



“HOSPITAL OF CHOICE  
IN EASTERN BANGKOK  
& EASTERN THAILAND”

## 56-1 ONE REPORT 2022

# TNH

Teamwork and staff value

Non-stop learning and improvement

Hospitality and quality care



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## Hospital Policy and Strategy Committee



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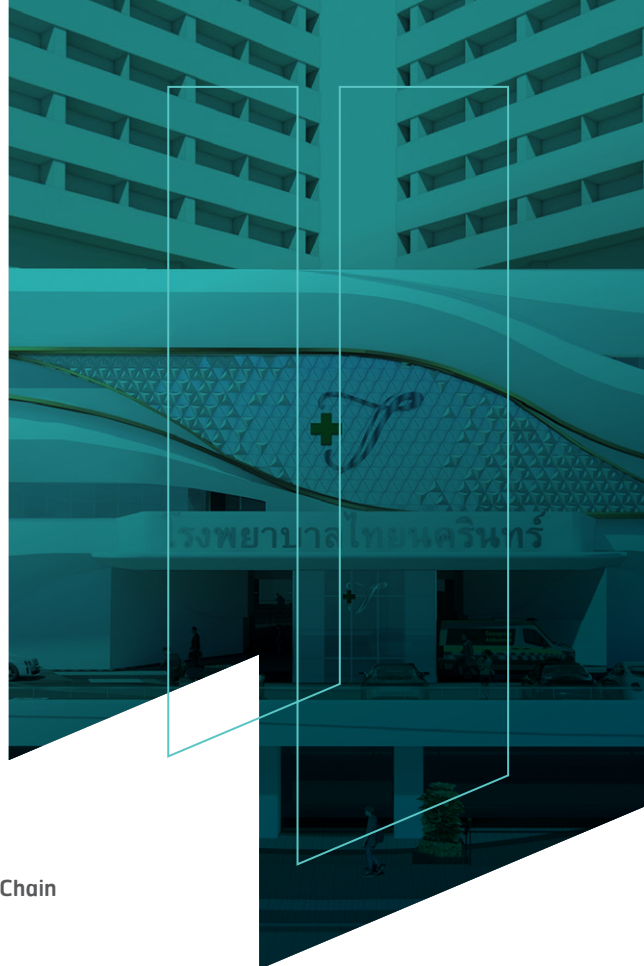
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## Message from the Chairman of the Board

In 2021, Thailand continued to face the Covid-19 pandemic which affected significantly towards the country economic. The public has adapted in many ways despite the Covid-19 pandemic situation while the outbreak continued into 2022 and the country's economy, thus, has not yet recovered well. Inevitably, Thainakarin Hospital was also affected. The Hospital has adjusted its operating strategy to achieve growth targets by focusing on investments in therapeutic technology and modern medical equipment to become the “Expert Healthcare” with capability to treat and take care of the public health for Bangkok people on the eastern area with more diversity.

Hospital Business is a business where requirement of specialization and excellence in service are needed. Thainakarin Hospital has developed its standards in the field of services that requires access to the principles of service with heart and smile, as well as the personnel development to be ready to meet the needs of service recipients. The Hospital has successively developed upon these and as a result obtained wide recognition, evidently with an accolade from the ‘Bangkok Life Smart Hospital Awards 2021’, which Bangkok Life Assurance Public Company Limited presented its recognition awards to honor 11 hospitals in 6 branches. Thainakarin Hospital received the Claim Service Excellence Award, which is meaningful to Thainakarin Hospital. Since, it has not only built service confidence for the service recipients of the insurance customers but also being an important element of driving the continuous improvement of personnel and organization to be prompt to new innovation of services in order to meet cumulatively the needs of service recipients.

Lastly, on capacity of the Chairman of the Board of Directors of the Thainakarin Hospital Public Company Limited, I would like to assure that the Board of Directors and the Company's executives are adhering to great commitment in leading the Company towards prosperous growth as well as, upholding efficient, transparent and accountable management in order to reassure all parties that Thainakarin Hospital will be preserved as one of the hospitals that operates business firmly and benefits the society as a whole under the motto ‘Warm and Confident at Thainakarin’.



A handwritten signature in black ink, appearing to read 'Charoen Meensook'.

**Charoen Meensook, M.D.**

Chairman of the Board



## Message from the Chief Executive Officer

From 2020 to the present, Thailand has continued to experience the Covid-19 pandemic and although the government has already reduced the severity of the disease to an endemic disease, the situation of infection rates remains high. There are no factors that can predict when the situation and the impact of the COVID-19 crisis will cease. All businesses, including healthcare business, are affected by the various factors, resulting in necessity of execution and management plannings, adaptation and adjustment the strategies in full force to continue the business with least negative impact. And from the Country's reopening policy and the government operations, the tourism industry was gradually starting to recover with more foreigners coming in to receive significantly more medical services in 2022.

In regarding to increase the potential of its services, Thainakarin Hospital has planned a proactive strategy for future operations to be as efficient as possible. It aims to be a leading private hospital that has earned TRUST of the Bangkok residents in the Eastern area as well as people in the Eastern Region of Thailand with the capability to provide medical services starting from the search, analysis, prevention, treatment and control of diseases. This includes restoring and promoting physical and mental health for patients and families who may be affected, especially by cancer, including the building of radiotherapy facilities with linear accelerators (LINAC) and computed tomography therapy simulators, all of which is to accommodate the needs of patients with the disease that has aggressively become more severe with effective treatments by specialized doctors or helping people with behavioral or genetic risk that may develop cancer in the future as it is possible to know in advance and receive recommendations to reduce the risk of developing cancer.

In addition, there are medical equipment and technologies to enhance patients' treatment, including digital mammograms with tomosynthesis to increase the accuracy of breast cancer diagnosis, reduce the chances of patients' re-examining, and improve the screening efficiency of patients in breast biopsy.

Furthermore, for medical capacity development plan, in terms of personnel and investments in modern technology, as well as the facilities and services development, currently, the Hospital has built a new car park building that could accommodate more vehicles. Besides, the Hospital has planned to invest in modernizing the building to create a warm and relaxed atmosphere, which is currently in process of reshaping the Hospital frontage building, reception hall and many other departments. A new food court with more varieties will also be added to reach the needs of customers at affordable prices and impressive service, resulting in return and long-term customer for the service.

Finally, I would like to assure each and every one of you that Thainakarin Hospital shall become an outstanding "Expert Healthcare" in terms of medicine, treatment technology and services in accordance with the strategic plan in order to support the future growth of the business. At the same time, I wish to extend my appreciation to all shareholders, management, doctors, nurses and staff who have been instrumental in developing the services that are the driving force of the Company's operations to achieve the goals and sustainable stability for over the course of 29 years.



**Mr. Thiti Sihanatkathakul**

Chief Executive Officer

## Technology

In 2022, Thainakarin Hospital has adhered to commitment in providing state-of-the-art medical tools and equipment to the Hospital which has enabled medical and multidisciplinary teams to provide holistic patient care, from finding, analyzing, preventing, treating and controlling diseases to restoring and promoting health, under standard quality services. The Company has increased the number of medical equipment and technologies to support the treatment of patients appropriately as follows:

### Linear Accelerator (LINAC)

Linear Accelerator (LINAC) is an innovative type of radiation specific to cancer cells, destroying cancer cells while neighboring cells are least affected as well as capable with conventional Radiation Therapy in, Three Dimensional Conformal Radiation Therapy (3DCRT), Intensity Modulated Radiation Therapy (IMRT), Volumetric Modulated Arc Therapy (VMAT) and Stereotactic Body Radiation Therapy (SBRT). Therefore, it renders the patient with the appropriate quality of treatment.

#### Advantages of high-energy particle-accelerated irradiation machine treatment

- Doctors and staff can check the location of Image Guided Radiation Therapy (IGRT) to confirm the correct treatment location before starting radiation.;
- Multiple levels of energy can be supported which will be suitable for each patient's treatment plan;
- Attached or adjacent to cancer cells, including neighboring organs, are less likely to experience radiation side effects. This also reduces the chances of complications; and,
- Time reduction for patients to receive radiation as less time spent on radiation.



## CT Simulator

The CT Simulator is used to identify the shape and size of cancer cells and nearby organs by connecting them to computer planning to create 3D images, which allows doctors to plan treatments using radiology in multiple directions with a computer.

### Advantages of computed tomography therapy simulators

- Up to 32 images can be generated per one scan and up to 30 images per second can be created, allowing doctors to accurately position and plan treatment.



## Digital Mammogram with Tomosynthesis (3DMMG)

The 3D digital mammography machine can examine all the details inside the breast. The doctor can view the images in each dimension or each slide from the Reconstruction image to see the extent and shape of the lump in question. It can distinguish fats and other tissues, as well as differentiate ducts and glands in the breast, in order to find a very small calcium binding expecting to be abnormal, possibly turning into cancer in the future. This makes it possible to detect breast cancer at an early stage, so there is a chance of treatment in time before progressive stage.

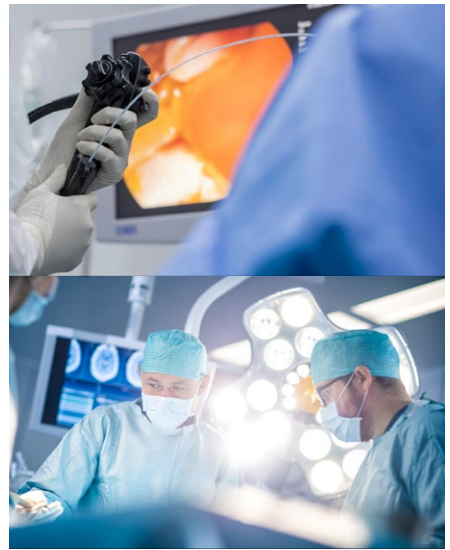
### Advantages of 3D digital mammography examination

- Provide detailed diagnostic results which makes breast cancer more accurately detected since it is possible to clearly distinguish the type of lump between a normal tumor and a lump which is breast cancer.;
- Adjust breast compression tilt according to the characteristics of the breast, unlike traditional mammography, it reduces pain and makes it feel more comfortable than a regular mammography; and,
- Increase the efficiency of screening patients who need breast biopsies.





## Full Endoscopic Spine Surgery



Full Endoscopic Spine Surgery is a small laparoscopic surgery through a Single Portal from the side and back, with a perpetual hydration system and fiber optic lenses to help the doctor to see clearly. This tool can be used for herniated disc surgery, treatment of spinal cavities, narrowing of the nerves, and cyst disease from the spinal joints.



### Advantages of surgery with Endoscopic Spinal Surgery

- Surgical incisions are small, reducing the pain of surgical wounds, resulting in less pain in the surgical wound than normal surgery;
- Reduce complications, reduce the risk of infectious lesions;
- Reduce the destruction of the fine tissue surrounding the surgical site;
- After surgery patients can recover quickly and return home within 24 hours; and,
- Reduce the cost of recuperating at the hospital.







## PART 1

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Business Operations and Performance

# 1 Structure and Business Operations

## 1.1 Policy and Overall Business Operations

### Policy and Commitment of Thainakarin Hospital

Thainakarin Hospital Public Company Limited was incorporated on August 8, 1988, initially under the name “L.J. Enterprise Co., Ltd.” by the Company's co-founders, a group of businessmen and doctors who had foreseen that there were no quality and affordable private hospitals accessible to the general public. Later, it was registered to change its name to “Thainakarin Hospital Co., Ltd.” and established as private hospital to enable people with medical care at an affordable price and good quality of service. On June 14, 1993, the Company commenced its operation as the “Thainakarin Hospital”.

The Thainakarin Hospital has received a great number of positive feedbacks from the people who come to use the service, and extended more services in response to the increasing number of medical services available. And in order for the Company's business operations to be able to enhance its potential and compete with the growing number of other private hospital operators, the Company became a public limited company on October 11, 2004, by listed on the MAI Stock Exchange, with its first trading commencement on December 16, 2005. Currently, the Company has a total registered capital which has been issued and paid-up capital of 180 million baht.

The Thainakarin Hospital remains commitment in conducting business with the strength to lead the Hospital to an era of change and competition. The Thainakarin Hospital has implemented the Hospital's strategic plan, which means to strive for excellence in medical care and services to become the number one hospital in Bangkok Eastern area and Eastern Regions of Thailand and stand firmly and sustainably in this business.

### Vision

#### “Hospital of Choice in Eastern Bangkok & Eastern Thailand”

Dedicated to being the Most trust hospital in Eastern Bangkok and Eastern Region in terms of medical expertise, technology, quality, international standards, warm service, and care like family

### Mission

- To develop personnel competency, satisfaction and pride in the company.
- To elevate the health care quality with international standard.
- To progressive proceed with continuous and sustainable development of the company.
- To achieve the best hospitality with a warm and family-like treatment that creates lasting impressions.
- To manage in accordance with the corporate governance.

### Business Goal and Strategies

The Company aims to drive an enterprise-wide sustainable development program, with 6 business strategies as follows:

1. To operate with transparency, morality, ethics and responsibility to stakeholders and the society;
2. To operate by providing proper and quality medical care matching international standards;
3. To operate with sincerity, attentiveness and understanding toward patients and service users as if they are family members;
4. To operate with emphasis on personnel, the valuable asset, by taking good care of them and building a favorable work environment to promote happiness and organizational pride;
5. To operate with social responsibility by attaining efficient resources management and good environmental management in all the processes;

6. To operate with emphasis on enhancement of personnel and service quality in order to achieve continual and steady growth of the organization.

### Long-term Goal

The Company focusses on the long term goal to build the Thainakarin Hospital 2. In the first phase, the company gradually constructs the car park building and Linac buildings. The car park building has been completed and available for service. The Linac buildings is expected to be completed and open for service in 2022.

### Significant changes and Development

Thainakarin Hospital has been operating since June 14, 1993, with positive feedbacks from patients throughout, the Hospital provided well-developed various services to meet the needs of its recipients and the changes circumstances as follows;

#### Service

- 2020 Launch the Rehabilitation Center
- 2021 Launch the Kidney Transplant Center
- 2022 Wellness Center and Linac building will be opened by 2022.

#### Establish

- The construction of a car park building to accommodate the increasing number of services and a Linac building to increase the capacity of care for cancer patients has been completed and commenced its services. The Linac building is expected to be completed and operated by 2022.

#### Awards

- **2019:** Stroke Ready Awards: “Thailand Angels Award 2019”, Prasat Neurological Institute and Prasat Neurological Institute Foundation.
- **2020:** Hospital Accreditation (HA) (Re-Accreditation#4) (For the 5<sup>th</sup> time in 2022, the renewal process is underway with the Healthcare Accreditation Institution (Public Organization).
- **2020:** Muang Thai Life Assurance Hospital Awards 2019, 2<sup>nd</sup> Prize Excellent Care (Medium Hospital) and Muang Thai Life Assurance Hospital Awards 2019, 3<sup>rd</sup> Prize Initiative, Accept, New Innovation (Medium Hospital), Muang Thai Life Assurance PCL.
- **2021:** Claim Service Excellence Award, Bangkok Life Smart Hospital Awards 2021, Bangkok Life Assurance PCL.

#### Actions taken during the COVID-19 pandemic

- Operated the Biomolecular Laboratory to provide genetic analysis services for COVID-19 with molecular biology techniques including PCR and Real-Time RT-PCR. In addition, the Hospital's Molecular Biology Lab is also a hub for receiving COVID-19 tests from partner hospitals;
- Cooperated with the Lancaster Bangkok Hotel, a contracted hospital serving as an alternative quarantine hotel for travelers entering Thailand (Alternative Quarantine; AQ);
- Partnered with Leenova Hotel, 56 Hotel, and Dahla Hotel to jointly establish hospital wards;
- Partnered with the Leenova Hotel, H2DO Hotel and Divalux Resort and Spa Hotel to jointly establish Hotel Isolation;
- Collaborated with the Lancaster Bangkok Hotel and other hotels to jointly provide “Test and Go” services to visitors to Thailand; and
- Provided alternative vaccinations of MODERNA-branded and government-allocated vaccines against the COVID-19 virus to the public.



### Crowdfunding on purpose

- None -

### Obligations for offering of securities

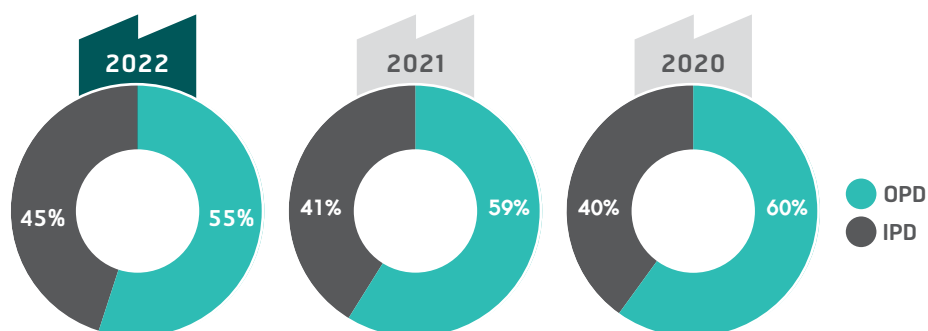
- None -

### General Information and Other Important Information

Name of Company	: Thainakarin Hospital Public Company Limited
Establish	: Thainakarin Hospital, Large General Hospital
Type of Business	: Private hospital
Address	: 345 Debaratna Road., km.3.5, Bangna Nuea, Bangna, Bangkok 10260
Registration Number	: 0107547000974
Registered Capital	: Baht 180,000,000. The capital is fully paid-up and comprised of 180 million ordinary shares of the par value of Baht 1 per share.
Website	: <a href="http://www.thainakarin.co.th">www.thainakarin.co.th</a>
E-mail	: <a href="mailto:ir@thainakarin.co.th">ir@thainakarin.co.th</a>
Telephone	: 0 2340 7777, 0 2340 6499, 0 2340 6488, 0 2361 2727, 0 2361 2828
Fax	: 0 2340 6431

## 1.2 Nature of Business

Thainakarin Hospital Public Company Limited is situated at 345 Debaratna Road km.3.5, Bangna Nuea, Bangna, Bangkok commenced, on 14 June 1993 under the name “Thainakarin Hospital” after that changed the name to “Thainakarin Hospital, Large General Hospital”, and have license to operate Health Facility establishment business. Being the private hospital in eastern Bangkok, it renders inpatient, outpatient and 24-hour emergency medical services by a multidisciplinary team of specialized doctors with state-of-the-art and standard facilities. Currently staffed by approximately 320 full-time and part-time doctors and 568 nursing staffs, the Hospital has an inpatient bed capacity of 190 and daily outpatient capacity of 2,000, with an after-hour clinic in service until 24.00 hrs. Medical services can be divided by types of patients into 2 groups, which are outpatient services (OPD) that accounts for 55% of the Company’s revenue, and inpatient services (IPD) for 45%.



## Revenue Structure

	2022		2021		2020	
	Amount (MB)	Proportion (%)	Amount (MB)	Proportion (%)	Amount (MB)	Proportion (%)
<b>Revenue from medical services</b>						
OPD	1,420.02	54.50	1,206.53	58.46	1,207.18	59.25
IPD	1,166.88	44.79	837.31	40.57	801.85	39.35
Total revenue from medical services	2,586.90	99.29	2,043.84	99.03	2,009.03	98.60
Other revenue	18.44	0.71	19.24	0.97	28.44	1.40
Total revenue	2,605.34	100.00	2,063.08	100.00	2,037.47	100.00

### 1.2.1 Types of Products and Services

Outpatient service is available from the following departments and centers:

- Heart Center
- Bone & Joint Center
- Holistic Oncology Center
- Breast Care Center
- Hemodialysis Center
- Check-up Center
- Skin & Laser Center
- Dental Center
- Gastrointestinal Center
- Lasik Center
- Brain and Neurology Center
- Rehabilitation Center
- Kidney transplant Center
- Wellness Center
- Diabetes & Endocrinology Department
- Traditional Chinese Medical Department
- Mental Health Department
- Hepato-Biliary & Pancreas Department
- Medicine Department
- Surgery Department
- Pediatrics Department
- Obstetrics and Gynecology Department
- Ear, Nose and Throat Department
- Eye Department
- Emergency Department
- ARI Clinic
- Laboratory Department
- X-ray Department
- Physical Therapy Department

**Patient's room types:**

- Operating Room (OR)
- Anesthesia Induction Room
- Delivery / Labor Room
- Cath Lab Department
- Intensive Care Unit (ICU)
- Coronary Care Unit (CCU)
- Ward
- Stroke Unit
- Nursery Department

Besides medical services and treatments, the Company also made available at its premises access to high-speed internet connection, 24-hour convenience stores, florist shops, hair salons, coffee shops, bakery shops, maternity shops, optical shop, food center, a Buddhist prayer room and a Muslim prayer room to offer superior convenience to patients and visitors.

## Capacity Utilization

Capacity utilization is assessed based on a comparison between the actual service capacity and projected maximum capacity, divided into OPD and IPD groups. The Hospital's service utilization has obviously decreased as a result of economic circumstance of the pandemic of COVID-19 and more severe competition.

OPD	2022	2021	2020
Capacity per day (times)	2,000	2,000	2,000
Capacity per annum (times)	730,000	730,000	732,000
Service per annum (times)	509,752	550,381	533,149
Capacity utilization (%)	69.83	75.39	72.83

IPD	2022	2021	2020
Capacity per day (times)	190	190	190
Capacity per annum (times)	69,350	69,350	69,540
Service per annum (times)	42,577	49,749	34,190
Capacity utilization (%)	61.39	71.74	49.17

## 1.2.2 Market and Competition

### 1. Overview of Private Hospital Industry in Thailand

During the COVID-19 pandemic in July-October of 2021 and February-April of 2022, the number of infections surpassed more than thousands of patients per day leading to a public health crisis as well as resulting in the deficiency of patients' bed number of public and private hospitals in many provinces. However, government agencies and the private sector had worked together to support the situation in providing, field hospitals, hospitelts, community isolation centers, for instance, in order to accommodate patients with various syndromes at that time. For patients with less or no symptoms with convenience of staying at home, the government had issued codes and guidelines for home or hotel isolation to enable hospitals to efficiently accommodate patients with severe symptoms to the most and fullest.

For an overview of private hospital revenues in 2022, the Krungthai COMPASS has expected its business revenue to continue to expand by 42.5%YoY in 2021, with a business rebounding by 32.3%YoY due to temporary factors from the treatment of the Covid-19 patients and the likely improvement in demand for non-COVID-19-related treatments. The main customers who came to use the service in 2022 were also Thai patients, whereas health insurance customers were the potential customers to help bolstering the income of private hospitals. It has also benefited from the relaxation of the country's entry measures since the end of 2021 and the opening of the country in the second half of 2022, extending a positive impact on the revenues of private hospitals with a high proportion of foreign patients. The number of foreign tourists entering Thailand in 2022 was estimated to be around 8.9 million up from the estimate in the first half of the year. It is expected that the proportion of foreign patients who would require to use medical services in Thailand was quite high, which will enhance a positive impact on the business.

In 2023, the international travel situation is expected to resume normal, enabling the international travel to be more convenient. As a result, the revenue of the private hospital business should continue to expand by 19.8%YoY. In addition to the stronger recovery of Medical Tourism, foreign patients from ASEAN, China, Russia, Japan and the Middle East will continue to return to private hospitals in Thailand due to their belief in the quality of treatment, medical expenses and cost of living which are not very high compare to other hospitals situated in the same region. Moreover, Thailand has 59 JCI-certified healthcare facilities for



their standards and services, while main support factors under the existing infrastructure are the increasing demand for medical care due to the number of patients and higher rates of illness, as well as lifestyles that are at risk of disease due to the spread of various intensified diseases.

*Resource: Krungthai COMPASS*

## 2. Industry Trends

For an Overview of the private hospital business due to the Covid-19 pandemic, hospitals are adapting to the “Next Normal” or new way of life era to accommodate the new normal of consumers after the arrival of COVID-19. There were, for example, the emphasis on “Digital Health” increased by expanding the channels to reach both domestic and international customers through the making of “Telemedicine” or “Teleconsultant”, the opening of real-time online medical consultations whereas traveling to the hospital was no need, including the opening of rehabilitation services after recovering from COVID-19, or counseling services for traveling to work abroad or studying. In addition, the COVID-19 has hastened up people to be more health-conscience, including concerned in more preventive health care and complex treatment of diseases, in order to live longer resulting in more purchase of health insurance, and more medical treatment in private hospitals as well.

## 3. Company's marketing strategy

In response to the COVID-19 pandemic, Thainakarin Hospital has opened a Biomolecular Laboratory to provide genetic testing services for COVID-19 with molecular biology techniques such as PCR and Real-Time RT-PCR to support both customers who came to the hospital for testing and group on-site testing. In addition, the hospital's Molecular Biology Lab is also a hub for receiving COVID-19 tests from partner hospitals.

In regarding to care services for the Covid-19 patients, both Thais and foreigners, the Hospital has prepared to manage its facilities to accommodate the growing number of patients each day. The plan was to convert the facility of the inpatient ward into a negative pressure room to accommodate the wider outbreak, as well as co-operated with partnered hotels such as Leenova Hotel, 56 Hotel, Dahla Hotel to jointly set up hospitel wards for asymptomatic or mild patients. The Hospital's partners such as the Leenova Hotel, H2DO Hotel and Divalux Resort and Spa Hotel jointly established "Hotel Isolation" in order to accommodate this group of customers.

In addition, during the COVID-19 pandemic, the number of beds was insufficient to meet the needs of patients. The Hospital had also cooperated with its counterpart company, Toyota Motor (Thailand) Co., Ltd., whereas the “Community Isolation” was set up at the Toyota Suwinthawong Education and Training Center for the care of people with the COVID-19 mild symptoms, who were still waiting for bed as well as groups of patients who were in the criteria of Patient Under Investigation (PUI) in order to help the Hospital to effectively manage most for the beds for the intensive care patients.

In the fourth quarter of 2021, the pandemic situation of the COVID-19 had eased due to the successive number of vaccinated people against COVID-19 from both public and private sectors. Later, the government started an opening policy for the country to restore the economy and tourism, thus the Hospital had accelerated the business adjustment plans to cope with the situation in cooperation with the Lancaster Bangkok Hotel, which was previously a contracted hotel with the Hospital to serve as an alternative quarantine hotel for travelers entering Thailand (Alternative Quarantine; AQ) and the Hospital had also collaborated with other hotels to jointly provide “Test and Go” services to support the services of those arriving in the country. In addition, the Hospital had also provided vaccination against the COVID-19, Moderna brand, and government-provided vaccines to more than 15,000 people.

Thainakarin Hospital has a future proactive strategy whereas its goal is to be a leading private hospital that is trusted by residents in the Eastern Bangkok area, as well as in the Eastern regions of Thailand in regard to the ability to provide medical services starting from discovery, analysis, prevention, treatment and control of disease, rehabilitation and health promotion. In the year 2021 - 2023, the Hospital had planned to upgrade the quality of treatment by opening a cancer center where comprehensive diagnosis, healing and rejuvenating both body and mind (Comprehensive Cancer Center). The treatment starts from Surgery, Chemotherapy, Targeted Therapy, Radiotherapy. In addition, the Hospital had also built a Linac building equipped with a Linear Accelerator (LINAC) and a computed tomography therapy simulator to increase the efficiency of caring for cancer patients. The project commenced in 2021 with a completion period of approximately one year and is expected to be operational in the last quarter of 2022.

In addition, the Hospital is planning to bring in medical tools and technologies to enhance the treatment of patients, including Digital Mammogram with Tomosynthesis to increase the accuracy of diagnosis. This medical tool enables the possibility to detect breast cancer more accurately since it can clearly distinguish between normal and breast cancer nodules which reducing the recall rate and improving the efficiency of screening patients for breast biopsy. The Hospital has, as well, provided Full Endoscopic Spine Surgery to shorten the recovery time in the hospital, reduce complications resulted from surgery and improve the patients' quality of life.

The pandemic of the COVID-19 has caused health-conscience to many people to learn how to protect themselves from getting more sickness with not just only the elderly who care about their health but also the new generation who pays also attention to the issue. As a result of the health-conscious trend of which most Thai people are concerned about, the Hospital is farseeing an opportunity in the "Wellness" industrial market that has doubled the growth rate due to the pandemic of the COVID-19.

In 2022, the hospital is planning to open a wellness center with a focus on prevention before disease progression. Recipients can learn about physical health, self-care practices, body strengthening, body degradation prevention, and how to solve health issues. Furthermore, the Hospital is planning to build on the areas of strengths and expertise in order to reach all groups of service users by expanding the base of providing preventive health check-up services in form of off-site (Mobile Check Up) for general service to recipients and contracted companies. The plan would be an enhancement to the Health Promotion & Wellness services for the group of service recipients who do not have any illness but care about their health and desire to promote their health for a better quality of life with the holistic health care. The service is organized with cooperations from a team of doctors and medical personnel who specialize in various fields such as occupational medicine and anti-aging medicine doctors, rehabilitation medicine physicians, psychiatrists, physical therapists and nutritionists, etc.

Since the pandemic situation of the COVID-19 in Thailand from 2020 to the present, there are numbers of infected patients including those who had been sick and recovered. The group of people who had been sick with the COVID-19 and were cured still need health advice after recovery since in some people, while sick, their lungs had been damaged. There are also other symptoms which are long-term effects on health. Even after being cured and the results of the infection are not found, in some person there are symptoms or complications after recovering from 1 - 3 months or more depends on the patient's physical system, or also known as the "Long COVID" condition. Therefore, Thainakarin Hospital has provided a Recovery Care service to take care of patients who recovered from the COVID-19, but still having complications or the condition of "Long COVID" with a multidisciplinary team, and a diverse medical team, both modern and alternative medicine to jointly diagnose, treat and restore health to be strong and healthy as before. The opening of the "Recovery Care" service also shows the readiness of the Hospital in order to support "Medical Tourism" and will be a refuge for patients who have been infected with the COVID-19 do not know how

to start taking care of their health after recovery, including those who are concerned for their long-term health. In addition to the service providing to people living in Thailand, the Hospital also plans to provide services to foreigners who come for business or travel in Thailand with the various government's relaxation measures.

In the past few years, for Corporate and Insurance customers, Thainakarin Hospital adopted a strategy, "Connect old, Reach new patients, and Expand the markets" to maintain relationships with existing customers. In particular, due to the Covid-19 pandemic, the overall revenue share of this group of customers has been growing. In the future, the Hospital plans to extend its medical services to reach more contracting customers by expanding the 'Thainakarin Outreach Clinic' service or Thainakarin Hospital nursing room located in the factory for patient referral to the Hospital. The 'Thainakarin Outreach Clinic' focuses on distinguishing itself from a typical factory clinic by owning a team of specialized doctors in each branch for medical check at the factory, providing "Telemedicine" or "Teleconsultant" for emergencies 24 hours a day, in order to enhance the quality of service and the image of Thainakarin Hospital. For insurers, the purchasing power of consumers has become limited with needless to incur excess costs caused by medical treatment, the Hospital plans to provide accessible medical expenses for patients by offering appropriate treatment and prevention programs to be more alternative. All of these stratagems are expected to render a greater competitive advantage in this business.

Construction of Thainakarin Hospital buildings and premises: During this year, the construction of the car park building and Linac building was carried out. The car park is complete and available for service. The Linac building is expected to be completed and available for operation by 2022.

In addition, the Hospital has planned and positioned the market with the aim of becoming the first hospital in minds of Bangkok residents on the Eastern area and in the Eastern regions of Thailand focusing on quality of treatment and medical services at a reasonable price. The reorientation of business operations has been adjusted to become more proactive in marketing, focusing on marketing and public relations in online marketing channels to be more widely known, such as online advertising along with promoting the image, focusing on creating engagement with the target audience more broadly. At the same time, the Hospital has put in place a marketing strategy with plans to develop an online store on its website (e-Commerce) since most consumers are using Search Engines to do research before buying a product or service. A prompt website with product or service details is therefore an essential factor for marketing in these days as it can reach customers perfectly well, increase sales opportunities, reduce the risk of losses and increase chances of making a profit.

The hospital business is a business that requires specialization and excellence in service. Thainakarin Hospital has continuously developed standards in all aspects whether it's medical care and treatment technology that needs to be developed to keep up with various ailments. In terms of services, the need to reach the principles of service is with heart and smile, as well as the development of personnel to be ready to meet the needs of service recipients.

Thainakarin Hospital remains committed to conducting business with the strength to lead the Hospital to enter the era of change and competition and ensuing that the Thainakarin Hospital will remain to be one of the hospitals that operates business firmly and benefits the society as a whole. Thainakarin Hospital deems for its commitment focusing on the function of being a decent member of a quality society under the motto 'Warm and confident at Thainakarin' as follows:

1. Thainakarin Hospital is committed, dedicated to quality development and accessible medical care at a fair cost.
2. Thainakarin Hospital is creating and developing a new generation of visionary personnel to be the future of the Hospital that continues to thrive now and henceforth.



