

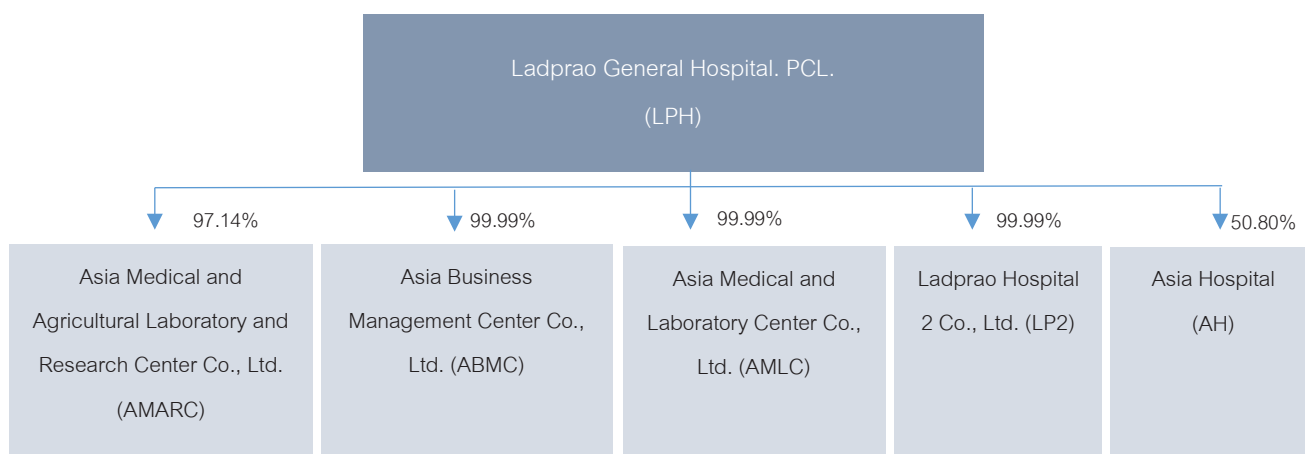
## 1. Policies and Overall Business Operations

Ladprao General Public Company Limited (“Company”) is engaged in a private hospital business in Bangkok on Ladprao Road by providing general medical treatment services and serving as a center for various medical specializations. The Company has its service capability including the new Excellence Center of 206 registered beds with an OPD capacity of approximately 4,400 patients/day.

The company has a comprehensive service for both outpatient and inpatient which all doctors, physician, experts, executives, employees and all staff have strongly committed to the importance of maintaining high quality medical care at all time as the Company Slogan of “Kind and Caring for your health is our main role”. The Hospital received Level 3 Hospital Accreditation (HA), which was the highest level for the aforementioned accreditation, from the Healthcare Accreditation Institute (Public Organization) along with JCI Accreditation, the international quality certification regarding the United States of America certified standards.

The Company is engaged in the following 5 businesses: (1) hospital service businesses operated by the Company and Ladprao General Hospital 2 Co., Ltd., (2) Scientific analytical and diagnostic services for medical, agricultural, food and drug, research work, inspection and certification of quality system, and efficiency testing and analysis of pesticide residues and hazardous substances operated by a subsidiary, Asia Medical and Agricultural Laboratory and Research Center (AMARC) (3) the business of supporting medical services and business development by a subsidiary, Asia Business Management Center Co.,Ltd. (ABMC) and (4) laboratory, and medical diagnosis services operated by subsidiary, Asia Medical and Laboratory Center (AMLC) (5) the business of providing general medical care, in-house and mobile health check-up, and on-site nursing services in factories and various organizations operated by a subsidiary named Asia Hospital Company Limited (“AH”)

The corporation’s shareholding structure as of 31 December 2020 shown as follows:



Vision :

A private hospital leader in Ladprao area.

Mission :

The Hospital is committed to providing medical services for clients with advanced technologies and excellent services, being responsible for the community and environment with continuous quality improvement.

Therefore, the Company has developed the guidelines to ensure the achievement of the mission and goals as following:

- To become an all-inclusive medical center in each field of medicine with emphasis on specialist medicine center development leading to medical excellence beginning with the support of rising elder population trends such as the Gastrointestinal and Liver Center, the Eye Center, the Orthopedic Surgery Center, the Brain and Nerve Center and the Skin and Beauty Center. The development has been completed as planned in 2020.
- To maintain leadership as a leading hospital for mothers and children on Ladprao Road. by providing comprehensive obstetrics gynecology services and pediatric treatments with specialist doctors and experts in every field with modern and beautiful renovations .

