Qualifications for State Enterprise Directors law. Directors must have no record of suspicion concerning any behavior breach of the Fiduciary Duty, according to the Securities and Exchange Commission.

5.1.4. The appointment of Board members must be transparent. The Nominating Committee shall initiate the nomination process and nominate candidates for the position of Director. The list of candidates shall be provided to the Board for consideration and presented at the Shareholders Meeting for approval. However, if a director position becomes vacant for reasons other than retirement by rotation, the Board shall approve the nomination of a new director.

5.1.5. Within three months after appointment, the new director shall be given the necessary information to perform their duties efficiently.

5.1.6. The profile of all directors must be disclosed in the Annual Information Disclosure or Annual Report.

### **5.2 Independence of the Board**

Directors shall express their opinions independently and vote in matters which they have authority to manage. If their decision-making is made under pressure from other office staff, family or a conflict of interest, the decision-making may be distorted to be biased toward themselves. The independence of directors is a major concern in order to protect the welfare of shareholders and the Company.

5.2.1. To ensure that the Board, led by the Chairman of the Board, can effectively and efficiently manage the operation, the roles and responsibilities of the Chairman of the Board shall be clearly different from those of the Top Executive.

5.2.2. Independent directors must be able to access the financial information and other business matters so that they can express their opinion independently in order to protect stakeholders' value. They shall attend the Board Meeting regularly.

5.2.3. Independent Directors must be qualified in accordance with the notification of the Capital Market Supervisory Board, the SEC, and the Stock Exchange of Thailand ("SET") (in the Appendix). They shall monitor and ensure that all shareholders be treated equally, and that there be no conflict of interest between the Company and the Management or major shareholders, or other companies which have the same groups of Management. Independent Directors must freely express their opinion in meetings.

### **5.3 Roles and Responsibilities of the Board**

The Board shall act professionally on behalf of the shareholders to steer the Company's operations and make decisions on important matters, and safeguard the benefits for all stakeholders. Furthermore, the Board is accountable for overseeing management operations, risk management and determining remuneration.

5.3.1. New directors shall attend orientation classes regarding business operations of the Company.

5.3.2. The directors shall conduct their duties in compliance with all laws, objectives and the Articles of Association of the Company, as well as comply with resolutions of the Shareholders Meetings with honesty and integrity and carefully safeguard the benefits of the Company to ensure fair accountability towards all shareholders.

5.3.3. The Board must dedicate time and effort to formulate vision, direction and strategies of the Company's operations, by reviewing them every year. Additionally, the Board is accountable for seeking useful information for the Company, and considering any potential risk to ensure that the Management can implement the determined vision, direction and strategies efficiently.

5.3.4. The Board shall formulate policies and direction for the Company's operations, and also monitor and supervise the Management to function in accordance with such policies and regulations with

## **Attachment 5 Corporate Governance Guidelines, Policies and Code of Conduct**

efficiency and effectiveness, under the principles of good Corporate Governance, to maximize economic value and shareholders' wealth.

5.3.5. Be a head of the Company and a role model in performing their own duties in accordance with the Company's regulation, in line with the good Corporate Governance of the Company.

5.3.6. Be a director who undergoes continuous training, either internal or external, in order to improve his own performance and thus to be a role model for employees.

5.3.7. Arrange effective and reliable accounting systems, financial reports, accounting audits, internal control and internal audit systems.

5.3.8. Consider the Company's significant risk and setting out a risk management process throughout the Company. The Board shall ensure that the Management has an efficient risk management process, and seeks business opportunities that may arise.

5.3.9. A dividend payment shall be made to shareholders when the Company has sufficient profits, and no accumulative losses, by taking into account the Company investment and cash flow management.

5.3.10. The Board shall oversee and resolve conflicts of interest, connected transactions, and other significant transactions to ensure the best shareholder and stakeholder value.