## Major Customer

The Hospital's three major target groups of customers are classified by subscriber group and payment type as follows:

1. **Corporate:** Customers who are the employees of the contractual corporate making an agreement to define its employees to exercise medical welfare right at Thainakarin Hospital with expense of such corporate.
2. **Insurance:** Customers who are general customers and employees of the company providing welfare to its employees for receiving medical services at Thainakarin Hospital through health insurance with expenses of the insurance company based on coverage and conditions of each policy made by the insurance company.
3. **Self-pay:** General customers who pay for medical fee by themselves in the form of debit card, credit card or cash. Most of them live in the nearby areas while others are customers who live far from the hospital but are confident with quality and standards of Thainakarin Hospital as well as patients transferred from other hospitals.

## Performance Highlights

Over a period of 29 years, the Company has enhanced its medical care capacity and service strengths in pursuit of service and academic excellence, as follows:

1. **Promptness of Professional Treatment and Services :** Both medical and supporting personnel of the Hospital use knowledge and expertise in best performing their duties to ensure that the service recipients receive appropriate medical care and highest possible satisfactory services. Improvement and rectification of problems shall be readily and regularly carried out.
2. **Promptness of Physicians, Nurses and Multi-disciplinary Team :** Accessibility for patients and service recipients to comprehensive, swift and precise medical care is enabled by the promptness of our proficient medical team through 24-hour emergency units, namely
  - 2.1 24-hour Emergency Heart Center, thus capable of treating all irregular conditions of acute and chronic heart diseases.
  - 2.2 24-hour Emergency Brain and Neurology Center fully-equipped with medical and surgical equipment, thus capable of treating acute and chronic brain diseases, both of which help reduce mortality or disability rate of patients to a great extent.

Both Centers can facilitate fast, accurate and precise diagnostic results.

3. **Assured Trustworthiness of Medical Care and Hospitable Services :** The Hospital is always be regarded with trust and widely accepted in order to ensure that service recipients are assured to receive quality treatment and services from personnel who understands the true principles of service. The evidence shown from the 'Bangkok Life Smart Hospital Awards 2021' organized by the Bangkok Life Assurance Public Company Limited which presented the award honoring contracted hospitals for outstanding health insurance services in 6 branches and 11 hospitals. The Hospital received the Claim Service Excellence Award, which reinforcing the development of standards of treatment services and promoting the development of service standards of the Hospital.
4. **International Standard Quality :** The Hospital's medical care has been monitored and controlled in compliance with standards of relevant quality accreditation institutes. In 2003, the Hospital was granted a quality accreditation by the Healthcare Accreditation Institute (Public Organization), being one of the first hospitals to receive this endorsement and the Hospital has always renewed its accreditation (most recently the fourth in 2019). In 2022, the hospital is preparing to renew the fifth Hospital Re-Accreditation from the Healthcare Accreditation Institute (Public Organization).

### 1.2.3 Procurement of Products or Services

#### ☉ Medical Personnel

The Company has a policy to recruit doctors in various specialties, including other medical personnel such as nurses, etc., in order to deliver full-range and quality services. Up to now, it has succeeded in recruiting and retaining proficient medical personnel through appropriate remuneration and fringe benefits, favorable workplace environment, along with constant seminars and training schemes for doctors, nurses and medical personnel for their skills development and up-to-date knowledge to ensure of safety services.

#### ☉ Medicines and Medical Supplies

As medicines and medical supplies are essential raw materials for hospital business, the Company adopts a procurement process that is stringent in every step, from order placement where details of medicines shall be screened and decided by a committee consisting of doctors, pharmacists and procurement staff established to oversee appropriate medicine procurement, as well as inventory control.

Almost all medicines and medical supplies of the Company are procured domestically, hence no risk of shortage. To ensure availability of supplies, moreover, the Company establishes effective procurement and inventory management systems, alongside assessment of price suitability, efficiency and quality of products.

During the COVID-19 pandemic situation, the supply of medicines and specialty medical supplies may impact inventory management, but the Company was able to solve problems at each step of the way.

#### ☉ Medical Equipment and Tools

Due to increasing complexity of diseases nowadays, the Company needs latest medical equipment and tools to provide patients with quality services. As it is a large sum of investment, the Company takes into meticulous consideration the necessity and quality of the equipment and tools that can meet adequacy and utilization requirements

In 2021 - 2022, the Company purchased medical equipment to serve Linac Center in 2022, such as linear accelerator and computed tomography therapy simulators, as well as purchasing additional medical devices to be used in Breast Care Center, such as, bed sets for laying transfusion and breast biopsy, digital mammogram with tomosynthesis to enhance cancer treatment and screening. In addition, it has purchased surgical kits, spinal discs, endoscopic nerve pressure, etc., to increase the efficiency of the service.

The Company has usually made purchases from domestic distributors and also secured clear terms and conditions on prices and after-sales services for the cost-effectiveness and best utilization benefit.

#### ☉ Supply of medicines, medical supplies, medical equipment and devices from suppliers (Suppliers)

The supply of medicines, medical supplies and consumables, medical equipment and devices used in medical treatment each year is as follows:

(Unit: Million Baht)

Order List				
NO.	Year	Medical Device	Medicine	Medical supplies and medical consumables
1	Aug 2019 - Jul 2020	31.97	231.90	117.75
2	Aug 2020 - Jul 2021	194.14	218.12	123.94
3	Aug 2021 - Jul 2022	64.58	252.04	219.47

Purchase orders for medicines, medical supplies and consumables, medical equipment and devices used in medical treatment were ordered from domestic manufacturers or distributors. The committee was required to consider imports to Hospital in order to be as cost-effective and appropriate as possible.

#### 1.2.4 Operating Assets

##### ◎ Core Assets

The Company is in the process of developing the land with an area of 26,878 Square Meters (Thai Land Unit: 16 Rai - 3 Ngan - 19.5 Square Wa), in order to maximize the benefits of the Company's business.

The Company has a leasehold right of land and building which is the current establishment situated at No. 345, Debaratna Road km.3.5, Bangna Nuea, Bangna, Bangkok 10260 with a total area of 10,568 Square Meters (Thai Land Unit: 6 Rai - 2 Ngan - 42 Square Wa) with the Thai Red Cross Society. The term of the lease is 30 years from 9 November 2018 to 8 November 2048.

The Company's core assets as of 31 July 2022 are as follows:

(Unit: Million Baht)

Asset	Book Value	Type of Ownership
Land and land improvement	227.76	Owner
Land, construction and work in process	428.30	Please see notes
Operating systems	316.05	Owner
Office equipment and furniture	557.61	Owner
Medical equipment and tools	174.15	Owner
Vehicles	15.42	Owner
Total	1,719.29	
Less: Accumulated depreciation	940.29	
<b>Total Net</b>	<b>779.00</b>	

**Notes:** The Company comprises of 2 buildings, 14-storey front building and a 7-storey rear one, with a combined usable area of 64,325 Square Meters. From 9 November to 9 November 2022 the Company has insurance for all buildings, including foundations, fences, walls, gates, renovation items (excluding tools, machinery, spare parts, equipment, appliances for medical treatment), elevator systems, sanitation systems, fire extinguishing systems, wastewater treatment systems, water supply systems, chillers, electrical systems, air-conditioning systems, and generator equipment. The sum insured is 500 million baht. The beneficiary of the insurance is the Property Management Office of the Thai Red Cross Society. As for furniture, decorations, furnishings as movable assets, computer systems and equipment, communication systems, telephone systems, air-conditioned and climate-controlled rooms and refrigerators, instruments, machinery, and medical appliances, all kinds of medical assistive devices, medical supplies, drugs for medical treatment, all types of movable assets in the building, the sum insured is 300 million baht, the beneficiary of the insurance is Thainakarin Hospital Public Company Limited.

As of July 31, 2022, the Company has contributed to the renovation of the building, and a number of equipment and tools, which have been completely depreciated, but are still in use. Book value before deduction of accumulated depreciation of such assets is approximately Baht 670.47 million. (2021: 604.73 million Baht)

#### 1.2.5 Unfinished Jobs

- None -



## 1.3 Shareholding Structure

### 1.3.1 Shareholding Structure of Thainakarin Hospital Public Company Limited as of July 31, 2022

Thainakarin Hospital Public Company Limited

Jatu Charoen Development Company Limited  
(99.97%)

*Note: Jatu Charoen Development Company Limited establish on February 2022 in which the Company holds 99.97% of shares*

### 1.3.2 Persons with Potential Conflicts of Interest Holding Shares in a Subsidiary or Associate

- None -

### 1.3.3 Relationship with Major Shareholders' Business Group

The Company has a relationship with the business group of the significant shareholder, Vibhavadi Medical Center Public Company Limited, a shareholder who operates the same business in the same region.

## Shareholder

### Shareholding and Management Structure

#### ◎ Company's Securities

The Company's total registered capital is Baht 180 million. The capital is fully paid and has 180 million total shares at the par value of Baht 1 per share.

List of top 10 major shareholders of the Company as of 27 July 2022.

#### Shareholder

Names of Shareholders		Number of Shares	Proportion of shares (%)
1.	Siam Property Development Company Limited	50,000,000	27.78
2.	Vibhavadi Medical Center Public Company Limited	25,645,200	14.25
3.	Mr. Jatuporn Sihanatkathakul	21,540,000	11.97
4.	Mrs. Nilnate Mahatthanarak	4,636,600	2.58
5.	Mrs. Vaewta Looareesuwan	4,435,900	2.46
6.	Mrs. Somporn Juangroongruangkit	3,616,200	2.01
7.	Mrs. Nipapat Sihanatkathakul	3,000,000	1.67
8.	Mr. Niwatsilp Srisook	3,000,000	1.67
9.	Ms. Jane Olaric	3,000,000	1.67
10.	Mr. Charoen Meensook	2,500,000	1.39

*Source: Thailand Securities Depository Co., Ltd.*

The major shareholders having material influence on the Company's decisions on policies, management and operations are as follows:

1. The Sihanatkathakul family, which includes Mr. Jatuporn Sihanatkathakul, Mr. Suchart Sihanatkatakul, Mrs. Nipapat Sihanatkathakul, Mr. Thiti Sihanatkathakul, Mr. Pitipat Sihanatkathakul, Miss Onaree Sihanatkathakul and Mr. Tosaporn Sihanatkathakul, holds approximately 17.10 percent shareholding in the Company.
2. Members of the Sihanatkathakul family hold shares in Siam Property Development Company Limited and are authorized directors of Siam Property Development Company Limited

## 1.4 Registered and Paid-up Capital

As of July 31, 2022, the Company has a registered capital of 180 million baht, fully paid up of 180 million baht, which is 180 million ordinary shares with a par value of 1 baht per share. The Company does not issue other types of shares other than ordinary shares.

## 1.5 Other type of securities

- None -

## 1.6 Dividend Policy

According to the Company's dividend policy, the dividend payment shall be at least 60 percent of the net profit after corporate income tax. Nonetheless, the payout ratio may be lower than the said level if the Company finds it necessary to allocate the net profit to its business expansion.

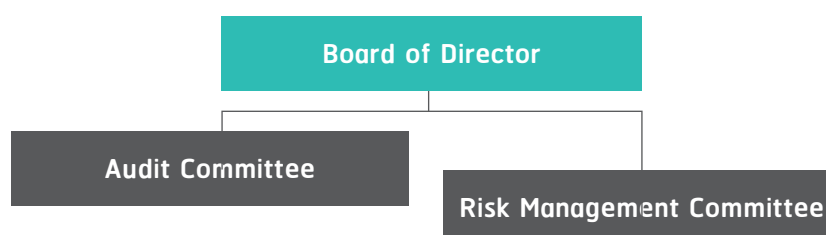
On 28 September 2022, the Board of Directors, in its meeting no. 4/2022, resolved to propose the 2022 annual dividend payment (from the operating results of the period between 1 August 2021 and 31 July 2022) at the rate of Baht 0.60 per share, totaling Baht 108,000,000 (One hundred and Eight million baht) to the 2022 annual general meeting of shareholders for approval.

Past dividend payment records are shown in the table below:

	2021	2020	2019
Earnings per share (Baht)	293,415,820	256,334,756	317,525,378
Dividend per share (Baht)	0.50	0.45	0.55
Dividend payment per net profit (%)	30.67	31.60	31.18

# 2 Risk Management

## Risk Management Structure



## 2.1 Risk Management Policy

The Company has applied the principles of risk management. Through risk management, there is a systematic and continuous organizational process to help the organization reduce each potential risk to an acceptable level and consistent with patient safety. It follows rules according to Hospital Accreditation (HA) standards, which the hospital continuously certifies and renews (Re-Accreditation).

## 2.2 Business Risk Factors

Risk factors for the Company's business are identified as follows:

1. **Risk from shortage of medical personnel.** There is a risk of shortage of medical professionals as well as difficulty in recruiting skilled and proficient personnel, e.g. specialist physicians or experienced nurses for the upcoming specialty centers, due to increasing demand for these professionals among both private and public hospitals.
2. **Risk from intense competition in hospital business.** Bangna area and its vicinities are viewed as high-potential locations with continual population expansion. Private hospitals take this as their marketing strength. Therefore, competition for market share in healthcare business in these areas will unceasingly intensify.
3. **The pandemic of COVID-19.** Since the beginning of 2020, there has been a pandemic of COVID-19 in the country. COVID-19 has mutated into variants, making the disease more severe and can spread quickly both outside and inside the country. In addition, it affects the overall economic condition, causing the people to spend less and involve various business operations, including the hospital business.
4. **Risk from changes in government policies.** Government measures, and government policy-making related to medical services, such as the "Universal Coverage for Emergency Patients (UCEP)." The policy allows people suffering from critical emergencies to receive free medical care in the nearest public and private hospitals or free medical services for patients infected with COVID-19. It allows the hospital to reimburse medical expenses from the National Health Security Fund or other related funds. The rates imposed by the government, which are inconsistent with the actual cost of the hospital, or the policy that sets medicines and medical supplies as regulated goods, have a considerable impact on the operation of private hospitals. It is because private hospitals do not receive any support from the government or for hospitals to sell medicines and medical supplies at controlled prices that do not correspond to the actual cost of medical care. These policies directly affect the Company's business income.
5. **Digital Transformation or Technology Disruption.** It quickly influences and affects the hospital business. In addition, consumer behavior will change after the COVID-19 pandemic situation unfolds. For example, consumers turn to wellness without having health problems and going to the hospital for treatment. In the future, the hospital will come to the consumer at home instead. Therefore, the hospital business has begun to adapt by using technology to improve service quality and provide convenience and satisfaction to customers.
6. **Information technology (IT) risks** refer to today's rapidly changing technology. Hospital business groups must adapt to keep up with the introduction of technology in the management of the work system, bringing modern medical equipment to connect information with the information system within the hospital. It affects the risk of facing threats. Cybercriminals which are increasing day by day, have more and more complex developments. Such as being attacked by Distributed Denial of Service (DDoS) that renders the system inoperable or "Malware" programs that intervene in the system

to send money transfer instructions that come up with “SMS” or weird attachments to websites. Such threats may affect the patient information of the hospital business. Therefore, the hospital has to supervise and manage information technology resources with personnel, processes, and use of information technology under risk management that are appropriate and sufficient to meet the risk level. Focusing on the importance of patient information creates a shared culture and behavior of everyone in the organization to be aware of potential risks. Appropriate information security policies are in place, proper roles and responsibilities are defined, and risks are monitored on an ongoing basis. It includes ensuring that the organization's personnel have sufficient knowledge and expertise and regularly enhancing their knowledge and understanding of technology.

7. **Abuse risks and patient information**, or health information, is information that most people do not want to disclose and do not want anyone to know about their health and diseases. In the digital age, health information is more accessible from the service recipients' lifestyles. Many people use digital watches, wristbands, cell phones, and various measuring devices to store their health data. The rise of health applications has increased the risk of espionage, data leaks, and exploitation without the data subject's permission or patient or further infringing on privacy. Nowadays, people are increasingly reliant on health-related technologies, filling out health data via apps to assess risks and recording data for more doctors to track symptoms online. It includes scanning QR Codes for screening in the places we visit.

## 3 Driving Business for Sustainability

### 3.1 Impact Management to Stakeholders in the Business Value Chain

The Company attaches great importance to development in every aspect to drive the business to grow and move forward sustainably. They cover economic, environmental, and social aspects under the principles of good corporate governance, considering the participation of all stakeholder groups. In addition, the Company has planned proactive strategies for future operations to be the most efficient for growth goals. It focuses on investment in treatment technology and State-of-the-art medical equipment to become “Expert Healthcare” to provide more variety of medical care and health care for people in East Bangkok. In addition to standardized medical treatment, expert doctors and modern treatment techniques regarding facilities are also crucial to the Company. Because of the stable business growth, the customer must be impressed by the excellent experience in the service.

### 3.2 Impact Management to Stakeholders in the Business Value Chain

#### 3.2.1 Business Value Chain

For Company to continue its business sustainably, all stakeholders, whether inside or outside the organization, are essential factors. The Company, therefore, places importance on the comprehensive business value chain management of stakeholders from upstream to downstream. These are 1. Shareholders, 2. Personnel, 3. Community and society, 4. Suppliers, 5. Business Competitors, 6. Service recipients by regularly engaging with all groups of stakeholders to create value for the Company's services to meet the expectations of stakeholders.



### 3.2.2 Analysis of Stakeholders in the Business Value Chain

Stakeholders	Engagement	Expectation	Response
1. Shareholder	<ul style="list-style-type: none"> <li>The Company arranges for the annual general meeting of shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has good operating results, stable growth, and business profits, including paying dividends to shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>Develop potential, and expand the business to grow continuously</li> </ul>
	<ul style="list-style-type: none"> <li>Prepare annual report one time per year</li> <li>The Company has disclosed essential information to invest in listed securities to investors through the SET Link system and the Company's website.</li> <li>The Company has a variety of channels to contact investor relations such as telephone, e-mail, and fax.</li> </ul>	<ul style="list-style-type: none"> <li>Updating important information and getting accurate, complete, and fast communication.</li> <li>Good corporate governance, transparency, and verifiable.</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure of information to the Stock Exchange is correct, complete, and timely for decision-making.</li> <li>Operate business under the principles of good corporate governance with transparency and fairness.</li> </ul>
2. Personnel	<ul style="list-style-type: none"> <li>The Company has surveyed the satisfaction and commitment of personnel.</li> </ul>	<ul style="list-style-type: none"> <li>Compensation, welfares, and benefits are reasonable and fairly.</li> </ul>	<ul style="list-style-type: none"> <li>Fair compensation and benefits appropriate and satisfactory to the personnel.</li> <li>75.80% employee engagement rate survey.</li> </ul>
	<ul style="list-style-type: none"> <li>The Company organizes an orientation for new employees every month.</li> </ul>	<ul style="list-style-type: none"> <li>Growth, stability, and advancement in the position.</li> </ul>	<ul style="list-style-type: none"> <li>Personnel have learned the Company's policy, vision, and mission.</li> </ul>
	<ul style="list-style-type: none"> <li>Personnel Training and Development (both specialized personnel and general personnel)</li> <li>Organizing meetings and seminars within the organization, such as the Occupational Safety, Health and Environment Committee meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Developing competencies and fostering the learning and potential required for work.</li> </ul>	<ul style="list-style-type: none"> <li>Develop knowledge and ability of personnel through training from internal and external agencies and provide opportunities for personnel to choose training courses suitable for themselves to develop their potential in the field, which averages 6.39 hours of training per person per year.</li> </ul>

Stakeholders	Engagement	Expectation	Response
	<ul style="list-style-type: none"> <li>Organizing activities according to various essential festivals and birthdays of personnel.</li> </ul>	<ul style="list-style-type: none"> <li>Treating personnel fairly and equally</li> </ul>	<ul style="list-style-type: none"> <li>In various activities, personnel in all positions have equal participation rights.</li> <li>Encouraging personnel in all positions and lines of work, such as awarding plaques and certificates to outstanding personnel and personnel who have completed 5 years, 10 years, 15 years, 25 years, and 30 years.</li> <li>Promote the health of personnel in all positions free of charge, such as annual health check-ups and vaccinations against Covid-19 and influenza.</li> </ul>
	<ul style="list-style-type: none"> <li>Updating news and information for personnel to be informed and up-to-date through various channels such as email, the Company's intranet media, the Company's Open Chat Line .</li> <li>Receiving personnel complaints through complaints channels or notifying directly to the Head office.</li> </ul>	<ul style="list-style-type: none"> <li>Contribute to comments and suggestions.</li> </ul>	<ul style="list-style-type: none"> <li>Use new information technology forms to keep up-to-date in communication with personnel.</li> </ul>
<b>3. Community and Society</b>	<ul style="list-style-type: none"> <li>The Company participates in community and social development and organizes activities to support and join the hospital, the community, and society.</li> </ul>	<ul style="list-style-type: none"> <li>There is an integrated management of wastewater and waste disposal treatment that meets standards and does not affect the community and the environment.</li> </ul>	<ul style="list-style-type: none"> <li>Manage the waste disposal system according to the legal guidelines.</li> </ul>
	<ul style="list-style-type: none"> <li>The Company organizes health education programs and assists in various fields with community and society.</li> </ul>	<ul style="list-style-type: none"> <li>Promote the community's and society's health by organizing health check-up activities and providing medical knowledge.</li> </ul>	<ul style="list-style-type: none"> <li>Organize activities to help, share and promote community health, such as providing medical supplies, ATK testing kits, and vaccinating local monks.</li> </ul>

Stakeholders	Engagement	Expectation	Response
4. Suppliers	<ul style="list-style-type: none"> <li>The Company met with partners to hear opinions and guidelines for joint practice.</li> </ul>	<ul style="list-style-type: none"> <li>There is a process for procurement, contracting, and memorandum of agreement that is fair, transparent</li> <li>The agreed conditions are fulfilled correctly and on time.</li> </ul>	<ul style="list-style-type: none"> <li>Selection of quality and moral partners.</li> <li>Comply with the procurement purchase and sale agreements with trading partners with transparency, fairness, and clarity.</li> <li>Make payments on terms and on time.</li> </ul>
5. Business Competitors	<ul style="list-style-type: none"> <li>Meeting and exchanging opinions with competitors</li> </ul>	<ul style="list-style-type: none"> <li>Conduct business competitions with honesty, without distorting facts.</li> <li>Comply with the rules of good competition and within the framework of the law.</li> </ul>	<ul style="list-style-type: none"> <li>Attending meetings about businesses related to private hospitals.</li> <li>Treat competitors with honesty, fairness, and transparency.</li> </ul>
6. Service recipients	<ul style="list-style-type: none"> <li>The Company surveyed satisfaction, opinions, and patient experience in receiving services.</li> <li>Treatment services with standards and safety.</li> <li>Organize activities and public relations marketing to meet customers</li> <li>There are many communication channels such as telephone, e-mail, letter, fax, Facebook, and Line Official.</li> </ul>	<ul style="list-style-type: none"> <li>Receive comfort in treatment and medical services from specialized medical personnel in various fields.</li> <li>Use innovation and technology that is of standard and modern in medical treatment.</li> <li>There is an easy-to-access, clear, and reasonably priced medical service communication channel.</li> </ul>	<ul style="list-style-type: none"> <li>The satisfaction survey results of the service recipients were satisfied at 93.61%.</li> <li>Serving customers following the measures to improve the quality of medical care and providing services to maintain quality medical care under the hospital quality standards and related rules.</li> <li>Use new information technology to keep up-to-date in communication with service recipients.</li> </ul>

### 3.2.3 Environment Policies and Practices

The Company is committed to conducting business with safety and environmental impact considerations. It includes setting up environmental management policies and encouraging personnel to be aware of the importance of the environment to achieve sustainability. It also sets a policy to reduce unnecessary use of resources and energy, such as reducing the use of documents by printing documents as needed or reducing electricity consumption such as turning off the lights and the air conditioners in some departments during lunch breaks etc.

## 3.3 Sustainability Management in the Environment Dimension

The Company has taken environmental actions to cover all dimensions, including:

### 3.3.1 Energy and Utilities Management

- Determine appropriate guidelines for the use of utility systems, such as turning off the lights in some departments during lunch breaks to be following the plan to control the use of energy appropriately while taking into account that it does not affect the quality and good service.

### 3.3.2 Solid waste management, Hazardous materials and wastewater

- Manual for storage and disposal of hazardous materials, such as blades and needles handling. Training programs on infection prevention and control as well as waste sorting are constantly arranged for personnel related to patient care and housekeeping.
- Manual for protection against chemical substances such as chemical inventory, together with practice guidelines for prevention and management against risk from chemical exposure at work.
- Wastewater treatment system has put in place by Sequence Batch Reactor (SBR).
- The new chiller system with environmentally-friendly refrigerant is used.
- Awareness is raised throughout the Hospital about waste reduction, focusing on reuse and efficient use of resources with a sense of eco-friendliness.
- Encourage to have good behavior about waste separation and waste littering.
- Introduce the campaign on “zero use” of plastic bags and foam.

### 3.3.3 Building quality inspection

- Fire extinguishing system and equipment are inspected 30<sup>th</sup> of every month and a full-scale inspection shall be conducted once every 6 months in accordance with the Ministerial Regulation Prescribing Standards for Administration, Management and Execution of Occupational Safety, Health and Environment in Relation to Fire Prevention and Control.
- Basic fire prevention and prevention knowledge is provided every year for staff.
- Annual fire evacuation drill is conducted once a year. In addition, basic fire extinguishing drills are arranged for high-risk working units, such as Nutrition Department, cafeteria, etc. so that the staff gain knowledge, understanding and awareness of fire hazard and can respond according to the Fire Prevention and Extinguishing Plan in the event of fire incident. Any flaws detected during the drills shall be used for developing a more efficient fire prevention and extinguishing system.
- Contingency plan against brawl incident in the Hospital’s premises and surrounding communities.

### 3.3.4 Management of safety in the workplace

- Building inspection is performed by internal units and external experts certified by the Department of Public Works and Town & Country Planning on an annual basis, with due structural improvement in compliance with the Building Control Act B.E. 2522 and other relevant laws in order to affirm and ensure service users and staff of solid and safe building structures.
- Relevant measurement are conducted in accordance with the Occupational Safety, Health and Environment Act, B.E. 2554 with reference to the Ministerial Regulations on standards for management and execution of occupational safety, health and environment for work involving heat, light and noise.
- Adjusting the area to provide appropriate treatment services for patients infected with the COVID-19.

### 3.3.5 Providing safety education to personnel

- Employee health promotion: The Company focuses on personnel for good physical and mental health. It provides full support to the health care of personnel by providing annual personnel health check benefits, medical expenses benefits, and influenza vaccination. It equips personnel with COVID-19 prevention equipment, including Personal Protective Equipment (PPE), Surgical Mask, Goggle/Face Shield, and COVID-19 Vaccination. It also includes the annual health check-up data of the personnel for analysis to find ways to prevent various diseases for personnel in the risk group as well.

### 3.3.6 Epidemic Prevention Measures and Epidemiological Surveillance

Due to the epidemic situation of COVID-19, the hospital has changed the work system and arranged the service model, including the service area improvement as follows:

- Improvement of ARI clinic area and inpatient ward for supporting patients in the pandemic situation of COVID-19;
- Providing service areas in each service point to have a distance between waiting areas for service, Including cleaning measures in the service area, patient rooms, medical equipment, ambulances, wheelchairs, and various touch points in the hospital such as escalators, elevator buttons, etc. according to the guidelines for prevention and control spreading infection in hospitals of the Ministry of Public Health;
- The hospital's operating room care and management system is safe from the spread of COVID-19.

### 3.3.7 Energy Management

#### 1. Fuel consumption

Energy Management of Fuel Oil and Liquefied Petroleum Gas, the Company has established measures and guidelines for fuel use, including a fuel reserve plan to continue operating its business and comply with the law.

The Company has the following fuel consumption data:

	2019	2020	2021
Fuel (liter)	200	235	226
Liquefied Petroleum Gas (kg)	209,186	172,265	155,374



## 2. Electricity consumption

The Company conserves energy consumption by defining a policy on energy management and communicating to personnel at all levels to know and follow the energy conservation measures. In addition, the Company has participated in developing energy management under Thai law with the Department of Alternative Energy Development and Efficiency.

The Company has the following information on electricity consumption

	2019	2020	2021
Electricity consumption (kilowatt-hour)	7,979,000	7,363,000	7,395,000

## 3. Water Consumption

The Company manages to have a 24-hour on-demand water supply. Water quality monitoring is carried out, water sources are tested, and test results are recorded regularly. Extra Tap water is also available in designated high-risk areas with the plan to reduce the risk when tap water becomes contaminated or cannot supply.

The Company has information on water consumption as follows:

	2019	2020	2021
Tap water consumption (cubic meter)	156,607	139,018	139,854

## 4. Effluent quality analysis in the wastewater treatment system

In 2021, the Company had an effluent quality analysis by the laboratory of Life & Environment Company Limited. The result of the effluent quality analysis for the Company's wastewater treatment system is within the standard.

## 5. Management of the disposal of waste

The Company has segregated waste into two main categories: general waste (comprising general waste and recyclable waste) and hazardous waste (Contains chemical waste, sharp waste, and infectious waste). With Krungthep Thanakom Company Limited and Bangkok, garbage trucks come to pick up general and hazardous waste every day for disposal. It ensures that waste management is safe for the community and protects the environment.

Statistics on the amount of waste volume each year are as follows:

	2019	2020	2021
General waste volume (kg.)	239,506	202,259	342,580
Hazardous waste volume (kg.)	76,585	58,529	131,377
<b>Total volume (kg)</b>	<b>316,091</b>	<b>261,127</b>	<b>473,957</b>

### 3.3.8 Occupational Safety, Health and Environment

The Company is committed to act responsibly toward the environment, safety and the society, thereby facilitating the safety and wellbeing of its staff, patients and visitors. This commitment has been adopted as policy and annual action plan under the supervision of the Hospital's Occupational Safety, Health and Environmental Committee, comprised of management-level representatives and employees as representatives of operating-level staff. The organization's physical, environmental and safety structures are managed in accordance with the Hospital and Healthcare Services Standards (No.4) of The Healthcare Accreditation Institute (Public Organization), Bureau of Disaster Prevention and Mitigation's standards for mega high-rise

buildings, and those of other agencies etc. These standards provide frameworks for planning, supervision and control. Meanwhile, pertinent information and indicators are used in analyzing and identifying causes in order to consistently take preventive and corrective actions on major physical, environmental and safety structures.

Number of accidents classified by nature and gravity, during August 2021 - July 2022

Nature of Accident	Number of Employees Exposed to Danger, and Gravity (Person)					
	Death	Disability	Leave, Over 3 days	Leave, 3 days or less	No Leave	Total
Chemical/secretions splashes	-	-	-	-	1	1
Sharp force	-	-	1	1	-	2
Puncture wound	-	-	-	-	8	8
Slip/trip/Fall	-	-	1	-	-	1
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>9</b>	<b>12</b>

### 3.4 Sustainability Management in Social Dimension

#### 3.4.1 Social Policies and Practices

Throughout 29 years in business, Thainakarin Hospital Public Company Limited has provided quality and high-standard medical care under the vision of **“Dedicated to being the Most trust hospital in Eastern Bangkok and Eastern Region in terms of medical expertise, technology, quality, international standards, warm service, and care like family.”** alongside the code of professional ethics. The Executives always holds that hospital business is not about profit-making only, but also the commitment to give best care for the health and quality of life of people, communities, the society and the environment. It is the Company’s firm belief that corporate social responsibility contributes to sustainable and robust business growth.

In this regard, the 5 core missions are set forth as follows:

1. To develop personnel competency, satisfaction and pride in the company;
2. To elevate the health care quality with international standard;
3. To progressively proceed with continuous and sustainable development of the company;
4. To achieve the best hospitality with a warm and family-like treatment that creates lasting impressions;
5. To manage in accordance with the corporate governance.

The Company has pursued the core missions through numerous projects and activities to attain business stability. The Hospital has also devised good corporate governance principles and provision of quality services in order to uplift quality of life and the society whilst helping preserve and restore the environment.

Thainakarin Hospital’s CSR scheme is carried out on the following basis:

#### 1. Fair business conduct

The Company adheres to fair business conduct based on ethical principles, transparency, honesty and accountability, in tandem with avoidance of monopoly and piracy. Practices include:

- Giving all vendors equal opportunity to tender in order to prohibit monopoly and price discrimination.
- Comparing prices of products and services in order to promote transparency in procurement and to reduce operating costs, resulting in reasonable prices for customers.
- Set out rules and procedures for procurement in order to uphold business ethics, to refrain from soliciting and offering any benefits, and to protect interests in collaboration with suppliers and creditors.

## 2. Non-infringement of Intellectual Property Rights

The Company seeks to purchase copyrighted computer software, images, fonts including any other intellectual property rights for legitimate use by the organization. It has prohibited all directors, executives and staff from reproducing, modifying, altering or executing any other acts which are an infringement of copyrights or rights in the aforementioned intellectual properties, and imposed penalties on persons infringing intellectual property rights according to Thainakarin Hospital's Information Security Policy to ensure fairness to the intellectual property right owners.

