THONBURI
HEALTHCARE
GROUP

ANNUAL
REGISTRATION STATEMENT

(From 56-1 One Report)

2021

Call Center 02 487 2000 | www.thg.co.th

THONBURI HEALTHCARE GROUP

VISION

"To enhance people's quality of life
by being their most prefrerred health partner"

MISSIONS

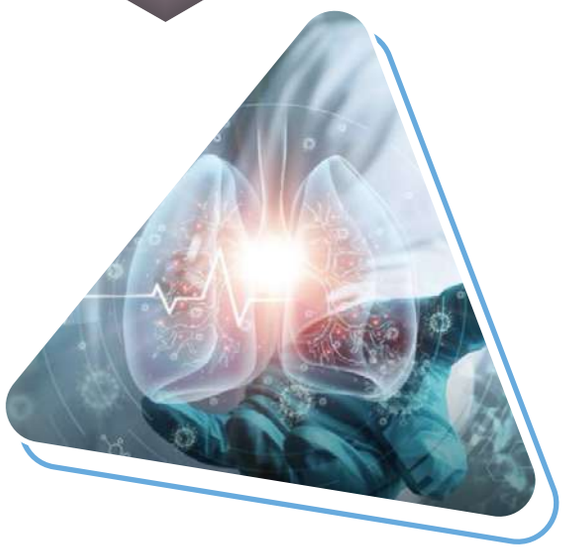
- To offer customer-centric, innovative, and reasonable healthcare solutions to people of all ages, no matter what their health needs, and
- To always strive for a higher standard of service, expertise, and professionalism in our people for the benefit of all our stakeholders

THONBURI HEALTHCARE GROUP

BRAND VALUES

T TREASURE LIVES

We treasure everyone's quality of life, and we strive to offer the best care without discrimination of any persons or groups.



H HONEST

We work on the principles of honesty and transparency, offering only necessary and desired products and services. We also approach our work with humility and respect for patients' dignity.

O OPTIMISTIC

We look towards the future with optimism, constantly searching for innovative ways to improve our services and business performance.

N NURTURING

Because our people are our greatest asset, we will nurture and keep developing our employees to be the best healthcare professionals for our customers.

THONBURI HEALTHCARE GROUP

THG Fights COVID-19

Overview of patient care during the Covid-19 crisis in 2021

Total Covid-19 patients
Since 15 April 2021

31,700 People

Field Hospitals

Cooperation with Department of Health Service Support, Ministry of Health, 11th Military Circle, Ministry of Defense and Bangkok Metropolitan Adminstration

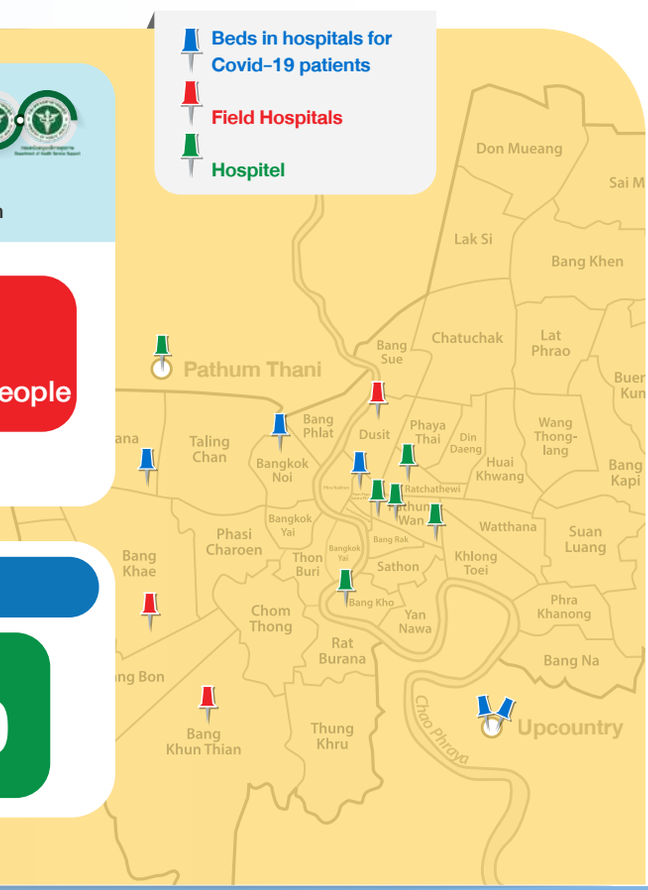
- Thonburi Hospital – 11th Military Circle
- Thonburi Hospital – Ratchapipat 2 Hospital
- Thonburi Hospital – Bang Khun Thian Geriatric Hospital

6,600 People

Hospitel and Community Isolation

15 locations for Covid-19 patiens with mild Symptoms

25,100 People



Distribution of government vaccines to people in Bangkok more than 305,000 Doses

- Vaccinations, Sinopharm, for organizations
- Cooperation with government to provide vaccination services at Thai PBS
- Launching digital platform for booking alternative vaccine to distribute over 800,000 doses to people in Q421 and the year 2022

*As of 31 December 2021

THONBURI
HEALTHCARE
GROUP

CONTENT

4 Message from the Chairman
5 Message from the Chief Executive Officer
6 Board of Directors
8 Executives
10 Financial Highlights
12 ▸ Business Operation and Performance
18 ▸ Revenue Struture
19 ▸ Business Description
34 ▸ Shareholder Struture of the Company
44 Risk Factors
57 Drvie Business for Sustainability
81 Management Discussion and Analysis
91 General information
92 Corporate Governance Policy
106 Organizational Struture, Board of Directors, Sub-Committees, Executives, Employees, etc.
123 Corporate Governance Performance Report
137 Internal Control and Risk Management
142 Related Party Transaction
162 Financial Statements
228 Information of Board of Directors and Executives
238 Corporate Secretary, Head of Compliance and Head of Internal Audit
242 Positions of Directors, Executives, and Corporate Secretary in THG, subsidiaries, associated companies and joint ventures
243 Assets used in the business of the Company and its subsidiaries
245 Report of the Audit Committee
248 Report of the Board of Directors' responsibilities toward the financial statements

Corporate Governance Handbook https://www.thg.co.th/storage/ir/downloads/cg-principle/20200522-thg-cg-ethics-en.pdf

THONBURI
HEALTHCARE
GROUP

Message from the Chairman

In the year 2021, THG faced a business challenge from the Covid-19 Delta variant outbreak. On 9 April 2021, THG was granted a license from the Ministry of Public Health to provide services only to infected patients, which was a pilot hospitel project in Thailand, with prompt cooperation from the Accor hotel group and THG gradually opened over ten thousand beds nationwide (including network companies). At that time, many patients were unvaccinated and were severely ill, hospitals were unable to accommodate the critically ill patients. THG had cooperated with government agencies and hospitals under the Bangkok Metropolitan Administration to open 3 field ICUs, namely Thonburi Field Hospital - 11th Military Circle, Thonburi Field Hospital- Ratchapipat, and Thonburi Field Hospital - Bang Khun Thian Geriatric Hospital with investments in equipment and renovation costs of over 300 million baht (excluding personnel compensation). There are more than 300 beds for critically ill patients to serve referred patients from public and private hospitals throughout Bangkok and its vicinity without any cost to the patients. Such hospitals have the same standards and provide medical services similar to private hospitals. I emphasized from the beginning that profit-loss should not be focused. It is important to think of the patients' lives first.

The key to reducing severe illness and mortality is testing and vaccination. THG offers testing for those at high risk. During high record of Covid cases, many places were closed, but THG insisted on providing testing and treatments. Although there were some problems with delayed results, people could still depend on THG during the time of panic. THG provides vaccination services for people both inside and outside the hospital by collaborating with government and private agencies in opening vaccination centers outside the hospital. I support bringing high quality vaccines for all Thai people and have ordered about 1million doses of Moderna vaccine from the Government Pharmaceutical Organization. People nationwide has given trust and made bookings for the vaccine.

Dr.Boon Vanasin
Chairman

	Year 2020	Year 2021	% Change
Revenue from consolidated financial statements (Million Baht)	7,315	10,847	48
Net profit from consolidated financial statements (Million Baht)	23	1,357	5,800

In 2021, we were ranked "World Best Hospital 2021 by Newsweek, moving the ranking from 7th to 5th, which reflects the continuous development of THG.In 2022, we are presented with new challenges of the Omicron variant outbreak. The government tends to declare the Covid-19 as endemic disease. This may result in patients having to return to their assigned hospitals for treatments, and patients who can afford the services can choose to stay for treatments at their own expenses. But no matter what kind of challenges we face, we will work together to take care of the health of Thai people. I express my gratitude to the management and medical personnel for working together to overcome this obstacle, and I thank you the shareholders for having given trust and taking pride in our performance of duties at the best capabilities.

THONBURI
HEALTHCARE
GROUP

Message from
the Chief Executive Officer

Dr.Tanatip Suppradit
Vice Chairman of the Board of Directors and Chief Executive Ofcer

The year 2021 was another year that we all had to face the ongoing Covid-19 pandemic, particularly the 4th Covid-19 wave with the Delta variant causing significant damages to the society and many deaths. The economy has been affected extensively from micro to macro levels. People must spend frugally. All businesses from tourism, hotels, restaurants and even hospitals must bear the inevitable impact. However, most important in a crisis is the ability to adapt to the situation. This is what Thonburi Healthcare Group Public Company Limited is accelerating to act to create sustainable growth for all stakeholders.

Because of the Covid-19, everyone must keep a distance. **The distancing of 1 meter has resulted in losses in the business sector hundreds of billions of Thai Baht.** As for the hospital business, Thonburi Healthcare Group Public Company Limited had to speedily adjust to the impact: **Part 1: Since the heart of our business is "people", the safety of staff and service users is of utmost importance.** Our personnel and clients must be safe and confident when they visit our hospitals.

Part 2: The structure of treatments for diseases that require specialized expertise such as cancer or heart disease, may not change much, but if it is a respiratory disease or a general disease, we made adjustment to clearly separate areas for examination and treatment. For instance, for patients with respiratory symptoms, we provide one-stop-service, separately from the main building to reduce the risk of infection. We establish measures for cleanliness and disinfection in various points of the hospital for the safety of our clients and medical personnel who need more specific areas for treatments.

Part 3: The digital platform will play a greater role in the treatment process, from patients' registration, appointment, screening, dispensing medicine or payments, including checking health history, inquiring basic symptoms or monitoring symptoms of chronic disease. Telemedicine may be applied more in this process.

In addition to the role of health care service provider, another important role of Thonburi Healthcare Group Public Company Limited as a company listed on the stock exchange is to create good performance for shareholders. Even though the year 2021 was the year of crisis, the Company grew at a continuously good level and continues to focus on creating growth by considering the needs of customers as most important. The Company has strived to understand and adapted to changes in providing health care services under an appropriate standard, applying online technology as a communication channel for doctors for smooth follow up on treatment results and expanding services by growing the Thai customer base and introducing new services with the aim to expand its capabilities and add value to customers.

Another matter we are proud of and I would like to thank all THG's personnel for their cooperation, is that we are able to participate in the government's efforts to help the society in continually fighting against the Covid-19 crisis, including sending doctors, nurses, and other personnel of more than 300 persons from THG network to help taking care of COVID-19 patients, providing support for vaccination centers, as well as opening three field hospitals and ICUs to accommodate patients with severe and critical conditions of more than 800 beds. This crisis helps create a product champion which is a group of doctors and a new generation of nurses who have learned and practiced new skills. From the Covid-19 lesson, we now have doctors and nurses who have the required skills and mindset to handle the disease proficiently.

I think there is an opportunity in this crisis for all of us. The crisis acts as a catalyst for creating innovation and increasing capabilities of our personnel and is a driving force to create new and functional innovation. In fact, it allows us to observe cooperation between departments, brainstorming, exchanging knowledge and experiences and preparation to cope with changes. It is an opportunity to take care of our staff in respect of welfare and moral supports, which have also been extended to the society, so that all sectors can make it through this crisis and continue to coexist in a sustainable way.

THONBURI HEALTHCARE GROUP

Board of Director

THONBURI HEALTHCARE GROUP

1 **Dr.Boon Vanasin (M.D.)**
Chairman / Founder of THG

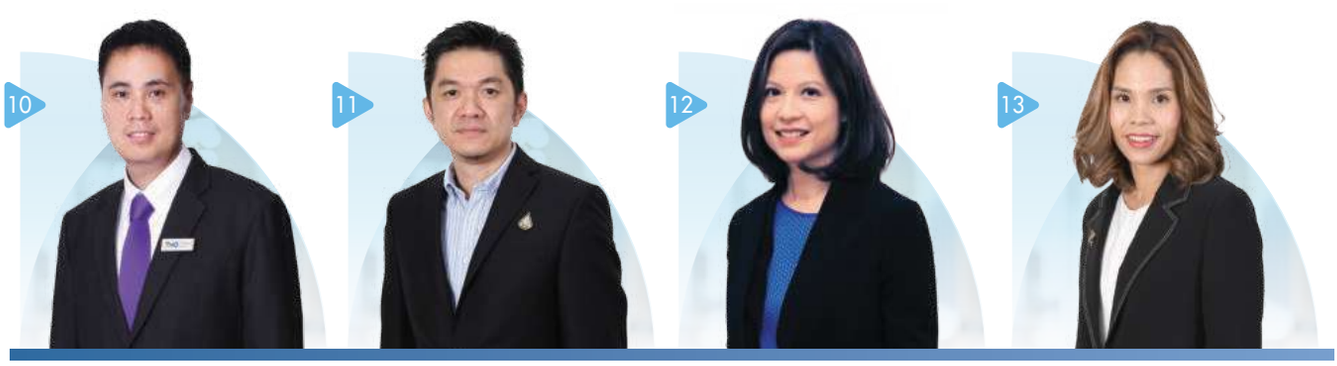
2 **Dr.Tanatip Suppradit (M.D.)**
Vice Chairman

3 **Mrs.Kannika Ngamsopee**
Independent Director, Chairman of Audit Committee and
Member of Risk Management Committee

4 **Mr.Virachai Srikajon**
Independent Director, Chairman of Nomination and Remuneration Committee,
Member of Audit Committee and Member of Risk Management Committee

5 **Mr.Chalermkul Apibunyopas**
Director, Chairman of Corporate Governance and Business Ethics Committee and
Member of Risk Management Committee

6 **Dr.Vikrom Koompirochana (Ph.D.)**
Independent Director



7 **Dr.Linda Kraivit (M.D.)**
Independent Director, Chairman of Risk Management Committee,
Member of Nomination and Remuneration Committee,
Member of Audit Committee and Member of Corporate Governance
and Business Ethics Committee

8 **Dr.Aurchart Kanchanapitak (M.D.)**
Director

9 **Mr.Sita Meksawan**
Director and Member of Corporate Governance and Business Ethics Committee

10 **Prof.Dr.Aasis Unnanuntana (M.D.)**
Director

11 **Dr.Kajorn Thanapase (Ph.D.)**
Director

12 **Ms.Nalin Vanasin**
Director

13 **Dr.Rukkagee Kanchanapitak (Ph.D.)**
Director

THONBURI HEALTHCARE GROUP

Executives

Dr.Tanatip Suppradit (M.D.)

Chairman of Executive Committee,
Chief Executive Officer and Chief Hospital Group 1

Mr.Chalermkul Apibunyopas

Member of Executive Committee and
Chief Hospital Group 2

Ms.Nalin Vanasin

Member of Executive Committee

Dr.Siripong Luengvarinkul (M.D.)

Member of Executive Committee

Dr.Pichit Kangwolkij (M.D.)

Member of Executive Committee

Dr.Pijaya Nagavajra (M.D.)

Member of Executive Committee

Dr.Vachiraboon Sastararuji (M.D)

Member of Executive Committee

Ms.Thipawon Ruchiroatpipatana

Member of Executive Committee

Dr.Suwadee Puntpanich (Ph.D)

Member of Executive Committee and
Chief Private Public Partnership Business

Ms.Anchalee Chalvalitjareetham

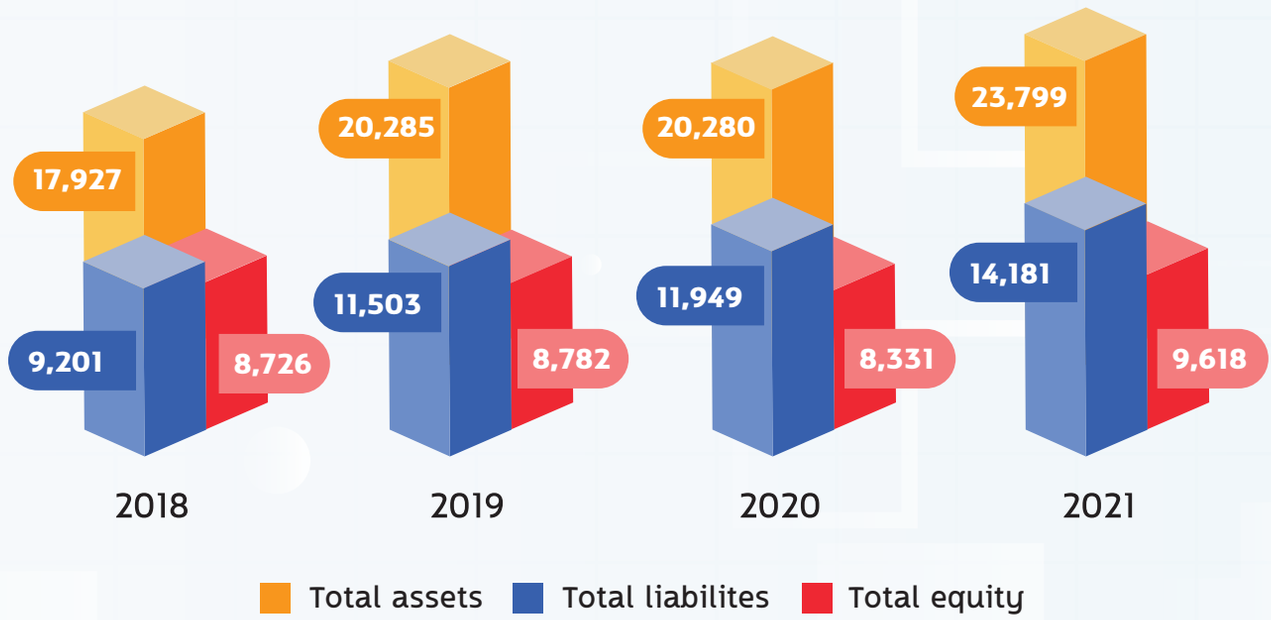
Member of Executive Committee, Chief Financial Officer and
Director of Accounting (Accounting-supervising person)

THONBURI HEALTHCARE GROUP

Financial Highlights

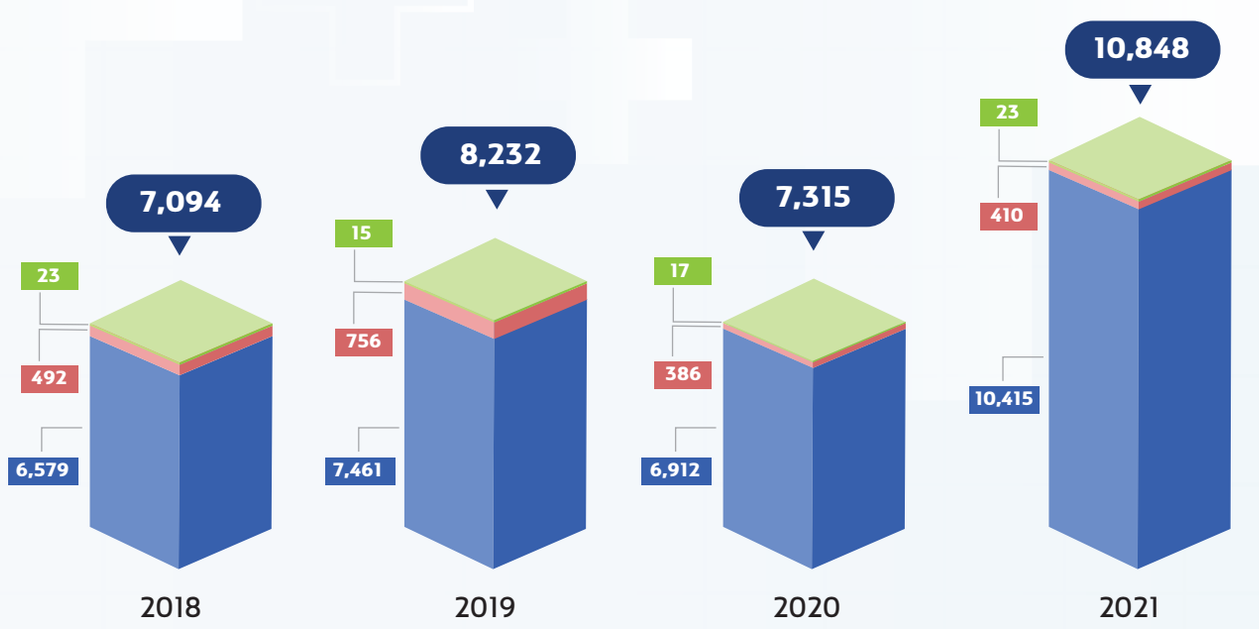
Statement of Financial Position

Unit : Million Baht



Revenue (MB)

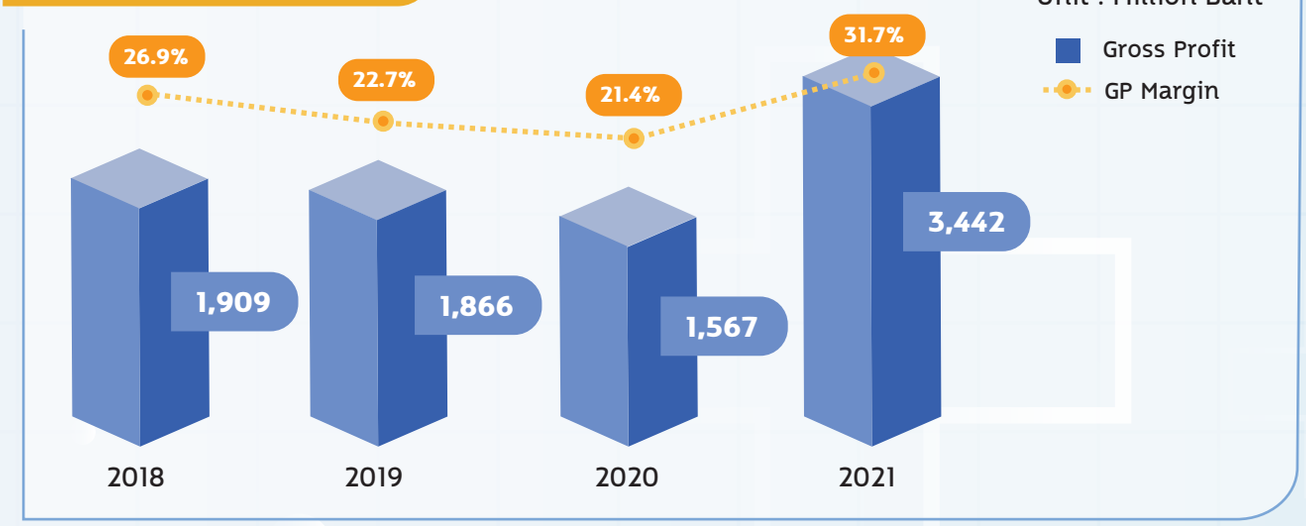
Unit : Million Baht



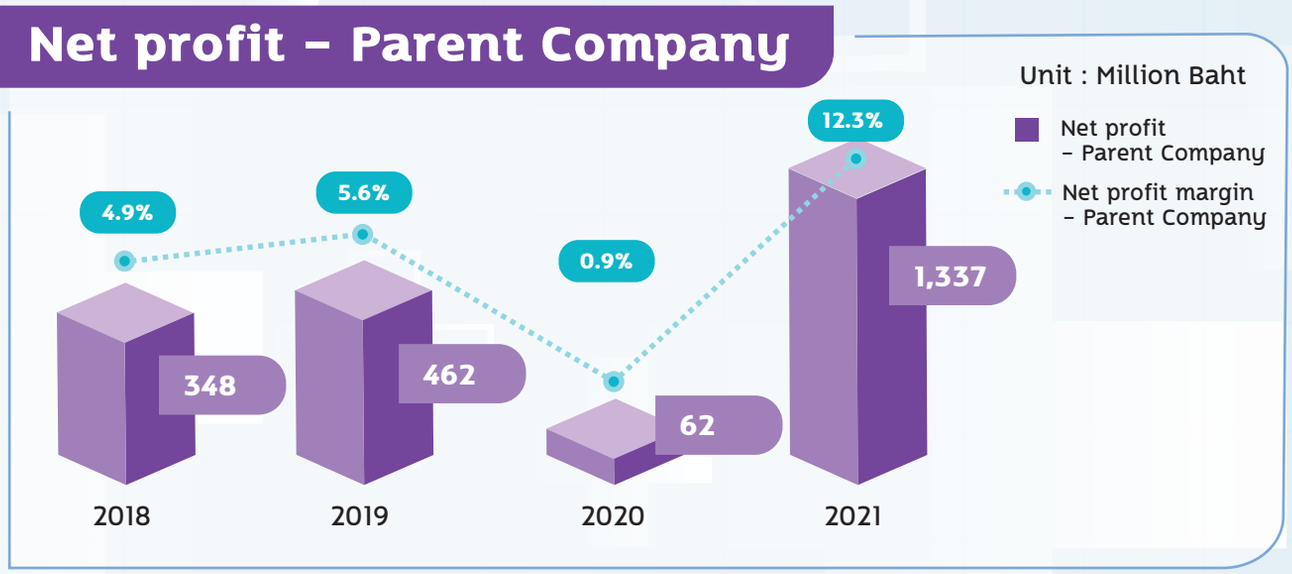
THONBURI HEALTHCARE GROUP

Financial Highlights

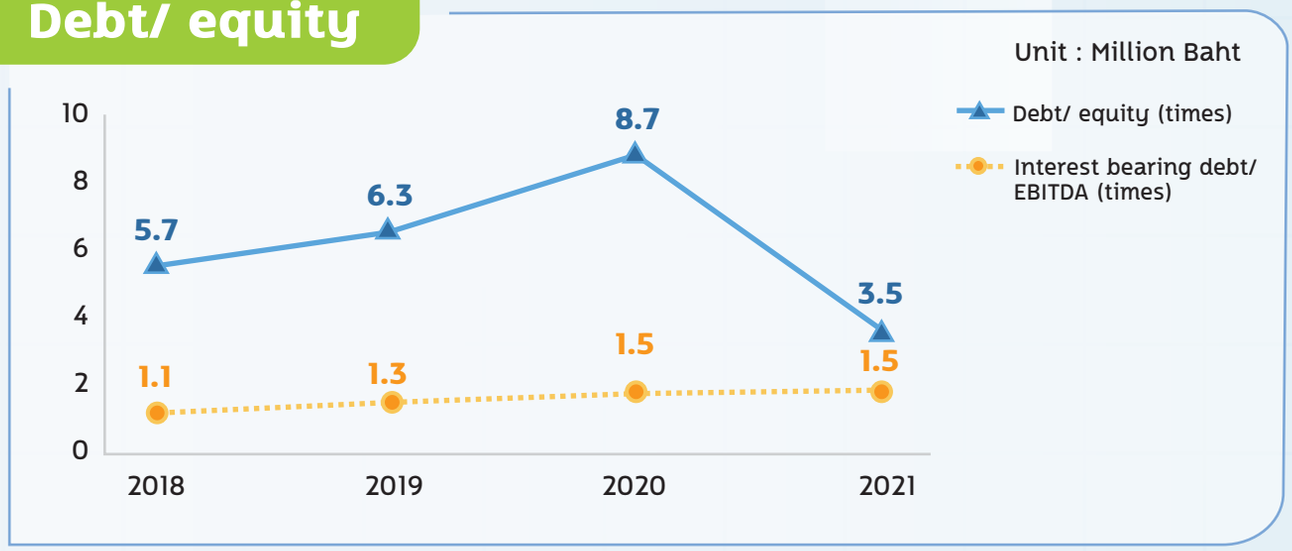
Gross Profit



Net profit – Parent Company



Debt/ equity



THONBURI HEALTHCARE GROUP

Business Operation and Performance

Structure and Operation of the company

Policy and Business Overview

The Board of Directors Meeting No. 9/2021, held on 12 November 2021, reviewed the Company's vision, mission, and brand values with the resolution that the vision, mission, and brand values will use the same as last year. We adjusted short-term strategies after the new outbreak of COVID-19, which the CEO has communicated to the business unit and its affiliates making it able to deal with the situation effectively. Our main aim is Safety for patients and personnel.

THONBURI HEALTHCARE GROUP

VISION

"To enhance people's quality of life by being their most preferred health partner"

MISSIONS

- To offer customer-centric, innovative, and reasonable healthcare solutions to people of all ages, no matter what their health needs, and
- To always strive for a higher standard of service, expertise, and professionalism in our people for the benefit of all our stakeholders

BRAND VALUES

TREASURE LIVES

We treasure everyone's quality of life, and we strive to offer the best care without discrimination of any persons or groups.

HONEST

We work on the principles of honesty and transparency, offering only necessary and desired products and services. We also approach our work with humility and respect for patients' dignity.

OPTIMISTIC

We look towards the future with optimism, constantly searching for innovative ways to improve our services and business performance.

NURTURING

Because our people are our greatest asset, we will nurture and keep developing our employees to be the best healthcare professionals for our customers.

Long-term goals / action guidelines

To achieve the long-term goals, the Company has set the action guidelines as follows:

1. **To maintain standard of management and medical service, as well as to develop human resource to meet higher standard both in domestic and international level.**
   - With our services being accepted under international standard, we receive Hospital Accreditation (HA) from the Healthcare Accreditation Institute (Public Organization) to certify well management system which supports quality and safety service. Furthermore, the Company has maintained its standards as to become a model of hospital development among the Company Group to achieve the same standard
   - The Company has strategy to become a medical excellence, by developing treatment capacity in 5 strategic fields (1) Neuroscience and Brain Center (2) Orthopedic Center (3) Digestive and Liver Center (4) Heart Center and (5) Obstetrics-Gynecology Center - for maximum efficiency in treatment.
   - The Company arranges consulting team from internal and external source to pass on knowledge and experience, as well as to support the achievement to highest standards of performance to the hospitals in Company Group, which will standardize and qualify all hospital to achieve the same level.
   - The Company plans to develop the potential of middle and high-level executives by providing training courses and fund to develop its personnel in terms of academic and service field on regular basis.

2. **Seek and develop innovation of medical service and modern technology to enhance fast, precise service that will meet customers' requirement and necessity.**
   - The Company creates medical contract service to state hospitals which offer comprehensive service solution and the Excellent Center, where people can have a service of private hospital quality under the price of a state hospital.
   - The Company has policy to expand into an excellent center to facilitate patient with comprehensive services.
   - The Company has policy to seek and develop advance technology, emphasizing on an innovation which is accepted and certified by international standard, for example, scanning, laboratory, medical equipment, patient recovery etc. to enhance a fast and precise service that will meet the necessity of each treatment, as well as requirement of patients.
   - The Company has opened the integrated elderly care and medical services (Senior Care) and has developed management system to provide services that meet the needs of patients consisting of medical services, palliative care, accommodation that facilities daily life of the elderly, activities that improve the physical and mental health of the elderly whereby the first project which has been opened, was Jin Wellbeing County and the second project, namely Thonburi Health Village.
   - The Company deploys supporting system for medical service to provide care among patients and those who require home service, for example physical therapy, replace of oxygen and saline hose.

- The Company develops remote-care system for patient, consulting mechanism, follow-up and assessment of patient condition after or during the treatment to create confidence and to minimize the traveling time of patients and family.
- The Company has developed new hospital to provide patients with treatment options from advanced technologies such as diabetes treatment center, IVF center, digital dental center and Jin Wellness center which opened for service in early 2019 whereby the targeted patients are medical tourist.

3. To develop ethical concept, academic excellence, and special expertise as to enhance the treatment efficiency, to improve service mine which will lead to trust, reliability, and happiness of customers.

- The Company, under collaboration with Siam University, has established the Faculty of Nursing and the Faculty of Medicine with aim to create qualified medical personnel to support operation of the Company and hospitals in the Company Group.
- The Company has cooperated with Siam University to establish faculty of medicine which will be another channel to produce and develop personnel with the quality to support the demand of the hospitals under the group's company.
- The Company provides ethical training courses and knowledge development courses to all personnel on regular basis, as well as provides supporting fund to improve knowledge body and to create special skill.
- Thonburi Hospital is a tertiary care hospital that provides a wide-range of high-quality medical and surgical services, with specialist doctors, Excellence Center to assure our customers' confidence and trust. Our goal is to expand the Excellent Center to hospitals in the Company Group and the area that are in need of hospital care.
- The Company provides personality development course to improve service mind of our personnel, whereby, the result of training of each department is evaluated regularly in order to build incentive complementary to the personnel or department.

4. To offer new dimension of treatment in the price that most people can afford.

- The Company has set the medical service in medium rate, what patient can receive treatment of complicated disease at affordable price comparing to other private hospitals. As for a non-complicated disease, a patient can choose to be treated in the nursing home or stay in hospitals under the Company Group or hospitals within network of the Company which are located countrywide, in order to minimize medical cost.
- The company developed the step-down care center project by establishing Thonburi Burana Hospital located in the Jin Wellbeing County Project to accommodate patients during convalescence after surgery or during therapy section including elderly patients that need long-term care such as Alzheimer's disease in order to reduce the cost of rehabilitation in the hospital which is considered an alternative to receiving services at a lower cost.
- The Company is a contractor of medical service for many state hospitals, allowing people to have medical service of good standard at the same price of state hospitals.

THONBURI HEALTHCARE GROUP

Major changes and developments in 2021

January 2021

THG additionally invested in Thonburi Wellbeing Company Limited in the amount of 200 million baht. As a result, the registered capital of Thonburi Wellbeing Company Limited increased to 1,500 million baht. Such investment did not affect the existing shareholding by THG of 99.99%.

March 2021

Thonburi Hospital, which is the first hospital in THG group, has been opened since 1977. It is ranked as the 5th best hospital in Thailand in the Best Hospital 2021 – Thailand according to a survey by Newsweek, a leading news website from the United States in partnership with Statista Inc, a globally recognized research organization. The ranking is based on a survey of 2,000 hospitals in Thailand and other countries, covering 25 countries. In 2020, Thonburi Hospital was ranked as the 7th best hospital in the Best Hospital 2020 – Thailand.

April 2021

THG incorporated a subsidiary, Med Access Co., Ltd., to procure and distribute medical equipment, medical products and pharmaceuticals with a registered capital of 1 million baht and THG holds 100% of the registered capital.

April 2021

THG has adjusted its operations to suit the situation by providing screening of Covid-19 patient service at affiliated hospitals so that the public can access testing more conveniently. Thonburi Bamrungmuang Hospital was adjusted to allow all inpatient departments to support treatments for moderate to severe Covid-19 patients.

April 2021

THG opened a hospitel to support Covid-19 patients with mild symptoms. With cooperation from subsidiaries in Bangkok and other provinces, THG subsequently opened additional hospitels to accommodate the increasing number of patients with a total of over 10,000 beds in the Thonburi's network throughout the year to support the Covid-19 crisis which has been widely spread.

May 2021

THG cooperated with public and private sectors to establish vaccination center and provided vaccination services at communities to help distributing vaccinations to the public more widely.

June 2021

THG invested in ordinary shares of Thai Medical Glove Co., Ltd. with the total consideration of 200 million baht, accounting for 7.40% shareholding in the company.

June 2021

THG launched booking of alternative vaccine, Moderna, via digital platform for organizations and individuals. Over 1 million people registered their interest in receiving alternative vaccination at 17 network hospitals across the country.

June 2021

THG signed a memorandum of cooperation with Thai Public Broadcasting Service (Thai PBS) to allocate medical and nursing teams to provide Covid-19 vaccination services according to medical standards and as prescribed by the Ministry of Public Health at the Thai PBS television station. The public can register via "Thai Ruam Jai, Safe Bangkok" Project. This allows the public faster access to vaccines and boosts mass immunization in Thailand.

July 2021

THG established special hospitals to accommodate Covid-19 patients with moderate to severe symptoms which was managed by Thonburi Bamrungmuang Hospital. THG invested in medical equipment and provided personnel to take care of patients, particularly in critical care rooms which was necessary at that time. The first hospital was the field hospital at the 11th Military Circle. Subsequently, two additional field hospitals were established, namely Ratchapipat Hospital and Bang Khun Thian Geriatric Hospital, with a total capacity of over 800 beds.

August 2021

THG additionally invested in an associated company, namely Sirivej Chanthaburi Public Company Limited, for the total consideration of 51,797,802 baht. Such investment was not less than the subscription rights entitled by THG. As a result, the shareholding ratio by THG increased from 31.87% to 31.92%.

September 2021

THG additionally invested in Rajthanee Hospital Public Company Limited, which increased THG's shareholding to 5.07%.

November 2021

THG incorporated a subsidiary, Thonburi Canabiz Public Company Limited to operate pharmaceutical products containing herbal extracts for use in medical treatments. THG has 75% shareholding in the company.

November 2021

THG began offering Moderna vaccination service to the public through 17 affiliated hospitals. The hospitals provided over 200,000 doses of vaccination.

November 2021

THG was granted a license to operate a health care service at the "Elderly Care Center, Thonburi Health Village, Pracha Uthit". The center provides elderly care, bedridden patient care, patients recuperating after surgery, patients with chronic non-communicable diseases with a team of doctors, nurses, and physical therapists to provide customer care services.

December 2021

THG invested in 151,019 shares of Thai Longstay Management Co., Ltd. at the price of Baht 28 per share, totalling of 4,228,532 baht. As a result of such investment, THG has 15.10% shareholding in the company.

Please find out more information on growth of our organization at:
https://www.thg.co.th/th/about/company-milestone#yea2019

Business Description

Revenue Structure

Unit: million baht

Operated by	% of shareholding			Income for the year ending December 31					
	2021	2020	2019	2021		2020		2019	
				income	%	income	%	income	%
Thonburi Healthcare Group PCL.	-	-	-	5,760.93	53.11%	4,693.29	64.16%	5,147.53	62.53%
Thonburi Healthcare Group PCL - Pattaya City Hospital	-	-	-	-	0.00%	252.86	3.46%	261.48	3.18%
Thonburi Healthcare Group PCL - Phuket Provincial Hospital	-	-	-	180.40	1.66%	173.08	2.37%	179.14	2.18%
Rajyindee Hospital PCL.	56.91%	56.91%	56.91%	719.05	6.63%	607.25	8.30%	690.76	8.39%
Thanarad Thung Song Co., Ltd.	56.43%	56.43%	56.43%	270.41	2.49%	113.81	1.55%	9.17	0.11%
Thonburi Hospital Heart Centers Co.,Ltd.	99.98%	99.98%	99.98%	211.00	1.94%	210.46	2.88%	266.97	3.24%
Thonburi Bamrungmuang Hospital Co., Ltd.	99.99%	99.99%	99.99%	3,022.99	27.87%	861.59	11.78%	905.46	11.00%
Thonburi Wellbeing Co., Ltd.-Thonburi Burana Hospital*	99.99%	99.99%	99.99%	250.17	2.31%	-	0.00%	-	0.00%
Total revenue from medical services business				**10,414.95**	**96.01%**	**6,912.34**	**94.50%**	**7,460.51**	**90.63%**
DS All Co., Ltd. (former name: Dental Siam Co., Ltd.)	99.43%	99.43%	99.43%	301.26	2.78%	271.48	2.50%	317.81	3.86%
Thonburi Wellbeing Co., Ltd.	99.99%	99.99%	99.99%	108.51	1.00%	115.37	1.06%	438.66	5.33%
Med access Co., Ltd **	100.00%	-	-	0.23	0.00%	-	-	-	-
Total revenue from healthcare solutions provider business				**410.00**	**3.78%**	**386.85**	**3.56%**	**756.47**	**9.19%**
Modular Software Expertise Co., Ltd.	70.00%	70.00%	70.00%	22.54	0.21%	15.61	0.14%	15.18	0.18%
Rajthanee Realty Co., Ltd.	100.00%	100.00%	100.00%	-	-	-	-	-	-
Thonburi Realty Development Co., Ltd.	99.86%	99.86%	99.78%	-	-	-	-	-	-
Total revenue from other business				**22.54**	**0.21%**	**15.61**	**0.14%**	**15.18**	**0.18%**
Total revenue				**10,847.49**	**100.00%**	**7,314.80**	**100.00%**	**8,232.16**	**100.00%**

*Thonburi Burana Hospital opened since February 2020, revenue in 2020 is concluded in healthcare solutions provider business.
**Med access Co., Ltd was registered on 29 April 2021

Product and Service

Businesses of Thonburi Healthcare Group Public Company Limited or THG can be divided into three major segments, namely

1. **Medical Services Business**
2. **Healthcare Solution Provider**
3. **Other Business**

Medical Service Business

THG's core business is the medical treatment business with five sub-categories as follows:

1.1 Domestic Medical Services

THG operates hospitals in Thailand and through subsidiaries and associates. Our hospitals provide comprehensive medical services by experienced doctors and high technology medical equipment. The hospitals serve OPD and IPD patients 24 hours a day.

Four Bangkok and Surrounding area hospitals including

- Thonburi Hospital
- Thonburi 2 Hospital
- Thonburi Bamrungmuang Hospital
- Thonburi Burana Hospital, Pathum Thani

Four provincial hospitals including

- Rajyindee Hospital, Songkhla
- Ubonrak Thonburi Hospital, Ubonratchathani
- Sirivej Chanthaburi Hospital, Chanthaburi
- Thonburi Thungsong Hospital, Nakhon Si Thammarat Province

Domestically, THG has 1,100 registered beds and a combined capacity to service 5,800 outpatients daily, making the group one of the leading healthcare providers in Thailand, with a focus on quality, efficiency and best equipment plus health promotion, disease prevention and rehabilitation programs, all with easy accessibility and affordable prices. The company offers high-quality services in various excellence centers including brain and neurology, bone and joint, gastrointestinal, and liver, heart, and obstetrics and gynecology. THG's medical services are well recognized in international standards and certified by the Healthcare Accreditation Institute (Public Organization). It is to guarantee that there are systematic administrations contributing to service quality and safety in hospitals under the company's group.

Hospital	Address	Registered beds	Description
Thonburi Hospital	34/1 Soi Issaraparp 44, Issaraparp Road, Baan Chang Lor Sub-district, Bangkok Noi District, Bangkok	435	Operated by THG
Thonburi 2 Hospital	43/4 Borommaratchachonnee Road, Sarathammasop sub-district, Taweewatana district Bangkok	95	Operated by THG
Thonburi Bamrungmuang Hospital	611 Bamrungmuang Rd, Khlong-mahanak sub-district, Pomprap-sattruphai district, Bangkok	47	Operated by Thonburi Bamrungmuang Hospital, THG's subsidiary with 99.99% shares of paid-up capital held by THG
Thonburi Burana Hospital	89 Moo 3, Khlong 1, Khlong Luang, Pathum Thani 12120	55	Operated by Thonburi Wellbeing Co., Ltd., THG's subsidiary with 99.99% shares of paid-up capital held by THG
Rajyindee Hospital	119 Rajyindee Road, Hat Yai sub-district, Hat Yai district, Songkhla	196	Operated by Rajyindee Hospital Pcl., THG's subsidiary with 56.91% shares of paid-up capital held by THG
Ubonrak Thonburi Hospital	46/4 Soi Bhurapa Nai Rd., Naimuang sub-district, Muang ubon ratchathani district, Ubonratchathani	100	Operated by Ubon Rak Co. Ltd., THG's associate with 34.52% shares of paid-up capital held by THG
Sirivej Chanthaburi Hospital	151 M.7 Trirat Road, Chanthanimit sub-district, Muang Chanthaburi district, Chanthaburi	90	Operated by Sirivej Chanthaburi PCL., THG's associate with 31.92% shares of paid capital held by THG
Thonburi Thungsong Hospital	88 M.1 Thungsong-Wiangsa highway, Chamai sub-district, Thungsong district, Nakhon Si Thammarat	50	Operated by Thanarad Thung Song Co. Ltd., THG's subsidiary with 56.43% shares of paid-up capital held by THG

Thonburi Hospital

It is a 435 registered bed-hospital and 77 OPD rooms, which is directly managed and operated by THG. It is located at 34/1 Soi Issaraparp 44, Issaraparp Road, Baan Chang Lor Sub-district, Bangkok Noi District, Bangkok providing comprehensive medical services in all fields by a team of medical experts as well as a complete range of modern treatment equipment and tools, providing services for both outpatients and inpatients 24 hours a day, with doctors specializing in the following diseases:

- Gastrointestinal and Liver Center
- Heart Center
- Women's Health Center
- Oxygen Therapy Center
- Cancer Center
- Health Promotion Center
- Hemodialysis Center
- Diagnostic Imaging and Interventional Radiological Center
- Rehabilitation Center
- Geriatric Clinic
- Heart Surgery Clinic
- Medicine Clinic
- Pediatric Surgery Clinic
- Plastic Surgery Clinic
- Hand Surgery Clinic
- Nutrition Clinic
- Rheumatology Clinic
- Urology Clinic
- Chest Clinic
- Pain Relief Clinic
- Endocrine Clinic (Diabetes, Thyroid, Adrenal Gland)
- Orthopedics Center
- Neuroscience Center
- Eyes Center
- Pediatric Center
- Critical Care Center
- Sleep Lab Center
- Ear Nose Throat Center
- Dental Center
- Accident and Emergency Center
- Psychiatry Clinic
- General Practice Clinic
- General Surgery Clinic
- Forensic Clinic
- Vascular clinic
- Neurosurgery Clinic
- Hematology Clinic
- Infectious Disease Clinic
- General Medicine Clinic
- Breast Clinic
- Skin Clinic

Website: www.thonburihospital.com

Thonburi 2 Hospital

It is a 95 registered bed-hospital and 45 OPD rooms, which is directly managed and operated by THG. It is located at 43/4 Borommaratchachonnee Road, Sarathammasop sub-district, Taweewatana district Bangkok providing comprehensive medical services in all fields by a team of medical experts as well as a complete range of modern treatment equipment and tools, providing services for both outpatients and inpatients 24 hours a day, with doctors specializing in the following diseases:

- Accident and Emergency Center
- Neuroscience Center
- Orthopedics Center
- Gastrointestinal and Liver Center
- Health Check-Up Center
- Heart Center
- Dental Clinic
- Eyes Clinic
- Nutrition and Dietetics Clinic
- Skin Clinic
- Psychiatry Clinic
- Women's Health Center
- Ear Nose Throat Center
- Pediatric Clinic
- Surgery Clinic
- Rehabilitation Center
- Medicine Clinic
- Emergency Center

Website: www.thonburi2hospital.com

Thonburi Bamrungmuang Hospital

It is a 47 registered bed-hospital operated by Thonburi Bamrungmuang Hospital, THG's subsidiary with 99.99% shares of paid-up capital held by THG. Thonburi Bamrungmuang Hospital is located at 611 Bamrungmuang Rd, Khlongmahanak sub-district, Pomprapsattruphai district, Bangkok. It is an individualized health service center providing services with medical science, modern technology, treatment programs, therapy, diagnosis according to international standards by a team of specialist doctors from various countries to enhance the health service that is efficient, accurate and suitable for each patient's physical condition. It is focused on the innovation of the future of medical technology. It is also an important project that will create opportunities for growth and expanding the healthcare business empire under the operation of Thonburi Healthcare Group (THG) with the following specialized centers:

- Aesthetics & Cosmetic Surgery Center
- Diabetic Wound Care Center
- Digital Dental Center
- Excellent IVF Center
- Gastrointestinal and Liver Center
- Heart Center
- Neurology and Brain Center
- Personalized Check-Up Center
- Surgery Center
- Eye and Lasik Center
- Orthopedic Center
- Physical Therapy and Rehabilitation Center
- Ear Nose Throat Center and Eye Center
- Medicine Center
- Jin Wellness Center
- Diagnostic Radiology Department
- Critical Care Center
- Emergency Department
- Pediatric Clinic

Website: www.thonburibamrungmuang.com

Thonburi Burana Hospital

It was opened for service in February 2020. It is a 55 registered-bed hospital operated by Thonburi Wellbeing Co., Ltd. THG's subsidiary with 99.99% shares of paid-up capital held by THG. Thonburi Burana Hospital is located at 89 Moo 3, Khlong 1, Khlong Luang, Pathum Thani which is part of the Jin Wellbeing County project. Thonburi Burana Hospital is a trusted long-term care hospital that creates balance in every aspect of elderly family life, focusing on rehabilitation and specializing in care for Alzheimer's and stroke patients (Stroke). There are rehabilitation services through physical therapy, occupational therapy, sports medicine by a team of medical personnel with individualized plans to cater to each patient's needs located in the elderly residential project, Jin Wellbeing County, therefore, provides convenient and timely services for the residents of the project and communities nearby Rangsit as well

Website: www.thonburiburana.com

Rajyindee Hospital

It is a 196 registered bed-hospital and 36 OPD rooms operated by Rajyindee Hospital Public Co., Ltd. THG's subsidiary with 56.91% shares of paid-up capital held by THG. Rajyindee Hospital is located at 119 Rajyindee Road, Hat Yai sub-district, Hat Yai district, Songkhla. Rajyindee Hospital provides services to patients from both Hat Yai area and nearby provinces including serving foreign tourists from neighboring countries such as Malaysia, Singapore, etc., with a doctor specializing in the following diseases

- Health Department
- Medicine Department
- Laparoscopic Surgery Department
- Obstetrics and Gynecological Cancer Department
- Heart Center
- Computed tomography center
- Dental Center
- Orthopedic Center
- Rehabilitation and Physical Therapy Center
- Pediatric Center
- Hemodialysis Center
- Diabetes and Thyroid Department
- Neurology and Brain Center
- Foot Health and Prosthesis Department
- Accident and Emergency Center
- Surgery Department
- Ear Nose Throat Department
- Home Healthcare

Website: www.rajyindee.com

Ubonrak Thonburi Hospital

It is a 100 registered bed-hospital and 24 OPD rooms operated by Ubonrak Co., Ltd. THG's associate with 34.52% shares of paid-up capital held by THG. Ubonrak Thonburi Hospital is located at 46/4 Soi Bhurapa Nai Rd., Naimuang sub-district, Muang ubon ratchathani district, Ubonratchathani. Ubonrak Thonburi Hospital provides medical care services by a team of medical experts as well as a complete range of modern treatment equipment available for both outpatients and inpatients 24 hours a day with a doctor specializing in the following diseases

- Health Check-Up Center
- Radiology Department
- Physical Therapy Center
- Maternity and Baby Department
- Hemodialysis Department
- Pediatric Center
- Plastic Surgery Department
- Obstetrics and Gynecology Department
- Ophthalmic Department
- Hearing Aid Center
- Emergency Department
- Surgery Department
- Dental Department
- Orthopedic Department
- Medicine Department
- Heart Department
- Ear Nose Throat Department
- Skin Department

Website: www.ubonrak.com

Sirivej Hospital Chanthaburi

It is a 90 registered bed-hospital and 16 OPD rooms operated by Sirivej Chanthaburi PCL. THG's associate with 31.92% shares of paid capital held by THG. Sirivej Hospital Chanthaburi is located 151 M.7 Trirat Road, Chanthanimit sub-district, Muang Chanthaburi district, Chanthaburi. Sirivej Hospital Chanthaburi provides medical care services by a team of medical experts as well as a complete range of modern treatment equipment available for both outpatients and inpatients 24 hours a day with a doctor specializing in the following diseases

- Accident and Emergency Center
- Neurology and Brain Center
- Orthopedic Center
- Gastrointestinal and Liver Center
- Heart Center
- Obstetrics and Gynecology Center
- Critical Care Center
- Health Check-Up Center
- Diagnostic Radiology Center
- Dental Center
- Medicine Center
- Psychiatric clinic
- Eye Clinic
- General Practice Clinic
- Surgery Center
- Plastic Surgery Center
- Neurosurgery Clinic
- Rheumatology Clinic
- Urology Clinic
- Endocrine Clinic
- Pediatric Center
- Physical Therapy Center
- Kidney Clinic

Website: www.sirivejhospital.com

Thonburi Thong Song Hospital

It is a 50 registered bed-hospital, 12 OPD rooms and 3 Operating rooms operated by Thanarad Thung Song Co., Ltd. THG's subsidiary with 56.43% shares of paid-up capital held by THG. Thonburi Thong Song Hospital is located at 88 M.1, Chamai sub-district, Thungsong district, Nakhon Si Thammarat. It is a secondary hospital that is capable of treating complex diseases with a full range of modern treatment equipment available for both outpatients and inpatients 24 hours a day in the following diseases

- Obstetrics and Gynecology
- General Medicine
- Surgery and Orthopedic Surgery
- Accident and Emergency
- Hemodialysis Center
- ICU
- General Surgery
- Pediatric Center
- Health Check-up Center
- X-ray Center
- Physical Therapy Center

Website: www.thonburithungsong.com

2. Overseas medical services

THG expanded its business to other countries in Asia, joining with local partners to provide medical services. Currently, THG operates one hospital in the Republic of the Union of Myanmar ("Myanmar").

• Ar Yu International Hospital, the Republic of the Union of Myanmar

THG partnered with Ga Mone Pwint Company Limited ("GMP"), a leading Myanmar-based real estate developer and retailer, to operate 200-bed hospitals, with value of USD 75 million. It operates with an international standard under the name Ar Yu International Hospital, located on 3-rai land on Kyaikkasan Road, Yangon. The hospital started to provide service initially for OPD patients in September 2018 and operate full-service on 17 March 2019.