5.3.11. Independent and other external directors are capable of using their judgment with an independent opinion in determining matters such as setting out strategies, operational tactics, resource utilization, nomination of directors, including setting up performance standards for the Company. They also have to be ready to oppose any acts of other directors or the Management on issues affecting the equity of shareholders.

5.3.12. Report and update the "Report on the interests of Director and Management" to the Company, in compliance with the Company's criteria.

5.3.13. Ensure that the Management treats all stakeholders ethically and equitably.

5.3.14. Review the Company's Good Corporate Governance Policy regularly.

5.3.15. Set out and effectively oversee the anti-corruption system to ensure Management awareness and attention to the anti-corruption scheme; embed the Company anti-corruption culture.

5.3.16. Set out and oversee when the company receives a complaint.

5.3.17. Comply with the anti-corruption measures and punish when noncompliance occurs.

5.3.18. Appoint the Company Secretary to take care of the Board's and the Company's activities such as the Board Meeting and the Shareholders Meeting; also assist the directors and the Company in performing their duties as required by law and related rules and regulations from time to time. Furthermore, the Company Secretary is accountable for supporting the directors and the Company in disclosing all information accurately, completely, transparently, and providing it in a timely manner.

5.3.19. Report the Company's performance to Shareholders Meetings and via the Company's annual report.

5.3.20. Provide easy-to-access channels that are appropriate for shareholders.

5.3.21. Board self-assessment and the Top Executive's performance evaluation should be conducted regularly, at least annually, to be used as a framework for reviewing performance to enhance its effectiveness. The result should be disclosed in the Company's annual report. Furthermore, the Top Executive's remuneration should be evaluated according to his performance.

### **5.4 Term of office for members of the Board of Directors**

At every Annual Ordinary General Meeting of shareholders, one-third of the total number of directors shall retire by rotation. In case the number of directors is not a multiple of three, the number nearest to one-third shall retire and the director who has served the longest period in the office shall retire. A retiring director is eligible for re-election.

Apart from retirement by rotation, the directors shall vacate office upon:

- Death;

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- Resignation (effective as from the day that the Company receives the resignation letter);
- Loss of qualifications or disqualification under Section 68 of the Public Limited Company Act. B.E. 2535 (1992);
- Removal by a resolution of the shareholders' meeting under Section 76 of the Public Limited Company Act. B.E. 2535 (1992);
- Removal by a court order.

If a vacancy on the Board of Directors occurs for any reason other than retirement by rotation, the Board can consider appointing another director who is fully qualified to replace the resigning member. The substitute member shall have membership for the remaining term of service of the resigning member. If the resigning director's term of service is less than two months, it is not compulsory to appoint replacing director. In the case the whole Board vacate office, they are allowed to act until new Board are appointed

### **5.5 Establishment of Sub-Committees**

To ensure efficient operations, the Board has set up Sub-Committees as follows:

**5.5.1. Executive Committee** shall be appointed by the Board and composed of members with managerial skills; the Management can be part of the Executive Committee.

#### **Roles, duties and responsibilities of the Executive Committee**

1. Undertake action assigned by the Board.
2. Strictly comply with laws, objectives, rules and regulations of the Company.

#### **Term of office for members of the Executive Committee**

- 1) Executive Committee who is a Company Director shall have the term of office equal to term of directorship or when the Board of Directors resolves to vacate office.
- 2) In the event that the position of the Executive Committee is vacant due to reasons other than the retirement by rotation under 1), the Board of Directors shall appoint a person with full qualifications as detailed in the Executive Board Charter, served as an Executive Committee to replace the vacant position.
- 3) Executive Committee who is a senior executive of the Company, shall have a term of office as long as holding a position as an executive of the Company unless the Board of Directors resolves otherwise

**5.5.2. An Audit Committee** shall be appointed by the Board and comprised of at least three independent directors, with at least one member having financial and accounting expertise. The Audit Committee members must bear independent qualifications in accordance with notification of the SEC, regarding the qualifications and scope of work of Audit Committees. (in the Appendix)

#### **Roles, duties and responsibilities of the Audit Committee**

1. Review the accuracy and adequacy of the Company's financial reports.
2. Ensure that the Company has a suitable and efficient internal control system, internal audit, good Corporate Governance process and risk management system.
3. Review the efficiency and effectiveness of the Information Technology System in relation to Internal Control and Risk Management.
4. Review the Company's compliance with the Securities and Exchange Act, the SET's regulations, and the laws relating to the Company's business.
5. Consider connected transactions, or transactions that may lead to conflicts of interest, to ensure that they are in compliance with the SET's rules and regulations together with the laws relating to the Company's business.