The Company sets guidelines on non-infringement of intellectual properties as follows:

1. The Company requires that all directors, executives and staff respect intellectual property rights of other persons. It shall seek prior permission of the legal owners of such intellectual properties.
2. The Company does not support the use of any works characterized as infringement of other persons' intellectual properties, whether in form of reproduction, modification, alteration, advertising, republication, exhibition or any other acts characterized as support of works that infringe other persons' intellectual properties.
3. The Company prohibits all directors, executives and staff from executing any acts characterized as infringement of other persons' intellectual properties, whether in form of reproduction, modification, alteration, advertising, republication or any acts characterized as infringement of the owners' of intellectual property rights

## 3. Respect for human rights

Appreciating that human rights are the basic rights inherent to all human beings, Thainakarin Hospital embraces respect for human rights under the following practices:

### 3.1 Overall process of services rendered to patients and customers

Thainakarin Hospital recognizes its duty as a medical care service provider with a responsibility to respect the customers' rights and complied with Personal Data Protection Act B.E. 2562. For this reason, staffs of all units have been inculcated with full regard for patients' rights according to the Declaration of Patients' Rights and Patients' Duties issued and certified by 6 professional federations on 12<sup>th</sup> August 2015, namely.

#### Patients Rights

1. All patients have the fundamental right to receive healthcare services as specified under the Constitution.
2. Patients seeking healthcare services have the right to receive accurate and sufficient information from healthcare providers, in words the patients can easily understand, about the illness, medical examination, treatment, advantages and disadvantages of such examination and treatment so that they can make a well-informed decision on whether to consent to or refuse treatment from healthcare providers, except in case of life-threatening emergency.
3. Patients in life-threatening conditions have the right to receive immediate attention from healthcare providers as necessary, whether or not the patients requested so.
4. Patients have the right to know names, surnames and professional status of the healthcare providers delivering services to them.
5. Patients have the right to seek a second opinion from other healthcare providers and to request for the change of healthcare service provider and establishment.
6. Patients have the right to receive from healthcare providers the strict protection of their personal information, except upon the patients' consent or by legal requirements.
7. Patients have the right to receive complete information for making decision to participate in or withdraw from an experimental research conducted by healthcare providers.

8. Patients have the right to receive information, upon request, about their own treatments as appeared in the medical records, provided that such information does not violate personal rights of a third party.
9. For patients under the age of 18 or with physical or mental impairment who are unable to exercise their rights, their father, mother or legal representatives may exercise such rights on their behalf.

#### **Patients' Duties**

1. Inquire to gain an understanding of all information and possible risks before placing their signature to consent to or refuse medical diagnosis or treatment.
2. Provide accurate and complete facts and information regarding their health to healthcare providers in the course of treatment.
3. Cooperate with and follow treatment-related advice of healthcare providers, and notify the healthcare providers in case they are unable to follow such advice.
4. Cooperate and comply with hospital rules and regulations.
5. Treat healthcare providers, other patients as well as visitors with respect and politeness, and avoid causing disturbance to others.
6. Inform relevant personnel of the Hospital about their healthcare rights along with documents thereof.
7. Patients should acknowledge medical facts and information as follows:
  - 7.1 Healthcare providers who work according to professional standards and ethics are duly protected by laws and entitled to protection against unjust accusations.
  - 7.2 "Medical practice" is hereby defined as modern medical practice that has been scientifically proven by the body of knowledge at that time to be of benefit rather than harm to the patients.
  - 7.3 Medical practice is unable to diagnose, prevent or cure every disease or condition.
  - 7.4 Every type of medical treatment carries possible risks of undesirable effects. Apart from that, inevitable events can occur even when healthcare providers have exerted sufficient care under conditions and circumstances of such medical treatment.
  - 7.5 Examination for the purpose of screening, diagnosis and follow-up may have varying results due to limitations of technology and other uncontrollable factors beyond operating standards.
  - 7.6 Healthcare providers have the right to exercise their discretion to select treatment process according to medical principles, their capabilities and limitations, as well as the given conditions and circumstances, and to provide consultations and transfers for the patients' rights and benefits in general.
  - 7.7 For the interest of patients, healthcare providers may give advice or suggest transfers in order that the patients receive proper treatment, provided that such patients are not in emergency and life-threatening conditions.
  - 7.8 Patients' concealment of their health-related information and medical facts from healthcare providers may adversely affect medical treatment process.
  - 7.9 Hospital emergency rooms are for patients under emergency and life-threatening conditions.

With respect to this, Thainakarin Hospital has posted up the Declaration of Patients' Rights and Patients' Duties in all services areas for customers' acknowledgement, promoted ethical conducts of service providers, and focused on active fulfillment of customer needs.

### 3.2 Information

All data in medical records is a kind of health information. Thainakarin Hospital has set a clear policy on privacy and confidentiality of patients. A good medical record management system is implemented across the whole process, with chief concern for fundamental rights and best interests of the patients. Medical records of the Hospital can be divided as follows:

1. Paper-based medical record: Information is kept in document form and into medical record files. The Medical Record Development Committee has a responsibility to set pertinent formats and processes, including preparation of new patients' medical records, and determination of information necessary for providing medical care. Important data shall be compiled by personnel in related units, e.g. basic information, benefit-related information by registration officer, patient care information by nurses, diagnostic and treatment information by physicians, etc.
2. Electronic medical record: Relevant data is recorded into the system by all service-providing personnel according to their respective access authorizations and duties. The Medical Record Development Committee, the Information Committee and other related parties are responsible for defining such authorizations, duties as well as information useful for arranging services compliant with recognized standards, such as Hospital Accreditation (HA), ISO 9001, JCI, etc.

All data, in whatever format, is known to be crucial and clear guidelines must be established regarding access authority to each medical record. Thainakarin Hospital staffs of all levels have acknowledged policy and complied persistently.

To develop the healthcare services, the key element of business relies partly on systematic utilization of intra-organizational information in support of management and operations. For example, healthcare information is presented Social Network, with the aim of generating maximum benefits for service recipients. Statistical data can be utilized by working units as a tool for efficient internal management, where the Business Intelligence (BI) system is developed for use in data analysis to boost organizational development efficiency. In addition to security system improvement and a clear policy on confidentiality and security of service recipients' data, the Hospital is pursuing development of more systems, namely call center system, online appointment system, etc.

In the situation of the COVID-19 pandemic, there are a number of patients who cannot stop going to the doctor and still need to get a diagnosis or consult a doctor at all times. Therefore, Thainakarin Hospital has begun to use the Telemedicine system or Telehealth to advise patients such as diabetics, blood pressure, lipid, heart, and kidney disease, etc., to reduce congestion and reduce exposure in hospital.

### 3.3 Corporate Social and Environmental Responsibility in Medical Record Execution and Management

The Medical Record Development Committee and multidisciplinary units have jointly formulated a policy on the Company's medical record management system, taking into account the rights of patients, the communications of information to health service colleagues, as well as the creation of a medical record keeping culture. The use of information for medical treatment purpose shall cover the provision of important information for medical treatment to other hospitals in compliance with acceptable standards of practices, namely Hospital Accreditation (HA), and with reference to international standards, such as Joint Commission International (JCI), the National Safety and Quality Health Service Standards (NSQHS), etc.

**Social Responsibility:** High priority is given to the consideration of the rights of patients and related persons in the medical record information. Examining physicians and service staff shall record all important factual information, access to which is granted only to the permitted requestors, authorized representatives and approving persons. Duplication of the approved medical history record must be in accordance with the



specified procedures in order to safeguard the confidentiality and safety of patients' information according to the Declaration of Patients' Rights and Patients' Duties, including related laws such as the Personal Data Protection Act. B.E. 2562.

**Environmental Responsibility:** Medical record documentation and files involve the use of a large quantity of paper. The Company has established guidelines for destruction of medical records of patients having lost contact for over 5 consecutive years. The patients' record documents shall be shredded to prevent the patients' information from being exploited, and then be recycled for useful purposes. Accordingly, the Company takes part in helping the environment and indirectly contributes to less cutting down of trees for paper making. At the same time, the hospital has the policy to promote and develop an electronic medical record system that will significantly reduce the use of resources in the process.

#### 4. Personnel

The Company puts emphasis on developing and managing personnel to have good consciousness towards society as well as to have knowledge, skills, specialization, and service mind, as well as strives to build social benefits via society by holding some trainings for providing knowledge as well as some projects or activities for society, for example, Put on & remove PPE, Patients Lifting & Moving, Infectious Diseases Prevention and Control, Basic Life Support, etc. In addition, the company also holds some activities to provide social benefits without seeking for any profit. For example granting some awards to personnel making benefits to customers and general people, etc.

The Company also attaches importance to safety in the work of personnel. It provides training for the safety supervisor to help supervise the work system to be safer for the operators. It is also regularly managed by the safety, occupational health, and work environment committee. Personnel occupational injuries will be analyzed, reviewed, and process improvements will be made for further prevention. Accordingly the Safety, Occupational Health, and Environment Committee and the Human Resources Department require the Company's personnel to be trained in fire prevention and suppression plans and fire evacuation plans for the safety of themselves and their patients every year. They also jointly survey the area within the hospital during the epidemic situation of the COVID-19 to manage the area for personnel to be as safe as possible.

#### 5. Anti-Corruption

The Company seeks to promote the significance and awareness of anti-corruption among employees of all levels, as well as taking internal control measures against corruption and bribery-related conducts of all forms.

Under the Company's business philosophy, all its business associates must act in a forthright, honest, accountable and non-corrupt manner in compliance with relevant laws and corporate anti-corruption policy, without bringing disgrace on or undermining the Company's reputation. Pertinent practices are adopted as follows:

1. Never commit corruption and be cautious in the course of high-risk operations;
2. Never disregard or ignore any acts of corruption related to the Company when witnessing one, must report the case to the supervisor or responsible person, and cooperate in the fact-finding investigation as well.
3. Giving or accepting of financial donations and sponsorships must be carried out with transparency in accordance with the Company's regulations and governing laws. It must be ensured that such donations or sponsorships are not used for bribery.
4. Be duly careful when conducting business transactions with any persons, juristic persons or organizations suspected of corruption.

## 6. Fair Labor Practices

The Company respects and obeys the law and code of ethics in treating every employees equally without any discrimination. Pertinent practices are as follows:

- The recruiting and hiring system is consistent with the fair treatment of workers. There is a process of recruiting personnel that is suitable for the position to work in the Company. The Company has a policy of non-discrimination, non-using child labor, and non-biased employment to respect human rights. The Company has recruited for jobs in nearby communities and coordinated with the district office to create jobs for people in the community.
- Payroll system, disciplinary procedure, and protection of pregnant employees are carried out on a legal, fair and equitable basis.
- Employment of the disabled demonstrates respect for human rights and promotion of career progress and security for disabled people. The Company has therefore given career support to persons with disabilities and employed them for positions suitable to their physical and mental conditions, such as telephone operators and officers at various units.
- The Company provides job security to its personnel through the long-term employment policy. Also, it develops people's potential to encourage people to have the opportunity to advance in their careers.

## 7. Responsibility to Personnel

The Company attaches importance to human resource management, ranging from recruitment, selection, training, and knowledge development, therefore, the Company has executed and developed the performance to ensure that its personnel work efficiently with happiness and safety at work. The Company has formulated a core human resource management strategy under the framework of “Happy Workplace and Learning Organization” to align with the organization’s values of “T-N-H” as follows:

- **T** : Teamwork and Staff value
- **N** : Non-stop learning and Improvement
- **H** : Hospitality and Quality care

## 8. Responsibilities towards Consumers

Due to the pandemic situation of COVID-19, the hospital has changed the work system and arranged the service model, including the service area improvement as follows:

- Improvement of ARI clinic area and inpatient ward for supporting patients in the pandemic situation of COVID-19;
- Providing service areas in each service point to have a distance between waiting areas for service, Including cleaning measures in the service area, patient rooms, medical equipment, ambulances, wheelchairs, and various touch points in the hospital such as escalators, elevator buttons, etc. according to the guidelines for prevention and control spreading. infection in hospitals of the Ministry of Public Health;
- The hospital's operating room care and management system is safe from the spread of COVID-19.

The Company recognizes that the customer is the most important factor in becoming a Hospital of Choice in Eastern Bangkok & Eastern Thailand. It aims to satisfy the service recipients by providing quality services, responding to the needs and expectations of the service recipient professionally, and taking care of them like family members.

## 9. Innovation and Diffusion of Innovation obtained from CSR Operations for Society, Environment, and Stakeholders

- None -

## 10. Community and Social Development

### 10.1 CSR Activities



#### Blood Donation

Thainakarin Hospital joined the Blood Center and the Organ Donation Center of the Thai Red Cross Society in running the “Plus One Blood Donation, More Blood More Lives Year 3<sup>rd</sup> Any Strong and healthy person can donate blood every 3 months total 4 times per year.



#### Kor Kai Nai Sai Mok Project

Thainakarin Hospital donated money with medicines and medical supplies, as well as items to support the “Kor Kai Nai Sai Mok” project to fund lunch for children on the occasion of National Children’s Day 2022 at the Mountain Thai community “Mae Fah Luang”, Baan Tasude, Mae Wa Luang Subdistrict, Tha Song Yang District, Tak Province, with Pattama Rimmakulsap, M.D., Executive Director and Mrs. Supanee Langsatan, Marketing and Marketing Communications Manager, acting as the donators with Mr. Pichet Suksawat, President of the Kor Kai Nai Sai Mok group acting as a recipient delegate.





## School's Activities

Thainakarin Hospital handed out COVID-19 Antigen Test Kits (ATK) 600 sets to schools in the surrounding area, whereas 200 sets of ATK kits were giving out to La Salle School, 200 sets to St. Joseph Bangna School and 200 sets to Rajwinit Bangkaew School in order to ensure the safety of teaching and studying during the COVID-19 pandemic. The activity was proceeding and delivered by Rear Admiral Surachet Suphanich, M.D., and the management team.



## Activities for the public benefit

Thainakarin Hospital in collaboration with Luang Por Buddh-Jatu Charoen Foundation wished to be a part of social support by establishing a corporate social responsibility (CSR) project “**Offering Moderna Vaccinations to Monks and Government Agencies**” in the area surrounding the Hospital to promote good health, herd immunity and to keep distance away from COVID-19. A large number of temples and government agencies participated in the Project, such as Wat Wachiratham Sathit Worawihan (Wat Thung Sathit), Wat Bunrod Thammaram, Wat Bang Ping, Wat Dan Samrong, Bangna District Office, Samut Prakan Rural Road Office, Bangna Provincial Police Station, and Bang Kaeo Police Station, etc.







Thainakarin Hospital in collaboration with customers who pre-ordered Moderna alternative vaccines, organized “The 1<sup>st</sup> Thainakarin Customers Forward Moderna Vaccine to Create Covid-19 Immunity Project” to deliver good health to government officials and volunteers working in public service who have not received yet the COVID-19 vaccine. There were official agencies from Bangna District Office, volunteers from Bangna Fire Station and Phra Khanong Fire Station interested in participating in this Moderna vaccination event held at the meeting room on the 4<sup>th</sup> floor of Thainakarin Hospital Building.



Thainakarin Hospital in collaboration with customers who ordered Moderna alternative vaccines, organized “The 2<sup>nd</sup> Thainakarin Customers Forward Moderna Vaccine to Create Covid-19 Immunity Project” to deliver good health to the 608 group. (The 608 group is a group of people that need to be vaccinated against COVID-19 include people aged 60 and over, and those with 7 medical conditions, such as chronic respiratory diseases, cardiovascular disease, chronic kidney failure, cerebrovascular disease, obesity, cancer and diabetes, including pregnant women over 12 weeks of gestation.) There were numbers of people interested in receiving vaccination services at the meeting room on the 4<sup>th</sup> floor of Thainakarin Hospital Building.





Thainakarin Hospital was in collaboration with Thai Honda Co., Ltd., in organizing the “FAT ATTACK” health promotion project for Thai Honda employees to focus on health promotion rather than health treatment.

There was a preliminary health check-up activity at the event, with blood pressure monitor, positive empowerment activities and concepts for patients with the disease led by Ornkamon Inkongngam, M.D., chief physician of the Wellness Center, as the educator. At the event, there were recommendations made for dental health care by registered nurses from dental centers, as well as advice on healthy nutrition by nutraceuticals with demonstration of food making for health lovers by the nutrition team of Thainakarin Hospital.

In addition, participants received, as well, good advice during the “Fat Loss” session by Thanyathip Jongbunyanupap, M.D., internal Medicine, Diabetes and Endocrinology together with physical therapy demonstrations and recreational gaming activities and souvenirs. There were lots of the Thai Honda employees interested in participating in variety of activities. The event was held on July 5 and 12, 2022 at the Meeting Room of Thai Honda Co., Ltd. (Ladkrabang Industrial Estate).



#### **Thainakarin organized ‘Hands of Hero’ event to deliver good health to ‘Knightsbridge Condo’ residents**

Thainakarin Hospital in collaboration with The Origin Property Public Company Limited organized the ‘Hands of Hero’ event to promote good health for residents and dwellers of the Knightsbridge Sukhumvit-Thepharak Condominium Project. There were basic health check-up activities such as blood pressure monitoring services, measure of composition within the body and explained the results by a dietitian, educated them on first aid with CPR by a registered nurse, and demonstration of how to exercises to help improve the performance of the heart by physiotherapists, etc.

There were also DIY activities to decorate potted plants, saving the planet, more friends activity, following Facebook: Thainakarin Hospital, receiving souvenirs and Thainakarin membership card and special promotions were offered to the residents who participated in the event held on Sunday, July 10, 2022.



#### **10.2 Luang Por Bhuddh - Jatu Charoen Foundation**

Luang Por Bhuddh - Jatu Charoen Foundation was established by the remark of Phra Rajasangvarayana (Luang Por Budh Thaniyo) of Wat Pa Salawan, Nakhon Ratchasima. In the beginning, Phra Rajasangvarayana wished to set up a fund to help out sick monks who lacked attendants or money to pay for medical fees. He then gave a sum of 151,400 baht, donated by his disciples and benefactors, to the Company for use as the initial fund. On 1<sup>st</sup> February 1998, the Company therefore carried out his wish and established “**Luang Por Bhuddh for Sick Monks Fund,**” with Phra Rajasangvarayana being the advisor to the Fund Committee until his decease in 1999. Subsequently, the establishment of “**Luang Por Bhuddh - Thainakarin Hospital Foundation**” was registered on 1 June 2011. Its name was later changed to “**Luang Por Bhuddh - Jatu Charoen Foundation.**”

## Our Key Activities with Luang Por Buddh - Jatu Charoen Foundation

- **Provided Medical Treatment Fee Funding to help out Sick Monks**

There are around 150 - 200 sick monks under the medical treatment fee funding program in every single year. Our company has fully supported this funding program in term of medical treatment fees for sick monks.

- **Offered Robes to Buddhist Monks**

Offering robes to Buddhist monks is the great merit-performing. This offering will not be doing to a specific monk but to any of the Buddhist monks at monastery. Our Company and the Foundation have arranged this activity every year.

- **Public Affairs Activates**

In order to support general public affairs, the Foundation has donated to the following organizations.

Thainakarin Hospital in collaboration with Luang Por Buddh - Jatu Charoen Foundation with Charoen Meensook, M.D., Chairman of the Board and Charoen Chouriyagune, M.D., a physician donated money, gifts baskets and essential items for the Priest Hospital, the Ban Bang Khae Social Welfare Development Center and Sosa Children's Foundation of Thailand, under the royal patronage (Sosa Children's Village, Bang Pu, Samut Prakan). The activity has been organizing continuously for over the years in a row with the commitment to help sick monks as well as the elderly, groups of children and youth who are the future of the nation. Mrs. Sirisilp Chiasuwan, Director and Secretary of Luang Por Buddh - Jatu Charoen Foundation, along with the party, acting as representative of the Company. The activity took place on February 2, 2022.





On the occasion of the 29<sup>th</sup> anniversary celebration, Thainakarin Hospital in collaboration with Luang Por Bhuddh - Jatu Charoen Foundation donated 100,000 Baht to support Ramathibodi Foundation for needy patients and the purchase of medical equipment. Mrs. Sirisilp Chiasuwan, Director and Secretary of Luang Por Bhuddh - Jatu Charoen Foundation, along with the party, acting as representative of the Company presented the donation, while Sarocha Itthiamornkulchai, M.D., Assistant Director of The Chakri Naruebodindra Medical Institution, was the recipient. The event took place on Thursday, June 2, 2022.



- On the occasion of the 29<sup>th</sup> anniversary celebration, Thainakarin Hospital in collaboration with Luang Por Bhuddh-Jatu Charoen Foundation donated 100,000 Baht to support sick monks at the Priest-Hospital with the commitment to continuously contribute to society. Mrs. Sirisilp Chiasuwan, Director and Secretary of Luang Por Bhuddh-Jatu Charoen Foundation, along with the party, acting as representative of the Company presented the donation, while Mr. Vorasak Kwancharoensap, Deputy Director of Nursing was the recipient. The event took place on Thursday, June 2, 2022.



#### Donation can be made to:

Saving account: **“Luang Por Bhuddh - Jatu Charoen Foundation”**

TMBThanachart Bank Public Company Limited, Bangna Branch  
(Ample tower Building), account number: 725-2-01189-0

#### In case donation receipt is required:

Tel. 0 2340 7777, 0 2361 2727 ext. 3397 or Fax. 0 2340 6431



## 11. Social Performance

The Company has organized the recruitment and selection of personnel, as well as personnel care, for the ensuring of personnel engagement to the organization. In the past year, the Company had significant operational personnel as follows;

### 11.1 Personnel training

The average number of training hours was 6.39 hours per person per year, focusing on regular training in various specialties, including nursing and other professions such as New in Breast Cancer Care: Challenges and Opportunities, Chelation Therapy, Genetic Counseling of the Health Professions Council, Anti-Cancer Community Coalition, Nursing and Health Literacy for Non-Communicable Disease Management, as well as emerging infectious diseases, etc.

## 11.2 Occupational Safety, Health and Environment

In the past year, the Company continuously adjusted the efficiency of safety operations in order to reduce the risk of illness and took care for the safety of the personnel's work environment appropriately. Significant operations had been carried out, such as, the Safety, Occupational Health and Work Environment Committee was set up, and this committee was responsible for considering occupational safety policies and plans, reporting and suggesting measures or solutions to legal improvements regarding occupational safety, and organizing workplace safety courses for personnel in order to instill personnel awareness of the importance of such matters, and be capable to work effectively and in accordance with the standards prescribed by law.

In the past year, the Company had 12 cases of work-related injuries. In this regard, the Company had already implemented such accident prevention measures, namely, reviewing existing Standard Procedures, Work Instruction, and developing standards policy that are essential for safety with safety manuals for the work of the unit so that personnel can comply correctly in accordance with the safety standards of the Hospital and regularly provide training on safety in the workplace knowledge for personnel.

## 11.3 Personnel Engagement

In the recent year, the Company has developed plans for employee engagement as follows;

1. Improved the organizational structure by dividing duties with appropriate chain of command and clear delegation of authority;
2. Enhanced additional training of knowledge and skills needed to perform tasks;
3. Awarded the outstanding personnel which in the previous year, there were 6 personnel receiving the awards.
4. Award given to personnel working with the Company for a long time, or the Long Service Award (LSA), which in the past year the awards went to 156 personnel.
5. Encouraged potential nursing personnel to train externally with educational institutions in specialized nurse practitioner (NP) course, such as cardiovascular nursing, organ donation and organ transplant nursing, stroke nursing, and general practice nursing, etc.
6. Provided supporting to personnel according to the situation, such as enhancing extra shuttle service between the building and the outdoor parking lot., adding light to outdoor parking lots, discounts offering on food at the food court, allocating of resources needed for COVID-19, such as medical care for personnel and families, allocating of COVID-19 vaccines to personnel and families, allocating of PPE equipment for frontline personnel, allocating of ATK test kits, etc.

In this regard, the Hospital estimated personnel engagement to the organization at 75.80% and 1.54% of personnel voluntarily resigned.

TYPE	Number of Personnel	
	Male	Female
Full-time personnel	196	1,005
Personnel with disabilities	7	7
<b>Total</b>	<b>203</b>	<b>1,012</b>

## 4 Management Discussion and Analysis: MD&A

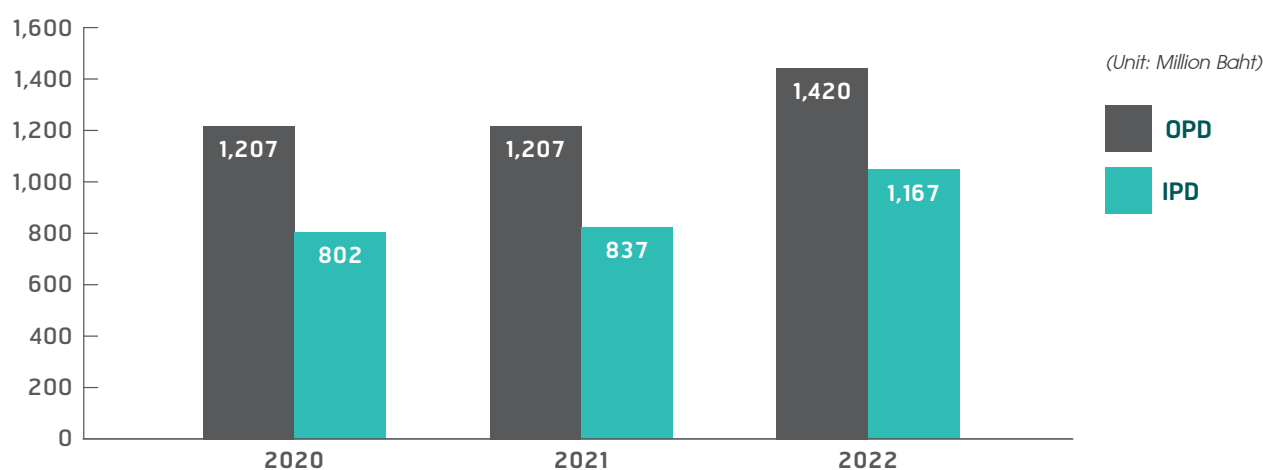
### Operating Results and Profitability

#### Revenue

Operating results for the 2022 financial year from 1<sup>st</sup> August 2021 to 31<sup>st</sup> July 2022 registered total revenue of Baht 2,605.34 million, Baht 2,586.90 million or 99.29% of which came from medical service fees. The total revenue improved by Baht 543.06 million or 26.57% when compared to that of 2021 which resulted from increased number of IPD by Baht 329.57 million or 39.36% and the income of OPD increased by Baht 213.49 million or 17.69%

Due to the pandemic of the coronavirus disease 2019 which is increasing from May 2021 until it began to relieve in March 2022, causing infected people to receive treatment. Each patient will require a longer period of quarantine and treatment than common diseases. From the above reasons, the occupancy rate of inpatient rooms and the average rate of medical expenses per patient is higher than the year 2021

Revenues from OPD and IPD medical fees for 2020, 2021 and 2022 are as follows:



Most of the Hospital's customers in 2022 were Thais, consisting 4 largely group of self-pay patients, insured patients, contractual parties and accounts receivable from government agencies.

Furthermore, the Company have other revenues included interest income from investment and rental income which aggregately accounted for 0.71% of total revenue.

#### Cost of Medical Services

In 2022, the Company's cost of medical services (including depreciation and amortization) amounted to Baht 1,814.83 million. 70.15% of medical expenses is decreasing from 2021 which was 74.09% due to the ability to manage costs effectively and earn more income from fixed expenses with existing resources.

#### Administrative Expense

In 2022, the Company had total administrative expense of Baht 264.23 million, growth from 2021 by Baht 78.83 million or 38.78%. In 2021, the personnel compensation has workload and responsibilities during the epidemic approximately Baht 40.8 million and allowance for doubtful accounts increase Baht 10.74 million arising from debtors waiting for disbursed from the government and debtors - insurance companies that have been dissolved in this year 2022.



## Income Tax

Tax income of the Company in 2022 totaled Baht 101.45 million, increasing from 2021 by Baht 36.65 million or 56.56% as a result of more operating net profits. Corporate income taxes in 2022 and 2021 were imposed at the rate of 20%.

## Income Statement

	2022	2021	2020
Total Revenue (Million Baht)	2,605.34	2,063.08	2,037.47
Net Profit (Million Baht)	424.83	293.41	256.33
Net Profit Margin (%)	16.31	14.36	12.58
Gross Profit Margin (%)	30.00	25.90	23.98
Return on Equity (%)	18.36	14.39	13.82

For reasons mentioned above, the Company has increase in revenue growth rate of 26.57% and a net profit increase rate of 44.79% when compared to that of 2021. It has firmly pursued the policy on delivering high standard and quality services at fair prices.

## Financial Position

The Company's financial position as of 31<sup>st</sup> July 2022 is as follows:

	Assets			Liabilities and Shareholders' Equity	
	Amount (MB)	Ratio (%)		Amount (MB)	Ratio (%)
Current assets	1,567.86	52.83	Current liabilities	373.57	12.59
Non-current assets	1,400.10	47.17	Non-current liabilities	110.91	3.74
<b>Total</b>	<b>2,967.96</b>	<b>100.00</b>	Shareholders' equity	2,483.48	83.67
			<b>Total</b>	<b>2,967.96</b>	<b>100.00</b>

Details of assets can be summarized as follows:

(Unit: Million Baht)

Description	2022	2021	2020
Cash and cash equivalents	697.02	366.74	312.04
Current investments	472.55	720.49	645.64
Trade and other receivables	360.77	260.32	119.92
Other current financial assets	36.17	36.43	33.42
Long-term deposits at financial institutions	1.00	-	-
Land, buildings and equipment	779.00	521.84	480.11
Other assets	621.45	644.82	653.71
<b>Total assets</b>	<b>2,967.96</b>	<b>2,550.64</b>	<b>2,244.84</b>

As of 31<sup>st</sup> July 2022, the Company recorded cash and cash equivalents of Baht 697.02 million, comprising Baht 8.22 million cash and Baht 688.80 million bank deposits.

As of 31<sup>st</sup> July 2022, the Company recorded current investments of Baht 472.55 million, decrease from 2021 of Baht 247.95 million which is flexibility to adjust investment in accordance with the direction of interest rates that will increase in the second half of 2022.

As of 31<sup>st</sup> July 2022, the Company recorded trade and other receivables of Baht 360.77 million, a year-on-year increase from 2021 of Baht 100.27 million or 38.52% due mostly to incremental net trade receivables which related with increasing revenue from treating COVID-19 patients in 2022.

Details of trade receivables as of 31<sup>st</sup> July 2022, 2021 and 2020 are as follows:

Trade Receivables	2022		2021		2020	
	(MB)	(%)	(MB)	(%)	(MB)	(%)
Not yet due	88.95	21.17	147.64	56.74	55.58	47.7
Overdue						
Less than 3 months	97.13	26.40	95.01	36.52	40.38	34.7
3 - 6 months	52.82	14.36	10.75	4.13	11.90	10.2
6 - 12 months	124.78	33.91	5.54	2.13	7.05	6.1
More than 12 months	4.25	1.16	1.25	0.48	1.51	1.3
Total trade receivables	367.93	100.00	260.19	100.00	116.42	100.0
Less: Allowance for doubtful accounts	(15.36)		(5.89)		(2.27)	
<b>Total trade receivables - net</b>	<b>352.57</b>		<b>254.30</b>		<b>114.15</b>	
Average collection period	44 days		34 days		23 days	

Because of the stringent debt management policy, the Company's average collection period increased by 44 days change from the previous year, an increase of 10 days. If we consider the proportion of trade accounts receivable, it is found that 35.07% of the debtors are debtors that is more than 6 months past the due date. Most of them are debtors that have to wait for a drawdown from government agencies that need to wait for approval for payment from the government with taking a longer time. Other accounts receivable and had debtors overdue for more than 12 months at 1.16%. The Company has the policy to set aside allowance for doubtful accounts for debtors that are expected to be unable to collect. It considered from past collection experiences and debt aging, as of July 31, 2022, the Company has recorded an allowance for doubtful accounts of Baht 15.36 million.

As of 31<sup>st</sup> July 2022, the Company's inventories amounted to Baht 36.17 million, divided into medicines and medical supplies of Baht 33.79 million or 93.42% and other materials of Baht 2.38 million. The inventories are increase from medicines and medical supplies due to reserve during the situation of the pandemic of Coronavirus 2019 (COVID-19)

As of 31<sup>st</sup> July 2022, the Company's land, buildings and equipment totaled Baht 779 million. During the year 2022, the Company constructs a 9 storey car park building and Linac Center building, including the Company has constantly invested in medical equipment to boost its service capacity in support of future growth. In the financial year 2022, the value of its investments was Baht 322.92 million, and depreciation during the year 2022 was Baht 64.55 million.