The Joint Venture named ARYU International Health Care Company Limited was established on 4 April 2017, 50% held by GMP, 10 % held by Aryu Ananta Medical Services Company Limited (AMS), a group of Myanmar medical personnel, and 40% held by THG.

Operating Statistics

	2019	2020	2021
Revenues			
Revenues from Outpatient (OPD)	45%	46%	47%
Revenues from Inpatient (IPD)	55%	54%	53%
OPD			
Number of OPD rooms (room) *			
Bangkok and Surrounding Areas	198	202	210
Upcountry	76	87	87
Oversea	59	30	30
Number of OPD (times)	1,045,042	913,827	852,567
Maximum OPD service capacity (times/year)	1,702,950	1,734,840	1,730,100
OPD Rate (%)	61%	53%	49%
IPD			
Number of registered beds (bed) *			
Bangkok and Surrounding Areas	577	632	632
Upcountry	386	436	436
Oversea	246	246	175

	2019	2020	2021
Number of beds available (bed) *			
Bangkok and Surrounding Areas	530	530	530
Upcountry	339	339	339
Oversea	226	96	175
Bed Occupancy (day/year)	153,253	117,736	104,631
Maximum IPD service capacity (day/year)	233,699	208,423	210,970
IPD Rate (%) - Bangkok	66%	57%	50%

Remark
- Operating Statistics mean to Thonburi Hospital, Thonburi 2 Hospital and Rajyindee Hospital which is the main hospital in the group. Except* mentioning the number of patient rooms, Number of registered beds and the number of beds mean to the number of all hospitals in the group
- Bangkok and Surrounding area mean to Thonburi Hospital, Thonburi 2 Hospital, Thonburi Bamrungmuang Hospital (starting in 2019) and Thonburi Burana Hospital (starting in 2020).
- Other Provinces mean to Rajyindee Hospital, Ubonrak Thonburi Hospital, Sirivej Hospital Chanthaburi and Thonburi Thung Song Hospital (starting in 2020)
- Overseas mean to Welly Hospital (ending in 2019) and Ar Yu International Hospital (starting in 2019).

3. Hospital management services

THG the first private hospital entrusted by local administration organizations to provide management services for state hospitals that were keen to improve their management efficiency. THG has agreements to provide management under local administration organizations and one Community Medical Center as follows.

- Phuket Provincial Administrative Organization Hospital: It has 129 registered beds and 125 available beds. Its aim is to provide medical services with high standard and good impression for patients.

4. Specialized Medical Services Centers

THG had seen opportunities in a special medical center business, therefore, established Thonburi Hospital Heart Center Co., Ltd. to provide management service for heart centers in both public and private sectors. The company provides teams of reputable cardiologists to treat patients. In 2019, THG operated three heart centers as follows.

• Heart Center at Thonburi 2 Hospital

It started an operation on 26 June 2017. Thonburi Hospital Heart Center Co., Ltd. was hired to operate the heart center, providing specialized doctors and manage schedules to meet the need of cardiovascular patients effectively in accordance with professional standards. It consists of a heart catheter lab and angioplasty Cardiology Dormitory which has 9 beds in total. It can support cares for heart patients at early stage to advanced treatments 24 hours a day.

• Heart Center at Phatthalung Hospital

It is a collaboration of management of Phatthalung Hospital and Thonburi Hospital Heart Center Co., Ltd. with an agreement for management services and quality control with special medical expertise. Heart Center at Phatthalung Hospital started an operation on 17 April 2018 and was approved by National Health Security Office to treat patients under Universal Health Coverage on 1 October 2018. It provides treatment procedures for patients with heart disease and ischemic heart disease. The facility includes Cardiac Catheterization (Cath lab) and 11-bed heart disease ward.

• Heart Center, Panyananthaphikkhu Chonprathan Medical Center

Thonburi Hospital Heart Centers Company Limited has entered into the Academic Cooperation Agreement in respect of the Management of Heart Center with Panyananthaphikkhu Chonprathan Medical Center (formerly known as "Chonprathan Hospital") the direction of Srinakharinwirot University in order to provide medical services for patients with symptoms related to cardiovascular disease and also to develop the laboratory to be a source of medical learning as well. Panyananthaphikkhu Chonprathan Medical Center opened since March 2021 and provided 24 hours services in order to increase the survival rate of patients and to provide full services relating to medical treatment of cardiovascular disease such as Electrocardiogram, stent insertion to expand coronary arteries, leaky heart valve surgery. This heart center currently has 7 beds.

Healthcare Solution Provider

It provides healthcare service beyond hospital. Variety of services are to meet the needs of customers in different ages and physical conditions with following services.

1. Senior Care and Living

Jin Wellbeing County

THG develops healthcare mixed-use project combining integrated healthcare and tailor-made medicine, with active living designed especially for elderly that can easily modify or add tools suitable for needs in different ages and a center for aged care. There are also activities to suit their lifestyle, targeting retirement age group and working age group who care for healthy living and long-term life planning. The project, on 142-rai land located on Phaholyothin Road (Rangsit), was developed under a "new concept of retirement town".

The first phase includes:

1) 7-story residential building, initially built 5 buildings, totaling 494 units, which were designed to truly meet the needs of elderly, focusing on safety, convenience and mental health. Inside the building, there are medical staff to take care and 24-hour available to assist in case of emergency. The project also provides continuous medical check-up systems such as health tracking system, centralized health monitoring system and CCTV to ensure proper and timely care for residents;

2) Thonburi Burana Hospital to support the care of the elderly who need close care from medical personnel managed by a team of doctors and nurses under the Thonburi Hospital standard. (See more details in the medical care business in Thailand).

3) Jin Wellness Institute offer variety of services for different needs. Wellness clinic focuses on preventive medicine combining with naturopathy, alternative medicine and modern medicine. Jin Medifit provides personalized exercise classes and training programs. Moreover, other activities, such as music therapy, art therapy, cooking class and etc., are well-designed for social interaction and providing mental and emotional care.

Thonburi Property Management Co., Ltd., a subsidiary of Thonburi Wellbeing Co., Ltd. with 100% shares, is the condominium rental management company owned by Thonburi Wellbeing Co., Ltd., and the condominium units that buyers want to rent to generate income.

- **Thonburi Elderly Care Center, Health Village, Pracha Uthit**

The large elderly care center located in Soi Pracha Uthit 60/2 under the concept of caring for the elderly, rehabilitative patients, bed-bound patient and terminally ill patients to have good health, physically, mentally, emotionally and socially with the aim of developing a quality life with hospital standards, a multidisciplinary team to design a program of personalized care by services and amenities such as rooms with meals, supervised by nurses and helpers 24 hours a day, a doctor to visit as scheduled, physical and recreational activities and housekeeping service.

2. Home Healthcare

It is operated by Thonburi Wellbeing Co. Ltd., which delivers patient care to home, such as mother & baby care, rehabilitation for patients who are not convenient to go to hospitals, elderly who have difficulties to move, chronic disease patients etc. Our team includes dedicated nurses, highly skilled physiotherapists, qualified nutritionists, and experienced psychologists.

3. Distribution of medical supplies, devices, and equipment

This business is a part of the company's core business in which the company holds shares in DS All Co. Ltd., the business includes one stop service of dental equipment and supplies. Dental Siam is sole distributor of leading dental supplies brands, such as Adec, W&H, AO, Heraeus, Ivoclar, Megagen, SAM, Melag and Alpro. The company also operates drug store under the brand "Apex Health Care" with branches in department stores.

The 2nd quarter of 2020, the company closed the APEX pharmacy business to improve the overall business.

Other Businesses

1. Software development for hospital management

Modular Software Expertise Co., Ltd. develops software for hospital management used in hospitals in the group and many public and private hospitals in Thailand with teams of experts who have more than 20 years of experience in computer and hospital systems. The software used are up-to-date and hi-tech supporting all departments in hospitals and linking data with other systems.

2.Project development relating to health and medical services

It is operated by Thonburi Realty Development Co., Ltd. and Rajthanee Realty Co., Ltd., currently studying projects and possibility of future business opportunities.

Market Competitions

From the trend analysis of private hospital business for the year 2020-2022 by Krungsri Research, operations would recover in 2021-2022 underpinned by structural changes in Thai demographics including an aging society, urbanization, a growing middle-class, and rising health-awareness worldwide as individuals take greater interest in personal health and wellness.

Hospital operators will likely invest to offer a more comprehensive set of integrated services to meet a wider range of needs. In this environment, private hospitals that are part of extended commercial networks will have an advantage in terms of operating costs, human resource, and access to a wider market. Stand-alone hospitals will need to increase competitiveness to address several challenges, including the entry of new operators.

However, there are lingering challenges for the industry, including the following:

- **Shortage of doctors and other medical staff:** The World Health Organization recommends 2.8 doctors per 1,000 population. But in Thailand, it is only 0.4 per 1,000 population, significantly lower than in Singapore (1.92) and Malaysia (1.2). The rising number of private hospitals would increase competition for doctors and other medical staff and push up operating costs.
- **Government regulations:** The inclusion of pharmaceuticals, medical supplies and fees charged for medical care on the list of controlled prices means hospitals have less room to raise charges. This will affect stand-alone, small and mid-size operations the most. These players are normally more dependent on revenue from patients covered by the social security system, and so any changes to funding regulations would affect their operations.
- **Thai private hospitals lack competitiveness:** Thailand's worst scores were for technology and innovation, business environment and strategy, and productivity. Thai private-sector hospitals achieved mid-level score for readiness to enter the 'industry 4.0' era. Unfortunately, the worst scores were for strategic readiness and investment. And over the next 5 years, operators need to concentrate their efforts to overcome shortfalls in these two areas.

- **Rising competition in the healthcare industry:** There is rising competition not only from other private-sector hospitals, but also from outside the industry. (i) ***Hospitals*** are increasing investments, especially upcountry. This includes government hospitals which have raised service standards to match those in the private sector. They also enjoy advantages with regard to their reputation, use of technology, and expertise of their staff (e.g., Siriraj Piyamaharajkarun Hospital, part of the Siriraj group of hospitals, and Ramathibodi Hospital's Somdech Phra Debaratana Medical Center). (ii) ***Major investors from other economic sectors*** such as real estate, are showing more interest in the industry. This is because, against a background of rising awareness about personal health, investing in private hospitals opens the possibility of securing recurring, long-term revenues. (iii) ***Overseas investors (especially from China)*** are interested in opening healthcare centers. They include fertility clinics to meet rising demand from Chinese couples which are seeking treatment in Thailand. (iv) ***Many other countries***, particularly in the ASEAN region, have also laid out plans to develop their respective medical tourism industry. In many cases, these plans depend on attracting the same customers as Thailand. Thus: (a) Singapore has established its own medical hub to attract medical tourists (largely business people) from within the country as well as neighboring countries.; (b) in Malaysia, major hospitals and medical centers are focusing on the Muslim market and attracting patients from Indonesia; (c) India is attracting foreign patients with its low treatment costs; (d) China has plans to develop Hainan Province as a hi-tech center for medical tourism targeted at Chinese citizens who might otherwise travel abroad for medical treatment.
- **Other factors:** Digital and technological transformation is having a larger impact on hospitals. Since the Covid-19 pandemic, consumer behavior has changed, and consumers are willing to pay a premium for hygiene and cleanliness. In addition, the success of the Thai public healthcare system in rapidly containing the spread of Covid-19 and gaining worldwide recognition for this, may also increase demand for medical tourism services in the country.

The combined impact of the challenges outlined above could limit growth if operators are unable to adapt quickly and appropriately. Failure to respond to potential problems could cause hospitals to lose customers to competitors. Operators may also need to invest more in technology. However, in the coming period, partnerships between hospitals will become more popular as players seek to cut costs, increase competitiveness, and adjust business strategies. This will put hospitals in a better position to address rising competition and seize new opportunities.

Characteristics of customers and target customers and sale channels

1. Medical Business in Thailand

The Company's target customers consist of 2 main groups, which are general customers and insurance's contract customers.

General Customers Group

- For the elderly group, the Company has foreseen the opportunity to treat more patients in the elderly group from the forecast of the growth of the elderly population in the country in the future. Therefore, the Company focuses on providing important services to this group of customers by having specialized medical departments, especially neuroscience, heart, orthopedics departments, which have medical personnel and medical equipment that are ready to use the service.
- For critically ill patients, due to the continual increase of patients with complex and serious diseases, the Company has prepared both medical personnel and service centers with a total of more than 100 beds in Intensive Care Unit. Every bed is equipped with modern equipment to support a variety of critically ill patients.
- For foreign patients, the Company foresees an opportunity in medical tourism that has a high growth market due to the fact that Thailand is recognized by foreigners that the quality of medical services in Thailand is of international standards. The Company therefore was developing a reception for foreign patients to accommodate foreign patients by being able to communicate medical terminology in foreign languages. In addition, the Company has used brokerage services to find reputable customers in foreign countries to attract such customers to come to use the service with the Company. The brokerage services are another option for foreign customers when considering medical services in Thailand.

Insurance's Contract Customers Group

- For the customers who have contracts with insurance companies, due to the fact that Thai population tends to pay more attention to health care, coupled with the government's policy of supporting insurance such as allowing to bring health insurance premiums to reduce annual income tax, resulting in the growth of the group of health and life insurance. Therefore the Company foresees the opportunity to grow from this group of customers whereby the Company had a good relationship with insurance company representatives, which leads to more contracts with insurance companies and leads the insurance company representatives to recommend the hospitals in the Company's group allowing the insured customers to access more services and making insurance will help those who are entitled to reimburse medical expenses according to the insurance rights to be admitted to the hospital resulting in a greater number of customers.

2. Overseas Medical Treatment Business

The Company's target customers consist of 2 main groups, which are general customers and insurance's contract customers.

General Customers Group

For Ar Yu International Hospital

- Myanmar is a growing society with over 40 percent of the population in working age (25-54 years) who have not yet entered the aging society. The cusomters of hospital therefore diverse ranging from middle-aged to elderly people, working age groups, and mothers and children.

Insurance's Contract Customers group

- In Myanmar, the majority of cusomters pay medical expenses by themselves and only a few people have health insurance.

3. Medical Outsourcing Service Business

Government hospitals that wish to engage a private sector to manage government hospitals.

4. Specialized Medical Center Business

Thonburi Hospital Heart Centers Company Limited has 3 main target groups consisting of general patients, patients under the government health welfare program, such as patients under the Social Security Scheme, patients under the National Health Security Office's program (NHSO), the rights of officers under government agencies and foreign patients.

Procurement of Domestic Products and Services

Recruitment of Medical Personnel

Since the Company has been in the hospital business for more than 40 years and the management of the Company being a director of many leading medical education institutions in Thailand, the Company is able to seek qualified medical personnel and the Company is also a policy to develop specialized nurses by encouraging nurses for specific diseases to attend training for 4 - 9 months in order to gain knowledge and abilities to treat specific diseases better.

Procurement of Drugs and Medical Supplies

The Company has a policy to purchase drugs and medical supplies as a group purchasing together with its affiliates in order to increase the bargaining power with drug and medical suppliers and to reduce the cost of medicines and medical supplies, which the Company has an efficient process of purchasing medicines and medical supplies. The Drug Committee will be appointed to consider the procurement of drugs and medical supplies, taking into account various elements such as price, quality, doctor's needs, delivery time and the period of repayment, etc.

Procurement of Medical Equipment and Tools

The Company has a policy to purchase medical equipment and devices as a group purchasing together with its affiliates in order to increase the bargaining power with the suppliers of medical equipment and devices and reduce the cost of equipment and equipment and meidical supplies.

2. Procurement of Products and Services in Overseas

Recruitment of Medical Personnel

In doing business in foreign countries, the Company has a joint venture with a large company (Ga Mone Pwint, Myanmar) which is well known in that country, resulting in the hospital having quite a large customer base and reliable. Therefore, it is a factor that attracts medical personnel to join the hospital and resulting in the hospital able to continually invite knowledgeable medical personnel to work with the hospital.

Procurement of Drugs and Medical Supplies

The Company has a policy to purchase medicines and medical supplies from many reputable distributors. There is no monopoly on any one distributor in order to develop relationships with multiple distributors and to increase the ability to negotiate with drug suppliers and to reduce the Company's drug and supplies costs. The Company has an efficient pharmaceutical procurement process, and the approval will be in accordance with the approval authority of which the approver will consider various factors such as price, quality, doctor's needs and delivery time, etc.

Procurement of Medical Equipment and Tools

The procurement of medical equipment and equipment shall be approved by the authorized persons. In addition, all ordered medical equipment and tools shall be in accoradance with the certified standard. The hospital will make its order through domestic dealers which has been appointed by the manufacturer directly because it will ensure that if these devices and tools are defective or damaged, the dealer can take action to repair such devices and tools immediately.

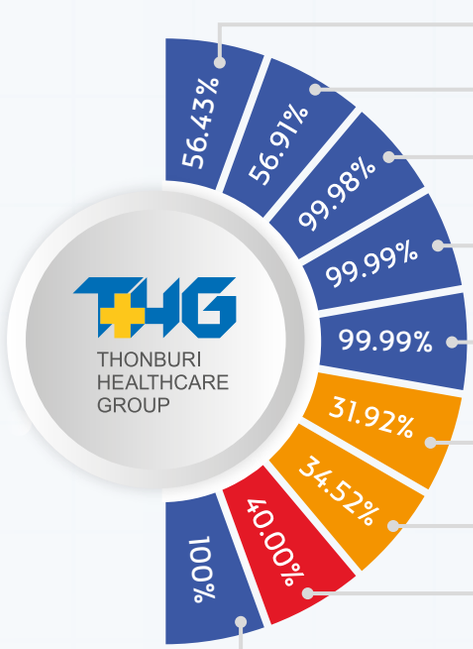
Assets Used in Business

Please see the details in the Assets Used in Business and Details of Asset Appraisal Items.

THONBURI HEALTHCARE GROUP

Shareholder structure of the Company

Healthcare business



- Thanarad Thung Song Co., Ltd./1
- Rajyindee Hospital PCL.
- Thonburi Hospital Heart Centers Co., Ltd.
- Uttaradit Thonburi Hospital Co., Ltd.
- Thonburi Bamrungmuang Hospital Co., Ltd.
- Sirivej Chanthaburi PCL.
- Ubonrak Co., Ltd.
- ARYU International Health Care Co., Ltd.
- Med Access Co., Ltd.

Other Business

Subsidiary Associates Other Investment Joint Venture

Note: /1 The company has indirect voting shareholding interest in Thanarad Thung Song Co., Ltd. via a subsidiary- Rajyindee Hospital PCL.

/2 Other investments are investments in ordinary shares of the Company holding more than 10% as follows:

THONBURI HEALTHCARE GROUP

Subsidiaries, associates, and joint venture Subsidiaries

Subsidiaries

(1) Rajyindee Hospital PCL.

Company Registration No.	:	0107538000380 (former No. PLC. 561)
Registration Date	:	20 July 1995
The headquarters	:	119 Rajyindee Road, Tambol Hat Yai, Amphur Hat Yai, Songkhla 90110 Tel. +66 74-200-200 Fax. +66 74-200-292
Website	:	www.rajyindee.com
Business Type	:	Medical Service Business
The number and type of shares	:	430,000,000 ordinary registered shares
Registered Capital	:	430,000,000 baht at par value 1 baht per share
Issued and paid-up capital	:	430,000,000 baht, 430,000,000 shares at par value 1 baht per share

(2) Uttaradit Thonburi Hospital Co., Ltd.

Company Registration No.	:	0105559025720
Registration Date	:	12 February 2016
The headquarters	:	61/160 Rama 9 Road, Khwaeng Huai Khwang, Khet Huai Khwang, Bangkok 10310 Tel. +66 2643-0921 Fax. +66 2246-1796
Business Type	:	Medical Service Business
The number and type of shares	:	12,000,000 ordinary registered shares
Registered Capital	:	120,000,000 baht at par value 10 baht per share
Issued and paid-up capital	:	90,000,000 baht, 12,000,000 shares at par value 7.50 baht per share

(3) Thonburi Hospital Heart Centers Co., Ltd.

Company Registration No.	:	0105557100490
Registration Date	:	16 July 2014
The headquarters	:	61/160 Rama 9 Road, Khwaeng Huai Khwang, Khet Huai Khwang, Bangkok 10310 Tel. +66 2643-0921-5 Fax. +66 2642-0939
Business Type	:	Hospital Management Services and Treatment Service for heart disase.
The number and type of shares	:	10,000 ordinary registered shares
Registered Capital	:	100,000,000 baht at par value 10,000 baht per share
Issued and paid-up capital	:	100,000,000 baht, 10,000 shares at par value 10,000 baht per share

(4) Thonburi Wellbeing Co., Ltd. (Former Name: Premiere Home Health Care Co., Ltd.)

Company Registration No.	:	0105557165486
Registration Date	:	7 November 2014
The headquarters	:	61/160 Rama 9 Road, Khwaeng Huai Khwang, Khet Huai Khwang, Bangkok 10310 Tel. +662-643-0921-5 Fax. +662-642-0939
Website	:	www.jinwellbeing.com
Business Type	:	Housing business for elderly, care center and elderly care center, comprehensive health services for elderly, medical services and operating the patient rehabilitation center (Step-Down Care)
The number and type of shares	:	150,000,000 ordinary registered shares
Registered Capital	:	1,500,000,000 baht at par value 10 baht per share
Issued and paid-up capital	:	1,500,000,000 baht, 150,000,000 shares at par value 10 baht per share

(5) DS All Co., Ltd. (Former Name: Dental Siam Co., Ltd.)

Company Registration No.	:	0105556199387
Registration Date	:	27 December 2013
The headquarters	:	615 Jit-Uthai Building, 11th Floor, Ramkhamhaeng Rd., Huamark, Bangkapi Bangkok, 10240 Tel. +662-375-1516 Fax. +662-2375-1517
Website	:	www.ds-all.co.th
Business Type	:	Business selling pharmaceuticals, chemicals, machinery, appliances dental and pharmacy business
The number and type of shares	:	3,193,265 ordinary registered shares
Registered Capital	:	31,932,650 baht at par value 10 baht per share
Issued and paid-up capital	:	31,932,650 baht, 3,193,265 shares at par value 10 baht per share

(6) Rajthanee Realty Co., Ltd.

Company Registration No.	:	0105544092116 (former No. Kor Tor 03-0159-44)
Registration Date	:	20 September 2001
The headquarters	:	61/160 Soi Thaweemit 5, Rama 9 Road, Khwaeng Huai Khwang, Khet Huai Khwang, Bangkok 10310 Tel. +662-643-0921 Fax. +662-246-1795
Business Type	:	The business of land allocation elderly home
The number and type of shares	:	19,600,000 ordinary registered shares
Registered Capital	:	1,960,000,000 baht at par value 100 baht per share
Issued and paid-up capital	:	1,960,000,000 baht, 19,600,000 shares at par value 100 baht per share

(7) Thonburi Realty Development Co., Ltd.

Company Registration No.	:	0105533007996 (former No.798/2533)
Registration Date	:	19 January 1990
The headquarters	:	61/160 Soi Thaweemit 5, Rama 9 Road, Khwaeng Huai Khwang, Khet Huai Khwang, Bangkok 10310 Tel. +662-643-0921-5 Fax. +662-642-0939
Business Type	:	Land business and real estate development
The number and type of shares	:	127,000,000 ordinary registered shares
Registered Capital	:	1,270,000,000 baht at par value 100 baht per share
Issued and paid-up capital	:	1,270,000,000 baht, 127,000,000 shares at par value 10 baht per share

(8) Modular Software Expertise Co., Ltd.

Company Registration No.	:	0105536114840 (former No. (1)2228/2536)
Registration Date	:	7 October 1993
The headquarters	:	333/2 Pracha Chuen Road, Khwaeng Bang Sue, Khet Bang Sue Bangkok 10700 Tel. +662-882-5173 Fax. +662-882-5175
Website	:	www.mse-th.com
Business Type	:	Providing computer consultancy and programming
The number and type of shares	:	180,000 ordinary registered shares
Registered Capital	:	18,000,000 baht at par value 100 baht per share
Issued and paid-up capital	:	18,000,000 baht, 180,000 shares at par value 100 baht per share

(9) Thonburi Bamrungmuang Hospital Co., Ltd.

Company Registration No.	:	0105545057829
Registration Date	:	5 June 2002
The headquarters	:	611 Bamrungmuang Road, Khwaeng Khlongmahanak, Khet Pomprapsattruphai, Bangkok 10100 Tel. +662-220-7999 Fax. +662-223-1876
Website	:	www.thonburibamrungmuang.com
Business Type	:	Medical Service Business (Operated in January 2019)
The number and type of shares	:	48,927,068 ordinary registered shares
Registered Capital	:	1,223,176,700 baht at par value 25 baht per share
Issued and paid-up capital	:	1,223,176,700 baht, 48,927,068 shares at par value 25 baht per share

(10) Thanarad Thung Song Co., Ltd.

Company Registration No.	:	0805557000618
Registration Date	:	15 May 2014
The headquarters	:	88/8 Moo 1, Tambol Chamai, Amphur Thung Song, Nakhon Si Thammarat 80110 Tel. +66 93-579-1188
Website	:	www.thonburithungsong.com
Business Type	:	Medical Services Business (Operated in November 2019)
The number and type of shares	:	60,000,000 ordinary registered shares
Registered Capital	:	600,000,000 baht at par value 10 baht per share
Issued and paid-up capital	:	600,000,000 baht, 60,000,000 shares at par value 10 baht per share

(11) Med Access Co., Ltd.

Company Registration No.	:	0105564073125
Registration Date	:	29 April 2021
The headquarters	:	120/132 Soi Baan Chang Lor, Baan Chang Lor Sub-district, Bangkok Noi District, Bangkok 10700 Tel. +6689-922-9949
Business Type	:	Procurement business to distribute medical equipment, medical products and pharmaceuticals
The number and type of shares	:	10,000 ordinary registered shares
Registered Capital	:	1,000,000 baht at par value 100 baht per share
Issued and paid-up capital	:	1,000,000 baht, 10,000 shares at par value 100 baht per share

(12) Thonburi Canabiz PCL.

Company Registration No.	:	0107564000413
Registration Date	:	19 November 2021
The headquarters	:	61/160 Soi Thaweemit 5, Rama 9 Road, Khwaeng Huai Khwang, Khet Huai Khwang, Bangkok 10310
Business Type	:	Pharmaceutical products with herbal extracts for medical treatment
The number and type of shares	:	1,000,000 ordinary registered shares
Registered Capital	:	100,000,000 baht at par value 100 baht per share
Issued and paid-up capital	:	100,000,000 baht, 1,000,000 shares at par value 100 baht per share

Indirect Subsidiaries

Thonburi Property Management Co., Ltd. (a subsidiary of Thonburi Wellbeing Co., Ltd.)

Company Registration No.	:	0105562161663
Registration Date	:	17 September 2019
The headquarters	:	61/160 Soi Thaweemit 5, Rama 9 Road, Khwaeng Huai Khwang, Khet Huai Khwang, Bangkok 10310 Tel. +662-246-4694
Business type	:	Senior residence management
The number and type of shares	:	40,000 ordinary registered shares
Registered capital	:	4,000,000 baht at par value 100 baht per share
Issued and paid-up capital	:	4,000,000 baht, 40,000 shares at par value 100 baht per share

บริษัทร่วม

(1) Ubonrak Co., Ltd.

Company Registration No.	:	0345534000225 (former No. Bor. Aor. Jor. Aor.Bor.111)
Registration Date	:	16 December 1991
The headquarters	:	46/4 Bhurapanai Road, Tambol Naimuang, Amphur Muang Ubonratchathani, Ubonratchathani 34000 Tel. +66 45-260-300 Fax. +66 45 243-654
Website	:	www.ubonrak.co.th
Business type	:	Medical Service Business
The number and type of shares	:	11,250,000 ordinary registered shares
Registered capital	:	112,500,000 baht at par value of 10 baht per share
Issued and paid-up capital	:	112,500,000baht, 11,250,000 shares, par value of 10 baht per share

(2) Sirivej Chanthaburi PCL.

Company Registration No.	:	0107547000117 (former No. 0107574700110)
Registration Date	:	23 February 2004
The headquarters	:	151 M.7 Trirat Road, Tambol Chanthanimit, Amphur Muang chanthaburi, Chanthaburi 22000 Tel. +66 39-344-339 Fax. +66 39 322-995-6
Website	:	www.sirivejhospital.com
Business type	:	Medical Services Business
The number and type of shares	:	370,909,375 ordinary registered shares
Registered capital	:	370,909,375 baht at par value of 1 baht per share
Issued and paid-up capital	:	370,909,375 baht, 370,909,375 shares, par value of 1 baht per share

Joint Ventures

ARYU International Health Care Co., Ltd.

Registration Date	:	4 April 2017
The headquarters	:	Plot No. 34D, Block No. 51F3,51D5,51D6 Kayaikkasan Road (Between Marlarnwe Street) Tamwe Township, Yangon
Business type	:	Medical Services Business, the name of Ar Yu International Hospital (Operated outpatient service in September 2018 and inpatient service in February 2019)
Shareholding	:	Holding 40% by THG (Holding 10% in 2017)
Registered capital	:	USD 100,000,000
Issued and paid-up capital	:	USD 70,000,000

Juristic persons in which THG holds 10% or more

(1) Phatra Hospital Co., Ltd.

Company Registration No.	:	0105538022772
Registration Date	:	21 February 1995
The headquarters	:	32/410 No.6, Khlong Nueng, Khlong Luang ,Pathum Thani TEL. +662-901-8400 Fax. +662-901-8508, +662-901-8082
Business Type	:	Medical Services Business
The number and type of shares	:	15,000,000 ordinary registered shares
Registered Capital	:	150,000,000 baht at par value 10 baht per share
Issued and paid-up capital	:	150,000,000 baht, 15,000,000 shares at par value 10 baht per share

(2) Thanakarn Hospital Co., Ltd.

Company Registration No.	:	0715534000281
Registration Date	:	7 November 1991
The headquarters	:	20/20 Saeng Chuto Rd, Ban Tai, Mueang, Kanchanaburi Tel +66 34-540-601-9 Fax. +66 34-515-886
Business Type	:	Medical Services Business
The number and type of shares	:	7,500,000 ordinary registered shares
Registered Capital	:	75,000,000 baht at par value 10 baht per share
Issued and paid-up capital	:	75,000,000 baht, 7,500,000 shares at par value 10 baht per share

(3) Roi-Et Hospital Co., Ltd.

Company Registration No.	:	0455538000075
Registration Date	:	9 May 1995
The headquarters	:	166 Pattamaon Rd, Nai Mueang, Mueang Roi Et, Roi Et Tel. +66 43-515-191 Fax. +66 43-513-191, +66 43-512-191
Business Type	:	Medical Services Business
The number and type of shares	:	12,500,000 ordinary registered shares
Registered Capital	:	125,000,000 baht at par value 10 baht per share
Issued and paid-up capital	:	125,000,000 baht, 12,500,000 shares at par value 10 baht per share

(4) Kalasin Thonburihospital Co., Ltd.

Company Registration No.	:	0465558000216
Registration Date	:	27 October 2015
The headquarters	:	89 Bypass Song Rd, Kalasin, Mueang Kalasin, Kalasin Tel. +66 43-840-444 Fax. +66 43-840-424
Business Type	:	Medical Services Business
The number and type of shares	:	30,000,000 ordinary registered shares
Registered Capital	:	300,000,000 baht at par value 10 baht per share
Issued and paid-up capital	:	300,000,000 baht, 30,000,000 shares at par value 10 baht per share

(5) Thai Longstay Management Co., Ltd.

Company Registration No.	:	0105545095143
Registration Date	:	11 September 2002 (becoming a shareholder on 29 November 2021)
The headquarters	:	1 TP&T Tower, 24th Floor, Soi Vibhavadi Rangsit 19, Vibhavadi Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900 Tel. +66 2936-1644
Business Type	:	Facilitating Hotel Reservations, Housing in the Tourism Promotion and Development Project of the Tourism Authority of Thailand
The number and type of shares	:	1,000,000 ordinary registered shares
Registered Capital	:	100,000,000 baht at par value 100 baht per share
Issued and paid-up capital	:	100,000,000 baht, 1,000,000 shares at par value 100 baht per share

Major Shareholders

According to the share registration book closing on 30 December 2021 are as follows

	Name	No. of Shares	% Holding
1.	Ramkhamhaeng Hospital PCL. /1	177,539,544	20.910
2.	Mrs. Charuwan Vanasin/2	121,539,119	14.314
3.	Mr. Amnuay Unnanuntana, MD	43,882,670	5.168
4.	Mrs. Nawara Vanasin/2	40,800,363	4.805
5.	Mr. Arsa Meksawan	29,664,737	3.494
6.	Thai NVDR Company Limited	22,808,307	2.686
7.	Rajthanee Land Development Co., Ltd.	18,211,600	2.145
8.	Mr. Aurchart Kanjanapitak, MD	17,629,100	2.076
9.	Southeast Asia (Type C) Nominees Limited	10,815,650	1.274
10.	F&S 79 Co., Ltd. /1	8,695,656	1.024
11.	Mr. Sita Meksawan	8,415,063	0.991
12.	Mr. Aasis Unnanuntana, MD	6,859,100	0.808
13.	Mr. Boon Vanasin, MD /2	5,801,848	0.683
	Total	**512,662,757**	**60.378**

หมายเหตุ : 1/ Ramkhamhaeng Hospital group, the major shareholders, consists of Ramkhamhaeng Hospital PCL. and F&S 79 Co., Ltd. holding a total of 21.934%

2/ Mr. Boon Vanasin group, the major shareholders, consists of Mr. Boon Vanasin, Mrs.Charuwan Vanasin, Mrs.Nawara Vanasin, Ms. Nalin Vanasin (10,837 shares) Mr. Jon Vanasin (10,837 shares), Global Health Investment Co., Ltd., (913,340 shares) and Rajthanee Land Development Co., Ltd. holding a total of 22.054%

Registered Capital and Paid-up Capital of THG

The company has registered capital of 847,467,400 baht, the paid-up shares of 847,467,400 and the registered ordinary shares of 847,467,400. (The company has decreased in paid-up capital from 849,080,000 shares to 847,467,400 shares by writing off 1,612,600 the unsold amount of the repurchased shares, which has already been registered with the Ministry of Commerce on 3 February 2022).

Dividend Payment Policy

1) Dividend Payment Policy of the company

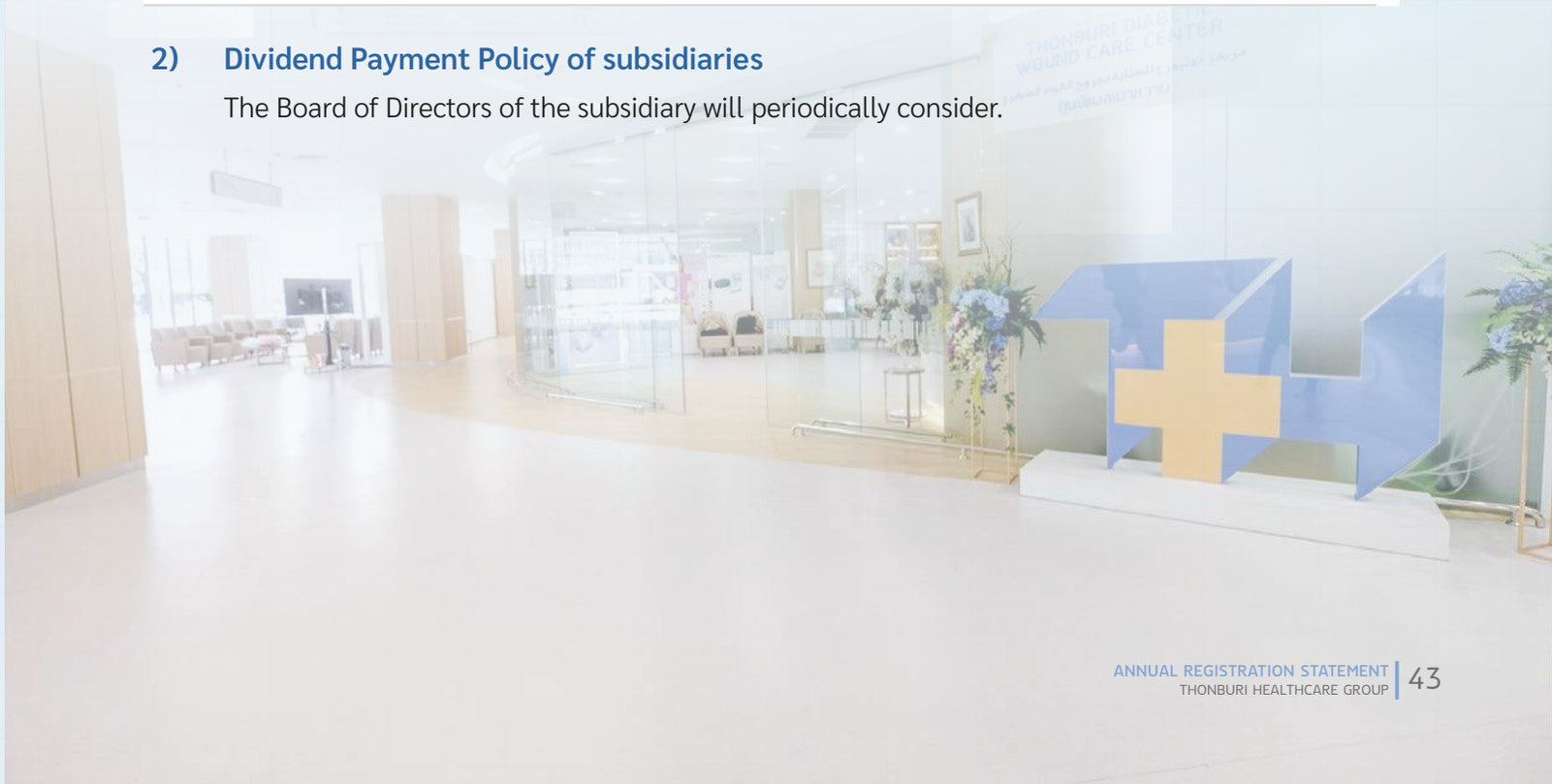
The Company has a policy to pay dividends at no less than 40% of its total net profit according to the Company's separate financial statements after income tax (but does not include unrealized foreign exchange gains or losses) and after legal reserves' deduction and other reserves. Such dividend payments may be changed as appropriate with consideration of operating results, investment plan, financial positioning, cash flow, liquidity, and other factors in the future. The Board of Directors may consider reviewing and amending the dividend payment policy from time to time in order to meet the company's business growth plan, investment and working capital including other factors as deemed appropriate. However, such dividend payment will not exceed the retained earnings shown in the Company's separate financial statements in accordance with the relevant laws.

The dividend payment shall be present to the annual general shareholders' meeting for approval, except for interim payment that is under the authority of the Board of Directors and shall be reported to the shareholders at the following shareholders' meeting.

Dividend Payment Details	2019	2020	2021
Earnings per share calculated from Separate financial statement (Baht)	0.82	0.54	1.10
Dividend per share (Baht)	0.40	0.30	0.90
Dividend payout ratio from net profit calculated from Separate financial statement (%) 1)	49.06	55.02	81.9

2) Dividend Payment Policy of subsidiaries

The Board of Directors of the subsidiary will periodically consider.



Risk Factors

Risk Factors

The Company's business operations face with different risk factors, which might have impact on the Company's operating performance. The following are some of the key risks that might have adverse impact on the Company and consequently impose investors with significant risks on their investment. There might be other risks currently unknown to the Company, and there might be some other risks that the Company did not foresee as significant but could also have impact on the Company's operating performance in the future.

1. Business Risk

1.1 Risk of economic fluctuations

At present, competition is increasing for healthcare services market due to many amalgamations of major market players, resulting in a cost advantage. In addition, there are various channels for provision of services. New operators entering into the market has resulted in lower market share for the existing operators. Such factor has caused higher competition in provision of services and price competition to attract customers. There is a possibility of new market players from ASEAN countries expanding their services to Thailand as a result of the establishment of ASEAN Economic Community (AEC). Such competition is inevitable and may have impact on the Company's operations.

Economic conditions may also have impact on consumers' purchasing power. Although healthcare is one of the four basic needs, economic impacts do affect consumer's purchasing power. Customers of private hospitals may prefer to defer or minimize their hospital visits either by delaying treatment, choosing non-emergency medical services instead, shortening hospital stay, curbing medical bills by visiting public hospitals or other private facilities offering cheaper services. However, we have closely monitored the situation to assess possible risks that could affect our operation as well as to prepare ourselves in order to come up with appropriate risk management measures. Besides, we are able to treat more complicated diseases when comparing with other hospitals charging similar fees. The fees proposed by us are affordable by the majority. All of these are factors that help attracting a regular stream of patients and thereby reduce the hospital's impact from economic volatility.

1.2 Risk of the Covid-19 pandemic

In 2021, the Covid-19 outbreak continues to have a huge impact on the Thai economy, especially at the beginning of the second half, with a severe outbreak causing a high number of infected people. People were worrying about travelling outside. The hospital business which is the Company's main business was affected from decrease in patients' hospital visits and patients from abroad could not travel to receive treatments, particularly hospitals with mainly foreign patients. Secondary hospitals were affected more than tertiary hospitals (e.g., treating complex diseases such as cancer, brain, and heart) because patients were not in urgent and had delayed the treatments.

In respect of administration under the COVID-19 situation, the management appointed a COVID-19 situation team to plan and assign duties and responsibilities to various units. The Company applied risk management system to supervise roles and responsibilities that would affect the Company's operating performance affected by the spread of the Covid-19, to ensure that the Company would be able to manage the risk of the crisis that had never occurred before. Hospitals within the group company had also been affected.

The key factor for continuous and sustainable growth in business was the ability to adapt of changes if the spread of Covid-19 occurs. The Company had prepared a plan specifically to manage and control cost and expense efficiently and appropriate for the direction of business. The Company also adopted strategy to adjust our operations to changing behavior of customers, for example decrease in unnecessary hospital visits. The Company must be familiarized with on-line technology to support business in a crisis. The Company had managed and prepared resources in information technology and necessary occupational health and safety equipment in order to prepare services that respond to patients' needs for examples, medicine delivery at home for current patients who are not convenient to travel, vaccination at home, and development of telemedicine to communicate, treat, and follow up with overseas patients who could not travel to visit the hospitals.

Since Quarter of 2/2021, the Company has increased its treatment services for Covid-19 patients by cooperating with the government sector to help the society fight against the Covid-19 crisis. The Company has been continuously providing treatment services for Covid-19 patients. For example, the Company operated hospitel services for Covid-19 patients with mild symptoms (green) and, in collaboration with Bangkok Metropolitan Administration hospitals and government agencies, opened field hospitals to treat Covid-19 patients with moderate symptoms (yellow) to severe and critical (red) symptoms. The Company adjusted the area of affiliated hospitals for all inpatient departments to support the treatment of patients with moderate (yellow) to severe (red) Covid-19 symptoms. The Company also provides other services such as RT-PCR screening services for screening Covid-19 patients both inside and outside the premises. The Company provides in-hospital vaccination services for people in the risk groups, and sets up vaccination centers for the public, including providing booking for moderna as alternative vaccine through a digital platform, for both organizations and individuals. In November 2021, the Company started providing vaccination services through its network of 17 hospitals across the country.

2. Operation Risk

2.1 Competition Risk

The private hospital business is highly competitive. Not only do we compete with other private hospitals in the same rank, but also with expansion of service by public hospitals who provide extra-hour clinics or operate a private-style hospital under its wing, all of which jeopardize our customer base. At present, there is increasing competition in the healthcare services market due to many amalgamations of major market players, resulting in a cost advantage. In addition, there are various channels for provision of services. New operators entering into the market has resulted in lower market share for the existing operators. Such factor has caused higher competition in provision of services and price competition to attract customers.

Private hospital market is projected to continuously grow. Due to strong competition, affording more choices for customers. This business increases continuously as private hospitals are categorized by levels, or by management as main hospitals and network hospitals.

To increase service efficiency and expand competitiveness, we regularly enhance the capacity of our medical personnel who enable us to treat complicated diseases when compared to competitors offering the same price ranges. In addition, we have a plan to develop the step-down care for recovering patients who need to stay in hospitals for more than two nights to curb their expenses and our costs. Besides, we provide the service of Home Healthcare and Senior Care and Living too. In order to provide treatment of highly complicated diseases, we have a plan to expand our Excellent Center units of which demands remain high compared to available services. Besides, we work as a contractor to manage public hospitals to increase profit margin because being a contractor does not require us to invest in any equipment.

2.2 Risk of healthcare policies issued by the public sector

We enjoy revenues from general patients, this revenue accounted for 70% of the total revenues. However, if the public sector promotes other types of healthcare policies such as expanding people entitling for the universal healthcare coverage, the number of general patients may fall. Realizing this risk, we closely monitor the public-sector policy as well as possible policy changes. Before the public sector announces or amends any policy, it will however seek opinions and recommendations from hospitals through an association of private hospitals and groups of private hospitals who are contractual parties to the government's social security scheme in order to minimize our impact from the change of public policy that could materially affect our performance. In addition, we participate in the public-sector program through which we admit patients who

are government officials whose medical bills are reimbursed by Department of Comptroller-General. We also have a plan to generate more incomes from general patients or those who pay from their own pockets and contractual parties where we strive to enhance the capacity of our Excellence Center to treat highly complicated diseases increasingly suffered by the public. This refers to the Heart Center, the Bone and Joint Surgery Center, the Brain and Neurological Center as well as patients requiring intensive and critical care where we have a lot of medical doctors with expertise in the field. The hospital continues to enhance quality of our medical treatment as well as our medical personnel to increase service efficiency and to add values to our services.

2.3 Risk of the lack of medical personnel

Medical services need to depend on qualified medical personnel in various fields, who at present are produced in a limited number. Besides, with the expansion of medical services, there are demands for quality personnel with years of experiences who take time to acquire proper knowledge and capability. That is why the company could be affected by the shortage of medical personnel in the future. Yet, the company is collaborating with Siam University to offer a registered nurse undergraduate program to produce competent personnel who can accommodate our need. So far, however, we haven't yet encountered the shortage of medical personnel thanks largely to our compensation and welfare policy and our dedication to promote the right working environment. Besides, the company offers a training policy with a purpose to

2.4 Risk of dependence on specialists

The hospital service is a business that actively depends on specialized medical personnel who provide effective treatments to patients. At present, medical personnel could not meet ongoing demands. As the hospital business is highly competitive, this could affect our business as we may be exposed to a higher risk of losing our medical personnel or attracting specialists.

However, as our hospital was founded for more than four decades ago, is supported by an extended network and has earned a highly reputable image and recognition in the healthcare industry together with the fact that the hospital is run by a group of established doctors, it has been widely accepted by medical doctors for academic competency and management style. The hospital is also known for security and stability and thus can make medical staff who may want to join us become more confident. In addition, the company has collaborated with Siam University to set up a faculty of medicine to make it easy to recruit and develop medical staff.

The hospital also maintains a policy to offer proper remunerations to our personnel while continuing to train them on a regular basis. In addition, there is a clear career path system and training of new knowledge offered to induce staff to stay with the hospital in the long run. This includes special awards given to people with long years of services, allowing staff to freely express their opinions and underlining welfare and security of our personnel to maintain and boost their morale.

2.5 Risk of contract renewal to manage hospitals as a contractor and renewal of contract to manage the Heart Center with the public sector because all contracts are short-term.

In 2021 the hospital earned, on average, 8.7% of the total revenues from management services of hospitals and heart centers. No contract renewal means the company's revenues could fall. Yet, we have experiences managing in the hospital management and in management of specialty clinics such as hear center. The Company has passed assessment from the National Health Security Office (NHSO) and is qualified to service gold card patients. Therefore, the company is ready for medical staff recruitment. The Company is proficient in creating forecast, cost management, and has expertise and experience in hospital management service. In addition, the Company has experience in managing specialty clinics such as heart center. Hence, there are quite a few qualified competitors in this market. The company is also seeking for hospitals to manage specialized treatment centers such as the Heart Center continuously.

2.6 Risk of being sued for damage incurred from medical services

Since our business is to provide medical services, we are exposed to a litigation risk brought by patients orrelated parties who may not be satisfied with our treatment or who suffer from impacts relating to treatment provided by the hospital's medical doctors and specialists. The hospital or doctors may have to compensate the party who brings up the case, which may affect the hospital's reputation and operation.

Based on this risk, we regularly monitor changes of rules and regulations as well as exercise strict compliance while regularly improving our services. We also select and attract experienced personnel with the right expertise. Besides, we have bought insurance to provide liability protection resulted from business and incurred at the insured premise to reduce certain impacts from possible litigation. At the other front, we conduct a regular service assessment especially of treatment quality and satisfaction to the service to monitor our efficiency and to protect ourselves from the litigation.

2.7 Risk of technological change of medical equipment

As diseases are increasingly complicated, treatment requires sophisticated medical equipment more than any time in our history. The company has given the highest priority to quality of our diagnosis and treatments, leading us to investing in medical equipment. However, with a rapid change of medical technology and since medical devices are costly, this may affect the cost effectiveness of our investment.

That is why the hospital has formulated approval steps when making an investment decision. This starts from having the committee that manages medical devices conduct a study of the investment's cost-effectiveness. The committee consists of experts from various fields who collaboratively determine a medical equipment purchasing policy and who set aside an annual budget for new medical devices. The committee also sets a guideline on how to select equipment, assesses their cost-effectiveness before proposing the investment to the Board based on the formulated procedures.

2.8 Risk of investment expansion

The company plans to expand investment in the medical treatment business and the healthcare solution provider business. they could affect the company's cash flow, income structure and performance from uncontrollable factors such as the economic condition, the political change, the government's healthcare policy and competitions in the domestic healthcare market and the situation of Coronavirus 2019 (COVID-19) outbreak. These factors may affect operation under the investment plan or, worse, success of these projects. To reduce the risk, the company has thoroughly analyzed each project's feasibility to ensure that it has experiences in the projects or that the projects can be further developed on the basis of the existing experiences.

With experiences in the private hospital business for more than four decades together a pool of well-recognized medical and public health personnel, the company feels that these factors will help minimize our expansion risk.

3. Financial Risk

3.1 Risk of medical bill payment

According to medical service ethics, the hospital will provide medical services to patients before charging them a fee, which exposes the hospital to a risk of failure to charge a post-service fee in full.

The group however has a guideline to minimize this risk by requiring the Finance Department to inform an estimated cost to a patient in advance as well as by checking their rights to see which types of medical bills the patient can reimburse to enable him/her to assess possible expenses before getting the treatment. After the treatment, the company will inform and issue a medical bill every three days to allow a liable client to learn about his expenses at every stage. In addition, the Finance Department whose duty includes debt management will consider risks and proper solutions to the hospital's customers. It will collaborate with the Legal Department if there is any outstanding or overdue.

3.2 Risk of volatility in interest rate

As of 31 December 2021, the Company has a long-term facility from financial institution. The interest rate on such facility is a floating rate with reference to the Minimum Loan Rate (MLR). Hence, if there is significant change in the reference rate, there might be significant impact on the Company's financial costs and net profit. However, the company is able to comply with all loan agreements and maintain financial conditions at a level that is better than the terms of the contract. Furthermore, there will be a cash flow reserve for advance payment at all times. Thus, the financial risk of the company is at a controlled level. In accordance with the business plan and the approval of the Executive Committee with regards to interest rate from financial institutions. There would be constant reports on fluctuation of interest rate on a monthly and quarterly basis to support risk management plan to manage risk from fluctuation of interest rate.

3.3 Risk of non-compliance with terms and conditions of loans from financial institutions

The Company must comply with terms and conditions under loan agreements, both for short-term and long-term loans between the Company and financial institutions who are lenders. The Company must retain financial ratios not exceeding those agreed in the loan agreements and comply with other terms and conditions. In the case that the Company fails to do so, it might constitute a breach of agreement by the Company and the financial institutions could demand that the Company to repay such loan in full. The repayment of loan in full could affect the Company's financial liquidity and business operations. However, with the spread of Covid-19, the financial institutions had relaxed certain conditions regarding financial covenants. In 2020, the Company was therefore able to meet all terms and conditions of the loan agreements with all financial institutions same as the previous year.

Moreover, the Company had prepared budget and cash flow forecast for internal use and as tools for the management to estimate future financial ratios. They are also used to monitor and report actual monthly performance to the Executive Committee for approval of risk management plan and risk of non-compliance with terms and conditions of the loan agreements with financial institutions. The Company also reserves cash for the purpose of loan repayment. This had resulted in financial risk of the Company being under control and consistent with its operation plan.

3.4 Risk of financial liquidity of the Company and its subsidiaries

As of 31 December 2020, the Company received financial supports from various financial institutions which had been mainly utilized in its long-term investment projects, including investments by its subsidiaries. The amount was sufficient for spending according to the Company's investment expansion plan. Sources of these capitals were overdraft (O/D), promissory notes (PN), letter of credits (LC), and long-term loan (LT).

The Company manages liquidity to prevent liquidity risk by applying financial policy cautiously, particularly in respect of investments. The Company analyzes all investments in detail and in all aspects to select and present only those worthy of pursuing to the Executive Committee and the Risk Management Committee. The Company evaluates return on investment regularly to adjust to suitable strategies so that targeted return on investment could be achieved. This would help reduce risk of financial liquidity and maintain strong financial positions which would increase flexibility in securing sources of financing for future business expansion, with sufficient fund, reasonable finance cost and appropriate return on investment. In addition, the Company prepares monthly internal cash flow estimates as a tool for the management to evaluate and plan financial liquidity of the Company and its subsidiaries.