The Company's customers involve 2 characters: one for general payment per visit in cash or credit, the other for social security service. The services cover not only general health care but specialty in various fields as following:

(1) Outpatient Services: in 18 centers of medicine specialty with 160 treatment service rooms and procedure rooms capable of providing services for customers at the capacity of approximately 4,400 patients/day Center details are as follows:

- |                                      |                                      |
|--------------------------------------|--------------------------------------|
| 1. Eye and Lasik Center              | 10. Dental Center                    |
| 2. Aesthetics and Laser Center       | 11. General Internal Medicine Center |
| 3. Gastrointestinal and Liver Center | 12. Cardiology and Neurology Center  |
| 4. Orthopedic Surgery Center         | 13. General Surgery Center           |
| 5. Brain and Nerve Center            | 14. Otolaryngology Center            |
| 6. Women's Health Center             | 15. Skin and Cosmetic Surgery Center |
| 7. Pediatric Center                  | 16. Hemodialysis Center              |
| 8. Child Development Center          | 17. Accident and Emergency Center    |
| 9. Health examination                | 18. Physical therapy Center          |

(2) Inpatient Services: The hospital Building-1 has a total of 180 registered beds in 109 rooms to provide services for hospital inpatients whereas the new Excellence Center Building has a total of 26 registered beds available in 26 IPD rooms. Exclusive in hospital rooms, the Hospital focuses on patients' cleanliness and hygiene in a warm, home-like setting, which is a factor contributing to positive mental health among patients. The Hospital has prepared many types of rooms to provide service based on service recipient needs such as rooms with eight or four beds, special double-bed rooms, special single-bed rooms, VIP rooms, suites, ICU rooms and Separate patient's disease rooms.

#### **Subsidiary companies provide services including**

Scientific analysis, testing and researching services for agricultural and pharmaceutical products focusing on analyzing of fresh and ready-made food, inspection of agricultural, livestock and fisheries, chemical, physical, and related scientific analyzing and testing product contamination, pharmaceutical and related medical analysis and testing, and calibration services for various measuring instruments. The aforesaid operational services has been delivered with international accepted standards in scientific laboratory analysis and testing services for agricultural, food and pharmaceutical products from the beginning of the process comprising:-

- o Agricultural raw materials,
- o Agriculture input factors (water, fertilizers, pesticides, animal feed),

- o Planting and cultivating process (Livestock and fisheries),
- o Organic and inorganic cultivating processes,
- o Agricultural products including processing ones,
- o Pharmaceutical products and pharmacology Including the manufacturing processes and their effects on human (Bio-Equivalent),
- o Calibration of laboratory instruments,
- o Process environment (treated water and wastewater),
- o Food Safety Project for Restaurants, Hotel Chains, Food Retailers,
- o Research and development for the registration of food recipes, food supplements, cosmetics and drugs,
- o Information technology real-time system serving customer needs and satisfaction, which therefore enhances the ability of the company to provide quality inspection services (Food Safety and Control) for customers related the official missions transferred by means of certifying such quality systems..

This business supports the Hospital's work and business development in the Company and its subsidiaries with the objective to operate and provide support services for the Hospital's legal work by providing legal consultation and contracts, reimbursement of treatment for patients in vehicle accidents, etc., along with providing support in business management, selling and marketing for both project and international customers including business development.

Another business involves medical laboratory analysis, diagnosis, and research to serve and enhance service capacity serving the increase number of patients along with their higher needs in not only the hospital but also coming expansion including the new Medical Excellence Center.

And the other business of general medical care, in-house and mobile checkup, and on-site nursing units in factories and various organizations.

## 2 Business Operation Characteristics

The corporation and subsidiaries were engaged in the following 4 businesses: Overall Business Operations of the Company and its Subsidiaries

Business Type	Operated By	Service Characteristics
(1) Hospital Service Businesses	LPH <ul style="list-style-type: none"> <li>Registered Capital :375.00 Million Baht</li> <li>Paid-Up Capital :375.00 Million Baht</li> <li>Par Value :0.50 Baht</li> </ul>	Private hospital business services in providing general treatment for diseases and medical center services including out-patient, in-patient and emergency patient services including in-house and on-site checkup services for the following customers: <ul style="list-style-type: none"> <li>General service recipients. (Individuals, corporations, and enterprises).</li> <li>Service recipients according to Social Security Scheme rights.</li> </ul>
	A Subsidiary (LP2) <ul style="list-style-type: none"> <li>99.99 Percent Shares Held by the Company</li> <li>Registered Capital :50.00 Million Baht</li> <li>Paid-Up Capital 12.50 Million Baht</li> <li>Par Value 10.00 Baht</li> </ul>	LP2 currently has no business operations. However, the Company has a project to construct and operate the new hospital in the future through LP2. The Company is on process of getting new project investment approval as planned.
(2) Food, Agricultural and Medicinal Product Analysis, Testing and Research, Agricultural plant protection product with efficiency assessment, testing and analysis of pesticide residues and hazardous substances	A Subsidiary (AMARC) <ul style="list-style-type: none"> <li>97.14 Percent Shares Held by the Company</li> <li>Registered Capital: 150.00 Million Baht</li> <li>Paid-Up Capital 150.00 Million Baht</li> <li>Par Value :10.00 Baht.</li> </ul>	Laboratory analysis/research services divided according to AMARC laboratories as follows: <ul style="list-style-type: none"> <li>Food and Agricultural Product Analysis Laboratory.</li> <li>Medical and Pharmaceutical Laboratory.</li> <li>Instrument Calibration Laboratory.</li> <li>Hazardous Material Performance Testing Lab</li> <li>Accreditation Lab</li> <li>Laboratory analysis of agricultural hazardous material properties and Fertilizer analysis</li> <li>Scientific Research and Development Laborator</li> </ul>
(3) Support for Medical Service Provision and Business Development	A Subsidiary (ABMC) <ul style="list-style-type: none"> <li>99.99 Percent Shares Held by the Company</li> <li>Registered Capital: 10.00 Million Baht</li> <li>Paid-Up Capital 10.00 Million Baht</li> <li>Par Value :10.00 Baht.</li> </ul>	Provision of services in support of medical service provision and business development as follows: <ul style="list-style-type: none"> <li>Support marketing events with activities including advertising media and public relations for the Company and its subsidiaries.</li> <li>Legal support including the reimbursement for patients in incidents with the related Acts for the Company</li> </ul>