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6. Review the risk assessment process and give advice on risk mitigation measures to the Board. The Management shall implement such advice.

7. Review and consider with Management any defects that have been found, and monitor the response by Management.

8. Empower the auditing and investigation of all related parties in accord with the authorization of the Audit Committee, and is authorized in hiring an expert so as to audit and investigate in compliance with the Company's regulations.

9. Consider, select, nominate/discharge and recommend remuneration for the Company's external auditor. The Audit Committee shall meet privately with the external auditor at least once a year, without Management being present.

10. Consider scope of work and plans of the external auditor and the internal audit department in order to ensure cooperation of both parties and ensure there are reductive double operations of financial auditing.

11. Coordinate with the Company's auditors and may advise them to review any significant transactions.

12. If the Audit Committee finds any issue that may affect the financing and performance of the Company, the Audit Committee shall report to the Board to improve it in due course.

13. Oversee the internal control of financial reporting and other processes involved with the anti-corruption measures, including oversee the compliance of anti-corruption policy.

14. Review the relevant measures and internal control to ensure the anti-corruption measures are sufficient and efficient.

15. Regularly report to the Board issues relevant to internal audit results on the anti-corruption measures. Provide suggestions and/or procedures to the Management.

16. Implementation of the Management process regarding the receiving of complaints.

17. The Chairman or a member of the Audit Committee shall attend the Company's Annual General Shareholder Meeting so that shareholders may ask questions related to the Audit Committee or the nomination of the Company's auditor.

18. Evaluate the Audit Committee performance at least one time annually, and report to the Board.

19. Prepare a report for the Audit Committee on Corporate Governance to be included in the Company's annual report, affixing the signature of the Chairman of the Audit Committee. Minimum contents to be disclosed in the report are the Audit Committee's performance, number attending the meetings, attendees and overall opinions of the Committee.

20. Ensure that remuneration for the Company's auditor is disclosed in the Company's annual report.

21. Approve Charter, work plans, budget and manpower of the Internal Audit Department.

22. Consider, select, nominate and evaluate the Internal Audit Manager as well as the independence of the Internal Audit Department.

23. Perform any other acts assigned by the Board, with the approval of the Audit Committee.

### **Term of office for members of the Audit Committee**

1. The term of service of the Audit Committee members is fixed and covers a reasonable period of 3 years. The Audit Committee members may be reappointed for another term depending on the consideration of the Board Meeting but their membership term shall not be automatically renewed.

2. The Board's or the Shareholders' meetings may appoint or remove the Audit Committee members as appropriate.

3. The Audit Committee member shall be vacated from the position upon:

- Death
- Resignation
- Retirement by rotation
- Termination of the Board membership



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- Loss of qualification or disqualification in accordance with the Company's regulations or the SET's rules and regulations

- Removal by the resolution of the Board

4. In event that any Audit Committee member wishes to resign before the expiration of his term of service, the resigning member shall give notice thereof to the Chairman of the Board not less than 30 days in advance. The Company shall also report such resignation and send a copy of the resignation letter to the SET.

5. If a vacancy on the Audit Committee occurs for any reason other than retirement by rotation, the Board can consider appointing another director who is qualified to replace the resigning member. The substitute member shall have membership for the remaining term of service of the resigning member.

The Company shall also inform such appointment to the SET. In the event of removal by resolution of the Board, the removed member may clarify the reasons to the SET and the SEC.