4. Compliance Risk

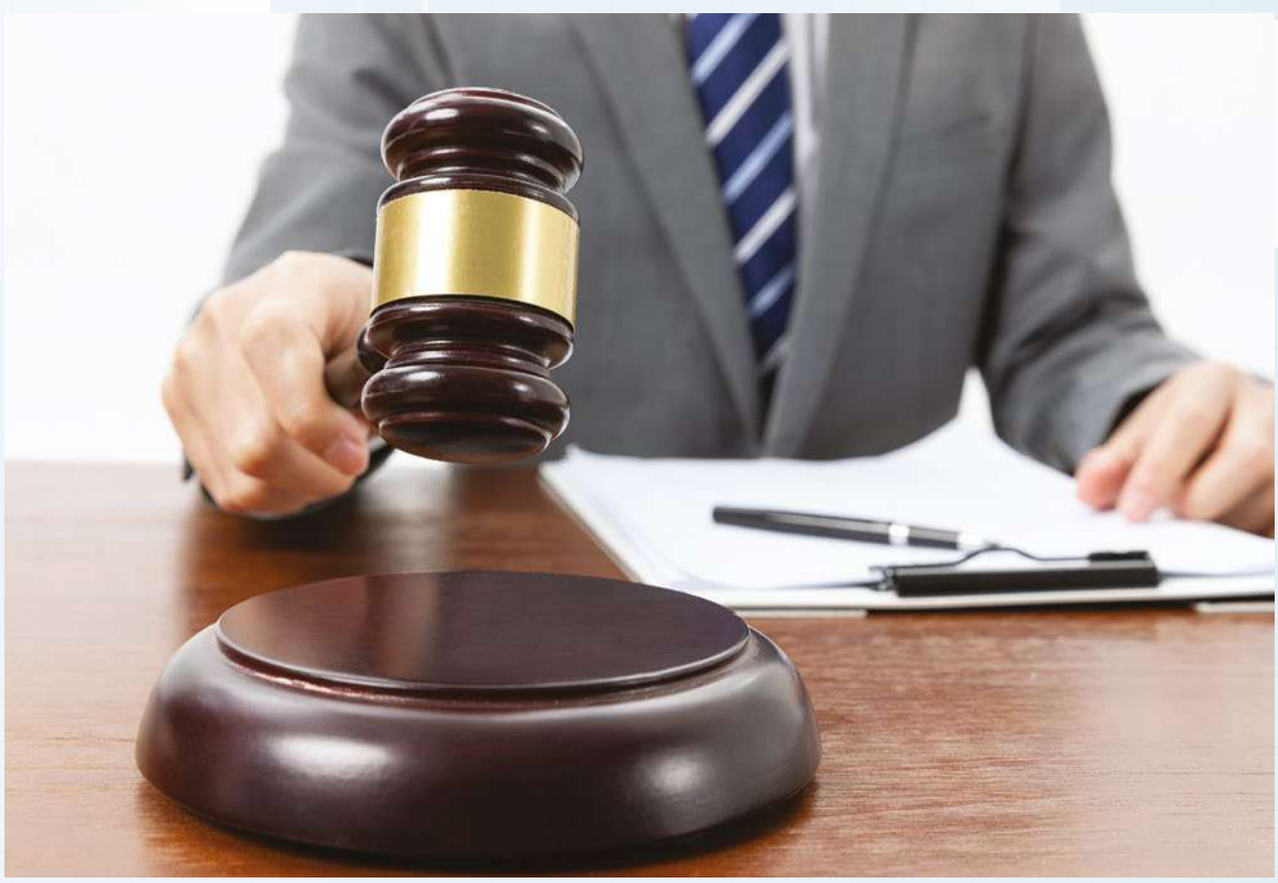
4.1 Risk of changes in standards and regulations applicable to the Company in the future

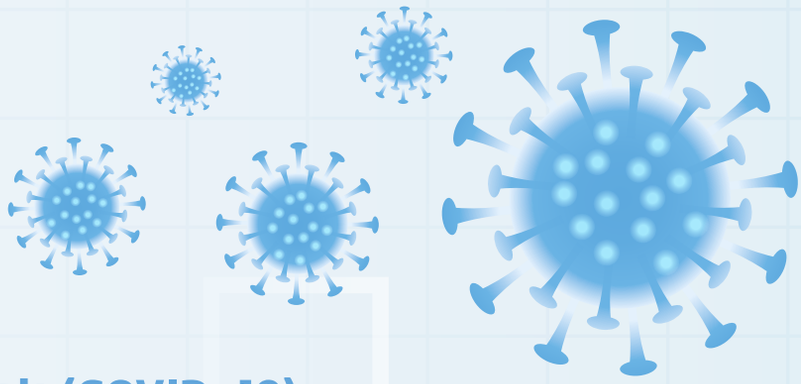
The Company operates its business under the supervision of the Ministry of Public Health and other relevant government agencies. Changes in rules, regulations or new policies which might become stricter and compensation to injured persons without proof might affect the Company's future operating performance. The Company and hospitals in the group comply with various quality standards. The most important quality standard is Hospital Accreditation (HA) and ISO 9001 : 2015. The guidelines of HA system require that there must be a standard medical service committee who is responsible for monitoring safety standard and environment, other risks, particularly risks arising from medical and healthcare services. These conducts could help mitigate impact arising from changes in rules and regulations relating to healthcare and environment.

4.2 Risk of non-compliance with the Personal Data Protection Act (PDPA)

Thailand has implemented the Personal Data Protection Act 2020, which would be in effect in June 2022. The Company's operation is connected to personal data of various groups of stakeholders such as customers, trade partners, employees and insurance partners etc.

The Company has made preparation to comply with the Personal Data Protection Act (PDPA). The Company invited consultants to educate and provide guidelines on compliance with the PDPA and prepare action plans for the Company's and its subsidiaries to be ready in all aspects relating to compliance with the PDPA.





Management under the coronavirus outbreak (COVID-19)

In respect of the business operations during the crisis of Covid-19 pandemic, the Company was able to cope and plan the business to operate continuously. There are four key guidelines:

1. Emergency Response: Response by the Company to the Covid-19 pandemic in a timely manner

The Board of Directors and executives play a role in the crisis management process. The situation and progress of action plans have been monitored. Support has been given to the working team during the crisis since the year 2020, for instance:

- **Management of areas and structural systems-** The hospital has prepared to accommodate patients, for instance : Improvement on ventilation systems and adjustment of spaces to separate inpatients at risk of contracting Covid-19. As for outpatients, the area has been separated from the main building to provide services to high-risk patients or those who have respiratory symptoms called ARI (Acute Respiratory Infection) clinic and manage service processes to reduce exposure. There are also measures to maintain cleanliness and disinfection for the safety of personnel and customers such as temperature screening of those who come to use the service, some service processes or devices were modified to reduce exposure, and cleaning of contact points etc.
- **Service-** The Company increased the services to facilitate customers, reduced contacts, and exposure to large group of people and allowed fast test results. If a wider group of people have access to more infection screenings, they are more likely to find infections. If those infected are aware sooner, it would help preventing the spread of the virus. Examples of the services include a drive-thru testing, telemedicine diagnostic service which allows patients to use video calls to communicate with doctors, offsite drive-thru influenza vaccination service, health check in hospital and corporate groups, swab for Covid-19 screening, rapid antigen test in the community, vaccination service for people in high-risk groups, opening of a medical delivery channel, and offering reservation for Moderna as alternative vaccine etc.
- **Preparation of medicines and medical supplies-** The Company has conducted a survey of the demand from affiliated hospitals. The Company sourced, procured, and planned usage accordingly at the beginning of the Covid-19 pandemic so that medicines and medical supplies are available for immediate protection for medical personnel and patients to help reduce the risk of infection or spread of the virus such as masks, N95 masks, personal protective equipment (PPE) and alcohol.

- **Financial liquidity-** The Company has important measures to help maintain financial liquidity during the crisis, particularly effective control of costs and expenses that suits business directions, adjusting growth strategy of each business and each department, review of investment plans for existing and new projects, requesting for an extension of time for repayment from a financial institution, and use of benefits from relief measures issued by the relevant government agencies etc.
- **Personnel-** The Company has taken care of its personnel in terms of safety from the pandemic such as communication with employees, monitoring illness symptoms, providing guidelines for safe behavior, insurance against Covid-19 for employees in the group, and special screening test for those who must work with elderly patients. There is also a quarantine area with care for those infected.

2. COVID-19 Crisis Management

In managing under the Covid-19 pandemic, the Company has set up a team that is directly responsible for efficient operations and decision-making. The Company has established a guideline to adjust itself for business continuity. The Company has continually engaged with the government sector to help the society in the fight against the Covid-19 crisis by providing services to Covid-19 patients, starting from Quarter 2/2021. The Company's undertakings can be summarized as follows:

1. Provision of screening service for Covid-19 patients both on-site and off-site for the public to access RT-PCR test more conveniently.
2. Provision of treatment services for Covid-19 patients by adjusting the areas of all inpatient departments at Thonburi Bamrungmuang Hospital to support the treatment of Covid-19 patients with moderate (yellow) to severe and critical (red) symptoms.
3. Provision of hospitels for Covid-19 patients with mild symptoms (green), serving approximately 4,600 beds in Bangkok and approximately 750 beds in the provinces, including approximately 5,350 hospitel beds in total.
4. Provision of services to support Covid-19 patients with moderate (yellow) to severe and critical (red) symptoms in 3 locations: Royal Thai Army 11 Field Hospital, Ratchaphiphat 2 Hospital, and Bang Khun Thian Elderly Hospital. Total number of service beds are about 700 beds. The Company opened field ICUs in cooperation with hospitals under the Bangkok Metropolitan Administration and government agencies.
5. Provision of in-hospital vaccination services for people at risk and setting up a vaccination center offsite for the public at Thai PBS-Thonburi vaccination center, in collaboration with government agencies and vaccine importers.
6. Provision of reservations for Moderna as alternative vaccine through a digital platform, offering to corporates and individuals by collaborating with leading technology companies. In November 2021, the Company began to provide vaccination services through hospitals under its network of 17 hospitals across the country.

In respect of overall performance in 2021, the Company has continued to grow at a good level. Overall, THG generated additional revenues from adapting to changes under appropriate health care standards. Costs and expenses were well under control, resulting in significant increase in gross profit and net profit.

3. Impact Mitigation: Mitigating impact and taking care of stakeholders in the Covid-19 situation

The spread of Covid-19 does not only affect businesses, but also affects stakeholders involved in the Company, such as employees and their families, customers, shareholders, and community and society. The Company has given care and mitigated the impacts on the stakeholders involved to build trust in the long term and to maintain a good relationship with different groups of stakeholders, for instance:

1. Employees and their families. The Company has taken care of personnel in terms of safety from the pandemic such as communication with employees to follow up on symptoms of illness, provision of guidelines for safe behavior, obtaining Covid-19 insurance, procuring Covid-19 vaccines and relevant equipment for employees.

2. Shareholders. For example, holding online shareholders' meetings, providing channels for accepting opinions, and communicating measures for handling the Covid-19 pandemic to build confidence in shareholders etc.

3. Customers. The Company has included additional services to facilitate customers, reducing contact and exposure to a large group of people, obtaining fast test results. If those infected are aware sooner, it would help preventing the spread of virus. Examples of the services include a drive-thru testing, telemedicine diagnostic service allowing patients to use video calls to communicate with doctors, off-site drive-thru influenza vaccination service, rapid antigen screening and RT-PCR in the community, vaccination services, and medicine delivery channels etc.

4. Community and society. The Company continually engages with the government sector to help the society in fighting against the Covid-19 crisis, starting from Quarter 2/2021, for instance:

- Provision of screening services for Covid-19 patients both on-site and off-site for the public to access RT-PCR test more conveniently.
- Adjustment of the areas of Thonburi Bamrungmuang Hospital to allow all inpatient departments to accommodate the treatment of Covid-19 patients with moderate (yellow) to critical (red) symptoms.
- Collaborating with hospitals under Bangkok Metropolitan Administration and government agencies to open 3 field ICUs from July 2021 to accommodate moderate and critically ill patients, namely Royal Thai Army 11 Field Hospital, Ratchaphiphat 2 Hospital, and Bang Khun Thian Elderly Hospital. Total number of service beds are about 700 beds.

- Cooperating with government agencies and importers of vaccines to provide in-hospital vaccination services to people at risk and setting up a vaccination centers for the public at Thai PBS – Thonburi vaccination center.
- Collaborating with leading technology companies in the country to develop a channel for booking Moderna as alternative vaccine via digital platform for both corporates and individuals.

4. Business Recovery: Planning for business rehabilitation after the Covid-19 situation

Due to the Covid-19 crisis, customers have begun to change their behavior such as reducing unnecessary hospital visits and being more familiar with the use of online technology to support operations during the crisis. The Company has managed and prepared information technology resources and necessary safety and hygiene equipment to support the provision of services to meet the needs of patients. Examples include home delivery of medicines to current patients who are not convenient to visit hospital, home delivery of vaccines, and development of telemedicine systems to communicate with patients for which care, checking of history, and monitoring symptoms are possible even for a foreign patient who cannot visit the doctor. An important factor that will allow the business to grow sustainably is the ability to adapt to changes. The Company must adjust as well, especially in terms of effective control of costs and expenses to suit the business directions and the growth strategy of each business unit.

After the Covid-19 situation has eased, the Company has taken steps to increase its comprehensive care services for Covid-19 patients to return the business from being affected to normal situation as soon as possible. The Company has reviewed goals and plans to be in line with the present situations and has formulated a long-term plan to cope with the "New Normal" to maintain its competitiveness in the long run.

The Company will provide comprehensive care and treatment for Covid-19 patients, both in terms of prevention and treatments. The Company continues to provide both alternative and government vaccination services. It also continues to operate patient care services through hospitels of approximately 2,000 beds and 3 field hospitals with 700 beds. The hospitals recently invested by the Company have started to generate better results from providing comprehensive care for Covid-19 patients in terms of both prevention and treatments to increase service capabilities. The Company has opened a wellness center, including laboratory services to provide health care services for patients recovering from Covid-19 quickly and continuously. There is an investment plan to expand elderly hospitals. There is also a plan to attract more Thai customers to use the services by adopting advanced technology for treatments to maintain the Company's competitiveness.

Drive Business for Sustainability

The Board of Directors of the Company oversees that the business is being operated in accordance with code of ethics and good corporate governance, including being responsible to community, society, and environment. The Company applies its expertise in business and its corporate social responsibility roles in determining the business strategy, which creates synergy between the business and the society. This approach is in line with the Company's vision and mission to grow its business sustainably. The Company's business strategy includes:

Sustainability Management Policies and Objectives

▶ Strategies for sustainable development

Strategies for sustainable development

1) Building brand through relationship with customers, creating impression, satisfaction and bond between the Company and the customers.
2) In cooperation with local and overseas partners, creating opportunities to grow the business, building corporate image, and demonstrating potential of, and standard level of medical services provided by, Thai medical service provider to global citizen.
3) Creating innovation and development in the business to build common values between the business and the society. Not only providing medical treatments, but the Company also supports and promotes good health among the citizen of all levels and ages.
4) Developing the Company's personnel on their academic knowledge and specializations in order to increase efficiency of medical treatments provided to customers and ensure that the services provided are in accordance with the code of ethics.
5) Seeking opportunities in investments in order to increase the Company's strengths and continuously generate growth.

Social Area

1) Develop the quality of life of communities and society with caring and sharing.
2) Participate in social responsibilities on campaign and health promotion activity and promoting of good hygiene.
3) Conduct the business in accordance with the good corporate governance principle with transparent, integrity and ethic including the strict compliance with laws and regulations.

Environmental Area

1) Preserve the environment, supervise the management and disposal of waste including various contaminants by using efficient technology and continuously monitoring to avoid any impact on the environment.
2) Promote the conservation of energy, natural resources and the environment for the good quality of life of society.
3) Cultivate the consciousness of the Company's personnel to have social and environmental responsibility.

Managing Impact on Stakeholders in the Business Value Chain

► Business Value Chain

Primary Activities

in the Company's business operations are as follows:

1) Recruiting medical personnel with knowledge, abilities, and expertise in specific fields and professional.
2) Procurement of quality medicines, medical supplies, and medical equipment to be a comprehensive treatment center.
3) Providing quality and standard treatment services and value every life without discriminating or choosing a group of people.
4) Post-treatment services to provide the customers good health and ability to live happily.
5) Skill development and maintain human resources to drive the organization towards excellent service.

Support Activity

in the Company's business operations are as follows:

1) Procurement that is transparent, fair and to obtain quality and standard products and services.
2) Technology development to reduce the work process enabling customers to connect and receive convenient and fast and more secure services.
3) Innovation in treatment or in taking care of customers to provide customers better quality of life.
4) Publicizing and organizing community relation activities to keep society informed and be a channel for communication to the society.

Stakeholder analysis in the business value chain

Stakeholder	Expectation	Response to Expectation
Stakeholders within the organization		
Shareholder and investor	✔ Return on investment ✔ The Company is prosperous and sustainable ✔ Directors, executives, and employees dedicate their knowledge and capabilities to work ✔ Treat shareholders fairly	✔ Dividend payment every year ✔ Share price continues to grow ✔ Good company image ✔ Treat shareholders equally ✔ Give shareholders the right to express opinions
Medical personnel and staff	✔ Compensation ✔ Opportunities and career advancement ✔ The Company's stability	✔ Salary, bonus, and welfare ✔ Fair promotion consideration ✔ Work skills development ✔ Safe and fully equipped workplace ✔ Stress importance of occupational health and safety and working environment ✔ Provide opportunities for employees to meet with executives to clarify the policy and listen to opinions from employees at all levels equally and fairly ✔ There is a channel for disclosing important information, rules, and regulations to employees ✔ There is a channel for complaints and measures to protect whistleblowers
Stakeholders outside the organization		
Customer	✔ Quality and standard service ✔ Service with convenience and speed ✔ Fair price ✔ Open communication channels to consult and receive complaints	✔ It is a hospital with a variety of specialized doctors ✔ Recognized ability to treat complex diseases ✔ Provide services at a price accessible by most people ✔ Maintain customer confidentiality ✔ There is a channel for complaints ✔ There is a survey for customers' satisfaction in receiving services ✔ Provide knowledge, advice on care, prevention, and treatment to customers and the public
Business partner	✔ ผลตอบแทนการลงทุน	✔ Recruit business partners with talent and business ethics ✔ Build good relationship with each other ✔ There has been a signed collaboration between the public, private sector, universities to cooperate on businesses such as Thai Airways International Public Company Limited, Chulalongkorn University, and Srinakharinwirot University etc. ✔ Comply with trade terms

Stakeholder	Expectation	Response to Expectation
Stakeholders outside the organization		
Debtor	✔ Provide credit for debt repayment ✔ Comply with fair trade terms	✔ Provide credit for debt repayment ✔ Closely monitor debt repayments in accordance with the rules of fair trade. Do not disclose information, publicize, or threaten debtors.
Creditor	✔ Make principal and interest repayments on time ✔ Stable financial position ✔ Comply with fair trade terms ✔ Manage capital appropriately to support the Company's business operations and maintain confidence in creditors	✔ Make principal and interest repayments on time ✔ Comply with loan conditions ✔ Disclosure accurate and clear information. Arrange meeting with the executives and arrange visit to places of the business. ✔ Generate steadily growing income and profit and build trust of creditors
Trade Partner	✔ Comply with correct and fair-trading conditions ✔ Promote and support trade partners to operate their business in accordance with the principles of sustainable development	✔ Select quality and ethical trading partners ✔ Build good relationship with each other ✔ Jointly expand services and customer base, such as THG Hycar etc. ✔ Comply with trade terms
Community	✔ Build a large community ✔ Maintain hospital standards that does not cause epidemics or negative impact on the community ✔ Support public health activities so that people in the community and society enjoy better health and quality of life	✔ Strictly maintain hospital standards according to international principles ✔ Organize seminars to campaign and educate the community on good health care ✔ Set up check-up and health care units in communities, schools, and temples free of charge ✔ Provide the Covid-19 vaccination services. ✔ There is a channel to express opinions and suggestions
Society	✔ Quality and standard services ✔ Conduct fair business ✔ Disclose information truthfully ✔ Be socially responsible ✔ Cooperate with various organizations to help the society	✔ Use and valuable energy and resources ✔ Prepare a plan to reduce greenhouse gas emissions ✔ Create and support innovations to improve quality of life ✔ Collaborate with government, private sector, and independent groups to help and care for the Covid patients. ✔ Promote and support activities that are beneficial to the society

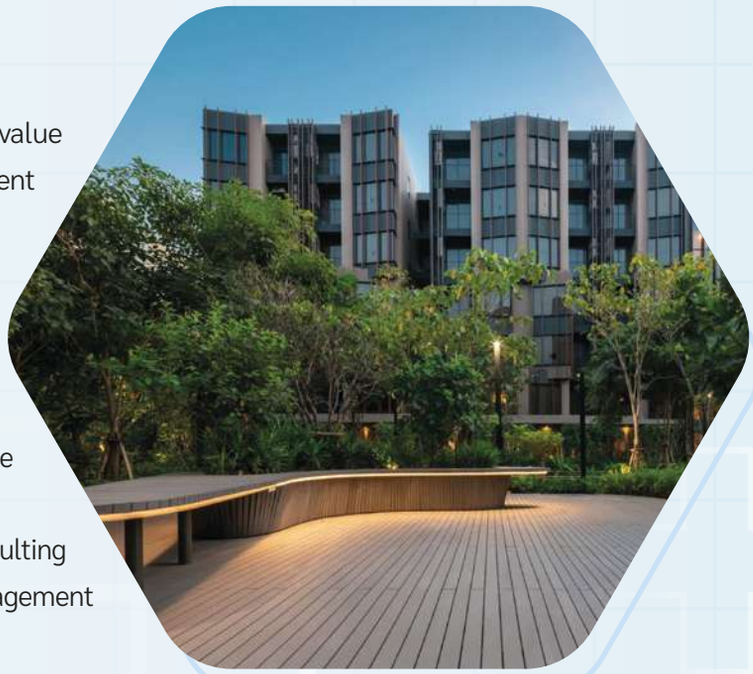
Stakeholder	Expectation	Response to Expectation
Stakeholders outside the organization		
Competitor	✔ Operate within the framework of free and fair competition	✔ Fair Competition ✔ Do not seek competitors' confidential information through dishonest means ✔ Do not infringe or act unethically against competitors
Regulator	✔ Conduct fair business ✔ Comply with rules, laws, and regulations	✔ Comply with the good corporate governance policy ✔ Not being prosecuted for unethical conduct ✔ No complaints from stakeholders
Mass media	✔ Provide accurate and clear information	✔ It is a hospital with ethics and is recognized to be able to treat complex cases ✔ Provide accurate and clear information/news
Independent organization	✔ Conduct business with fairness ✔ Provide accurate and clear information	✔It is a hospital with ethics and is recognized to be able to treat complex cases ✔ Provide accurate and clear information. ✔ Cooperate with the organization to help society

Sustainability Management in Environmental Area

The Company realizes the importance of environment to human living. At the same time, our society has been giving more importance to environmental conservation and the implementation in accordance with the ISO standard ISO 9001: 2015

The Company has established an environmental policy as guidelines for conducting its business operations with exercise of due care and diligence in order to prevent or minimize environmental impact to nearby communities. The Company determines to control both water and air pollution by controlling quantity of wastewater released from building and exhaust from exhaust pipe. In addition, the Company promotes waste segregation and recycle in order to reduce quantity of garbage, the examples of implementation are as follows:

► Energy Management



The Company has always been aware of and value energy saving. A working group on energy management was established to plan the energy management operation in accordance with the hospital's energy conservation policy since 2019 with a commitment to continually improve energy efficiency to be a model organization that excels in energy efficiency as an example to both government agencies and private sector. Thonburi Hospital, therefore, engaged an independent consultant in the energy sector from consulting center of Ministry of Finance to advise on energy management in 2020 by performing the followings:

- ✔ Establish a new energy management working group
- ✔ Assess the initial energy management status (Energy Management Matrix: EMM) based on past energy operations
- ✔ Review and amend the energy conservation policy and publicize the policy for acknowledgement
- ✔ Evaluate the potential of energy management
- ✔ Set goals and implement energy efficiency in 2020 equal to 1.5%

For 2021, measures and goals for continuous energy conservation are set as follows:

- ✔ Organize a training plan and activities to promote energy conservation. More than 1,000 employees were interested and participated in the event.
- ✔ Implementation 4 measures for energy conservation plan with a total investment of 7,545,972 baht.

Item	Measure	Electricity Saving		Percentage of saving	Payback period (Year)
		Kilowatt-hour/year	Baht/year		
1	Change the filling of cooling tower	55,713.60	207,811.73	0.38	5.12
2	Change the propeller of cooling tower	47,916.00	178,726.68	0.33	1.25
3	Light bulb replacement to LED	1,234,290.34	4,607,786.22	8.48	1.12
4	Change the air compressor	45,519.15	169,786.43	0.31	6.48
	Total	**1,383,439.09**	**5,164,111.05**	**9.50**	**1.46**

► Water Management

- ✔ Drinking water/water system - the hospital has a plan to check drinking water / water for use according to drinking water standards announced by the Ministry of Public Health and tap water standards according to the announcement of the Department of Health. In addition, coliform testing will be conducted in drinking water service points every 6 months.
- ✔ Effective sewage treatment system and the quality of wastewater is in accordance with the standard of the Pollution Control Department. The sludge circulating pump has been installed from the sedimentation pond into the septic tank and this pump will be turned on once a week and the sediment is pumped once a year to reduce the sediment and wastes to prevent them from the sewage treatment system. There is a schedule of care, maintenance, and quality check of the treated water by the internal department every day, and inspection by outside agencies every 2 months according to the Enhancement and Conservation of National Environmental Quality Act B.E. 2535 (1992) according to the size of type A medical facility. The BOD (Biological Oxygen Demand is the determination of the amount of oxygen used by bacteria to breathe) of the hospital passed all standard criteria.

► Waste and Pollution Management

- ✔ Green rooftop project of Friend in Need (of "PA") Volunteers Foundation by separating of UHT boxes to build rooftop and educational materials for poor people.
- ✔ Waste separation project to reduce pollution and global warming by providing bin for each type of waste in the areas outside building and parking area to promote the proper disposal of garbage and classifying waste for the safety of collection of the responsible staff.
- ✔ Say No to Plastic Bag Project
- ✔ Stop using foam box for food packing" campaign and to use biodegradable boxes instead and to promote the staffs to bring their own box for purchasing food in hospital's canteen in replacement of plastic bags.
- ✔ Promoting staffs to reduce wastes by requesting the staffs to bring container such as food carrier instead of plastic bag or foam box and it also promote the staffs to use cloth bag instead of plastic bag by providing cloth bag for reusing and returning.

► The Environment Committee has established a group "ENV NETWORK" since 2018, where at least 1 person from every department must apply to be a member of ENV NETWORK. The objective is for all departments to participate in environmental management, as well as to have continuous environmental development.

► Management to reduce Greenhouse Gas

The Company attaches great importance to the problem of climate change and have participated in the "Carbon offset activities expansion project to support the voluntary carbon sector in the country, 9th Year" organized by the Greenhouse Gas Management Organization (Public Organization - TGO) and the Center of Expertise on Environmentally Friendly Business Strategy, Faculty of Environment, Kasetsart University (VGREEN). The Company was selected to be a model for a low-carbon social service business towards carbon neutrality which will estimate the amount of greenhouse gas emissions according to the organization's Carbon Footprint Assessment Guidelines (CFO: Carbon Footprint for Organization) to find ways to reduce greenhouse gas emissions. This includes participating in carbon off-setting activities by acquiring carbon credits from greenhouse gas reduction program to offset the organization's greenhouse gas emissions. The project will begin by March 2022 and the certified information will be disclosed starting from 2023. This will be used as a database to determine the next action plan.

Social Responsibilities for Sustainable Development's policy

The Company has set policies, business ethics, and guidelines under Good Corporate Governance and Business Ethics Manual, which can be downloaded from https://www.thg.co.th/storage/ir/downloads/cg-principle/20190912-thg-cg-ethics-th.pdf. The group has followed the guidelines and taken the following actions:

► Fair Business Practice

1) THG The group conducts business lawfully and there are no legal actions or disputes that would impact trust in, assets and image of THG.
2) The group conducts business that is beneficial to economy, society and environment such as Jin Wellbeing County Project and innovation called "Phuketcare" which develop on the group's expertise to create economic values and develop society and environment at the same time. This accommodates an aging society, which has become a global problem.
3) The group has disclosed information memorandum to stakeholders accurately, equally and promptly and in accordance with rules, conditions, and procedures prescribed by SET and SEC regarding submission of information memorandum by listed companies.

4) The group treats stakeholders with fairness, neither taking advantages nor claiming or receiving any benefits unlawfully. Procurement is a department which is prone to corruption. Therefore, the Company has set a procurement policy which is clear and transparent. The guidelines for selection of trade partners are as follows:
   - Prepare register on seller's information upon starting selection process of new seller. No transaction will be performed with any person or juristic person who commits unlawful act.
   - Procurement Department shall consider information on product/service, reliability, before/after sale service, warranty, experience, track records and price prior to proposing to procurement committee for consideration.
   - Prepare quality assessment on seller on a yearly basis from product evaluation form, defect arising from product inspection, and rectification measure proposed by seller upon notification.
5) The group treats competitors fairly within the competition framework and shall not dishonestly seek confidential information of competitors.

► Health Safety and Hygiene at work

The Board of Directors complies with the laws and the relevant industrial standards relating to pollution prevention and health protection and safety of employees at work and third parties who may receive an impact from the business activities. The Board of Directors focuses on continuous development of occupational health and safety procedures. Samples of implementation on such matter are as follows:

1) Safety, Welfare, and Security

The Company managed areas from building structure to adhere to safety standards. It prepared safety system, inspected and monitored the areas. Other matters that were focused including elimination of hazardous chemicals, maintenance of medical tools and equipment, maintenance of electricity and water systems and wastewater treatment to ensure that the systems were ready and sufficient for usage. The systems were examined, maintained, repaired and equipment replacement according to their useful life.

2) Emergency Management

The Company practiced group accident plans. It also reviewed natural disaster response plan to be prepared and could systematically respond in any situation.

The Company gives importance to health, safety and hygiene at work. In 2021, there was an incident at work which caused 9 employees due to accidents from a glass cut on the foot, falling off a chair, slipping, falling objects on the foot. The average number of days off was 2 days.

▶ Respect for Human Rights

The Company gives importance to respect for life and human rights which are fundamental for management and development of human resources, including establishing social relations.

Therefore, the Company has a policy to promote respect for basic human rights and equality without discrimination and division with respect of nationality, race, gender, religion, political beliefs or any other types of belief, background, assets, origin or status. The Company promotes and gives opportunities to its employees to express opinion or file complaints relating to violation of human rights such as:

- The management and employees of the Company consist of both women and men whose religion beliefs include Buddhism, Christian and Islam. They can work together in harmony without prejudice. Everybody has the opportunity to be promoted based on his/her performance.
- When having receptions for employees on special occasions such as company anniversary, the Company selects food suitable for all religions and always includes vegetarian.
- The Company does not prohibit political participation and exercising of political rights under the laws by all employees at all levels.
- The Company's group has supported the employment of the underprivileged people (the disabled), totaling 9 people.

▶ Fair Treatment of Employees

The Company believes that human resources is the most important factor for business operations which generate values and return to organization. Each of the Company's operations require knowledge, capabilities and devotions, both physically and mentally, in order to achieve goals and objectives.

The Company has established a guideline for employee treatment. The management shall treat the employee fairly and without bias. The employees shall be encouraged and supported in developing their potentials and improving work efficiency. Compliance of ethics shall be promoted among employees and appropriate level of employee welfare shall be provided. The employees shall be treated with sincerity - their opinion should be heard, and suggestions should be given to them as feedback.

In the year 2021, the Company organized the following key activities relating to human resource development:

1) Annual health examination for employees by providing a health examination program suitable for age of each employee. The Company also offered health examination programs for employees ' families at a special price.
2) Employee benefits such as healthcare payments, life and accident insurance, child's tuition fee, other types of monetary support and benefits such as funeral support payments and loan for child's education.
3) Trainings useful for employee development including management skills, professional skills and knowledge increase for usage in daily life. Trainings were organized within the organization and by various institutions. The average training hours per person is 12 hours per person per year decreased from the previous year at an average of 23 hours per person per year due to the spread of COVID-19, employees have to take care of more patients.

4) Employees had the opportunities to participate in various activities organized by the group, for instance making merit by offering food to monks on religious days, "Happy Father's Day... With Love" activity, Songkran festival activity, pouring water on the hands of revered elders and asking for blessing activity, and growing plants activity in honor of His Majesty the King etc.
5) Taking out Covid-19 insurance policies for employees, executives, and all directors.
6) Providing financial support in the form of loans to employees so that the employees could borrow at a low interest rate.
7) Employees may file a complaint or notify any suspicious act relating to violation of rights, fraud, illegal acts, and Corporate Governance and Business Ethics Policy to the Audit Committee who are independent directors via email at BOD@thg.co.th or AC@thg.co.th or Internal Audit Unit at IA@thg.co.th for inspection according to prescribed procedures and further proposal to the Board of Directors.

▶ Consumer Responsibilities

1) To provide services/products that beneficial to customers in terms of quality and price under appropriate security and technology as well as raising standards continuously. All hospitals in the group present costs of medicines and medical supplies at cashiers. Customers can use their mobile phones to scan QR Code for more details and the costs are also published on the Ministry of Commerce's website for examination and comparison by customers. Nine out of 16 local hospitals of Thonburi Healthcare Group opened for services in the year 2019 were rated "green" by the Ministry of Commerce for the most affordable medicine pricing. This illustrates transparency and fairness to customers. Those hospitals include Thonburi 2 Hospital, Roi Et - Thonburi Hospital, Kalasin – Thonburi Hospital, Rajthanee Hospital, Phatara - Thonburi Hospital, Sirivej Hospital Chanthaburi, Thonburi-Chumphon Hospital, Nakhon Christian Hospital, and Trangruampat Hospital.
2) To comply with terms and conditions which are transparent and equal to customers. In case of inability to comply with, the negotiation shall be made with the customer in advance in order to find solutions and prevent damage.
3) To procure customer services system and communication channels. To consult on how to solve the problem and to receive complaints to provide customers with the highest satisfaction and to ensure that customers receive excellent quality service.
4) To disclose information about the service in full and on time and do not distort the facts including to maintain a good and substantial relationship.
5) To maintain confidentiality of customer information and do not use such information for their own benefit and/or other related persons.
6) The Company prepares itself for events of emergency such as preparation in the event of mass casualty incident in order to accommodate 5 patients and above at the same time and preparation in the event of new disease such as COVID 19.
7) Hospitals in the group accept return of medicines and give refund to customers in case of drug allergy. Medicines returned by customers will not be reused and be destroyed for consumer safety.

8) Promoting health screening unit to the public and activities to provide knowledge by doctors and medical personnel from hospitals within the group to educate people for correct understandings and good health in the long run. During the spread of Covid-19, the Company focused on educating the public through video clips and live on Facebook via the hospital Facebook fan page.

9) The hospitals in the group focus to provide "Service by Heart" and conduct survey on satisfaction and develop service standard to assist on communication and to provide information between service provider and patient or its family in order to analyze the information and identify problems and to improve the services to create good impression of customer to come to use the service again. This program has been followed up every month.

Satisfaction rate of IPD patients			Satisfaction rate of OPD patients		
2019	2020	2021*	2019	2020	2021*
90.91	91.722	93.26	88.8	87.96	89.09

* . In 2021, the satisfaction rate excludes Thonburi Hospital due to the hospital refrain from surveying patient satisfaction during the severe COVID-19 outbreak in order to maintain distance with service users.

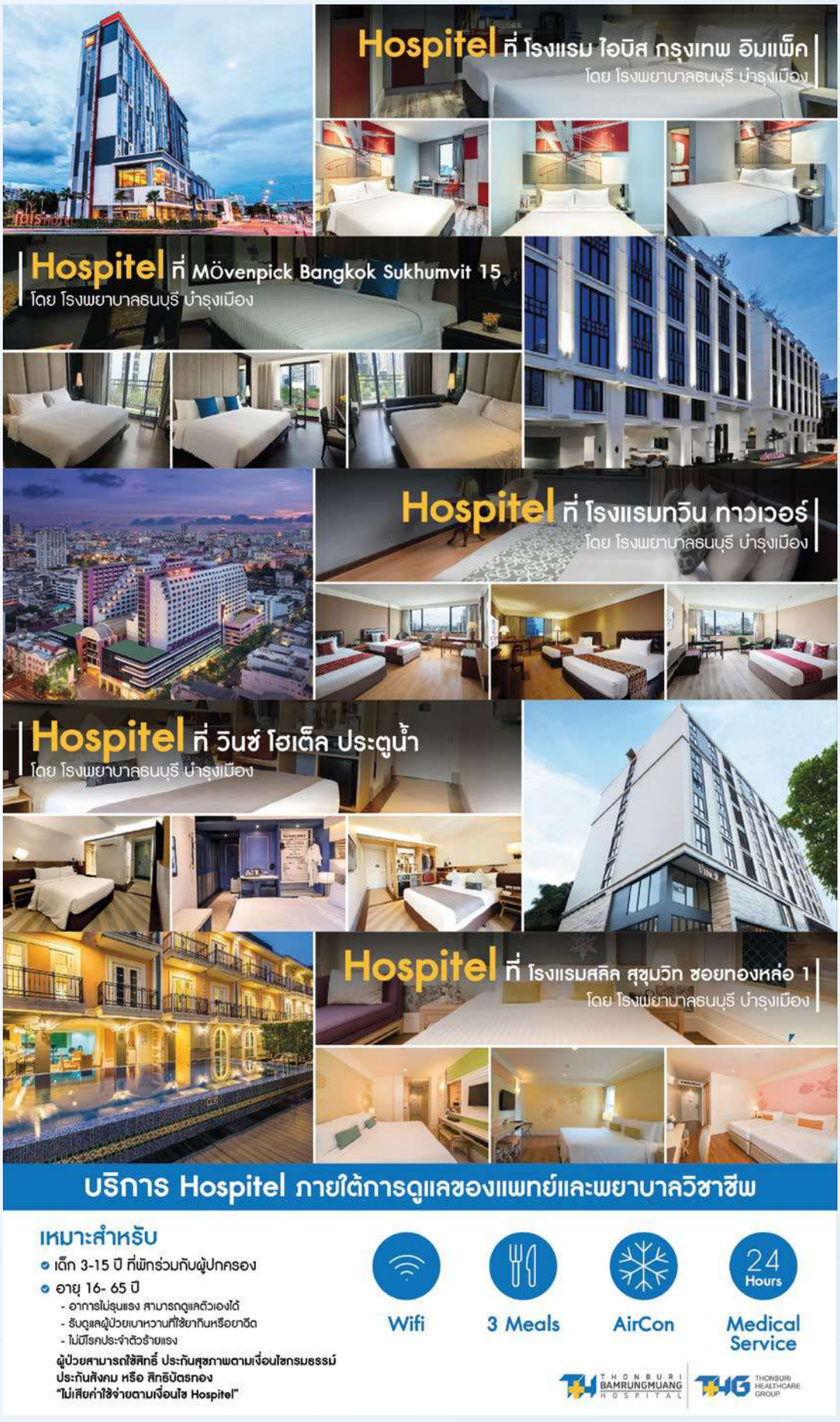
► Operations during the Covid-19 pandemic

In 2020-2021, the world had faced the Covid-19 pandemic, affecting people's daily lives and many business sectors. Since January 2020, the Thai government has issued measures and asked for cooperation from public and private sectors to take measures to contain and prevent the spread of the disease, such as social distancing, refraining from leaving home, working from home, and having strict measures for cross-provincial or international travel, required quarantine when traveling abroad etc. These affected a variety of businesses especially those that relied on users or tourists from overseas.

The hospitals under the Company's group have been affected but have dealt with the situation effectively and in a timely manner for the business to operate sustainably. The main aim was for the safety of patients and personnel. An example of the actions is as set out below.

1) Preparation of medicines and medical supplies

Due to the pandemic, there has been a shortage of medical supplies such as masks, N95 masks, personal protective equipment (PPE) and alcohol. The Company surveyed the needs of the hospitals within the group and made procurement and planning for proper use to ensure enough supplies for the protection of medical personnel and patients. This has reduced the risk of infection or transmission.


Hospitel ที่ โรงแรม ไอบิส กรุงเทพ อิมแพ็ค
โดย โรงพยาบาลธนบุรี บำรุงเมือง
Hospitel ที่ MÖvenpick Bangkok Sukhumvit 15
โดย โรงพยาบาลธนบุรี บำรุงเมือง
Hospitel ที่ โรงแรมทวิน ทาวเวอร์
โดย โรงพยาบาลธนบุรี บำรุงเมือง
Hospitel ที่ วินช์ โฮเต็ล ประตูน้ำ
โดย โรงพยาบาลธนบุรี บำรุงเมือง
Hospitel ที่ โรงแรมสลิล สุขุมวิท ซอยทองหล่อ 1
โดย โรงพยาบาลธนบุรี บำรุงเมือง
บริการ Hospitel ภายใต้การดูแลของแพทย์และพยาบาลวิชาชีพ
เหมาะสำหรับ
เด็ก 3-15 ปี ที่พักร่วมกับผู้ปกครอง
อายุ 16- 65 ปี
- อาการไม่รุนแรง สามารถดูแลตัวเองได้
- รับดูแลผู้ป่วยเบาหวานที่ใช้ยากินหรือยาฉีด
- ไม่มีโรคประจำตัวร้ายแรง
ผู้ป่วยสามารถใช้สิทธิ์ ประกันสุขภาพตามเงื่อนไขกรมธรรม์
ประกันสังคม หรือ สิทธิบัตรทอง
"ไม่เสียค่าใช้จ่ายตามเงื่อนไข Hospitel"
Wifi
3 Meals
AirCon
24 Hours
Medical Service
THONBURI BAMRUNGMUANG HOSPITAL
THONBURI HEALTHCARE GROUP

2) Management of space and structural system to reduce the spread of virus

In the first phase of the pandemic, affiliated hospitals made preparation to accommodate patients such as improving ventilation system and adjusting spaces to provide isolation for inpatients at risk of contracting the Covid-19. The outpatients were treated in the area separated from the main building to provide services to high-risk patients and people with respiratory symptoms, which are called ARI clinic (Acute Respiratory Infection clinic). The service process was adapted to reduce exposure, for example, at Thonburi Hospital, a separate drive-in unit was set up to provide medical examination and dispense services for those who had fever, cough, sore throat, without having to sit and wait or use the service in the main building.

In addition, during the first phase of the outbreak, the Company planned to renovate an area and build ICU care unit for patients, if there were a serious pandemic situation, as many hospitals did not have enough medical equipment and ventilators at that time.

3) Increase access to Covid-19 testing to help reduce the spread of the disease

worried and wanted to have Covid-19 testing, but the testing was not widely available causing long queues or the testing was limited to risk groups. The Company had introduced a drive-thru testing service at Thonburi 2 Hospital, Thonburi Bamrungmuang Hospital, and Sirivej Chanthaburi Hospital to facilitate customers, reduce exposure and congestion and exposure to large group of people, and obtain test results quickly. If a large group of people could access testing, it would be more likely to find infections. Patients would be aware faster, which helps to prevent and reduce the chances of spreading the infection.

4) Prepare cleaning and disinfection measures for the safety of personnel and customers

There is a temperature screening of those who come to use the service. The service process or device have been modified to reduce contacts. The touch points such as elevator buttons, sitting chairs, door handles are cleaned regularly. Areas have been organized to reduce congestion. Gels and alcohol sprays have been installed for disinfection.

5) Prepare treatment and personnel management plans to reduce risks

A meeting was held to formulate a treatment plan, training on how to use an anti-infective device, increase in the Covid-19 testing for patients undergoing surgery and grouping of personnel to reduce the risk of infection. Spacing is created for interactions between departments and re-arrangement of the dining area for a safe distance.

6) Personnel care

The Company has taken care of personnel in terms of safety from the pandemic, such as communication with employees, monitoring the situation, providing guidelines for safe behavior, providing Covid-19 insurance for personnel in the group, special screening for those who work with elderly patients such as Thonburi Burana Hospital. There is a quarantine area and care are provided, particularly for personnel in Ar Yu International Hospital in Myanmar which has a higher degree of the outbreak than in Thailand. In some provincial hospitals of the group, the Company has also taken care of the well-being by subsidizing for food to help affected employees.

7) Adapt to accommodate changing user needs

Due to the Covid-19 pandemic, customers have begun to change their behavior, such as reducing unnecessary hospital visits, adapting to become more familiar with the use of online technology. The Company has to provide services to meet the needs of patients such as delivery of medicines by mail for regular patients who could not travel, home visit for vaccination, and the development of telemedicine system to communicate with patients, conduct background check, track symptoms for both Thai and foreign patients who cannot come to see a doctor face to face.

▶ Innovation and Transfer of Innovation Developed Through Operations Responsible for Society, Environment and Stakeholders

The Company supports innovations developed both through internal process and through cooperation between organizations. Not only development of new things through new methods, innovations but also include changes to idea or production in order to create value-added products or services. The objective of innovations is to create changes in a positive way, so that better things shall be created and productivity shall be increased, which shall ultimately result in maximum benefits to the society.

Transfer of innovation is considered a socially responsible activity. The communication and notification to stakeholders for acknowledgement, both directly and indirectly, through various channels of communication, is necessary to ensure that the Company's information shall be distributed to, and shall reach, all stakeholders.

In 2021, the Company organized an innovation competition event to promote and encourage employees in the group to create innovations. There are incentive prizes worth more than Baht 230,000. Employees presented up to 20 projects in the competition, both as teams and as individuals.

In the past, the Company has promoted and encouraged employees to take initiatives and create many innovations, for example:

1) Super Safe Blanket which will be used with a large number of health checkup customers in order to feel safe and private for using the service resulting in the convenient and efficiency before using the service and it also reduce the waiting time. The customer has satisfied and this product has been developed to use with other patients in many ways in the hospital and in the treatment OPD room.
2) Healthcare of Cancer Patient, the cancer center has organized the healthcare system for cancer patients with personal nurse.
3) Knowledge Sharing in Caring of Continuous Patient Group through Home Health Care Channel and at present, it has been expanded to "Scan QR Code" for advice of caring of each patient.
4) Eiffel Tower, the urine bag hanging device which will prevent the urine bag to contact the floor. It shall help the patient after operation to have more convenient to perform daily activity and walking exercise. This device has been used in nurse department and rehabilitation center
5) Kangaroo Pants has received the innovation award 1st prize in area of nursing the neuropathy patient and patients with urinary catheterization. This pant will help patients to ambulate and prevent hematuria which will reduce UTI. The patients have satisfied and cooperated to do ambulate. This pant has registered the petty patent already.
6) Fall Off Shirt has registered the petty patent since January 2014 and it has been used in nurse department.
7) Innovation for expansion of lifetime of Board Control Main Power On-Off for Operation, the main power has been removed into the side of device and installed the breaker on-off for using easier and there was no request of repairment of lamp for operation in part of Board Control. It has been installed in all operation rooms including sleep lab.
8) Miracle Hand, the device to take filter of dialysis liquid core.
9) Drug label with other languages, this service has been provided to Myanmar, Cambodian and Chinese patients of OPD and IPD
10) Red Blood Cells Rescue Can, it will help adjust the time to keep blood stable from 30 minutes to 8 hours in order to reduce the loss of blood.
11) KOL (YUTH): Knowledge Out Lab (Yearly Update Thonburi Hospital), knowledge out lab through intranet which will have accurate result and will reduce the communication through telephone.
12) Nutrition Assessment through Food Lab, it will help adjust food to in line with symptom of each patient and medical treatment plan of doctor such as high cholesterol patient, hyperglycemia. It has been evaluated from time to time.
13) Nutrisurvey, it will provide knowledge on low cholesterol by using program with patient. It has received the award on research and development of well-being of Thai people with good health of Thai Dietetic Association.
14) Nutrition by social media, it has provided knowledge on nutrition and therapeutic nutrition through graphic information in form of easy understanding which is part of health promotion under the name of "Nutrition by Social Media" through visual storytelling cause to exchange knowl edge and can apply to daily life.
15) Innovation "Phuket Care" for the Aged Society in Future.

King's Prajadhipok Award of 2017 for the local administrative organization that have transparent and promote the participation of people which received by the Phuket Administrative Organization was the announcement of success of the project "Phuket Care" under the project "Sufficiency Health of Ten Thousand Beds Hospital" for supporting and caring of chronic patients in Phuket Province. Phuket Administrative Organization together with Village Health Volunteer of Phuket by having doctors and Public Health Team of Thonburi Healthcare Group Public Company Limited as the service provider of Hospital of Phuket Administrative Organization for more than five years, has been providing the services with well received by the public under the professional standard.

The concept of new management gives the first opportunity for private sector to jointly provide the public health services of Phuket Administrative Organization. The public health services by private hospital at the public place of public sector is the cooperation creatively and energetically for the benefit of the disadvantaged people which creates the aggressive position for health promoting. It has a preliminary health screening and follow up of risk patients and patients in complications including reporting of results to the hospital if sickness occurs of which it will facilitate patients to meet doctor efficiency. This strategy helps to reduce the burden of congestion of public health services of the hospitals in Phuket Province resulting in the doctors and nurses have more time to promote healthcare to the public.

From the lesson learn of the Phuket Care for the Aged Society by using the community-based long term care system whereby the aged people in the service area can submit his or her intention to receive these services from the public health service center of public sector and local administrative organization that have the integration of information technology system and the system that supports persons in family and community to participate in taking care of such aged people. The local administrative organization will support allowance of aged people, disabled people, compensation of Village Health Volunteer, Healthcare Fund and Rehabilitation Fund according to the laws. For the Ministry of Social Development and Human Security, it will support the budget for the establishment of the aged people fund and welfare of disabled people and disadvantaged people and the national saving fund and for National Health Security Office, it will support the health promotion together with the local administrative organization for the establishment of healthcare fund for community according to Section 39 (2) of the National Health Security Act, B.E. 2545 (2002).

The main mechanism of the capital of community is Village Health Volunteer and temple. School is the spirit center of community and training center for people in family and community to have skills for taking care of the aged people efficiency. The role of the medical team will follow the Phuket care model which is the providing of preliminary health screening, follow up of risk patients and patients in non-communicable disease: NCD. In addition, the community will organize the rehabilitation center and day care center in the community for the bedridden patient during people in family goes for work outside.

Ten Thousand Beds Hospital of Phuket Model that Thonburi Healthcare Group Public Company Limited (THG) creates innovation with Phuket Administrative Organization where the community can take care chronic patients and disabled people of which it is the light at the end of the tunnel that solve the problem of Thai Society which has to support a lot of budget to take care the aged people in the future.

► Contribution to the development of community or society

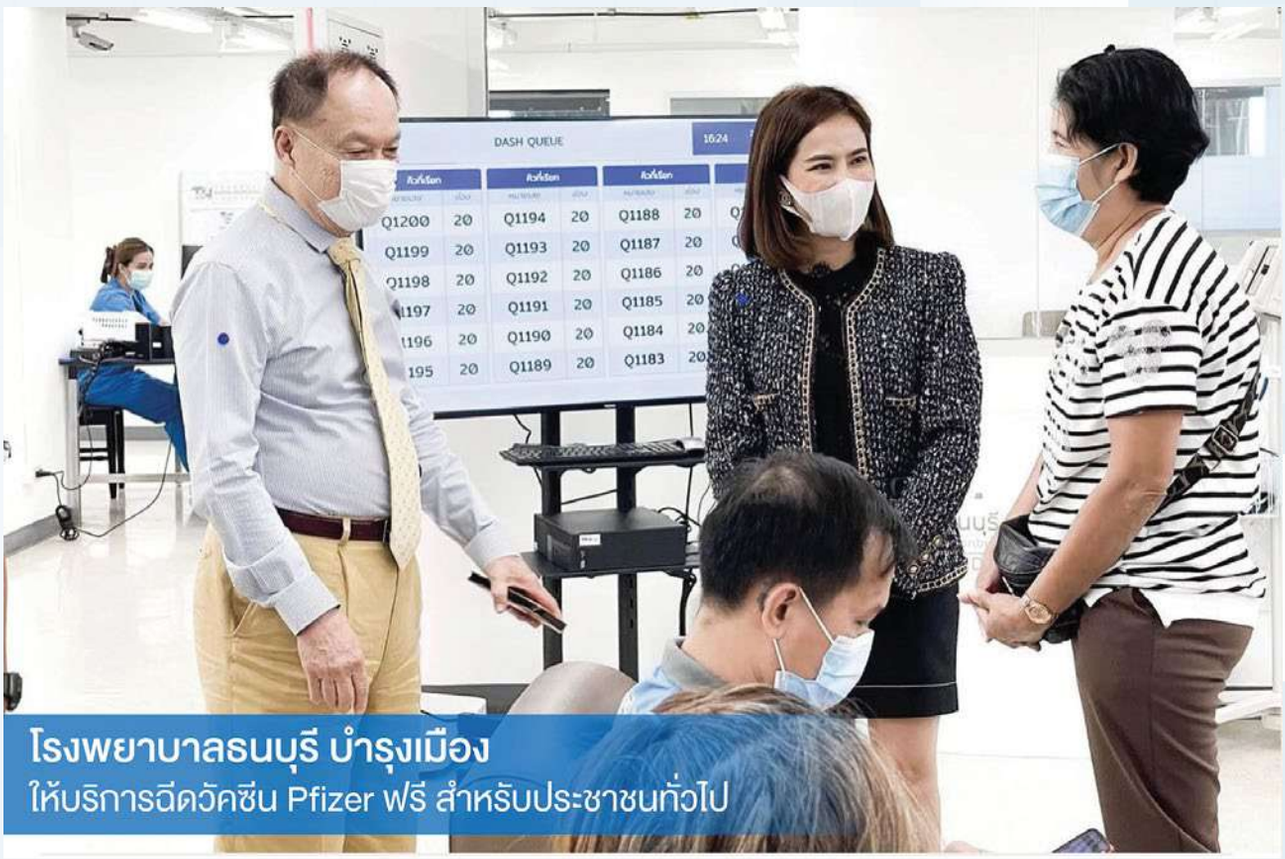
The Company places importance on activities to take care and be responsible to all stakeholders of the society and considered it part of business operations. The Company and its subsidiaries have organized public benefit activities by encouraging business alliances, entrepreneurs, and customers to participate in giving back to the society. The organized activities focus on the use of resources, knowledge and competence to create benefits for society and stakeholders, caring for the environment in the surrounding communities, providing health knowledge, and organizing activities to make people aware of health care. This will enable all sectors to grow together in a sustainable manner. However, the severe Covid-19 pandemic in the past year had made it necessary for everyone to maintain social distance. Personnel of the Company had to devote their physical and mental effort to caring for a large number of patients. Therefore, most of the activities are focused on enhancing health knowledge mainly through online media and to raise awareness and self-defense in the community. Examples of activities in the past year are as follows:

- **Educating people to take care of themselves**

The hospital sent staff to give out lecture at outside venues as the situation eased and information was communicated through the hospital's online channel, the JS 100 radio program "Volunteer Doctor Solving Health Problems" so that people could take care of their health and protect themselves.