Business Type	Operated By	Service Characteristics
		<ul style="list-style-type: none"> <li>• Business development support for the Company and its subsidiaries.</li> </ul>
(4) Scientific analytical and diagnostic for medical services	A Subsidiary (AMLC) <ul style="list-style-type: none"> <li>• 99.99 Percent Shares Held by the Company</li> <li>• Registered Capital: 5.00 Million Baht</li> <li>• Paid-Up Capital 5.00 Million Baht</li> <li>• Par Value :10.00 Baht.</li> </ul>	Conduct a business on scientific analytical and medical diagnostic services with a modern and standardized laboratory tools with various medical examination and analysis.
(5) Medical care with health check-up business and on-site nursing services for enterprises	A Subsidiary (AH) <ul style="list-style-type: none"> <li>• 50.80 Percent Shares Held by the Company</li> <li>• Registered Capital 1.00 Million Baht</li> <li>• Paid-Up Capital 1.00 Million Baht</li> </ul> Par Value 10.00 Baht	AH operates a private small-scale general hospital providing general medical care, in-hospital and mobile health check-up, and on-site nursing service units for enterprises.

#### (1) Hospital Service Business

Hospital service businesses are currently operated by the Company as a private medical facility admitting patients for overnight stays (a private hospital) under the name of Ladprao General Hospital (the Hospital) with a capacity of 206 beds. The Hospital was opened to provide public health services with continual service development emphasizing treatment quality and efficiency combined with health promotion, disease prevention and patient recovery to help the public have better health and quality of life. The Hospital provides services meeting all standards in every field of medicine such as internal medicine, pediatrics, women's health, ophthalmology, otolaryngology, general surgery, orthopedic surgery, cardiology and neurology, skin and beauty, dentistry and hemodialysis, etc. Furthermore, the Company aims to achieve medical excellence by developing capacity to treat various diseases in support of domestic population structure changes which will have more senior adults in order to become a community hospital that covers service recipients from every age group living in the Ladprao neighborhood and nearby areas. The Company provides services for out-patients with expert teams of physicians in each field. Moreover, the Hospital provides in-patient services with various types of patient rooms based on service recipient needs with doctor and nursing teams ready to provide care for patients 24 hours a day.

#### Service Characteristics Classified by Patient Service Provision

##### 1) Out-Patient Service

At present, the Hospital is able to provide services in mostly all fields of medicine with 160 treatment service rooms and procedure rooms including new services launched in the new Excellence Center Building since February 2018 with the capacity of approximately 4,400 patients per day:-

##### 2) In-Patient Services

The Hospital in association with new services launched in the new Excellence Center Building has its in-patient capability of 206 registered beds in the total of 135 rooms to provide services for hospital.

#### Ratio of Service Classified by Service Recipients

##### 1) General Service Recipients– General service recipients consisted of the following:

- 1.1) Personal payers are service users who paid for treatment in real treatment costs without exercising any insurance entitlements, including member groups with special discounts according to the Hospital's conditions.
- 1.2) Contracted parties are service users where the Company of original affiliation has made medical service contracts with the Hospital and are composed of service recipients who have insurance policies with the insurance company on a daily basis and service recipients who are under the jurisdiction of organizations that are party to contracts with the Hospital such as educational institutes and companies which are party to contracts, etc., and service recipients with rights according to the Protection for Motor Vehicle Accident Victims. The Company will collect treatment costs from the insurance company of contract parties or directly from the contract party organization.
- 1.3) Other groups such as civil services and government enterprises, foreign patients including service recipients with other rights such as the Workmen's Compensation Fund for persons who encountered work-related hazards and three emergency foundations established by the National Health Security Office, etc.

**2) Social Security** – The Hospital provides services under social security entitlements and the Hospital will receive treatment expenses from the Social Security Office based on the conditions specified by the Social Security Office.