### **5.5.3. Compensation and Nomination Committee**

Shall be appointed by the Board. All members must be Independent Director or persons that the Board deemed qualified. Member must be at least 3 persons.

#### **Roles, duties and responsibilities of the Compensation Nomination Committee**

##### **Recruitment**

(1) Set criteria, methodology for selection of the Board and Sub-committee members as well as Top Executive, for the purpose of transparency.

(2) Nominate Board members and Sub-committee members for the Board and/or shareholders to appoint.

(3) Recruit those nominees to be the Top Executive for the Board to appoint.

(4) The Nomination Committee conducts a preliminary screening of candidates with the required qualifications (in the Appendix), knowledge, skills and experience and then nominates them to the Compensation Committee for submission of the final list to the Board for its consideration and approval.

##### **Compensation Consideration**

(1) Propose policy and criteria for compensation of the Board and Sub-committee members, including meeting allowance, bonus, welfare and other compensation in both cash and non-cash terms, by taking into consideration similar compensation in the industry.

(2) Determine compensation for the Top Executive.

(3) Determine cash and non-cash welfare and other benefits for the Company's employees.

(4) Ensure that the Company has disclosed the policy, principle and rationale underlying the director's remunerations.

(5) The Board and Top Executive shall not remunerate themselves owing to conflicts of interest. The Compensation Committee shall be responsible for determining compensations. Furthermore, the Company's performance and similar Directors' compensation of listed companies in the industry have been taken into account. The compensation has been initially determined by the Compensation Committee, and proposed to shareholders for approval.

(5.1) The formulation and structure of such compensation shall be fair and reflect the Board's performance and responsibilities. The compensation should be attractive enough to retain suitable directors, and be competitive with the general level in the same industry. The structure of the compensation shall be clear, transparent, and easy to comprehend.

(5.2) Shareholders have the right to consider compensation structures and policies for each directorial position annually. The Board shall propose compensation packages as an item on the agenda for shareholders to consider and approval at the Annual Ordinary General Meeting.

#### **Term of office for members of The Nomination and Remuneration Committee**

1) Compensation and Nomination Committee shall have the term of office equal to their directorship's term of service or when the Board of Directors resolves to vacate office. He or She may be re-appointed by the Board of Directors as necessary and appropriate.

## **Attachment 5 Corporate Governance Guidelines, Policies and Code of Conduct**

2) In the event that the position of The Nomination and Remuneration Committee is vacant due to reasons other than the retirement by rotation under 1), the Board of Directors shall appoint a person with full qualifications as detailed in the Charter of Compensation and Nomination, served as an Compensation and Nomination Committee to replace the vacant position. The person elected to replace The Nomination and Remuneration Committee shall hold office only for the remaining term of the person whom he or she replaces.

### **5.6 Board Meetings and Receipt of Relevant Documents and Information**

Every Board member shall attend the Board Meetings on a regular basis, and the Company Secretary is responsible for coordinating the meetings, arranging the venue, and preparing the appropriate documents. Each director shall be informed in advance of the date and agenda of the meeting and receive supporting information.

5.6.1. The Board must fully devote its time and efforts, to concentrate on the Company's operations and shall regularly attend the Board Meetings, at least once a quarter or more frequently if deemed necessary. The Company Secretary shall coordinate the meetings and prepare necessary documents and invitations. Each meeting must be constituted by a quorum according to the Company's Articles of Association.

5.6.2. The Company secretary prepares the meeting agenda according to the Chairman of the Board's order by consulting with the Chief Executive Officer and considering the director's requests to include other important matters as an agenda for consideration in the next meeting. The Chairman of the Board is the person who summons the Board of Directors' meeting by making a letter calling for the meeting together with the meeting agenda signed by the Chairman of the Board or the Company secretary by order of the Chairman of the Board.

5.6.3. The Board must allocate sufficient time for Management to present information and for directors to discuss important matters.