- **Arrange mobile health check-up unit and screening for Covid-19 in vulnerable communities.**

- **Provide Covid-19 vaccination services to the public, fragile group and those who do not have access to vaccines.**



- **Support home isolation treatments**

Volunteer project for treating the Covid-19 for 70 years of Lao-Thai friendship. The Embassy of the Lao PDR in Thailand, the Thai-Laos Association for Friendship, and Thonburi Bamrungmuang Hospital sent medical personnel to care for Lao citizens in the capital of Vientiane, Lao PDR, who were infected with the Covid-19 and were being treated by home isolation. In addition, the project "Wan Sang Suk, Channel One 31" handed out survival bags in the hope of preventing the spread of Covid-19 outbreak and resolve it quickly as part of the 70th anniversary of the establishment of diplomatic relations between Thailand and Laos.

- **Blood donation**

The spread of Covid-19 has greatly reduced the number of blood donors and major hospitals across the country declared shortage in blood supply at the same time. The hospital realized that blood donation is essential for healing and saving lives and had organized event for blood donation activities from employees and the public, with measures and guidelines to build trust among blood donors.

- **Donate essentials to various agencies to be forwarded to those in need**

Dr. Boon Vanasin, the Chairman and executive of the Company donated van to the Drug Research Center, College of Public Health Sciences, Chulalongkorn University to be used in activities of the Drug Research Center.

Thonburi Bamrungmuang Hospital donated medical equipment to care for Covid-19 patients to Roi Et Hospital worth Baht 2,020,200, consisting of 8 aerators with high flow oxygen rate, 2 vital sign monitors and 3 units of oxygen production machine of 10-liter capacity.

Thonburi Healthcare Group PLC.
FY2021 Management Discussion and Analysis

Overview of FY2021 and 4Q21

In 2021, the ongoing COVID-19 pandemic continued to hit Thailand's economy severely after being repeatedly hit by the highly contagious variants, especially in the second half of the year when the number of COVID infections reached its peak at more than 20,000 cases a day, therefore, it raised the worries of COVID-19 and restrained people from going out, as well as many oversea patients could not fly to Thailand for treatment. Despite the worst pandemic situation in 2021, Thonburi Healthcare Group Public Company Limited (THG) remained to perform impressively. Overall, from its adaptability to response with the situation, THG's performance shows the positive net profit which comes from both the higher revenue and improving cost efficiency.

THG continues to cooperate with the government to help the social sector fight COVID-19 crisis starting from 2Q21 1) Provided screening service for COVID-19 patients both on-site and off-site, therefore, people have more convenient access to RT-PCR test. 2) At Thonburi Bamrungmuang Hospital, COVID-19 treatment was provided by turning all wards to take care of COVID-19 patients with moderate (yellow) and severe (red) symptoms. 3) THG worked with hotel operators by providing more than 1,000 medical staff and equipment to set up hospitels for patients with mild or no symptoms, with service beds of approx. 5,350 beds. (Bangkok approx. 4,600 beds and upcountry approx. 750 beds) However, the number of beds in Bangkok has decrease at the end of the fourth quarter due to the DELTA strain has been unraveled and the number of infected people has decreased. 4) THG cooperated with the government to operate three field ICU facilities to serve moderate and severe cases at MC 11 Field Hospital, Ratchaphiphat 2 Hospital and Bangkhuntian Hospital, totaling approx. 700 beds. 5) Support government, vaccine importer and set up Thai PBS-Thonburi vaccination center to offer COVID-19 vaccination services for public. 6) Collaborate with leading technology companies in Thailand to develop an alternative COVID-19 vaccine (Moderna) booking channel through

a digital platform for both the corporate sector and the individual sector. In November, started providing vaccination services through a network of 17 hospitals across Thailand.

Ar Yu International Hospital in Myanmar showed a better momentum from confidence in our standard despite domestic political situation and pandemic. Its core operational performance saw profits but the currency fluctuation caused THG to share its foreign exchange loss. Nevertheless, THG aimed to balance debt structure to mitigate risks from the currency fluctuation which started in 1Q22.

As for healthcare solution provider business, Jin Wellbeing County, a mixed-use project for elderly with medical services, had revenue from unit transfer lower than our target, although there is a continuous purchase. Customers delay their decision in booking or transferring residential units due to economic uncertainties causing a decrease in this business.

1Q22 outlook, THG continues to provide comprehensive care for COVID-19 patients, both in terms of prevention and treatment, THG offers both alternative COVID-19 vaccine (Moderna) and standard vaccines from government. In addition, THG continues to take care of patients through hospitels, approximately 2,000 beds, 3 field hospitals 700 beds.

For hospitals that THG has invested in the past few years, they started to have a better performance, especially, Thonburi Bamrungmuang Hospital, the financial gain at earnings before depreciation, amortization, interest and tax (EBITDA) level. To increase service capability, THG has opened a wellness center, including laboratory services (lab) to provide rapid and continuous service in the post COVID-19 care and plans to expand hospital for the elderly. In addition, THG also plan to attract more Thai customers by adopting advanced technology for treatment, to maintain competitiveness.

Key development in 2021

Increase of investment in subsidiaries, associates and related companies

1. Increase of investment in subsidiaries

The Board of Directors meeting No.1/2021 held on 28 January 2021 had a resolution to approve an additional investment in Thonburi Wellbeing Co.,Ltd. From THB 1,300mn to THB 1,500mn. Such additional investment did not affect to the Company's shareholding interest. (THG held 99.99% of shareholding interest)

The Board of Directors meeting No.2/2021 held on 23 February 2021, the Board of Directors approved the establishment of a subsidiary with the objective of operating the central procurement and distributing medical equipment., medical products and supplies. The company registered the establishment of Med access Co., Ltd. in Thailand with the Ministry of Commerce on 29 April 2021 with registered share capital of THB 1.00 mn (10,000 ordinary shares at par value THB 100.00 per share). THG held 100% shareholding interest. As of 31 December 2021, THG paid for all shares.

At the Board of Directors' Meeting No.8/2021 held on 20 September 2021, the Board of Directors approved the establishment of a subsidiary with the objective of operating the herbal pharmacy for medical treatment. The Company registered the establishment of Thonburi Canabiz Public Company Limited in Thailand with the Ministry of Commerce on 19 November 2021 with registered share capital of THB 100.00 mn (1,000,000 ordinary shares at par value THB 100.00 per share). THG held 75% of shareholding interest. As of 31 December 2021, THG paid for all shares.

2. Increase of investment in an associate

The Board of Directors meeting No.7/2021 held on 13 August 2021 had a resolution to approve an investment in Sirivej Chantaburi PCL. to be not less than the allocated amount. THG paid for shares in capital increase of 14,799,372 shares at THB3.50 per share, totaling THB51,797,802 in August 2021. This investment resulted in an increase of shares held by THG to be 31.92% from 31.87%.

3. Investment in a related company

The Board of Directors meeting No.5/2021 held on 30 June 2021 had a resolution to approve an investment in common shares of Thai Medical Glove Co.,Ltd. of 1,333,333 shares at THB150.00, totaling THB199,999,950. As of the investment date, THG held 7.40% of shares that THG paid for in July and August 2021.

The Board of Directors meeting No.8/2021 held on 20 September 2021, the Board of Directors had a resolution to approve an additional investment in common share of Rajthanee Hospital Public Company Limited by purchasing 6,000,000 ordinary shares from related company at price of THB 26.77 per share (par value THB 1.00 per share), totaling THB 160,620,000. THG fully paid for shares on 4 October 2021. This investment resulted in an increase of shares held by THG from 5.07% from 3.07%.

4. Investment in other company

The Board of Directors meeting No.10/2021 held on 16 December 2021, the Board of Directors acknowledge an investment in Thailand Longstay Company Limited by purchasing 151,019 ordinary shares at price of THB 28.00 per share, totaling THB 4,228,532. THG fully paid for shares in December 2021. THG held 15.10% of shareholding interest.

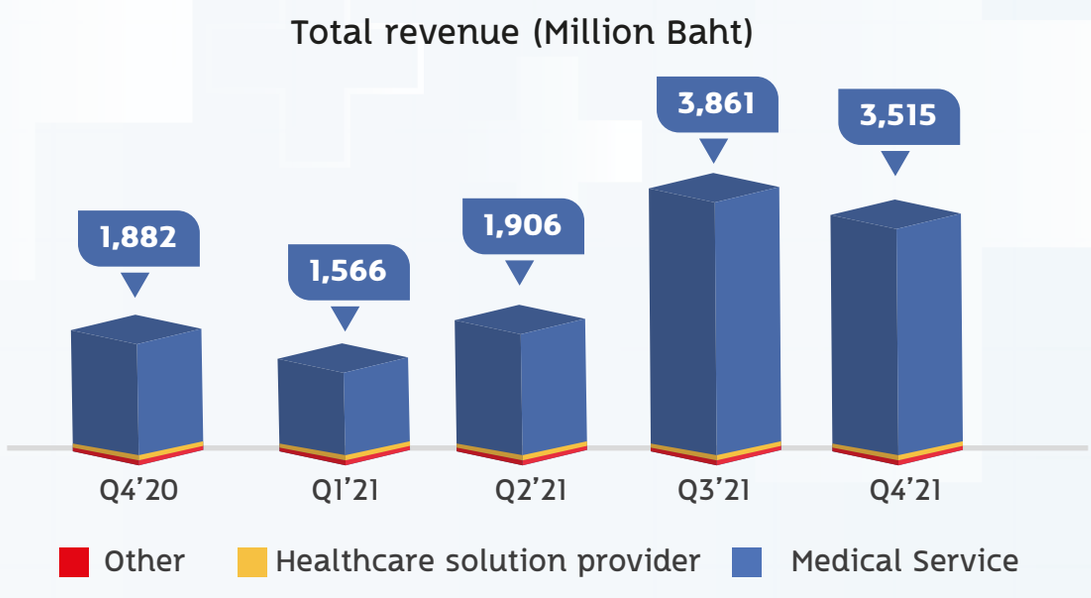
Termination of a management service agreement with a state-owned enterprise

On 15 January 2021, THG has terminated the management service agreement with a state-owned enterprise. As a result, the revenue from the medical service decreased by 3.6%.

Grand opening the elderly care center at Thonburi Health Village, Pracha Uthit.

On 22 November 2021, THG has received a license to operate elderly care center at Thonburi Health Village, Pracha Uthit. There has a specialty in taking care of patients (seniors, convalescent patients, bedridden patients, and chronic patients) by experienced medical teams and nurses with high-quality medical standards.

Summary of YE2021 performance compared to YE2020



Revenue

Total revenue was THB 10,848 mn, an increase of 48.3% from THB 7,315 mn. The increase was from the following factors.

Medical Service Business had revenue of THB 10,415 mn, an increase of 50.7% from THB 6,913mn. Due to the situation of COVID-19 outbreak, THG changed operations of Thonburi Bamrungmuang Hospital to fully treat COVID-19 patients. In addition, THG also in cooperation with the government to operate field hospitals and hotel operators to operate hospitels, including vaccination services to public. Revenues related to COVID-19 accounted for 30.8% of total medical service business revenue.

Healthcare solutions provider had revenue of THB 410 mn, decreasing by 6.2% from THB 386 mn, mainly due to economic uncertainty which caused a delay in decision making of customers of Jin Wellbeing Country. In the year 2021, eighteen residential units were transferred compared nineteen units in last year. However, to adjust the operation according to the situation, Thonburi Burana Hospital provided Drive-Thru COVID-19 screening service in front of Jin Wellbeing County facility, and vaccination service inside the facility since June 2021, and joined with hotel operators to take care of COVID-19 patients during 3Q21, resulting in a revenue of THB 220 mn. (the revenue generated by COVID-19 patients is included in Medical Service Business)

Costs

Total cost was THB 7,406 mn, increasing by 28.8% from THB 5,748 mn, with factors as follows.

Cost of medical service was THB 7,083 mn, increasing by 29.7% from THB 5,459 mn. THG effectively managed cost resulting in a ratio of cost to revenue decreased to 68.0% from 79.0%. Main costs in this year were

1) Construction cost from the investment in field ICU and equipment for COVID-19 treatment. Most of them recognized as expenses in 2021.
2) Rental fee at hospitels
3) Doctor fees and staff cost because THG sent medical staff to operate in filed ICU and hospitels
4) Lab, medicine, and medical supplies, chest x-ray, blood examination, for COVID-19 screening and treatment.

However, due to the end of a management contract with a public hospital caused a cost decrease of THB 61 mn or 4.4%.

Selling, general and administrative expenses

SG&A was THB 1,566 mn, increasing by 11.5% from THB 1,405 mn, the increase was mainly from staff cost that increased by 6.4% and depreciation by 2.9%. The increase caused by the operation of hospitels and filed hospitals when compared to total revenue, the SG&A decreased from 19.2% to 14.4%.

Financial cost

It was THB 299 mn, increasing by 6.4% from THB 281 mn. In 2021, THG has invested in COVID-19 project resulting in increased loan from financial institutions, including the construction in progress has completed during 3Q21 led to increase in financial cost. However, the average cost of und remains at the same level as the previous year.

Profit

Gross profit was THB 3,442 mn, increasing by more than 100% from THB 1,567 mn. Gross profit margin increased to 31.7% from 21.4% mainly due to the revenue increase from COVID-19 treatment. Also, costs and expenses were effectively reduced, resulting in a growth in revenue was higher than cost side. Therefore, gross profit margin improved. Looking at Gross profit excluding COVID-19 transactions, the percentage of Gross profit increased from 21.4% to 23.5% due to efficient cost management.

Net profit - parent was THB 1,337 mn, increasing by more than 100% from THB 62 mn, Net profit-parent margin increased to 12.3% from 0.9 %mainly due to higher revenue and effective cost management.

Financial Highlights

Financial statement 4Q

	Consolidated financial statements			Separate financial statements		
Profit and loss statements (million baht)	**4Q21**	**4Q20**	**YoY change**	**4Q21**	**4Q20**	**YoY change**
Revenue from medical service	3,413	1,776	92.2%	1,884	1,303	44.6%
Revenue from healthcare solution provider	98	103	-4.9%	-	-	-
Revenue from other businesses	4	3	33.3%	-	-	-
Total revenue	**3,515**	**1,882**	**86.8%**	**1,884**	**1,303**	**44.6%**
Cost from medical service	(2,150)	(1,353)	58.9%	(1,293)	(957)	35.1%
Cost from healthcare solution provider	(79)	(79)	-	-	-	-
Cost from other businesses	(4)	(2)	100.0%	-	-	-
Total cost	**(2,233)**	**(1,434)**	**55.7%**	**(1,293)**	**(957)**	**35.1%**
Gross profit	**1,282**	**448**	**186.2%**	**591**	**346**	**70.8%**

	Consolidated financial statements			Separate financial statements		
Profit and loss statements (million baht)	**4Q21**	**4Q20**	**YoY change**	**4Q21**	**4Q20**	**YoY change**
Selling, general and admin expenses	(434)	(347)	25.1%	(244)	(148)	64.9%
EBITDA	1,243	344	261.3%	528	341	54.8%
Normalized EBITDA	1,249	344	263.1%	577	341	69.2%
Financial cost	(78)	(75)	4.0%	(67)	(64)	4.7%
Net profit	674	26	2,492.3%	285	165	72.7%
Normalized net profit	682	26	2,523.1%	335	165	103.0%
Net profit - parent	**635**	**30**	**2,016.7%**	**285**	**165**	**72.7%**
Normalized net profit - parent	**643**	**30**	**2,043.3%**	**335**	**165**	**103.0%**

	Consolidated financial statements		Separate financial statements	
Margin	**4Q21**	**4Q20**	**4Q21**	**4Q20**
Gross profit margin	36.5%	23.8%	31.4%	26.6%
EBITDA margin	35.4%	18.3%	28.0%	26.2%
Normalized EBITDA margin	35.5%	18.3%	30.6%	26.2%
Net profit margin - parent	18.1%	1.6%	15.1%	12.7%
Normalized net profit margin - parent	18.3%	1.6%	17.8%	12.7%

Financial statement for the year ended

	Consolidated financial statements			Separate financial statements		
Profit and loss statements (million baht)	**FY2021**	**FY2020**	**YoY change**	**FY2021**	**FY2020**	**YoY change**
Revenue from medical service	10,415	6,913	50.7%	6,024	5,129	17.4%
Revenue from healthcare solution provider	410	386	6.2%	-	-	-
Revenue from other businesses	23	16	43.8%	-	-	-
Total revenue	**10,848**	**7,315**	**48.3%**	**6,024**	**5,129**	**17.4%**

	Consolidated financial statements			Separate financial statements		
Profit and loss statements (million baht)	**FY2021**	**FY2020**	**YoY change**	**FY2021**	**FY2020**	**YoY change**
Cost from medical service	(7,083)	(5,459)	29.7%	(4,131)	(3,847)	7.4%
Cost from healthcare solution provider	(309)	(278)	11.2%	-	-	-
Cost from other businesses	(14)	(11)	27.3%	-	-	-
Total cost	**(7,406)**	**(5,748)**	**28.8%**	**(4,131)**	**(3,847)**	**7.4%**
Gross profit	**3,442**	**1,567**	**119.7%**	**1,893**	**1,282**	**47.7%**
Selling, general and admin expenses	(1,566)	(1,405)	11.5%	(808)	(625)	29.3%
EBITDA	2,977	1,157	157.3%	1,782	1,075	65.8%
Normalized EBITDA	3,019	1,138	165.3%	1,903	1,266	50.3%
Financial cost	(299)	(281)	6.4%	(258)	(258)	-
Net profit (loss)	1,357	22	6,068.2%	931	460	102.4%
Normalized net profit (loss)	1,393	(63)	2,311.1%	1,046	584	79.1%
Net profit (loss) - parent	**1,337**	**62**	**2,056.5%**	**931**	**460**	**102.4%**
Normalized net profit (loss) - parent	**1,373**	**(23)**	**6,069.6%**	**1,046**	**584**	**79.1%**

	Consolidated financial statements		Separate financial statements	
Margin	**FY2021**	**FY2020**	**FY2021**	**FY2020**
Gross profit margin	31.7%	21.4%	31.4%	25.0%
EBITDA margin	27.4%	15.8%	29.6%	21.0%
Normalized EBITDA margin	27.8%	15.6%	31.6%	24.7%
Net profit (loss) margin - parent	12.3%	0.9%	15.5%	9.0%
Normalized net profit (loss) margin - parent	12.7%	-0.3%	17.4%	11.4%

Note: normalized values (before tax) exclude

1) Profit from disposal of JV investment in Welly Hospital, China of THB19mn in 1Q20 for Consolidated financial statements and loss from the disposal of the investment of THB236mn for separate financial statement in 1Q20
2) Income from deferred tax from JV in Welly Hospital, China of THB67mn in 1Q20
3) Net expense after tax from the end of the management service agreement with a government hospital amount THB 36 mn, comprising of THB21mn in 1Q21, THB7mn in 2Q21 and THB8mn in 4Q21

Financial status

As of 31 December 2021, THG had total assets of THB 23,799 mn, increasing by 17.4% from 31 December 2020. Significant changes are as follows.

Assets

Trade and other account receivable, including an advance payment for Moderna vaccine increased by THB 1,832 mn, mainly relating to COVID-19 treatment.

Liabilities

As of 31 December 2021, THG had total liabilities of THB 14,181 mn, increasing by 18.7%. Significant changes are as follows.

Trade and other accounts payable increased due to 1) payable to suppliers for COVID-19 treatment such as medical supplies, doctor fee, medical equipment, etc. 2) advance payment from Moderna vaccine.

	Consolidated financial statements			Separate financial statements		
Statements of financial position (million baht)	**31 December 2021**	**31 December 2020**	**Change**	**31 December 2021**	**31 December 2020**	**Change**
Current assets	7,019	4,892	43.5%	8,321	6,391	30.2%
Non-current assets	16,780	15,388	9.0%	14,055	13,222	6.3%
Total assets	**23,799**	**20,280**	**17.4%**	**22,376**	**19,613**	**14.1%**
Current liabilities	8,734	5,043	73.2%	6,854	4,068	68.5%
Non-current liabilities	5,447	6,906	-21.1%	4,638	5,467	-15.2%
Total liabilities	**14,181**	**11,949**	**18.7%**	**11,492**	**9,535**	**20.5%**
Total equity	**9,618**	**8,331**	**15.4%**	**10,884**	**10,078**	**8.0%**

	Consolidated financial statements		Separate financial statements	
Financial ratios	**31 December 2021**	**31 December 2020**	**31 December 2021**	**31 December 2020**
Current ratio (times)	0.8	1.0	1.2	1.6
Return on assets (%)	9.2	1.6	6.7	3.9
Assets turnover (times)	0.5	0.4	0.3	0.3

Financial ratios	Consolidated financial statements		Separate financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Return on equity (%)	15.7	0.8	8.9	4.6
Debt/ equity (times)	1.5	1.5	1.1	1.0
Interest bearing debt/ EBITDA (times)	3.5	8.7	5.0	7.9
Debt service coverage ratio (DSCR) (times)	2.4	1.4	2.3	1.8
Interest coverage ratios (times)	6.8	1.2	5.5	2.9

Capital management in 2021 compared to 2020

- **Net cash generated from operating activities** was THB 2,034 mn (compared to net generated of THB 441 mn in 2020), increasing by more than 100%because THG had a better operational performance.
- **Net cash used in investing activities** was THB 1,079 mn (compared to net use of THB 1,022 mn in 2020), increasing by 5.6%. In 2021, THG uses its cash to invest in associated and related companies, while in 2020, cash used for the hospital construction and asset purchasing.
- **Net cash generated from financing activities** was THB 28 mn (compared to net use of THB 413 mn in 2020), decreasing by more than 100% because THG had repayment loan to financial institutions.

Statement of cashflow (million baht)	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net cash generated in operating activities	2,034	441	1,667	985
Net cash used in investing activities	(1,079)	(1,022)	(984)	(1,397)
Net cash generated in financing activities	28	413	180	295
Net (decrease)/increase in cash and cash equivalents	983	(168)	863	(117)
Cash and cash equivalents at the beginning of period	495	663	304	421
Unrealized exchange gain in cash and cash equivalents	4	-	4	-
Cash and cash equivalents at the end of period	1,482	495	1,171	304

THONBURI HEALTHCARE GROUP

General Information and Other Significant Information

General Information

Company Information

Company Name	:	Thonburi Healthcare Group PCL.
Company Registration No.	:	0107537002753 (former No. PLC. 522)
Registration Date	:	21 December 1994
The headquarters	:	No. 34/1 Soi Issaraparp 44, Issaraparp Road, Baan Chang Lor Sub-district, Bangkok Noi District, Bangkok 10700 Tel. +662-487-2000 Hotline 1645 Fax. +662-412-7343
Website	:	www.thg.co.th
Business type	:	Medical Services Business and Hospital Management Service
The number and type of shares	:	847,467,400 ordinary registered shares (The Company has decreased in paid-up capital from 849,080,000 shares to 847,467,400 shares by writing off the unsold amount of the repurchased shares, totaling 1,612,600 shares, which has registered with the Ministry of Commerce on 3 February 2022)
Registered capital	:	847,467,400 Baht at par value of 1 baht per share
Issued and paid-up capital	:	847,467,400 Baht, 847,467,400 shares at par value of 1 baht per share

References

Share Registrar	:	Securities Depository Company (Thailand) Limited The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel. +662-009-9000 Fax. +662-009-9992
Auditor	:	Mr. Krit Chatchavalwong, C.P.A. (Thailand) No. 5016 PricewaterhouseCoopers ABAS Ltd. 179/74-80 South Sathorn Road, Khwaeng Tungmahamek, Khet Sathorn Bangkok, 10120 Tel. +662-844-1000 Fax. +662-286-4440

Legal Dispute

There are no pending legal disputes that may affect the assets of THG or its subsidiaries more than 5 percent of the shareholders' equity as of 31 December 2021

Corporate Governance Policy

1. Overview of Corporate Governance Policies and Practices

The Board of Directors believes that the good corporate governance will make the Company's business operation to be efficient, transparent and fairness with all stakeholders and to build creditability and to increase competitive ability of the group's company to achieve its sustainable growth. Therefore, it has determined to have the corporate governance manual which is disclosed on the Company's website (https://www.thg.co.th/storage/ir/downloads/cg-principle/20200522-thg-cg-ethics-en.pdf) The overview is as follows:

1.1 Policy and Guidelines on Board of Directors

The company has set the corporate governance policy by considering significant factors, including the responsibility of directors. Related policies are as follows:

Composition, qualifications, responsibilities, term, and meetings of the Board of Directors

In accordance with the Board of Directors' Charter in the Corporate Governance and Ethics Handbook (https://www.thg.co.th/storage/ir/downloads/cg-principle/20200522-thg-cg-ethics-th.pdf) which is regularly reviewed at least once a year. The Board of Directors Meeting No. 8/2021 held on 20 September 2021, has reviewed, and amended the charter of the Board of Directors to comply with the principles of good corporate governance.

The Board of Directors focus on the performance of the Independent Director of which it shall be independent from the management team and shareholders who have controlling power and shall not have business relationship with the Company in the way that may have limitation on providing independent opinion. In addition, the term of Independent Director shall not be more than three 3 consecutive terms or not more than 9 years in total without exception.

The Chairman of the Board of Directors or the person assigned by the chairman have a duty to call the meeting. The meeting schedule is scheduled in advance throughout the year and informed to the Board of Directors at the beginning of the year. For each meeting, notice to the meeting and supporting documents for the meeting will be send to directors at least 7 days prior to the date of meeting, except in the event of urgent matters that are required to protect rights or benefits of the Company, notice to the meeting may be sent via other methods or the date of meeting may be earlier than such prescribed notice period.

Nomination and determination of remuneration of directors and executives

The Board of Directors has assigned the Nomination and Remuneration Committee with responsibilities on formulating policy, criteria, and methods in nominating the Board of Directors and the Chief Executive Officer. The Nomination and Remuneration Committee is also responsible for formulating policies, criteria and methods in determining monetary and non-monetary compensations of the Board of Directors and sub-committees and guidelines for, and performance assessment of directors and the Chief Executive Officer for consideration on adjustment of annual benefits.

In selecting persons for appointment as the Company's directors and executives, such persons must possess qualifications, capabilities, and experience that are useful and appropriate to the Company's nature of business, strategies, future plans and have comprehensive understanding of the business. The selection process must be transparent to acquire people with different capabilities, skills, genders, and ages. This in line with the organization's strategy which is to build an ability to cope with challenges from changing needs of stakeholders.

Independence of the Board of Directors from the management

The Board of Directors is a leader who drives the organization by supervising the business operations to be in accordance with objectives and goals that are given to the management. Therefore, the performance of duties by the Board of Directors is linked to the management. Scope of duties and responsibilities of the Board of Directors, the Chairman of the Board of Directors and the management have been clearly defined in order to create an understanding in working together and promote the balance of power, which allows the Board of Directors to independently oversee the duties of the management.

Performance assessment of directors

The Company arranges for a performance assessment of the Board of Directors at least once a year by adjusting the Board Self-Assessment Form of the Stock Exchange of Thailand to be in line with the charters of sub-committees. The assessment serves as a framework for reviewing business operations, problems, and obstacles arising in the past year and is used for work improvement. There are 3 types of assessment, namely performance assessment of the entire Board of Directors, performance assessment of each sub-committee, and performance assessment of each individual director.

Director Development

The Company wishes the directors to develop their knowledge and skills in the performance of duties regarding the business of the company, good corporate governance principle and other training courses that are useful for the duties. The Company encourages the directors to attend training courses held by the Thai Institute of Directors and other institutions in the relevant courses.

Succession Plan for high-level executives

The Company has a plan to select qualified personnel for all key positions with appropriate and transparent to ensure that the Company will have professional management. The human resources department will prepare the successor plan of the Chairman of Executive Committee, managing director and the management of the Company to propose to the Board of Directors for consideration as Policy for Succession Plan in Corporate Governance and Business Code of Conduct Handbook.

Management of subsidiary and associated companies

The Company has a policy to invest in subsidiary or associated company which support the Company's business operations and of which investment would create synergy, generate additional revenue streams, and increase profitability of the Company. The Company will consider proportion of investment, expected profitability, possible risks, and financial status of the target companies prior to making investment

decision. Any investment decision must be approved by the authorized person according to the authorization procedure. The company shall appoint suitably qualified and appropriate experience representative as director of investee company to set key policies and for good corporate governance of subsidiaries and associated company.

Policy for management of subsidiary and associated companies

1) The Company has set guidelines in exercising rights by its representatives in shareholders' meeting of subsidiary and associated company to be consistent with the proportion of share holding in subsidiary and associated company. This is also for compliance with Guidelines for Good Corporate Governance and maintain maximum benefits to the Company, its subsidiaries and associated companies, and other shareholders.
2) The Company determines management structure of subsidiaries and associated companies in order to oversee management and operations of its subsidiaries and associated companies as if they were units of the Company. To look after its investment, the Company shall have the following procedures for monitoring the management of its subsidiaries and associated companies:
   (1) Nomination of its representative as director of subsidiary and associated company
   (2) Roles and responsibilities of director of subsidiary and associated company
3) The Company' s director will continually monitor the financial status and operating result of the Company's subsidiaries and associated companies to in line the business plan and budget and also monitor its subsidiaries to disclose related party transaction and acquisition or disposal of assets to the Company in accordance with the relevant Notifications of the Capital Market Supervisory Board and the Board of the Stock Exchange of Thailand.
4) The Company' s director shall procure its subsidiaries to have the appropriate and sufficient internal control system to protect any frauds that may have including providing channel for directors and executives of the Company to access the subsidiaries' information for monitoring their operating result and financial status, related party transaction between subsidiary and director and executive of subsidiary and entering into significant transaction of subsidiary efficiently and implementing of work checking system by internal audit and independent directors of the Company to ensure that subsidiaries continually comply with the work procedures.
5) Directors and management of subsidiary must disclose and deliver information regarding personal of interest, including interest of their related persons, in relation to any transaction or in other business which might raise conflict of interest with the Company, subsidiary, board of directors of subsidiary or person authorized by subsidiary within the period of time as prescribed by subsidiary. Such information shall be used as supporting information for decision making or passing any approval by considering overall benefits of subsidiary and the Company as critical factors. Directors and management of subsidiary shall not participate in the consideration of any matter of which they have personal interest or conflict of interest.

6) Directors and management of subsidiary, including any person related to such directors and management, have the duty to inform to the board of directors of subsidiary relationship and transaction with subsidiary which might raise conflict of interest and avoid entering into transaction which might raise conflict of interest with subsidiary. The board of directors of subsidiary has the duty to inform such matter to the Company for acknowledgement.

   The following acts, which result in directors, management or any person related to subsidiary gaining financial benefits other than that ordinarily received or cause damages to subsidiary, are presumed to be material conflict of interest with subsidiary:

   (a) any transaction between subsidiary and director, management or any connected person which is not in compliance with rules regarding connected transactions;

   (b) use of known information of the Company and subsidiary, except information which has been publicly disclosed; or

   (c) use of asset or business opportunity of the Company and subsidiary in a way which violates the rules or general practice as prescribed by the Capital Market Supervisory Board.

7) Subsidiaries must report a business plan, expand a business, cooperation with other entrepreneur to the company and report quarterly. The company has an authority to request the subsidiary to clarify or submit an enclosure for consider. The Subsidiary must comply strictly.

8) If the Company finds any material issue, it may request subsidiary to clarify and/or deliver document as supporting information for its consideration.

9) Directors, management of, or any person related to, subsidiary may enter into a transaction with subsidiary only upon receiving approval from the Board of Directors of the Company or the Company's shareholders meeting as required based on transaction size calculated pursuant to the rules of the Connected Transaction Notifications. Exceptions apply where transaction is with terms and conditions similar to transaction with other counterparties under the same circumstances, the position as director, management or related person, as the case may be, do not have influence on the transaction, and trade terms and conditions of the transaction have been approved by the Board of Directors of the Company or in line with principles as approved by the Board of Directors.

Policy for financial control of subsidiary and associated company

1. Subsidiary and associated company have duties to submit to the Company monthly operating results and quarterly financial statements reviewed by auditor, including supporting information used for the preparation of such financial statements of subsidiary and associated company. Subsidiary and associated company shall give consent to the Company for the use of such
2. Subsidiary and associated company responsibilities to performance report and summary results an operating quarterly. Include to follow implementation plan for report to the company.
3. Subsidiary and associated company have duties to report significant financial issues to the Company upon discovering the issues or upon request of the Company to review and report

1.2 Policies and practices about shareholders and stakeholders

Rights of Shareholders

(1) The Company has policy to provide information on date, time, venue and agendas of the shareholders' meeting including all information relating to matters that require resolution of the shareholders' meeting in advance sufficiently and timely for each of shareholders' meeting by providing the shareholders to have to right to be informed agendas 21 days before the date of the meeting. It also discloses the full version of invitation letter of shareholders' meeting in Thai and English on the Company's website for shareholders to review the information before the date of the meeting and to facilitate the shareholders and foreign investors. The Company will not propose additional significant information during the shareholders' meeting and the Company will not add new agendas or change significant information without prior notice.

In the shareholders' meeting of 2021, the Company has circulated the invitation letter to the shareholders 21 days in advance. The Company has held the shareholders' meeting on 23 April 2021 and has disclosed the full version of invitation letter of shareholders' meeting in Thai and English on the Company's website for shareholders on 22 March 2021 for the shareholders to review the information 30 days before the date of the meeting.

(2) The Company has published the invitation letter of shareholders' meeting in the newspaper 7 days before the date of the meeting.

(3) Granting the rights to shareholders to consider the remuneration of directors in all forms every year.

In the shareholders' meeting of 2021, the Company has proposed the shareholders to consider the policy, criteria and amount of compensation of the Chairman, directors and sub-committees in both of monetary compensation such as the directors' annual compensations and meeting allowances and non-monetary compensation such as medical welfares for Thonburi Hospital which is the same criteria as the Executive of Thonburi hospital.

(4) The shareholders have the right to consider and approve the appointment of each director in order for the shareholders to appoint the directors that are truly needed.

(5) In the shareholders' meeting, the Company invites the auditor and legal adviser to act as the independent witness in the vote counting.

(6) Equal rights for all shareholders to propose the agenda of the shareholders' meeting and send questions in advance including sending names of candidates for appointment of directors.

The Company has notified the shareholders in the SET's website and Company's website to propose agendas for the 2021 Annual General Meeting of shareholders and to propose the names of candidates who have qualification to be appointed as the Company's director from 1 October 2020 to 15 January 2021 including sending questions in advance for the shareholders' meeting from 1 October 2020 to 19 April 2021, which can be sent to the Company by letter or email

(7) Policy on facilitating and promoting the shareholders and institutional investors to attend the shareholders' meeting.

The Company opens the registration 2 hours in advance, prepares the meeting venue and procures its officers to provide services, uses the barcode system for registration and vote counting for convenience, prepares stamp duty without charge. The Company also facilitates shareholders who cannot attend the meeting by preparing the proxy form according to the notification of Department of Business Development for Proxy Form A, Proxy Form B and Proxy Form C (for custodian) to such shareholders to proxy their rights to any persons or the Company's independent directors to vote on their behalf. The company also has contained a business envelope in an envelope of documents sent to shareholders. That allows shareholders to send proxy forms to the company correctly without the cost of delivery.

(8) The Company has given importance on the quality of invitation letter of the 2021 Annual General Meeting of shareholders' meeting as follows:

8.1 To clearly determine agendas such as the agenda on appointment of each director, agenda on approval of compensation of directors and sub-committees and other compensations.

8.2 To provide profile of candidate to be appoint as director for shareholders' consideration.

8.3 To provide details of auditor including audit fees for shareholders 'consideration in advance.

8.4 To notify the dividend policy, the proposed dividend amount including the reason and information.

8.5 To inform reason and rational of each agenda.

(9) The Company has given importance of the minutes of the 2021 Annual General Meeting of shareholders' meeting as follows:

9.1 To record the voting method and to inform the vote counting to shareholders in advance and to use the ballot.

9.2 To record the questions and answers which the Chairman of the meeting has given the opportunity for shareholders to make any questions or suggestion to allow shareholders who are not attending the meeting to acknowledge.

9.3 To record resolutions of each agenda whether approved, not approved or abstain.

9.4 To record the participation of directors to reflect the responsibilities to the shareholders.

9.5 To disclose the shareholders' resolution together with the voting result within next day before 9.00 AM by sending the disclosure through the SET's website.

9.6 After each shareholders' meeting, the Company will collect the details of the meeting consisting of agendas, resolutions, voting including questions and answers of shareholders to produce "minutes of shareholders' meeting to disclose on the Company's website within 14 days from the date of the meeting which is in accordance with the rules of the Office of SEC and the SET.

(10) The participation in the shareholders' meeting of the Chairman of the Board of Directors, the Chairman of sub-committee and senior managements.

The Company has encouraged its directors and managements to attend the Company's shareholders' meeting for the responsibility to the shareholders. In the previous year, the Chairman of the Board of Directors, the Chief Executive Officer, the Chairman of the Audit Committee, the Chairman of the Nomination and Remuneration Committee have attended the meeting to provide answers to the shareholders' questions.

(11) The Company has selected the meeting venue close to the headquarter which have public transport and it can travel both by car, boat, private car and have adequate parking allowing share holders to travel to the meeting conveniently.

Equitable Treatment of Shareholders

(1) The Company has disclosed the voting right, informed the rules and procedures on the attending the shareholders' meeting in the invitation letter and on the date of the meeting, the moderator shall inform the meeting's rules and voting procedure for shareholders acknowledgement in the meeting and it has also recorded the rules and procedure on voting in the minutes of meeting every time.

(2) The Company has determined the policy on inside information of executives, employees and directors for their acknowledgement and compliance to prevent the securities trading by using the Company's inside information. The Company shall not provide undisclosed information to any shareholders and shall provide equality on the Company's information to prevent any conflict of interest and using inside information for themselves or others in a wrongful way of which it has been disclosed to employees, executives and directors for their acknowledgement.

(3) The Company has disclosed the information on related party transaction sufficiently including the opinion of the Board of Directors, opinion of independent advisor for shareholders' consideration before the shareholders' meeting.

(4) The related party transactions have been made with fairness in accordance with market price and normal market conditions.

(5) The Company has provided documents and recommendation of proxy in the invitation letter and has also facilitated the shareholders who cannot attend the meeting by providing the proxy form together with the invitation letter and providing stamp duty for the proxy in front of the meeting room without charge including not determine any special rules that will cause difficulties in attending the meeting.

(6) The Company has given opportunity to the shareholders to receive up-to-date information through the Company's website.

Roles of Stakeholders

The Company has realized on the important of role of stakeholders and has treated all stakeholders fairly whether internal stakeholders such as directors, employees and executive directors of the Company

and external stakeholders such as shareholders, customers, business partners, creditors, competitors, social and environment, government sector and relevant organizations including rights under the laws or contractual obligations. The Board of Directors has determined the guideline for transparency and fairness to all stakeholders as follows:

(1) To determine policy to treat each stakeholder by taking into account the right of stakeholders according to the laws or contractual obligations that made with the Company, and it shall not take any actions that may violate the right of such stakeholders and to determine the compensation measure if the stakeholder suffers from any loss arising from the violation of rights.

(2) To determine the policy on treatment with the stakeholders of each group and to provide channel to communicate with stakeholders of each group appropriately and sufficiently.

(3) To develop mechanism for participation of stakeholders to support the Company's performance in order to create sustainable stability for the business and disclose important information relevant to those stakeholders sufficiently in order to be able to perform the duty of the said participation effectively.

(4) To determine the policy on whistleblowing and complaint to the Board of Directors on the issue of illegal action, accuracy of financial report, failure of internal control system or unethical behavior and to determine to mechanism to protect the right of such whistleblower.

(5) To determine the policy on corporate social responsibility, particularly the issue that may have direct impact to the business operation to ensure that relevant parties are confident that the business operations of the Company have considered environmental and social factors for sustainable development.

Whistle Blower Policy

The Company has given the opportunity to directors, executives, employees and internal and external stakeholders of the Company and its subsidiaries to report suspected illegal acts, complaints or recommendations relating to illegal or unethical acts, incorrectness of financial reports, corruption or deficiency in internal control system of the Company or its subsidiaries. The Company shall investigate and find facts relating to such report, complaint or recommendation in order to determine appropriate measures or actions. Such information can be reported via the following channels:

Via Phone	Head of the Internal Audit Department 081-613-3539
Via E-mail	BOD@thg.co.th or AC@thg.co.th or Internal Audit Department IA@thg.co.th
Via Website	www.thg.co.th
Via Mail	Submit Whistleblower Report Form To **"Recipient of Whistleblower"** **Board of Directors, Chairman of the Audit Committee, Head of the Internal Audit Department** Thonburi Healthcare Group Public Company Limited Thonburi Hospital Building 34/1 Itsaraparp Road, Ban Chang Lo, Bangkok Noi, Bangkok 10700

Whistleblower Procedures

The internal audit department shall preliminarily monitor, collect, search for facts and verify the information and prepare summary on complaints to the Chief Executive Officer. The Chief Executive Officer shall set-up Investigating Committee to verify the information and investigate. Members of the Investigating Committee who shall participate and observe in considering the complaints include Director of Human Resource Department or a representative of the unit, supervisor of the informant who shall not have any conflict of interest with the informant, a representative from the Risk Management Committee, Secretary of the Audit Committee or a representative from the Audit Committee.

Following the investigation, the Internal Audit Department shall prepare a report and propose measures for complaints to the Audit Committee. In case of complaints relating to reputation, image or financial positions of the Company or any matter contrary to policies on the Company's business operations or relating to high-level executives, the Audit Committee shall propose such complaints to the Board of Directors for consideration.

Whistleblower Protection Policy and Confidentiality

The Board of Directors has set a policy and procedures for protection of whistleblowers. Information from whistleblowers shall be kept confidential. The person obtaining information from performance of his/her duty relating to such matter shall keep information, complaint and documentary evidence of whistleblowers confidential. Information should not be disclosed to non-related persons, unless the information is required to be disclosed according to the laws.

Disclosure of Information and Transparency

The company has a policy to accurately, completely and transparently disclose significant information about the company, including financial and non-financial information or other information that may affect the company's stock price or investors' or stakeholders' decision making. Such action shall meet with all the measures and regulations set by SET and SEC in order to ensure that all stakeholders have the right to equitably receive information. Such information can be viewed on the company's website at http://www.thg.co.th.

The company gives high importance to good internal control system and has assigned the Internal Control Department to supervise the operation of each business. This will prevent errors and ensure transparency in its operations. The department will regularly review and submit a report to the Audit Committee for consideration.

Prevention of using Internal Information

To ensure that the investors of the Company receive the reliable information equally and punctually. Therefore, the Company set the Insider Trading Policy as the following details:

1. Roles and Responsibilities

(1) The Board of Directors has delegated responsibility to the Audit Committee for overseeing this Policy to ensure that board of directors and executives comply with the established rules and guidelines in trading the company's Securities.

(2) The Company's secretary has responsibility for providing recommendation to the Company's directors, executives and officers in compliance with this policy including communicating and providing knowledges and understanding and providing responses for any inquiries or inter pretations if there have any doubts and notifying the blackout period in advance to support the persons who have obligation to comply with the regulations.

(3) All executives are responsible for ensuring that every person who reports to them is made aware of and understands this Policy.

(4) Board of directors, executives and employees must strictly adhere to this Policy when trading the company's Securities in the Stock Exchange of Thailand (SET) or Trading Center as well as communicate this Policy to their spouses and minor children.

2. Procedures

(1) Insider Trading Prohibition

Legal Person must comply with the insider trading prohibition as defined in Section 241 of the Securities and Exchange Act, B. E. 2535: " In the purchase or sale of securities which are listed in the Securities Exchange or traded in an over-the-counter center, no person, whether directly or indirectly, shall purchase or sell, offer to or sell or invite any other person to purchase, sell or offer to purchase or sell securities which are listed in the Securities Exchange or traded in an over-the-counter center in such a way as to take advantage of other persons by using information material to changes in the prices of securities which has not yet been disclosed to the public and to which information he has access by virtue of his office or position, and whether or not such act is done for his own or another person's benefit, or to disclose such information so that he will receive consideration from the person who engages in the aforesaid acts."

(2) Blackout Period

To suggest the person prescribed by law to be cautious when trading the company's securities before disclosing information to the public.

3. Guidelines for Confidentiality, Information Security and Insider Trading Prevention

All staff of the Company have to acknowledge the process of information security to protect the confidential information as well as the wrongful insider trading.

(1) Guidelines for Confidentiality

A) Set the confidentiality of the information, which are disclosed and undisclosed information that internal information sharing must be within the framework and responsibilities.

B) Security and concealment of customer and commercial information. The Company shall secure and conceal the customer information and commercial information secretly and shall not disclose to the employees of the Company as well as the outsiders who have no concern unless it is law regulation to disclose which shall be the disclosure for the propose of lawsuit or the Executive Committee approves for the disclosure

(2) Information Security

If such information has not been disclosed to the public yet, the selected persons of the Company are not permitted to disclose such inside information to other persons without permission. This is for fairness and equality of using the inside information of the Company which will increase the confidence to the shareholders, investors and relevant parties. The Company has determined the prohibition that the selected persons of the Company are not permitted to disclose inside information of the Company which is fact that may significantly change the price of securities and such information is not disclosed to the public whether for trading of securities or inviting other persons to purchase, sell or offer to purchase or offer to sell the shares of the Company, whether by himself or by agent, for his own or other benefit. If there is unlawful using of inside information for the benefit of trading securities of the Company whether for speculating or creating advantage for any group of people, such action shall be deemed illegal under the Securities and Exchanges Act and discipline under the Company's policy.

(3) Protection Internal Information

A. The report of securities holding

The Board of Directors and the executives position in accounting or financial line shall report the securities holding of oneself, spouse and minor children of majority according to the regulation of The SEC Act B.E. 2535 (including the amendment) (" The SEC Act") , the notification of The Office of the Securities and Exchange Commission and the relevant notification of SEC. The report shall be submitted to company secretary before submitting to The Office of the Securities and Exchange Commission or the SET by requesting the Company Secretary to prepare summary report to propose to the Board of Directors for acknowledgement.

B. The report of changes in securities holders

The Company assigns the directors, executives as well as the persons holding the position in accounting or financial line who is responsible for the operation, executives, auditors, employees, spouse and minor children of majority of these people to report the amendment of securities holder to the Office of the Securities and Exchange Commission ("SEC") according to The SEC Act B.E. 2535 (as the amendment) and submit the copy of report to company secretary on the same day of the submission to the SEC.

4. Preventive measure of Computer system and information security

(1) Restrict the access to the disclose information only for the top level of executives and disclose to the employee as appropriate. Inform the employee that the information is confidential and has limitation on the use.

(2) Set the security system in the workplace to prevent the access and the use of file data and confidential file.

(3) The owner of information that is not yet disclosed to the public shall emphasize the relevant person to follow the security process strictly.

5. Penalty for insider trading

The offender shall be punished by law.

Conflict of Interest Prevention

The Company attaches great importance to transparent transactions that are beneficial to the Company. Therefore, it is important to prevent transactions which may pose a conflict of interest. Connected transactions or related transactions are subject to the following principles:

(1) Directors and management must inform the Company of any relationship or related party transactions that may cause a conflict of interest and file a report stating their own and their related persons' interests in the management of the Company or subsidiaries to the company secretary. The company secretary shall deliver a copy of such a report to the Chairman and Chairman of the Audit Committee within seven days upon the receipt of the report.

(2) In order to avoid connected transactions with directors, executives or related persons that may pose a conflict of interest for the Company any possible such transaction will be subject to Audit Committee consideration before being proposed to the Executive Committee or the Board of Directors. This to ensure that any such transactions are in accordance with the rules on entering into connected transactions and in line with good corporate governance.

In addition, all directors and employees of the Company shall avoid any conflict of interest that may impact their duties by adhering to the following guidance:

(1) Not engaging in competing or similar business as the Company.

(2) Not being a partner or shareholder or executive with decision-making power in a competing businesses or similar business as the Company. In case such engagement is is inevitable, it needs to be reported to the supervisor immediately.

(3) Avoiding involvement in any activity that may pose a conflict of interest with or for the Company and avoiding financial obligations in any form with a business related to the Company or employees of the Company itself.

(4) Avoid any work other than the work assigned by the Company that may have an adverse effect on Company tasks in any way.

(5) All employees must disclose when a situation is believed to cause a potential conflict of interest. If employees suspect that there will be a conflict of interest or something that could make others think of a conflict of interest, they shall report to their supervisor.

(6) For entry into a potential or confirmed Connected Transaction, the Company will carefully consider price and the terms of the Transaction, similar to any transactions with any third, no connected party and such considerations will be made without any relevant person who has a potential conflict of interest in entering the transaction present at the meeting and related voting at the meeting.

Anti-Corruption

Directors, executives and employees shall neither carry out nor accept any type of corruption in any event. The Company has set the below guidelines and examined and monitored compliance with the anti-corruption policy on a regular basis to ensure that they are in line with changes in the business and the relevant rules, regulations and laws:

(1) Directors, executives, and employees shall comply with the anti-corruption policy communicated by the Company through various channels such as staff training and the Company's website and shall not involve in any corruption directly and indirectly.

(2) Directors, executives, and employees shall be careful about receiving entertainment and giving or receiving present and shall strictly comply with giving and receiving of gift and entertainment policy and ensure that it would not affect the decision making in performing their duties and responsibilities.

(3) Procurement, charity donation and money sponsorship shall be in accordance with the Company's procedures which are transparent and verifiable. Charity donation and money sponsorship policies shall be complied with. The Company gives importance to sufficient and appropriate internal control which allows for compliance of the business with the good corporate governance policy.

(4) Directors, executives, and employees shall not neglect or ignore any act which could be potential corruption relating to the Company and shall notify such act to supervisor or responsible person or through channels according to the Whistle Blowing Policy. Directors, executives, and employees shall provide cooperation in fact-finding and investigation on such matter.

(5) Corruptions are wrongdoings and those who are corrupted shall receive disciplinary actions according to the Company's regulations and may receive penalties according to the laws if such corruption is considered an illegal act.

2. Code of Conduct

The Company has established a Code of Conduct for directors, executives and employees as guidelines for treating stakeholders with fairness. This reflects that the Company wishes everyone to comply with the policies and brand value. The Corporate Governance and Business Ethics Committee reviews the Code of Conduct at least once a year and monitor compliance of those involved, as well as reporting to the Board of Directors to ensure that the existing policies are consistent with international standards. The policies have been implemented to create an organizational culture that is honest, transparent and fair to all parties. The corporate governance manual has been disclosed on the Company's website (https://www.thg.co.th/storage/ir/downloads/cg-principle/20200522-thg-cg-ethics-en.pdf) for acknowledgement by investors and is used as a guideline for monitoring business directions.

3. Significant changes and developments in policies, practices and corporate governance system in the past year

3.1 Significant changes and developments regarding review of policies, practices and corporate governance system in the past year

The Board of Directors' Meeting No. 9/2019 held on 9 August 2019 acknowledged the eight codes of practice and CG Code guidelines of the SEC Office and agreed to adopt the CG principles and practices to the Company's context by assigning the Corporate Governance and Business Ethics Committee to consider such principles. The Corporate Governance and Business Ethics Committee has assessed compliance with the CG Code and amended the corporate governance manual and Charter of the Board of Directors by determining appropriate processes and plans for implementation. The Corporate Governance and Business Ethics Committee has also proposed to the Board of Directors' Meeting No. 7/2019 held on 13 August 2019 for approval and compliance by the Company's directors, executives and employees.

In the past year, the Corporate Governance and Business Ethics Committee has reviewed and proposed to improve the CG Manual and has prepare the greenhouse gas action plan for the year 2022. Such plans were already submitted to the Board of Directors' Meeting No. 1/2022 held on 26 January 2022 for consideration. All sub-committees have reviewed their charters and found them to remain appropriate. Therefore, no further amendments were proposed. As for the Charter of the Board of Directors, it will be reviewed again in the year 2022 along with the CG Manual for consistency and ensure that they are in the same directions.