**(2) Food testing and research business Agricultural and pharmaceutical products and quality certification system**

For business Operated by a subsidiary, AMARC, Scientific analysis, testing and researching services for agricultural and pharmaceutical products focusing on analyzing of fresh and ready-made food, inspection of agricultural, livestock and fisheries, chemical, physical, and related scientific analyzing and testing product contamination, pharmaceutical and related medical analysis and testing, and calibration services for various measuring instruments. The aforesaid operational services has been delivered with international accepted standards in scientific laboratory analysis and testing services for agricultural, food and pharmaceutical products from the beginning of the process comprising:-

- o Agricultural raw materials,
- o Agriculture input factors (water, fertilizers, pesticides, animal feed),
- o Planting and cultivating process (Livestock and fisheries),
- o Organic and inorganic cultivating processes,
- o Agricultural products including processing ones,
- o Pharmaceutical products and pharmacology Including the manufacturing processes and their effects on human (Bio-Equivalent),
- o Calibration of laboratory instruments,
- o Process environment (treated water and wastewater),
- o Food Safety Project for Restaurants, Hotel Chains, Food Retailers,
- o Research and development for the registration of food recipes, food supplements, cosmetics and drugs,
- o Information technology real-time system serving customer needs and satisfaction,

which therefore enhances the ability of the company to provide quality inspection services (Food Safety and Control) for customers related the official missions transferred by means of certifying such quality systems.

AMARC has been granted from the Board of Investment Thailand; 4 certificates for privileges in doing scientific laboratory test and the other for servicing calibration business. The major privileges for the Company including but not limited to:

1. Exempt from corporate income tax on profit derived from the operation that has been promoted started from the first day of realizing sales and/or services income.\*\*
2. Exempt from corporate income tax for the dividends derived from profits from the business which has been promoted (in clause 1)

\*\* In case of suffering loss of business during the tax exemption period, the granted Company is allowed to carry the accumulated loss so as to deduct from future taxable income incurred (if any) after the ending of tax privileges but shall not exceed five years from the date of the its expiration.

### **(3) The Business of supporting hospital management services, selling and marketing, and business development**

The business of supporting medical services and business development is operated by ABMC, a subsidiary. This business supports the Hospital's work and business development in the Company and its subsidiaries with the objective to operate and provide support services for the Hospital's legal work by providing legal consultation and contracts, reimbursement of treatment for patients in vehicle accidents, etc., along with providing support in business management, selling and marketing for both project and international customers including business development. ABMC has employed personnel with appropriate qualifications to perform the duty of providing consultation and participating in business management and development, as well as setting business policies for the Company and its subsidiaries.

### **(4) Laboratory and Medical diagnosis**

AMLC, a subsidiary, conducts its professional on scientific analytical and medical diagnostic services with various medical examination and analysis served for hospital business including scientific analysis such as chemistry, immunology hematology and microbiology, etc. The Company was approved a grant of BOI privilege for the entire business from the Board of Investment Thailand on November 30, 2018 and received the promotion certificate on January 16, 2019 which the Company has already activated its rights and benefits in relation to corporate tax exemption since October 1, 2019.

The major privileges for the Company including but not limited to:

1. Exempt from corporate income tax on profit derived from the operation that has been promoted started from January the first day of realizing sales and/or services income.\*\*
2. Exempt from corporate income tax for the dividends derived from profits from the business which has been promoted (in clause 1)

\*\* In case of suffering loss of business during the tax exemption period, the granted Company is allowed to carry the accumulated loss so as to deduct from future taxable income incurred (if any) after the ending of tax privileges but shall not exceed five years from the date of the its expiration.

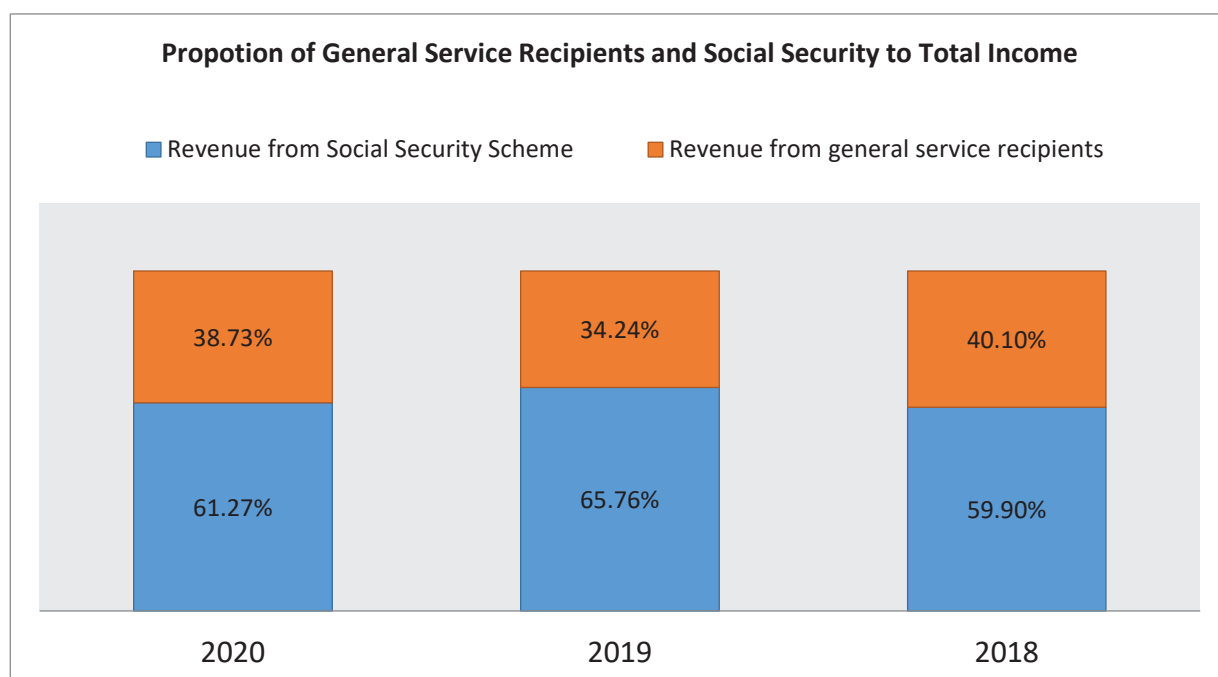
**(5) Medical treatment , mobile health checkup, and on-site nursing service units for enterprises**