Financial Ratios	2022	2021	2020
Return on fixed assets (%)	65.40	58.57	53.12
Return on assets (%)	19.09	14.94	14.45

Return on fixed assets and return on assets for 2022 were 65.40% and 19.09%, increasing from the last year because of the Company has net asset value of fix assets increase.

### Liabilities

Details of liabilities as of 31<sup>st</sup> July 2021, 2020 and 2019 could be summarized as follows:

(Unit: Million Baht)

Description	2022	2021	2020
Trade and other payables	209.13	161.23	126.59
Doctor fee payables	106.57	79.55	73.10
Income tax payables	26.71	30.62	14.99
Provision for long-term employee benefits	102.96	94.34	97.55
Other liabilities	39.11	36.25	1.90
<b>Total liabilities</b>	<b>484.48</b>	<b>401.99</b>	<b>314.13</b>

As of 31<sup>st</sup> July 2022, the Company registered trade and other payables of Baht 209.13 million, increasing from 2021 by Baht 47.90 million or 29.71% and the Company's doctor fee payable amounted to Baht 106.57 million, increasing from 2021 by Baht 27.02 million or 33.97% in consonance with the increase of medical fee revenue.

As of 31<sup>st</sup> July 2022, the Company had income tax payables of Baht 26.71 million, decrease from 2021 by Baht 3.91 million or 12.77%. Income tax rates for 2022 and 2021 were 20%.

As of 31<sup>st</sup> July 2022, the Company registered provision for long-term employee benefits of Baht 102.96 million, down from 2021 by Baht 8.62 million or 9.14%. Due to during the year the Company was calculate long-term employee benefits obligation based on changeable assumptions including discount rate change drop in 1.67% from 2.16%.

### Shareholders' Equity

Shareholders' equities of the Company as of 31<sup>st</sup> July 2022, 2021 and 2020 were Baht 2,484 million, 2,148.65 million and 1,930.71 million respectively, showing a steady growth driven by increasing comprehensive profits net of interim dividend payments.

### Liquidity

(Unit: Million Baht)

Description	2022	2021	2020
Cash flow from operating activities	460.66	309.44	312.26
Cash flow used in investing activities	(40.40)	(173.73)	(168.94)
Cash flow used in financing activities	(90.00)	(81.00)	(99.00)
Net increase (decrease) in cash and cash equivalents	330.27	54.70	44.32
Cash and cash equivalents as of 1 August	366.74	312.04	267.72
Cash and cash equivalents as of 31 July	697.02	366.74	312.04

The Company recorded cash and cash equivalents as of 31<sup>st</sup> July 2022 and 2021 of Baht 697.02 million and Baht 366.74 million respectively. Details of cash inflows and outflows in 2022 are as follows:

- Net cash from operating activities total Baht 460.66 million, increasing from 2021 by Baht 151.22 million from earning before tax which is increase. There was an allowance for expected credit losses of Baht 13.18 million which is a higher reconciliation than the normal level.
- The Company had net cash used in investing activities of Baht 40.39 million, from cash payment for intangible assets of Baht 2.32 million, renovate the building Baht 283.95 million. The asset use Bath 7.35 million and investment of subsidiary company which is Jatu Charoen Development Company Limited increase Baht 0.997 million. Cash flows are generated from interest income of Baht 5.07 million and from sales of equipment of Baht 0.546 million.
- Net cash used in financing activities total Baht 90.00 million from annual dividend payment.

Financial Liquidity of the Company of each year is as follows:

Financial Ratio	2022	2021	2020
Liquidity ratio (time)	4.19	4.56	5.15
Average collection period (day)	44	34	23
Average inventory period (day)	7	8.42	7
Average payment period (day)	37.29	34.68	33.72

As of 31<sup>st</sup> July 2022 and 2021, the Company registered fairly high liquidity ratios of 4.19 and 4.56 times respectively, which well reflected its capacity to settle contractual obligations.

As of 31<sup>st</sup> July 2022 and 2021, the Company's average collection periods were exactly at 44 days and 34 days which is an increase from 2021 due to payment from debtors waiting for payment from government agencies.

As of 31<sup>st</sup> July 2022 and 2021, the Company's average inventory periods were 7 days and 8.42 days respectively, which indicated efficient inventory management.

As of 31<sup>st</sup> July 2022 and 2021, the Company recorded average payment periods of 37.29 days and 34.68 days respectively, which demonstrated its debt settlement ability and boosted the confidence of contractual parties.

### Capital Structure

The Company has a solid capital structure, with the debt to equity ratios as of 31<sup>st</sup> July 2022 and 2021 being 0.16 and 0.16 times. However, the Company has maintained a rigid policy on financial structure management and control, while keeping an appropriate level of its financial ratios and liquidity.

### Contractual Obligations

As of 31<sup>st</sup> July 2022, the Company had obligations under service agreements as follows:

(Unit: Million Baht)

Description	Term of Payment		Total
	Within 1 year	1-3 years	
Service agreement obligations	10.00	2.60	12.60

## Factors Affecting Future Operations

### Increasing Demand for Medical Care

The Company is confident that private hospital business shall continue to expand due to the rise in demand for medical care among domestic and foreign customers as a result of higher income per capita, need for quality medical care and growing number of elderly population.

### Advantageous Location

Located on Debaratna Road and in close proximity to communities and industrial estates which are continually expanding, the Hospital has gained more customers. With largely middle-market customers, the Hospital adheres to its policy to deliver best medical care services with kindred hospitality at a reasonable price.

### Capacity Enhancement for Specialty Clinics

Nowadays, diseases have become more complex and meanwhile people can access more medical-related information. Striving to treat complex diseases and to meet higher demand for medical care, the Hospital has therefore boosted its capacity with teams of specialist doctors, state-of-the-art equipment along with experienced support staff. It has seen from the number of patient is increasing from the launched of new specialty clinic such as Brain and Neurology Center and Heart Center.

### Competition

Competition tends to intensify because of expansion of private hospitals, both existing and new ones, in Bangkok and perimeter areas. In response to this, the Company has plan to make improvements on the premises and services to ensure service user satisfaction.

## Economic Factors

### Government Intervention

**Changes of standards or regulations governing the Hospital are as follows:**

- *Control on the prices of drugs, medical supplies and medical fees by the Department of Internal Trade*

Thainakarin Hospital has already complied with the notification of the Central Committee on Prices of Goods and Services relating to price control of drugs, medical supplies and medical fees. However, the Hospital is not impacted by such measure because it charges moderate prices of drugs, and sets the prices of drugs, medical supplies and medical fees at reasonable rates.

- *Advertisement control by the Ministry of Public Health*

As the Department of Health Service Support (DoHSS) mandates that publication of advertisements or announcements by private hospitals must obtain prior approval of DoHSS, it becomes more complicated for private hospitals to give information to service users. As a result, service users shall be less informed.

- *“Universal Coverage for Emergency Patients” Program (UCEP)*

Under the “Universal Coverage for Emergency Patients” program (UCEP), the Hospital gets compensation at the rate of approximately 30-50% of the charges, which affects its profits.

## 5 General Information and Other Important Information

Name of Company	: Thainakarin Hospital Public Company Limited
Establish	: Thainakarin Hospital, Large General Hospital
Type of Business	: Private hospital
Address	: 345 Debaratna Road., km.3.5, Bangna Nuea, Bangkok 10260
Registration Number	: 0107547000974
Registered Capital	: Baht 180,000,000. The capital is fully paid-up and comprised of 180 million ordinary shares of the par value of Baht 1 per share.
Website	: <a href="http://www.thainakarin.co.th">www.thainakarin.co.th</a>
E-mail	: <a href="mailto:ir@thainakarin.co.th">ir@thainakarin.co.th</a>
Telephone	: 0 2340 7777, 0 2340 6499, 0 2340 6488, 0 2361 2727, 0 2361 2828
Fax	: 0 2340 6431

### Reference Information

#### ●● Securities Registrar

Name	: Thailand Securities Depository Company Limited
Address	: 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Telephone	: 0 2009 9000
Fax	: 0 2009 9991
TSD Call Center	: 0 2009 9999
Website	: <a href="http://www.set.or.th/tsd">http://www.set.or.th/tsd</a>

#### ●● Auditor

Name	: EY Office Limited
Auditors	: Mrs. Sarinda Hirunprasurtwutti, Certified Public Accountant, License No.4799 or Ms. Patcharawan Koonarangsri, Certified Public Accountant, License No.6650 or Mr. Samran Taengcham, Certified Public Accountant, License No.8021
Address	: 193/136-137, Lake Rajada Building, 33 <sup>rd</sup> Floor, Ratchadaphisek Road, Klongtoey, Klongtoey, Bangkok 10110
Telephone	: 0 2264 0777
Fax	: 0 2264 0789

In 2022, the Company's auditor is Mr. Samran Taengcham, Certified Public Accountant, License No.8021, from EY Office Limited The auditor's remuneration is Baht 1,220,000 with the other expenses which includes, for example, travel and copying costs as actually incurred but not exceeding Baht 30,000.



**•• Internal Auditor**

Name : Office of Pitisevi Company Limited  
Address : 8/4, 1<sup>st</sup>, 3<sup>rd</sup> Floor, Vibhavadi Rangsit 44 Alley, Vibhavadi Rangsit Road, Lat Yao, Chatuchak, Bangkok, 10900  
Telephone : 0 2941 3584, 0 2941 3656-7 ext 311  
E-mail : secretary@pitiseviaudit.com

**•• Information of Subsidiary**

Name : Jatu Charoen Development Company Limited  
Address : 345 Debaratna Road., km.3.5, Bangna Nuea, Bangna, Bangkok 10260  
Registration Number : 0105565031035  
Registered Capital : 1,000,000 Baht, capital share 10,000 shares at par value 100 Baht.  
Shareholding : 99.97%  
Other important information : Established in February 2022, according to the resolution of the Board of Directors Meeting No. 5/2021, held on 13 December 2021

**Legal Dispute**

Currently, disputes and lawsuits by patients against hospitals and doctors are increasing because more laws related to medical facility business have been enacted or amended with the aim of securing and protecting the rights of patients, who are regarded as consumers. This results in higher risk of legal disputes.

**Secondary Stock Exchange**

Market for Alternative Investment (MAI)



## PART 2

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Corporate Governance

# 1 Corporate Governance Policy

## 1.1 Overview on Corporate Governance Policy and Guidelines

The Company places much importance on undertaking business under corporate governance principles. With respect to this, the Board of Directors complies with Code of Best Practice for Directors of Listed Companies.

Furthermore, the Company recognizes its roles, duties and responsibilities under the Good Corporate Governance Principles, with firm belief that good corporate governance enables the Company to develop business monitoring systems with transparency, efficiency and social responsibility, helps shape corporate structure and strengthens relationships between directors, executives, shareholders, investors and all stakeholders for productive, continual and steady growth of the business. The Company therefore adopts the Good Corporate Governance Principles as guidelines for operations in order to facilitate and foster business transparency toward higher management efficacy that shall build up the confidence of the shareholders, investors and all related parties.

The Good Corporate Governance Principles cover 5 areas of conduct, which include Section 1: Shareholders' Rights, Section 2: Equitable Treatment of Shareholders, Section 3: Corporate Roles Toward Stakeholders, Section 4: Information Disclosure and Transparency, and Section 5: Responsibilities of the Board. Details of each section are as follows:

## Chapter 1 Best practice on Rights of Shareholders

### 1. Shareholder Meeting

The Company gives the most importance to equitable treatment of all shareholders. At each shareholders' meeting, the Company has submitted the meeting invitation along with supporting information of each agenda item to the shareholders for at least 7 days in advance. In addition, the shareholders have equal rights to examine the Company's operations and able to give comments and recommendations independently. The Company performs the following actions to facilitate the shareholder's right exercising in the shareholder meeting.

The Company defines to hold the Annual General Meeting of Shareholders once a year within 4 months as from the date on which the accounting year of the Company ends. In the event of any urgent case, the special agenda shall be offered and the company shall call the Extra-ordinary Meeting of Shareholders on a case by case basis.

Due to the pandemic of COVID-19 in 2021, for the safety of shareholders the Company has held the Annual General Meeting of Shareholders via electronic means only. The company has scheduled the meeting on November 18, 2021, which will be broadcast live at the meeting room A, 4<sup>th</sup> floor, Thainakarin Hospital Building.

For advance notice of meeting invitation, after having the resolution to hold the Meeting of Shareholders and the Company has already disclosed resolutions, meeting date, agendas, in the website of the Stock Exchange of Thailand in order to inform shareholders in advance or before 09:00 a.m. of the next day. The Company will send invitation letter consisted of details on meeting date, time, and venue, some necessary information for making decision or giving the resolution, Board's Opinions, former minutes, 56-1 One Report, supporting documents, and Proxy for any shareholder who is unable to attend the meeting in person. The method of proxy is already specified clearly in the company's documents sent to shareholders and also disclosed on the company's website prior the meeting date as well as announced on the daily newspaper for 3 consecutive days prior the meeting. Shareholders will have adequate time to consider on obtained information. The Company will not perform any action that may hinder or obstruct shareholders from communicate with one another.

The Company will facilitate all groups of shareholders to exercise their right of meeting attending and voting fully without any expense and difficult method. The Company will not perform any action that may limit any opportunity on meeting attending of any shareholder. The Company will check the name list and number of shares of shareholders classified by types of shareholders helping to facilitate registration on the meeting date.

The Company also has a policy to allow shareholders who are unable to attend the meeting to appoint an Audit Committee member of the Company as their proxy to attend the meeting and vote on their behalf by using any Proxy Form sent by the Company with meeting invitation. Moreover, shareholders are also able to download Proxy Form via the Company's website.

## **2. Procedures of Shareholder Meeting**

The Company defines that shareholders have to register via computer system prior attending the meeting and ballots/voting data are prepared for each agenda for convenience and correctness.

The Company will introduce the Board, Audit Committee, Executives, and Auditor (mediator) for transparency prior the meeting and the company will keep all ballots voting data as evidence for any subsequent dispute.

The Company will moderate the meeting based on the order of agendas unless it is voted by the meeting's resolution to change any agenda with the votes not less than two third of total attended shareholders or proxies (if any).

At each shareholders' meeting, the Company has improved meeting procedures and provided all shareholders an equal opportunity to examine the Company's operations, to make enquiries, comments and recommendations. After the meeting, significant enquiries and comments shall be completely and accurately recorded in the meeting minutes.

## **3. Disclosure on Resolutions of Shareholder Meeting**

The Company will disclose the resolutions of shareholder meeting with votes of all attended shareholders and proxies clearly specified with proportion of agreement, disagreement and abstaining of each agenda as well as voting method and vote counting. The Company will clarify this information prior the meeting and disclose this information via the Company's website and news system of the Stock Exchange of Thailand within end of the day after finished the meeting or within 9.00 a.m. of a next day, as well as send the minute of meeting to the Stock Exchange of Thailand and the Office of Securities and Exchange Commission within 14 days from the meeting date. The subject matter of all questions and suggestions provided by shareholders in each agenda shall be summarized completely as well as clarification of the Company's Board and executives.

# **Chapter 2 Equitable Treatment of Shareholders**

## **1. Equitable Treatment of Shareholders**

In the shareholder meeting, the Company will nominate each director in election of directors to be considered by shareholders in order to enable shareholders to exercise their rights to vote directors individually.

The Company will not add any agenda without informing shareholders in advance in all cases. In the event of any necessary agenda, it will be specified in the next meeting therefore shareholders will have adequate time for considering.

## 2. Provision of Dual Language Documents

The Company shall disclose significant information via the electronic system of the Stock Exchange of Thailand and on the corporate website in Thai and English so as to allow equal access to the Company's information for both Thai and foreign shareholders.

## 3. Insider Trading

Recognizing the significance of prevention against the use of inside information for personal gain, the Board has set forth a policy to maintain the confidentiality of non-public information and to allow only concerned persons to have access to such information.

The Company has already informed all the directors and executives of the duty to report holdings in the Company's securities, including changes thereof, by them, their spouses and minor children to the Office of the Securities and Exchange Commission in accordance with the Securities and Exchange Act B.E. 2535.

Additionally, the Company has implemented a regulation prohibiting directors, executives, personnel as well as their spouses and minor children from utilizing the Company's non-public inside information, especially financial information, for personal gain through the trading, transfer or acquisition of the Company's securities. Except for the aforementioned case, the directors, executives, their spouses and minor children that have traded, transferred or acquired the Company's securities must report every such transaction to the Office of the Securities and Exchange Commission within 3 days from the transaction date, as well as submit a copy of the report to the Company Secretary as evidence.

# Chapter 3 Roles of the Company Stakeholders

## 1. Shareholders

The Company has emphasized on developing the organization to grow continuously enabling the company to earn more income, profit, and value. Consequently, the company's shareholders will be able to gain the highest reward.

The Company puts emphasis on operating business for the ultimate benefit of shareholders and continuous growth of the company with transparency and reliability. The Company has a policy to pay for dividend to shareholders in the rate of 60% of net profit after deducted with corporate income tax. However, the company may specify lower rate of dividend payment in the event that it is necessary for the company to spend such net profit to expand the company's business operation.

## 2. Customer

The Company pays attention and takes responsibilities towards all customers by providing quality and standard services as well as keeping their secrets under legal compliance. In addition, the company also provides a unit to accept complaining of customers for solving their problems as well as to assess their satisfaction by making the questionnaires on satisfaction and demands of customers for every month.

## 3. Personnel

Regarding personnel as valuable asset and key factor to success, the Company puts emphasis on human resources and thus implements the following practices:

- For reasonable remuneration, the Company has paid reasonable and fair compensation to personnel in the form of salaries or payment for work, appointments, transfers, and rewards to encourage high-efficiency performance.

- **Appropriate welfare:** The Company sets up the Welfare Committee and arranges appropriate welfare benefits that extend to employees' families in order to promote their positive performance, work morale and well-being. These benefits include social security fund, provident fund, medical expense, medical expense discount for families, uniform, death-in-service insurance, annual checkup, annual influenza vaccination, COVID-19 vaccination wedding gift payment, condolence payment upon the death of employees' parents, children and spouses, financial assistance on flood or fire incident, etc.
- **Personnel Development:** The Company regularly provides basic knowledge training and training of various specialized professions. Over the past year, we had encouraged staff to take specialized training in nursing such as New in Breast Cancer Care: Challenges and Opportunities, Chelation Therapy, Genetic Counseling of the Health Professions Council, Anti-Cancer Community Coalition, Nursing and Health Literacy for Non-Communicable Disease Management, as well as emerging infectious diseases, etc., in order to broaden knowledge, capabilities, operational and technical skills so that personnel could be able to perform their tasks more efficiently. The average personnel training hours is 6.39 hours per person per year.

#### 4. Competitors

The Company has complied with good competitive rules and avoided any dishonest method to destroy any competitor.

#### 5. Suppliers / Alliance / Creditors

The Company treats suppliers, alliance and creditors in an honest and fair manner, and complies with all trading conditions or terms of agreements in order to establish healthy business relationship and also to build up their confidence which will be beneficial to all parties. Moreover, the Company shall not conceal any information or facts damaging to its suppliers, alliance and creditors.

#### 6. Society Community and Environment

The Company has always emphasized on community and environment as a part of society with responsibility towards environment of nearby communities by supporting many activities for public benefits including providing general health check-up service for free in Bangna and Prawet, etc. Moreover, The Company also emphasizes and takes responsibilities on environment by controlling wastewater discharge, standard and efficiency general infectious and toxic waste disposal as defined by laws.

Attentive to personnel development regarding environmental concern, moreover, the Company has arranged environment-related courses for working personnel and interested persons in effort to inculcate in them awareness of the issue. During August 2021 - July 2022, training courses were organized as follows:-

Environment Related Course					
Training	Course	Institution	Place	D/M/Y	Attendance
External Training	Primary infectious disease prevention and control nursing in healthcare facilities	Infection Control Nurses Club in Hospitals of Thailand	Zoom Conference	2-13 Aug 2021	1
				18-29 Jul 2022	1
External Training	Learning Exchange Program: "Unite Citizens to Fight the Health Crisis".	Office of the Health Commission	Zoom Conference	26 Nov 2021	1
External Training	Vocational Medicine Knowledge Training on Occupational Lung Disease, class 12	Center for Occupational Medicine Nopparat Rajathanee Hospital	Nopparat Rajathanee Hospital	20-24 Dec. 2021	1
External Training	IC Update 2022: Healthcare personnel are knowledgeable and networked to improve the quality of health services	Association of Nurses for the Prevention and Control of Infectious Diseases	Zoom Conference	9-11 May 2022	2
External Training	The 19 <sup>th</sup> National Prevention and Control of Infectious Diseases in Hospitals	Bamrasnaradura Institution	Zoom Conference	15-17 Jun 2022	3



## Chapter 4 Disclosure and Transparency

### 1. Disclosure

- 1.1 The Company will disclose some important information on the Company's website, [www.thainakarin.co.th](http://www.thainakarin.co.th), in order to enable shareholders investor, analysts and general persons to search for public information rapidly.
- 1.2 In the Annual General Meeting of Shareholders, the Company will send meeting invitation and 56-1 One Report (in QR code) to shareholders via mail and announce this meeting via newspaper and the company's website. In the Extra-ordinary Meeting of Shareholders, the Company will send meeting invitation to shareholders via mail and announce this meeting via newspaper as well as the Company's website.
- 1.3 The Company assigned the person taking the highest responsibility in finance and accounting to act as the Investor Relation whereas the Administrative Office shall be responsible to provide information of Company activities to shareholders, investors, analysts general person via the Company's Website. All providing information shall base on truth and reliable facts and with careful operation. Those without assigned or relevant responsibilities to share information on interviewing for mass media or any public entity on the Company in any matter which might affect the reputation or the Company business are not allowed to do so.

Accordingly, the investors contact Administrative Office and the Investor Relation at telephone number 0 2340 7777, 0 2340 6488, 0 2340 6499, 0 2361 2727, 0 2361 2828 or Email: [ir@thainakarin.co.th](mailto:ir@thainakarin.co.th)

- 1.4 The Company shall disclose some important information of the company via the websites of the Stock Exchange of Thailand and the Company's website.
- 1.5 The Company will provide a contact channel to any person with any complaint on any illegal action against ethics or any behavior that may lead to any incorrect financial report preparation or presentation or defect internal control system whereas the company will keep such complaint as secret. In the event that any person finds any action as mentioned above, please inform the Company via Telephone: 0 2340 7777, 0 2340 6488, 0 2340 6499, 0 2361 2727, 0 2361 2828 Email: [cg@thainakarin.co.th](mailto:cg@thainakarin.co.th).
- 1.6 Process of actions upon receipt of complaints: The supervisory unit shall prudently consider the reported complaint as appropriate to the case, by gathering facts, then evaluating and scrutinizing information. In a serious or complex case, the matter may either be sent to related unit for examination and investigation of facts, or be considered by the Audit Committee. If it is deemed necessary and appropriate, the supervisory unit can propose the matter to the consideration and scrutiny of the Audit Committee.
- 1.7 For financial report preparation, the Company will prepare the financial report correctly, completely, and transparently and the Company will send such financial report, annual and quarterly financial statements to related organizations within the due date as stipulated by laws strictly and will publicize such information on the company's website. The Company has emphasized on preparing financial statements correctly according to Accounting Standard.
- 1.8 The Company prepares explanation and analysis of the management by giving analytical explanation on financial position, performance, some important changes, and factors that are causes or affect to the Company's financial position and performance and such explanation must be submitted to the Securities and Exchange Commission and the Stock Exchange of Thailand.

## 2. Information Disclosure on Company's Website

The Company discloses some financial information and non-financial information as required by the Stock Exchange of Thailand correctly, completely, timely, and transparently via the Company's website as well as publicizes some important documents that may be interested by investors and analysts on the Company's website. For example, objectives, vision, mission, nature of business, financial statement and financial information, annual report, 56-1 One Report, invitation letter of Shareholders Meeting with documents related to Shareholders Meeting etc. In addition, all of these information and documents are always updated and the Company also provides the Company's telephone number, facsimile and email for contacting on the Company's website

## 3. Report on the change in the Company's directors shareholding in 2022

Name	Position	Number of shares as of July 30, 2021	Number of shares as of July 27, 2022	Number of shares changed increased/ decreased.	Shareholding (%)
Charoen Meensook, M.D.	Chairman of the Board	2,500,000	2,500,000	-	1.39
Spouse and minor children		2,285,500	2,285,500	-	1.27
Mr. Thiti Sihanatkathakul	Director /	2,485,000	2,485,000	-	1.38
Spouse and minor children	Chief Executive Office	-	-	-	-
Mr. Prapat Suthawate	Director	-	-	-	-
Spouse and minor children		-	-	-	-
Mr. Sumeth Jenjesda	Director	-	-	-	-
Spouse and minor children		-	-	-	-
Arkorn Cheirsilpa, M.D.	Director	-	-	-	-
Spouse and minor children		-	-	-	-
Mr. Pitipat Sihanatkathakul	Director	1,000,000	1,000,000	-	0.56
Spouse and minor children		-	-	-	-
Mr. Noratthep Sihanartkatakul	Director	-	-	-	-
Spouse and minor children		-	-	-	-
Mr. Tosaporn Sihanatkathakul	Director	1,000,000	1,000,000	-	0.56
Spouse and minor children		-	-	-	-
Col. Dan Tanphaichitra, M.D.	Director	-	3,000	-	0.0017
Spouse and minor children		-	-	-	-
Mr. Kraisa Kadkum	Director/Independent Director/	-	-	-	-
Spouse and minor children	Chairman of the Audit Committee	-	-	-	-
Pridi Hettrakul, M.D.	Director/Independent Director/	1,500,000	1,500,000	-	0.83
Spouse and minor children	Member of the Audit Committee	-	-	-	-
Assoc. Prof. Chertsak Dhiraputra, M.D.	Director/Independent Director/	-	-	-	-
Spouse and minor children	Member of the Audit Committee	-	-	-	-
Assoc. Prof. Panya Issarawornrawanich, Ph.D.	Director/Independent Director/	-	-	-	-
Spouse and minor children	Member of the Audit Committee	-	-	-	-
Mr. Chailerg Viriyarattanaporn	Director/Independent Director/	-	-	-	-
Spouse and minor children	Member of the Audit Committee	-	-	-	-

## Chapter 5 Responsibilities of the Board

### 1. Board Structure

The Board is consisted of qualified persons with knowledge and experiences in various fields who have to supervise the management to perform the operations as planned efficiently and effectively in order to give the maximum value to the Company and the ultimate confidence to shareholders. The Board Meeting should be held at least once a quarter in order to consider on performance reports of the Company.

### 2. Leadership and Vision

Despite no Nomination Committee, the Company's Board consists of directors with expertise, competence and experience in medical, accounting, legal and management fields. The Board shall set policies, vision, strategies, business goals, business plans and corporate budget as well as supervise the Management to efficiently and effectively comply with the specified policies, goals and plans under the legal framework, the Company's Articles of Association and the resolution of the shareholders' meeting, for the maximum benefit of the Company and shareholders as a whole.

The Board has also established effective internal control, internal audit and risk management systems, together with regular monitoring. In this regard, it shall supervise to ensure that all committees and responsible executives comply with the set policies.

### 3. Review and Approval of Corporate Vision, Mission and Business Policy and Direction

The Board reviews, revises and approves vision, mission, corporate governance policy and business ethics on an annual basis; takes part in determination of strategies, targets, business directions, business plan, budget, internal control system, internal audit and risk management measures, by assigning relevant committees to undertake the review, revision along with monitoring of such matters regularly; and supervises that all working units implement the determined business plan and budget efficiently and effectively in order to maximize economic value for the Company and investment security for the shareholders, taking account of the best interest of all stakeholders. It adheres to the code of conduct in performing the duties with integrity, and shall not perform any act for personal or other persons' gain or any act in conflict or competition with the Company's interest. This includes overseeing that business operations are in accordance with the Company's objectives as well as the laws and regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

The Company's vision, mission, business targets, including corporate governance policy have been published on its website and disclosed in the 56-1 One Report.

### 4. Conflict of Interest

The Company currently has measures against conflicts of interest that may arise from related-party transactions between the Company and potential conflict-of-interest persons, where the executives and persons with related interest are unable to take part in approval of the transactions. Such related-party transactions shall be carried out in accordance with the laws on securities and exchange, the Public Limited Companies Act B.E. 2535, and the regulations, notifications, orders and requirements of the Stock Exchange of Thailand.

Additionally, the Audit Committee and the auditors are assigned to review and give opinions on the appropriateness of prices and reasonableness of transactions. Details of the related-party transactions shall be disclosed in the notes to financial statements according to the accounting standards stipulated by Federation

of Accounting Professions. The Company has set forth clear procedures for approval of future related-party transactions, details as shown under the Internal Control heading. It has also implemented a policy and measures to prohibit executives and related persons from using inside information for personal gain, which require the executives to report the change in their securities holding to the Office of the Securities and Exchange Commission.

## 5. Balance of Power for Non-executive Directors

As of 31 July 2022, the Company's Board of Directors is comprised of 14 directors, 1 of whom is executive directors and 13 non-executive ones. Of the total number, 5 were independent directors and also members of the Audit Committee, representing 35.71% of the total directors.

All such directors are qualified under the notification of the Stock Exchange of Thailand, Public Limited Companies Act B.E. 2535 and the other relevant laws regarding qualifications and scope of duties of the Audit Committee, and shall perform their check-and-balance duties to ensure accurate and fair business management of the Company for the maximum benefit of its shareholders, transparency, and efficiency.

## 6. Aggregation or Segregation of Positions

The Company has set a policy to segregate duties of Executive from day-to-day management and defined clear scopes of authority for each position. Executives of company shall have neither absolute power over any particular matters, including to approve or execute transactions in which they or their related persons have interest or may lead to conflict of interest against the Company.

## 7. Director and Executive Development and Succession Plan

The Board of Directors places emphasis on the development of directors and executives through a project on continual enhancement of knowledge and capacity proper to the assigned duties in order to endorse performance efficiency and efficacy of directors and executives. In this regard, directors are encouraged to take relevant courses of the Thai Institute of Directors.

To Development and Succession Plan for Director and Executive Development, the Board of Directors have plan to prepare as soon as the directors or executive retired or unable to perform their duties that the management of the Company can continuously and develop sustainably.

The Executive who assigned as a successor must be a person who is ready with qualifications and has experience in the appropriate field. Also, it should have knowledge and experience to transfer by working rotation in other relevant departments and attend the necessary additional training courses to prepare for the future career in higher positions in order to work smooth and management continuously.

## 8. Committees

The Executive Director shall be in charge of managing the Company according to the set policies. Moreover, the quality structure has been established in order to enhance the supervision and management of the Company.

There are 33 committees overseeing corporate governance and quality structure management, as follows:

1. Thainakarin Hospital Policy and Strategy Committee
2. Directing Cross-Functional Team Committee
3. Directing Clinical Team Committee
4. Medical Staff Organization
5. Nurses - Service Organization

6. Dentist Committee
7. Risk Management Committee
8. Information Management Committee (IMC)
9. Pharmacy and Therapeutics Committee
10. Human Resources Management and Development Committee
11. Infection - Control Committee
12. Medical Record Committee
13. Occupational Health, Safety and Environment Committee
14. Multidisciplinary Surgery Committee
15. Multidisciplinary Pediatrics Committee
16. Multidisciplinary Medicine Committee
17. Multidisciplinary Obstetrics and Gynecology Committee
18. Multidisciplinary Cardiology Committee
19. Multidisciplinary Orthopedics Committee
20. Multidisciplinary Eye Ear Nose Throat Committee
21. Multidisciplinary Eye committee
22. Multidisciplinary Stroke Committee
23. Multidisciplinary Emergency Medicine Committee
24. Multidisciplinary Gastroenterology Committee
25. Kidney Transplantation Thainakarin Hospital Committee
26. Organ Transplant Ethics Committee
27. Drug Selection and set drug price Subcommittee
28. Telemedicine Committee
29. Facilitator Committee
30. Medical Record Quality Inspection Subcommittee
31. NURSE CPR Committee
32. Personal Data Protection Committee
33. Patient Portal Committee

These committees are responsible for overseeing the quality of medical care for patients. Data has been compiled and analyzed for approaches or measures to improve the quality of medical care and services, aiming to attain high quality of services that meet the hospital accreditation standards and relevant regulations.

Consisting of 14 members from various department, the Risk Management Committee is responsible for formulating risk management policies and systems pertinent to quality of services and safety of patients. The Committee shall analyze and identify contributory risk factors, develop risk-mitigating measures, as well as assign concerned units to constantly monitor the risks in accordance with the standards of The Healthcare Accreditation Institute (Public Organization).

## 9. Internal Control and Internal Audit

The Company puts great emphasis on the internal control systems both at management and operational levels, with control measures to optimize the use of resources. Responsibilities for approval, transaction recording and asset custody are segregated in order to promote proper checks and balances. The Company also carries out internal audits of financial-related and financial reporting systems, and periodically reports the results to the executives in charge.