3.2 Compliance with corporate governance principles in other matters

In the past year, the Company had matters that had not complied with the corporate governance principles as follows:

(1) Appointment of independent director as the Chairman of the Board of Directors

The Board of Directors has not appointed an independent director as the Chairman of the Board of Directors because the Board of Directors has not been able to recruit an independent director with qualifications, experience, knowledge, and skills in the business that are in line with the Company's strategy.

(2) Disclosure of details on the Chief Executive Officer's remuneration

The Chief Executive Officer does not wish to disclose such information.

(3) Setting a policy for directors and senior executives to notify the Board of Directors or person assigned by the Board of Directors any trade of the Company's shares at least 1 day in advance

The Board of Directors views that such practice lacks flexibility and is difficult to implement.

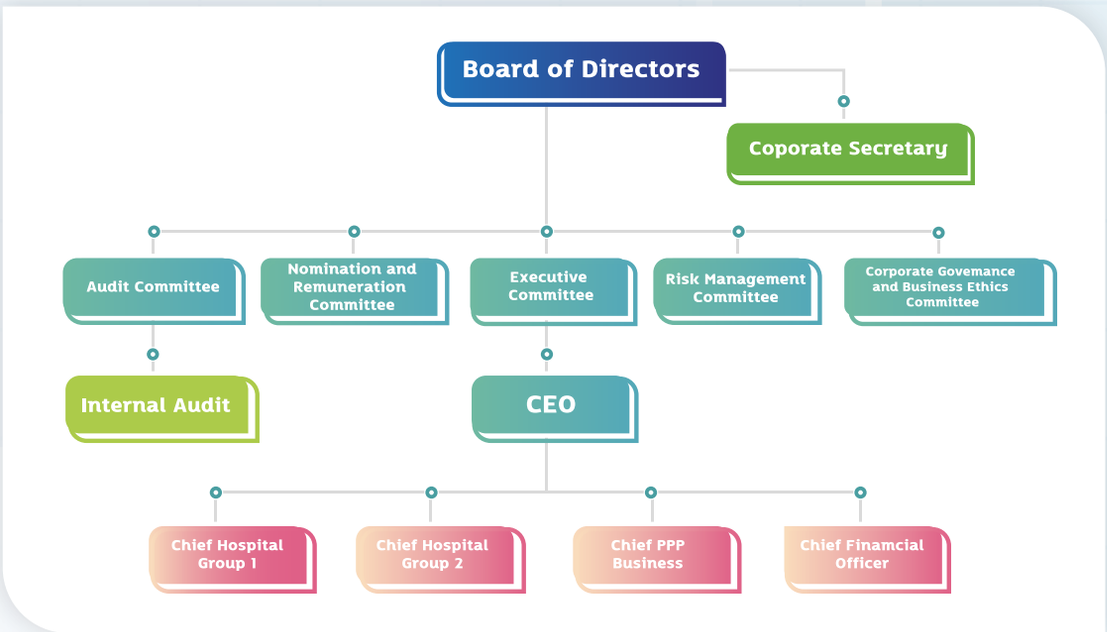
(4) Setting a policy regarding a minimum quorum at the time of voting in the Board of Directors' meeting that there must be at least two-thirds of the total number of directors present

The Board of Directors sets a minimum quorum at the time of voting to be at least half of the total number of directors being present. However, there has always been at least two-thirds of the total number of directors present.

Organizational Struture, Board of Directors, Sub-Committees, Executives, Employees, etc.

1. Organizational Struture

As of 1 March 2022, THG has segregated roles, duties, and responsibilities between the Board of Directors and executives clearly separated to balance power. It is independent, transparent and can be examined as shown in the diagram.



2. Information about the Board of Directors

As of 1 March 2022, there are 13 members of Board of Directors include:

1)	Dr. Boon Vanasin [1) 4)]	Chairman of the Board of Directors
2)	Dr. Tanatip Suppradit [1) 2)]	Vice Chairman of the Board of Directors
3)	Mrs. Kannika Ngamsopee [3) 5)]	Independent Director, Chairman of Audit Committee and Member of Risk Management Committee
4)	Mr. Virachai Srikajon [3)]	Independent Director, Chairman of Nomination and Remuneration Committee, Member of Audit Committee and Member of Risk Management Committee
5)	Dr. Vikrom Koompirochana [3)]	Independent Director
6)	Dr. Linda Kraivit [3)]	Independent Director, Chairman of Risk Management Committee, Member of Audit Committee, Member of Nomination and Remuneration Committee and Member of Corperate Governance and Business Ethics Committee
7)	Mr. Chalermkul Apibunyopas [1) 2)]	Director, Chairman of Corperate Governance and Business Ethics Committee and Member of Risk Management Committee
8)	Dr. Aurchart Kanchanapitak [4)]	Director

9) Dr. Rukkagee Kanchanapitak [4] Director
10) Prof. Dr. Aasis Unnanuntana [4] Director
11) Ms. Nalin Vanasin [4] Director
12) Mr. Sita Meksawan [1) 4)] Director and Member of Corperate Governance and Business Ethics Committee
13) Dr. Kajorn Thanapase [4] Director

Remark 1) Authorized directors 2) Executive directors
3) Independent directors 4) Non-executive directors
5) Audit committee with knowledge and experience in reviewing the Company's financial statements

The Board of Directors consists of 4 independent directors, representing 30.8% of the total directors and 11 non-executive directors, representing 84.6% of the total directors. The Chairman and Chief Executive Officer (CEO) are not the same person. The duties and responsibilities between the Board of Directors and the management are clearly separated for proper balance of power

The Board of Directors has diversity (Board Diversity) in gender, age and specific expertise that conform to the business nature and the business strategy of the company as follows:

Structure of the Board of Directors		No. of Directors	Percent
Gender	- Male	9	69.23
	- Female	4	30.77
Age	- Under 50 years	6	46.15
	- Age between 50 – 60 years	1	7.70
	- Over 60 years	6	46.15
Expertise	- Medical	5	38.46
	- Business Administration	10	53.84
	- Accounting & Finance	8	61.54
	- Economic and Banking	6	46.15
	- Legal	3	23.08
	- Information Technology	4	30.77
	- Sustainability	6	46.15
	- Corporate Governance	9	69.23
	- Engineering	1	7.70
	- Human Resource Management	7	53.85
	- Investment	5	38.46
	- International Relation	3	23.08

Division of responsibilities between the Board of Directors and the management

The company has clearly set the scope of responsibility of the Board of Directors, the Chairman of the Board of Directors and Management. The Chairman of the Board shall not be the same person as the Chief Executive Officer (CEO) in order to clearly segregate the responsibility in supervising and management

Duties and Responsibilities

1. The Board of Directors have its duties and responsibilities in management and operation of the business to be the highest benefit of the shareholders (Fiduciary Duty) by adhering to four important guidelines:
   - 1.1. Perform duties with responsibility, carefulness and prudence (Duty of Care);
   - 1.2. Perform duties with loyalty (Duty of Loyalty);
   - 1.3. Comply with laws, objectives, regulations, and resolutions of the meeting of shareholders; propose in the meeting of shareholders for consideration and approval for the agenda that requires prior approval to protect interest of the Company and shareholders. The Board shall oversee the compliance to applicable law relevant to business of the Company including laws concerning bribery and anti-corruption support scheme (Duty of Obedience);
   - 1.4. Disclose information to shareholders in an accurate, complete, transparent, verifiable and timely manner (Duty of Disclosure).
2. Apply adequate and effective accounting system, financial report and auditing; provide internal control system, internal audit and document filing system to ensure the accountability and adequacy of the system subsequently.
3. Supervise the preparation of financial statement of the Company as of the ending date of the accounting year to show the actual, completed and correct financial status and operation result of the previous accounting year. The accounting system must meet the generally accepted accounting standard and be audited by the certified public auditor prior to being submitted to the meeting of shareholders for consideration and approval.
4. Approve vision, mission, strategy, long-term target, direction and policies, annual business plan, medium-term business plan, budget and monitoring and supervising the management to assure the compliance with policies, plan, strategy and the budget assigned for the highest benefit of the Company and shareholders.
5. Formulate risk management policy to cover the entire organization, and to oversee the system or procedures of risk management by having supporting measures and controlling system to minimize the impact on business of the Company adequately.
6. Supervise ethical manner in business, for example, to provide good corporate governance in written form; to comply and adapt such policy effectively; to announce the implementation of the good corporate governance; to monitor the compliance among all personnel to assure the Company's best fair treatment to all stakeholders.

7. Set organization structure, structure of the board of directors regarding the number of directors, proportion of independent directors including various qualifications and management structure. The Board of Directors has the power to appoint sub-committee, management committee, senior management as defined by the Securities and Exchange Commission and compliance unit as deemed appropriated.
8. Appoint the Corporate Secretary, as well as to determine scope of duties and responsibilities.
9. Select and approve list of certified public auditors and to determine the adequate remuneration as proposed by the Audit Committee prior to propose to the meeting of shareholders in the Annual General Meeting of Shareholders for approval.
10. Consider and approve the acquisition or disposal of assets, investment in new business and operations of the Company as necessary under the law, regulations and relevant rules unless such transaction is approved by the meeting of shareholders. However, the approval of the Board must be consistent to the notification of the Market Advisory Board and/or notification, regulations and/or relevant rules of the Stock Exchange of Thailand.
11. Consider and/or give opinions on related transactions and/or to proceed significant transactions of the Company, to confirm and in compliance with the law, notifications, rules and relevant regulations. To oversee, control and prevent the conflict of interest among stakeholders of the Company.
12. Approve the interim dividend payment to shareholders once it is considered that the Company's profit is in adequate level. The report of dividend payment shall be presented to the meeting of shareholders in the next meeting of shareholders.
13. Supervise the annual report of the Board and to prepare and disclose the financial statement of the Company in order to view the financial status and operation result of the previous year and to present the said reports to the meeting of shareholders for consideration and approval.
14. Be liable for the person acquiring-disposing assets of the Company against any damages occurred as a result of the information being disclosed to shareholders or the public, showing false information in material content or conceal the fact which should be disclose in material facts as specified in the securities and Stock Exchange law, unless the director and management will proof that such information is beyond their scope of duties or they lack of such information.
15. Keep developing knowledge and ability in operations, attend training or participate in courses related to the duties of directors or seminar activities that enhance knowledge in the work continuously.

Roles of the Chairman

(1) To schedule the Board of Directors' meeting and to ensure that the directors receive accurate, complete and timely information before the Board meeting to make proper decisions.

(2) To act as the leader of the Board of Directors and as the Chairman of the Board of Directors

(2.1) To conduct the meeting of the Board of Directors in accordance with the agenda items, the Company's Articles of Association and laws.

(2.2) To allocate adequate time and to encourage all directors to discuss and exchange their opinion freely and careful consideration, in full respect of all stakeholders.

(2.3) To clearly conclude the resolutions of the meeting and what is to be done.

(2.4) To facilitate meetings for non-executive directors, without any directors who are in the management team of the Company present, to allow the non-executive directors to independently discuss issues of interest

(3) To act as the Chairman of the shareholders' meeting and conduct the meeting in accordance with the agenda items, the Company's Articles of Association and laws. The Chairman manages time of the meeting appropriately including providing the opportunity for shareholders to express their opinions equally and to ensure that shareholders' questions are answered appropriately and transparently.

(4) To support and be a good role model in corporate governance and ethics.

(5) To strengthen the good relationship between the Board of Directors and the company management and to support the duties of the managing director and management team in accordance with the Company's policies.

(6) To ensure transparency and disclosure of information in case of a conflict of interest.

(7) To supervise the Board of Directors to have the appropriate structure and composition.

(8) To supervise the overall performance of duties of the Board of Directors, sub-committees and each director effectively and productively.

Summary of key authorization between Board of Directors and Management

	Board of Directors	Executive Committee	CEO
Annual Budget	unlimited -	not more than 100 million baht	To agree
Investment or new business expansion	more than 100 million baht	not more than 100 million baht	not more than 10 million baht
Purchasing or selling items outside the annual budget	more than 10 million baht	not more than 10 million baht	not more than 5 million baht
Acquisition and disposal of fixed assets	more than 50 million baht	not more than 50 million baht	not more than 10 million baht
Authority to sign checks	unlimited	None	None

Note : The approval of the transaction is in accordance with the notification of the capital market supervisory board No. TorChor 20/2551 re: rules on entering into material transactions, acquisition or disposal of assets notification of the board of governors of the Stock Exchange of Thailand re: disclosure of information and other acts of listed companies concerning the acquisition or disposition of assets, B.E. 2547 and amended. In addition, the notification of the capital market supervisory board No. ThorJor. 21/2551 re: rules on connected transactions and the notification of the board of governors of the Stock Exchange of Thailand re: disclosure of information and other acts of listed companies concerning the connected transactions, B.E. 2546 and amended.

The Board of Directors has monitored the management team to comply with goal, strategy and measure determined by the Board of Directors through the performance of 4 sub-committees which have been assigned to monitor the performance of the management team. In year 2021, the Board of Directors has held 9 meetings in order for the management team to report the operating result, problems and difficulty of projects to the Board of Directors' meeting.

Chief Executive Officer has communicated the strategy as determined by the Board of Directors to departments and subsidiaries for acknowledgment, monitoring and management in accordance with such guideline. In year 2021, the Executive Committee has held 10 meetings in order for the business units to report their operating result, problem and difficulty of projects which will jointly solve such problem and for closely monitoring the business operation.

In addition, the Board of Directors has held the meeting to determine THG's strategy plan of the group of Company and to determine short-term strategy plan, medium-term strategy plan and long-term strategy plan on 24 September, 1 October and 8 October. Therefore, the Chief Executive Officer has communicated strategies set by the Board of Directors to departments and subsidiaries to determine the business plan for the year 2022.

The meeting of non-executive directors

The Board of Directors has determined the non-executive directors to have private meeting as it deems appropriate without the executive directors and management team attending the meeting in order to provide the opportunity to discuss on any issues relating to the Company's business or other matters independently. In 2021, there was 1 meeting of non-executive directors held on 23 September 2021

3. Sub-committees

The Board of Directors has appointed various committees to scrutinize and supervise the Company's operations in order to ensure that the Board of Directors will perform its duties effectively and for the best benefit. To comply with the rules and regulations of the SEC and SET, each committee will have the same tenure as the Board of Directors. The Sub-committees of the Company consist of 4 committees: the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Corporate Governance and Business Ethics Committee.

Audit Committee

As of 31 January 2022, the Audit Committee consist of 3 independent directors as follows:

1. Mrs. Kannika Ngamsopee — Chairman of the Audit Committee
2. Mr. Virachai Srikajon — Member of the Audit Committee
3. Dr. Linda Kraivit — Member of the Audit Committee

Note: Audit committee has qualification required by Securities and Exchange Commissions (SEC) and Stock Exchange of Thailand (SET) to review the operations of the company, Financial report, internal control system, Auditor selections include to consideration related party. Mrs. Kannika Ngamsophee chairman of the Audit Committee with sufficient knowledge and experience to review the credibility of the financial statements.

\ Mrs. Hathaichanok Pangnoi is the Secretary of the Audit Committee

Duties and Responsibilities of the Audit Committee

(1) Financial Report and Auditing

(1.1) To review the Company's financial report and its subsidiaries to ensure that they are accurate and reliable, including adequate disclosure. To coordinate with external auditors and executives who are responsible for quarterly and annual financial reporting.

(1.2) To consider, select nominate and dismiss any persons who have independency to act as the auditor of the Company and to determine the compensation of such person including to attend the meeting with the auditor without the management attending such meeting at least 1 time per annum to acknowledge the material financial information, audit result and to discuss on any problem that may find from the performance of the auditor.

(2) Internal Control

(2.1) To review the Company to have its internal control system adequately and effectively.

(2.2) To review the Company to have its risk management system and measure on risk management adequately.

(2.3) To review the accuracy of references and self-assessment form in relation to anti- corruption measure of the Company in accordance with the Thailand's Private Sector Collective Action Coalition Against Corruption.

(2.4) To review and monitor the management to have process on whistleblowing and complaint

(3) Internal Audit

(3.1) To review the Company to have its internal audit system adequately and effectively including to supervise the Internal Audit Department to perform its duties in accordance with the internal audit standard.

(3.2) To consider the independency of the Internal Audit group.

(3.3) To approve the appointment, transfer, dismissal and evaluation of performance of head department of the Internal Audit Department including to consider compensation, manpower and resources that are necessary to the performance of the Internal Audit Department.

(3.4) To consider and approve the Charter of the Internal Audit Department.

(3.5) To consider and evaluate the annual internal audit plan to ensure that such plan is in line with classification and level of risks of the Company.

(3.6) To review the internal audit report which will be proposed to the management team including to review the opinion of the management team on the issues arising from the internal audit which have been presented and reported as well as to follow up on it to ensure than the management team complies with such suggestions adequately and within the appropriate timeline.

(3.7) To approve the engagement and to determine the compensation of the internal audit provider in case of out-sourcing.

(4) Compliance with Relevant Laws

(4.1) To review the Company to comply with the laws concerning securities and exchange, the regulations of the Stock Exchange of Thailand and other laws relating to the Company's business.

(4.2) To consider the connected transaction or transaction that may have the conflict of interest to comply with the laws and regulations of the Stock Exchange of Thailand to ensure that such transaction is reasonable and for the best benefits of the Company.

(4.3) To verify after receiving the notification from the auditor that there have suspicious circumstances that the director, the management team or person who are responsible for the operation of the Company, may commit an offence related to their duties and responsibilities pursuant to the Section 281/2 paragraph 2, Section 305, Section 306, Section 308, Section 309, Section 310, Section 311, Section 312 or Section 313 of the Securities and Exchange Act, and to inform the preliminary result of investigation to the Office of the Securities and Exchange Commission and the audit within 30 days from the date of the receipt of notification by the auditor.

(5) Other Duties

(5.1) To review and revise the Charter of the Audit Committee by considering of the revision on any issues as it deems necessary and appropriate and to propose to the Board of Directors for approval.

(5.2) The Audit Committee can ask for advice from any external and independent advisors, if necessary, whereby all expenses shall be borne by the Company.

(5.3) To meet executives and employees and to access relevant information without restriction.

Risk Management Committee

As of 31 January 2022, the Risk Management Committee consist of 4 directors as follows:

1.	Dr. Linda Kraivit	Chairman of Risk Management Committee
2.	Mr. Chalermkul Apibunyopas	Vice chairman of Risk Management Committee
3.	Mrs. Kannika Ngamsophee	Member of Risk Management Committee
4.	Mr. Virachai Srikajon	Member of Risk Management Committee

Mrs. Hathaichanok Pangnoi is the Secretary of the Risk Management Committee

Duties and Responsibilities of the Risk Management Committee

(1) To define the risk management framework, the risk management structure of the Company and its subsidiaries.

(2) To acknowledge and provide recommendations to policies, strategies and guidelines for risk management at the Company and its subsidiaries level.

(3) To establish a risk assessment framework for the Company and its subsidiaries and to procure to have the risk management report continuously.

(4) To consider and identify significant risks of the Company's business operations, such as investment risks, business operational risk, management risk, financial risk, data security risk, laws and regulations risk as well as to suggest on how to protect and to manage the risk approach in the acceptable level by determining the policy and providing advice and guidance on risk management related to the business operation of the Company appropriately and effectively including to provide recommendation to the Board of Directors and management team on risk management.

(5) To establish risk management and risk management plan and review risk management plan as well as overall risk management process. To follow up and review the risk management process including the risk management of the Company and its subsidiaries.

(6) To supervise and support risk management to succeed by focusing on the awareness of each factor of risks to support the appropriate decision making. The Risk Management Committee is responsible for monitoring and evaluating the implementation of risk management framework of the Company and its subsidiaries and for adjusting its operation plan to minimize the risk to suit the business operation of the Company.

(7) To acknowledge any major risks and to report the risk assessment results and operating result to reduce the risks to Board of Directors regularly. In the case of significant issues, which have a significant impact on the Company's financial status and operating result, it shall report to the Board of Directors for consideration as soon as possible.

(8) To consider whether the management has responded appropriately to the risk.

(9) To promote the implementation of policies and guidelines for risk management throughout the Company and its subsidiaries

(10) To promote the development of human resources and create the awareness of the risks and controls of the Company and its subsidiaries continuously.

(11) To perform any other duties assigned by the Board of Directors.

Nomination and Remuneration Committee

As of 31 January 2022, the Nomination and Remuneration Committee consist of 2 independent directors as follows:

1.	Mr. Virachai Srikajon	Chairman of Nomination and Remuneration Committee
2.	Dr. Linda Kraivit	Member of Nomination and Remuneration Committee

Mr. Weerachai Sripetcharakul is the Secretary of the Nomination and Remuneration Committee

Duties and Responsibilities of the Nomination and Remuneration Committee

(1) To set policy, criteria and procedure for nomination of the Board of Directors and Chief Executive Officer.

(2) To determine the policy, criteria and methods of remuneration in both monetary and non- monetary form of the Board of Directors, sub-committee and Chief Executive Officer of the Company with appropriate to their responsibility and in line with the Company's operating results and market conditions for obtaining the approval from the Board of Directors and subsequently propose for approval from the shareholders meeting.

(3) To recruit qualified persons in accordance with the laws and regulations and to subsequently present to the Board of Directors and/or the shareholders' meeting for approval as the case may be for consideration of acting as the director and the Chief Executive Officer.

(4) To determine the necessary and appropriate remuneration in both monetary and non-monetary in order to motivate and retain the Board of Directors, sub-committee and Chief Executive Officer.

(5) To supervise the Board of Directors to have the right components to fit the environment and the situation which will be changed. The Board of Directors must be composed of persons with knowledge, ability and experience in various fields.

(6) To set guidelines and evaluate the performance of directors and Chief Executive Officer for consideration of the annual remuneration by taking into account of the responsibilities and the risks involved including the increasing of equity value of shareholders for the long-term as one of key assessment.

(7) To disclose policies and details of the recruitment process, policy on compensation and to disclose details of various types of compensation, including the preparation of the compensation report with at least the details of the operational goals and the remuneration of the Nomination and Remuneration Committee are required in the Company's annual report.

(8) To appoint or to request for advice from external independent advisor, if necessary and the cost shall be borne by the Company.

(9) To perform other duties assigned by the Board of Directors.

Corporate Governance and Business Ethics Committee

As of 31 January 2022, the Corporate Governance and Business Ethics Committee consist of 3 independent directors as follows:

1.	Mr. Chalermkul Apibunyopas	Chairman of Corporate Governance and Business Ethics Committee
2.	Dr. Linda Kraivit	Member of the Corporate Governance and Business Ethics Committee
3.	Mr. Sita Meksawan	Member of the Corporate Governance and Business Ethics Committee

Miss Jinda Ariyapornpong is the Secretary of the Corporate Governance and Business Ethics Committee

Duties and responsibilities of the Corporate Governance and Ethics Committee

(1) To formulate the policies and guidelines of good corporate governance and business ethics of the Company's group to comply with international practices, relevant regulatory agencies and/or relevant laws for the Board of Directors' approval.

(2) To set guidelines and monitor those in order to encourage the Company's group to be in compliance with the policies and regulations in good corporate governance and business ethics.

(3) To promote and encourage directors and executives to understand and comply with good corporate governance policies and business ethics at all times and encourage executives to promote understanding and compliance to employees of all levels of the Company.

(4) To review the good corporate governance policies and business ethics, including this charter, on an ongoing basis and at least once a year to develop and upgrade the corporate governance standards of the Company's group.

(5) To appoint subcommittees in order to support the operations related to the good corporate governance policies and business ethics as required.

(6) To review charter of the Corporate Governance and Ethics Committee regularly and perform tasks as assigned by the Board of Directors relating to corporate governance and business ethics.

(7) To appoint or to request for advice from external independent advisor, if necessary and the cost shall be borne by the Company.

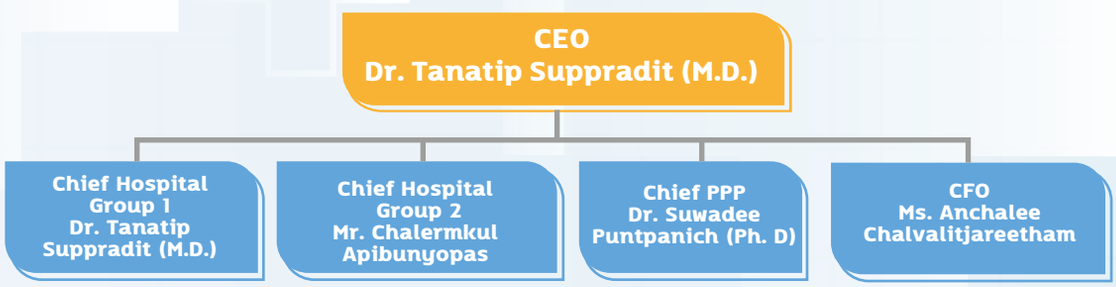
4. Executive Officers

There are 10 members of Executive Committee as of 1 March 2022 as follows:

Name	Positon
1) Dr. Tanatip Suppradit (M.D.)	Chairman of Executive Committee
2) Mr. Chalermkul Apibunyopas	Member of Executive Committee
3) Ms. Nalin Vanasin	Member of Executive Committee
4) Ms. Thipawon Ruchiroatpipatana	Member of Executive Committee
5) Dr. Siripong Luengvarinkul (M.D.)	Member of Executive Committee
6) Dr. Vachiraboon Sastararuji (M.D)	Member of Executive Committee
7) Dr. Pijaya Nagavajra (M.D.) [1)]	Member of Executive Committee
8) Ms. Anchalee Chalvalitjareetham [2)]	Member of Executive Committee
9) Dr. Suwadee Puntpanich (Ph. D) [3)]	Member of Executive Committee
10) Dr. Pichit Kangwolkij (M.D.) [4)]	Member of Executive Committee

Remark:
1) Dr. Tanatip Suppradit, Chairman of the Executive Committee had appointed Dr. Pijaya Nagavajra be a member of Executive Committee to replace. Dr. Watson Aphiwatanakoon who resigned, effective from 1 September 2021.
2) Dr. Tanatip Suppradit, Chairman of the Executive Committee had appointed Ms. Anchalee Chalvalitjareetham be as an additional member of the Executive Committee, effective from 1 September 2021.
3) Dr. Tanatip Suppradit, Chairman of the Executive Committee had appointed Dr. Suwadee Puntpanich be as an additional member of the Executive Committee, effective from 1 September 2021.
4) Dr. Tanatip Suppradit, Chairman of the Executive Committee had appointed Dr. Pichit Kangwolkij be as an additional member of the Executive Committee, effective from 18 January 2022.

Miss Jinda Ariyapornpong is the Secretary of the Executive Committee.



Executives of the Company (As defined by the SEC)

As of 1 March 2022, the Company's executives in accordance with the definition of the SEC, total 4 persons as follows:

Name	Positon
1. Dr. Tanatip Suppradit	Chief Executive Officer and Chief Hospital Group 1 [1)]
2. Mr. Chalermkul Apibunyopas	Chief Hospital Group 2
3. Ms. Anchalee Chalvalitjareetham	Chief Financial Officer and Director of Accounting (Accounting-supervising person)
4. Dr. Suwadee Puntpanich	Chief Private Public Partnership Business [2)]

Remark: 1) The Board of Directors Meeting No. 1/2021 on 28 January 2021 resolved to appoint Dr. Tanatip Suppradit, Acting Chief Executive Officer, to be the Chief Executive Officer.
2) Chairman of the BOD had appointed Dr. Suwadee Puntpanich be a Chief Private Public Partnership Business to replace Dr. Jessada Thummavanich on 13 August 2021

Remuneration of Executive Officers

The Company has a policy to make short-term remuneration which includes salary and bonus. Performance indicators (KPIs) are defined with remuneration linked to performance and operating results of the Company. For long-term remuneration, the Board of Directors considers and approves such remuneration from time to time.

1) Monetary remuneration to Executives of the Company (As defined by the SEC)

The Board of Directors' Meeting No. 1/2022 held on 28 January 2022 was of the opinion that the management had adjusted its strategy and business operations to cope with the Covid-19 pandemic well. Therefore, the Board of Directors resolved to approve increase salary in the year 2022 and pay bonus for the year 2021 to the management. In 2021, THG paid monetary compensation including salary and bonus and meeting allowance (in case of being appointed as a director of subsidiary) according to the definition of the SEC Office, totaling 31,194,906.69 baht (including compensation from the subsidiary and accrued compensation in the latest year) and no accrued compensation in the latest year. The Executive Committee is not considered a sub-committee and, therefore, did not receive any meeting allowance.

2) Other Remunerations to executives of the Company (As defined by the SEC)

The Board of Directors' Meeting No. 1/2022 held on 28 January 2022 has reviewed and approved other remunerations such as allowances (in case of travelling to work in other provinces or overseas) and telephone charges and medical expenses:

- Executive – 100,000 baht per year with 50% discount on any amount which exceeds such limit
- Parents – 50% discount without limit
- Spouse and minor children – 50% discount in the total amount of up to 100,000 baht

In 2021, the Company's executives have no other compensations.

In addition, the Company has provided a provident fund for the management. The Company provides contributions at the rate of 5% of the salary. In 2021, the Company has paid contributions to the provident fund for 4 executives, totaling Baht 666,907.10.

5. Employee

Number of employees

For the years 2019 - 2021, The Company and its subsidiaries has total employees as follows :

Company	Proportion of employees participating in provident funds (PVD)	Number of employees 31 December 2019		Number of employees 31 December 2020		Number of employees 31 December 2021	
		Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
Thonburi Healthcare Group PCL.	89%	3,315	385	3,501	328	2,902	272
Rajyindee Hospital PCL.	100%	598	84	548	93	511	78
DS All Co., Ltd. (Former: Dental Siam Co., Ltd.)	60%	116	12	95	3	104	-
Thonburi Wellbeing Co., Ltd.	4%	123	2	92	3	168	78
Rajthanee Realty Co., Ltd.	No PVD	1	-	1	-	1	-
Thonburi Realty Development Co., Ltd.	No PVD	-	-	-	-	-	-
Modular Software Expertise Co., Ltd.	No PVD	30	1	29	1	26	-
Thonburi Hospital Heart Centers Co., Ltd.	No PVD (on Process)	87	34	96	25	92	1
Uttaradit thonburi Hospital Co., Ltd.	No PVD	-	-	-	-	-	-
Thonburi Bamrungmuang Hospital Co., Ltd.	100%	534	-	453	6	419	191
Thanarad Thung Song Hospital Co., Ltd.	No PVD	149	42	167	-	185	62
Med Access Co., Ltd.[2)]	No PVD	-	-	-	-	1	-
Thonburi Canabiz PCL. [2)]	No PVD	-	-	-	-	2	1
Total		**4,953**	**560**	**4,982**	**459**	**4,411**	**683**
Grand Total		**5,513**				**5,094**	

Remark: 1) Number of employees exclude number of part-time doctors
2) Med Access Co., Ltd. was registered on 29 April 2021, and Thonburi Canabiz PCL. was registered on 19 November 2021.

Employee Compensation

The company has policies and guidelines regarding the compensation and welfare of employees that are in consistent with its operating procedures consist of:

- Short-term compensations including salary, overtime pay, living expense, and special grant. The company has set the compensation rates for employees by comparing with other companies in the same business. For salary and bonus adjustments, it is considered in line with the company's performance by evaluating individual performance. The performance indicators (KPIs) are defined.
- Long-term compensations including retirement compensation, employer's contribution to provident fund (employees with employment period of more than 5 years will receive additional contribution in the amount of 2% of the employer's contribution). In addition, there is an increase

in welfare for employees who have worked for a long time, such as increasing holidays, compensation etc. to maintain and motivate employees.

- Welfare and others including medical expenses for employees and their families, annual health checkup, annual health checkup at a special price for families of employees, special discounts for hospital services such as dental service and child tuition assistance etc.

In 2021, the Company paid salary, overtime pay, subsidy, living expense, special grant, social security and contribution to provident fund, with details as follows:

Salary, bonus and other benefits	2019	2020	2021
Thonburi Healthcare Group PCL	1,831,841,936	1,575,642,548	1,583,754,993.71
Rajyindee Hospital PCL.	256,280,506	222,022,505	234,105,483.00
DS All Co., Ltd. (Former: Dental Siam Co., Ltd.)	51,320,058	46,662,967	44,078,629.19
Thonburi Wellbeing Co., Ltd.	76,534,670	48,520,675	80,165,868.96
Rajthanee Realty Co., Ltd.	126,240	125,340	114,400.00
Thonburi Realty Development Co., Ltd.	-None-	-None-	-
Modular Software Expertise Co., Ltd.	20,159,665	20,226,529	17,945,258.00
Thonburi Hospital Heart Centers Co., Ltd.	54,395,301	42,929,969	51,721,265.73
Uttaradit thonburi Hospital Co., Ltd.	-None-	-None-	-
Thonburi Bamrungmuang Hospital Co., Ltd.	242,394,618	233,775,379	425,742,267.68
Thanarad Thung Song Hospital Co., Ltd.	24,072,248	56,566,489	67,553,042.04
Med Access Co., Ltd.*	-	-	148,491.50
Thonburi Canabiz PCL. *	-	-	1,150,419.75
Total	2,557,125,242	2,246,472,401	2,506,480,119.56

Remark: Med Access Co., Ltd. was registered on 29 April 2021, and Thonburi Canabiz PCL. was registered on 19 November 2021.

Significant staff changes over the past 3 years.

- None –

Labor disputes over the past 3 years.

- None –

Policy for selecting provident fund manager

1) Profile and stability

The provident fund manager must be a company licensed to operate provident fund business under the laws relating to securities and stock exchange. The company must have a fund manager who is responsible for growth creation in investment and must be a person approved by the SEC.

The management company must be licensed and has been providing good services. There should be no history of illegal activities. The company must have a reliable team which offers services and provides comprehensible information. It must be financially stable and is under Bangkok Bank group. Therefore, the hospital has confidence in the history and stability of such management company.

2) Investment perspective

The management company has a wide range of investment options in accordance with requirements and risk profile for consideration by the Company in respect of investment suitability that is expected to be the most beneficial to the members.

3) Work system of the management company

The membership registration system is reliable and accurate. Disclosure system of the fund is accessible. There are clear measures and practices to prevent conflicts of interest. In addition, there are clear guidelines for control and inspection of works performed by other departments.

Human Resource Development Policy

The Company believes that human resources is a key and valued factor in driving business operations. Therefore, the Company has established Human Resource Development Policy as framework and guidelines for preparing human resource development plan to create added value in utilization of human resources. The management of human resources shall be with fairness,

(1) Promote systematic and continuous development of human resources by increasing proper knowledge, capabilities, potentials, and skills in order to operate the business efficiently and successfully in accordance with the Company's objectives. Employees are promoted to have good moral and ethics in line with their roles and responsibilities.

(2) Prepare human resource development plan according to job positions.

(3) Continuously increase potentials of management and capabilities of employees of every level in their performance of roles and responsibilities.

(4) Develop management of know-how and knowledge in order to create a culture of continuous learning, knowledge transfer and exchange of knowledge and experience.

(5) Support and facilitate trainings regarding Good Corporate Governance for directors and management of the Company in order to continuously improve the Company's operating performance.

Human Resources Department established a Learning & Development Center to promote the development of personnel in THG group to have managerial skills in addition to the knowledge and skills in the functional skills; learning self-development, sharing between each other to apply the benefit in increasing work efficiency, leading the team to success, achieving the corporate goals and for the sustainability of long-term business operatisons.

6. Other Significant Information

Corporate Secretary

The Board of Directors has resolved to appoint Miss Jinda Ariyapornpong as the Corporate Secretary since 13 August 2021. The qualifications and responsibilities shown in "Head of the Company's Internal Audit and Head of the Company's Compliance"

Head of Compliance Department

The Company has appointed Ms. Jinda Ariyapornpong to be the head of the compliance department to supervise compliance with regulations of the official departments supervising the Company's business operations. The qualifications of the person holding the position of Head of Compliance Officer shown in "Head of the Company's Internal Audit and Head of the Company's Compliance"

Head of Internal Audit

The Company has appointed Hathaichanok Pangnoi to be the head of internal audit The qualifications of the person holding the position of Head of internal audit shown in "Head of the Company's Internal Audit and Head of the Company's Compliance"

Investor Relations and Contact Information

In 2021, the Company organized investor relations activities to present strategies, business information, operating performance, progress on investment in projects, and business trends which would be beneficial for decision-making by investors. The Company's executives were given opportunities to meet various types of investors including local investors, foreign investors, retail investors, analysts, and investment advisors in order to provide the Company's information to everyone with transparency. Such activities received great supports from senior executives, including Chief Executive Officer and Chief Financial Officer, who regularly joined the Investor Relations Department in meeting and providing the Company's information to investor.

In 2021, All over the world are faced with the COVID-19 epidemic causing to refrain from traveling or avoid a meeting which is gathered a group of people. Therefore, the activity in meeting investors has been reduced but it instead of online meeting. For both individual institutional investors and group meetings, the company tries to use online channels to communicate information through the website for investors to always receive updated information.

Type of Meeting	No. of Meeting
1. Announcement of quarterly operating performance	4
2. Participation in SET Opportunity Day organized by the Stock Exchange of Thailand	1
3. Company presentation to local investors (Domestic roadshow/conference)	-
4. Company presentation to foreign investors (International roadshow/conference)	-
5. Company visits, conference call and site visit for investors and analysts	4

Shareholders and investors may contact "Miss Siriporn Wairungruangkul, Investor Relations Department" at: +66 2472-2000 Ext. 2785

Audit Fee

1) Audit Fee

The company paid the audit fee for the auditor of the company's group in the fiscal year 2021 in the amount of THB 8,580,000 as the following details:

	PricewaterhouseCoopers ABAS Limited	Other Auditors
• **Company**	THB 3,750,000	-
• **Subsidiaries**	THB 4,600,000	THB 230,000
Total	**THB 8,350,000**	**THB 230,000**

2) Non-audit Fee

-None-

Corporate Governance Performance Report

1. Performance of duties of directors in the past year

1.1. Nomination, Development and Performance Evaluation of the Board of Directors

Nomination of Directors

The selection of persons to be nominated as the director and executive of the Company, a nominated person shall have qualification pursuant to the Section 68 of the Public Company Limited Act B.E. 2535 (1992) and the Company's Articles of Association and shall not have any characteristics prohibited by the Notification of the Capital Market Supervisory Board No. 28/2551 regarding the request for approval and approval for offering of newly issued shares dated 15 December 2008. The policy and criteria of the nomination and appointment of directors and executives are as follows:

1) Board of Directors

Qualification of the board of directors: A director must be a person with knowledge and experience which will benefit the business, having honesty, integrity, and ethical business practice, devoting adequate time to apply his/her best knowledge and ability to perform duties for the Company.

(1) A director must satisfy all qualifications required, having no prohibited characters as set forth in the Public Company Limited Act B. E. 2535 (including the amendment) (" Public Limited Company Act") B. E. 25 35 (including the amendment) (" Securities Act") and notifications, regulations and/ or relevant rules. He/ she must not possess the character which shows the lack of qualifications to be trusted by the Company in management of the entity where shareholders are the public as described by the Securities and Exchange Commission and the Stock Exchange of Thailand and/ or the Capital Market Advisory Board. He/she must be a person being listed in the database of directors and management board of the listed company as state in the Capital Market Advisory Board's notification, regarding the criteria of displaying list of directors and management board of the listed companies.

(2) A director cannot engage in a business of same nature and is in competition with the Company; or become a partner or a director in other juristic person having the same business and is in competition with the Company whether for his/ her own benefit or the others unless such engagement is noticed in the meeting of shareholders prior to the appointment. A director may hold a director ship in another company, under the condition that such position will not impede his/ her performance in the Company, and it is in line with the guideline specified by the Securities and Exchange Commission and the Stock Exchange of Thailand.

(3) A director shall give notice to the Company without delay, if he/ she has interest in the contract, whether made directly or indirectly by the Company or in case of increase or decrease of shareholding.

An independent director shall not act as an executive and shall be independence from the management and shareholders who have controlling power including not have any business relationship with the Company in a manner that it will have limitation on providing independent opinion. The independent

director shall have the qualifications pursuant to the Notification of the Capital Market Supervisory Board as follows:

1 Hold up to 0.5% of the total voting shares of the Company, parent company, subsidiary companies, associated companies, major shareholders or controlling persons of the Company. The calculation of shareholding shall include shares held by related persons of the independent director.

2 Not being or was appointed as a director who involve in business management, employee, advisor who has fixed salary or controlling person of the Company, parent company, subsidiary companies, associated companies, sister companies, major shareholders or controlling persons of the Company unless he or she has discharged from such position for not less than two years before being appointed as member of the Audit Committee. These prohibited characters shall not include independent director who acted as government officer or advisor of government which is a major shareholder or controlling person of the Company.

3 Not being a related person by blood or registration under laws, such as father, mother, spouse, sibling or children including spouses of children of other directors, executives, major shareholders, controlling person, or other persons who will be nominated as director, executive or controlling person of the Company and its subsidiaries.

4 Not having or had business relationship with the Company, parent company, subsidiary companies, associated companies, major shareholders or controlling persons of the Company which may disturb any expression of independent opinion including not being or having been significant shareholder or controlling person of person who has business relationship with the Company, parent company, subsidiary companies, associated companies, major shareholders or controlling persons of the Company unless such relationship is terminated for not less than two years before being appointed as member of the Audit Committee. In addition, he or she shall not have any conflict of interest, whether direct or indirect, in relation to financial or management of the Company, group companies, associated companies or any persons that may have conflict of interest resulting in he or she cannot provide independent opinion.

The business relationship according to the first paragraph, including normal business transaction, lease or lease out of property, transaction relating to asset or service, or provision or acceptance of financial support through lending or borrowing, provision of guaranty, provision of security for obligations, and any other similar transactions, which create obligations to the Company or its counter party in the amount of 3% of the net tangible assets of the Company or Baht 20 million and above, whichever amount is lower. The calculation of such obligations shall be in accordance with the methods of calculation for related party transactions prescribed under the Notification of the Capital Market Supervisory Board relating to related party transactions, mutatis mutandis. However, in calculating such obligations, any obligations which arise during one year before the entry into the business relationship with the same person shall be included.

5 Not being or was an auditor of the Company , parent company, subsidiary companies, associated companies, major shareholders, controlling persons of the Company or juristic persons which have may have conflict of interest and not being significant shareholder, controlling person, managing partner of audit firm of the auditor of Company , parent company, subsidiary companies, associated companies, major shareholders, controlling persons of the Company unless he or she has discharged from such position for not less than two years before being appointed as member of the Audit Committee.

6 Not being or was a professional advisor including providing legal advisor service or financial advisor service which receives service fess greater than two million Baht per year from the Company , parent company, subsidiary companies, associated companies, major shareholders, controlling persons of the Company and not being significant shareholder, controlling person or managing partner of such professional advisor unless he or she has discharged from such position for not less than two years before being appointed as member of the Audit Committee.

7 Not being a director who act as representative for protecting the benefit of the Company's directors, major shareholders or shareholders who have relationship with major shareholders. In addition, he or she shall provide recommendation or report independently as assigned without taking into account of any benefits that may limit he or she in providing independent opinion.

8 Not undertaking any business in the same nature and in significant competition to the business of the Company or subsidiaries or not being a partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1 % of the total number of shares with voting rights of other company which undertakes business in the same nature and in significant competition to the business of the Company or subsidiaries.

9 Not having any characteristic which make him or her incapable of expressing independent opinions with regard to the Company's business.

10 The Audit Committee shall be the independent director of the Company which have the qualification pursuant to the regulations of the Office of the Securities and Exchanges Commission ("SEC").

After being appointed as the independent director which have the qualifications as set out in Clause 1) to Clause 10) herein, the independent director may be assigned by the Board of Directors to make any decision on the business operation of the Company, subsidiaries, associated companies, subsidiaries at same level, juristic person that may have conflict of interest, major shareholder, controlling person whereby the making decision shall be exercised as the collective decision.

<u>Policy and criteria on selection of director</u>

1. Selection of new director

1.1. To consider the appropriation of number, composition and diversity of the Board of Directors structure by taking into account necessary skill which does not have in the Board of Directors such as professional skill, gender, age, specialization that in line with the Company's

business and in line with the Company's strategy in order for the completeness and strengthen of the Board of Directors' composition to lead the Company to achieve the business objectives in accordance with the good corporate governance principle.

1.2. To select a qualified person as determined by the laws, regulatory bodies, the Company and notifications.

1.3. To select an honorable person who have knowledge, leadership, opinion and decision making with information and reason including moral and ethics and not in the blacklist.

2. Renewal of retried director by rotation, it shall consider profile and past performance during holding the director position as follows:

2.1. To review the Company's information, meeting agendas and provide opinion which is beneficial to the Company

2.2. To dedicate time to the Company and join the activities and meetings

Selection and appointment of director process

In selection of director, the Nomination and Remuneration shall perform the followings:

1. To prepare Board Skill Matrix to determine the qualification of candidate director in accordance with the policy and criteria for selection of director.
2. To consider a person who has the qualification that is beneficial and appropriate to the nature of business operation, strategies, future plans and understand the Company's business in all aspects with transparency as follows:

2.1. To nominate from the list of qualified persons as proposed in advance by the shareholders in the Annual General Meeting of shareholders of which it has notified to the shareholders through SET portal and the Company's website.

2.2. To nominate from a person under the database of IOD Chartered Director

2.3. To nominate from management in the organization and person from external organization who have qualification in accordance with the requirements.

3. The Nomination and Remuneration Committee shall invite, interview, and discuss with the qualified person according to the requirements to ensure that such person is willing to be appointed as the director if such person has been appointed by the Board of Directors or the shareholders' meeting, as the case may be.
4. The Nomination and Remuneration Committee proposes qualified person according to the selection's criteria to the Board of Directors for approval of the appointment or for proposing to the shareholders' meeting for approval of each person by:

4.1. One shareholder shall be one vote to one share.

4.2. Each shareholder may use all of its votes as set out in Clause 1 to appoint one person or many persons to be the directors, but the votes cannot be separated.

4.3. The person who receives the highest vote shall be appointed as the director and any person who receives the vote lower than the first person may be appointed as the director if there have vacancies of director position according to the number of directors to be appointed in such meeting.

If the number of persons who will be appointed in the second ranking have the equal vote more than the number of directors to be appointed in such meeting, the Chairman of the meeting shall have the final decision.

5. To appoint the director in accordance with the Company's Articles of Association
   If there have vacancy due to other reason other than the retirement by rotation such as resignation. The Nomination and Remuneration Committee shall consider and select the qualified person to propose to the Board of Directors for approval of the appointment of new director in replacement of the retried person within the timeline as required by laws or regulatory bodies. Such person who being a director shall have the term equal to the remaining term of the replaced director.

Recruitment of Senior Executives as defined by the Office of the SEC

1. The executive must be knowledgeable, capable, and experienced persons who will be beneficial to the Company's business operations, honesty, ethics in business operations and time to dedicate knowledge, ability and duty to the Company fully.
2. The executives must have complete qualifications and no prohibited characteristics under the law governing public limited company, securities and exchange and other laws related to the business of the Company. In addition, there must not be any characteristic that indicates the lack of appropriate to be trusted to manage the business with the public as a shareholder as prescribed by the SEC.
3. The executive must notify the Company without delay if there is special interest in the contract made by the Company whether directly or indirectly, or to increase or decrease share in the Company or its subsidiaries.

<u>The process of recruiting and appointing executives according to the definitions of the Office of the SEC</u>

The Human Resources Department shall recruit and select qualified, skilled, experienced and knowledgeable people in the right business and then approached that person to ensure that they are willing to take on management positions if appointed by the authorized persons by:

1) In the case of appointment of the Chief Executive Officer, such persons shall be selected by the Nomination and Remuneration Committee before proposing to the Board of Directors for approval.
2) In the case of appointment of the C-Level other than the CEO, it shall be proposed to the Board of Directors for approval

Director Development

The Company requires a new director orientation every time and to have director's manual, useful information for directors including a lecture on the Company's business to build up knowledge and understanding of business and operations, as well as policies and guidelines for corporate governance principle of the Company. In year 2021, there was no new director orientation because there was no additional director.

The Company wishes the directors to develop their knowledge and skills in the performance of duties regarding the business of the company, good corporate governance principle and other training courses

that are useful for the duties. The Company encourages the directors to attend training courses held by the Thai Institute of Directors and other institutions in the relevant courses.

In 2021, the Company has promoted directors to attend seminars and training programs of Thai Institute of Directors, the Stock Exchange of Thailand or other independent organizations.

Director	Course	Organized by
Dr. Tanatip Suppradit (M.D.) Mrs. Kannika Ngamsopee Dr. Linda Kraivit (M.D.)	THE STANDARD ECONOMIC FORUM 2021 (THE GREAT REFORM: THAILAND'S TIPPING POINT FOR A SUSTAINABLE FUTURE วันที่ 26-28 พฤศจิกายน 2564	THE STANDARD CO., LTD
Prof. Dr. Aasis Unnanuntana (M.D.)	Financial Statements for Directors (FSD) 44/2021	IOD

Self-Assessment of the Board of Directors, Sub-committees, and individual directors' performance

The Company has organized the performance assessment of the Board of Directors every year at least once a year by using the guideline in accordance with self-assessment form of the Stock Exchange of Thailand to improve to in line with the charters of each committee of which it shall be used as the framework to review the performance, problem and difficulty that occurred in the previous year and to improve the performance.

Performance Assessment Method

1. The Company Secretary provides the self-assessment form to the Company's director by position and duty divided into 3 categories:
   - 1.1 Performance Assessment Form of the entire Board of Directors
   - 1.2 Performance Assessment Form of each Sub-committee
   - 1.3 Performance Assessment Form of the individual director
2. The Company's director shall complete the assessment form and return the completed form to the Company Secretary. For the assessment of individual director, the Company Secretary shall collect and separate into 2 parts by the following:
   - 2.1 The Assessment Form of each member of the Nomination and Remuneration Committee shall be provided to the Chairman of the Board of Director for review before delivery to the Company Secretary to summarize the result.
   - 2.2 The Assessment Form of individual director of other directors shall be provided to the Nomination and Remuneration Committee for review before delivery to the Company Secretary to summarize the result.
3. The Company Secretary shall summarize the result of assessment of the Company's directors and shall report such result to the Board of Directors for acknowledgment in order to disclose in the annual report and disclosure system of the Company.

Criteria of Performance Assessment

Criteria	Entire Board of Directors	Each Sub-committee	Individual Director
(1) Board structure and qualifications	✓	✓	✓
(2) Roles, duties and responsibilities of the board	✓	✓	✓
(3) The board meeting	✓	✓	✓
(4) Duties of Directors	✓	-	-
(5) Relationship with management	✓	-	-
(6) Director's self-improvement and management training	✓	-	-

The result of assessment form in 3 categories can be divided into 4 levels as follows:

0: Strongly disagree or never conducted
1: Disagree or seldom conducted
2: Fair or moderately conducted
3: Agree or well conducted
4: Strongly agree or excellently conducted

Summary of the assessment of each committee in 2021 as follows:

Assesment	Average Score (Full Score = 4 points)
Board of Directors (group type)	3.37
Board of Directors (individual director)	3.66
Audit Committee	3.90
Risk Management Committee	3.90
Nomination and Remuneration Committee	3.90
Corporate Governance and Business Ethics Committee	3.90

Assessment of Chief Executive Officer's performance

The Company has determined the performance assessment of the acting Chief Executive Officer on annual basis by the Nomination and Remuneration Committee to review the performance with target and annual plan by using the criteria according to the guideline of the SET consisting of the following topics:

- Leadership
- Compliance with Strategy
- Relationship with the Board of Directors
- Management and relationship with officers
- Knowledge on products and services
- Strategy Determination
- Plan and Financial Result
- Relationship with outside
- Succession plan
- Personality

The overall result of assessment of Chief Executive Officer for the year 2021 was "Excellent".

1.2. Meeting attendance and remuneration of individual director

Director	Position	Attendance (Time)						
		BOD	AC	RMC	NRC	CGC	AGM	NED
1. Dr. Boon Vanasin	Chairman	9/9	-	-	-	-	1/1	-
2. Dr. Tanatip Suppradit	Vice Chairman	9/9	-	-	-	-	1/1	-
3. Mrs. Kannika Ngamsopee	Independent Director, Chairman of Audit Committee and Member of Risk Management Committee	9/9	13/13	12/12	-	-	1/1	1/1
4. Mr. Chalermkul Apibunyopas	Director, Chairman of Corporate Governance and Business Ethics Committee and Member of Risk Management Committee	9/9	-	12/12	-	2/2	1/1	-
5. Mr. Virachai Srikajon	Independent Director, Chairman of the Nomination and Remuneration Committee, Member of Audit Committee and Member of Risk Management Committee	9/9	13/13	12/12	7/7	-	1/1	1/1
6. Dr. Linda Kraivit	Independent Director, Chairman of Risk Management Committee, Member of Audit Committee, Member of the Nomination and Remuneration Committee, and Member of Corporate Governance and Business Ethics Committee	9/9	13/13	12/12	7/7	2/2	1/1	1/1
7. Dr. Vikrom Koompirochana	Independent Director	8/9	-	-	-	-	1/1	1/1
8. Dr. Aurchart Kanchanapitak	Director	9/9	-	-	-	-	1/1	1/1
9. Prof. Dr. Aasis Unnanuntana	Director	9/9	-	-	-	-	1/1	1/1
10. Ms. Nalin Vanasin	Director	9/9	-	-	-	-	1/1	-
11. Mr. Sita Meksawan	Director and Member of Corporate Governance and Business Ethics Committee	9/9	-	-	-	2/2	1/1	1/1
12. Dr. Kajorn Thanapase	Director	9/9	-	-	-	-	1/1	1/1
13. Dr. Rukkagee Kanchanapitak	Director	9/9	-	-	-	-	1/1	1/1

Remark: Abbreviations: BOD: Board of Directors AC: Audit Committee NRC: Nomination and Remuneration Committee
RMC: Risk Management Committee CG: Corporate Governance and Business Ethics Committee
AGM: Annual General Meeting of Shareholders NED: Non-Executive Directors
*Dr. Vikrom Koompirochana was absent from the meeting 1 time due to another work assignment.