AH operates a private small-scale general hospital located in Ayutthaya province providing medical care for outpatients and emergency services with primarily delivers both in-hospital and on-site health check-up services. Outpatient and emergency medical treatment is available

**Income Structure**

Income	Operated By	2020		2019		2018	
		MB.	%	MB.	%	MB.	%
<b>1. Treatment Income</b>	LPH	1,553.45	85.61	1,383.69	86.65	1,362.09	85.74
- Personal Payment and Other Income		951.76	52.45	909.98	56.99	815.83	51.35
- Social Security Scheme Income		601.69	33.16	473.71	29.66	546.26	34.39
<b>2. Service Income</b>	AMARC	247.81	13.66	197.75	12.38	163.41	10.08
- Analysis Income		219.74	12.11	197.75	12.38	163.41	10.28
- Health service	AH	28.07	1.55	-	-	-	-
<b>3. Other Income</b>		13.36	0.73	15.38	0.97	63.17	3.98
- Investments income of private fund, net		-	-	3.16	0.20	(9.55)	(0.60)
- Rental income		3.33	0.18	3.60	0.23	3.70	0.23
- Gain from sale of fixed assets		-	-	0.03	0.00	62.68	3.95
- Others		10.03	0.55	8.59	0.54	6.34	0.40
<b>รวม</b>		<b>1,814.62</b>	<b>100.00</b>	<b>1,596.82</b>	<b>100.00</b>	<b>1,588.67</b>	<b>100.00</b>

**Proportion of General Service Recipients and Social Security to Total Income**





### 3. Risk Factors

The Company's business operations are faced with various risk factors. This may have an impact on the Company's operations and stock price. The following risk factors are just some of the major risk factors that may have a negative impact on the Company. This could create a significant investment risk for investors. In this regard, there may be other risk factors that the Company is not currently able to know about and there may be some risk factors that the Company deems to be insignificant and these risk factors may affect its operations. Business of the company in the future Risk factors in the Company's business operations can be classified as follows.

#### 3.1 Strategic Risks

##### 3.1.1 Risks from Competition in the Private Hospital Business

The impact of the COVID-19 outbreak has made private hospitals more competitive. All hospitals, especially those that rely on foreign trade groups Turned to marketing with patients in the country This will make the price competition more intense in a variety of forms. To motivate both in terms of retaining existing customers and attracting new customers. However, Ladprao Hospital does not rely much on income from foreign customers. Most of the customers residing in Thailand and are working-age groups, therefore, they are not affected much. In addition, from the strategy of developing the potential of all 5 medical centers: Eye Disease Center, Orthopedic Center Brain and Nervous System Center Gastrointestinal and Liver Center Beauty and laser center All five centers of excellence show continuous revenue growth. Total revenues in 2020 totaled 216.4 million baht, an increase of 15.4 percent from the year 2019. In addition, the company has Expand the business of health check-up services for entrepreneurs customers. Organizations and departments In order to increase the company's income and customer base another way in 2020, the company has income from health check-up services 74.8 million baht, an increase from 2019, which has an income of 25.9 million baht, an increase of 48.9 million baht or equivalent Growth rate 189 percent increase

##### 3.1.2 Effects of the epidemic of COVID-19

From the first half of 2020 due to the first wave of global COVID-19 outbreaks. There have been outbreaks in many countries. The closure of the country occurred Foreign patients cannot travel for treatment. Thai patients fear coming to the hospital for fear of infection. Causing an impact on the operation results Hospital business and income plans as follows:

- CLMV and Middle East (Arab) customers, as well as foreign countries traveling from other regions. Unable to travel to Thailand for medical treatment due to the national shutdown policy to control the spread of disease. Resulting in income From this group of customers significantly decreased
- Thai general customers Fear of infection, do not dare to come to the hospital.