5.6.4. The Board must receive relevant information at least seven days in advance of each Board Meeting to allow adequate time to study, examine, and decide on important matters, with the exception of urgent meetings.

5.6.5. The Board can request documents, information, advice and other services concerning the Company's operations from Management for support in each meeting. The Company Secretary shall collaborate in the delivery of such information for the Meeting. The Board can request independent advice from external advisors as necessary and this expense shall be absorbed by the Company.

5.6.6. Directors who may have conflict of interest in any item in the agenda, must not vote or express their opinion on that item and/or shall leave the meeting room when it is discussed.

5.6.7. The minutes of the Board Meetings must be clear and contain the resolutions of the meeting and the comments of the Board for reference.

### **5.7 Management**

The Management is authorized to carry out tasks assigned by the Board of Directors under the rules, regulations and Articles of Association of the Company. However, any member of the Management having a material interest, directly or indirectly, or having a conflict of interests in any matter with the Company/Subsidiaries, as defined by the SEC, has no right to engage in such matter.

#### **Roles, duties and responsibilities of the Management**

5.7.1. Establish a risk assessment in operational processes where corruption may occur.

5.7.2. Establish a process to promote anti-corruption and communicate this to the personnel of the company and its stakeholders.

5.7.3. Instruct personnel of the company to comply strictly and continuously with the anti-corruption policy and protection framework.

5.7.4. Set out the evaluation and report the results of compliance measures to Corporate Governance Committee regularly.

## **Attachment 5 Corporate Governance Guidelines, Policies and Code of Conduct**

5.7.5. Establish a process for receiving complaints.

5.7.6. Review the appropriateness of the procedures and other measures to comply with changes in business, regulatory and legal requirements.

### **5.8 Company Secretary**

The Company Secretary is responsible for arranging Board Meetings and the Annual General Meeting of shareholders to ensure that they are organized in a transparent way and in compliance with applicable law and related regulations.

5.8.1. The Board shall appoint the Company Secretary, in accordance with the Securities Exchange Act, to manage the documents for the Meetings, keep and submit a copy of the Report of Interests filed by Directors, Management and other relevant persons to the Chairman of the Board and the Chairman of the Audit Committee within seven days from the date of the Company receiving said Reports. The Company Secretary shall be in charge of other tasks as required by the Capital Market Supervisory Board in accordance with the Securities and Exchange Act. After appointing the Company Secretary, the Chairman of the Board shall notify the Office of the Capital Market Supervisory Board within fourteen days.

5.8.2. The Company Secretary is responsible for arranging the Board Meetings and the Annual General Meeting of Shareholders as well as providing legal advice, training and other useful information to the Board.

### **5.9 Segregation of duties for the Chairman and the Top Executive**

Segregation of policy-making duties and day-to-day management will help directors to monitor and evaluate the operating performance efficiently. The position of Chairman and the Top Executive should be held by different individuals.

#### **5.9.1. Roles, duties and responsibilities of the Chairman**

1. Oversee the Management's performance, guide and advice. However, the Chairman must not take part in or interfere with day-to-day management, which is the duty of the Top Executive under the authority delegated by the Board.

2. Chair Board Meetings and Shareholders Meetings fairly.

3. Encourage participants to exercise their voting rights and strictly comply with good Corporate Governance principles.

#### **5.9.2. Roles, duties and responsibilities of the Top Executive**

1. Efficiently and successfully implement policies assigned by the Board, in accordance with good Corporate Governance principles and fair responsibility to shareholders.

2. Create strategic plans for financial, investment, management and real estate development in accord with the Company's business.

3. Propose important matters for the Board's approval i.e. dividend payment for shareholders, arrangement of shareholder meetings and selecting, nominating and proposing the independent auditor's fees.

4. Approval of important matters concerning the Company operations.

5. Acknowledge complaints, fraud suspicions and questions about Ethical Standards and Business Code of Conduct, by following the process of dealing with the matters of complaint.