Monetary remuneration to directors and executives

1) Monetary remuneration to directors

The 2021 Annual General Meeting of Shareholders held on 23 April 2021 approved the monetary remuneration of the directors as follows:

Position	Annual Remuneration (Baht per year)	Meeting Allowance (Baht per meeting)
Chairman	180,000	12,000
Director	150,000	12,000
Subcommittees namely		12,000
Audit Committee,		
Risk Management Committee,		
Nomination and Remuneration Committee and		
Corporate Governance and Business Ethics Committee		

Remark: 1) The Executive Committee is not a subcommittee, therefore, will not receive meeting allowance.
2) An executive who is a member of subcommittee will not receive meeting allowance.

In 2021, the payment of remuneration to directors namely meeting allowance (directors' meeting allowance, shareholders' meeting allowance and independent directors' meeting allowance), subcommittee meeting's fee and annual remuneration for directors. The total amount is 5,827,273 baht and no accrued expenses from the previous year as following details:

Director	Remunerations of the Board of Directors (Baht)									
	BOD	AC	RMC	NRC	CGC	AGM	NED	Annual Remuneration	Remuneration of subsidiaries	Total
1. Dr. Boon Vanasin	108,000	-	-	-	-	12,000	-	180,000	-	300,000
2. Dr. Tanatip Suppradit	108,000	-	-	-	-	12,000	-	150,000	429,636	699,636
3. Mrs. Kannika Ngamsopee	108,000	156,000	144,000	-	-	12,000	12,000	150,000	72,000	654,000
4. Mr. Chalermkul Apibunyopas	108,000	-	-	-	-	12,000	-	150,000	429,636	699,636
5. Mr. Virachai Srikajon	108,000	156,000	144,000	84,000	-	12,000	12,000	150,000	72,000	738,000
6. Dr. Linda Kraivit	108,000	156,000	144,000	84,000	24,000	12,000	12,000	150,000	72,000	762,000
7. Dr. Vikrom Koompirochana	96,000	-	-	-	-	12,000	12,000	150,000	-	270,000
8. Dr. Aurchart Kanchanapitak	108,000	-	-	-	-	12,000	12,000	150,000	-	282,000
9. Prof. Dr. Aasis Unnanuntana	108,000	-	-	-	-	12,000	12,000	150,000	-	282,000
10. Ms. Nalin Vanasin	108,000	-	-	-	-	12,000	-	150,000	-	270,000
11. Mr. Sita Meksawan	108,000	-	-	-	24,000	12,000	12,000	150,000	-	306,000
12. Dr. Kajorn Thanapase	108,000	-	-	-	-	12,000	12,000	150,000	-	282,000
13. Dr. Rukkagee Kanchanapitak	108,000	-	-	-	-	12,000	12,000	150,000	-	282,000
Total	1,392,000	468,000	432,000	168,000	48,000	156,000	108,000	1,980,000	1,075,273	5,827,273

Remark: 1) The Executive Committee is not a subcommittee, therefore, will not receive meeting allowance.
2) An executive who is a member of subcommittee will not receive meeting allowance.
3) Remuneration from subsidiaries means the meeting allowance from the board meeting or shareholders meeting in subsidiaries. For directors who are executives as defined by the SEC's definition, it is included in the executive's monetary compensation.

2) Other Remuneration

The Annual General Meeting of Shareholders for the year 2021, on 23 April 2021, approved other Compensation such as medical service fee at Thonburi hospital for directors as follows:

- For director: 100,000 Baht per year with 50% discount in excess amount
- For parents: 50% discount with unlimited amount
- For spouse and underage children: 50% discount with a limit of Baht 100,000

In 2021, the Board of Directors received compensation for medical services totaling 1,234,516.50 baht.

1.3. Supervision of operations of subsidiaries and associated companies

The Company has a mechanism to supervise the operations of its subsidiaries and associated companies to monitor benefits from the Company's investments as follows:

- The proportion of directors and/or executives in subsidiaries and associated companies nominated by the Company shall not be less than the Company's respective shareholding in subsidiaries and associated companies.
- Governance, authority, roles and responsibilities of representative directors shall adhere to the management policy and the financial control policy of the Company's subsidiaries and associated companies. Voting on important resolutions shall be in accordance with the Company's approval authority.
- Subsidiaries are required to submit annual budget and business plan to the Company for approval. The operating performance of subsidiaries shall be reported on a quarterly basis. The Company may request subsidiaries to provide clarifications or request additional information from subsidiaries when needed.
- The Board of Directors has appointed 11 directors and/or executives as directors in 11 subsidiaries, 2 associated companies, and 1 joint venture company. In case any representative director and/or executive resigns, the Board of Directors will consider appointing another director and/or executive to monitor interests on behalf of the Company according to the shareholding proportion by the Company.
- Subsidiaries have complied with the relevant rules, regulations, and laws. In the year 2021, the Company's subsidiaries did not have any significant transaction that was considered a connected

1.4 Monitoring to ensure compliance with corporate governance policies and practices

The Board of Directors believes that good corporate governance will make the group's operations efficient, transparent and fair to all stakeholders. It will help in building credibility, increasing competitiveness for the group, and creating stability and sustainable growth to the Company. Therefore, there is a manual on corporate governance with details as disclosed on the Company's website at (https://www.thg.co.th/storage/ir/downloads/cg-principle/20200522-thg-cg-ethics-en.pdf). The Corporate Governance and Ethics Committee plays a role in supervising the group's policies and guidelines for good corporate governance and business ethics to be in accordance with international standards. The relevant policies are reviewed at least once a year. In the year 2021, the meeting of the Corporate Governance and Ethics Committee No. 2/2021 held on 22 December 2021 reviewed the corporate governance and ethics manual and reported to the Board of Directors' Meeting No. 1/2022 held on 26 January 2022 for further amendments and approval.

The Board of Directors has determined that it is a responsibility of all directors, executives, and employees to be informed and comply with the policy and requirements under the Company's corporate governance and ethics manual. The Corporate Governance and Ethics Committee has assigned the corporate governance working group to monitor and coordinate with the group and report on compliance with such policy on a regular basis. In the past year, compliance with good corporate governance according to the manual has been comprehensively monitored in areas such as respecting the rights of shareholders, equal treatment

of all stakeholders, information disclosure and transparency, responsibilities of the Board of Directors, caring for the environment, support on new innovations, and anti-corruption etc. It was found that the Company has fully complied with guidelines in each issue and has been assessed by the relevant agencies as follows:

- The Company received the full assessment score at 100 under the quality assessment program by the Thai Investors Association for arrangement of the 2021 Annual General Meeting of Shareholders.
- The Company received a 5-star rating, which is in the category of "Excellent" (90 points and above) from the Corporate Governance Survey of Thai Listed Companies Year 2021 organized by the Thai Institute of Directors.

In addition, the Company has been monitoring 4 important practices:

Prevention of conflicts of interest

The Company has a policy to prevent and eliminate conflicts of interest that may arise in the future. The policy is also used to consider any connected transaction by the Company and/or its subsidiaries with person who may have conflict of interest to be in accordance with the relevant rules, regulations and laws.

(1) The Company's directors and executives have prepared report on conflict of interest as prescribed by the SET to report interest of himself and related persons.

(2) Clarifications on position as director and major shareholder in the same business without conflict of interest with THG

(2.1) Mr. Tanatip Suppradit, M.D.

- CEO, authorized director, and shareholder with 0.01% shareholding (as of 31 December 2021) in THG
- Director of Rajthanee Hospital PCL. (RJH) (neither being authorized director nor controlling person nor shareholder in RJH)

RJH and THG operate a similar business but are not competitors because the location is in different provinces.

(2.2) Mr. Aurchat Kanjanapitak, M.D. and Miss Rukkagee Kanjanapitak and Ramkhamhaeng Hospital Public Company Limited (RAM)

- Mr. Aurchat Kanjanapitak, M.D., director of THG (neither being authorized director nor controlling person), has 2.08% shareholding in THG.
- Mr. Aurchat Kanjanapitak, M.D. is an authorized director and shareholder of RAM.
- Miss Rukkagee Kanjanapitak, director of THG (neither being authorized director nor controlling person nor shareholder in THG)
- Miss Rukkagee Kanjanapitak is a financial advisor and shareholder of RAM.
- RAM is a major shareholder with 20.91% shareholding (as of 31 December 2021) in THG.

Mr. Aurchat Kanjanapitak, M.D. and Miss Rukkagee Kanjanapitak do not participate in the management of THG's business. In addition, the appointment of the two persons does not violate the relevant provisions of the Public Limited Companies Act B.E. 2535 (1992) (as amended) and laws which prohibit directors from conducting business of the same nature and in competition with the business of the Company or being a director of a private company or other company that operates business of the same nature and in competition

with the business of the Company. Even though RAM operates a business of the same nature, it is not THG's competitor. If there is any agenda of which RAM has a conflict of interest, Mr. Aurchat Kanjanapitak, M.D. and Miss Rukkagee Kanjanapitak shall abstain from voting on such agenda. RAM's acquisition in THG creates strength and allows exchange of knowledge and expertise, for instance placing joint order on medical equipment has increased the Company's bargaining power. THG and RAM have become more cost effective. The two companies also, among others, refer patients in the event that any hospital reaches full capacity.

RAM and THG have always been good partners who support each other's business operations. Although they operate the business of similar nature, but they are not competitors due to the locations of the hospitals being far apart. At present, there is no province that has competing hospitals or hospitals located in the same area. In Bangkok, THG has Thonburi Bamrungmuang Hospital located on Bamrungmuang Road and RAM has Mahesak Hospital located in Bangrak District. The hospitals are located in the same area but have different customer groups whereby:

- The majority of Mahaesak Hospital's customers are social security customers.
- The majority of Thonburi Bamrungmuang Hospital's customers are foreigners.

(2.3) RAM is a major shareholder of THG; therefore, 2 representatives has been nominated to be directors in THG in proportion of its shareholding. The approval of any transaction requires a majority vote; therefore, RAM has no control or not being a part of management in THG. Vanasin Group is still a major shareholder of 22.05% (as of December 31, 2021)

(2.4) In case of RAM joins with THG to establish a new joint venture company to build Thonburi Hospital Rangsit by holding 40% of shares will benefit THG as follows

A) This allows the Company to expand and grow faster in the hospital business, which is the company's core business. As the project requires investment up to 2,700 million baht if THG sponsors all itself, it may affect the liquidity of THG in the future.

B) It is to create opportunities for the Company to jointly invest and coordinate well in business with partners in the same industry to contribute assistance and promote each other in the medical business as well as other related businesses.

C) Investment in Thonburi Hospital Rangsit is a large tertiary hospital that will enhance the company's reputation by opening a hospital in Rangsit that can treat patients with complex diseases. There are only a few hospitals that have the potential for such treatment around that area.

D) Add value and interest to Jin Wellbeing County, an elderly residential project, which will be an important factor for people to choose to buy condominium units.

(3) Disclose connected transactions accurately and transparently in accordance with the rules prescribed by the SET. In the year 2021, the Company entered into two connected transactions of which required an approval from the Board of Directors and disclosure of information to the SET.

Supervision of the use of inside information

(1) The Company has established a policy on the use of the Company's inside information to protect employees, executives and directors, and related persons such as auditors from using inside information for securities trading or for personal use. The persons prescribed under the laws must be careful when trading the Company's securities prior to disclosing of inside information to the public.

(2) There is a hierarchy of access to confidential information and restrictions on usage.

(3) Directors and executives according to the definitions prescribed by the SEC shall report changes in securities holdings to the SEC Office in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) and submit a copy of such report to the Company Secretary on the same day as the date of submission of the report to the SEC office every time.

(4) Violators of the use of inside information will be punished according to the laws. In the past year, the Company did not find any director, executive, employee or related persons commit any act that is contrary to the Company's policy on using inside information.

Anti-corruption policy

In the past year, the Company has implemented the anti-corruption policy as follows:

(1) The Company and its subsidiaries have communicated such policy to employees and executives via trainings and circulars. The employees have to review and sign a form to acknowledge such policy. The policy is used as part of the new employee orientation content and as part of employee evaluation score. This is a score which comes from taking an organizational exam that contains questions regarding ethics and work practices, including anti-corruption, to educate employees on anti-corruption policy and practices. This also encourages employees to be honest and responsible for the performance of their duties and responsibilities.

(2) The Company has disclosed the anti-corruption policy on its website under the Corporate Governance and Ethics Manual at https://www.thg.co.th/storage/ir/downloads/cg-principle/20200522-thg-cg-ethics-en.pdf.

(3) The Company organized an event "Story Writing Contest" to raise awareness and anti-corruption values in the organization during 11 November 2021 – 15 January 2022. The event was launched on 9 December 2021 which is an International Anti-Corruption Day.

(4) The Company sent its executives to attend a seminar called "Role of Company Secretary in Enhancing CG in respect of Anti-Corruption" on 8 October 2021.

Additional Guideline for the Prevention of Involvement in Corruption

The Company has procured the Internal Audit Department to monitor the internal audit system, risk management and corporate governance and to provide suggestion from time to time by auditing in accordance with the annual internal audit plan which has been approved by the Audit Committee and reporting the result of audit in key issues and suggestion to the Audit Committee.

The Risk Management Committee has determined the guideline for assessment of risk from internal corruption to determine the anti-internal corruption measure in order for efficient implementation and support of complying with the guideline for monitoring and evaluating the implementation of the anti-corruption policy within the organization including providing the suggestions, control measure or prevention guideline for such risk together with following up the evaluation to improve the plan from time to time to reduce the risk to the acceptable level and reporting it to the Board of Directors regularly.

The Company has determined the guideline to monitor for prevention and following up of risk on corruption within the organization as follows:

1. The Company provides channels for receiving clues or complaints regarding violation, illegal actions or business ethics of the Company or doubt in financial report or internal control system. The Company has policy on whistle-blower protection, and it will keep the information of whistle-blower as confidential. The Company also has measure to review and determine the disciplinary actions and/or legal actions. If the Company is able to contact the whistle-blower, the Company will inform its action in writing.
2. The Company has procured to have internal audit, assessment of internal control system and risk management which cover important working systems to protect and to follow up the risk on corruption including providing the suggestion in relation to the appropriate solution.
3. If after the fact finding, it finds that the audited information or complaint may have evidence to believe that there have transactions or actions that may significantly impact the financial status and Company's performance including violation or wrongful actions relating to legal or business ethics of the Company, the Audit Committee shall inform the Board of Directors to carry out improvements within the time frame that the Audit Committee deems appropriate.
4. The department heads are responsible for monitoring the operations, correction of errors (if any) and report to the authority respectively.
5. The Company has determined that the managements and employees shall perform and evaluate their performance in relation to the good corporate governance principle and Company's business ethics including the anti-corruption in the organization policy regularly.
6. The Company has determined the guideline to follow up the performance assessment in accordance with the guideline for preventing corruption in the organization.

Whistle Blower Policy

The Company has given the opportunity to directors, executives, employees and internal and external stakeholders of the Company and its subsidiaries to report suspected illegal acts, complaints or recommendations relating to illegal or unethical acts, incorrectness of financial reports, corruption or deficiency in internal control system of the Company or its subsidiaries. The Company shall investigate and find facts relating to such report, complaint or recommendation in order to determine appropriate measures or actions. Such information can be reported via the following channels:

In the past year, there was neither complaint nor report of any clue relating to illegal action, including complaint or suggestion relating to legal offense, business ethics, inaccurate financial report, corruption or deficiency in the internal control systems of the Company and its subsidiaries.

2. Report on the performance of the Audit Committee in the past year

Please refer to details under Report of the Audit Committee

3. Report on the performance of other sub-committees

The sub-committees have performed their duties in accordance with the charter of each committee. The details of the meeting are shown in the table summarizing attendance of the meetings and payment of remuneration to each individual member of the sub-committees in Item 1.2.

Internal Control and Risk Management

Internal Control

Thonburi Healthcare Group Public Company Limited values the importance of the Internal Control System which has been designed in accordance with the international standard of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to achieve the objectives relating to operations, reporting, and compliance of the Company

During the Board of Directors' Meeting No. 2/2022 held on 15 February 2022, Board of Directors' Internal Control System was evaluated based on the internal control assessment report prepared by the internal audit department which follows the guidelines of the Securities and Exchange Commission (SEC), together the Audit Committee's report. The Board of director viewed that internal control system the Company and subsidiaries has been sufficient and appropriate. The Company has provided the appropriate staff to operate the system effectively, enabling the Company to comply with the Good Corporate Governance. To monitor the operation of the company. To ensure that the Company and subsidiaries assets can be protected against misuse by the directors or management. The Company has adequate control over transactions with related parties or conflicts. The Company has provided the appropriate staff to operate the system effectively, enabling the Company to comply with the Good Corporate Governance. To monitor the operation of the company. To ensure that the Company and subsidiaries assets can be protected against misuse by the directors or management. The Company has adequate control over transactions with related parties or conflicts.

The Company has internal control system covers all the five components of internal control, namely Control Environment, Risk Assessment, Control Environment, Information & Communication, and Monitoring Activities Management of the Company internal control system can be summarized as follows:

1) Control Environment

The Board of director and Management strive to promote a corporate culture that focuses on integrity and ethics. They also provide supervision of the Company operations to ensure compliance with the organizational vision and missions and to ensure that the Company control environment is appropriate and effective

The Company's executives and personnel have good attitudes, which is conducive to internal control. Executive gives importance to good morals, ethics, honesty. Executive will consider taking actions as necessary and appropriate if any personnel display inappropriate behavior and accepts capabilities of his/her subordinates. He/she should be aware of information and conduct analysis on new discovery or things that should be examined. Philosophy and workstyle of executives shall be appropriate for development of internal control and maintenance of effective internal control. Appropriate organization structure, authorization of the Company, and personnel development policy and implementation are important to good internal control, for instance:

1.1 The Company has set clear and appropriate organization structure and reporting lines. It has delegated roles and responsibilities in writing so that all personnel shall be aware of and understand their roles, authorities, duties and responsibilities.

1.2 The Company assesses education background and skills necessary in performing work. It also assesses knowledge and expertise of each personnel in performing his/her job to ensure that he/she has knowledge, skills, and capabilities to perform his/her assigned works according to the job descriptions.

1.3 The Company has determined policy and methods for human resources management in writing such as selection, training, promotion and compensation etc.

2) Risk Assessment

The Company recognize the significance of Risk Management. Appointed by the Board of Directors, the Risk Management Committee (RMC) performs the duties of setting and reviewing policies, objectives, risk management frameworks, monitoring and evaluating of compliance with the frameworks, giving opinions and recommendations on the Company risk management and project investment risks. The Company has Subcommittee on Risk Management, appointed by the Risk Management Committee (RMC), ensures that business the Company manages its risks efficiently, leading to the achievement of its business goals. Below are the Company risk management approaches:

2.1 The Company sets clear organizational objectives. The organizational objectives are consistent with organizational activities in order to become successful with appropriate budget and designated personnel. The management clearly identifies internal and external risks which may affect the Company's efforts in achieving organizational objectives. The Company conducts proper risk analysis and risk management.

2.2 The Company sets organizational risk management policy whereby the Risk Management Committee is responsible for monitoring and determining overall organizational risk management framework. Each working committee manages risks under its responsibilities according to the specified framework. The risk management policy covers financial management risks, business risks, operational and management risks, and occupational health and safety and environmental risks, and other key risks relating to the Company's business operations.

2.3 The Company sets clear organizational objectives, covering matters which the Company wishes to achieve and activities relating to key organizational procedures which are consistent with the Company's objectives and strategies. Executives are responsible for identifying organi zational risks, covering all key organizational activities.

3) Control Activities

The Company has set policy and methods which will lead the Company to success according to the management's plan once implemented. Control activities will allow assigned personnel to understand those risks which may arise from job performance. Hence, such assigned personnel will become more cautious and be able to successfully complete his/her work. For instance, internal control in respect of management, the Company has set mission and objectives in writing and communicate to every personnel so that objectives can be achieved. In addition, work plan, resource allocation, budget and manpower are prepared. The Company has also set work procedures and monitors implementation of work procedures to ensure

that its personnel will perform their duties efficiently and effectively and in compliance with the laws, rules and regulations and prescribed standards.

3.1 The Company has developed efficient and effective control activities that contribute to the mitigation of risks against the achievement of objectives, to acceptable levels.

3.2 The Company provides information technology control activities such as Access Management Information Technology Information security policy requirements. To provide information technology of the company. Is right Efficiency, security, continuous operation.

3.3 The Company has rules, regulations, policies, procedures and work instructions for reference use practices. internal controls such as the policy on entering into connected transactions

Overall, the Company has appropriate, adequate and effective control activities. The Company has set policy and methods in writing, specifying jobs with key risks and preventive measures to reduce mistakes. The management reviews the Company's financial reports and operating reports (non-financial). The Audit Committee and the Board of Directors also require measuring employee performance using key performance index.

4) Information & Communication

The Company recognizes the criticality of the quality of Information & Communication that supports the effectiveness of the Company Internal Control System, as detailed below;

4.1 The Company has set up information classification to board of director, instructions for filing important documents and controlled documents. This includes information from both internal and external sources. This process is intended to ensure that important information concerning the Company and its business operations are accurate, complete, adequate and timely to management.

4.2 The Company has set up external communication channels to communicate with external stakeholders, such as the Company website. In addition, assigned departments are responsible for the disclosure of important information components of Investor Relations

5) Monitoring Activities

The Company continuously monitors and evaluates the adequacy of its internal control system. Development and improvement processes have also been in place to ensure the efficiency and effectiveness of the Company Internal Control System, and includes:

5.1 The Internal Audit Department, which is an independent unit reporting directly to the Audit Committee, examines and evaluates the effectiveness of internal control activities. The internal audit reports and findings are presented to the Audit Committee on a quarterly basis. The results of internal audit are reported to the Audit Committee on a quarterly basis. In addition, the Company's internal auditor must attend trainings on a continuous basis to increase knowledge and develop skills and capabilities as internal auditor.

5.2 The Board of Directors or the relevant sub-committee, such as the Audit Committee and the Risk Management Committee, will be reported if there is occurrence of event which might have significant impact on the Company. The management will report progress of such event and proposed solutions within the appropriate time period.

The internal control assessment of the company in 2021 according to the 5 main components of internal control was appropriate, sufficient and effective to the business operations of the company and did not find any significant issues related to conflicts of interest, fraudulent activities, or any other significant deficiencies in the Internal Control System materially in affect the Company objectives. Furthermore, no violations of SEC and SET rules and regulations or other laws related to the Company were found.

Internal Audit

The person in charge of the Internal Audit Department is Mrs. Hathaichanok Pangnoi, a director of Internal Audit Department. having sufficient qualifications to act as the head of the Company's Internal Audit Department who is suitable for performing duties and has more than 10 years of working experience in internal audit and risk management experience as well as having an understanding of the Company's business in the audit of the Company's internal control system and received training courses related to internal audit operations of the Association of Internal Auditors of Thailand Federation of Accounting Professions Royal Patronage and other related. The qualifications of the person holding the position of Head of Internal Audit shown in Head of the Company's Internal Audit and Head of the Company's Compliance.

The Company has an internal audit team in performing duties as an internal auditor, reviewing internal control system of the Company and its subsidiaries. Mrs. Hathaichanok Pangnoi, Director of Internal Audit Department is primarily responsible for the performance of internal auditors of the Company and its subsidiaries.

The Audit Committee has given an opinion on internal audit scope of work and the annual internal audit plan for the year 2021. The Company has an internal audit team which has audited and assessed internal control system of the Company and its subsidiaries. The Audit Committee has reviewed internal audit report, monitored rectifications to issues set out in internal audit report, provided recommendations for improvement of efficiency in internal audit work, independence of Internal Audit Department, and considered appropriateness of budget, manpower, human resource training and development, and annual assessment of Internal Audit Department. After consideration, the Audit Committee is of the opinion that the Company has appropriate and effective internal audit system.

According to scope of duties and responsibilities of the Audit Committee, the Audit Committee has the authority to consider and approve appointment, rotation, and dismissal of Head of Internal Audit Department or any other department responsible for internal audit as it deems appropriate.

Comment on the internal Control System

The Company's internal audit team have audited and assessed internal control system of the Company and its subsidiaries. According to internal audit report regarding audited systems pursuant to the annual internal audit plan for 2021, the Company and its subsidiaries have appropriately complied with internal audit system and have sufficient internal control on key systems. Therefore, the Company and its subsidiaries achieved their objectives and there were no significant issues affecting the systems.

Risk Management

Thonburi Healthcare Group Public Company Limited realizes and recognizes the importance of risk management. There is a Risk Management Committee (RMC) responsible for defining and reviewing policy, objectives, framework of risk management, monitoring and evaluating implementation of the risk management framework, and giving opinion and recommendations on corporate risk management and investment risks of the Company's projects. The Risk Management Committee has appointed a risk management sub-committee for each of the Company's important business to supervise the Company's risk management to be effective, leading to achievement in organizational goals. The Risk Management Committee has issued a risk management policy so that personnel at all levels of the organization understand the risk management process and adhere to it. This will be an important tool that helps every part of the organization achieves its objectives/goals and operational success and will lead to creation of added values and sustainable growth of the organization. It can also be applied to operations, ranging from large projects to small projects. It is better to recognize the mistake and prepare a contingency plan before it happens, rather than solving the problem at the end which can cause unnecessary expenses and waste of resources.

Related Party Transaction

1. Transaction

List of Thonburi Healthcare Group Public Company Limited ("THG") and subsidiaries.

1.1 Normal business transaction or normal business support with general commercial terms

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
1. Sirivej Chanthaburi PCL. **Relationship** As an associate company and Dr. Tanatip Suppradit is a director of THG.	DS All Co., Ltd. (Former Name: Dental Siam Co., Ltd.)	1. Revenue from sales of medical supplies on dental materials					DS All Co., Ltd., a subsidiary has sold dental supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
		• Revenue from medical supplies	-	37,967	41,494	19,206	
		• Trade accounts receivable	-	-	2,550	-	
	THG	2. Revenue from services and consulting					THG has provided consulting services on Personal Information Protection System for Hospitals (PDPA) at the service rates specified in the contract which is the general market price, and the conditions are in accordance with the contract mutually agreed upon under careful consideration of both parties in the appropriate benefits which is in accordance with general business practice conditions.
		• Revenue from services and consulting	-	50,000	20,000	-	
		• Trade accounts receivable	-	-	21,400	-	
		3. Revenue from sales					THG sells vaccines and medical supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
		• Revenue from sale of vaccines	696,000	696,000	-	-	
		• Revenue from sale of medical supplies	66,000	165,690	-	-	
		• Trade accounts receivable	762,000	762,000	-	-	

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
	Med Access Co., Ltd.	4. Revenue from sales of medical supplies ▪ Revenue from sale of medical supplies	-	2,500	-	-	Med Access Co., Ltd., a subsidiary, sells medical supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	THG	5. Dividend income ▪ Dividend income	-	6,215,736	8,287,648	6,474,725	THG received dividends from its investment in the ordinary shares of Sirivej Chanthaburi PCL. as declared.
		6. Other incomes ▪ Revenue from sales ▪ Revenue from transportation	- -	21,400 2,000	- -	- -	THG has other incomes from 1) selling medical products that helps in treating patients 2) transportation costs for delivering medical supplies. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.
	Thonburi Bamrungmuang Hospital Co., Ltd.	7. Other incomes ▪ Revenue from selling assets ▪ Revenue from transportation	- -	468 561	- -	- -	The Company has other incomes from 1) Disposal of used medical assets 2) Revenue from transportation of medical assets. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
	THG	8. Professional service fees · Professional service fees · Trade accounts payable	 4,159,925 4,159,925	 4,159,925 4,159,925	 - -	 - -	THG paid the service fee for vaccination to Sirivej Chanthaburi PLC. The prices and conditions between the parties are as agreed.
	Thonburi Bamrungmuang Hospital Co., Ltd.	9. Professional service and repair fees · Professional service and repair fees	 -	 -	 146,764	 -	Thonburi Bamrungmuang Hospital Co., Ltd., a subsidiary, agreed to hire Sirivej Chanthaburi PCL. to provide patient delivery services. The prices and conditions between the parties are as agreed.
2. Ubonrak Co., Ltd. **Relationship** As an associate company and Mr. Chalermkul Aphiboonyophas and Dr. Tanatip Suppradit are a director of THG	DS All Co., Ltd. (Former Name: Dental Siam Co., Ltd.)	1. Revenue from sales of medical supplies on dental materials ▪ Revenue from medical supplies ▪ Trade accounts receivable	 - -	 170,458 -	 292,832 24,000	 88,112 61,160	DS All Co., Ltd., a subsidiary sells dental supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	Modular Software Expertise Co., Ltd.	2. Revenues from maintenance of hospital information systems • Revenue from services and consulting • Trade accounts receivable	 217,500 305,225	 870,000 305,225	 870,000 305,225	 870,000 227,650	Modular Software Expertise Co., Ltd, a subsidiary company, provided hospital system development services including hospital maintenance services. The service fee specified by the contract. The normal business of the subsidiary is based on the conditions that the subsidiary has with other parties.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
	THG	3. Revenue from services and consulting ▪ Revenue from services and consulting ▪ Trade accounts receivable	 210,000 171,200	 410,000 171,200	 20,000 21,400	 - -	THG provides services 1) consulting services on Personal Information Protection System for Hospitals (PDPA) 2) consulting services on accounting system. The service rates specified in the contract which is the general market price, and the conditions are in accordance with the contract mutually agreed upon under careful consideration of both parties in the appropriate benefits which is in accordance with general business practice conditions.
	THG	4. Revenue from sales ▪ Revenue from sale of vaccines ▪ Revenue from sale of medical supplies ▪ Vaccine deposits	 2,120,400 - 3,879,600	 2,120,400 60,465 3,879,600	 - - -	 - - -	THG sells vacines and medical supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	THG	5. Revenue from services • Revenue from services • Trade accounts receivable	 170,980 31,150	 222,080 31,150	 - -	 - -	THG has provided medical diagnostic services. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	Med Access Co., Ltd.	6. Revenue from sales of medical supplies • Revenue from sales of medical supplies	 -	 5,000	 -	 -	Med Access Co., Ltd., a subsidiary, sells medical supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
	THG	7. Dividend income ▪ Dividend income	3,883,938	15,535,752	5,825,907	13,593,783	THG received dividends from its investment in the ordinary shares of Ubonrak Co., Ltd.as declared.
		8. Other incomes ▪ Revenue from sales	-	214,000	-	-	THG sells medical products that helps in treating patients. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.
	Thonburi Bamrungmuang Hospital Co., Ltd.	9. Other incomes · Profit from sale of assets	4,591	4,591	-	-	Thonburi Bamrungmuang Hospital Co., Ltd. has disposed of used medical assets. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.
	THG	10. Professional service fee · Professional service fee · Trade accounts payable	1,343,650 1,343,650	1,343,650 1,343,650	- -	- -	THG paid the service fee for vaccination to Ubonrak Co., Ltd. The prices and conditions between the parties are as agreed.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
3. Pattara Hospital Co., Ltd **Relationship** Mr. Chalermkul Apibunyopas is a director of THG (Resigned from the position on 24 November 2020).	Thonburi Hospital Heart Centers Co., Ltd.	1. Revenue from services and consulting ▪ Revenue from services and consulting ▪ Trade accounts receivable ▪ Other income	- - -	- -	4,508,226 37,507,455 -	16,178,071 35,133,153 673	Thonburi Hospital Heart Centers Co., Ltd. has entered into a joint treatment of cardiovascular disease with Pattara Hospital Co., Ltd, the remuneration and share interests according to a mutual agreement under careful consideration of the parties in the benefits that would have been appropriate. This is in accordance with normal business practices in general.
	DS All Co., Ltd. (Former Name: Dental Siam Co., Ltd.)	2. Revenue from sales of medical supplies on dental materials ▪ Revenue from medical supplies ▪ Trade accounts receivable	- -	- -	- -	6,636 2,200	DS All Co., Ltd., a subsidiary, sells dental supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	Modular Software Expertise Co., Ltd.	3. Revenues from maintenance of hospital information systems • Revenue from services and consulting	-	-	540,000	588,000	Modular Software Expertise Co., Ltd, a subsidiary company, provided hospital system development services including hospital maintenance services. The service fee specified by the contract. The normal business of the subsidiary is based on the conditions that the subsidiary has with other parties.
	THG	4. Dividend income ▪ Dividend income	-	-	250,000	-	THG received dividends from its investment in the ordinary shares of Pattara Hospital Co., Ltd. as declared.
	Thonburi Wellbeing Co., Ltd.	5. Professional service and repair fees · Professional service fees	-	-	684,431	-	Thonburi Wellbeing Co., Ltd., a subsidiary, has hired Pattara Hospital Co., Ltd to provide food delivery services for patients, which is necessary to use to the services for patient treatment. The trading price, conditions and trade credit are in line with

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
							market conditions as same as the conditions agreed with other entities in general.
	Thonburi Bamrungmuang Hospital Co., Ltd.	6. Expenses for purchasing medicines and medical supplies · Cost of purchasing medicines and medical supplies	-	-	21,478	-	Thonburi Bamrungmuang Hospital Co., Ltd., a subsidiary, sells medicines and medical supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
4. Computed Tomography Urupong Co., Ltd. **Relationship** There is a common shareholder; Ms. Nalin Vanasin, who is the director of THG	THG	1. Professional fees and repair costs ▪ Professional fees and repair costs ▪ Trade accounts payable	9,159,324 3,116,689	35,729,103 3,116,689	47,269,435 3,875,969	51,654,301 4,125,289	THG has entered into an agreement with MRI with Computed Tomography Urupong Co., Ltd. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	THG	2.Dividend income ▪ Dividend income	-	112,500	112,500	112,500	THG received dividends from the investment in Computed Tomography Urupong Co., Ltd. as declared.
	Thonburi Bamrungmuang Hospital Co., Ltd.	3. Professional fees and repair costs ▪ Professional fees and repair costs ▪ Trade accounts payable	3,105,228 3,106,473	13,357,510 3,106,473	9,923,658 3,608,627	- -	Thonburi Bamrungmuang Hospital Co., Ltd., a subsidiary, has entered into an agreement with MRI with Computed Tomography Urupong Co., Ltd. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	Thonburi Bamrungmuang Hospital Co., Ltd.	4. Revenues from medical treatment · Revenues from medical treatment	-	37,800	-	-	Thonburi Bamrungmuang Hospital Co., Ltd., a subsidiary, has provides medical services. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
	Thanarad Thung Song Co., Ltd.	5. Professional fees and repair costs ▪ Professional fees and repair costs ▪ Other account receivable ▪ Trade accounts payable	 4,367,631 104,200 3,019,486	 13,019,486 104,200 3,019,486	 6,661,309 103,855 780,465	 - - -	Thanarad Thung Song Co., Ltd., a subsidiary, has entered into an agreement with MRI with Computed Tomography Urupong Co., Ltd. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	Thanarad Thung Song Co., Ltd.	6. Revenues from medical treatment · Revenues from medical treatment	 12,150	 36,150	 -	 -	Thanarad Thung Song Co., Ltd., a subsidiary, has provides medical services. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
5. ARYU International Health Care Co., Ltd . **Relationship** A joint venture	THG	1. Revenues from services and consulting ▪ Revenue from services and consulting ▪ Trade accounts receivable ▪ Other income ▪ Other accounts receivable	 - 6,245,251 - 71,700	 - 6,245,251 - 71,700	 918,000 6,294,251 - 71,700	 2,822,000 4,803,766 129,420 3,153,700	THG provided advice on hospital management to ARYU International Health Care Co., Ltd. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.
	Modular Software Expertise Co., Ltd.	2. Maintenance fee for hospital information system ▪ Revenues from services and consulting ▪ Trade accounts receivable	 - 62,881	 - 62,881	 - 62,881	 335,589 62,881	Modular Software Expertise Co., Ltd., a subsidiary, provided consulting services on hospital management systems at the rate specified in the contract which is a normal business of a subsidiary under the conditions that a subsidiary made with other contracting parties.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
5. ARYU International Health Care Co., Ltd **Relationship** A joint venture	Thonburi Bamrungmuang Hospital Co., Ltd.	3. Revenues from sale of medicines ▪ Revenue from sale of medicines	-	204,693	-	-	Thonburi Bamrungmuang Hospital Co., Ltd., sells medicines. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
6. Weihai Welly Hospital Co., Ltd. **Relationship** A joint venture (Ended as a joint venture in March 2020)	THG	1. Revenues from services and consulting ▪ Revenue from services and consulting ▪ Trade accounts receivable ▪ Other accounts payable	- - -	- - -	- - -	- 8,511,600 2,255,597	THG provided advice on hospital management to Weihai Welly Hospital Co., Ltd. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.
7. Chumvej Hospital PCL.	THG	1.Dividend income ▪ Dividend income ▪ Dividend receivable	4,954,400 4,954,400	5,846,192 4,954,400	272,492 -	1,901,689 891,792	THG received dividends from its investment in ordinary shares of Chumvej Hospital PCL. as declared.
Relationship Mr. Suthon Sriyaphan is a common director with a subsidiary	THG	2. Revenue from services ▪ Revenue from services ▪ Trade accounts receivable	- -	25,000 -	10,000 10,700	- -	THG provides consulting services on Personal Information Protection System for Hospitals (PDPA) at the service rates specified in the contract which is the general market price, and the conditions are in accordance with the contract mutually agreed upon under careful consideration of both parties in the appropriate benefits which is in accordance with general business practice conditions.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
	THG	3. Revenue from sales of assets • Revenue from sale of vaccines • Revenue from medicine supplies • Vaccine deposits	 2,196,000 - 7,287,600	 2,196,000 296,100 7,287,600	 - - -	 - - -	THG sells vaccines, medicines, and medical supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	Med Access Co., Ltd.	4. Revenue from sales of medical supplies · Revenue from sales of medical supplies	-	25,000	-	-	Med Access Co., Ltd., a subsidiary, sells medical supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	THG	5. Other incomes · Profit from sale of assets · other accounts receivables	 - -	 - 64,200	 79,980 -	 - -	THG has other incomes from 1) Disposing of used medical assets. 2) Distributing medical products that helps in treating patients. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.
	Thonburi Bamrungmuang Hospital Co., Ltd.	6. Other incomes · Profit from sale of assets · other accounts receivables	 60,856 75,400	 60,856 75,400	 - -	 - -	Thonburi Bamrungmuang Hospital Co., Ltd. has disposed of used medical assets. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.
	THG	7. Professional fees costs ▪ Professional fees costs ▪ Trade accounts payable	 1,442,980 1,442,980	 1,442,980 1,442,980	 - -	 - -	THG paid the service fee for vaccination to Chumvej Hospital PCL. The prices and conditions between the parties are as agreed.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
8. Siroros Hospital Co., Ltd. **Relationship** There is a person who is a close relative of Dr. Boon Vanasin is a shareholder.	Rajyindee Hospital PCL.	1. Revenues from selling medical supplies ▪ Revenue from selling medical supplies	-	24,150	329,303	-	Rajyindee Hospital PCL., a subsidiary, sells medical supplies. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	THG	2. Revenue form services ▪ Revenue from services ▪ Trade accounts receivable	- -	50,000 -	20,000 21,400	- -	THG provides consulting services on Personal Information Protection System for Hospitals (PDPA) at the service rates specified in the contract which is the general market price, and the conditions are in accordance with the contract mutually agreed upon under careful consideration of both parties in the appropriate benefits which is in accordance with general business practice conditions.
	Rajyindee Hospital PCL.	3.Dividend income ▪ Dividend income	-	-		300,000	Rajyindee Hospital PCL. has received dividends from its investment in ordinary shares of Siroros Hospital Co., Ltd. as declared.
	THG	4. Other incomes · Profits from sale of assets	-	-	19,999	-	THG has disposed used medical assets to Siroros Hospital Co., Ltd. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
8. Siroros Hospital Co., Ltd. **Relationship** There is a person who is a close relative of Dr. Boon Vanasin is a shareholder.	Rajyindee Hospital PCL.	5. Expenses for other services ▪ Cost of medical consumes ▪ Car rental for health check	- -	- -	15,000 -	- 9,250	Rajyindee Hospital PCL. has used the products / services for patient treatment as it is necessary. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.
	THG	6. Professional fees costs ▪ Professional fees costs ▪ Trade accounts payable	120,505 120,505	120,505 120,505	- -	- -	THG paid the service fee for vaccination to Siroros Hospital Co., Ltd. The prices and conditions between the parties are as agreed.
9. Thonburi Houseware Co., Ltd. **Relationship** Dr. Suwadee Puntpanich is a common director with a subsidiary	Thonburi Wellbeing Co., Ltd.	1. Office Rental ▪ Rental Deposit ▪ Service fees ▪ Rental deposit ▪ Other payables ▪ Rights to use assets ▪ Liabilities under lease agreements ▪ Depreciation of the right to use assets	- 124,649 3,521,555 1,800,217 - - 344,047	- 342,247 3,521,555 1,800,217 - - 1,875,993	- 966,815 3,521,555 66,376 8,301,820 3,281,076 5,534,547	2,752,178 192,336 503,079 554,891 - - -	Thonburi Wellbeing Co., Ltd., a subsidiary, has rented an office at the rental rate and service fees specified in the contract. The conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
	THG	2. Office Rental ▪ Rental Deposit ▪ Service fees ▪ Rental deposit ▪ Other payables ▪ Rights to use asset ▪ Liabilities under lease agreements ▪ Depreciation of the right to use assets	- 45,025 75,718 41,864 1,759,387 969,138 219,923	- 77,630 75,718 41,864 1,759,387 969,138 879,693	- - - - - - -	- - - - - - -	THG has rented an office at the rental rate and service fees specified in the contract. The conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
10. Rajthanee Pattanakarn (2014) Co., Ltd. **Relationship** Mrs. Charuwan Vanasin is a major shareholder.	Thonburi Bamrungmuang Hospital Co., Ltd.	1. Other service fee ▪ Other service fee ▪ Commission ▪ Trade account payables	- - 224,700	- 335,550 224,700	- - 224,700	- - 218,820	Rajthanee Pattanakarn (2014) Co., Ltd. has hired Chinese translators to assist Thonburi Bamrungmuang Hospital Co., Ltd. in marketing. Thonburi Wellbeing Co., Ltd., a subsidiary, has rented an office at the rental rate and service fees specified in the contract. The conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
11. Thonburi Hospital Holding Co., Ltd. **Relationship** There are shareholders as directors of subsidiaries.	THG	1. Accommadation income ▪ Accommadation income ▪ Other incomes ▪ Other Accounts Receivable	- - 1,800,300	- - 1,800,300	14,400 - 1,800,300	1,585,300 200,600 1,785,900	THG has provided accommodation for doctors who come to study visits to Thonburi Hospital Holding Co., Ltd. The price is according to the rate offered to general customers.
12. Ramkhamhaeng Hospital PCL. **Relationship** common director	THG	1. Revenues from sale of medicines • Revenues from sale of medicines	-	667,700	-	-	THG sells medicines to Ramkhamhaeng Hospital PCL. which is necessary to use for patient treatment. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
	DS All Co., Ltd. (Former Name: Dental Siam Co., Ltd.)	2. Revenues from sale of medical supplies and dental supplies • Revenues from sale of medical supplies • Trade Accounts Receivable	5,028 5,380	51,110 5,380	- -	- -	DS All Co., Ltd., a subsidiary, has sold dental supplies. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
12. Ramkhamhaeng Hospital PCL. **Relationship** common director	THG	3. Expenses for purchasing medicines, medical supplies, and equipment					THG has purchased medicines, medical supplies and medical equipment including medical diagnostic services which is necessary to use for patient treatment. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
		• Cost of purchasing medicines, medical supplies	7,928,524	64,716,743	14,732,687	-	
		• Purchasing medical equipment	4,636,500	20,417,300	54,725,100	-	
		• Cost of repair	32,400	82,195	77,253	-	
		• Cost of other services	-	62,000	-	-	
		• Professional fees costs	14,556,603	19,348,255	-	-	
		• Trade account payables	27,854,848	27,854,848	7,956,816	-	
		• Other account payables	485,103	485,103	46,100	-	
		• Accounts payable assets	17,918,500	17,918,500	-	-	
	Rajyindee Hospital PCL.	4. Other incomes					Rajyindee Hospital PCL. has disposed of used medical assets. The prices are in line with the contracts mutually agreed upon under the careful consideration of both parties in the interests to be obtained appropriately. It is in accordance with the conditions that are generally practiced in normal business.
		• Profits from sale of assets	-	2,299,999	-	-	

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
12. Ramkhamhaeng Hospital PCL. **Relationship** common director	Thonburi Bamrungmuang Hospital Co., Ltd.	5. Purchasing medical equipment for hospital's operation					Thonburi Bamrungmuang Hospital Co., Ltd., a subsidiary, has purchased medicines, medical supplies and medical equipment including medical diagnostic services which is necessary to use for patient treatment. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
		• Cost of purchasing medicines and medical supplies	1,050,000	1,549,000	214,320	-	
		• Purchasing Medical equipment	7,700,000	66,462,000	-	-	
		• Professional service fee	641,200	4,944,650	-	-	
		• Miscellaneous expenses	-	3,560	-	-	
		• Trade Accounts Payable	5,865,660	5,865,660	-	-	
		• Accounts payable assets	66,462,000	66,462,000	-	-	
	Thonburi Wellbeing Co., Ltd.	6. Purchasing medical equipment for hospital's operation					Thonburi Wellbeing Co., Ltd., a subsidiary, has purchased medicines, medical supplies and medical equipment including medical diagnostic services which is necessary to use for patient treatment. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
		• Cost of purchasing medicines and medical supplies	5,374,000	5,375,240	-	-	
		• Professional service fee	1,871,300	5,320,100	-	-	
		• Trade Accounts Payable	10,640,023	10,640,023	-	-	
	Rajyindee Hospital PCL.	7. Purchasing medical equipment for hospital's operation					Rajyindee Hospital PCL., a subsidiary, has purchased medicines, medical supplies and medical equipment including medical diagnostic services which is necessary to use for patient treatment. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
		• Cost of purchasing medicines and medical supplies	3,905,520	4,942,020	-	-	
		• Purchasing Medical equipment	-	32,183,000	-	-	
		• Trade Accounts Payable	2,715,800	2,715,800	-	-	
		• Account Payable assets	29,470,000	29,470,000	-	-	

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
	Thonburi Hospital Heart Centers Co., Ltd.	8. Purchasing medical equipment for hospital's operation • Purchasing Medical equipment • Account Payable assets	257,009 3,875,000	3,621,495 3,875,000	- -	- -	Thonburi Hospital Heart Centers Co., Ltd., a subsidiary, has purchased medicines, medical supplies and medical equipment including medical diagnostic services which is necessary to use for patient treatment. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
13. Synphaet Hospital Theparak Co., Ltd. **Relationship** common director	THG	1. Revenues from sale of medicines • Revenues from sale of medicines • Trade Accounts Receivables	- -	100,000 100,000	- -	- -	THG sells medicines to Synphaet Hospital Theparak Co., Ltd.which is necessary to use for patient treatment. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
14. Seriruk Hospital Co., Ltd. **Relationship** common director	THG	1. Revenues from sale of medicines • Revenues from sale of medicines • Trade Accounts Receivables	- 400,000	581,215 400,000	- -	- -	THG sells medicines to Seriruk Hospital Co., Ltd. which is necessary to use for patient treatment. The trading price and conditions between each other are in line with market conditions same as the conditions agreed with other entities in general.
15. Vibharam Pakkred Hospital Co., Ltd. **Relationship** common director	THG	1. Service fees • X-Ray car service fee	-	12,000	-	-	THG has used the products / services for patient treatment as it is necessary. The trading price, conditions and trade credit are in line with market conditions as same as the conditions agreed with other entities in general.

1.2 Normal business transaction or normal business support without commercial terms.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and resonableness
			Quarter 4/2021	2021	2020	2019	
1. Rajthanee Pattanakarn (2014) Co., Ltd. **Relationship** Mrs. Jaruwan Vanasin as a major shareholder	Thonburi Realty Development Co., Ltd.	**Land Rental Income** ▪ Land rental income ▪ Other receivables **Other Incomes** ▪ Interest Income ▪ Accrued interest	 - - - -	 - - 1,141,918 -	 6,000,000 34,000,000 1,141,096 1,141,096	 24,000,000 34,000,000 - -	Thonburi Realty Development Co., Ltd. has not utilized such land. The land was leased to THG. Rajthanee Pattanakarn (2014) Co., Ltd. at a rental rate higher than market value. Such transactions are beneficial to THG.
2. Khunying Songsaeng Meksawan **Relationship** As the major shareholder of THG	THG	▪ Land rental	-	-	-	2,523,000	THG has leased land from Khunying Songsaeng Meksawan to be used as a hospital for Thonburi 1 Hospital. The rental fee was lower than market value and the transaction was beneficial to THG.
3. Dr. Arsa Meksawan **Relationship** As the major shareholder of THG	THG	**Right to use assets** • Right to use assets • Liabilities under lease agreements • Depreciation of the right to use assets	 - 9,695,025 596,368	 - 9,695,025 2,385,473	 13,908,566 11,862,533 2,385,473	 - - -	THG has leased land from Dr. Arsa Meksawan (change of contract from the original lessor, Khunying Songsaeng Meksawan, to be used as a hospital for Thonburi 1 Hospital. The rental fee was lower than market value and the transaction was beneficial to THG.
4. Rajpattana Real Estate Co., Ltd **Relationship** There are common shareholders.	Uttaradit Thonburi Hospital Co., Ltd.	**1. Rental income** • Rental income • Other receivables • Deposit received **Other incomes** ▪ Interest income ▪ Accrued interest ▪ Profits from sale of assets	 60,000 549,946 - - 521,313 -	 549,946 549,946 - 521,313 521,313 2,142,622	 2,226,682 1,020,562 1,000,000 3,959,528 3,612,720 -	 2,087,514 927,784 1,000,000 1,710,221 1,710,221 -	Uttaradit Thonburi Hospital Co., Ltd., a subsidiary, has entered into an agreement to buy and sell land with Rajpattana Real Estate Co., Ltd. The price and terms and conditions are in accordance with the contract and the market price in general. The subsidiary has charged the land rental and interest due to the delay payment for the land. This is in accordance with the conditions of the contract as agreed and the normal business practice in general.

1.3 The list provides financial assistance to individuals or entities that are related parties.

If necessary, THG or its subsidiaries suffer from liquidity shortage. The Board of Directors has complied with the regulations. In addition, THG has disclosed related transactions in the notes to financial statements audited by the auditors of THG in accordance with the generally accepted accounting standards.

Item of offer or / receipt of financial assistance.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
1. Weihai Welly Hospital Co., Ltd. **Relationship** Joint Venture (Ended as a joint venture in March 2020)	THG	1. **Short-term loans** ▪ Short-term loans ▪ Accrued interest ▪ Interest income	 - - -	 - - -	 - - 479,295	 36,599,880 2,436,460 2,015,036	THG granted a joint venture, Weihai Welly Hospital Co., Ltd., to borrow short-term funds for use as working capital of Weihai Welly Hospital, with interest at a higher rate than the borrowing cost of THG. The said loan is a loan in proportion to its shareholding. The said loan has been approved by the Board of Directors.
2. Rajnara Hospital Co., Ltd. **Relationship** Holding by a subsidiary, Rajyindee Hospital PCL.	THG	1. **Interest Income** ▪ Interest income	-	30,452	38,323	-	THG has lent short-term loans to Rajnara Hospital Co., Ltd. to use as working capital at an interest rate higher than the cost of THG's borrowing, which was repaid by Rajnara Hospital for the whole amount of the loan in 2020.
	Rajyindee Hospital PCL.	2. **Interest Income** ▪ Interest income	-	-	122,131	-	Rajyindee Hospital PCL., a subsidiary, has lent short-term loans to Rajnara Hospital Co., Ltd. to use as working capital at an interest rate higher than the cost of Rajyindee Hospital's borrowing, which was repaid by Rajnara Hospital for the whole amount of the loan in 2020.

Related name / relationship	Company Transaction	The nature of transaction	Value (THB)				Necessity and reasonableness
			Quarter 4/2021	2021	2020	2019	
3. Rajthanee Pattanakarn (2014) Co., Ltd. **Relationship** Mrs. Jaruwan Vanasin as a major shareholder	Thonburi Bamrungmuang Hospital Co., Ltd.	1. Finance costs • Interest expense	5,260	5,260	-	-	Thonburi Bamrungmuang Hospital Co., Ltd., a subsidiary, has lent short-term loans Rajthanee Pattanakarn (2014) Co., Ltd. to use as working capital at an interest rate higher than the cost of Rajyindee Hospital's borrowing, which was repaid by Rajnara Hospital for the whole amount of the loan in 2021.