At present, the Company has appointed Office of Pitisevi Company Limited as the internal auditor and established the Compliance Audit Department to control, audit and oversee the internal systems for more efficiency. The internal auditor must directly report to the Audit Committee for independence and transparency.

## 10. Subcommittees

The Board of Directors has appointed the Audit Committee to review financial reports, internal control system and disclose information on related-transactions etc. The Audit Committee shall minimally have qualification on independence as defined by the Stock Exchange of Thailand. Qualifications, scope of responsibilities and duties of the Audit Committee can be seen in Audit Committee section.

## 11. Investor Relations

The Company pays much importance to the disclosure of both financial and general information in an accurate, complete, transparent and extensive manner which is also available by telephone at 0 2340 7777, 0 2340 6488, 0 2340 6499, 0 2361 2727, 0 2361 2828 and via the Company's website at [www.thainakarin.co.th](http://www.thainakarin.co.th). It also has a policy to develop channel of the information disclosure continually.

### 1.2 Business Ethics

The Company has adopted code of ethics or statement as guidelines for the Board, executives and all personnel in discharging their duties with honesty, integrity and fairness. The Company shall supervise and monitor to ensure strict compliance with said code of ethics or statement, as well as stipulate disciplinary measures.

### 1.3 Significant Changes and Development of Corporate Governance Policy and System in the Previous Year

#### Practices in accordance with good corporate governance principles to support CGR assessment

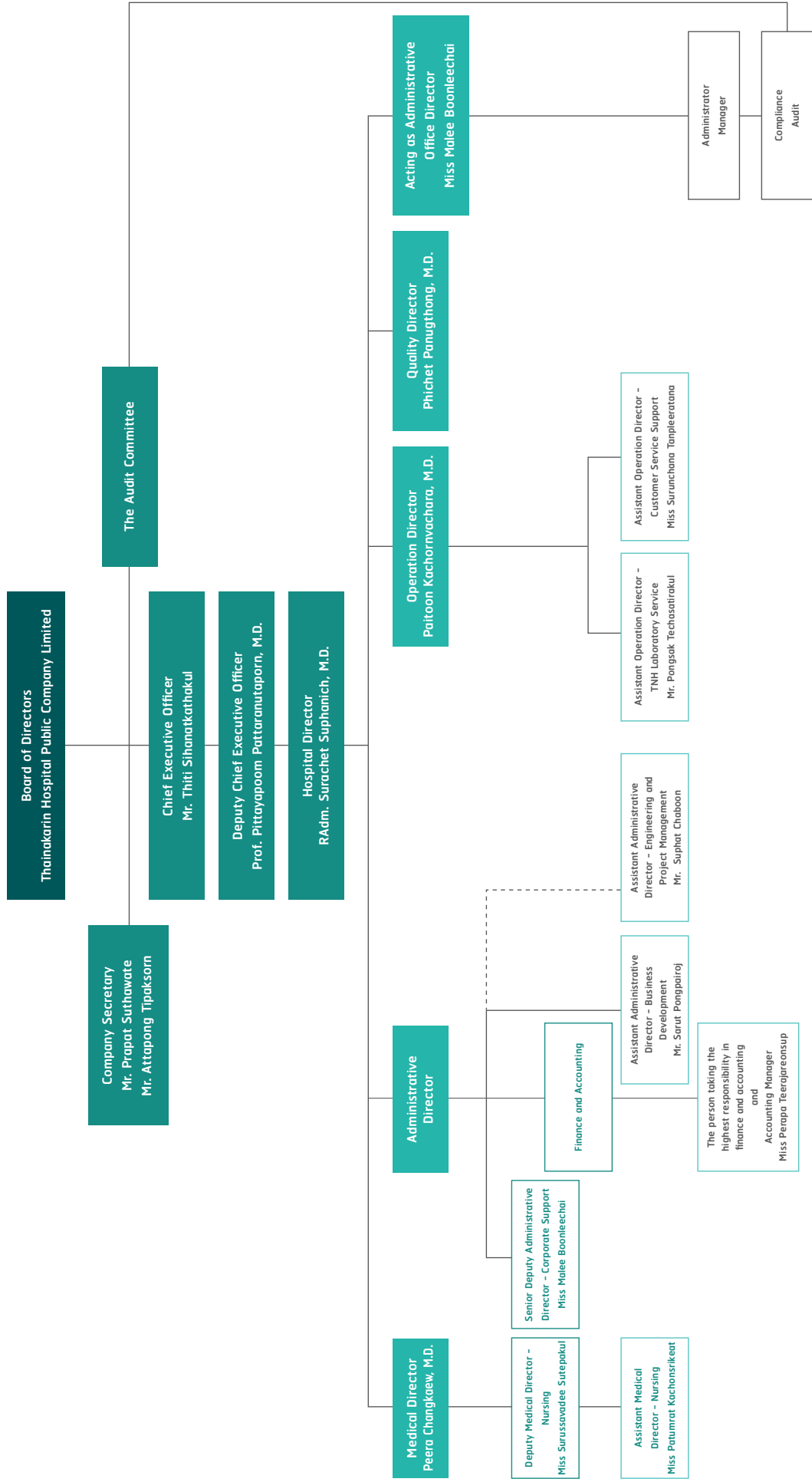
Regarding to result of the Company's Corporate Governance Survey of the Thai Institute of Directors (IOD), according to the 2021 Corporate Governance Survey project, the Company received the level of "Good" result in the Corporate Governance Assessment of Thai Listed Companies.

The survey result based on the disclosure of the Company's data Publicly, such as information in the Annual Report, Management Structure and Good Corporate Governance Section, Invitation to Shareholders' Meeting, Minutes of the Shareholders' Meeting, the Company's shareholders' Meeting, and the Company's Website in the Investor Relations Section.

In the past year, the Company has taken steps to improve the corporate governance in many areas and encouraged the implementation in concrete work processes in order to operate the business transparently and efficiently for social responsibility and to ensure the stability and sustainability for the Company's operations.

## 2 Corporate Governance Structure

### 2.1 Corporate Governance Structure



## 2.2 Board of Directors

As of 31<sup>st</sup> July 2022, the Board is comprised of 14 members as detailed below:

1. Charoen	Meensook, M.D.	Chairman of the Board
2. Mr. Sumeth	Jenjesda	Director
3. Mr. Prapat	Suthawate	Director
4. Mr. Thiti	Sihanatkathakul	Director
5. Arkom	Cheirsilpa, M.D.	Director
6. Mr. Pitipat	Sihanatkathakul	Director
7. Mr. Noratthep	Sihanartkatakul	Director
8. Mr. Tosaporn	Sihanatkathakul	Director
9. Col. Dan	Tanphaichitra, M.D.	Director
10. Mr. Kraissak	Kadkum	Director, Independent Director and Chairman of the Audit Committee
11. * Pridi	Hetrakul, M.D.	Director, Independent Director and Member of the Audit Committee
12. Assoc. Prof. Chertsak	Dhiraputra, M.D.	Director, Independent Director and Member of the Audit Committee
13. Assoc. Prof. Panya	Issarawornrawanich, Ph.D.	Director, Independent Director and Member of the Audit Committee
14. Mr. Chailerg	Viriyarattanaporn	Director, Independent Director and Member of the Audit Committee

### Authorized Director

Two of the four authorized directors, namely Mr. Thiti Sihanatkathakul, Mr. Prapat Suthawate, Mr. Tosaporn Sihanatkathakul, and Arkom Cheirsilpa, M.D., shall co-sign and affix the Company's seal to legally bind the Company

### Scope of Duty and Responsibility of Chairman of the Board

The Chairman of the Board has Duty and Responsibility as followings:

- Acting as the Chairman of the Board's Meeting to enhance efficiency as required by Articles of Association of the Company or relevant laws.
- In case of an equality vote, the Chairman of the Meeting shall have a casting vote.
- Supporting for the Board effective operation by management principles of good governance.
- Acting as the Chairman of the Shareholders' meeting to enhance effectiveness as required by Articles of Association of the Company or relevant laws.

### Scope of Duty and Responsibility of the Board

The Board shall have the authority, duties and responsibilities to perform acts with care and integrity to ensure the Company's compliance with applicable laws, the corporate purpose, the articles of association, and the resolutions of legitimate shareholders' meetings. Key authority and responsibilities of the Board are as summarized below.

- The Board shall convene an annual general meeting of shareholders within 4 months as from the date on which the accounting year of the Company ends.
- The Board shall convene a Board meeting at least every 3 months.

\* Pridi Hetrakul M.D., vacated the position of Director, Independent Director, and Member of the Audit Committee before the expiration of his term in office, effective on 11<sup>th</sup> September 2022.

- c) The Board shall propose the audited statements of financial positions and the statement of comprehensive income as of the end of the Company's accounting period to a shareholders' meeting for approval.
- d) The Board may delegate a director, directors or other persons to perform acts on its behalf and under its supervision; or delegate to such persons the authority within the scope as the Board deems appropriate. Such delegation may be annulled, amended, or re-assigned to other persons as the Board deems appropriate.

The Board may delegate to executive directors the authority and responsibility to perform acts or duties as detailed in the scope of power and responsibilities of executive directors. Such delegation shall not explicitly or implicitly vest executive directors with the power to consider and approve transactions involving conflict of interest between themselves or their related parties and Company or its subsidiaries (if any), unless otherwise permitted by applicable policies and criteria previously approved by the Board.

- e) The Board shall determine the Company's policies, directions, business plans and budget plans as well as govern executive directors' operations to assure compliance with the policies and directions given by the Board. This clause excludes matters such as capital increase, capital decrease, sale or transfer of entire business or significant part of business, business acquisition, acceptance of business transfer, amendment of the Company's articles of association, etc., which the Board must obtain prior approval from the shareholders' meeting in accordance with regulatory requirements.

The Board also has the duty to oversee the Company's compliance with Public Limited Companies Act, the Securities and Exchange Act, rules and regulations of the Stock Exchange of Thailand governing, for example, related-party transactions and acquisition or disposal of material assets, and other relevant laws.

- f) The Board shall approve management structure and the appointment of executive directors and members of committees as appropriate.
- g) The Board shall monitor the Company's performance and assure that it is consistently in line with business plans and budget plans.
- h) Directors shall refrain from operating businesses similar to or competing with the Company or being partners in ordinary partnerships, partners with unlimited liability in limited partnerships, or directors of private companies or companies operating businesses similar to and competing the Company, regardless of whether such tenure is for the interest of themselves or others, unless the shareholders' meeting has been notified of the tenure before approving their directorship.
- i) Directors shall, without delay, notify the Company of their direct and indirect conflict of interest related to the Company's contractual transactions, and change in their possession of shares or debentures of the Company or its subsidiaries.

### Director and Executive Development

The Company focuses on promoting constant knowledge and performance development of directors, executive, Company Secretary and all staff. For the Board, directors are encouraged to participate in courses relating to fulfilment of duties or seminars arranged by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand, etc., in order to enhance the knowledge and capacity for efficient discharge of duties as the Company's directors.

In 2022, there is 1 director who attend the course of Director Accreditation Program (DAP) 190/2022 which is Col. Dan Tanphaichitra, M.D.

In the past year, Assoc. Prof. Panya Issarawornrawanich, Ph.D. a director, an independent director and member of the Audit Committee, attended 3 seminars on the following topics:

1. Certificate Program of Tax Accountant Category 1, Tax Accountant with Personal Income Tax and Inheritance Tax;
2. In Depth of Financial Reporting Standards for entities that have no conflicts of public interest; and,
3. Training seminar on the Ethics of Accounting Professionals with case studies: Only for the audit office.

Contents of these seminars strengthened his knowledge in accounting and finance.

## 2.3 Audit Committee

As of 31 July 2022, the Audit Committee is comprised of 5 members as follows:

- |                          |                           |  |
|--------------------------|---------------------------|--|
| 1. Mr. Kraiak            | Kadkum                    | Independent Director and Chairman of the Audit Committee |
| 2. * Pridi               | Hetrakul, M.D.            | Independent Director and Member of the Audit Committee   |
| 3. Assoc. Prof. Chertsak | Dhiraputra, M.D.          | Independent Director and Member of the Audit Committee   |
| 4. Assoc. Prof. Panya    | Issarawornrawanich, Ph.D. | Independent Director and Member of the Audit Committee   |
| 5. Mr. Chailerg          | Viriyarattanaporn         | Independent Director and Member of the Audit Committee   |

Assoc. Prof. Panya Issarawornrawanich, Ph.D. a lecturer of Accounting Department, Thammasat Business School, Thammasat University, and a certified public accountant, and Mr. Chailerg Viriyarattanaporn a former Accounting and Tax Consultant, I.G.S Co., Ltd., both are Audit Committee members who possesses extensive accounting and finance knowledge and experience.

### Acting Secretary to the Audit Committee

The Audit Committee considers and selects Mr. Attapong Tipaksorn to hold the position of the secretary for the Audit Committee in order to supervise and manage the operation of the Audit Committee on appointment, meeting, preparation of meeting agendas, delivering supporting documents, and record the minutes

### Scope of Duties and Responsibilities of the Audit Committee

Scope of duties and responsibilities of the Audit Committee is as follows:

- a) Review the Company's financial reports to ensure accuracy and adequacy of the quarterly and annual financial reports.
- b) Review the Company's internal control and internal audit to ensure their appropriateness and effectiveness as well as consider on independence of internal audit unit and approve appointment, removal, and termination of employment of the Head of Internal Control Audit Unit or Heads of other units with responsibility on internal audit.
- c) Review the Company's compliance with the Securities and Exchange Act, rules and regulations of the Stock Exchange of Thailand or applicable laws.
- d) Screen and nominate external auditors for the Company by taking into consideration on the audit fees based on the credibility, resources, and workload of auditing firms concerned as well as the independence and experience of designated auditors and offer remuneration of auditor plus with attending the meeting with the auditor without the management at least once a year.
- e) Examine the Company's disclosure of related-party transactions or conflict of interest to be correct and complete according to laws and requirements of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable with ultimate benefit for the company.
- f) Perform any other duties as assigned by the Board and concurred by the Audit Committee which include, for example, reviewing financial and the executives' compliance with the code of ethics which must be publicly disclosed in important reports such as the management discussion and analysis in accordance with the laws.

\* Pridi Hetrakul M.D., vacated the position of Director, Independent Director, and Member of the Audit Committee before the expiration of his term in office, effective on 11<sup>th</sup> September 2022.



- g) Prepare the Audit Committee's Report which signed by Chairman of the Audit Committee and disclose in annual report regarding;
- The accuracy and reliability of the Company's financial reports and disclosure.
  - The adequacy of the Company's internal control.
  - The appropriateness of the company's auditor.
  - Compliance with Securities and Exchange Act, requirements of the Stock Exchange of Thailand or laws related to the company's business.
  - Transactions with conflict of interest.
  - Number of audit committee's meeting and attendance of each audit committee.
  - Other reports that are considered to be acknowledged by shareholders and general investors under the scope of duties and responsibilities as assigned by the Board of Directors.
- h) Regularly report the Audit Committee's performance to the Board at least quarterly.
- i) Provide opinions on the performance evaluation, appointment, removal and remuneration of internal auditors.

#### **An office term of the Audit Committee**

An office term of the Audit Committee is defined as follows:

- Chairman of the Audit Committee 2 years
- Member of the Audit Committee 2 years

The Chairman and members of the Audit Committee who retire by rotation may be re-appointed.

#### **Qualification of Audit Committee Member and Selection Process**

The Board is vested with the authority to appoint 3 persons possessing qualifications in accordance with the Securities and Exchange Act, and notifications, rules or regulations stipulated by the Securities and Exchange Commission to serve on the Audit Committee. At least 1 member of the Audit Committee shall have finance and accounting knowledge. Each member of the Audit Committee shall hold an office term of 2 years at a maximum and must meet the following qualification criteria: The Audit Committee members must possess qualifications as an independent director under the definitions of independence of independent director.

- a) Holds not more than 1 percent of total voting shares of the Company, its parent company, its subsidiaries, its associate companies major shareholder, a controlling person and whose shareholding shall include the shares held by connected person of independent director.
- b) Is not engaged in the Company's management and is not staff, employee, salaried advisor or person with controlling power of the Company, its parent company, its subsidiaries, its associate companies, major shareholder, a controlling person and whose shareholding shall include the shares held by connected person of independent director, unless such engagement is over not less than 2 years. Such prohibition is excluded with the case of government officer or government consultant who is the major shareholder or controller of the company.
- c) Is not related by blood, marriage or legal registration as father, mother, spouse, sibling child, child's spouse or close relative of directors, executive, major shareholder or a controlling person of securities issuing company or be nominated as director, executive or a controlling person of the Company or its subsidiaries.
- d) Does not have business relationship with the Company, its parent company, its subsidiaries, its associate companies, major shareholder or a controlling person, in a manner that may obstruct his/her independent judgment as well as does not possess any characteristic which may obstruct his/her independent opinion on the Company's business operations and not being shareholder with implication or controlling person of person has business relationship with the Company, its parent company, its subsidiaries, its associate companies, unless such relationship is over not less than 2 years.

Business relationship as defined in the first paragraph and normal trading transactions for business operation or real estate leasing or letting of leasing, transactions on assets or services or financial support providing through loans providing or receiving, guaranty, mortgage, and other behaviors in the same manner causing the company or the party to have some debts required to be paid to other party from the rate of 3% of net tangible assets of the company or from 20 million baht and over, whichever is lower. Such debts shall be calculated in accordance with the method for calculating value of connected transactions specified by the Notification of the Capital Market Supervisory Board regarding connected transaction, mutatis mutandis However, to consider on such debts, all debts occurred during one year prior the day of making such business relationship with the same person.

The term “shareholder with implication” under the first paragraph means a shareholder holding shares in any business at an amount exceeding 10% of the total voting shares, and whose shareholding shall include the shares held by his/her connected person.

- e) Has not ever been the auditor of the company, its parent company, its subsidiaries, its associate companies, major shareholder or a controlling person and not being shareholder with implication, a controlling person, or shares of the audit office with the auditor of the company, its parent company, its subsidiaries, its associate companies, major shareholder or a controlling person, unless such position is over not less than 2 years.

The term “shares” under the first paragraph means a person assigned by an audit firm to place signature on the audit report on behalf of such juristic person.

The term “shareholder with implication” under the first paragraph means a shareholder holding shares in any business at an amount exceeding 10% of the total voting shares, and whose shareholding shall include the shares held by his/her connected person.

- f) Has never been the service provider of any profession including legal consultant or financial consultant with service fee over than 2,000,000 baht per year from the company, its parent company, its subsidiaries, its associate companies, major shareholder or a controlling person and not being shareholder with implication, a controlling person, or partner of the service provider of such profession unless such service providing is over not less than 2 years.

The term “partner” under the first paragraph means a person assigned by a professional service provider to place signature on the professional service report on behalf of such juristic person.

The term “shareholder with implication” under the first paragraph means a shareholder holding shares in any business at an amount exceeding 10% of the total voting shares, and whose shareholding shall include the shares held by his/her connected person.

- g) Has never been the director who is appointed as the representative of the director of the company, major shareholder or shareholder related to major shareholder.
- h) Does not operate any business with the same condition with implicit competition against the company or its subsidiaries or is not a partner with implication in any partnership or directors involving with management, employees, workers, full-time consultant or consultant holding shares over than 1% of total votes of other companies operating similar business with implicit competition against the company or its subsidiaries.
- i) Has no other manners that obstruct independent opinion on the Company’s business operations.

The Audit Committee member must possess additional qualifications other than those of an independent director, as follows:

- a) Not being a director assigned by the Board to make decisions on the business operations of the Company, parent company, subsidiaries, associate companies, same-level subsidiaries, major shareholders or controlling persons of the Company, and not being a director of parent company, subsidiaries or same-level subsidiaries that are listed on the Stock Exchange of Thailand;
- b) Having adequate knowledge and experiences to perform duties as an Audit Committee member, provided that at least 1 Audit Committee member has adequate knowledge and experiences to review the credibility of financial statements;
- c) Being capable of giving opinions and recommendations on internal control system reports of the Internal Audit unit or an internal audit service provider of the Company.

## 2.4 Management Team

As of July 31<sup>st</sup>, 2022 the management team is comprised of 13 executives as follows:

1. Mr. Thiti	Sihanatkathakul	Chief Executive Officer*
2. Prof. Pittayapoom	Pattaranutaporn, M.D.	Deputy Chief Executive Officer
3. RAdm. Surachet	Suphanich, M.D.	Hospital Director
4. Peera	Changkaew, M.D.	Medical Director
5. Phichet	Panugthong, M.D.	Quality Director
6. Paitoon	Kachornvachara, M.D.	Operation Director
7. Miss Malee	Boonleechai	Acting as Administrative Office Director and Senior Deputy Administrative Director - Corporate Support
8. Miss Surussavadee	Sutepakul	Deputy Medical Director - Nursing
9. Miss Patumrat	Kachonsrikeit	Assistant Medical Director - Nursing
10. Mr. Pongsak	Techasatirakul	Assistant Operation Director - TNH Laboratory Service
11. Miss Suranchana	Tanpleeratana	Assistant Operation Director - Customer Service Support
12. Mr. Sarut	Pongpairoj	Assistant Administrative Director - Business Development
13. Mr. Suphat	Chaboon	Assistant Executive Director - Engineering and Project Management

### Scope of Duty and Responsibility of Chief Executive Officer

Chief Executive Officer shall have the following scope of duty and responsibility:

- a) Review the annual budget allocation plan proposed by the management prior to submission thereof for the Board's approval.
- b) To approve procurement transactions within the limit of Baht 10,000,000 per transaction.
- c) Appoint, determine the scope of authorities, duties, and responsibilities of the Company's executive director according to the business management structure.
- d) Amend, change, and determine the limit for approval of the procurement or revise, change, and determine the authorized person to approve the Company's procurement of not more than 10,000,000 baht per time.

Chief Executive Officer shall not have the power to approve transactions of the Company and its subsidiaries (if any) which involve conflict of interest with himself or his related parties in accordance with rules and regulations of the Stock Exchange of Thailand. Such transactions shall be proposed to the Board's meeting or the shareholders' meeting for approval as required by the Company's articles of association or applicable laws, unless they are in the ordinary course of the Company's business and meet the specific approval criteria previously established by the Board.

## Directorship in Other Listed Companies

The Board of Directors sets a policy on directorship in other listed companies as follows:

Policy on the directors' holding of directorship in other listed companies:

- 1) The Board prescribes that each director is able to hold directorship in no more than 3 other listed companies so as to ensure director's efficiency and total dedication of time to perform duties as the Company's director.
- 2) Directors should not take up directorship in other listed companies that may cause a conflict of interest with the Company and the discharge of duties as the Company's director.

## New Director Orientation

The Company arranges orientation session for newly appointed directors. In this regard, the Company Secretary is assigned to provide the new directors with all documents and information helpful to the discharging of their duties. This will acquaint the new directors with the Company's business policy including other relevant information such as capital structure, shareholders, operating performance, internal systems, and also regulatory laws and regulations. At the session, the new directors shall receive a Corporate Director Manual, which consists of:

1. Public Limited Companies Act B.E. 2535;
2. Securities and Exchange Act B.E. 2535;
3. Certificate of Corporate Registration;
4. Company Affidavit;
5. Memorandum of Association;
6. Articles of Association;
7. Corporate Governance Handbook;

In 2022, The Company has one director which is Col. Dan Tanphaichitra, M.D.

## Director and Executive Remuneration

The Company's expenses on remuneration and fringe benefits for directors and executives for the year ended on 31<sup>st</sup> July 2022 are as shown below:

- a) Total directors' remuneration in relation to attendance fees and benefits is as listed below:

Name	Board of Directors		Audit Committee		Total
	No. of Attendance / No. of Meeting	Attendance Total Fee (Baht)	No. of Attendance / No. of Meeting	Attendance Total Fee (Baht)	
Charoen Meensook, M.D.	5/5	90,000	-	-	90,000
Mr. Thiti Sihanatkathakul	5/5	70,000	-	-	70,000
Mr. Prapat Suthawate	5/5	70,000	-	-	70,000
Mr. Sumeth Jenjesda	5/5	70,000	-	-	70,000
Arkorn Cheirsilpa, M.D.	5/5	70,000	-	-	70,000
Mr. Pitipat Sihanatkathakul	5/5	70,000	-	-	70,000
Mr. Norathep Sihanatkathakul	5/5	70,000	-	-	70,000
Mr. Tosaporn Sihanatkathakul	5/5	70,000	-	-	70,000
Col. Dan Tanphaichitra, M.D.	4/5	56,000	-	-	56,000
Mr. Kraisa Kadkum	5/5	70,000	5/5	90,000	160,000
Pridi Hetrakul, M.D.	2/5	28,000	1/5	14,000	42,000
Assoc. Prof. Chertsak Dhiraputra, M.D.	4/5	56,000	3/5	42,000	98,000
Assoc. Prof. Panya Issarawornrawanich, Ph.D.	5/5	70,000	5/5	70,000	140,000
Mr. Chailerg Viriyarattanaporn	5/5	70,000	5/5	70,000	140,000
<b>Total</b>		<b>930,000</b>		<b>286,000</b>	<b>1,216,000</b>

Directors' remuneration refers to remuneration paid to the Company's directors, excluding their monthly salary and fringe benefits offered to executives. The directors' remuneration has been approved by the shareholders' meeting.

Medical benefit for directors and their families are limited at Baht 800,000 per year and the Company's expenses on the said benefit in 2022 amounted to Baht 4,119,794 as detailed in the note 7 to the financial statements. All medical expenses which exceed the limit are charged and collected in accordance with the Company's procedures.

#### b) Executive Director and Executive Remuneration

Total remuneration of executive directors and executives of the Company in 2022 amounted to Baht 58.89 million, inclusive of monthly salary, medical benefits and fringe benefits offered to executives.

## 2.5 Personnel

The Company determines remuneration to personnel in commensurate to individual responsibilities and performance. It also has a policy to review and adjust, on an annual basis, the payment of remuneration and special rewards appropriately and fairly to be in line with such factors as economic conditions, cost of living, remuneration benchmark of companies in the same industry, as well as the Company's operating results in tandem with work performance.

Apart from appropriate remuneration, the Company also provides healthcare benefits and other welfare benefits, i.e. social security fund, provident fund, uniform, wedding gift payment, funeral service allowance, compensation in case of disability or death, annual checkup, influenza vaccination, including privileges granted to employees' family members on using medical services, etc.

As of 31 July 2022, the Company has 1,215 permanent employees and 152 contractual employees, now a total of 1,367 employees. Expenses on salary, wages and fringe benefits of employees in 2022 are as shown below.

Category	Amount ( Million Baht)
Salary, overtime, bonus, retiring allowance and others	569.23
Benefits	42.73
Contribution to Social Security Fund	6.62
Contribution to provident fund	-
Contribution to Fund for Empowerment of Persons with Disabilities	-
Others	0.27
<b>Total</b>	<b>618.85</b>

### 2.5.1 Provident Fund

The Company has established a provident fund in accordance with the Provident Fund Act B.E. 2530, by joining the TISCO and Provident Fund Management. The objective was to help money saving for personnel, of which there were 531 personnel participating in the provident fund program, representing 39% of the personnel. The Company will pay its contributions of 2% of the base salary of employers, and the employees pay accumulated amount into the fund according to the will of the employees but not more than 15%.



### 2.5.2 Employee Capability Development

The Company encourages training and knowledge development for employees before they enter the Company's department, starting from the Orientation of new employees and after entering their units. The Company has organized various training courses for professions that are necessary to serve patients in various areas.

Personnel Orientation Day training courses for newly employed composing of;

1. Day 1: Company's history, rules and regulations, and welfare; and
2. Day 2: Safety, risk, occupational health and the environment.

Day	Training Topics / Activities
<b>Day 1</b>	History of Thainakarin Hospital Regulations, Work Practices and Welfare Introduction of Key Departments in the Hospital Grooming Service Facilitation Service General Service Greeting Service Role Play and Hospitality Standards Hospitality Standards Test Call Service
<b>Day 2</b>	Knowledge of Occupational Health and Work Environment Preliminary of Fire Prevention and Suppression in the Workplace Cybersecurity and Using of Programs Corporate Culture and Hospital Quality Development Awareness in the Prevention and Control of Infectious Diseases in Hospital Risk Management in Hospital Introducing to Original Affiliation

### 2.5.3 Safety Occupational, Health of Personnel

The Company manages the safety and occupational health of the Hospital's personnel in order to have good health resources, therefore, the Company has promoted and organized training for knowledge to personnel to be capable to perform correctly in accordance with the Hospital standards.

### 2.5.4 Major Labor Disputes over the past 1 year

- None -

## 2.6 Other Important Information

### Company Secretary

The Board of Directors appointed Mr. Prapat Suthawate and Mr. Attapong Tipaksorn, Assistant Legal Manager, to perform the duties of the company secretary in order to supervise and hold the meeting of the Board of Directors and Shareholders' Meeting as well as to prepare a register of directors, a notice calling a director meeting and the minutes of the Meeting of the Board of Directors and to prepare a notice calling a Shareholder' meeting and Shareholders' Meeting, annual report, and documents storage as defined by law. i.e. report on interest filed by a director or an executive etc. Moreover, They are also assigned to provide some suggestions to the Board of Directors and executives on criteria related to the listed companies of the Stock Exchange of Thailand and good corporate governance.

### Scope of Duty and Responsibility of Company Secretary

1. To provide primary suggestions to the Board of Directors on laws, regulations and rules of the company as well as to monitor compliance and report all significant changes to the directors.
2. To prepare notices of the Meeting of Shareholders and the Meeting of the Board of Directors, as well as to make arrangements for said Meetings in compliance with laws.
3. To record the minutes of the Shareholders Meeting and the Meeting of Board of Directors as well as to follow-up the compliance with the meeting's resolution.
4. To prepare and keep documents specified by laws, such as director registration, reporting of conflict of interest as reported by the Company's directors or executives, etc.
5. To supervise information disclosure and disclosure of information report of the company unit with responsibility on corporate governance.
6. To contact and communicate with shareholders.
7. To supervise activities of Board of Directors

### Person taking the highest responsibility in accounting and finance

The company has assigned the person holding the position of Accounting Manager, Miss Perapa Teerajareonsup as the person taking the highest responsibility in finance and accounting as of December 1, 2021. The background of the person responsible for the accounting and finance is listed in Attachment 1.

### Audit Fees

In 2022, the Company paid the auditors fees separately as follows;

(Unit: Baht)

Auditors' Remuneration	2022
Quarterly review fees, 3 quarters (Consolidated Financial Statements)	400,000
Annual audit fees (Consolidated Financial Statements)	820,000
<b>Total</b>	<b>1,220,000</b>

Note: In the year 2022, there will be additional compensation for the consolidated financial statements for the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 50,000 baht.

### Non-audit fee

Inspection expenses such as travel expenses and photocopying costs, etc., were of actual disbursement but not exceeding 30,000 baht.

### Subsidiary auditor's fee

Jatu Charoen Development Co., Ltd. Paid 75,000 Baht per year and non-audit fee to the auditors of EY Office Company Limited.

## 3 Significant Performance on Corporate Governance

### Nomination, Development and Evaluation of the Board of Directors

The Company emphasis on the development of directors and executives through a project on continual enhancement of knowledge and capacity proper to the assigned duties in order to endorse performance efficiency and efficacy of directors and executives. In this regard, directors are encouraged to take relevant courses of the Thai Institute of Directors (IOD).

### Director and Executive Nomination

The nomination of directors is proposed to the shareholders' meeting and subject to the majority vote of shareholders. Though the Nomination Committee is not involved in the nomination process, the Company has taken steps to ensure that director candidates meet the qualification criteria as set out in the Public Limited Companies Act B.E. 2535 and possesses professional knowledge and expertise which are beneficial to the Company's business, visionary leadership, integrity, morality, proven record of transparency, and independence.

The Company has established a committee consisting of senior medical, nursing and other professional to be responsible for screening and interviewing candidates for executive positions. The remuneration packages of executives is based on their scope of duties and responsibilities and benchmarked with other companies of comparable size in the same industry.

### Director and Executive Development

The Company focuses on promoting constant knowledge and performance development of directors, executive, Company Secretary and all staff. For the Board, directors are encouraged to participate in courses relating to fulfilment of duties or seminars arranged by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand, etc., in order to enhance the knowledge and capacity for efficient discharge of duties as the Company's directors.

### Director and Executive Development and Succession Plan

To Development and Succession Plan for Director and Executive Development, the Board of Directors have plan to prepare as soon as the directors or executive retired or unable to perform their duties that the management of the Company can continuously and develop sustainably.

The Executive who assigned as a successor must be a person who is ready with qualifications and has experience in the appropriate field. Also, it should have knowledge and experience to transfer by working rotation in other relevant departments and attend the necessary additional training courses to prepare for the future career in higher positions in order to work smooth and management continuously.