The hospital has set the following solutions.

- 1) Add Premium Home Health Care service to serve patients at home. Especially elderly patients Patients with various chronic diseases
- 2) Add Telemedicine service. Together with insurance companies
- 3) Emphasize additional income from new channels such as off-site health check-ups. Influenza vaccination Screening for COVID-19 among entrepreneurs, companies, stores, institutions and other agencies
- 4) Controlling overtime costs Part-time employment From the decrease in the number of patients, for example

5) Build the confidence of the service recipients in using the service in terms of safety. Surveillance and prevention of COVID-19 transmission in hospitals

6) Focus on marketing more to foreign customers who reside in the country. In the field of treatment Health check to continue Work permit age and vaccination against disease.

7) Marketing more with Thai Muslims who reside in Ladprao and nearby areas. Which is a group with purchasing power and originally used the services at other hospitals and with the hospital, there is a Muslim Arab marketing officer who can communicate. Good understanding of Muslim culture Making it accessible to the community and recommended to use the health care service at the hospital.

However, after the situation The epidemic of disease within the country can be controlled. Thai customers began to return to use the service more. As a result, in 3Q2020, revenue from Thai customers did not drop much to compare with the operating results in normal conditions of 2019

### **3.1.3 Risk from investment expansion**

#### **3.1.3.1 Ladprao Hospital Investment Project Lam Luk Ka and Lam Luk Ka Elderly Care Center**

The company plans to review the project. And study the possibility of new investments Due to the Lam Luk Ka road area There will be a new hospital, the operation does not meet the target and there will be a new hospital. In Bangkok and surrounding areas 8 more Within 1-2 years

#### **3.1.3.2. Profitable investment in hospital business in hospitals**

The Company has considered and intends to invest in a hospital in the metropolitan area. Is in the process of assessment Property value and investment return

#### **3.1.3.3. Investment in Asian Hospitals**

To expand off-site health check-ups In large industrial factories The joint investment will give Asian hospitals the potential In support of off-site health check-ups In large industrial factories Especially for factory customers in the industrial estate area in Phra Nakhon Si Ayutthaya Province Where the hospital is located, which has 5 industrial estates with a total of 2,766 factories.

## **3.2 Operation Risks**

### **3.2.1 Risk from staff shortage.**

Healthcare workers are an essential resource of success in running a private hospital business. Even now, medical educational institutions have increased the production of personnel. But this is not enough to meet the increasing demand. However, with the location of the hospital in the city. Not far away from medical centers, universities. Therefore, the doctor can be recruiting sufficiently and the hospital has an efficient medical group management system. Both in terms of compensation and benefits Most of the regular doctors are local residents. It has ties to the community and organizations, while part-time doctors are specialized doctors from large medical schools or public hospitals in Bangkok. In the past, both groups of doctors were satisfied and determined to perform their duties. Acknowledge and be part of the culture of the organization. The rate of movement or resignation is therefore relatively low. On the part of other professional personnel The hospital has appropriate compensation measures compared to other operators in the same business group. Supplemented by various benefits that are appropriately given to employees of all levels Build career stability by Set up a Succession Plan for employees at all levels to build confidence, stability, clear career advancement. For employees who are ready to grow with the organization The risks arising from this factor are therefore insignificant to the Company's growth.

### **3.2.2 Operational risks during the COVID-19**

This is because the spread of COVID-19 occurs quickly and easily. The hospital is a place that needs to accommodate a large number of clients. There is a risk of spreading infection in the hospital. And the risk that the service personnel have a chance of infection, which, if it happens, will have a negative impact on the image. The confidence of clients in the hospital And do not dare to use the service Therefore, in order to prevent such incidents And to prepare for the service to support the epidemic is very necessary. Which the hospital has operated since the outbreak of the disease Both in terms of the readiness of personnel Service Locations Differential examination room Negative pressure patient rooms, instruments, equipment and medical supplies PPE series Prepared completely enough. Making the care system for general and infectious patients admitted to the hospital Is efficient There was no outbreak in the hospital. And still the protection system Continuous surveillance.

### **3.3 Risk from litigation**

The hospital has a system in the process of providing medical services in accordance with the standards And continually comply with HA standards There is a screening system for doctors with expertise. And provide standardized treatment in each specialized field Establish a risk management system for risk and safety; and In taking care of the service recipient By adhering to the patient safety principle (patient safety) there is a key focus on focusing on the safety of the patient from the critical risks (Patient Safety Goal) that everyone in the organization must adhere to in order for the patient to Get maximum security There are risk management measures at various levels as part of the development of the hospital quality system, so that in 2020 the hospital has no complaints from clients.