2. Policy and Trend of Entry into Related Party Transaction in the Future

Type of Transaction	Trend and Policy
Normal Business Transaction or Supporting Normal Business Transaction	**Normal Business Transaction** If THG and/or its subsidiary has a medical treatment service transaction, referral of patients, THG has its policy that THG and/or its subsidiary shall charge compensation incurred by the entry into transaction. The transaction between THG and/or its subsidiary and related party at the market price whereby the service rate and term or payment including other trade conditions whether it is fair or similar condition and it is different from a transaction that entered with third party, whether individual or other companies under the similar circumstance.
	Supporting Normal Business Transaction If THG and its subsidiary purchase goods and medical supplies from the supplier of goods and medical supplies which is the party relating to THG, such transaction shall be the transaction for supporting medical treatment services of each other for supporting normal business transaction of THG and/or its subsidiary provided that the price of goods or services shall be the market price which based on the price of goods or services and term of payment and trade conditions shall not be different from the terms and conditions that THG and/or its subsidiary enters with other suppliers under the similar circumstance. Pursuant to the Securities and Exchange Act (No. 4) B.E. 2551 (2008) (as amended) which is effective from 31 August 2008 and the guideline of the Office of the Securities and Exchanges Commission dated 16 July 2008, it states that to have more flexibility for management of company, a company may propose a related party transaction which deemed as the normal business transaction or supporting normal business transaction with normal trade conditions between a company and/or its subsidiary with related parties to the Board of Directors for approval in principle.

Type of Transaction	Trend and Policy
Offer and/or Receipt of Financial Assistance	THG has its policy in relation to the offer and/or receipt of financial assistance for the centralization of financial management in order to manage financial costs appropriately and efficiency for the highest benefit of THG. THG has the policy for entering into financial assistance by providing loan to subsidiary whereby THG will directly enter into loan with money market or financial institution and subsequently, lend to its subsidiary and the interest shall be based on the actual financial cost plus additional profits of which such interest rate will be lower than the interest rate offered by financial institution if such subsidiary directly lends from the financial institution. **Benefit**, the subsidiary can receive loan at the interest rate lower than the direct lending from financial institution due to THG can obtain loan at the lower interest rate.
Other business transaction other than the abovementioned transactions according to the definition as defined in the Securities and Exchange Act	If THG and/or its subsidiary is necessary to enter into a related party transaction in the future, such related party transaction shall be for the equal benefits of THG and all shareholders pursuant to the rules and regulations as specified in the Securities and Exchanges Act and other relevant notifications of regulatory bodies.

The entry into related party transaction in all types of THG shall be in accordance with the Securities and Exchange Act and/or the rules and regulations of the Stock Exchange of Thailand and/or the Notifications of the Capital Market Supervisory Board for protecting public investors and transparent. If THG and/or its subsidiary is necessary to enter into a related party transaction, THG has authorized the Audit Committee to review such transaction to ensure the fairness. If the Audit Committee does not have an expertise on considering of any related party transactions THG has policy to engage the independent advisor who has knowledge and expertise at professional level to provide opinion on the entry of such transaction for consideration of the Audit Committee and/or the Board of Directors and/or the shareholders' meeting as the case may be.

THONBURI HEALTHCARE GROUP

THONBURI HEALTHCARE GROUP PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2021

pwc

Independent Auditor's Report

To the Shareholders and the Board of Directors of Thonburi Healthcare Group Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Thonburi Healthcare Group Public Company Limited ("the Company") and its subsidiaries ("the Group") and the separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRS").

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

pwc

Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
Revenue recognition *Refer to Note 5.22 'Accounting policies - Revenue recognition' to the consolidated and separate financial statements* There are various types of revenue from the hospital business of the Group, such as medical treatments, doctors' fees, in-patient room, and sales of medicines and medical supplies. There are also different discount conditions applied for each agreement signed. The Group recognises revenues from the hospital business when services are rendered or when medicines and medical supplies are delivered. I focussed on this area because the amount of revenue from the hospital business was material to the financial statements. And there were a large number of various revenue transactions occurring every day. I also focussed on the internal controls over revenue cycle testing to support the audit of accuracy and completeness of revenue from the hospital business.	I assessed the overall risks in the revenue cycle and applied the following procedures by: • Understanding the information and technology systems for the hospital business operation and accounting systems • Understanding and testing a sample of the Group's internal controls that it had designed over the revenue cycle • Testing a sample of revenue from sales and services transactions for each type of revenue carried out during the year, together with their related documents, and • Testing the journal entries relating to revenue transactions from sales and services to determine any unusual revenue transactions. Based on the procedures above, I found that the Group complied with its internal controls as designed. The revenue recognition was in accordance with the accounting policy and the available evidence.

Other information

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

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

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

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

pwc

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

pwc

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

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

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

PricewaterhouseCoopers ABAS Ltd.

krit chatchavalwong.

Krit Chatchavalwong
Certified Public Accountant (Thailand) No. 5016
Bangkok
15 February 2022

Thonburi Healthcare Group Public Company Limited
Statement of Financial Position
As at 31 December 2021

	Notes	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Assets					
Current assets					
Cash and cash equivalents	11	1,482,290,959	495,381,393	1,171,196,167	304,192,411
Short-term investments at financial institutions		185,360	173,591	-	-
Financial assets measured at fair value through profit or loss	12	48,491,568	35,357,328	15,287,929	15,257,633
Financial assets measured at fair value through other comprehensive income	12	5,180,100	4,045,900	5,180,100	4,045,900
Trade and other accounts receivable (net)	13	3,183,060,935	1,351,103,711	1,726,993,088	672,832,451
Short-term loans to related parties	42 c)	-	-	5,213,959,242	5,298,393,250
Inventories (net)	15	1,416,232,970	1,349,966,040	183,459,259	92,965,363
Cost of developing holistic care project	16	840,764,572	1,529,817,699	-	-
Value added tax (net)		24,578,329	28,390,497	-	-
Non-current assets classified as held-for-sale	17	-	83,000,000	-	-
Other current assets		17,605,902	15,090,224	5,127,567	3,445,944
Total current assets		7,018,390,695	4,892,326,383	8,321,203,352	6,391,132,952
Non-current assets					
Restricted deposits at financial institutions	18	15,138,489	15,463,100	-	-
Financial assets measured at fair value through other comprehensive income	19	1,107,363,860	601,920,408	1,053,216,691	547,773,239
Investments in associates (net)	20	708,932,919	583,903,297	484,285,104	432,487,302
Investments in subsidiaries (net)	21	-	-	7,434,016,139	7,200,016,139
Investments in joint ventures (net)	22	740,999,153	781,042,516	898,012,168	898,012,168
Investment properties (net)	23	1,884,497,126	1,810,617,318	-	-
Property, plant and equipment (net)	24	9,775,822,576	8,804,725,660	4,072,187,494	4,021,071,218
Right-of-use assets (net)	25	2,165,131,839	2,331,426,686	28,792,965	38,794,478
Advance payment for fixed assets		16,411,169	24,877,520	10,718,012	5,398,411
Intangible assets (net)	26	243,714,619	229,371,615	73,109,407	77,624,874
Down payment for land leasehold rights		4,000,000	4,000,000	-	-
Deferred tax assets (net)	27	92,425,040	177,627,754	-	-
Other non-current assets (net)		25,900,151	22,909,895	506,600	633,100
Total non-current assets		16,780,336,941	15,387,885,769	14,054,844,580	13,221,810,929
Total assets		23,798,727,636	20,280,212,152	22,376,047,932	19,612,943,881

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Statement of Financial Position
As at 31 December 2021

	Notes	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	28	3,975,719,500	2,862,121,668	3,770,000,000	2,629,708,600
Trade and other accounts payable	29	2,812,556,493	1,097,423,862	1,948,719,784	587,630,135
Short-term loans from a related party	42 d)	-	-	46,000,000	61,200,000
Current portion of					
- Long-term loans from financial institutions	30	1,629,793,564	958,003,800	905,000,000	745,000,000
- Lease liabilities (net)	31	27,372,723	45,952,635	7,220,889	9,966,347
- Liabilities from purchase of medical tools and equipment		32,141,749	27,413,704	-	-
Accrued income tax		211,481,340	3,728,664	157,340,015	3,517,774
Value added tax (net)		19,324,700	27,957,071	7,296,610	18,988,679
Other current liabilities - Withholding tax payable		15,883,439	11,091,021	7,961,348	6,733,852
- Others		9,980,994	9,501,767	4,381,580	4,954,712
Total current liabilities		8,734,254,502	5,043,194,192	6,853,920,226	4,067,700,099
Non-current liabilities					
Long-term loans from financial institutions	30	4,460,522,519	5,905,312,166	4,175,211,438	5,028,914,206
Lease liabilities (net)	31	185,042,500	198,614,618	13,905,921	20,154,784
Liabilities from purchase of medical tools and equipment		64,184,324	75,940,328	-	-
Long-term payable from purchase of intangible asset		6,206,000	9,309,000	-	-
Deferred tax liabilities (net)	27	296,269,111	270,580,402	114,878,355	77,183,108
Employee benefit obligations	32	430,351,220	444,480,602	333,595,519	340,707,745
Other non-current liabilities		3,912,532	1,629,650	172,000	165,000
Total non-current liabilities		5,446,488,206	6,905,866,766	4,637,763,233	5,467,124,843
Total liabilities		14,180,742,708	11,949,060,958	11,491,683,459	9,534,824,942

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Statement of Financial Position
As at 31 December 2021

	Notes	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
849,080,000 ordinary shares of par Baht 1 each		849,080,000	849,080,000	849,080,000	849,080,000
Issued and fully paid-up share capital					
849,080,000 ordinary shares of Baht 1 each		849,080,000	849,080,000	849,080,000	849,080,000
Share premium on issue of ordinary shares (net)		6,861,242,864	6,861,242,864	6,861,242,864	6,861,242,864
Share premium on treasury shares	33	6,345,557	-	6,345,557	-
Retained earnings					
Appropriated - legal reserve	34	112,524,039	112,524,039	112,524,039	112,524,039
Appropriated - treasury shares reserve	33	97,072,047	105,026,490	97,072,047	105,026,490
Unappropriated		1,973,186,963	861,664,016	2,623,575,348	1,937,641,286
Treasury shares	33	(97,072,047)	(105,026,490)	(97,072,047)	(105,026,490)
Surplus (deficit) from additional investments in subsidiaries		(1,099,805,884)	(1,099,805,884)	-	-
Other components of equity		444,752,501	310,385,753	431,596,665	317,630,750
Equity attributable to owners of the Company		9,147,326,040	7,895,090,788	10,884,364,473	10,078,118,939
Non-controlling interests	36	470,658,888	436,060,406	-	-
Total equity		9,617,984,928	8,331,151,194	10,884,364,473	10,078,118,939
Total liabilities and equity		23,798,727,636	20,280,212,152	22,376,047,932	19,612,943,881

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2021

	Notes	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Revenues					
Revenue from hospital operations		10,023,013,580	6,279,132,962	5,786,509,947	4,701,548,539
Revenue from sales of goods		301,485,312	271,485,193	-	-
Revenue from other services		425,225,033	664,936,669	237,800,867	427,669,880
Revenue from sales of condominium unit		97,767,847	99,244,915	-	-
Cost of hospital operations		(6,686,850,008)	(4,890,263,273)	(3,925,845,653)	(3,432,239,821)
Cost of goods sold		(229,500,894)	(188,990,058)	-	-
Cost of other services		(424,809,904)	(607,043,615)	(205,111,831)	(415,195,246)
Cost of condominium unit sold		(64,529,100)	(61,468,122)	-	-
Gross profit		3,441,801,866	1,567,034,671	1,893,353,330	1,281,783,352
Other income	37	127,426,971	131,600,283	327,875,306	331,859,843
Profit before expense		3,569,228,837	1,698,634,954	2,221,228,636	1,613,643,195
Selling expenses		(182,835,114)	(224,565,446)	(40,590,426)	(68,212,471)
Administrative expenses		(1,383,057,055)	(1,180,126,566)	(724,991,145)	(556,939,909)
Loss from impairment of investment in subsidiaries	21	-	-	(42,000,000)	-
Loss from measurement of investment in joint venture before reclassified to non-current assets classified as held-for-sale		-	-	-	(236,158,221)
Other gains (losses)					
- Net gains (loss) on exchange rate		4,421,985	7,627,249	4,406,063	9,009,042
Other expenses		(5,575,038)	(5,996,159)	(2,510,892)	(3,924,787)
Finance costs	39	(298,946,910)	(280,939,000)	(257,986,890)	(257,827,029)
Share of profit from investments in associates	20 b)	94,983,308	32,335,722	-	-
Share of profit (loss) from investments in joint ventures	22 b)	(64,290,969)	2,278,490	-	-
Profit before income tax		1,733,929,044	49,249,244	1,157,555,346	499,589,820
Income tax	40	(377,110,006)	(26,434,303)	(226,727,298)	(39,531,156)
Profit for the year		1,356,819,038	22,814,941	930,828,048	460,058,664

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Other comprehensive income					
Item that will not be subsequently reclassified to profit or loss					
- Remeasurements of employee benefit obligations	32	21,276,671	-	1,092,162	-
- Unrealised gain (loss) on measurement fair value of financial assets	12, 19	141,729,170	(53,659,767)	141,729,170	(53,659,767)
- Share of other comprehensive income of joint ventures accounted for using the equity method	22 b)	24,247,606	(59,450,201)	-	-
- Income tax relating to components of other comprehensive income	27	(32,282,213)	10,731,953	(28,564,266)	10,731,953
Other comprehensive income (expense) for the year - net of tax		154,971,234	(102,378,015)	114,257,066	(42,927,814)
Total comprehensive income (expense) for the year		1,511,790,272	(79,563,074)	1,045,085,114	417,130,850
Profit (loss) attributable to:					
Owners of the parent		1,337,425,244	62,426,884	930,828,048	460,058,664
Non-controlling interests		19,393,795	(39,611,943)	-	-
		1,356,819,039	22,814,941	930,828,048	460,058,664
Total comprehensive income (expense) attributable to:					
Owners of the parent		1,491,074,831	(39,951,131)	1,045,085,114	417,130,850
Non-controlling interests		20,715,441	(39,611,943)	-	-
		1,511,790,272	(79,563,074)	1,045,085,114	417,130,850
Basic earnings per share					
Basic earnings per share to attributable to owners of the parent (Baht)	41	1.58	0.07	1.10	0.54
Weighted average number of ordinary shares (shares)		843,811,203	846,055,999	843,811,203	846,055,999

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2021

		Consolidated financial statements (Baht)													
		Attributable to owners of the parent													
									Other components of equity						
									Other comprehensive income						
	Notes	Authorised, issued and fully paid-up share capital	Share premium on ordinary shares	Retained earnings: Appropriated - legal reserve	Retained earnings: Appropriated - treasury shares reserve	Retained earnings: Unappropriated	Treasury shares	Surplus (deficit) from additional investments in subsidiaries	Unrealised gain (loss) on measurement of available-for-sale investments	Share of other comprehensive income of joint ventures accounted for using the equity method	Income tax relating to components of other comprehensive income	Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity
Opening balance as at 1 January 2020		849,080,000	6,861,242,864	112,524,039	-	1,159,725,044	-	(1,099,805,884)	433,611,550	49,958,469	(70,708,874)	412,861,145	8,295,627,208	485,861,477	8,781,488,685
Changes in equity for the year 2020															
Dividend payment	35	-	-	-	-	(254,724,000)	-	-	-	-	-	-	(254,724,000)	-	(254,724,000)
Treasury shares	33	-	-	-	-	-	(105,026,490)	-	-	-	-	-	(105,026,490)	-	(105,026,490)
Appropriated - treasury shares reserve	33	-	-	-	105,026,490	(105,026,490)	-	-	-	-	-	-	-	-	-
Realised gain on sale of financial asset measured at fair value		-	-	-	-	195,408	-	-	(121,721)	-	24,344	(97,377)	98,031	-	98,031
Increase (decrease) in non-controlling interests from															
- dividend payment of subsidiaries	36	-	-	-	-	-	-	-	-	-	-	-	-	(11,121,958)	(11,121,958)
- capital increase of subsidiary	36	-	-	-	-	(932,830)	-	-	-	-	-	-	(932,830)	932,830	-
Total comprehensive expense for the year		-	-	-	-	62,426,884	-	-	(53,659,767)	(59,450,201)	10,731,953	(102,378,015)	(39,951,131)	(39,611,943)	(79,563,074)
Closing balance as at 31 December 2020		849,080,000	6,861,242,864	112,524,039	105,026,490	861,664,016	(105,026,490)	(1,099,805,884)	379,830,062	(9,491,732)	(59,952,577)	310,385,753	7,895,090,788	436,060,406	8,331,151,194

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2021

		Consolidated financial statements (Baht)														
		Attributable to owners of the parent														
										Other components of equity						
										Other comprehensive income						
	Notes	Authorised, issued and fully paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings: Appropriated - legal reserve	Retained earnings: Appropriated - treasury shares reserve	Retained earnings: Unappropriated	Treasury shares	Surplus (deficit) from additional investments in subsidiaries	Unrealised gain (loss) on measurement of available-for-sale investments	Share of other comprehensive income of joint ventures accounted for using the equity method	Income tax relating to components of other comprehensive income	Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity
Opening balance as at 1 January 2021		849,080,000	6,861,242,864	-	112,524,039	105,026,490	861,664,016	(105,026,490)	(1,099,805,884)	379,830,062	(9,491,732)	(59,952,577)	310,385,753	7,895,090,788	436,060,406	8,331,151,194
Changes in equity for the year 2021																
Dividend payment	35	-	-	-	-	-	(253,139,580)	-	-	-	-	-	-	(253,139,580)	-	(253,139,580)
Reissuance of treasury shares	33	-	-	6,345,557	-	-	-	7,954,443	-	-	-	-	-	14,300,000	-	14,300,000
Appropriated - treasury shares reserve	33	-	-	-	-	(7,954,443)	7,954,443	-	-	-	-	-	-	-	-	-
Remeasurements of employee benefit obligations	32	-	-	-	-	-	(461,383)	-	-	-	-	461,383	461,383	-	-	-
Increase (decrease) in non-controlling interests from																
- dividend payment of subsidiaries	36	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,116,958)	(11,116,958)
- capital increase of subsidiary	36	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000,000	25,000,000
Total comprehensive income for the year		-	-	-	-	-	1,357,169,467	-	-	141,729,170	24,247,606	(32,071,411)	133,905,365	1,491,074,832	20,715,440	1,511,790,272
Closing balance as at 31 December 2021		849,080,000	6,861,242,864	6,345,557	112,524,039	97,072,047	1,973,186,963	(97,072,047)	(1,099,805,884)	521,559,232	14,755,874	(91,562,605)	444,752,501	9,147,326,040	470,658,888	9,617,984,928

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited

Statement of Changes in Equity

For the year ended 31 December 2021

		Separate financial statements (Baht)											
									Other components of equity				
									Other comprehensive income				
					Retained earnings								
	Notes	Authorised, issued and fully paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Appropriated - legal reserve	Appropriated - treasury shares reserve	Unappropriated	Treasury shares	Unrealised gain (loss) on measurement of financial assets	Income tax relating to components of other comprehensive income	Total other components of equity	Total equity
Opening balance as at 1 January 2020		849,080,000	6,861,242,864	-	112,524,039	-	1,837,137,704	-	433,581,238	(72,925,297)	360,655,941	10,020,640,548
Changes in equity for the year 2020												
Dividend payment	35	-	-	-	-	-	(254,724,000)	-	-	-	-	(254,724,000)
Treasury shares	33	-	-	-	-	-	-	(105,026,490)	-	-	-	(105,026,490)
Appropriated - treasury shares reserve	33	-	-	-	-	105,026,490	(105,026,490)	-	-	-	-	-
Realised gain on sale of financial asset measured at fair value		-	-	-	-	-	195,408	-	(121,721)	24,344	(97,377)	98,031
Total comprehensive income for the year		-	-	-	-	-	460,058,664	-	(53,659,767)	10,731,953	(42,927,814)	417,130,850
Closing balance as at 31 December 2020		849,080,000	6,861,242,864	-	112,524,039	105,026,490	1,937,641,286	(105,026,490)	379,799,750	(62,169,000)	317,630,750	10,078,118,939
Opening balance as at 1 January 2021		849,080,000	6,861,242,864	-	112,524,039	105,026,490	1,937,641,286	(105,026,490)	379,799,750	(62,169,000)	317,630,750	10,078,118,939
Changes in equity for the year 2021												
Dividend payment	35	-	-	-	-	-	(253,139,580)	-	-	-	-	(253,139,580)
Reissuance of treasury shares	33	-	-	6,345,557	-	-	-	7,954,443	-	-	-	14,300,000
Appropriated - treasury shares reserve	33	-	-	-	-	(7,954,443)	7,954,443	-	-	-	-	-
Remeasurements of employee benefit obligations	32	-	-	-	-	-	(801,011)	-	-	801,011	801,011	-
Total comprehensive income for the year		-	-	-	-	-	931,920,210	-	141,729,170	(28,564,266)	113,164,904	1,045,085,114
Closing balance as at 31 December 2021		849,080,000	6,861,242,864	6,345,557	112,524,039	97,072,047	2,623,575,348	(97,072,047)	521,528,920	(89,932,255)	431,596,665	10,884,364,473

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2021

	Notes	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Cash flows from operating activities					
Profit before income tax		1,733,929,044	49,249,244	1,157,555,346	499,589,820
Adjustments					
Allowance for (reversal of)					
- expected credit loss in					
- trade and other accounts receivable	13	16,010,526	34,795,523	10,453,296	19,115,037
- prepaid expenses		18,963,750	-	18,963,750	-
- loan to related company		-	-	37,000,000	-
- interest receivable	13	-	-	-	(44,661,690)
- obsolete inventories	15	18,096,356	(280,669)	9,997,967	(5,003)
- impairment of property, plant and equipment	24	7,642,250	724,053	-	-
- impairment of investment in subsidiary	21	-	-	42,000,000	-
- impairment of intangible assets	26	-	18,186	-	-
- measurement of investment in joint venture before reclassified to non-current assets classified as held-for-sale	22 b)	-	-	-	236,158,221
Loss on write-off of deposit		-	1,384,652	-	-
Gain on disposal of financial assets measured at fair value through profit or loss	12	(6,696)	(191,412)	-	-
Gain from measurement of non-current assets classified as held-for-sale	22 b)	-	(18,641,497)	-	-
Realised gain on measurement of financial assets measured at fair value through profit or loss	12	(127,544)	(101,974)	(30,296)	(66,322)
Unrealised gain on exchange rate from cash and cash equivalents		(3,851,449)	(11,956)	(3,851,449)	(11,956)
Realised gain on exchange rate from proceeds of short-term loans to related companies	42 c)	-	(3,003,119)	-	(3,003,119)
Realised loss on exchange rate from proceeds of disposal of investment in joint venture		-	11,962,001	-	11,962,001
Share of profit from investments in associates	20 b)	(94,983,308)	(32,335,722)	-	-
Share of (profit) loss from investments in joint ventures	22 b)	64,290,969	(2,278,490)	-	-
Bad debts		-	230,344	-	213,500
Depreciation	23, 24, 25	903,946,218	799,336,746	352,724,923	304,881,986
Amortisation	26	39,713,497	27,240,617	13,848,188	12,609,302
Net gain on disposal of property, plant and equipment	37	(2,923,793)	(355,484)	(1,394,409)	(227,222)
Gain on disposal of investment properties	37	(658,342)	-	-	-
Loss on write-off of property, plant and equipment	24	2,867,155	5,973,078	71,289	3,924,781
Gain on cancellation rental agreement of right-of-use assets		(31,293)	-	-	-
Loss on write-off of right-of-use assets		2,212,014	-	-	-
Loss on write-off of investment properties		-	2,012	-	-
Loss on write-off of intangible assets	26	2,670,720	33,300	2,478,120	-
Loss on write-off of other current asset		30,854	-	-	-
Gain on disposal of non-current assets classified as held-for-sale		(2,142,622)	(3,068,577)	-	-
Employee benefit obligations	32	46,959,904	44,801,405	29,345,784	22,993,053
Dividend income	12, 19, 20 b), 21 a)	(47,369,069)	(26,351,439)	(88,803,599)	(85,143,036)
Interest income	37	(3,561,216)	(8,907,528)	(182,271,525)	(195,095,319)
Finance costs	39	298,946,910	280,939,000	257,986,890	257,827,029
		3,000,624,835	1,161,162,294	1,656,074,275	1,041,061,063

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2021

	Note	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Changes in operating assets and liabilities (excluding the effects of acquisition and disposal of subsidiaries)					
Trade and other accounts receivable		(1,863,818,745)	(56,263,838)	(1,117,664,727)	(59,732,887)
Inventories		(84,363,286)	28,826,526	(100,491,863)	(7,071,830)
Cost of developing holistic care project		(140,033,103)	(116,535,952)	-	-
Other current assets		(4,053,617)	6,967,634	(1,681,623)	(3,246,358)
Other non-current assets		3,826,666	3,160,758	126,500	(1,500)
Trade and other accounts payable		1,540,937,218	(149,391,764)	1,380,517,026	(136,732,044)
Value added tax		(4,820,203)	(1,414,431)	(11,692,069)	6,147,225
Other current liabilities		5,271,645	(16,998,998)	654,364	(1,438,911)
Other non-current liabilities		1,254,431	(4,789,652)	7,000	5,000
Employee benefit obligations paid	32	(39,812,615)	(47,882,893)	(35,365,848)	(30,458,000)
Cash generated from operating activities		2,415,013,226	806,839,684	1,770,483,035	808,531,758
Interest income received		9,170,125	6,935,486	221,312,969	521,931,949
Finance costs paid		(290,575,754)	(268,405,994)	(260,708,754)	(258,326,610)
Income tax paid		(100,057,957)	(104,412,677)	(63,774,076)	(87,533,246)
Net cash generated from operating activities		2,033,549,640	440,956,499	1,667,313,174	984,603,851

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2021

	Notes	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Cash flows from investing activities					
Increase in short-term investments at financial institutions		(11,769)	(145,807)	-	-
(Increase) decrease in restricted deposits at financial institutions		324,611	(6,770,811)	-	-
Financial assets measured at fair value through profit or loss - proceeds		15,000,000	55,960,880	-	-
- payments		(28,000,000)	(20,000,000)	-	-
Financial assets measured at fair value through other comprehensive income					
- payments	19	(364,848,482)	(23,853)	(364,848,482)	(23,853)
- proceeds		-	534,525	-	534,525
Investments in associates - payments		(51,797,802)	-	(51,797,802)	-
Investments in subsidiaries - payments	21 b)	-	-	(276,000,000)	(1,730,000,000)
Cash payments for down payment for land leasehold rights		-	(1,000,000)	-	-
Liabilities under land leasehold rights - payments		-	(1,000,000)	-	-
Cash payments for purchase of					
- property, plant and equipment		(650,141,765)	(1,536,047,785)	(409,885,379)	(573,261,703)
- intangible assets		(78,421,102)	(48,002,105)	(14,604,076)	(15,051,180)
Proceeds from disposal of land under non-current assets classified as held-for-sale		10,835,181	3,807,563	-	-
Proceeds from disposal of investment in joint venture under non-current assets classified as held-for-sale		-	434,530,982	-	434,530,982
Proceeds from disposal of property, plant and equipment (net) and investment properties		4,435,321	15,773,890	1,913,952	4,358,982
Short-term loans to related companies					
- proceeds	42 c)	6,000,000	50,603,000	624,200,000	1,367,167,337
- payments	42 c)	(6,000,000)	(11,000,000)	(576,765,992)	(971,000,000)
Dividend received from investments in subsidiaries, associates, other companies and investments in equity securities		64,166,157	41,356,786	83,849,199	86,034,828
Net cash used in investing activities		(1,078,459,650)	(1,021,422,735)	(983,938,580)	(1,396,710,082)

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2021

	Notes	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Cash flows from financing activities					
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	27	1,113,597,832	156,984,341	1,140,291,400	49,708,600
Short-term loans from related companies					
- proceeds	42 d)	-	-	54,500,000	175,200,000
- payments	42 d)	-	-	(69,700,000)	(114,000,000)
Long-term loans from financial institutions					
- proceeds	30	79,470,000	1,163,700,000	50,000,000	900,000,000
- payments	30	(854,199,383)	(438,280,524)	(745,000,000)	(345,000,000)
Cash payments for front-end fee		(990,000)	(460,000)	(990,000)	-
Lease liabilities payments - principle		(43,375,344)	(52,726,081)	(10,699,701)	(9,514,466)
- interest		(9,059,362)	(14,911,467)	(928,096)	(1,173,125)
Liabilities from purchase of medical tools and equipment - payments		(33,848,981)	(29,900,328)	-	-
Cash proceeds from reissuance of treasury shares	33	14,300,000	-	14,300,000	-
Cash payments for treasury shares	33	-	(105,026,490)	-	(105,026,490)
Cash proceeds from non-controlling interests from additional investment in subsidiaries		25,000,000	-	-	-
Dividends paid		(251,995,890)	(254,517,550)	(251,995,890)	(254,517,550)
Dividends paid to non-controlling interests		(10,930,745)	(11,504,142)	-	-
Net cash generated from financing activities		27,968,127	413,357,759	179,777,713	295,676,969
Net increase (decrease) in cash and cash equivalents		983,058,117	(167,108,477)	863,152,307	(116,429,262)
Cash and cash equivalents at the beginning of the year		495,381,393	662,477,914	304,192,411	420,609,717
Unrealised gain on exchange rate from cash ad cash equivalents		3,851,449	11,956	3,851,449	11,956
Cash and cash equivalents at the end of the year		1,482,290,959	495,381,393	1,171,196,167	304,192,411

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2021

	Notes	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Non-cash transactions					
Receivable from disposals of fixed assets		22,500	22,500	-	-
Advance payment for fixed assets transfer to other accounts receivable		-	1,484,255	-	-
Payables from purchase of property, plant and equipment during the year	29	314,789,032	103,433,305	57,614,063	68,508,859
Payables from purchase of intangible assets during the year	29	16,854,350	38,548,231	2,621,500	5,414,735
Dividend payable	29	15,969,093	14,639,190	15,768,419	14,624,729
Retention payable	29	128,142,226	140,550,177	11,887,627	12,833,471
Transfer from non-current assets classified as held-for-sale to investment properties		74,307,441	-	-	-
Transfer from right-of-use assets to property, plant and equipment (net)	24, 25	-	24,270	-	-
Transfer fixed assets to intangible assets	23, 24	829,086,230	10,079,163	-	-
Transfer fixed assets to right-of-use assets from adoption of new financial reporting TFRS 16	24	-	38,706,519	-	14,156,955
Transfer advance payment for fixed assets to					
- intangible assets	23	-	853,860	-	417,300
- property, plant and equipment	24	129,844,954	114,133,426	9,676,728	7,567,006
Liabilities from purchase of medical tools and equipment during the year		22,240,726	39,357,500	-	-
Change in liabilities arising from financing activities					
Lease liabilities (net)					
- as at 1 January	31	244,567,253	41,270,564	30,121,131	14,818,316
- adjusted items from adoption of TFRS	25	-	152,126,319	-	22,253,404
- increase during the year	25	21,390,307	49,068,204	1,875,565	2,563,877
- lease modifications and reassessments	25	(2,829,829)	(11,829,245)	(170,185)	-
- termination rental agreements during the year		(7,337,164)	-	-	-
- reclassified from trade and other accounts payable		-	5,457,492	-	-
- reclassified from liabilities under land leasehold rights		-	61,200,000	-	-
- interest payments		9,059,362	14,911,467	928,096	1,173,125
- cash payments		(52,434,706)	(57,637,548)	(11,627,797)	(10,687,591)
- as at 31 December	31	212,415,223	244,567,253	21,126,810	30,121,131

The accompanying notes on pages 18 to 95 are an integral part of these consolidated and separate financial statements.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

1 General information

Thonburi Healthcare Group Public Company Limited ("the Company") is a public company which listed in the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The addresses of the Company's registered offices are as follows:

Head office : 34/1, Issaraphap Road, Banchanglor, Bangkoknoi, Bangkok 10700
Branch 1 : 43/4, Borommaratchachonnani Road, Salathamasop, Thawiwatthana, Bangkok 10170
Branch 2 : 8/21, Soi Saphanhin, Taladyai, Mueang Phuket, Phuket 83000
(2020 : 18, Anuphasphuketkarn Road, Taladyai, Mueang Phuket, Phuket 83000)
Branch 3 : 261/40 Moo 10, Nongprue, Banglamung, Chonburi 20150

The Company's principal business operation is to provide hospital operations. The Company's subsidiaries' principal business operations are described in Note 21. For reporting purpose, the Company and its subsidiaries are referred as "the Group".

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 15 February 2022.

2 Significant events during the current period

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, it has affected the Group's operating results for the first half of the year 2021,however, the Hospital operations business has adjusted to cope with this matter by establishing a temporary hospital in a hotel (Hospitel) in Bangkok and surrounding areas to care for those infected with COVID-19 who have mild symptoms and the establishment of a field hospitals for the care of moderate to severe symptoms of COVID-19. As a result, the Group's operating results for the year ended 31 December 2021, especially the Hospital operations business's performance, increased significantly. However, due to the COVID-19 outbreak situation, customers from condominium unit sales delayed their decision due to economic uncertainty. As a result, the revenue from the sale of condominium units continues to decline. However, the Group has paid special attention to the COVID-19 outbreak and has planned to manage the Group's resources to be the most efficient to deal with the post COVID-19 (Post COVID-19) event.

3 Basis of preparation

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

The consolidated and separate financial statements have been prepared under the historical cost convention except where otherwise disclosed in the accounting policies.

The preparation of the consolidated and separate financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, and areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 8.

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

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and relevant to the Group

a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) **Amendment to TFRS 3, Business combinations** amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

c) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies,** changes in accounting estimates and errors amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

e) **Amendment to TFRS 16, Leases** amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce the lease payments due by 30 June 2022.

The amended financial reporting standards do not have material impact to the Group.

4.2 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 and relevant to the Group

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group and the Company.

Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7 and TFRS 16 provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the profit or loss. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition

The Group's management considers that the impact of adoption of these standards is not significant to the Group.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

5 Accounting policies

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

5.1 Foreign currency translation

a) Functional and presentation currency

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

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in the profit or loss.

c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position
- Income and expenses for each statement of comprehensive income are translated at average exchange rates and
- All resulting exchange differences are recognised as a separate component of equity in the statement of comprehensive income.

5.2 Cash and cash equivalents

In the consolidated and separate statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less from date of acquisition and are not used as collateral.

In the consolidated and separate statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

5.3 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 - 120 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 5.9 f)

5.4 Inventories

Inventories are stated in the statement of financial position on the following basis:

- Medicines and medical supplies and medical equipment are stated at the lower of weighted average cost or net realisable value.
- Supplies are stated at weighted average cost and recognised in cost of hospital operations whenever consumed.
- Finished goods are stated at the lower of weighted average cost or net realisable value.
- Condominium unit for sales are stated at the lower of specific cost method or net realisable value.

The cost of purchase comprises both the purchase price, construction cost and other direct cost which related to construction and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebate from discount coupon. Net realisable value is the estimate of the selling price in the ordinary course of business less cost of completions and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories and recognised within cost of hospital operations, cost of goods sold and cost of condominium unit sold.

5.5 Cost of developing holistic care project

Cost of developing holistic care project is stated at cost less allowance for loss on projects. Costs include cost of land, cost of land development, costs of constructions of real estate projects and infrastructure and related borrowing costs.

The Group recognises the transfer from cost of developing holistic care project into inventories when the construction is completed.

5.6 Non-current assets classified as held-for-sale

Non-current assets are classified as assets held-for-sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of the carrying amount and fair value less cost to sell.

5.7 Principles of consolidation and equity accounting

a) Subsidiaries

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

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

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

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

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

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

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

5.8 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

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

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

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

5.9 Financial assets

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

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

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

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

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

d) Debt instruments

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

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.

- FVOCI: Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), expect for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.

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

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 when measuring debt instrument financial assets at level 2 or/and level 3 fair values. The Group gave less weight to the information related to COVID-19 in fair valuing the debt instrument financial assets. As of 31 December 2020, the debt instruments measured at FVPL and/or at FVOCI applying the aforementioned methodology were disclosed in Note 12 and 19.

e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by measuring the fair value of its unquoted equity investments at the end of the reporting period at the same amount as the investments' fair value on 1 January 2020 (the date of initial application of TFRS 9). As a result, the equity investments measured at FVOCI as at 31 December 2020 amounting to Baht 170.86 million was presented at their fair value as of 1 January 2020. No gain or loss from changes in fair value was recognised.

f) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables.

To measure the expected credit losses, trade accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item.

5.10 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

5.11 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Initial cost included other direct cost related to assets acquisition.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Land and unutilised land in operation have not been depreciated. Depreciation of other assets is calculated using the straight-line method to write off the cost of each asset to their residual value over the estimate useful lives as follows:

Buildings	10 - 50 Years
Building improvement and utilities systems	5 - 20 Years
Medical tools and equipment	4 - 10 Years
Tools and equipment	5 - 10 Years
Furniture and office equipment	3 - 10 Years
Computer	3 - 10 Years
Motor vehicles	5 - 10 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are calculated by comparing net proceeds from disposal of assets with assets' carrying amount and are taken into the profit or loss.

5.12 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. It is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

5.13 Intangible assets

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Computer software development costs recognised as intangible assets are amortised using the straight-line method over their estimated useful lives, which does not exceed 5 to 10 years.

5.14 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding information related to COVID-19 as an indication of the impairment of assets.

5.15 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise some of office equipment and computer.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

5.16 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.

- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

5.17 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

The capitalisation rate used to determine the amount of borrowing cost to be capitalised is a weighted average interest rate applicable to the outstanding borrowings during the year. Where funds are borrowed specifically for the acquisition, construction or production of assets, the amount of borrowing costs eligible for capitalisation on the asset is determined at the actual borrowing cost incurred on the borrowing during the period less any investment income on the temporary investments of those borrowings.

5.18 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Group establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, deferred income tax is not recogrised for temporary differences arise from:

- Initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recogrised.
- Investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recogrised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority where there is an intention to settle the balances on a net basis.

5.19 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plans

The Group established a contributory registered provident fund, in accordance with the Provident Fund Act B.E. 2530 by joining a registered - pooled fund which was approved by Ministry of Finance. The fund is held in a separate trustee - administered fund. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid. The contributions are recognised as employee benefits expense once the amount is due.

Under the provident fund plan, the employees must contribute 3%, 4% and 5% of their basic salary and the Group also contributes 3%, 4% and 5% of the employees' basic salary. The fund appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Ministerial Regulations issued under the Provident Fund Act B.E. 2530

The Group's contributions to the provident fund are charged to profit or loss in the year to which they relate.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

5.20 Provisions - general

The Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Provisions exclude the employee benefit obligations. The accounting policy for employee benefit obligations are mentioned in Note 5.19.

5.21 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

Treasury share

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

5.22 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Revenue from hospital operations of the Group, consisting of medical fees, hospital room sales, and medicine sales, are recognised as revenue when services have been rendered or medicine delivered.

Revenue from sale of goods are recognised when control of the products has transferred which is when the products are shipped to the specific location.

Revenue from services of the Group is recognised based on the lastest estimate of the total value of the contract and actual completion rate determined by reference to the physical state of progress of the works.

Revenue of subsidiary from development of hospital operation software. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits. This is determined based on the actual labour hours spent relative to the total expected labour hours.

Some contracts include multiple deliverables, such as the sale of hardware and related installation services. However, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. If contracts include the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Revenue of subsidiary from sales of condominium units are recognised upon the control of the title ships to buyer. Installment under the contract is shown as deposits and advance received from customers.

Other revenues are recognised on the following bases:

- Consultation and management income is recognised on an accrual basis in accordance with the substance of the relevant agreement.
- Dividend income is recognised when the Group's right to receive dividend is established.
- Interest income is recognised on a time proportion basis, taking into account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.
- Rental income is recognised by using straight line method over the contractual period.
- Membership income is recognised on an accrual basis in accordance with the substance of the relevant agreement.
- Other income is recognised when the Group has right to received.

5.23 Finance costs

Finance costs comprise interest expense from borrowings from financial institutions, borrowings from related parties, interest expense from lease liabilities and front-end fee.

5.24 Dividend payment

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5.25 Segment reporting

Consolidated financial statements

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

The Group's business operations are in the same geographic area which is in Thailand. These has been presented segment information by business only.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

6 Financial risk management

6.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: liquidity risk, credit risk, foreign exchange risk and interest rate risk.

6.1.1 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underline business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

6.1.2 Credit risk

Credit risk is the risk that one party will fail to fulfill the obligations specified in the contract and caused the other party financial damage.

The Group's revenue mainly is medical service. To manage credit risk, the Group has set the threshold level of reliability of customers. In addition, trade receivables are mostly insurance companies who are stable and doing business together for a long time. Therefore, the management considered that the credit risk on trade receivables is low.

6.1.3 Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in market foreign exchange rate.

The Group has exposure to foreign currency exchange fluctuations on import purchasing of goods. The Group has made forward exchange contracts to hedge the risk of fluctuations in foreign currency exchange rates as appropriate with situation at the moment.

6.1.4 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its future cash flow. The Group has no significant interest-bearing assets. Hence, the management consider that the Group has low interest rate risk. However, the Group has entered into long-term borrowing agreements with financial institutions bearing floating interest rates. The Group use floating to fixed interest rate swaps to reduce this risk when necessary. The management believe that effect of interest rate fluctuation on long-term borrowing agreements with financial institutions will not materially affect the Group. Outstanding balance of significant financial assets and financial liabilities and their interest rates as at 31 December 2021 and 2020 are disclosed in Note 14.

6.2 Accounting for derivative financial instruments and hedging activities

The Group is party to foreign currency forward contracts to protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled enters into foreign currency forward contracts to protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realized or a foreign currency liability setteled. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured to their fair value at the end of each reporting period. The changes in fair value is recognised to profit or loss. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward exchange contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes.

7 Fair value

The table below presents financial assets and liabilities that are measured at fair value, excluding where its value is approximating the carrying amount.

The different levels have been defined as follows:

- Level 1 : The fair of financial instruments is based on the current bid price by reference to security market.
- Level 2 : The fair value of financial instruments is determined using significant observable input and, as little as possible, entity-specific estimates.
- Level 3 : The fair value of financial instruments is not based on observable market data

		Fair value			
		Consolidated financial statements		Separate financial statements	
	Level	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Financial assets measured at fair value	1	786,033,333	470,549,923	752,829,694	450,450,228
Financial assets measured at fair value	2	375,002,195	170,773,713	320,855,026	116,626,544

There were no transfers between levels 1 and 2 during the year.

The Group discloses fair value of investment properties and long-term loans from financial institutions in Note 23 and 30, respectively.

8 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Employee benefit obligations

The present value of employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit liability.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 32.

Expected credit losses

The Group applies the TFRS 9 simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance for all trade accounts receivable.

To measure the expected credit losses, trade accounts receivable have been grouped based on shared credit risk characteristics and the day past due. The expected loss rates are based on the payment profiles and the corresponding historial credit losseds experienced in the past, including factors that may affect the payment of accounts receivable.

Deferred tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimation on a conservative basis.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Allowance for impairment of investment

In determining an allowance for impairment of investment, the managements need to make judgements and estimates the impairment loss when the indications of impairment arise by considering the estimated future cash flow to be generated. The management need to judgement define significant assumptions used (Note 20, 21 and 22).

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and salvage values of the plant and equipment and to review estimate useful lives and salvage values when there are any changes.

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

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Provisions

The Group has liabilities that may arise from being sued for damages. The management uses judgment to assess the outcome of the case in which the Group has been charged. If the management considers that there may be damage occurred, the Group recorded a provision for losses that might arise in such circumstances. If management determines and believes that the group will not be damaged, the Group does not record contingent liabilities as at the end of the accounting period.

9 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, and issue new shares or sell assets to reduce debt.

10 Segment information

The Group's business operations involve five principle segments : (1) hospital operations (2) hospital management (3) healthcare solution provider (4) development and sales of hospital operation software and (5) property development. Below is a certain part of the consolidated financial statements of the Group for the years ended 31 December 2021 and 2020:

	Certain part of the consolidated statements of comprehensive income for the years ended 31 December 2021 and 2020 (Baht)													
	Hospital operations		Hospital management		Healthcare solution provider		Development and sales of hospital operation software		Property development		Elimination		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from hospital operations	10,109,511,480	6,285,820,193	-	-	-	4,186,646	-	-	-	-	(86,497,900)	(10,873,877)	10,023,013,580	6,279,132,962
Revenue from sale of goods	-	-	-	-	308,234,091	279,723,161	-	-	-	-	(6,748,779)	(8,237,968)	301,485,312	271,485,193
Revenue from other services	7,775,000	1,728,000	441,077,306	637,197,322	11,351,747	11,937,222	26,390,727	22,190,859	-	-	(61,369,747)	(8,116,734)	425,225,033	664,936,669
Revenue from sales of condominium unit	-	-	-	-	97,767,847	99,244,915	-	-	-	-	-	-	97,767,847	99,244,915
Cost of hospital operations	(6,806,517,171)	(4,822,546,332)	-	-	-	(18,700,106)	-	-	-	-	119,667,163	(49,016,835)	(6,686,850,008)	(4,890,263,273)
Cost of goods sold	-	-	-	-	(231,016,397)	(191,469,402)	-	-	-	-	1,515,503	2,479,344	(229,500,894)	(188,990,058)
Cost of other services	(7,765,250)	(1,728,000)	(407,381,894)	(602,877,826)	(15,275,508)	(8,758,868)	(15,138,592)	(15,359,465)	-	-	20,751,340	21,680,544	(424,809,904)	(607,043,615)
Cost of condominium unit sold	-	-	-	-	(65,490,497)	(62,132,874)	-	-	-	-	961,397	664,752	(64,529,100)	(61,468,122)
Segment income	3,303,004,059	1,463,273,861	33,695,412	34,319,496	105,571,283	114,030,694	11,252,135	6,831,394	-	-	(11,721,023)	(51,420,774)	3,441,801,866	1,567,034,671
Unallocated revenues and expenses :														
Other income													127,426,971	131,600,283
Selling and administrative expenses													(1,565,892,169)	(1,404,692,012)
Net gain (loss) on exchange rate													4,421,985	7,627,249
Other expenses													(5,575,038)	(5,996,159)
Finance costs													(298,946,910)	(280,939,000)
Share of profit (loss) from investment in														
- associates													94,983,308	32,335,722
- joint ventures													(64,290,969)	2,278,490
Income tax													(377,110,006)	(26,434,303)
Net profit for the year													1,356,819,038	22,814,941
Timing of revenue recognition:														
At a point in time	-	-	-	-	405,359,869	378,022,962	-	-	-	-	(6,748,779)	(8,237,968)	398,611,090	369,784,994
Overtime	10,117,286,480	6,287,548,193	441,077,306	637,197,322	11,993,816	17,068,982	26,390,727	22,190,859	-	-	(147,867,647)	(18,990,611)	10,448,880,682	6,945,014,745
	10,117,286,480	6,287,548,193	441,077,306	637,197,322	417,353,685	395,091,944	26,390,727	22,190,859	-	-	(154,616,426)	(27,228,579)	10,847,491,772	7,314,799,739

For separate financial statements, the Company's revenue are recognised overtime.

	Certain part of the consolidated statements of financial position as at 31 December 2021 and 2020 (Baht)											
	Hospital operations		Hospital management		Healthcare solution provider		Development and sales of hospital operation software		Property development		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Segment assets	15,522,290,519	11,856,557,483	315,717,740	469,232,262	4,398,504,088	4,607,216,846	20,923,376	18,384,082	1,820,290,653	1,850,843,233	22,077,726,376	18,802,233,906
Investments at equity method	1,449,932,072	1,364,945,813	-	-	-	-	-	-	-	-	1,449,932,072	1,364,945,813
Unallocated assets	-	-	-	-	-	-	-	-	-	-	271,069,188	113,032,433
Total assets	16,972,222,591	13,221,503,296	315,717,740	469,232,262	4,398,504,088	4,607,216,846	20,923,376	18,384,082	1,820,290,653	1,850,843,233	23,798,727,636	20,280,212,152
Segment liabilities	7,914,457,270	6,316,938,926	110,453,852	98,411,853	3,689,041,372	3,632,555,923	27,369,177	30,986,808	158,537	1,026,963	11,741,480,208	10,079,920,473
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	2,439,262,500	1,869,140,485
Total liabilities	7,914,457,270	6,316,938,926	110,453,852	98,411,853	3,689,041,372	3,632,555,923	27,369,177	30,986,808	158,537	1,026,963	14,180,742,708	11,949,060,958

The Group's borrowings are unallocated liabilities, due to that borrowings are managed by the centralised function.

11 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash on hand	6,920,354	6,248,744	4,861,860	4,623,094
Cheque on hand	2,377,759	6,252,699	86,971	5,154,250
Cash at banks - savings accounts	932,924,621	374,725,433	639,740,581	197,248,969
- current accounts	536,728,985	104,826,116	523,839,069	94,504,175
- 3-month fixed deposit	3,339,240	3,328,401	2,667,686	2,661,923
	1,482,290,959	495,381,393	1,171,196,167	304,192,411

As at 31 December 2021 and 2020, cash at banks carry interest at the rates as follows:

	Consolidated financial statements		Separate financial statements	
	2021 % per annum	2020 % per annum	2021 % per annum	2020 % per annum
Cash at banks - savings accounts	0.05 to 0.40	0.05 to 1.20	0.05 to 0.40	0.05 to 0.15
- 3-month fixed deposit	0.10 to 0.55	0.15 to 1.10	0.13	0.25

12 Financial assets measured at fair (current asset)

Financial assets measured at fair value of the Group represent the short-term investments in debt and equity securities issued by financial institutions.

The movements of financial assets measured at fair for the year ended 31 December 2021 are as follows:

	Consolidated financial statements		Separate financial statements	
	Financial assets measured at fair value through profit or loss Baht	Financial assets measured at fair value through other comprehensive income Baht	Financial assets measured at fair value through profit or loss Baht	Financial assets measured at fair value through other comprehensive income Baht
Cost at the beginning of year	34,255,780	6,248,671	14,194,831	6,248,671
Add Additions during the year	28,000,000	-	-	-
Less Disposals during the year	(14,942,247)	-	-	-
Cost at the end of year	47,313,533	6,248,671	14,194,831	6,248,671
Unrealised gain (loss) on measurement at fair value	1,178,035	(1,068,571)	1,093,098	(1,068,571)
Book value at the end of the year	48,491,568	5,180,100	15,287,929	5,180,100

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

For the year ended 31 December 2021, the Group and the Company recognised gain on measured fair value of financial assets through profit or loss in the consolidated and separate financial statement of Baht 127,544 and Baht 30,296, respectively (2020 : the Group and the Company recognised gain through profit or loss in the consolidated and separate financial statement of Baht 101,974 and Baht 66,322 respectively) (Note 37).

For the year ended 31 December 2021, the Group and the Company recognised gain on measured fair value of financial assets through other comprehensive income in the consolidated and separate financial statement of Baht 1,134,200 (2020 : the Group and the Company recognised loss through other comprehensive income in the consolidated and separate financial statement of Baht 1,211,000).

For the year ended 31 December 2021, the Group recognised gain on disposal of financial assets amounting to Baht 6,696 (2020 : The Group recognised gain on disposal of financial assets amounting to Baht 191,412) (Note 37).

During the year 2021, the Group and the Company received dividend income from investments in equity securities amounting to Baht 96,100 (2020 : Baht 139,450) (Note 37).

The fair values are based on security market using the rate at the end of accounting period. The fair values are within level 1 of the fair value hierarchy.

13 Trade and other accounts receivable (net)

	Note	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts receivable					
- other companies (net)		2,382,288,855	1,264,868,338	721,003,562	432,311,176
- related companies	42 a)	8,159,052	6,763,807	98,177,041	46,557,568
		2,390,447,907	1,271,632,145	819,180,603	478,868,744
Other accounts receivable					
- other companies (net)		8,035,332	14,786,603	4,710,913	5,341,154
- related companies	42 a)	2,526,146	36,996,417	18,331,641	13,516,138
		10,561,478	51,783,020	23,042,554	18,857,292
Interests receivable					
- other companies		3,322	1,379,729	557	6,543
- related companies	42 a)	521,314	4,753,816	126,651,139	165,686,597
		524,636	6,133,545	126,651,696	165,693,140
Dividend receivable					
- related company	42 a)	4,954,400	-	4,954,400	-
Advance payment for vaccine		742,600,400	-	742,600,400	-
Advance payment for goods		443,170	-	235,400	-
Advance payment					
- other companies/individual		10,120,932	1,806,282	660,050	1,006,365
Prepaid expenses - other companies (net)		23,408,012	19,748,719	9,666,370	8,406,910
- related company	42 a)	-	-	1,615	-
		3,183,060,935	1,351,103,711	1,726,993,088	672,832,451

Outstanding balance of trade accounts receivable classified by aging are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts receivable - other companies (net)				
Not yet due	1,022,538,977	311,512,326	259,421,054	123,676,381
Overdue				
1 - 90 days	857,028,710	221,984,532	298,115,988	25,009,220
91 - 180 days	158,463,287	180,506,816	86,048,643	3,310,659
181 - 365 days	41,137,192	135,626,174	8,999,015	6,498,314
Over 365 days	121,876,506	139,346,214	69,112,718	59,343,937
	2,201,044,672	988,976,062	721,697,418	217,838,511
Less Allowance for expected credit loss	(94,434,656)	(84,111,599)	(69,644,401)	(59,191,105)
	2,106,610,016	904,864,463	652,053,017	158,647,406
Unbilled trade accounts receivable	282,041,238	360,003,875	68,950,545	273,663,770
Less Allowance for expected credit loss	(6,362,399)	-	-	-
	275,678,839	360,003,875	68,950,545	273,663,770
Trade accounts receivable - other companies (net)	2,382,288,855	1,264,868,338	721,003,562	432,311,176

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade account receivable - related companies				
Not yet due	1,056,705	175,465	10,089,117	4,118,921
Overdue				
1 - 90 days	721,150	158,710	13,795,695	5,659,531
91 - 180 days	-	-	13,340,322	7,280,441
181 - 365 days	-	830,000	14,945,403	14,805,124
Over 365 days	6,245,816	5,464,251	24,685,433	14,693,551
	8,023,671	6,628,426	76,855,970	46,557,568
Unbilled trade accounts receivable	135,381	135,381	21,321,071	-
Less Allowance for expected credit loss	-	-	-	-
	135,381	135,381	21,321,071	-
Trade account receivable - related companies	8,159,052	6,763,807	98,177,041	46,557,568

Due to the nature of trade accounts receivable are current assets, their carrying amount is considered to be the same as their fair value.