### Board of Director's Meeting

Directors must attend the Board of Directors' Meeting regularly to acknowledge and jointly make decisions on the Company's business. In 2022, the Company has formally set the dates of the Board meetings for the entire year and notified all directors in advance so that they could allocate time for attendance. Special Board meetings may be convened as necessary. In 2022, the Board meetings, exclusive of special ones, for the year 2023 have been scheduled in advance (subject to change) as follows:

No	Audit Committee's meeting	Board of Directors' meeting
1	14 March 2023	16 March 2023
2	7 June 2023	9 June 2023
3	19 September 2023	21 September 2023
4	12 December 2023	14 December 2023

According to the Articles of Association, the quorum of a Board meeting must not be less than one-half. To encourage the Company's good corporate governance implementation, however, the Board of Directors has jointly laid down guidelines that the quorum must not be less than two-third of the total number of directors.

In 2022, the Company held the Board meetings at least once every 3 months. From 1 August 2021 to 31 July 2022, the Board of Directors convened 5 times, each of which was attended by more than 70% of the total number of directors. The rate of meeting attendance over the 5 meetings accounted for 92.86% of the total number of directors. At each meeting, agenda items were clearly specified and meeting invitation was submitted at least 7 days in advance in order that the directors had sufficient time to study the information. Minutes of the meetings were recorded in writing and, after being adopted by the Board of Directors, kept ready for inspection by the Board of Directors and concerned parties.

Furthermore, if a director has any interest or benefit in an agenda item to be considered, he/she shall leave the meeting room before the consideration of such agenda so that the meeting can consider the matter independently.

### Remuneration of Directors and Executives

The shareholders' meeting has clearly fixed remuneration for directors. Remuneration of directors and executives shall be determined commensurate with their assigned roles, duties and responsibilities, and be at an appropriately attractive level to retain competent personnel with the Company. Determination of the remuneration shall be in accordance with the Board-specified principles and policy and in line with business performance and operating results alongside performance of each executive.

### Individual Meeting Attendance and Remuneration of the Board of Directors

The Board of Directors has monitored and supervised the operations, cover various departments within the organization and having appropriate responsibility for shareholders. There are a number of committee attended the Board of Directors' meeting in the past year as the following meetings were held:

Name	Board of Directors	Audit Committee	Annual General Meeting of Shareholders 2021
Charoen Meensook, M.D.	5/5	-	1/1
Arkorn Cheirsilpa, M.D.	5/5	-	1/1
Mr. Prapat Suthawate	5/5	-	1/1
Mr. Sumeth Jenjesda	5/5	-	1/1
* Col. Dan Tanphaichitra, M.D.	4/5	-	1/1
Mr. Thiti Sihanatkathakul	5/5	-	1/1
Mr. Pitipat Sihanatkathakul	5/5	-	1/1
Mr. Noratthep Sihanartkatakul	5/5	-	1/1
Mr. Tosaporn Sihanatkathakul	5/5	-	1/1
Mr. Kraisak Kadkum	5/5	5/5	1/1
Pridi Hettrakul, M.D.	2/5	1/5	1/1
Assoc. Prof. Chertsak Dhiraputra, M.D.	4/5	3/5	0/1
Assoc. Prof. Panya Issarawornrawanich, Ph.D.	5/5	5/5	1/1
Mr. Chailerg Viriyarattanaporn	5/5	5/5	1/1

\* Since Prof. Emeritus Deja Tanphaichitra, M.D., does not wish to return to the position as a director, therefore the resolution of the Annual General Meeting 2021 held on November 18<sup>th</sup> 2021, appoints Col. Dan Tanphaichitra, M.D., as a Director to replace the former director who retired by rotation.

## Reports of the Board of Directors

The Board of Directors is responsible for the Company's financial statements and financial information in the annual report. The financial statements are prepared according to the accounting standards generally accepted in Thailand, using appropriate accounting policies that are applied on a consistent basis based on prudent consideration and best estimates. All significant information is adequately disclosed in the notes to the financial statements.

The Board of Directors establish internal control in order to ensure that accounting data record is correct, complete and adequate for maintaining the Company's assets and perceiving some weaknesses in order to significantly prevent any abnormal operation. The Board also gives the opinion that, in overall, the Company's internal control is reliable.

The Audit Committee comprised of Independent Directors and non-executive Directors with accounting expertise, is assigned to review the financial reports and the disclosure of information in the Company's financial statements.

## Supervision over Operations of Subsidiaries and Associated Companies

The Company performs and operates business with 1 subsidiary: Jatu Charoen Development Company Limited. The Company has mechanisms to supervise the subsidiary as follows:

1. The Company's 3 representatives serving as directors in the subsidiary company, namely Charoen Meensook, M.D., Mr. Thiti Sihanatkathakul and Mr. Tosaporn Sihanatkathakul, with percentage of the Company's shareholding, Thainakarin Hospital Public Company Limited, amounting to 99.97%, which was approved by the Board of Directors Meeting No. 5/2021 on December 13, 2021.
2. The Company has a regulatory mechanism in related to the disclosure of financial position and operating results, the transaction between the said company and the connected person, the acquisition or disposition of assets or any other important transactions of the said company to be complete and correct. The rules related to disclosure of information and transactions in the manner mentioned above are used in the same way as the Company's rules with the consolidated financial statements were prepared and used by the same auditor as the Company.

## Internal Control and Risk Management

In effort to prevent potential damages to the business, the Company focuses on establishing internal control systems that cover financial activities, operating activities, risk management and supervision at both management and operational levels, thus enabling it to accomplish goals in resource optimization, asset protection, and error, leakage and loss reduction. The control responsibilities for approval, transaction recording and asset custody are segregated in order to secure proper checks and balances. Besides, the Company has put in place internal financial audits, accompanied by periodic monitoring by executives in charge, to ensure that its financial reporting system is accurate and reliable in compliance with relevant regulations and laws.

In 2022, the Board and the Audit Committee has jointly assessed the adequacy of the Company's internal control system in 6 interrelated aspects as follows:

### 1. Organization and Control Environment

The Company has an appropriate organizational structure, with a clear scope of authorities, duties and responsibilities. It has adopted a policy to inculcate a positive corporate culture where employees at all levels perform their duties with accountability, utmost ability and conformity to internal control system. All employees are well aware of their roles, authorities, duties and responsibilities, and also strictly comply with corporate policies and procedures. The adequacy of internal control including actual operations are reviewed and reported regularly to ensure policy compliance.



## 2. Risk Management

The Company has established the Risk Management Committee, with the Quality Director being the Chairman by position. The Committee is in charge of setting policies in relation to risks and safety, laying strategic plan in enterprise risk management, putting in place the risk management system that incorporates risk detection, risk reporting, enterprise risk analysis, continual improvement, preventive measures and contingency plan against potential risks and undesirable incidents in healthcare services. The system shall also promote well-organized risk information management system, safety culture, consistent and efficient risk management practices at enterprise, the Committee and working unit levels, together with constant monitoring and assessment of risks in accordance with the standards of The Healthcare Accreditation Institute (Public Organization).

## 3. Management Control

The Company has clearly set out scopes of authorities and duties, approval authority limits of the Management, and regulations and procedures on conflict of interest of directors and senior executives. Pertinent actions by the Management shall be reported to the Board and included as a regular agenda item of the Board meeting every 3 months.

The Company has rationally laid down its internal control system that ensure that payments and receipts of money are properly approved by the executives and the Board. The internal control system is developed in consistent with the anti-corruption measures and appropriate to corruption risks of the Company.

The internal control encompasses policy and procedures to ensure that the guidelines laid by the Board and the executives are implemented into practice and in accordance with the corporate governance policy of the Company. Widely popular, internal control is a process executed by the Board, executives or other personnel in order to provide reasonable confidence regarding business efficiency, reliability of financial reports and compliance with the laws and regulations. Meanwhile, auditing is a process to review the reliability of internal control system, documents and performance in order to assure the executives, investors and other stakeholders of said matters. The auditing is carried out jointly by the internal auditors and the external auditors.

## 4. Information and Communication Systems

The Company has improved the server hardware to increase the processing efficiency and support the storage of higher volumes which could serve the long-term usage for no less than 5 years. Security controls on data access and the usage of information systems have been developed as well as a roadmap for information security processes. The information especially of patients, service recipients and information of the Company's personnel are treated with appropriateness and compliance with standards such as information in the electronic medical record (E - Medical Record), human resources management system, network system in the organization (Network), including data backup of various work systems. The purpose is to provide stability in the management of risks to various forms of information systems, etc.

The Company has continuously improved its IT service system, for example, improving the internet speed signal to be able to respond to the successively increasing number of users and to support the usage volume effectively. In addition, the Company's printing system has also been improved with the aim of promoting service efficiency, and at the same time, it's costs saving with the effective improvement of the printing system.

Overall, the information and communication systems are in continuous development direction, so that the utilization of information by executives and working groups can be carried out in the most efficient manner.

## 5. Monitoring System

The Company holds meetings to follow up operating performance, risks and key performance indicators on a regular basis. In addition, the Company has implemented risk managing process and analyzed for causes of performance gaps in order to take corrective actions, as per the opinion of the Audit Committee disclosed in the Audit Committee's Report for 2022.

In addition, the Company has established a system of monitoring and reviewing operational manuals to be in line with all risks across-the-board.

## 6. Internal Audit

The Audit Committee appointed Miss Wiyadarat Sintharajiratha to hold the position of the Audit Manager for supervise and control the company's operation whereas Miss Wiyadarat Sintharajiratha graduated in Bachelor of Accountancy from Ramkhamhaeng University and Mini MBA from Chulalongkorn University. She has every held the position of Accounting Manager of Thainakarin Hospital PLC and has had some experiences on internal audit of hospital business over than 20 years. Since she has understanding on the company's business and operation, the Audit Committee agrees that the Audit Manager is appropriate to perform such duty. Consideration and approval on appointment and transfer of the Audit Manager must be approved by the Audit Committee.

## Related-party Transactions

In 2022 and as of 31 July 2022, the Company had related-party transactions and outstanding balances with persons of possible conflict of interest as shown in the financial statements and note No.6 to the financial statements.

### Necessity and Reasonableness

Related-party transactions are executed based on necessity and reasonableness for the best interest of the Company in line with its normal business practice and fair price basis. The Audit Committee has already given opinions on these related-party transactions in the preceding section.

### Measures and Procedures for Related-party Transaction

The Company has strictly complied with the Securities and Exchange Act B.E. 2535, the Stock Exchange of Thailand's regulations, notifications and requirements, and the Public Limited Companies Act B.E. 2535. Directors or persons who have interest in a transaction or may have conflict of interest with the Company shall have no right to approve such transaction, unless otherwise allowed the Public Limited Companies Act B.E. 2535, notifications or requirements, or the Public Limited Companies Act B.E. 2535. Principles regarding execution of related-party transactions as well as acquisition and disposal of the Company's assets have clearly been stipulated in its Articles of Association.

### Policy or Trend of Future Related-party Transactions

The Company has laid a policy on future related-party transactions, where the Board shall take into consideration the necessity and reasonableness of transactions along with the Company's best interest in terms of prices and normal business conditions. The Audit Committee is responsible for giving opinions on the necessity and reasonableness of the related-party transactions and compliance with normal business practice, based on comparison with prices on an arm's length basis. As a policy, such related-party transactions as borrowings from persons with possible conflict of interest shall be executed only when the Company is in financial need yet there are no other sources of fund that offer better terms or interest rates closer to market rates than its related persons.

### Measures on Investor Protection

In relation to related-party transactions and acquisition/disposal of assets, the Company has set in its Articles of Association clear regulations prohibiting directors or persons who have interest or may have any conflict of interest in a transaction from voting and approval of such transaction, which is in compliance with the Stock Exchange of Thailand's regulations, notifications or requirements and governing laws. Additionally, the Audit Committee is assigned to give opinions on the necessity and reasonableness of the related-party transactions. Pertinent information shall be disclosed in accordance with the Stock Exchange of Thailand's regulations, and also be included in the Company's financial statements and annual reports.

In the event that the Audit Committee has no expertise in reviewing a future related-party transaction, the Company shall seek opinions thereon from independent experts or the Company's auditors to support decision-making of the Board of Directors or the shareholders, as the case may be.

Related-party transaction report for 31<sup>st</sup> July 2022 and 2021

Related party and relationship	Transaction	Transaction Value (MB)		Necessity and Reasonableness
		2022	2021	
1. Doctors being directors and executives	<b>Doctor's fees:</b>	15.05	24.90	The transactions are necessary and reasonable because the directors and executives being doctors are entitled to receive doctor's fees at the rates comparable to other doctors working for the hospital.
	are paid to directors and executives of the Company Accrued doctor's fee expenses as of 31 July	0.00	2.24	
2. Siam Property Development Company Limited	<b>Medical fee income:</b>	5.85	0.00	The transactions are necessary and reasonable. They are considered normal trade transactions and charged the rates applicable to general customers.
	The transactions are in the normal course of the Company's business and charged at the rates applicable to general customers. Medical fee receivables as of 31 July	5.26	0.00	
3. Boontuang Company Limited	<b>Lump sum service income:</b>	10.25	2.43	The transactions are reasonable. They are considered normal trade transactions and charged the rates applicable to general customers.
	The transactions are in the normal course of the Company's business and charged at the rates applicable to general customers. Medical fee receivable as of 31 July	4.36	2.43	
4. Directors	<b>Welfare expenses:</b> According to the Company's regulations, medical benefits for directors and their spouse, children and parents are limited at Baht 800,000 per year per person and do not cover doctor's fees, lab tests and examination by other hospitals and special equipment.	4.12	3.50	The transactions are necessary and reasonable. They are considered normal trade transactions.



## PART 3

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### Financial Statement

## Scope of the Board of Directors' Responsibilities for Financial Reports

The Board of Directors gives priority to discharging its supervisory duties and responsibilities in accordance with the Company's Good Corporate Governance Policy. Financial reports and information disclosed in the 56-1 One Report 2022 contain accurate, complete, adequate details, and are prepared in compliance with the generally-accepted accounting standards using appropriate accounting policies that are consistently applied based on prudent consideration. The Board has assigned the Audit Committee to review the Company's latest financial statements. Said financial reports have been reported to be carefully prepared in accordance with the generally-accepted accounting principles using appropriate accounting policies, and been assessed for the appropriateness of overall items presented in the statements, with adequate information disclosed in the notes to the financial statements. The Audit Committee's opinions regarding such matters are stated in the Company's 56-1 One Report 2022.

Additionally, the Board has set up an efficient and effective internal control system to ensure complete and accurate recording of accounting transactions, as well as an asset control system to prevent frauds or material damages.

In summary, the Board is of an opinion that the Company's overall internal control system is at a satisfactory level to establish reasonable confidence in the reliability of the Company's financial statements as of 31 July 2022. The external auditor has audited the aforementioned statements according to the generally-accepted auditing standards and viewed that the financial statements present fairly, in all material respects, the financial position and financial performance in accordance with generally-accepted accounting principles.



**(Charoen Meensook, M.D.)**

Chairman of the Board

Thainakarin Hospital Public Company Limited



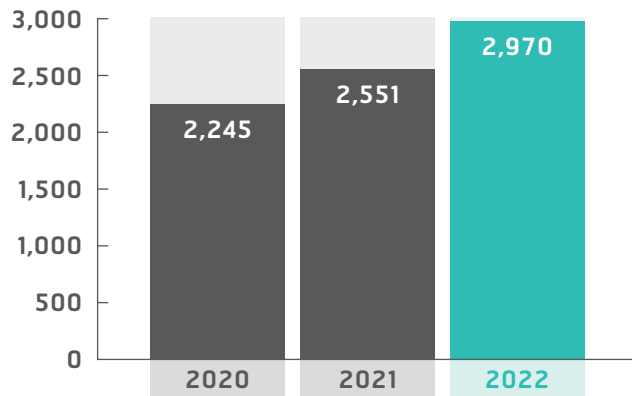
## Financial Highlights

Financial Performance (Million Baht)	2022	2021	2020
Total current assets	1,570.59	1,398.61	1,111.12
Total assets	2,969.68	2,550.64	2,244.84
Total current liabilities	374.77	306.60	215.61
Total liabilities	485.68	401.10	314.13
Total shareholder's equity	2,969.68	2,148.65	1,930.71
Total revenues	2,604.64	2,056.85	2,027.95
Profit for the year	425.35	293.41	256.33
Basic earning per share (Baht)	2.36	1.63	1.42
Financial Ratios	2022	2021	2020
<b>1. Liquidity Ratio (time)</b>			
1.1 Current ratio	4.19	4.56	5.15
<b>2. Efficiency Ratio (Day)</b>			
2.1 Average Collection Period	44	34	23
2.2 Average Inventory Period	7	8	7
2.3 Average Payment Period	37.29	34.68	33.72
<b>3. Profitability Ratio (%)</b>			
3.1 Gross Profit Margin	30.20	25.90	23.98
3.2 EBITDA Margin	30.00	21.69	20.06
3.3 Net Profit Margin	16.33	14.22	12.58
3.4 Return on Assets	19.09	14.94	14.45
3.5 Return on Equity	18.36	14.39	13.82
<b>4. Financial Policy Ratio (time)</b>			
4.1 Total Liabilities to Equity	0.20	0.19	0.16
4.2 Interest Coverage	-	-	-
<b>5. Other Financial Ratio</b>			
5.1 Growth on Revenues from Hospital Operations (%)	26.57	1.73	-6.78
5.2 Growth on Net Profit for the Year (%)	44.97	14.47	-19.27
5.3 Book Value per Share (Baht)	13.80	11.94	10.73

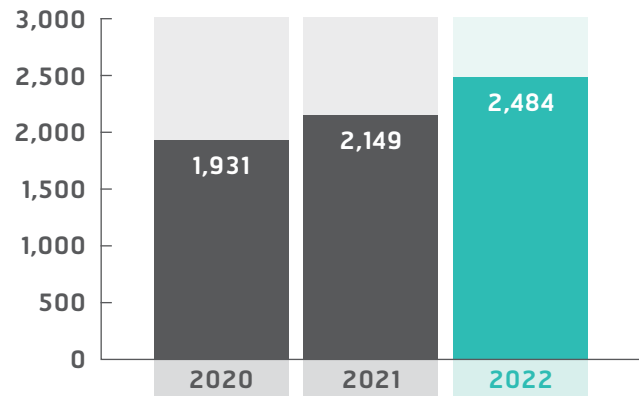
## Financial Highlights

(Unit : Million baht)

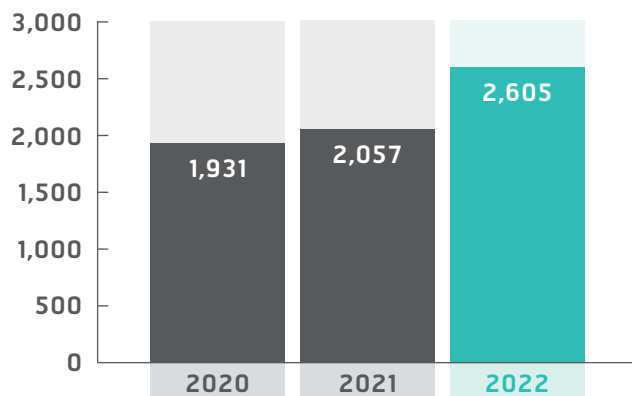
Total Assets



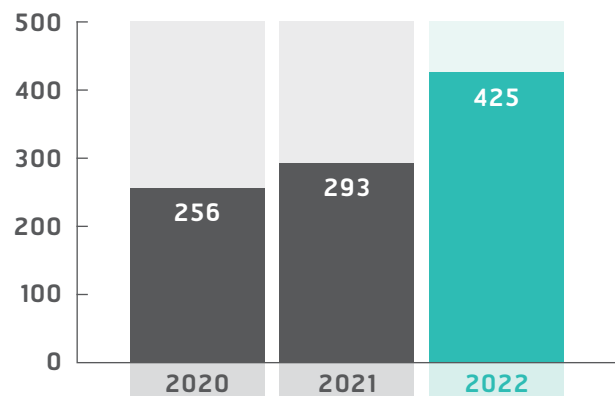
Total Shareholder's Equity



Total Revenues



Profit



## Independent Auditor's Report

To the Shareholders of Thai Nakarin Hospital Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of Thai Nakarin Hospital Public Company Limited and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at 31 July 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thai Nakarin Hospital Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Nakarin Hospital Public Company Limited and its subsidiary and of Thai Nakarin Hospital Public Company Limited as at 31 July 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

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

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

Key audit matter and how audit procedures respond to the matter are described below.

#### *Revenue recognition*

Revenues from hospital operations are considered significant in the financial statements especially revenue with contract companies, insurance companies and government agencies, as the amounts recorded are material, representing 99% of the total revenues and they directly affect the operating results of the Company. In addition, there are various types in revenues from hospital operations which include revenue from sales of medicines and medical supplies, revenue from medical services, revenue from patient rooms, including discounts for counterparties, whereas the agreements contain various conditions for each party. I therefore gave significant attention to the revenue recognition of the Company.

I examined the revenue recognition of the Company by assessing and testing the Company's internal controls with respect to the revenue cycle by making enquires of responsible executives, gaining an understanding of the controls and selecting representative samples to the operation of the designed controls. In addition, I have performed substantive procedure. I applied a sampling method to select revenue from hospital operation transactions occurring during the year to examine the supporting documents. I requested a balance confirmation from accounts receivable. In addition, I also performed analytical procedures of disaggregated data and performed analytical procedures for significant revenue ratios with the past information and industry to detect possible irregularities in revenues from sales and services throughout the period. In addition, I have performed the test of journal entries related to revenue recognition throughout the period.

### **Other Information**

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

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

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

When I read the annual report of the Group, 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 Financial Statements**

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



**Samran Taengcham**

Certified Public Accountant (Thailand) No. 8021

**EY Office Limited**

Bangkok: 28 September 2022

**Thai Nakarin Hospital Public Company Limited and its subsidiary**
**Statement of financial position**

As at 31 July 2022

(Unit: Baht)

	Note	Consolidated financial statements	Separate financial statements	
		31 July 2022	31 July 2022	31 July 2021
Assets				
Current assets				
Cash and cash equivalents	7	699,567,799	697,018,707	366,743,717
Trade and other receivables	6, 8	360,767,734	360,588,039	260,321,289
Inventories	9	36,171,511	36,171,511	36,428,514
Other current financial assets	10	472,547,148	472,547,148	720,495,000
Other current assets		1,532,591	1,532,591	14,625,216
<b>Total current assets</b>		<b>1,570,586,783</b>	<b>1,567,857,996</b>	<b>1,398,613,736</b>
Non-current assets				
Investment in subsidiary	11	-	999,700	-
Property, plant and equipment	12	778,999,187	778,999,187	521,844,179
Intangible assets	13	3,373,662	3,373,662	1,740,616
Right-of-use assets	14	592,179,606	592,179,606	607,283,811
Deferred tax assets	19	24,446,290	24,446,290	20,949,828
Other non-current assets		99,335	99,335	207,535
<b>Total non-current assets</b>		<b>1,399,098,080</b>	<b>1,400,097,780</b>	<b>1,152,025,969</b>
<b>Total assets</b>		<b>2,969,684,863</b>	<b>2,967,955,776</b>	<b>2,550,639,705</b>

*The accompanying notes are an integral part of the financial statements.*



**Thai Nakarin Hospital Public Company Limited and its subsidiary**
**Statement of financial position (continued)**

As at 31 July 2022

(Unit: Baht)

	Note	Consolidated financial statements	Separate financial statements	
		31 July 2022	31 July 2022	31 July 2021
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	15	210,247,201	209,131,536	161,233,632
Doctor fee payable	6	106,571,768	106,571,768	79,549,567
Income tax payable		26,801,515	26,709,558	30,621,501
Other current liabilities		31,154,517	31,154,517	35,199,408
Total current liabilities		374,775,001	373,567,379	306,604,108
Non-current liabilities				
Provision for long-term employee benefits				
Other non-current liabilities	16	102,956,186	102,956,186	94,341,465
Total non-current liabilities		7,954,109	7,954,109	1,045,970
Total liabilities		110,910,295	110,910,295	95,387,435
Shareholders' equity		485,685,296	484,477,674	401,991,543
Share capital				
Registered				
180,000,000 ordinary shares of Baht 1 each		180,000,000	180,000,000	180,000,000
Issued and fully paid-up				
180,000,000 ordinary shares of Baht 1 each		180,000,000	180,000,000	180,000,000
Share premium		20,537,768	20,537,768	20,537,768
Retained earnings				
Appropriated - statutory reserve	17	18,000,000	18,000,000	18,000,000
Unappropriated		2,265,461,499	2,264,940,334	1,930,110,394
Equity attributable to owners of the Company		2,843,999,267	2,483,478,102	2,148,648,162
Non-controlling interests of the subsidiary		300		
Total shareholders' equity		2,483,999,567	2,483,478,102	2,148,648,162
Total liabilities and shareholders' equity		2,969,684,863	2,967,955,776	2,550,639,705

The accompanying notes are an integral part of the financial statements.

**Thai Nakarin Hospital Public Company Limited and its subsidiary**
**Statement of comprehensive income**

For the year ended 31 July 2022

(Unit: Baht)

	Note	Consolidated financial statements	Separate financial statements	
		2022	2022	2021
<b>Profit and loss:</b>				
<b>Revenues</b>				
Revenues from hospital operations		2,586,900,782	2,586,900,782	2,043,840,575
Other income		17,737,795	13,937,854	13,008,744
<b>Total revenues</b>		2,604,638,577	2,600,838,636	2,056,849,319
<b>Expenses</b>				
	18			
Cost of hospital operations		1,817,932,207	1,814,829,112	1,514,462,054
Administrative expenses		264,313,623	264,228,602	190,405,644
<b>Total expenses</b>		2,082,245,830	2,079,057,714	1,704,867,698
<b>Operating profit</b>		522,392,747	521,780,922	351,981,621
Finance income		4,501,421	4,500,111	6,235,573
<b>Profit before income tax expenses</b>		526,894,168	526,281,033	358,217,194
Income tax expenses	19	(101,543,063)	(101,451,093)	(64,801,374)
<b>Profit for the year</b>		425,351,105	424,829,940	293,415,820
<b>Other comprehensive income:</b>				
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain	16	-	-	11,805,113
Less: Income tax effect	19	-	-	(2,361,023)
Actuarial gain - net of income tax		-	-	9,444,090
<b>Other comprehensive income for the year</b>		-	-	9,444,090
<b>Total comprehensive income for the year</b>		425,351,105	424,829,940	302,859,910
<b>Basic earnings per share</b>				
	20			
Profit		2.36	2.36	1.63
Weighted average number of ordinary shares (shares)		180,000,000	180,000,000	180,000,000

The accompanying notes are an integral part of the financial statements.

Thai Nakarin Hospital Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 July 2022

(Unit: Baht)

Note	Consolidated financial statements					
	Issued and paid-up share capital	Share premium	Retained earnings		Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries
			Appropriated - statutory reserve	Unappropriated		
<b>Balance as at 1 August 2021</b>	180,000,000	20,537,768	18,000,000	1,930,110,394	2,148,648,162	- 2,148,648,162
Profit for the year	-	-	-	425,351,105	425,351,105	- 425,351,105
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	425,351,105	425,351,105	- 425,351,105
Dividend paid	-	-	-	(90,000,000)	(90,000,000)	- (90,000,000)
Non-controlling interest of new subsidiary	-	-	-	-	-	300 300
<b>Balance as at 31 July 2022</b>	180,000,000	20,537,768	18,000,000	2,265,461,499	2,483,999,267	300 2,483,999,567

Thai Nakarin Hospital Public Company Limited and its subsidiary  
**Statement of changes in shareholders' equity (continued)**

For the year ended 31 July 2022

(Unit: Baht)

Note	Separate financial statements				
	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated – statutory reserve	Unappropriated	
<b>Balance as at 1 August 2020</b>	180,000,000	20,537,768	18,000,000	1,708,250,484	1,926,788,252
Profit for the year	-	-	-	293,415,820	293,415,820
Other comprehensive income for the year	-	-	-	9,444,090	9,444,090
Total comprehensive income for the year	-	-	-	302,859,910	302,859,910
Dividend paid	-	-	-	(81,000,000)	(81,000,000)
<b>Balance as at 31 July 2021</b>	180,000,000	20,537,768	18,000,000	1,930,110,394	2,148,648,162
<b>Balance as at 1 August 2021</b>	180,000,000	20,537,768	18,000,000	1,930,110,394	2,148,648,162
Profit for the year	-	-	-	424,829,940	424,829,940
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	424,829,940	424,829,940
Dividend paid	-	-	-	(90,000,000)	(90,000,000)
<b>Balance as at 31 July 2022</b>	180,000,000	20,537,768	18,000,000	2,264,940,334	2,483,478,102

The accompanying notes are an integral part of the financial statements.

**Thai Nakarin Hospital Public Company Limited and its subsidiary**
**Statement of cash flows**

For the year ended 31 July 2022

(Unit: Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2022	2021
<b>Cash flows from operating activities</b>			
Profit before tax	526,834,168	526,281,033	358,217,194
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Depreciation and amortisation expenses	87,689,874	87,689,874	86,480,353
Allowance for expected credit losses	13,178,225	13,178,225	899,213
Long-term employee benefit expenses	13,759,067	13,759,067	17,343,934
(Gain) loss on disposals of equipment	667,307	667,307	(2,672,334)
Interest income	(4,501,421)	(4,500,111)	(6,235,573)
Profit from operating activities before changes in operating assets and liabilities	637,687,220	637,075,395	454,032,787
Decrease (increase) in operating assets			
Trade and other receivables	(114,195,389)	(114,015,694)	(146,184,739)
Inventories	257,003	257,003	(3,010,936)
Other current assets	13,092,625	13,092,625	(14,525,287)
Other non-current assets	108,200	108,200	65,800
Increase (decrease) in operating liabilities			
Trade and other payables	9,382,138	8,266,473	37,495,008
Doctor fee payable	27,022,201	27,022,201	6,445,273
Other current liabilities	(4,044,891)	(4,044,891)	34,268,238
Provision for long-term employee benefits	(5,144,346)	(5,144,346)	(8,748,710)
Other non-current liabilities	6,908,139	6,908,139	76,540
Cash from operating activities	571,072,900	569,525,105	359,913,974
Cash paid for income tax	(108,859,511)	(108,859,498)	(50,476,987)
<b>Net cash from operating activities</b>	<b>462,213,389</b>	<b>460,665,607</b>	<b>309,436,987</b>

The accompanying notes are an integral part of the financial statements.

**Thai Nakarin Hospital Public Company Limited and its subsidiary**
**Statement of cash flows (continued)**

For the year ended 31 July 2022

(Unit: Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2022	2021
<b>Cash flows from investing activities</b>			
Increase in investment in subsidiary	-	(999,700)	-
Interest received	5,072,140	5,070,830	6,222,849
Net decrease (increase) in other current financial assets	247,947,852	247,947,852	(74,857,224)
Cash paid for purchases of building improvement and equipment	(283,290,614)	(283,290,614)	(108,810,549)
Cash paid for purchase of intangible assets	(2,317,085)	(2,317,085)	(89,078)
Increase in right-of-use assets	(7,348,000)	(7,348,000)	-
Cash received from disposals of equipment	546,100	546,100	3,801,800
<b>Net cash used in investing activities</b>	<b>(39,389,607)</b>	<b>(40,390,617)</b>	<b>(173,732,202)</b>
<b>Cash flows from financing activities</b>			
Dividend paid	(90,000,000)	(90,000,000)	(81,000,000)
Cash received from non-controlling interest of subsidiary	300	-	-
<b>Net cash used in financing activities</b>	<b>(89,999,700)</b>	<b>(90,000,000)</b>	<b>(81,000,000)</b>
<b>Net increase in cash and cash equivalents</b>	<b>332,824,082</b>	<b>330,274,990</b>	<b>54,704,785</b>
Cash and cash equivalents at beginning of year	366,743,717	366,743,717	312,038,932
<b>Cash and cash equivalents at end of year (Note 8)</b>	<b>699,867,799</b>	<b>697,018,707</b>	<b>366,743,717</b>
<b>Supplemental cash flows information</b>			
Non-cash items			
Write-off trade receivables as bad debts	3,707,619	3,707,619	2,173,566
Accounts payable - construction and equipment purchase	49,313,225	49,313,225	9,681,794

The accompanying notes are an integral part of the financial statements.



## Thai Nakarin Hospital Public Company Limited and its subsidiary

### Notes to financial statements

For the year ended 31 July 2022

#### 1. General information

Thai Nakarin Hospital Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business. The registered office of the Company is at No. 345 Thepparat Road, Kwaeng Bangna Nuea, Khet Bangna, Bangkok.

#### 2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development issued under the Accounting Act B.E. 2543.

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

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

#### 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Thai Nakarin Hospital Public Company Limited (“the Company”) and the following subsidiary company (“the subsidiary”) (collectively as “the Group”):

Company's name	Nature of business	Percentage of shareholding
Jatu Charoen Development Company Limited	Health establishment and hotel business, providing elderly and dependency care	99.97

- b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

The separate financial statements present investments in subsidiary under the cost method.