### **3.4 Financial Risk**

#### **3.4.1 Risks from receiving payment of medical expenses**

The company plans and controls the credit of medical expenses strictly. Before the company designated that customer as a party The company will carefully analyze the credit and financial status of the customers to be the best customers. There are no financial problems so the payment will be credited. After that, the parties' status will be monitored from time to time to ensure that at that time there were no financial problems and they were monitored. Collecting debt periodically There is a policy to estimate the cost of medical expenses before. In order for the person responsible for the expenses to be aware of the budget and to pay the service fee or deposit in advance in case of emergency treatment. The company will approximate the actual cost of all medical treatments and notify the patient. So that the patient can know the total budget And decide whether to do the treatment or not In the event that the patient is admitted, the company will inform the treatment plan together with the cost assessment that has been incurred to the person responsible for the expenses from time to time. As well

#### **3.4.2. Company liquidity risk And subsidiaries**

The Company operates a conservative financial policy with no emphasis on funding sources from external borrowings. In this regard, additional borrowing will be made mainly during the period of long-term investment projects and for various investments, the Company has made investment arrangements. That is, it is supported by various financial institutions with overdraft (OD), working capital, short term loan (PN), long term loan (LT). Sufficient amount to use the funds according to the Company's investment expansion plan. Which is denominated in baht Therefore, there is no risk from fluctuation of currency and interest rate changes. The Company plans to control its liquidity risk by maintaining adequate levels of cash and cash equivalents to support the Company's operations and

its periodic investment. By focusing on controlling expenditures in accordance with the budget in 2020, the company has no risk of liquidity shortages.

### **3.5. Legal and Regulatory Risk (Compliance Risk)**

#### **3.5.1. Risk from policies, regulations, and standards of public health**

Company follow up announcement Government policies As well as changes in various policies regularly He also participated in the meeting to express opinions on the improvement of government policies, such as the Social Security Office, to present useful information. To the board This makes it possible to be aware of the trend of changes as well as to assess the risks of changes in the social security program policy. And may make comments and suggestions before the policy goes into effect, however, for the risks that arise, the 2020 government health policy change, the company has been impacted by the Lockdown announcement. During the COVID-19 outbreak, however, there was not much impact as the company established effective preventive measures as described above.

#### 4. Properties Used in Business Operations

As of 31 December 2020, the Company and its subsidiaries had the following primary properties used in business operations:

Assets	Accounting Value (Million Baht)	Ownership	Obligations
Land, Buildings and Equipment	2,409.97	Company	None
Land	147.33	Company	None
Buildings and Modifications	1,436.50	Company	None
Medical Equipment and Instruments	630.92	Company	None
Office Equipment and Instruments	105.80	Company	None
Vehicles	66.17	Company	None
Structures on Lease Rights	23.25	Company	None
Land Lease Rights	14.43	Lease Rights	10 – 30 Years
Intangible Assets	43.12	Company	None

#### Details on Land and Buildings Used in Business Operations

Property Details	Utilization Characteristics	Ownership	Obligations
<b>1. Land</b>			
1.1 Land Title Deeds No. 28794, 28795, 28804, 28805 and 28806 located at Wangthonglang, Bangkok, with the area of 1-2-5 rai.	Ladprao General Hospital Building Location (Building 1)	Company	None
1.2 Land Title Deeds No. 28790, 28791, 28802, 134716 and 148730 located at Wangthonglang, Bangkok, with the area of 0-3-14rai	Specialty Medical Center Building Location (Building 2)	Company	None
1.3 Land Title Deeds No. 8178 – 8180 and 39324 located at Wangthonglang, Bangkok, with the area of 1-3-13rai	Ladprao General Hospital Dormitory Location (Building 1)	Company	None
1.4 Land Title Deeds No. 7022, 239799-239802 located at Wangthonglang, Bangkok, with the area of 0-3-45 rai	The building is owned by AMARC (a subsidiary)	AMARC (a subsidiary)	Take a mortgage as collateral for a credit limit
<b>2. Buildings and Modifications</b>			
2.1 Building and modifications for Ladprao General Hospital (Building 1) with 15 floors and the area of 19,412 square meters.	Business Operation Facility	Company	None

Property Details	Utilization Characteristics	Ownership	Obligations
2.2 Hospital building and modifications (specialty medical centers – Building 2) with six floors and the area of 5,176 square meters.	Business Operation Facility	Company	None
2.3 Hospital building and modifications (specialty medical centers – Building 3) with seven floors and the area of 5,015 square meters.	Business Operation Facility)	Company	None
2.4 Modifications to Building No. 2687, Ladprao Rd. (Building 4).	Business Operation Facility with Part of the Area Leased by ABMC (A Subsidiary)	Company	None
2.5 Dormitory building and modifications. A residential building with seven floors and the area of 5,015 square meters.	Business Operation Facility	Company	None
2.6 The Asia Medical and Agricultural Research Center Building with five floors and the area of 4,796.40 square meters (including building and public utility systems)	The building is owned by AMARC (a subsidiary)	AMARC (a subsidiary)	Take a mortgage as collateral for a credit limit