6. Authority to order employees at all levels

7. Promote qualified individuals, who have knowledge, skills and experience useful to the Company, to Management.

### **5.10 Self-assessment of the Board**

The Board's self-assessment form is applied from the SET guidelines, and is adjusted to suit the Company business and the Board structure. The results are key factors in enhancing the effectiveness and efficiency of the Board's performance. The assessment of the Board consists of six categories as follows:

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1. Structure and qualifications of the Board
2. Roles, duties and responsibilities of the Board
3. Board Meetings
4. Board performance
5. Relationship with Management
6. Director's self-improvement and Management improvement

### **5.11 Succession Plan**

The Board must ensure that the Company has an appropriate nomination process for key management positions at all levels.

The Company must prepare a process for identifying and developing individuals with the potential to fill key business leadership positions in the Company for the succession plan, especially the Management positions, by establishing a policy and development guideline for each person to be ready for a higher position when there are future leadership needs.

The Management positions are Managing Director, General Manager and Head of Department or equivalent position.

## **Attachment 6 Report of the Audit Committee**

### **Report of the Audit Committee**

The Board of Directors of Rajthanee Hospital Public Company Limited appointed the Audit Committee, which comprised of 3 independent directors, namely Ms. Vilailak Aunyamaneerat as Chairman of the Audit Committee, Mr. Teerasak Naranong and Mr. Sarun Supaksaran as members of the Audit Committee. The main duties and responsibilities of the Audit Committee are to ensure that the Company's financial statements are in accordance with accounting standards and have accurate and sufficient disclosure, ensure that the Company maintain internal control system that assesses the risks and ensures suitable and efficient risk controls, ensure compliance with related regulations and laws, as well as mitigate conflicts of interest between the Company and related persons upon the entry into transactions.

In 2021, the Audit Committee held four meetings to carry out duties as assigned, the most important being:

1. Reviewing the financial statements of the Company and the subsidiary which were reviewed or audited by the external auditors before presenting to the Board of Directors. As reviewed and accepted explanations from the external auditor and the management, the Audit Committee was of the opinion that the aforementioned financial statements were prepared according to accounting standards with accurate and complete disclosure of important facts and also approved the plan on auditing and reviewing the consolidated financial statements for the year of the Company and the subsidiary;
2. Considering and giving opinions on appointing the external auditor and fixing the annual audit fees to the Board of Directors for further approval by the annual general meeting of shareholders. The Audit Committee was of the opinion that the person nominated as the auditor is qualified in terms of knowledge, capability and is sufficiently independent from the Company and the subsidiary;
3. Holding conferences with the external auditor without the management involved so that the external auditor could freely report on any problems or limitations as a result of the auditing and reviewing the consolidated financial statements of the Company and the subsidiary. The external auditor reported that there were no notions, problems or limitations of significance;
4. Considering and giving opinions on appointing the internal auditor, a qualified external company, as the Company's internal auditor. The internal auditor was evaluated based on the team, sufficient number of staff, experience, knowledge and capabilities, as well as independency, to carry out audits of the various departments within the Company according to the guidelines for assessment of the sufficiency of the internal control system;
5. Considering and giving opinions on transactions with related persons to be in compliance with applicable laws and regulations;
6. Considering and approving the annual internal audit plan and advising on the enhancement of the Company's internal control system to be in compliance with applicable laws and regulations;
7. Considering and accepting explanations from the internal auditor as per the internal audit report, this was appointed as per the recommendation of the Audit Committee. The Audit Committee reported and provided suggestions on important issues to the Board of Directors; and

## **Attachment 6 Report of the Audit Committee**

8. Reviewing and assessing the sufficiency of the internal control systems annually. The Audit Committee is of the opinion that the internal control systems are suitable and sufficient in risk mitigation in accordance with the policies of the Company.

The Audit Committee has carried out the duties as assigned with care and to the best of our abilities for the benefit of the Company, the shareholders and all stakeholders.

**Ms. Vilailak Aunyamaneerat**  
Chairman of the Audit Committee

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