### 3. New financial reporting standards

#### (a) 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.

#### (b) Financial reporting standards that became 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, for some standards, providing temporary reliefs or temporary exemptions for users.

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

### 4. Significant accounting policies

#### 4.1 Revenue and expense recognition

##### Revenue from hospital operations

Revenues from hospital operations, mainly consisting of medical fees, hospital room sales and medicine sales, are recognised as income when services have been rendered or medicines have been delivered.

##### Revenue from sales of goods

Sales of goods are recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts.

##### Revenue from rental

Revenue from rental is recognised over the term of the rental agreements.

##### Finance income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

### Finance cost

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

### Other income

Other income is recognised on an accrual basis.

## 4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of 3 months or less and not subject to withdrawal restrictions.

## 4.3 Inventories

Inventories are valued at the lower of cost (first-in first out) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

## 4.4 Investment in subsidiary

Investment in subsidiary is accounted for in the separate financial statements using the cost method less allowance for impairment loss (if any).

## 4.5 Property, plant and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Particulars	Useful lives (years)	
	Assets acquired before 1 August 2004	Assets acquired as from 1 August 2004
Land improvement	30	30
Buildings	25	Over the lease term
Building improvement	10	10
Facility systems	15, 20	3 - 10
Medical accessory equipment	5 - 20	5 - 15
Furniture, fixtures and equipment	8 - 15	5 - 10
Vehicles	10	10

Depreciation is included in determining income. No depreciation is provided on land and assets under construction and installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

## 4.6 Intangible assets

Intangible assets are measured at cost on the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	Useful lives
Computer software	10 years

## 4.7 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

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

## 4.8 Leases

### Right-of-use assets

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

Unless the Company is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

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

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

## 4.9 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment right-of-use asset and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised 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.

An impairment loss is recognised 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 Company 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.

## 4.10 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

## 4.11 Employee benefits

### Employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

### Post-employment benefits and other long-term employee benefits

#### *Defined contribution plans*

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

#### *Defined benefit plans and other long-term employee benefits*

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term employee benefits are recognised immediately in profit or loss.

#### 4.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 4.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### Current tax

Current income 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.

##### Deferred tax

Deferred income 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 the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

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

#### 4.14 Financial instruments

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

##### Classification and measurement of financial assets

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



### **Financial assets at amortised cost**

The Company 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 derivatives, 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.

Dividends on listed equity investments are recognised as other income in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company’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 Company 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.

### **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 Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is 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 profit or loss.

### **Offsetting of financial instruments**

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

### **Impairment of financial assets**

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

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

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

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

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

### **Trade accounts receivable**

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

## **4.15 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 Company applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation techniques that are appropriate in the circumstances and maximises 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 value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines 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.

## 5. Significant accounting judgements and estimates

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

### **Allowance for expected credit losses of trade receivables**

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

### **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both), liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### **Property, plant and equipment and depreciation**

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of the Company's buildings 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 records impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### **Deferred tax assets**

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

### **Post-employment benefits and other long-term employee benefits under defined benefit plans**

The obligations under the post-employment benefit plan and other long-term employee benefit plan are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

## 6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	Transfer pricing policy
Revenues from hospital operations	Based on the price charged to normal customers
Rental income	Rates as stipulated in the agreements
Doctor fee expenses (directors and management)	The same rate as other doctors in the hospital
Medical welfare expenses	Under the Company's regulations, medical welfare benefits are granted to directors, their spouses, children and parents, up to a specified amount per annum. These benefits exclude doctor fees, examinations conducted on other premises and special equipment charges

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 July	
	2022	2021
<b>Transactions with related companies and persons</b>		
Revenues from hospital operations	16,096	2,432
Rental income	-	210
Doctor fee expenses (directors and management)	15,049	24,903
Medical welfare expenses	4,120	3,500

The balances of accounts as at 31 July 2022 and 2021 between the Company and its related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2021	2020
<b>Trade receivables - related parties (Note 8)</b>			
Related companies (related by common shareholders and directors)	9,628	9,628	2,427
Total trade receivables - related parties	9,628	9,628	2,427
<b>Doctor fee payable - related persons</b>			
Related persons (directors and management)	929	929	2,243
Total doctor fee payable - related persons	929	929	2,243

## Directors and management's benefits

During the years ended 31 July 2022 and 2021, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2022	2021
Short-term employee benefits	52,799	52,967
Post-employment benefits	6,095	6,804
Total	58,894	59,771

## 7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2021	2020
Cash	8,218	8,218	4,992
Bank deposits	691,350	688,801	361,752
Total cash and cash equivalents	699,568	697,019	366,744

As at 31 July 2022, bank deposits in savings accounts carried interests between 0.05 and 0.50 percent per annum (2021: between 0.05 and 1.09 percent per annum).

## 8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2021	2020
<b>Trade receivables - related parties</b>			
Aged on the basis of due dates			
Not yet due	-	-	2,427
Past due			
Up to 3 months	2,787	2,787	-
3 - 6 months	6,788	6,788	-
6 - 12 months	53	53	-
Total trade receivables - related parties	9,628	9,628	2,427
<b>Trade receivables - unrelated parties</b>			
Aged on the basis of due dates			
Not yet due	88,947	88,947	145,211
Past due			
Up to 3 months	94,342	94,342	95,009
3 - 6 months	46,035	46,035	10,748
6 - 12 months	124,724	124,724	5,542
Over 12 months	4,252	4,252	1,254

(Unit: Thousand Baht)

Total trade receivables - unrelated parties  
 Less: Allowance for expected credit loss  
 Total trade receivables - unrelated parties - net  
 Total trade receivables - net

**Other receivables**

Other receivables - unrelated parties  
 Accrued interest income  
 Total other receivables  
 Total trade and other receivables - net

Consolidated financial statements	Separate financial statements	
	2021	2020
2022	2021	2020
358,300	358,300	257,764
(15,360)	(15,360)	(5,889)
342,940	342,940	251,875
352,568	352,568	254,302
7,084	6,904	4,332
1,116	1,116	1,687
8,200	8,020	6,019
360,768	360,558	260,321

**9. Inventories**

(Unit: Thousand Baht)

Medicines and medical supplies  
 Supplies and others  
 Total

Consolidated financial statements	Separate financial statements	
	2021	2020
2022	2021	2020
33,788	33,788	32,312
2,384	2,384	4,117
36,172	36,172	36,429

**10. Other current financial assets**

As at 31 July 2022 and 2021, other current financial assets consisted of the following:

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	Other current financial assets		Interest rate (percent per annum)	
	2022	2021	2022	2021
Fixed deposits at financial institutions (6 - 12 months)	472,547	720,495	0.15 - 1.15	0.50 - 1.45
Total other current financial assets	472,547	720,495		

**11. Investment in subsidiary**

On 13 December 2021, the Board of Directors' meeting No. 5/2021 resolved to approve the establishment of a new subsidiary, Jatu Charoen Development Company Limited, which is engaged in health establishment and hotel business, providing elderly and dependency care both onsite and offsite as well as distributions of medicines, supplement products, medical supplies and equipments. The subsidiary has a registered capital of 10,000 shares with a par value of Baht 100 per share, totaling Baht 1 million. The subsidiary registered the establishment with the Department of Business Development, the Ministry of Commerce on 18 February 2022.



## 12. Property, Plant and Equipment

(Unit: Thousand Baht)

	Consolidated and separate financial statements							
	Land and land improvements	Buildings and building improvements	Facility systems	Medical accessory equipment	Furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<b>Cost</b>								
1 August 2020	227,146	133,244	316,239	531,127	155,619	12,472	28,558	1,404,405
Additions	-	70	1,439	47,481	2,655	-	54,318	105,963
Transfer in (transfer out)	614	1,368	18,897	-	6,639	-	(27,518)	-
Disposals and write-off	-	-	(35,903)	(62,541)	(8,073)	-	-	(106,517)
31 July 2021	227,760	134,682	300,672	516,067	156,840	12,472	55,358	1,403,851
Additions	-	-	4,419	46,814	14,143	3,333	254,213	322,922
Transfer in (transfer out)	-	116,157	12,604	-	3,350	-	(132,111)	-
Disposals and write-off	-	-	(1,643)	(5,272)	(188)	(380)	-	(7,483)
31 July 2022	227,760	250,839	316,052	557,609	174,145	15,425	177,460	1,719,290

(Unit: Thousand Baht)

Consolidated and separate financial statements							
	Land and land improvements	Buildings and building improvements	Facility systems	Medical accessory equipment	Furniture, fixtures and equipment	Vehicles	Assets under construction and installation
<b>Accumulated depreciation</b>							
1 August 2020	2,056	115,261	283,520	380,188	132,415	10,857	-
Depreciation for the year	30	5,657	7,862	40,233	8,896	419	-
Depreciation on disposals and write-off	-	-	(35,634)	(61,699)	(8,054)	-	-
31 July 2021	2,086	120,918	255,748	358,722	133,257	11,276	-
Depreciation for the year	40	5,625	8,982	39,765	9,661	481	-
Depreciation on disposals and write-off	-	-	(748)	(5,037)	(184)	(301)	-
31 July 2022	2,126	126,543	263,982	393,450	142,734	11,456	-
<b>Net book value</b>							
31 July 2021	225,674	13,764	44,924	157,345	23,583	1,196	55,358
31 July 2022	225,634	124,296	52,070	164,159	31,411	3,969	177,460
<b>Depreciation for the year</b>							
2021 (Baht 60.47 million included in cost of hospital operations, and the balance in administrative expenses)							63,097
2022 (Baht 61.24 million included in cost of hospital operations, and the balance in administrative expenses)							64,554

As at 31 July 2022, certain building improvements and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 652.02 million (2021: Baht 604.73 million).

### 13. Intangible assets

The net book value of intangible assets, which are computer software, as at 31 July 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements
<b>Cost</b>	
1 August 2020	21,745
Additions	89
31 July 2021	21,834
Additions	2,317
31 July 2022	24,151
<b>Accumulated amortisation</b>	
1 August 2020	18,960
Amortisation for the year	1,133
31 July 2021	20,093
Amortisation for the year	684
31 July 2022	20,777
<b>Net book value</b>	
31 July 2021	1,741
31 July 2022	3,374

### 14. Right-of-use assets

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2022	2021
Cost	675,348	668,000
Less: Accumulated amortisation	(83,168)	(60,716)
Book value - net	592,180	607,284

(หน่วย: พันบาท)

	Consolidated and separate financial statements	
	2022	2021
Net book value as at beginning of the year	607,284	629,534
Additions during the period - at cost	7,348	-
Amortisation for the year	(22,452)	(22,250)
Net book value as at end of the year	592,180	607,284

The Company entered into a long-term lease agreement for lease of land and building on which are the current operation hospital building with Thai Red Cross Society. The agreement is for a period of 30 years, from 9 November 2018 to 8 November 2048 with the lease payment of Baht 668 million, being payable in full upon signing the new lease agreement. The Company paid the lease payment of Baht 668 million to the Thai Red Cross Society on 22 February 2019.

## 15. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2022	2021
Trade payables - unrelated parties	93,143	92,383	95,485
Other payables - unrelated parties	23,828	23,828	17,892
Accounts payable - construction and equipment purchase	49,313	49,313	9,682
Accrued expenses	43,963	43,608	38,175
Total trade and other payables	210,247	209,132	161,234

## 16. Provision for long-term employee benefits

Provision for long-term employee benefits, which are compensations on employees' retirement and long service awards, was as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	Retirement benefit plan	Long service award plan	Total
<b>As at 1 August 2020</b>	93,269	4,282	97,551
Current service cost	12,230	593	12,823
Past service cost from plan changes	-	2,461	2,461
Interest cost	1,476	65	1,541
Actuarial (gain) loss arising from financial assumptions changes	(11,805)	519	(11,286)
Benefits paid during the year	(7,987)	(762)	(8,749)
<b>As at 31 July 2021</b>	87,183	7,158	94,341
Current service cost	11,065	716	11,781
Interest cost	1,831	147	1,978
Benefits paid during the year	(4,412)	(732)	(5,144)
<b>As at 31 July 2022</b>	95,667	7,289	102,956

Long-term employee benefit expenses included in the profit or loss were as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2022	2021
Current service cost	11,781	12,823
Past service cost from plan changes	-	2,461
Interest cost	1,978	1,541
Actuarial losses	-	519
<b>Total expenses recognised in profit or loss</b>	<b>13,759</b>	<b>17,344</b>
Line items in profit or loss under which such expenses are included	10,543	11,359
Cost of hospital operations	3,216	5,985
Administrative expenses		

The Company expects to pay Baht 10.82 million of long-term employee benefits during the next year (2021: Baht 5.18 million).

As at 31 July 2022, the weighted average duration of the liabilities for long-term employee benefits is 14 years (2021: 14 years).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated and separate financial statements	
	2022 (% per annum)	2021 (% per annum)
Discount rate	2.16	2.16
Future salary increase rate	3.60	3.60
Staff turnover rate (depending on age of employees)	0.00 - 25.00	0.00 - 25.00

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at 31 July 2022 and 2021 are summarised below.

(Unit: Million Baht)

	Consolidated and separate financial statements			
	2022		2021	
Discount rate	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
	(4.8)	5.2	(4.4)	4.8
Future salary increase rate	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
	9.4	(8.1)	7.8	(6.8)
Staff turnover rate	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	(3.5)	3.8	(3.2)	3.5

## 17. Statutory reserve

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

## 18. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2022	2021
Salaries and wages and other employee benefits	618,852	618,852	524,243
Cost of doctors' fee	608,005	608,005	541,562
Cost of medicines and medical supplies, supplies and others	491,979	488,876	354,987
Depreciation and amortisation	87,690	87,690	86,480
Service fees for outside treatments	19,852	19,852	19,809
General supplies	79,271	79,271	38,769
Other expenses	176,597	176,512	139,018

## 19. Income tax

Income tax expenses for the years ended 31 July 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2022	2021
<b>Current income tax:</b>			
Current income tax charge	105,039	104,947	66,049
Adjustment in respect of income tax previous year	-	-	58
<b>Deferred tax:</b>			
Relating to origination and reversal of temporary differences	(3,496)	(3,496)	(1,306)
<b>Income tax expenses reported in the income statements</b>	<b>101,543</b>	<b>101,451</b>	<b>64,801</b>

The amount of income tax relating to each component of other comprehensive income for the year ended 31 July 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2022	2021
Deferred tax on actuarial (gain) loss	-	-	(2,361)



The reconciliation between accounting profit and income tax expenses is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2022	2022	2021
Accounting profit before tax	526,894	526,281	358,217
Applicable tax rate	15%, 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	105,348	105,256	71,643
Adjustment in respect of income tax previous year	-	-	58
Effects of:			
Non-deductible expenses	47	47	169
Additional expenses deductions allowed	(3,582)	(3,852)	(7,069)
Total	(3,805)	(3,805)	(6,900)
Income tax expenses reported in the statements of comprehensive income	101,543	101,451	64,801

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2022	2021
<b>Deferred tax assets</b>		
Allowance for doubtful accounts	3,072	1,178
Provision for long-term employee benefits	20,591	18,868
Accumulated depreciation - equipment	159	816
Other	624	88
Total	24,446	20,950

## 20. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

## 21. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2020	Annual General Meeting of the shareholders on 19 November 2020	81.0	0.45
Total dividends for 2021		81.0	0.45
Final dividends for 2021	Annual General Meeting of the shareholders on 18 November 2021	90.0	0.50
Total dividends for 2022		90.0	0.50

## 22. Operating segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as executive committee.

The one main reportable operating segment of the Company is the hospital business and the single geographical area of its operation is Thailand. Segment performance is evaluated based on operating profit or loss and is measured consistently with 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.

For the years ended 31 July 2022 and 2021, the Company has no major customer with revenue of 10 percent or more of its revenues.

## 23. Provident fund

The Company and its employees have jointly established a provident fund scheme in accordance with the Provident Fund Act B.E. 2530 whereby both the employees and the Company are to contribute to the fund monthly at the rate of 2 percent of basic salary. The fund is managed by TISCO Asset Management Company Limited and will be paid to the employees upon employment termination in accordance with the fund rules. During the year ended 31 July 2022, the contributions of Baht 1.7 million were recognised as expenses in profit or loss. (2022 : the Company had no contribution expenses in profit or loss).

## 24. Commitments and contingent liabilities

### 24.1 Commitments under service agreements

The Company had total minimum payments to be paid in the future under the service agreements as follows:

(Unit: Million Baht)

	As at 31 July	
	2022	2021
<b>Payable:</b>		
In up to 1 year	10.0	12.5
In over 1 year and up to 3 years	2.6	1.4

### 24.2 Capital Commitments

As at 31 July 2022, the Company had capital commitments of Baht 117.4 million (2021: Baht 271.7 million) in respect of the acquisitions of medical equipment, facility systems and construction project.

### 24.3 Guarantees

(a) As at 31 July 2022, the Company had credit facilities with a commercial bank for overdrafts of Baht 20.0 million and short-term loans of Baht 10.0 million (2021: Credit facilities with a commercial bank for overdrafts of Baht 20.0 million and short-term loans of Baht 10.0 million).

- (b) As at 31 July 2022, the Company had outstanding bank guarantees of approximately Baht 4.8 million issued by the bank on behalf of the Company in respect of electricity use as required in the normal course of business. (2021: Baht 4.8 million).

## 25. Financial instruments

### 25.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, other current financial assets, trade and other accounts receivable and trade, other accounts payable. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

#### Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

#### Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

#### Interest rate risk

The Group's exposure to interest rate risk relates primarily to its deposits at financial institutions. However, most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The interest rate risk is therefore minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below.

(Unit: Million Baht)

## Consolidated financial statements As at 31 July 2022

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
<b>Financial assets</b>					
Cash and cash equivalents	-	691.35	8.22	699.57	0.05 - 0.50
Trade and other receivables	-	-	360.77	360.77	-
Other current financial assets	472.55	-	-	472.55	0.15 - 1.15
	472.55	691.35	368.99	1,532.89	
<b>Financial liabilities</b>					
Trade and other payables	-	-	210.25	210.25	-
	-	-	210.25	210.25	

(Unit: Million Baht)

## Consolidated financial statements As at 31 July 2022

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
<b>Financial assets</b>					
Cash and cash equivalents	-	688.80	8.22	697.02	0.05 - 0.5
Trade and other receivables	-	-	360.59	360.59	-
Other current financial assets	472.55	-	-	472.55	0.15 - 1.15
	472.55	688.80	368.81	1,530.16	
<b>Financial liabilities</b>					
Trade and other payables	-	-	209.13	209.13	-
	-	-	209.13	209.13	

(Unit: Million Baht)

## Consolidated financial statements As at 31 July 2021

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
<b>Financial assets</b>					
Cash and cash equivalents	-	361.75	4.99	366.74	0.05 - 1.10
Trade and other receivables	-	-	260.32	260.32	-
Other current financial assets	720.50	-	-	720.50	0.50 - 1.45
	720.50	361.75	265.31	1,347.56	
<b>Financial liabilities</b>					
Trade and other payables	-	-	161.23	161.23	-
	-	-	161.23	161.23	

**Foreign currency risk**

The Group's exposure to foreign currency risk is minimal since the majority of business operations are denominated in Thai Baht.

**Liquidity risk**

The Group monitors its liquidity requirements to ensure it has sufficient cash to meet operational needs. The Group assesses the concentration of risk with respect to refinancing its debt (if any) and concludes it to be low. The Group has access to a sufficient variety of funding sources.

**25.2 Fair value of financial instruments**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market rate, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

**26. Capital management**

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholders value. As at 31 July 2022, the Group's debt-to-equity ratio was 0.20:1 and the Company's debt-to-equity ratio was 0.20:1 (2021: 0.19:1).

**27. Event after the reporting period**

On 28 September 2022, the Meeting of the Board of Directors of the Company passed a resolution approving the dividend payment for the year 2022 to the Company's shareholders at Baht 0.60 per share or a total of Baht 108 million. The payment of dividend will later be proposed for approval in the Annual General Meeting of the Company's shareholders.

**28. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 28 September 2022.



## PART 4

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### Certification of Accuracy


## Certification of Accuracy

The Company has reviewed the information in this report with caution. The Company certifies that such information is correct, complete, not false and does not mislead others or lack of information that should be notified in material aspects. In addition. The Company certified that

- (1) Financial Statement and financial information as part of this One Report have presented accurate and complete information on material aspects relating to the financial position, operating performance, and cash flows of the Company and its subsidiaries.
- (2) The Company has established an excellent information disclosure system to ensure that it has disclosed the material information of both the Company and its subsidiaries correctly and completely, as well as supervising compliance according to the system.
- (3) The Company has established an excellent internal control system and supervised to ensure compliance with such a system. The Company has informed the internal control system assessment information as of July 31, 2022, to the auditor. It covers deficiencies and significant changes in the internal control system, including malpractices that may affect the preparation of the Company's financial reports and subsidiaries.

The Company has assigned Mr. Prapat Suthawate to sign this document on every page. Suppose any document does not have the signature of Mr. Prapat Suthawate on it. In that case, the Company will assume that it is not the information that the Company has certified the accuracy of above information. In this regard, as evidence that all documents are the same set of certified documents by the Company.

### Authorized Director

Name	Position	Signature
1. Mr. Thiti Sihanatkathakul	Director and Chief Executive Officer	
2. Mr. Prapat Suthawate	Director and Company Secretary	

### Attorney

Name	Position	Signature
Mr. Prapat Suthawate	Director and Company Secretary	





# ATTACHMENT

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Attachment 1 - 6

## Attachment 1

### Board of Directors

#### Charoen Meensook, M.D.

Chairman of the Board

Age 80 Years

Appointment of Board of Directors 11 October 2004



#### Education

- M.D. 1967
- Diplomate American Board of Internal Medicine & Subspecialty Board of Gastroenterology 1968 - 1973
- New York State Board 1974
- DTM & H (Liverpool) 1974
- FACG 1975
- FACP 1986
- 2011 - 2020 Chief Medical Officer, Thainakarin Hospital Public Company Limited
- 2004 - 2020 Director, Thainakarin Hospital Public Company Limited
- 1989 - 2010 Medical Director, Thainakarin Hospital Public Company Limited
- 1989 - 2004 Director, Thainakarin Hospital Company Limited

#### Training

- Director Accreditation Program (DAP) 2005, Thai Institute of Directors (IOD)

#### Work Experience

- 2020 - Present Chairman of the Board, Thainakarin Hospital Public Company Limited
- Feb. 2022 - Present Director, Jatu Charoen Development Company Limited
- 1993 - Present Specialist doctor and consultant specialized in internal medicine and gastroenterology, Thainakarin Hospital Public Company Limited

#### Current Position in other business

##### Listed Companies

- N/A -

##### Non-Listed Companies

- Feb. 2022 - Present Director, Jatu Charoen Development Company Limited

#### Shareholding in the Company

Shareholding in the Company: 2,500,000 Shares  
(Spouse: 2,285,500 Shares)

Shareholding in the Company (%): 1.39 (Spouse: 1.27)

#### Family Relationship among Directors and Executives

- N/A -

#### Attendance at the Board of Directors' Meeting

5/5



## Mr. Sumeth Jenjesda

**Director**

**Age 88 Years**

**Appointment of Board of Directors 11 October 2004**

### Education

- Bachelor of Accounting and Bachelor of Commerce, Faculty of Commerce and Accountancy, Thammasat University

### Training

- Director Accreditation Program (DAP) 2005, Thai Institute of Directors (IOD)

### Work Experience

- 2004 - Present Director, Thainakarin Hospital Public Company Limited
- 1994 - Present Certified Public Accountant, Lert Nimit Accounting's Law Office Company Limited
- 1995 - 2021 Director and Chairman of Audit Committee, SiamSport Syndicate Public Company Limited
- 2004 - 2005 Director, Independent Director and Chairman of Audit Committee, Thainakarin Hospital Company Limited

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 1994 - Present Certified Public Accountant, Lert Nimit Accounting's Law Office Company Limited

### Shareholding in the Company

Shareholding in the Company: N/A (Spouse: N/A)

Shareholding in the Company (%): N/A (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

5/5



## Mr. Prapat Suthawate

**Director and Company Secretary**

**Age 78 Years**

**Appointment of Board of Directors 11 October 2004**

### Education

- Bachelor of Political Science (Public Administration), Ramkhamhaeng University
- Master of Political Science (Government), Chulalongkorn University
- Diploma in Tourism Management and Development, University of Haifa, Israel

### Training

- Director Accreditation Program (DAP) 2004, Thai Institute of Directors (IOD)

### Work Experience

- 2004 - Present Director, Thainakarin Hospital Public Company Limited
- 2021 - Present Company Secretary, Thainakarin Hospital Public Company Limited
- 2016 - Present Senior Administrative Advisor, Thainakarin Hospital Public Company Limited
- 2016 - Present Member of Bangna Commercial College Council
- 2018 (Jun. - Sep.) Acting on behalf of the Company Secretary, Thainakarin Hospital Public Company Limited
- 2011 - 2016 Acting Administrative Director, Thainakarin Hospital Public Company Limited
- 2010 - 2017 Guest Lecturer, Faculty of Business Administration, Ramkhamhaeng University
- 2007 - 2013 Guest Lecturer, Faculty of Business Administration, Kasetsart University

- 2005 - 2011

Director of International Hotel Management Course, (Joint - venture project between CHN University (Netherlands) and Rangsit University)

- 2005 - 2011

Chairman of Working Group, RSU Horizon Travel, Rangsit University

- 2005 - 2011

Senior Advisor, Thainakarin Hospital Public Company Limited

- 1999 - 2005

Administrative Director, Thainakarin Hospital Public Company Limited

- 1999 - 2004

Director, Thainakarin Hospital Company Limited

- 1992 - 2005

Guest Lecturer, Faculty of Liberal Art, Siam University

- 1992 - 2005

Manager and Advisor, Human Resources Department, Siam Property Development Company Limited

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 2016 - Present Member of Bangna Commercial College Council

### Shareholding in the Company

Shareholding in the Company: N/A (Spouse: N/A)

Shareholding in the Company (%): N/A (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

5/5

## Mr. Thiti Sihanatkathakul

Director and Chief Executive Officer

Age 47 Years

Appointment of Board of Directors 20 November 2008



### Education

- BBA, Banking and Finance, Chulalongkorn Business School, Chulalongkorn University
- M.Sc. Analysis, Design and Management of Information Systems, The London School of Economics and Political Science, United Kingdom
- MBA, Huron University, United Kingdom

### Training

- N/A -

### Work Experience

- 2008 - Present Director, Thainakarin Hospital Public Company Limited
- Feb. 2022 - Present Director, Jatu Charoen Development Company Limited
- 2020 - Present Chief Executive Officer, Thainakarin Hospital Public Company Limited
- 2010 - Present Director, Komars Management Company Limited
- 2003 - Present Assistant Managing Director and Director, The Landmark Group (Bangkok)
- 2001 - 2002 Acting Director of Human Resources Department, The Landmark Bangkok
- 1999 - 2000 Associate Judge, The Central Labour Court

• 1998

Marketing Department,  
Dhana Siam Finance Public  
Company Limited

• 1997

Management Trainee,  
Royal Lancaster London,  
United Kingdom

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- Feb. 2022 - Present Director, Jatu Charoen Development Company Limited
- 2010 - Present Director, Komars Management Company Limited
- 2003 - Present Assistant Managing Director and Director, The Landmark Group (Bangkok)

### Shareholding in the Company

Shareholding in the Company: 2,485,000 Shares  
(Spouse: N/A)

Shareholding in the Company (%): 1.38 (Spouse: N/A)

### Family Relationship among Directors and Executives

- Elder brother of Mr. Pitipat Sihanatkathakul and Mr. Tosaporn Sihanatkathakul
- Cousin of Mr. Noratheap Sihanatkathakul

### Attendance at the Board of Directors' Meeting

5/5



## Arkorn Cheirsilpa, M.D.

**Director**

**Age 75 Years**

**Appointment of Board of Directors 20 November 2008**

### Education

- B.Sc., Mahidol University
- M.D., Cebu Institute of Medicine, Philippines
- Board of Internal Medicine, The Medical Council of Thailand
- Sub - Speciality Board Certified in Medical Oncology
- Fellowship in Oncology (RPMI, USA and RMH, UK)
- Mini MBA, Chulalongkorn University
- MBA in Health, Chulalongkorn University
- Cert. in Hospital Management, Harvard School of Public Health, USA

### Training

- Director Accreditation Program (DAP) 2017, Thai Institute of Directors (IOD)

### Work Experience

- 2008 - Present Director and Director of Holistic Oncology Center, Thainakarin Hospital Public Company Limited
- 2007 - Present Honorary Advisor, Thai Society of Clinical Oncology
- 2007 - Present Medical Consultant, Chulabhorn Hospital, Chulabhorn Research Institute
- 1980 - Present Cancer Specialist, Food and Drug Administration Department, Ministry of Public Health

- 2007

Received the World Scientists Forum International Awards in Cancer Research and Clinical Oncology “Eminent Scientist of the Year 2007: Asia” International Research Promotion Council (IRPC), UK

- 2002 - 2007

Deputy Director, National Cancer Institute

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 2007 - Present Honorary Advisor, Thai Society of Clinical Oncology
- 2007 - Present Medical Consultant, Chulabhorn Hospital, Chulabhorn Research Institute
- 1980 - Present Cancer Specialist, Food and Drug Administration Department, Ministry of Public Health

### Shareholding in the Company

Shareholding in the Company: N/A (Spouse: N/A)

Shareholding in the Company (%): N/A (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

5/5

## Mr. Pitipat Sihanatkathakul

Director

Age 46 Years

Appointment of Board of Directors 20 November 2013



### Education

- B.Acc., Assumption University
- Mini MBA, Chulalongkorn University
- M.M. (Organization Development and Management), Assumption University
- Essentials of Leadership Training Course, London Business School, United Kingdom

### Training

- Director Accreditation Program (DAP) 2019, Thai Institute of Directors (IOD)

### Work Experience

- 2013 - Present Director, Thainakarin Hospital Public Company Limited
- 2016 - Present Policy, Marketing & Information Technology Advisor, Thainakarin Hospital Public Company Limited
- 2006 - 2016 Assistant Administrative Director, Thainakarin Hospital Public Company Limited
- 2005 - 2006 Acting Assistant Administrative Director, Thainakarin Hospital Public Company Limited
- 2004 - 2005 Information Center and PR Advisor, Thainakarin Hospital Public Company Limited

- 2002 - 2004 Assistant Manager, Board of Directors Office, Siam Property Development Company Limited

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- N/A -

### Shareholding in the Company

Shareholding in the Company: 1,000,000 Shares  
(Spouse: N/A)

Shareholding in the Company (%): 0.56 (Spouse: N/A)

### Family Relationship among Directors and Executives

- Younger brother of Mr. Thiti Sihanatkathakul
- Elder brother of Mr. Tosaporn Sihanatkathakul
- Cousin of Mr. Norathep Sihanartkatakul

### Attendance at the Board of Directors' Meeting

5/5





## Mr. Noratthep Sihanartkatakul

Director

Age 62 Years

Appointment of Board of Directors 19 November 2015

### Education

- Bachelor of Commerce (Marketing), Faculty of Commerce and Accountancy, Chulalongkorn University

### Training

- Director Accreditation Program (DAP) 2019, Thai Institute of Directors (IOD)

### Work Experience

- 2015 - Present Director, Thainakarin Hospital Public Company Limited
- 1998 - Present Director of Legal Affairs, Siam Property Development Company Limited
- 1999 - 2001 Associate Judge, The Central Labour Court
- 1993 - 1998 Assistant Manager of Internal Audit Department, Siam Property Development Company Limited

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 1998 - Present Director of Legal Affairs, Siam Property Development Company Limited

### Shareholding in the Company

Shareholding in the Company: N/A (Spouse: N/A)

Shareholding in the Company (%): N/A (Spouse: N/A)

### Family Relationship among Directors and Executives

- Cousin of Mr. Thiti Sihanatkathakul, Mr. Pitipat Sihanatkathakul and Mr. Tosaporn Sihanatkathakul

### Attendance at the Board of Directors' Meeting

5/5

## Mr. Tosaporn Sihanatkathakul

**Director**

**Age 39 Years**

**Appointment of Board of Directors 13 March 2020**



### Education

- Tonbridge School, United Kingdom
- BSc. Management, The London School of Economics and Political Science, United Kingdom
- MSc. Organizational and Social Psychology, The London School of Economics and Political Science, United Kingdom

### Training

- N/A -

### Work Experience

- 2020 - Present Director, Thainakarin Hospital Public Company Limited
- Feb. 2022 - Present Director, Jatu Charoen Development Company Limited
- 2007 - Present Executive Director, The Landmark Bangkok
- 2007 - Present Executive Director, Lancaster Bangkok
- 2007 - Present Executive Director, The Landmark London, United Kingdom
- 2007 - Present Executive Director, Royal Lancaster London, United Kingdom
- 2007 - Present Executive Director, K West Hotel & Spa, United Kingdom
- 2007 - Present Executive Director, Basil Street Apartments, United Kingdom
- 2006 - 2007 Analyst, Deloitte Management Consultant Service Ltd., United Kingdom
- 2005 - 2006 Volunteer, Donations for the Human Development Foundation (HDF) Mercy Centre