#### *Land Lease Rights*

Type of Property with Land Lease Rights	Utilization Objectives	Contract Parties	Significant Contract Contents
<b>1. Land</b> Land Title Deeds No. 24210 – 24211  located at Wangthonglang, Bangkapi, Bangkok, with the area of 1-1-18 rai. (formerly used as a parking service section).	New Medical Center Construction Site (Expansion)	1. Mr. Chawalit Sensatian 2. Mr. Prasert Sensatian 3. Mrs. La-iad Sensatian 4. Mrs. La-uab Makaew	Lease begins on 1 April 2013 with the lease period of 20 years and ends on 31 March 2033 with the following lease payment specifications. - Lease payment from 1 April 2013 to 31 March 2023 at 447,368.42 baht per year. - Lease payment from 1 April 2023 to 31 March 2033 at 492,105.26 baht per year. <u>Remarks:</u> The company has extended the land lease duration by an

Type of Property with Land Lease Rights	Utilization Objectives	Contract Parties	Significant Contract Contents
			additional ten years for a total of 30 years (lease ends on 31 March 2043) according to the lease dated 31 August 2013.
<p><b>2. Land</b></p> <p>2.1 Land Title Deeds No. 24214 – 24215 located at Wangthonglang, Bangkok, with the area of 1-1-98 rai.</p> <p>2.2 Land Title Deed No. 24213 located at Wang Thong Lang, Bangkok, with the area of 1-0-56rai.</p>	Parking Space for Medical Facility Service Recipients	Mrs. Sunee Sensatian	<p>- Lease begins on 1 January 2014 for a period of ten years and ends on 31 December 2023 with the specified lease payment of 490,989.47 baht per year.</p> <p>- Lease begins on 1 January 2014 for a period of ten years and ends on 31 December 2023 with the specified lease payment of 374,400 baht per year.</p>
<p><b>3. Land</b></p> <p>Land Title Deeds No. 210279 – 24212 located at Wang Thong Lang, Bangkok, with the area of 1-0-33 rai</p>	Parking Space for Medical Facility Service Recipients	<p>1. Mr. Usah Sensatian.</p> <p>2. Mrs. La-o Hanafée.</p> <p>3. Mrs. Supaporn Onwan</p> <p>4. Miss. Wareeporn Sensatian</p>	<p>Lease begins on 1 January 2014 for a period of ten years and ends on 31 December 2023 with the specified lease payment of 355,515.79 baht per year</p> <p><u>Remarks:</u> The company has extended the land lease duration by an additional 30 years (lease ends on 31 December 2053) according to the lease dated 23 November 2021</p>

Type of Property with Land Lease Rights	Utilization Objectives	Contract Parties	Significant Contract Contents
<b>4. Land</b> Land Title Deeds No. 210280 located at Wang Thong Lang, BangKapi, Bangkok, with the area of 0-0-65 rai	Thoroughfare and passageway	Mrs. Sirima Kitkanakorn	Lease begins on 1 January 2017 for a period of 30 years and ends on 31 December 2047 with the specified lease payment of 17,052.63 baht per year

#### Intangible Assets

Property Details	Utilization Characteristics	Ownership	Obligations
1. Computer Programs	Business Operation	The Company and AMARC	None
2. Computer Network	Business Operation	The Company	None
3. Computer Programs Being Installed	Business Operation	The Company	None
4. Testing Certification Standard Mark	Business Operation	AMARC	None
5. Testing Standard Mark Being Considered	Business Operation	AMARC	None



## 5. Legal Disputes

As of 31 December 2020, the Company and its subsidiaries have no legal disputes in which the Company was a litigant or contender with potential to damage the Company at more than five percent of shareholders' equity and the Company has no other legal disputes which may cause significant impact on business operations.

## 6. General Information and Other Significant Information

Company Name	Ladprao General Hospital Public Company Limited (The Company)
Company Name (English)	Ladprao General Hospital Public Company Limited (LPH)
Business Type	Private medical facility business which admits patients for overnight stays under the name of Ladprao General Hospital
Company Registration No.	0107536000161
Main Office Location	2699, Ladprao Rd., KlongchaokunSsng, Wangthonglang, Bangkok, 10310
Tel.	02-530-2244, 02-530-2556-69
Fax.	02-539-8490
Home Page	<a href="http://www.Ladpraohospital.com">http://www.Ladpraohospital.com</a>
E-mail Address	<a href="mailto:Ladprao@Ladpraohospital.com">Ladprao@Ladpraohospital.com</a>
Registered Capital	375,000,000 baht (three hundred and seventy-five million baht)
Paid-Up Capital	375,000,000 baht (three hundred and seventy-five million baht)
Common Shares	750,000,000 shares (seven hundred and fifty million shares)
Par Value	0.50 baht per share
Securities Registrar	Thai Securities Depository Company Limited, 93, Stock Exchange of Thailand Building, Ratchadaphisek, Dindaeng, Dindaeng, Bangkok, 10400, Tel: 02-009-9000, Fax: 02-009-9991
Auditor	Miss Sulalit Ardsawang Certified Public Accountant No.7517 Dharmniti Auditing Co., Ltd., 178 Soi Permsap (Prachachuen 20) Prachachuen Road, Bang Sue, Bangkok, 10800, Tel: 02-555-0600, Fax: 02-555-0664