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- Feb. 2022 - Present Director, Jatu Charoen Development Company Limited
- 2007 - Present Executive Director, The Landmark Bangkok
- 2007 - Present Executive Director, Lancaster Bangkok
- 2007 - Present Executive Director, The Landmark London, United Kingdom
- 2007 - Present Executive Director, Royal Lancaster London, United Kingdom
- 2007 - Present Executive Director, K West Hotel & Spa, United Kingdom
- 2007 - Present Executive Director, Basil Street Apartments, United Kingdom

### Shareholding in the Company

Shareholding in the Company: 1,000,000 Shares (Spouse: N/A)

Shareholding in the Company (%): 0.56 (Spouse: N/A)

### Family Relationship among Directors and Executives

- Younger brother of Mr. Thiti Sihanatkathakul and Mr. Pitipat Sihanatkathakul
- Cousin of Mr. Noratthep Sihanartkatakul

### Attendance at the Board of Directors' Meeting

5/5



## Col. Dan Tanphaichitra, M.D.

**Director**

**Age 47 Years**

**Appointment of Board of Directors 18 November 2021**

### Education

- Doctor of Medicine, Faculty of Medicine, Chulalongkorn University
- Thai Board of internal medicine, Phramongkutklao College of Medicine
- Thai Subspecialty Board of Nephrology, Phramongkutklao College of Medicine

### Training

- Director Accreditation Program (DAP) 2022, Thai Institute of Directors (IOD)

### Work Experience

- Nov. 2021 - Present Director, Thainakarin Hospital Public Company Limited
- 2007 - Present Nephrologist, Internal medicine division and Medical Secretary Organization, Ananda Mahidol Hospital
- 2004 - 2006 Nephrology Fellowship, Phramongkutklao College of Medicine
- 2000 - 2003 Internal medicine residency, Phramongkutklao College of Medicine

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 2007 - Present Nephrologist, Internal medicine division and Medical Secretary Organization, Ananda Mahidol Hospital

### Shareholding in the Company

Shareholding in the Company: 3,000 Shares  
(Spouse: N/A)

Shareholding in the Company (%): 0.0017  
(Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

4/5

## Mr. Kraisaak Kadkum

Director, Independent Director and Chairman of the Audit Committee

Age 59 Years

Appointment of Board of Directors 11 October 2004



### Education

- LL.B., Faculty of Law, Ramkhamhaeng University
- Barrister-at-law, Thai Bar Institute
- Diploma in Business Laws, Thammasat University

### Training

- Director Accreditation Program (DAP) 2004, Thai Institute of Directors (IOD)

### Work Experience

- 2005 - Present Director, Independent Director and Chairman of the Audit Committee, Thainakarin Hospital Public Company Limited
- 2021 - Present Director, Juthai Group Company Limited
- 1994 - Present Lawyer and Executive Director, Sahakarn Law Office Company Limited
- 2004 - 2005 Director, Independent Director and Member of the Audit Committee, Thainakarin Hospital Public Company Limited

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 2021 - Present Director, Juthai Group Company Limited
- 1994 - Present Lawyer and Executive Director, Sahakarn Law Office Company Limited

### Shareholding in the Company

Shareholding in the Company: N/A (Spouse: N/A)

Shareholding in the Company (%): N/A (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

5/5

### Attendance at the Audit Committee Meeting

5/5



## Pridi Hettrakul, M.D.

Director, Independent Director and Member of the Audit Committee

Age 79 Years

Appointment of Board of Directors 11 October 2004

### Education

- Doctor of Medicine, Faculty of Medicine Siriraj Hospital, Mahidol University
- Diplomate American Board of Surgery
- FACS
- FRCST

### Training

- Director Accreditation Program (DAP) 2005, Thai Institute of Directors (IOD)

### Work Experience

- 2004 - Present Director, Independent Director, Member of the Audit Committee, Thainakarin Hospital Public Company Limited
- 1989 - 2004 Director, Thainakarin Hospital Company Limited
- 1978 - 2017 Director and Surgeon, Mayo Polyclinic Company Limited

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- N/A -

### Shareholding in the Company

Shareholding in the Company: 1,500,000

(Spouse: N/A)

Shareholding in the Company (%): 0.83 (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

2/5

### Attendance at the Audit Committee Meeting

1/5

*Pridi Hettrakul M.D., vacated the position of Director, Independent Director, and Member of the Audit Committee before the expiration of his term in office, effective on 11 September 2022.*

## Assoc. Prof. Chertsak Dhiraputra, M.D.

Director, Independent Director and Member of the Audit Committee

Age 79 Years

Appointment of Board of Directors 8 June 2006



### Education

- Doctor of Medicine, Faculty of Medicine Siriraj Hospital, Mahidol University
- M.S.C. Microbiology University of New South Wales, Australia

### Training

- N/A -

### Work Experience

- 2006 - Present Director, Independent Director and Member of the Audit Committee, Thainakarin Hospital Public Company Limited
- 2014 - Present Advisor, Faculty of Medicine Siriraj Hospital, Mahidol University
- 2005 - Present Honorary Advisor, Siriraj Foundation
- 1968 - Present Lecturer, Faculty of Medicine Siriraj Hospital, Mahidol University
- 1998 - 2000 Advisor to Hospital Director, Siriraj Hospital
- 1997 - 2004 Executive Director, Faculty of Medicine Siriraj Hospital, Mahidol University

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 2014 - Present Advisor, Faculty of Medicine Siriraj Hospital, Mahidol University
- 2005 - Present Honorary Advisor, Siriraj Foundation
- 1968 - Present Lecturer, Faculty of Medicine Siriraj Hospital, Mahidol University

### Shareholding in the Company

Shareholding in the Company: N/A (Spouse: N/A)

Shareholding in the Company (%): N/A (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

4/5

### Attendance at the Audit Committee Meeting

3/5



## Assoc. Prof. Panya Issarawornrawanich, Ph.D.

Director, Independent Director and Member of the Audit Committee

Age 50 Years

Appointment of Board of Directors 27 September 2006

### Education

- B.Acc. Chulalongkorn Business School, Chulalongkorn University
- Diploma (Auditing), Thammasat Business School, Thammasat University
- M.S Accounting, Thammasat Business School, Thammasat University
- Ph.D. in Accounting, Chulalongkorn Business School, Chulalongkorn University

### Training

- Director Accreditation Program (DAP) 2006, Thai Institute of Directors (IOD)

### Work Experience

- 2006 - Present Director, Independent Director and Member of the Audit Committee, Thainakarin Hospital Public Company Limited
- 2020 - Present Lecturer, Associate Professor of Accounting Department, Thammasat Business School, Thammasat University
- 1997 - Present Certified Public Accountant, Federation of Accounting Professions
- 2004 - 2020 Lecturer, Assistant Professor of Accounting Department, Thammasat Business School, Thammasat University
- 2015 - 2016 Associate Dean for Student Affairs, Thammasat Business School, Thammasat University

- 2013 - 2015 Assistant Dean for Finance and Planning, Thammasat Business School, Thammasat University
- 2000 - 2004 Head of Accounting Department, Faculty of Business Administration, Mahanakorn University of Technology
- 1995 - 2000 Senior Audit Assistant, Ernst and Young Office Limited

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 2020 - Present Lecturer, Associate Professor of Accounting Department, Thammasat Business School, Thammasat University
- 1997 - Present Certified Public Accountant, Federation of Accounting Professions

### Shareholding in the Company

Shareholding in the Company: N/A (Spouse: N/A)

Shareholding in the Company (%): N/A (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

5/5

### Attendance at the Audit Committee Meeting

5/5



## Mr. Chailerg Viriyarattanaporn

Director, Independent Director and Member of the Audit Committee

Age 71 Years

Appointment of Board of Directors 10 August 2017



### Education

- Bachelor of Business Administration (Accounting),  
Faculty of Business Administration,  
Ramkhamhaeng University

### Training

- Director Accreditation Program (DAP) 2018,  
Thai Institute of Directors (IOD)

### Work Experience

- 2018 - Present      Director, Independent Director  
and Member of the Audit  
Committee, Thainakarin  
Hospital Public Company  
Limited
- 2021 - Present      Director, SiamSport Syndicate  
Public Company Limited
- 2013 - 2017      Accounting & Tax Consultant,  
I.G.S Public Company Limited

### Current Position in other business

#### Listed Companies

- N/A -

#### Non-Listed Companies

- 2021 - Present      Director, SiamSport Syndicate  
Public Company Limited

### Shareholding in the Company

Shareholding in the Company: N/A (Spouse: N/A)

Shareholding in the Company (%): N/A (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Attendance at the Board of Directors' Meeting

5/5

### Attendance at the Audit Committee Meeting

5/5

## Executive Team

### Mr. Thiti Sihanatkathakul

Chief Executive Officer

Age 47 Years



#### Education

- BBA, Banking and Finance, Chulalongkorn Business School, Chulalongkorn University
- M.Sc. Analysis, Design and Management of Information Systems, The London School of Economics and Political Science, United Kingdom
- MBA, Huron University, United Kingdom
- 2001 - 2002 Acting Director of Human Resources Department, The Landmark Bangkok
- 1999 - 2000 Associate Judge, The Central Labour Court
- 1998 Marketing Department, Dhana Siam Finance Public Company Limited

#### Work Experience

- 2008 - Present Director, Thainakarin Hospital Public Company Limited
- Feb. 2022 - Present Director, Jatu Charoen Development Company Limited
- 2020 - Present Chief Executive Officer, Thainakarin Hospital Public Company Limited
- 2010 - Present Director, Komars Management Company Limited
- 2003 - Present Assistant Managing Director and Director, The Landmark Group (Bangkok)
- 1997 Management Trainee, Royal Lancaster London, United Kingdom

#### Shareholding in the Company (%)

1.38 (Spouse: N/A)

#### Family Relationship among Directors and Executives

- Elder brother of Mr. Pitipat Sihanatkathakul and Mr. Tosaporn Sihanatkathakul
- Cousin of Mr. Norathep Sihanartkatakul

### Prof. Pittayapoom Pattaranutaporn, M.D.

Deputy Chief Executive Officer  
Age 67 Years



#### Education

- Doctor of Medicine, Faculty of Medicine Siriraj Hospital, Mahidol University

#### Work Experience

- 2020 - Present Deputy Chief Executive Officer, Thainakarin Hospital Public Company Limited

#### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

#### Family Relationship among Directors and Executives

- N/A -

### RAdm. Surachet Suphanich, M.D.

Hospital Director  
Age 67 Years



#### Education

- Doctor of Medicine, Faculty of Medicine, Khon Kaen University
- Diploma of Thai Board of Obstetrics and Gynecology, Chulalongkorn University
- Diploma of the Thai Board of Family Medicine
- Naval Command and Staff Training Course
- Bachelor of Laws, School of Law, Sukhothai Thammathirat Open University

#### Work Experience

- 2021 - Present The Hospital Director, Thainakarin Hospital Public Company Limited
- 2021 (May - Dec.) Acting Administrative Director, Thainakarin Hospital Public Company Limited
- 2020 - 2021 Advisor to Chief Executive Officer, Praram 9 Hospital
- 2018 - 2020 Hospital Director, Bangpakok 9 International Hospital
- 2015 - 2018 Assistant of Hospital Director, Samitivej Chonburi Hospital
- 2013 - 2015 Assistant of Hospital Director, Samitivej Srinakarin Hospital

#### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

#### Family Relationship among Directors and Executives

- N/A -

**Phichet Panugthong, M.D.**

**Quality Director**  
**Age 47 Years**

**Education**

- Doctor of Medicine, Faculty of Medicine, Chiang Mai University
- Diploma of Thai Board of Obstetrics and Gynecology, Phramongkutklao College of Medicine
- Diploma in Sexual Medicine, Thammasat University

**Work Experience**

- 2021 - Present      Quality Director , Thainakarin Hospital Public Company Limited
- 2020 - Present      Doctor of Obstetrics and Gynecology Department, Thainakarin Hospital Public Company Limited
- 2020 - Present      Physician in sexual medicine, Mental Health Department, Thainakarin Hospital Public Company Limited
- 2017 - 2020          Obstetrician, Paolo Hospital (Rangsit)
- 2013 - 2017          Obstetrician, Piyavate Hospital

**Shareholding in the Company (%)**

- N/A - (Spouse: N/A)

**Family Relationship among Directors and Executives**

- N/A -

**Peera Changkaew, M.D.**

**Medical Director**  
**Age 55 Years**

**Education**

- Doctor of Medicine, Faculty of Medicine, Prince of Songkla University
- Diploma of Thai Internal Medicine, Faculty of Medicine Siriraj Hospital, Mahidol University
- Nephrology, Faculty of Medicine Siriraj Hospital, Mahidol University

**Work Experience**

- 2020 - Present      Medical Director, Thainakarin Hospital Public Company Limited
- 2017 - 2020          Chairman of the Board of Medical, Thainakarin Hospital Public Company Limited
- 2015 - 2017          Head of Medicine Department, Thainakarin Hospital Public Company Limited

**Shareholding in the Company (%)**

- N/A - (Spouse: N/A)

**Family Relationship among Directors and Executives**

- N/A -

## Paitoon Kachornvachara, M.D.

Operation Director  
Age 59 Years



### Education

- Doctor of Medicine, Faculty of Medicine Siriraj Hospital, Mahidol University
- Diploma of the Thai Board of Internal Medicine, Bhumibol Adulyadej Hospital
- Diploma, Thai Subspecialty Board of Nephrology

### Work Experience

- 2020 - Present      Operation Director, Thainakarin Hospital Public Company Limited
- 2017 - Present      Internal Medicine Physician Thainakarin Hospital Public Company Limited
- 2017 - 2019      Head physician of internal medicine department, Thainakarin Hospital Public Company Limited
- 2015 - 2017      Head of kidney Department, Thainakarin Hospital Public Company Limited

### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

## Miss Malee Boonleechai

Acting as Administrative Office  
Director and Senior Deputy  
Administrative Director -  
Corporate Support  
Age 58 Years



### Education

- Bachelor of Economics, The Faculty of Economics, Chiang Mai University
- Mini MBA, Thammasat University
- Mini MBA, Chulalongkorn University
- Private Hospital Administration, Private Hospital Association

### Work Experience

- 2020 - Present      Acting as Administrative Office Director, Thainakarin Hospital Public Company Limited
- 2016 - Present      Senior Deputy Administrative Director - Corporate Support, Thainakarin Hospital Public Company Limited
- 2018 - 2020      Deputy Administrative Director - Business Development Thainakarin Hospital Public Company Limited
- 2006 - 2016      Deputy Administrative Director, Thainakarin Hospital Public Company Limited
- 2005 - 2006      Acting Deputy Administrative Director, Thainakarin Hospital Public Company Limited
- 2002 - 2005      Assistant Administrative Director, Thainakarin Hospital Public Company Limited
- 1994 - 2002      Manager, Office of Administrative Directors, Thainakarin Hospital Company Limited
- 1992 - 1994      Manager, Procurement Department, Thainakarin Hospital Company Limited

### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

### Family Relationship among Directors and Executives

- N/A -

### Miss Surussavadee Sutepakul

Deputy Medical Director - Nursing  
Age 57 Years



#### Education

- Bachelor of Nursing Science (Nursing and Midwifery), Huachiew College
- Diploma in Department of Anesthesiology, Mahidol University Faculty of Medicine Ramathibodi Hospital

#### Work Experience

- Jan. 2022 - Present Deputy Medical Director - Nursing, Thainakarin Hospital Public Company Limited
- 1993 - 2021 Head Nurse Anesthesia, Thainakarin Hospital Public Company Limited
- 1993 - 1997 Nurse Anesthesia (Part Time), Paolo Hospital (Samutprakarn)
- 1990 - 1993 Nurse Anesthesia, Huachiew Hospital
- 1988 - 1989 Nurse, Medicine Ward - Surgical Ward (Male), Huachiew Hospital

#### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

#### Family Relationship among Directors and Executives

- N/A -

### Miss Patumrat Kachonsriekat

Assistant Medical Director - Nursing  
Age 53 Years



#### Education

- Bachelor of Nursing Science Program, Saint Louis College
- Master of Business Administration (MBA) Mae Fah Luang University

#### Work Experience

- 2020 - Present Assistant Medical Director - Nursing, Thainakarin Hospital Public Company Limited
- 2016 - 2020 Manager, Division Quality Management and Safety Management, Paolo Hospital (Chokchai 4)
- 2005 - 2016 Manager, Quality Management Representative, Kasemrad Hospital (Sriburin)

#### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

#### Family Relationship among Directors and Executives

- N/A -

### Mr. Pongsak Techasatirakul

**Assistant Operation Director -  
TNH Laboratory Service  
Age 59 Years**



#### Education

- Bachelor of Science Program in Medical Technology, Chulalongkorn University
- Mini MBA, Chulalongkorn University
- Certificate of Training: Auditor of Clinical Laboratory quality assurance under the Thailand Medical Technology Council
- Certificate of Training Auditor of Internal Survey under The Thailand Medical Technology Council

#### Work Experience

- 2020 - Present Assistant Operation Director - TNH Laboratory Service, Thainakarin Hospital Public Company Limited
- 2016 - 2020 Assistant Medical Director - Medical Support, Thainakarin Hospital Public Company Limited
- 2014 - 2016 Allied Medical Manager, Thainakarin Hospital Public Company Limited
- 1993 - 2014 Laboratory Manager, Thainakarin Hospital Public Company Limited
- 1989 - 1993 Medical Technology Staff, Phayathai 1 Hospital
- 1988 - 1989 Researcher, Faculty of Tropical Medicine, Mahidol University

#### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

#### Family Relationship among Directors and Executives

- N/A -

### Miss Surunchana Tanpleeratana

**Assistant Operation Director -  
Customer Service Support  
Age 48 Years**



#### Education

- Bachelor of Science (Physiotherapy), Mahidol University
- Mini MBA, Chulalongkorn University
- Master of Business Administration, Faculty of Commerce and Business Administration, Burapha University

#### Work Experience

- 2020 - Present Assistant Operation Director - Customer Service Support, Thainakarin Hospital Public Company Limited
- 2017 - 2020 Assistant Administrative Director - Front Service, Thainakarin Hospital Public Company Limited
- 2016 Allied Medical Manager, Thainakarin Hospital Public Company Limited
- 2013 - 2016 Human Resource Development Manager, Thainakarin Hospital Public Company Limited
- 1999 - 2013 Physical therapy Department Manager, Thainakarin Hospital Public Company Limited

#### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

#### Family Relationship among Directors and Executives

- N/A -



### Mr. Sarut Pongpairoj

Assistant Administrative Director -  
Business Development  
Age 48 Years



#### Education

- BBA (Finance), Chulalongkorn Business School, Chulalongkorn University
- MBA (Supply Chain Management) University of Arkansas, Fayetteville, United States of America

#### Work Experience

- 2020 - Present Assistant Administrative Director - Business Development, Thainakarin Hospital Public Company Limited
- 2007 - Present Managing Director, Corner 43 Décor Company Limited

#### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

#### Family Relationship among Directors and Executives

- N/A -

### Mr. Suphat Chaboon

Assistant Executive Director -  
Engineering and Project  
Management  
Age 58 Years



#### Education

- Bachelor degree, Faculty of Industrial Technology, Phranakhon Rajabhat University
- Master degree, General Management, College of Management Mahidol University

#### Work Experience

- 2021 - Present Assistant Executive Director - Engineering and Project Management, Thainakarin Hospital Public Company Limited
- 2014 - 2020 Cluster Director of Engineering, InterContinental Bangkok

#### Shareholding in the Company (%)

- N/A - (Spouse: N/A)

#### Family Relationship among Directors and Executives

- N/A -

## Company Secretary

Mr. Prapat Suthawate	
● <b>Position</b>	Director and Company Secretary
● <b>Education and training</b>	<ul style="list-style-type: none"> <li>• Bachelor of Political Science (Public Administration), Ramkhamhaeng University</li> <li>• Master of Political Science (Government), Chulalongkorn University</li> <li>• Diploma in Tourism Management and Development, University of Haifa, Israel</li> <li>• Director Accreditation Program (DAP) 2004, Thai Institute of Directors (IOD)</li> </ul>
● <b>Work Experience</b>	<ul style="list-style-type: none"> <li>• 2004 - Present Director, Thainakarin Hospital Public Company Limited</li> <li>• 2016 - Present Senior Administrative Advisor, Thainakarin Hospital Public Company Limited</li> <li>• 2011 - 2016 Acting Administrative Director, Thainakarin Hospital Public Company Limited</li> </ul>
● <b>Current Position in other business</b>	<ul style="list-style-type: none"> <li>• 2016 - Present Member of Bangna Commercial College Council</li> </ul>
Mr. Attapong Tipaksorn	
● <b>Position</b>	Assistant Legal Manager
● <b>Education and training</b>	<ul style="list-style-type: none"> <li>• Bachelor of Law, Bangkok University</li> <li>• Master of Law, National Institute of Development Administration</li> <li>• Thai Barrister at Law, The Thai Bar Under Royal Patronage</li> <li>• Certificate in Advanced Corporate Law, Lawyer Council of Thailand</li> <li>• Certificate in Advanced Intellectual Property Law, Lawyer Council of Thailand</li> <li>• Certificate in Medical Law, Medical Law Office, Department of Medical Services, Ministry of Public Health</li> <li>• Certificate in Fact of Medical Case: Evidence Law, Medical Law Office, Department of Medical Services, Ministry of Public Health</li> <li>• Company Secretary Program (CSP 117/2021), Thai Institute of Directors (IOD)</li> </ul>
● <b>Work Experience</b>	<ul style="list-style-type: none"> <li>• 2558 - Present Assistant Legal Manager and Audit Committee Secretary, Thainakarin Hospital PLC</li> <li>• 2555 - 2558 Senior Legal Officer, Ini3 Digital PLC</li> <li>• 2554 - 2555 Lawyer, Nitichat Accounting and Law Office Co. Ltd.</li> <li>• 2550 - 2554 Lawyer, Arunamrin Law Co. Ltd.</li> </ul>
● <b>Current Position in other business</b>	- N/A -

## The person taking the highest responsibility in finance and accounting and the person supervising accounting

### Miss Perapa Teerajareonsup

Age 52 Years

Acting as the person taking the highest responsibility in finance and accounting

Appoint Position 1 November 2021

### The person supervising accounting

Appoint Position 1 October 2020

### Accounting Manager

Appoint Position 14 September 2020

### Education

- Bachelor of Business Faculty of Business Administration, (Accounting),  
Ramkhamhaeng University
- Master of Business Administration Management branch For Executives (X-MBA) Class 1  
Srinakharinwirot University

### Training

- Computer Assisted Analysis Techniques and Solutions (CAATs) by Federation of Accounting Professions  
Under the Royal Patronage of His Majesty The King
- CFO Orientation Course for New IPOs (Thai Version) by The Stock Exchange of Thailand

### Work Experience

- 2021 - Present The person taking the highest responsibility in finance and accounting,  
Thainakarin Hospital Public Company Limited
- 2020 - Present Accounting Manager and the person supervising accounting,  
Thainakarin Hospital Public Company Limited
- 2017 - 2019 Accounting and Finance Director,  
Bangpakok Hospital Group Company Limited (Bangpakok 9 International Hospital)
- 2016 - 2017 Accounting and Finance Manager,  
Bangpakok Hospital Group Company Limited (Bangpakok 9 International Hospital)
- 2015 - 2016 Director of Central Administration Department,  
Bangkok Chain Hospital Public Company Limited (Kasemrad Hospital Bang Khae)
- 2005 - 2014 Accounting and Finance Manager,  
Bangkok Chain Hospital Public Company Limited (Kasemrad Hospital Bang Khae)
- 2004 - 2005 Head of Accounts Receivable Department,  
Hospital Network Company Limited (Bangpakok 1 Hospital)
- 1997 - 2003 Accountant, Cost Accounting Department, Yum Restaurants International (Thailand)  
Company Limited
- 1995 - 1997 Auditor's Office Officer, Empire Accounting and Attorney Company Limited



## Finance Manager

### Mr. Porrameth Boonsattha

**Age 45 Years**

**Appoint Position 1 November 2020**

#### Education

- Bachelor's Degree, Faculty of Political Science, Ramkhamhaeng University
- Master's Degree, Faculty of Business Administration, Department of Finance and Banking, Ramkhamhaeng University

#### Training

- None -

#### Work Experience

- 2020 - Present Finance Manager, Thainakarin Hospital Public Company Limited
- 2020 Finance Manager, Vimut Hospital Company Limited
- 2013 - 2020 Head of Financial department, BNH Medical Centre Company Limited
- 2002 - 2013 Financial Supervisor, Samitivej Public Company Limited

## Attachment 2

### Details of Directors of Subsidiaries

Details of directors of Subsidiaries is Jatu Charoen Development Company Limited as of February 18<sup>th</sup>, 2022. The Board of Directors consist of 3 Directors as follows;

1. Charoen                      Meensook, M.D.
2. Mr. Thiti                      Sihanatkathakul
3. Mr. Tosaporn              Sihanatkathakul

Shareholding Structure consist of 4 Shareholders as follows;

List of Shareholders	Number of Shares (Shares)	Shareholding Proportion (%)
Thainakarin Hospital Public Company Limited	9,997	99.97
Charoen Meensook, M.D.	1	0.01
Mr. Thiti Sihanatkathakul	1	0.01
Mr. Tosaporn Sihanatkathakul	1	0.01
<b>Totaling</b>	<b>10,000</b>	<b>100.00</b>

## Attachment 3

### Details of the Head of Internal Audit and the Head of Compliance

#### Miss Wiyadarat Sintharajiratha

Age 59 Years

Position: Compliance Audit Manager

Appoint Position 28 April 2006

#### Education

- Bachelor of Business Administration, Faculty Of Business Administration, Accounting, Ramkhamhaeng University
- Mini MBA, Chulalongkorn University

#### Training

1. Curriculum of Ministerial Rules Draft, Announcements and Orders, Regulations, Rules issued under the Accounting Act B.E. 2543, organized by the Department of Trade Registration;
2. Curriculum of Tackling Partnership and Company Misconduct, organized by the Department of Trade Registration;
3. Curriculum of Cost Analysis of Medical Care, organized by The Faculty of Pharmacy, Mahidol University;
4. Curriculum of The 39 TAX PROBLEMS FOR HOSPITAL, organized by the Institute of Professional Development, Business Administration and Taxation;
5. Curriculum of Techniques for Setting Effectiveness of Accounting System, organized by Dharmniti Co., Ltd.;
6. Curriculum of The Impact of the Accounting Act B.E. 2543 on Business Operations, organized by the Department of Trade Registration;
7. Curriculum of The Provisions in the Accounting Act B.E. 2543;
8. Curriculum of The New Juristic Person Training Program in accordance with the law on partnerships and companies, laws related to accounting and preparation of financial statements, taxes related to business operations, organized by the Department of Business Development, Revenue Department;
9. Thai Accountant's Innovative Course with The Date of the Professional Council, organized by The Association of Thai Accountants Development Center;
10. Tax preparation in 2015 Course, organized by the 75 C.P.E. Co., Ltd.;
11. Guidelines for Internal Audit Course, organized by the Stock Exchange of Thailand;
12. WORK SHOP Course for Acquired or Sold, Disclosure of Information, Connected Transactions, organized by the Stock Exchange of Thailand;
13. Electronic Submission of Financial Statements Course;
14. How to Analyze and Place Risk Prevention, Like, Yes, Yes Course;
15. Anti-Corruption: The Practical Guide (ACPG) Program, organized by the Thai Institute of Directors Promotion Association;
16. The Comprehension in Financial Statements as Seeing the Performance Ahead Course, organized by The Office of PITISEVI Co., Ltd.; and,
17. The Comparison of the Main Issues of Financial Reporting Standards for PAEs/NPAEs/SMEs Course, organized by The Office of PITISEVI Co., Ltd.

#### Work Experience

- 2010 - Present Compliance Audit Manager, Thainakarin Hospital Public Company Limited
- 2006 - 2010 Manager of Internal Control and Supervision Department, Thainakarin Hospital Public Company Limited
- 2001 - 2006 Accounting and Audit Manager, Thainakarin Hospital Public Company Limited
- 2001 (Feb.) Acting as Accounting and Finance Manager, Thainakarin Hospital Company Limited
- 1997 - 2001 Head of Control and Audit and Head of Accounting Department, Thainakarin Hospital Company Limited
- 1993 -1997 Head of Control and Audit, Thainakarin Hospital Company Limited

## Attachment 4

### Business Assets and Details on asset Valuation

- In Progress -





## Attachment 5

### Policy and Guidelines for Corporate Governance and Code of Conduct

- In Progress -

## Attachment 6

### Report of the Audit Committee

Dear The Company's Board of Directors

Thainakarin Hospital Public Company Limited

The Audit Committee is appointed by the Board of Directors and consists of 5 independent directors, namely Mr. Kraisak Kadkum, Chairman of the Audit Committee, with Pridi Hetrakul, M.D. Assoc. Prof. Chertsak Dhiraputra, M.D. Assoc. Prof. Panya Issarawornrawanich, Ph.D. and Mr. Chailerk Wiriyaratanaporn serves as the Audit Committees whereas Mr. Attapong Tipaksorn acting secretary to the Audit Committee.

The Audit Committee has carefully and independently performed duties in accordance with the scope of roles and responsibilities approved by the Board of Directors and in accordance with applicable laws, rules of the Stock Exchange of Thailand and relevant instructions. The Audit Committee members have effectively harnessed knowledge and competencies in such duty performance and received full access to relevant information and good cooperation from executives, internal auditors and auditors. During the 2022 accounting period from 1 August 2021 to 31 July 2022, the Audit Committee held 5 meetings and executives, internal auditors and external auditors were invited to the meetings to provide relevant information as summarized below:

1. Review of quarterly financial statements and 2022 financial statements - The Audit Committee made inquiries and received clarification from executives and auditors regarding the accuracy and adequacy of financial statements and disclosure. The Audit Committee concurs with the auditor that the financial reports are materially accurate, reliable and in accordance with generally accepted accounting standards.

2. Review of internal audit - The Audit Committee has reviewed the scope of work, roles, responsibilities and independence of internal auditors based on the internal audit guidelines stipulated by the Stock Exchange of Thailand. The Audit Committee is of the opinion that the Company's internal controls are adequate, appropriate and effective, and meet good standards.

3. Review of performance and internal controls - The aim of the review is to assess the adequacy and effectiveness of internal controls which are necessary for the Company's goal achievement. The review is based on the reports on internal audits which have been carried out in accordance to approved audit plans and covered key systems of the Company.

No material issues are found. The Company has appropriately managed the properties and assets and complied with the Securities and Exchange Act, requirements stipulated by the Stock Exchange of Thailand and applicable laws and regulations. Authority delegation and approval have conformed to applicable procedures and effective internal control principles. The Company has also adhered to and updated the principles of good corporate governance to promote transparency and adapt to changes.

4. Review and opinion on related-party transactions and conflicts of interest - Transactions of the Company are reasonable, transparent and beneficial to the Company. Relevant disclosure has been accurately and adequately made.

5. Screening and nomination of auditors - The Audit Committee has reviewed and rendered opinions on the nomination of auditors to the Board of Directors which will be proposed to the shareholders' meeting for approval. The nominated auditors for 2022 are Mrs. Sarinda Hirunprasurtwutti, CPA license number 4799 or Ms. Patcharawan Koonarangsri, CPA license number 6650 or Mr. Samran Taengcham, CPA license number 8021 of EY Office Limited. The audit expense budget for the year ended 31<sup>st</sup> July 2023 includes the audit fee of Baht 1,345,000 and the expenses within the limit of Baht 30,000 and the company must recruit other auditors for proposing to the General Meeting of Shareholders for considering and approving.

The Audit Committee has dutifully undertaken its responsibilities as assigned by the Board of Directors and is of the opinion that the Company's financial report and operations are correct. The Company has implemented internal controls and internal audits, complied with legal and regulatory requirements and correctly disclosed related-party transactions. In addition, the Company has adhered to the principles of good corporate governance to promote transparency and reliability as well as continuously developed its systems and operations to meet the quality standards and match the business environment.



**Mr. Kraisak Kadkum**

Chairman of the Audit Committee

Thainakarin Hospital Public Company Limited

# “HOSPITAL OF CHOICE IN EASTERN BANGKOK & EASTERN THAILAND”



## Thainakarin Hospital Public Company Limited

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0 2361 2727, 0 2361 2828

Fax 0 2340 6431

Email [info@thainakarin.co.th](mailto:info@thainakarin.co.th)

[www.thainakarin.co.th](http://www.thainakarin.co.th)



บริษัท โรงพยาบาลไทยนครินทร์ จำกัด (มหาชน)

**THAINAKARIN HOSPITAL PUBLIC COMPANY LIMITED**

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