Allowance for expected credit loss for trade accounts receivable - other companies as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Gross carrying amount - trade receivables				
Not yet due	(3,128)	(154,891)	(3,128)	(154,891)
Overdue				
1 - 90 days	(1,152,501)	(3,016,824)	(1,152,501)	(279,792)
91 - 180 days	(9,516,515)	(2,006,068)	(1,612,530)	(103,662)
181 - 365 days	(5,362,840)	(18,470,797)	(5,192,178)	(3,829,164)
Over 365 days	(78,399,672)	(60,463,019)	(61,684,064)	(54,823,596)
Unbilled trade accounts receivable	(6,362,399)	-	-	-
Allowance for expected credit loss	(100,797,055)	(84,111,599)	(69,644,401)	(59,191,105)

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

The movements of the allowance for expected credit loss for the years ended 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Allowance at the beginning of the year	(84,111,599)	(45,965,568)	(59,191,105)	(36,050,630)
Add Additions during the year	(25,651,137)	(47,255,046)	(13,749,064)	(31,533,414)
Less Written-off during the year	134,332	156,803	-	-
Less Reversal during the year - repayments	8,831,349	8,952,212	3,295,768	8,392,939
Allowance at the end of the year	(100,797,055)	(84,111,599)	(69,644,401)	(59,191,105)

During the year ended 31 December 2021, the Group and the Company did not write-off any bad debt (2020 : the Group and the Company have written-off bad debt of Baht 230,344 and Baht 213,500, respectively).

14 Financial assets and financial liabilities

Outstanding balances of financial assets and financial liabilities and interest rates as at 31 December 2021 and 2020 as follows:

		2021													
		Consolidated financial statements							Separate financial statements						
		Fixed interest rate							Fixed interest rate						
	Measurement categories	Within 1 year Baht	1 - 5 Years Baht	Over 5 years Baht	Floating Interest rate Baht	Non-interest Bearing rate Baht	Total Baht	Interest (%)	Within 1 year Baht	1 – 5 Years Baht	Over 5 years Baht	Floating Interest rate Baht	Non-interest Bearing rate Baht	Total Baht	Interest (%)
Financial assets															
Cash and cash equivalents	Amortised cost	3,339,240	-	-	932,924,621	546,027,098	1,482,290,959	0.05 - 0.55	2,667,686	-	-	639,740,581	528,787,900	1,171,196,167	0.05 - 0.40
Short-term investments at financial institutions	Amortised cost	185,360	-	-	-	-	185,360	0.15 - 1.00	-	-	-	-	-	-	-
Financial assets - investment in debt securities	FVPL	-	-	-	-	48,491,568	48,491,568	-	-	-	-	-	15,287,929	15,287,929	-
Financial assets - investment in equity securities	FVOCI	-	-	-	-	1,112,543,960	1,112,543,960	-	-	-	-	-	1,058,396,791	1,058,396,791	-
Trade and other accounts receivable (net)	Amortised cost	-	-	-	-	2,406,488,421	2,406,488,421	-	-	-	-	-	973,829,253	973,829,253	-
Short-term loans to related parties	Amortised cost	-	-	-	-	-	-	-	4,866,071,781	-	-	-	347,887,462	5,213,959,242	As agreed
Restricted deposits at financial institutions	Amortised cost	15,138,489	-	-	-	-	15,138,489	0.20 - 1.00	-	-	-	-	-	-	-
		18,663,089	-	-	932,924,621	4,113,551,047	5,065,138,757		4,868,739,467	-	-	639,740,581	2,924,189,335	8,432,669,383	
Financial liabilities															
Bank overdrafts and short-term loans from financial institutions	Amortised cost	3,906,752,430	-	-	68,967,070	-	3,975,719,500	Interest rate in Financial Market and MLR and MOR	3,770,000,000	-	-	-	-	3,770,000,000	Interest rate in Financial Market
Trade and other accounts payable	Amortised cost	-	-	-	-	1,556,415,910	1,556,415,910	-	-	-	-	-	782,709,478	782,709,478	-
Short-term loan from a related party	Amortised cost	-	-	-	-	-	-	-	46,000,000	-	-	-	-	46,000,000	Interest rate in Financial Market
Liabilities from purchase of medical tools and equipment	Amortised cost	32,141,749	64,184,324	-	-	-	96,326,073	-	-	-	-	-	-	-	-
Long-term payable from purchase of intangible asset	Amortised cost	-	6,206,000	-	-	-	6,206,000	-	-	-	-	-	-	-	-
Long-term loans from financial institutions	Amortised cost	1,028,760	-	-	6,089,287,323	-	6,090,316,083	Interest rate in Financial Market	-	-	-	5,080,211,438	-	5,080,211,438	Interest rate in Financial Market
Lease liabilities (net)	Amortised cost	26,738,116	80,681,184	104,995,923	-	-	212,415,223	2.55 - 6.69	7,220,889	9,889,209	4,016,712	-	-	21,126,810	3.13 - 5.28
		3,966,661,055	151,071,508	104,995,923	6,158,254,393	1,556,415,910	11,972,206,893		3,823,220,889	9,889,209	4,016,712	5,080,211,438	782,709,478	9,700,047,726	

		2020													
		Consolidated financial statements							Separate financial statements						
		Fixed interest rate							Fixed interest rate						
	Measurement categories	Within 1 year Baht	1 – 5 Years Baht	Over 5 years Baht	Floating Interest rate Baht	Non-interest Bearing rate Baht	Total Baht	Interest (%)	Within 1 year Baht	1 – 5 Years Baht	Over 5 years Baht	Floating Interest rate Baht	Non-interest Bearing rate Baht	Total Baht	Interest (%)
Financial assets															
Cash and cash equivalents	Amortised cost	3,328,401	-	-	374,725,433	117,327,559	495,381,393	0.05 - 1.20	2,661,923	-	-	197,248,969	104,281,519	304,192,411	0.05 - 0.25
Short-term investments at financial institutions	Amortised cost	33,276	-	-	140,315	-	173,591	0.30 - 1.00	-	-	-	-	-	-	-
Financial assets - investment in debt securities	FVPL	-	-	-	-	35,357,328	35,357,328	-	-	-	-	-	15,257,633	15,257,633	-
Financial assets - investment in equity securities	FVOCI	-	-	-	-	605,966,308	605,966,308	-	-	-	-	-	551,819,139	551,819,139	-
Trade and other accounts receivable (net)	Amortised cost	-	-	-	-	1,329,548,710	1,329,548,710	-	-	-	-	-	663,419,176	663,419,176	-
Short-term loans to related parties	Amortised cost	-	-	-	-	-	-		5,298,393,250	-	-	-	-	5,298,393,250	As agreed
Restricted deposits at financial institutions	Amortised cost	6,887,000	-	-	8,576,100	-	15,463,100	0.05 - 1.00	-	-	-	-	-	-	-
		10,248,677	-	-	383,441,848	2,088,199,905	2,481,890,430		5,301,055,173	-	-	197,248,969	1,334,777,467	6,833,081,609	
Financial liabilities															
Bank overdrafts and short-term loans from financial institutions	Amortised cost	2,832,115,503	-	-	30,006,165	-	2,862,121,668	Interest rate in Financial Market and MLR and MOR	2,629,708,600	-	-	-	-	2,629,708,600	Interest rate in Financial Market
Trade and other accounts payable	Amortised cost	-	-	-	-	1,039,299,797	1,039,299,797	-	-	-	-	-	569,126,258	569,126,258	-
Short-term loan from a related party	Amortised cost	-	-	-	-	-	-	-	61,200,000	-	-	-	-	61,200,000	As agreed
Liabilities from purchase of medical tools and equipment	Amortised cost	-	-	-	-	103,354,032	103,354,032	-	-	-	-	-	-	-	-
Long-term payable from purchase of intangible asset	Amortised cost	-	-	-	-	9,309,000	9,309,000	-	-	-	-	-	-	-	-
Long-term loans from financial institutions	Amortised cost	2,466,667	1,027,778	-	6,859,821,521	-	6,863,315,966	Fixed rate, Prime rate and MLR	-	-	-	5,773,914,206	-	5,773,914,206	Fixed rate, and MLR
Lease liabilities (net)	Amortised cost	45,952,635	91,497,531	107,117,087	-	-	244,567,253	1.63 - 7.01	9,966,347	14,031,986	6,122,798	-	-	30,121,131	1.85 - 5.28
		2,880,534,805	92,525,309	107,117,087	6,889,827,686	1,151,962,829	11,121,967,716		2,700,874,947	14,031,986	6,122,798	5,773,914,206	569,126,258	9,064,070,195	

Cash and cash equivalents, short-term investments at financial institutions, trade and other accounts receivable, short-term loan to related parties are characterised as current assets. Carrying value of these financial assets approximated fair values. For non-current assets, its fair values are not significantly different from carrying values.

15 Inventories (net)

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Medicines and medical supplies	267,973,441	138,461,126	187,738,978	86,914,541
Medical equipment	99,690,237	88,580,875	-	-
Supplies	14,669,643	12,323,230	5,774,808	6,107,382
Condominium unit for sale	1,051,474,655	1,114,072,449	-	-
Less Allowance for obsolete inventories				
- medicines and medical supplies	(14,214,531)	(2,010,681)	(10,000,000)	-
- medical equipment	(12,012,243)	(6,117,704)	-	-
- supplies	(54,527)	(56,560)	(54,527)	(56,560)
Goods in transit - medical equipment	8,706,295	4,713,305	-	-
	1,416,232,970	1,349,966,040	183,459,259	92,965,363

- Allowance for obsolete inventories-medicine and medical supplies and supplies are recognised as cost of hospital operations in profit or loss.
- Allowance for obsolete inventories-medical equipment are recognised as cost of goods sold in profit or loss.

16 Cost of developing holistic care project

Cost of developing holistic care project as at 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements	
	2021 Baht	2020 Baht
Land under development	840,389,408	1,092,761,605
Construction in progress and other related costs	375,164	412,784,152
Capitalised interest	-	24,271,942
	840,764,572	1,529,817,699

Borrowing costs of the Group for the year ended 31 December 2020 of Baht 24.27 million, arising from cost of developing holistic care project which has a capitalisation rate of 2.25%.

During the 4th quarter of 2021, the Group's management has considered to reclassify the cost of developing holistic care project of a subsidiary to property, plant and equipment because the subsidiary changed the objective of project from holistic care project to senior home healthcare (Note 24).

17 Non-current assets classified as held-for-sale

	Consolidated financial statements
	Baht
As at 31 December 2020	83,000,000
Disposals	(8,692,559)
Transfer to investment properties (Note 23)	(74,307,441)
As at 31 December 2021	-

As at 31 December 2020, non-current assets classified as held-for-sale - land represents land of a subsidiary which such a subsidiary entered into land sale and purchase agreement with a related company. The subsidiary reclassified such land from property, plant and equipment to non-current assets classified as held-for-sale with the carrying amount.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

During the 2nd quarter of 2021, the subsidiary transferred some of land ownership to a related company. The Group recognised gain on disposal of land amounting to Baht 2.14 million.

During the 3rd quarter of 2021, the management considered to classify such land from previously presented as non-current assets classified as held-for-sale to investment properties because there is no probable at high level that the land sales transaction will be completed within one year.

18 Restricted deposits at financial institutions

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash at banks - savings account	8,250,000	8,576,100	-	-
- 3-month fixed deposit	1,980,000	1,980,000	-	-
- 12-month fixed deposit	4,908,489	4,907,000	-	-
	15,138,489	15,463,100	-	-

	Interest rate (% per annum)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash at banks - savings account	0.13 to 0.38	0.05 to 1.00	-	-
- 3-month fixed deposit	0.10 to 0.13	0.15 to 0.25	-	-
- 12-month fixed deposit	0.15 to 0.38	0.20 to 1.00	-	-

As at 31 December 2021 and 2020, restricted deposits at financial institutions of the Group are deposits of the subsidiaries in Baht currency. The Group pledged these deposits as collateral against bank overdrafts, borrowings from financial institutions and bank guarantees (Note 28, 30 and 44).

19 Financial assets measured at fair (non-current assets)

Financial assets measured at fair of the Group - non-current represent the investments in equity securities which have the movements for the year ended 31 December 2021 as follows:

	Consolidated financial statements	Separate financial statements
	Financial assets measured at fair through other comprehensive income Baht	Financial assets measured at fair through other comprehensive income Baht
Cost at the beginning of the year	553,286,481	499,139,312
Add Additions during the year	364,848,482	364,848,482
Less Disposals during the year	-	-
Unrealised gain on measurement at fair value	189,228,897	189,228,897
Book value at the end of the year	1,107,363,860	1,053,216,691

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

At the Board of Directors' Meeting No. 5/2021 of the Company on 30 June 2021, the Board of Directors approved the investment in 1,333,333 ordinary shares of Thai Medical Glove Co., Ltd. at the price of Baht 150.00 per share, totalling Baht 199,999,950 with shareholding interest at 7.40% on the investment date. The Company made payment for shares in July and August 2021.

At the Board of Directors' Meeting No. 8/2021 of the Company on 20 September 2021, the Board of Directors approved the additional investment in ordinary shares of Rajthanee Hospital Public Company Limited by purchasing these shares from a related company. On 6 October 2021, the Company made payment for 6,000,000 shares at the price of Baht 26.77 per share (par value at Baht 1.00), totalling Baht 160.62 million with shareholding interest at 2.00%. Such additional investment made the Company has the increase in shareholding interest from 3.07% to 5.07%.

For the year ended 31 December 2021, the Group and the Company did not dispose any financial assets. (2020 : the Group and the Company have gain on disposals of long-term investments in equity securities amounting to Baht 195,408 which came from the reclassification of unrealised gain previously recognised in other comprehensive income to retained earnings amounting to Baht 121,721).

For the year ended 31 December 2021, the Group and the Company received dividend income from long-term investments in equity securities amounting to Baht 47,272,969 (2020 : Baht 26,211,989) (Note 37).

For the year ended 31 December 2021, the Group and the Company recognised gain on measured the fair value of financial assets through other comprehensive income in the consolidated and separate financial statement of Baht 140,594,970 (2020 : recognised loss of Baht 52,448,767).

The Group and the Company measure the fair value of investment in marketable equity securities based on the last bid price reference from the securities market. This fair value is within the level 1 of the fair value hierarchy. For investment in non-marketable equity securities, the Group and the Company measure the fair value by using significant observable input and entity-specific estimates. This fair value is within the level 2 of the fair value hierarchy.

20 Investments in associates (net)

a) As at 31 December 2021 and 2020, investments in associates (net) comprise the following:

Company name	Place of business/ country of incorporation	Nature of business	Percentage of Shareholding		Consolidated financial statements Investments (Equity method)		Separate financial statements Investments (Cost method)	
			2021 Percentage	2020 Percentage	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Ubonrak Co., Ltd.	Thailand	Private hospital activities	34.52	34.52	351,767,750	340,510,413	272,762,500	272,762,500
Sirivej Chanthaburi Public Company Limited	Thailand	Private hospital activities	31.92	31.87	357,165,169	243,392,884	211,522,604	159,724,802
					708,932,919	583,903,297	484,285,104	432,487,302

The management has reviewed allowance for impairment of investments in associates by considering from the past performance and are expected to occur in the future including other factors.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

b) The movements in book value of investments in associates (net) for the years ended 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements Equity method		Separate financial statements Cost method	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Beginning book value of the year (net)	583,903,297	565,681,130	432,487,302	432,487,302
Additions during the year	51,797,802	-	51,797,802	-
Share of profit during the year (net)	94,983,308	32,335,722	-	-
Dividend income during the year	(21,751,488)	(14,113,555)	-	-
Ending book value of the year (net)	708,932,919	583,903,297	484,285,104	432,487,302

c) Increase in investment in associate - Sirivej Chanthaburi Public Company Limited

At the Shareholders' Meeting of the associated company - Sirivej Chanthaburi Public Company Limited on 30 April 2021, it was resolved to approve the allocation of capital increase of 45,818,125 shares to the existing shareholders at the price of Baht 3.50 per share. The Board of Directors' Meeting No. 7/2021 of the Company on 13 August 2021 approved the additional investment in the associated company not less than the right that has been allocated. The Company paid for the newly issued shares of 14,799,372 shares at the price of Baht 3.50 per share, totalling Baht 51,797,802 in August 2021. Such additional investment made the Company's has the increase in shareholding interest from 31.87% to 31.92%.

Summarised financial information for significant associates

Set out below are the summarised financial information for Ubonrak Co., Ltd. and Sirivej Chanthaburi Public Company Limited which are accounted for using the equity method.

	Ubonrak Co., Ltd. As at 31 December		Sirivej Chanthaburi Public Company Limited As at 31 December		Total As at 31 December	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Current assets	304	233	487	184	791	417
Non-current assets	661	682	1,081	697	1,742	1,379
Current liabilities	(159)	(113)	(179)	(106)	(338)	(219)
Non-current liabilities	(210)	(239)	(317)	(58)	(527)	(297)
Net assets	596	563	1,072	717	1,668	1,280
Revenue	762	657	849	587	1,611	1,244
Net profit	78	41	209	57	287	98
Other comprehensive income	-	-	6	-	6	-
Total comprehensive income	78	41	215	57	293	98

The information above reflects the amounts presented in the financial statements of the associates (and not the Group's share of those amounts) adjusted for the differences in accounting policies between the Group and the associates for the years ended 31 December 2021 and 2020.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates.

Summarised financial information	Ubonrak Co., Ltd.		Sirivej Chanthaburi Public Company Limited		Total	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Net assets as at 1 January	563	539	717	686	1,280	1,225
Capital increase during the year	-	-	160	-	160	-
Profit for the year	78	41	209	57	287	98
Other comprehensive income	-	-	6	-	6	-
Dividends	(45)	(17)	(20)	(26)	(65)	(43)
Net assets as at 31 December	596	563	1,072	717	1,668	1,280
Interest in associate (%)	34.52	34.52	31.92	31.87		
Equity in associate	206	195	342	228	548	423
Excess of fair value to cost of investments prior to the change in shareholding interest	(34)	(34)	-	-	(34)	(34)
Goodwill	180	180	15	15	195	195
Net book value	352	341	357	243	709	584
Carrying amount of investments in associates using the equity method (Note 20 a))	352	341	357	243	709	584

21 Investments in subsidiaries (net)

a) As at 31 December 2021 and 2020, the subsidiaries included in consolidated financial statement are listed below. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group. Investments in subsidiaries (net) comprise the investments in ordinary shares of companies as following:

							Separate financial statements Cost method							
							2021			2020			Dividend income	
			Paid-up share capital (Amount)		Shareholding interest			Allowance for			Allowance for		For the year ended 31 December (Note 37)	
			2021	2020	2021	2020	Investments	impairment of Investments	Investments (net)	Investments	impairment of Investments	Investments (net)	2021	2020
Direct Subsidiaries	Incorporated in	Nature of business	Baht	Baht	Percentage	Percentage	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Rajyindee Hospital Public Company Limited	Thailand	Private hospital activities	430,000,000	430,000,000	56.91	56.91	238,918,787	-	238,918,787	238,918,787	-	238,918,787	14,684,042	14,684,042
Thonburi Hospital Heart Centers Company Limited	Thailand	Hospital heart center	100,000,000	100,000,000	99.98	99.98	249,880,000	-	249,880,000	249,880,000	-	249,880,000	4,999,000	29,994,000
Thonburi Wellbeing Co., Ltd.	Thailand	Senior medical service and residences	1,500,000,000	1,300,000,000	99.99	99.99	1,500,000,000	-	1,500,000,000	1,300,000,000	-	1,300,000,000	-	-
DS All Co., Ltd. (2020 : Dental Siam Co., Ltd.)	Thailand	Retail sale of pharmaceutical and medical goods in specialised stores	31,932,650	31,932,650	99.43	99.43	144,526,240	(73,511,767)	71,014,473	144,526,240	(31,511,767)	113,014,473	-	-
Rajthanee Realty Co., Ltd.	Thailand	Land and property development	1,960,000,000	1,960,000,000	100.00	100.00	2,311,597,350	-	2,311,597,350	2,311,597,350	-	2,311,597,350	-	-
Thonburi Realty Development Co., Ltd.	Thailand	Land and property development	1,270,000,000	1,270,000,000	99.86	99.86	1,268,256,400	(798,256,400)	470,000,000	1,268,256,400	(798,256,400)	470,000,000	-	-
Modular Software Expertise Co., Ltd.	Thailand	Consulting and writing computer programs	18,000,000	18,000,000	70.00	70.00	12,600,000	(4,600,000)	8,000,000	12,600,000	(4,600,000)	8,000,000	-	-
Uttradit Thonburi Hospital Co., Ltd.	Thailand	Private hospital activities	90,000,000	90,000,000	99.99	99.99	90,000,000	-	90,000,000	90,000,000	-	90,000,000	-	-
Thonburi Bamrungmuang Hospital Co., Ltd.	Thailand	Private hospital activities	1,223,176,700	1,223,176,700	99.99	99.99	2,111,913,029	-	2,111,913,029	2,111,913,029	-	2,111,913,029	-	-
Thanarad Thung Song Co. Ltd	Thailand	Private hospital activities	600,000,000	600,000,000	51.12	51.12	306,692,500	-	306,692,500	306,692,500	-	306,692,500	-	-
Med Access Co., Ltd.	Thailand	Central procurement	1,000,000	-	100.00	-	1,000,000	-	1,000,000	-	-	-	-	-
Thonburi Canabiz Public Company Limited	Thailand	Counsel, research and devlopment of extract from herb	100,000,000	-	75.00	-	75,000,000	-	75,000,000	-	-	-	-	-
							8,310,384,306	(876,368,167)	7,434,016,139	8,034,384,306	(834,368,167)	7,200,016,139	19,683,042	44,678,042

			Paid-up share capital (Amount)		Shareholding interest	
			2021	2020	2021	2020
Indirect Subsidiary	Incorporated in	Nature of business	Baht	Baht	Percentage	Percentage
Thonburi Property Management Co., Ltd. (held by Thonburi Wellbeing Co., Ltd.)	Thailand	Real estate services and property management	4,000,000	4,000,000	99.99	99.99

Summarised financial statements of subsidiaries with material non-controlling interests

The summarised financial statements for each subsidiary that has non-controlling interests that are material to the Group as at 31 December 2021 and 2020 are as follows:

Summarised statements of financial position

	2021 (Thousand Baht)			2020 (Thousand Baht)		
	Rajyindee Hospital Public Company Limited	Thanarad Thung Song Co., Ltd.	Total	Rajyindee Hospital Public Company Limited	Thanarad Thung Song Co., Ltd.	Total
Current						
Assets	258,591	92,674	351,265	209,002	30,564	239,566
Liabilities	(135,466)	(101,061)	(236,527)	(60,644)	(91,598)	(152,242)
Total net current assets (liabilities)	123,125	(8,387)	114,738	148,358	(61,034)	87,324
Non-current						
Assets	636,694	682,184	1,318,878	542,232	724,120	1,266,352
Liabilities	(91,602)	(247,398)	(339,000)	(69,022)	(213,665)	(282,687)
Total net non-current assets (liabilities)	545,092	434,786	979,878	473,210	510,455	983,665
Net assets (liabilities)	668,217	426,399	1,094,616	621,568	449,421	1,070,989

Summarised statements of comprehensive income

	2021 (Thousand Baht)			2020 (Thousand Baht)		
	Rajyindee Hospital Public Company Limited	Thanarad Thung Song Co., Ltd.	Total	Rajyindee Hospital Public Company Limited	Thanarad Thung Song Co., Ltd.	Total
Revenue	722,591	272,449	995,040	607,249	114,006	721,255
Profit (loss) before income tax	87,457	(23,128)	64,329	19,932	(107,011)	(87,079)
Income tax (expenses)	(17,017)	169	(16,848)	(2,899)	1,459	(1,440)
Post-tax profit (loss) from continuing operations	70,440	(22,959)	47,481	17,033	(105,552)	(88,519)
Other comprehensive income	2,008	(63)	1,945	-	-	-
Total comprehensive income	72,448	(23,022)	49,426	17,033	(105,552)	(88,519)
Proportion of non-controlling interests (%)	43.09	43.57		43.09	43.57	
Total comprehensive income allocated to non-controlling interests	31,218	(10,030)	21,188	7,340	(45,989)	(38,649)
Dividend paid to non-controlling interests	(11,116)	-	(11,116)	(11,116)	-	(11,116)
Cumulative balance of non-controlling interests	287,909	161,669	449,578	267,807	171,699	439,506

Summarised statements of cash flow

	2021 (Thousand Baht)			2020 (Thousand Baht)		
	Rajyindee Hospital Public Company Limited	Thanarad Thung Song Co., Ltd.	Total	Rajyindee Hospital Public Company Limited	Thanarad Thung Song Co., Ltd.	Total
Cash flow from operating activities						
Cash generated from operation	89,970	(2,422)	87,548	54,668	(46,303)	8,365
Interest received	1,787	6	1,793	2,143	87	2,230
Interest paid	(249)	(7,929)	(8,178)	-	(8,321)	(8,321)
Income tax paid	(7,426)	(1,693)	(9,119)	(6,255)	(635)	(6,890)
Net cash generated from (used in) operating activities	84,082	(12,038)	72,044	50,556	(55,172)	(4,616)
Net cash generated from (used in) investing activities	(52,101)	(11,427)	(63,528)	(6,641)	(53,104)	(59,745)
Net cash generated from (used in) financing activities	(252)	21,281	21,029	(28,444)	112,287	83,843
Net (decrease) increase in cash and cash equivalents	31,729	(2,184)	29,545	15,471	4,011	19,482
Cash and cash equivalents at the beginning of the year	68,925	8,541	77,466	53,454	4,530	57,984
Cash and cash equivalents at the end of the year	100,654	6,357	107,011	68,925	8,541	77,466

The information as above is the amount of subsidiaries that included in consolidated financial statements before elimination.

b) The movements of investments in subsidiaries (net) for the years ended 31 December 2021 and 2020 comprise the following:

	Separate financial statements Cost method	
	2021 Baht	2020 Baht
Beginning net book value of the year	7,200,016,139	5,470,016,139
Increase in investments in subsidiaries during the year	276,000,000	1,730,000,000
Loss from impairment of investment	(42,000,000)	-
Ending net book value of the year	7,434,016,139	7,200,016,139

c) Consolidation preparation

1) Subsidiaries are fully consolidated as from the date of acquisition, (being the date on which the Group obtains control), and continue to be consolidated until the date when such control ceases.

2) The subsidiaries have the same accounting period end as that of the Company, for which the accounting period used in consolidation preparation was from 1 January 2021 to 31 December 2021 (2020 : from 1 January 2020 to 31 December 2020).

3) Non-controlling interests represent the portion of net income or loss and net assets of the subsidiaries that are not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position.

d) Increase in investment in subsidiary - Thonburi Realty Development Co., Ltd.

At the Board of Directors' Meeting No. 4/2020 of the Company on 13 May 2020, the Board of Directors approved the additional investment in Thonburi Realty Development Co., Ltd. by purchasing the additional shares according to the proportion of shareholding interest. In case that other shareholders do not exercise the right to purchase the additional shares, the Company will exercise the right to buy such shares.

At the Extra Ordinary Shareholders' Meeting No. 1/2020 of a subsidiary - Thonburi Realty Development Co., Ltd. on 10 June 2020, the shareholders approved the increase in registered share capital from Baht 800.00 million (80,000,000 ordinary shares at par value Baht 10.00 per share) to Baht 1,270.00 million (127,000,000 ordinary shares at par value Baht 10.00 per share) by issuing 47,000,000 ordinary shares at par value Baht 10.00 per share.

On 18 June 2020, the Company paid for the additional investment in subsidiary - Thonburi Realty Development Co., Ltd. for 47,000,000 ordinary shares at the price of Baht 10.00 per share (par value at Baht 10.00 per share), totalling of Baht 470.00 million. The subsidiary registered the share capital increase with the Ministry of Commerce on 23 June 2020. Such additional investment made the Company has the increase in shareholding interest from 99.78% to 99.86%.

e) Increase in investment in subsidiary - Rajthanee Realty Co., Ltd.

At the Board of Directors' Meeting No. 4/2020 of the Company on 13 May 2020, the Board of Directors approved the additional investment in Rajthanee Realty Co., Ltd. by purchasing the additional shares according to the proportion of shareholding interest.

At the Extra Ordinary Shareholders' Meeting No. 1/2020 of a subsidiary - Rajthanee Realty Co., Ltd. on 16 June 2020, the shareholders approved the increase in registered share capital from Baht 700.00 million (7,000,000 ordinary shares at par value Baht 100.00 per share) to Baht 1,960.00 million (19,600,000 ordinary shares at par value Baht 100.00 per share) by issuing 12,600,000 ordinary shares at par value Baht 100.00 per share.

On 25 June 2020, the Company paid for the additional investment in subsidiary - Rajthanee Realty Co., Ltd. for 12,600,000 ordinary shares at the price of Baht 100.00 per share (par value at Baht 100.00 per share), totalling for Baht 1,260.00 million. The subsidiary registered the share capital increase with the Ministry of Commerce on 29 June 2020. Such additional investment did not impact to the Company's shareholding interest.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

f) Investment in subsidiary - Thonburi Wellbeing Co., Ltd

At the Board of Directors' Meeting No. 8/2019 of the Company on 24 October 2019, the Board of directors approved the payment for unpaid shares capital of Thonburi Wellbeing Co., Ltd amounting to Baht 150.00 million (100,000,000 ordinary shares at Baht 1.50 per share). The payment will pay into 3 installments, Baht 50.00 million per time.

The Company paid all unpaid shares capital amounting to Baht 150.00 million in November and December 2020. Such additional payment did not impact to the Group's shareholding interest.

At the Extra Ordinary Shareholders' Meeting No. 1/2021 of a subsidiary on 28 January 2021, the shareholders approved the increase in registered share capital from Baht 1,300.00 million (130,000,000 ordinary shares at par value Baht 10.00 per share) to Baht 1,500.00 million (150,000,000 million ordinary shares at par value Baht 10.00 per share) by issuing 20,000,000 ordinary shares at par value Baht 10.00 per share. The subsidiary registered the share capital increase with the Ministry of Commerce on 5 February 2021. In addition, the subsidiary make payments for loans from the parent company with interest in amounting to Baht 200.00 million.

At the Board of Directors' Meeting No.1/2021 of the Company on 28 January 2021, the Board of Directors approved the additional investment in a subsidiary - Thonburi Wellbeing Co., Ltd. by purchasing the additional shares according to the proportion of shareholding interest through purchase of 20,000,000 ordinary shares at the price of Baht 10.00 per share (par value at Baht 10.00 per share), totalling Baht 200.00 million. Such additional investment did not impact to the Company's shareholding interest. The Company paid for such additional investment on 1 February 2021.

g) Investment in a subsidiary - Med Access Co., Ltd.

At the Board of Directors' Meeting No. 2/2021 of the Company on 23 February 2021, the Board of Directors approved the establishment of a subsidiary with the objective of operating the central procurement and distributing medical equipment, medical products and supplies. The Company registered the establishment of Med Access Co., Ltd. in Thailand with the Ministry of Commerce on 29 April 2021 with registered share capital of Baht 1.00 million (10,000 ordinary shares at par value Baht 100.00 per share). The Company held 100% of shareholding interest. The Company paid for all shares in June and November 2021.

h) Investment in a subsidiary - Thonburi Canabiz Public Company Limited

At the Board of Directors' Meeting No.8/2021 of the Company on 20 September 2021, the Board of Directors approved the establishment of a subsidiary with the objective of operating the herbial pharmacy for medical treatment. The Company registered the establishment of Thonburi Canabiz Public Company Limited in Thailand with the Ministry of Commerce on 19 November 2021 with registered share capital of Baht 100.00 million (1,000,000 ordinary shares at par value Baht 100.00 per share). The Company held 75% of shareholding interest. The Company paid for all shares in November 2021.

i) Consideration of allowance for impairment of investments

As at 31 December 2021 and 2020, the Group's management has reviewed allowance for impairment of investments in subsidiaries by considering the previous loss from operation, future expected estimated loss and other factors and considered to set the allowance for impairment in amounting to Baht 876.37 million (2020 : Baht 834.37 million).

22 Investments in joint ventures (net)

a) As at 31 December 2021 and 2020, investments in joint ventures (net) comprise the following:

Company name	Incorporated in	Nature of business	Percentage of shareholding 2021 Percentage	Percentage of shareholding 2020 Percentage	Consolidated financial statements Investments (Equity method) 2021 Baht	Consolidated financial statements Investments (Equity method) 2020 Baht	Separate financial statements Investments (Cost method) 2021 Baht	Separate financial statements Investments (Cost method) 2020 Baht
Weihai Welly Hospital Company Limited	People's Republic of China	Private hospital activities	-	-	-	-	-	-
Ar Yu International Health Care Company Limited	Republic of the Union of Myanmar	Private hospital activities	40.00	40.00	740,999,153	781,042,516	898,012,168	898,012,168
					740,999,153	781,042,516	898,012,168	898,012,168

For the years ended 31 December 2021 and 2020, share of profit (loss) from investment in joint ventures are calculated based on financial information which were prepared by management of its joint ventures and were reviewed by auditor. The Group's management views that the value of this investment would not significantly differ if the financial statements are audited by auditor.

The management has reviewed allowance for impairment of investments in joint ventures by considering from past performance, expected performance, and other factors.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

b) The movements of investments in joint ventures (net) for the years ended 31 December 2021 and 2020 comprise the following :

	Consolidated financial statements Equity method		Separate financial statements Cost method	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Beginning net book value of the year	781,042,516	1,266,065,713	898,012,168	1,580,663,372
Share of profit (loss) during the year	(64,290,969)	2,278,490	-	-
Share of other comprehensive income of joint ventures accounted for using the equity method	24,247,606	(12,593,950)	-	-
Reversal of share of other comprehensive income	-	(46,856,251)	-	-
Reclassified to non-current assets classified as held-for-sale	-	(427,851,486)	-	(446,492,983)
Loss from measurement of investment in joint venture before reclassified to non-current assets classified as held-for-sale	-	-	-	(236,158,221)
Ending net book value of the year	740,999,153	781,042,516	898,012,168	898,012,168

c) Investment in People's Republic of China

The Company has contract with Wego Holding Company Limited to set up a "Joint venture" in the name of "Weihai Welly Hospital Company Limited" which has an objective to provide hospital operations in People's Republic of China. The contractual period is 20 years. The joint venture has been registered on 14 January 2016 with registered share capital amounting to Renminbi 250.00 million. The Company held 58.00% of registered share capital.

In March 2020, the Company entered into the share sale and purchase agreement in joint venture - Weihai Welly Hospital Company Limited with other company. The Company agreed to sales all of Company's shares in such joint venture totally of Renminbi 98.21 million. Such selling price is agreed price which is considered based on the financial information of joint venture as of 31 December 2019.

Under such agreement, the Company shall not assume any profits and losses of the joint venture that occur after 31 December 2019. As a results, the Company do not share any loss from such joint venture for the year ended 31 December 2020.

During 1st quarter of 2020, the Company reclassified investment in joint venture - Weihai Welly Hospital Company Limited in the consolidated and separate financial information which formerly presented as investment in joint venture to non-current assets classified as held-for-sales with the fair value less cost to sell at Baht 446.49 million. The Company recognised gain in the consolidated financial statements amounting to Baht 18.64 million as other income. The Company recognised loss from measurement of investment in joint venture - Weihai Welly Hospital Company Limited before reclassified to non-current assets classified as held-for-sale in the separate financial statements of Baht 236.16 million. The Company received the full payment from such disposal in May 2020.

d) Investment in Republic of the Union of Myanmar

The Company has contract with GA Mone Pwint Co., Ltd., Ar Yu Ananta Medical Services Co., Ltd., and WJ International Hospital Management Co., Ltd to set up a "Joint Venture" in the name of "Ar Yu International Health Care Company Limited" which registered in Republic of the Union of Myanmar (Joint Venture) which has an objective to provide hospital operations in Republic of the Union of Myanmar.

The joint venture has been registered on 4 April 2017 with registered share capital amounting to US Dollar 100.00 million (10,000,000 ordinary shares at par value US Dollar 10.00 per share)

As at 31 December 2021 and 2020, the Company paid share payment in joint venture totalling US Dollar 28.00 million (equivalent to Baht 898.01 million) with the shareholding interest at 40.00%.

Summarised financial information for joint ventures which is accounted for using the equity method.

	Weihai Welly Hospital Company Limited As at 31 December		Ar Yu International Health Care Company Limited As at 31 December		Total As at 31 December	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Current assets	-	-	102	94	102	94
Non-current assets	-	-	2,190	2,679	2,190	2,679
Current liabilities	-	-	(298)	(198)	(298)	(198)
Non-current liabilities	-	-	(542)	(648)	(542)	(648)
Net assets	-	-	1,452	1,927	1,452	1,927
Revenue	-	-	643	412	643	412
Net gain (loss)	-	-	(161)	6	(161)	6
Other comprehensive income	-	-	61	(31)	61	(31)
Total comprehensive income	-	-	(100)	(25)	(100)	(25)

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts) adjusted for the differences in accounting policies between the Group and the joint ventures for the years ended 31 December 2021 and 2020.

Reconciliation of summarised financial information

Reconciliation of the summarised information presented to the carrying amount of its interest in joint venture.

Summarised financial information

	Weihai Welly Hospital Company Limited		Ar Yu International Health Care Company Limited		Total	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Net asset as at 1 January	-	-	(299)	(274)	(299)	(274)
Net gain (loss) during the year	-	-	(161)	6	(161)	6
Other comprehensive income during the year	-	-	61	(31)	61	(31)
Net asset as at 31 December	-	-	(399)	(299)	(399)	(299)
Interest in joint venture (%)	-	-	40.00	40.00		
Equity in joint venture	-	-	(160)	(120)	(160)	(120)
Investment as at 1 January	-	-	898	898	898	898
Additional investment during the year	-	-	-	-	-	-
Deficit of fair value to cost of investment prior to the change in shareholding interest	-	-	3	3	3	3
Net book value as at 31 December	-	-	741	781	741	781

23 Investment properties (net)

	Consolidated financial statements		
	Land Baht	Buildings Baht	Total Baht
As at 1 January 2020			
Cost	1,813,665,985	3,117,225	1,816,783,210
Less Accumulated depreciation	-	(1,339,588)	(1,339,588)
Less Accumulated impairment	(3,159,484)	-	(3,159,484)
Net book value	1,810,506,501	1,777,637	1,812,284,138
For the year ended 31 December 2020			
Opening net book value	1,810,506,501	1,777,637	1,812,284,138
Write-off - cost	(4,670,496)	-	(4,670,496)
- accumulated impairment	3,159,484	-	3,159,484
Depreciation charge	-	(155,808)	(155,808)
Closing net book value	1,808,995,489	1,621,829	1,810,617,318
As at 31 December 2020			
Cost	1,808,995,489	3,117,225	1,812,112,714
Less Accumulated depreciation	-	(1,495,396)	(1,495,396)
Net book value	1,808,995,489	1,621,829	1,810,617,318
For the year ended 31 December 2021			
Opening net book value	1,808,995,489	1,621,829	1,810,617,318
Transfer from non-current assets classified as held-for-sale (Note 17)	74,307,441	-	74,307,441
Disposal - cost	(271,825)	-	(271,825)
Depreciation charge	-	(155,808)	(155,808)
Closing net book value	1,883,031,105	1,466,021	1,884,497,126
As at 31 December 2021			
Cost	1,883,031,105	3,117,225	1,886,148,330
Less Accumulated depreciation	-	(1,651,204)	(1,651,204)
Less Accumulated impairment	-	-	-
Net book value	1,883,031,105	1,466,021	1,884,497,126

As at 31 December 2021 and 2020, the Group's management reviewed the allowance for impairment of investment properties of subsidiaries and found no indicators of impairment.

As at 31 December 2021 and 2020, fair values of the investment properties under land and buildings category of the Group were assessed by independent professionally qualified valuer, who has experience in the location and type of investment properties assessed. The assessment was performed using market approach for land and buildings. The fair values are within level 2 of the fair value hierarchy.

As at 31 December 2021, fair values of investment properties under land and buildings (not included the land which in the lawsuit as mentioned in Note 46) category assessed in the consolidated financial statements are Baht 3,185.06 million (2020 : Baht 3,111.18 million).

As at 31 December 2021 and 2020, the Group has investment properties - land which have book value (net) in amounting to Baht 33.99 million in the lawsuit as mentioned in Note 46.

As at 31 December 2021 and 2020, the Company has no investment property.

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Amounts recognised in profit or loss that are related to investment properties (net) for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Revenue				
Rental income	462,034	6,056,000	-	-
Service income	-	-	-	-
	462,034	6,056,000	-	-
Expenses				
Direct operating expenses arising from investment properties that generated rental income and service income for the year	77,808	155,808	-	-
Direct operating expenses arising from investment properties that did not generate rental income and service income for the year	-	-	-	-
	77,808	155,808	-	-

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

24 Property, plant and equipment (net)

	Consolidated financial statements											
	Land Baht	Unutilised land in operation Baht	Land improvement Baht	Buildings Baht	Building improvements and utility system Baht	Medical tools and equipment Baht	Tools and equipment Baht	Furniture and office equipment Baht	Computer Baht	Motor vehicle Baht	Assets under installation and construction in progress Baht	Total Baht
As at 1 January 2020												
Cost	1,860,638,914	155,476,062	-	4,081,276,572	1,596,787,138	2,065,531,274	282,423,437	290,883,987	251,817,072	87,935,426	1,123,929,414	11,796,699,296
Less Accumulated depreciation	-	-	-	(1,187,198,924)	(744,795,099)	(1,122,700,569)	(201,881,821)	(116,890,130)	(130,677,729)	(69,961,825)	-	(3,574,106,097)
Allowance for impairment	-	-	-	-	-	-	(7,647)	(5,985)	(12,510)	-	(5,440,415)	(5,466,557)
Net book value	1,860,638,914	155,476,062	-	2,894,077,648	851,992,039	942,830,705	80,533,969	173,987,872	121,126,833	17,973,601	1,118,488,999	8,217,126,642
For the year ended 31 December 2020												
Opening net book value	1,860,638,914	155,476,062	-	2,894,077,648	851,992,039	942,830,705	80,533,969	173,987,872	121,126,833	17,973,601	1,118,488,999	8,217,126,642
Additions	35,016,068	-	2,234,799	3,108,762	33,095,563	358,522,965	20,895,609	36,249,780	19,045,770	2,721,290	579,261,810	1,090,152,416
Borrowing costs	-	-	-	-	-	-	-	-	-	-	11,314,013	11,314,013
Transfer from advance payment for fixed assets	-	-	-	-	1,260,000	6,029,780	1,731,507	10,541,033	220,770	-	94,350,336	114,133,426
Transfer from (to) intangible assets (Note 26)												
- cost	-	-	-	-	-	-	-	-	(4,711,852)	-	14,030,613	9,318,761
- accumulated depreciation	-	-	-	-	-	-	-	-	760,402	-	-	760,402
Transfer from right-of-use assets (Note 25)												
- cost	-	-	-	-	-	-	-	117,500	-	-	-	117,500
- accumulated depreciation	-	-	-	-	-	-	-	(93,230)	-	-	-	(93,230)
Transfer in (out)	-	-	11,192,846	667,925,592	521,737,932	8,992,241	30,954,613	6,748,670	1,437,672	-	(1,248,989,566)	-
Reclassification - cost	-	-	4,708,031	-	9,002,472	8,215,243	(20,639,678)	(1,014,955)	(271,113)	-	-	-
- accumulated depreciation	-	-	(1,992,608)	-	762,622	(675,145)	1,916,589	142,499	(153,957)	-	-	-
Disposals - cost	-	-	-	-	(3,093,146)	(120,392,163)	(5,208,397)	(8,435,181)	(3,014,308)	(2,130,000)	-	(142,273,195)
- accumulated depreciation	-	-	-	-	3,093,120	105,290,821	4,956,966	8,425,129	2,958,755	2,129,998	-	126,854,789
Write-off - cost	-	-	-	(10,065,875)	(2,576,908)	(10,219,216)	(2,547,067)	(3,635,917)	(1,100,535)	-	-	(30,145,518)
- accumulated depreciation	-	-	-	6,239,098	2,576,903	8,591,048	2,401,568	3,315,996	1,047,827	-	-	24,172,440
Depreciation charge	-	-	(964,721)	(150,900,755)	(149,101,599)	(205,489,090)	(22,932,992)	(48,297,586)	(32,445,100)	(5,856,890)	-	(615,988,733)
Impairment charge	-	-	-	-	-	-	7,647	5,985	10,781	-	(748,466)	(724,053)
Closing net book value	1,895,654,982	155,476,062	15,178,347	3,410,384,470	1,268,748,998	1,101,697,189	92,070,334	178,057,595	104,911,945	14,837,999	567,707,739	8,804,725,660
As at 31 December 2020												
Cost	1,895,654,982	155,476,062	18,135,676	4,742,245,051	2,156,213,051	2,316,680,124	307,610,024	331,454,917	263,423,476	88,526,716	573,896,620	12,849,316,699
Less Accumulated depreciation	-	-	(2,957,329)	(1,331,860,581)	(887,464,053)	(1,214,982,935)	(215,539,690)	(153,397,322)	(158,509,802)	(73,688,717)	-	(4,038,400,429)
Allowance for impairment	-	-	-	-	-	-	-	-	(1,729)	-	(6,188,881)	(6,190,610)
Net book value	1,895,654,982	155,476,062	15,178,347	3,410,384,470	1,268,748,998	1,101,697,189	92,070,334	178,057,595	104,911,945	14,837,999	567,707,739	8,804,725,660

	Consolidated financial statements											
	Land Baht	Unutilised land in operation Baht	Land improvement Baht	Buildings Baht	Building improvements and utility system Baht	Medical tools and equipment Baht	Tools and equipment Baht	Furniture and office equipment Baht	Computer Baht	Motor vehicle Baht	Assets under installation and construction in progress Baht	Total Baht
As at 1 January 2021												
Cost	1,895,654,982	155,476,062	18,135,676	4,742,245,051	2,156,213,051	2,316,680,124	307,610,024	331,454,917	263,423,476	88,526,716	573,896,620	12,849,316,699
Less Accumulated depreciation	-	-	(2,957,329)	(1,331,860,581)	(887,464,053)	(1,214,982,935)	(215,539,690)	(153,397,322)	(158,509,802)	(73,688,717)	-	(4,038,400,429)
Allowance for impairment	-	-	-	-	-	-	-	-	(1,729)	-	(6,188,881)	(6,190,610)
Net book value	1,895,654,982	155,476,062	15,178,347	3,410,384,470	1,268,748,998	1,101,697,189	92,070,334	178,057,595	104,911,945	14,837,999	567,707,739	8,804,725,660
For the year ended 31 December 2021												
Opening net book value	1,895,654,982	155,476,062	15,178,347	3,410,384,470	1,268,748,998	1,101,697,189	92,070,334	178,057,595	104,911,945	14,837,999	567,707,739	8,804,725,660
Additions	1,189,000	-	169,854	60,817,896	37,550,006	234,875,619	18,370,865	18,733,874	30,714,969	19,648,210	327,881,371	749,951,664
Borrowing costs	-	-	-	-	-	-	-	-	-	-	1,757,804	1,757,804
Transfer from advance payment for fixed assets	12,600,000	-	-	-	1,355,846	6,512,482	1,158,055	1,418,228	29,500	1,202,852	105,567,991	129,844,954
Transfer from Cost of developing holistic care project (Note 16)	269,111,751	-	-	-	-	-	-	-	-	-	559,974,479	829,086,230
Transfer in (out)	-	-	564,563	738,191,589	237,210,280	49,515,213	19,072,455	7,363,866	24,701,051	-	(1,076,619,017)	-
Disposals - cost	-	-	-	-	(3,243,392)	(52,238,830)	(3,318,887)	(1,184,024)	(529,580)	(4,668,605)	-	(65,183,318)
- accumulated depreciation	-	-	-	-	3,243,375	52,030,658	2,978,774	1,168,187	512,362	4,668,601	-	64,601,957
Write-off - cost	-	-	-	(169,339)	-	(5,018,110)	(492,070)	(684,836)	(549,297)	-	(1,747,448)	(8,661,100)
- accumulated depreciation	-	-	-	169,339	-	4,059,109	408,487	655,159	501,851	-	-	5,793,945
Depreciation charge	-	-	(1,865,467)	(178,596,555)	(183,339,134)	(239,508,815)	(27,754,571)	(55,373,628)	(35,546,958)	(6,467,842)	-	(728,452,970)
Impairment charge	-	-	-	-	-	(812,523)	(928,993)	(1,679,332)	(443,270)	-	(3,778,132)	(7,642,250)
Closing net book value	2,178,555,733	155,476,062	14,047,297	4,030,797,400	1,361,525,979	1,151,111,992	101,564,449	148,475,089	124,302,573	29,221,215	480,744,787	9,775,822,576
As at 31 December 2021												
Cost	2,178,555,733	155,476,062	18,870,093	5,541,085,197	2,429,085,791	2,550,326,498	342,400,442	357,102,025	317,790,119	104,709,173	490,711,800	14,486,112,933
Less Accumulated depreciation	-	-	(4,822,796)	(1,510,287,797)	(1,067,559,812)	(1,398,401,983)	(239,907,000)	(206,947,604)	(193,042,547)	(75,487,958)	-	(4,696,457,497)
Allowance for impairment	-	-	-	-	-	(812,523)	(928,993)	(1,679,332)	(444,999)	-	(9,967,013)	(13,832,860)
Net book value	2,178,555,733	155,476,062	14,047,297	4,030,797,400	1,361,525,979	1,151,111,992	101,564,449	148,475,089	124,302,573	29,221,215	480,744,787	9,775,822,576

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Separate financial statements											
	Land Baht	Unutilised land in operation Baht	Land improvements Baht	Buildings Baht	Building improvements and utility system Baht	Medical tools and equipment Baht	Tools and equipment Baht	Furniture and office equipment Baht	Computer Baht	Motor vehicle Baht	Assets under installation and construction in progress Baht	Total Baht
As at 1 January 2020												
Cost	1,011,745,707	155,476,062	-	2,612,898,333	1,042,344,058	1,167,448,038	204,154,464	128,213,387	171,291,2111	53,358,801	55,283,955	6,602,214,016
Less Accumulated depreciation	-	-	-	(1,075,129,466)	(566,774,496)	(838,347,946)	(161,700,940)	(95,201,677)	(98,830,621)	(44,736,986)	-	(2,880,722,132)
Net book value	1,011,745,707	155,476,062	-	1,537,768,867	475,569,562	329,100,092	42,453,524	33,011,710	72,460,590	8,621,815	55,283,955	3,721,491,884
For the year ended 31 December 2020												
Opening net book value	1,011,745,707	155,476,062	-	1,537,768,867	475,569,562	329,100,092	42,453,524	33,011,710	72,460,590	8,621,815	55,283,955	3,721,491,884
Additions	35,016,068	-	1,489,319	-	8,245,615	262,780,745	12,710,341	10,367,745	8,677,016	-	254,886,988	594,173,837
Transfer from advance payment for fixed assets	-	-	-	-	1,020,000	3,219,500	1,077,301	146,793	-	-	2,103,412	7,567,006
Transfer in (out)	-	-	-	-	94,811,166	-	5,453,350	748,725	1,051,300	-	(102,064,541)	-
Disposals - cost	-	-	-	-	(3,072,495)	(83,150,763)	(4,633,294)	(8,406,487)	(2,904,047)	-	-	(102,167,086)
- accumulated depreciation	-	-	-	-	3,072,470	79,308,980	4,407,862	8,397,017	2,848,997	-	-	98,035,326
Write-off - cost	-	-	-	(5,562,214)	(2,576,908)	(5,972,840)	(1,357,433)	(384,901)	(413,662)	-	-	(16,267,958)
- accumulated depreciation	-	-	-	1,735,437	2,576,903	5,972,814	1,270,622	373,749	413,652	-	-	12,343,177
Depreciation charge	-	-	(38,657)	(69,478,517)	(84,509,858)	(91,219,498)	(15,416,691)	(12,004,981)	(18,500,964)	(2,935,802)	-	(294,104,968)
Closing net book value	1,046,761,775	155,476,062	1,450,662	1,464,463,573	495,136,455	500,039,030	45,965,582	32,249,370	63,632,882	5,686,013	210,209,814	4,021,071,218
As at 31 December 2020												
Cost	1,046,761,775	155,476,062	1,489,319	2,607,336,119	1,140,771,436	1,344,324,680	217,404,729	130,685,262	177,701,818	53,358,801	210,209,814	7,085,519,815
Less Accumulated depreciation	-	-	(38,657)	(1,142,872,546)	(645,634,981)	(844,285,650)	(171,439,147)	(98,435,892)	(114,068,936)	(47,672,788)	-	(3,064,448,597)
Net book value	1,046,761,775	155,476,062	1,450,662	1,464,463,573	495,136,455	500,039,030	45,965,582	32,249,370	63,632,882	5,686,013	210,209,814	4,021,071,218
For the year ended 31 December 2021												
Opening net book value	1,046,761,775	155,476,062	1,450,662	1,464,463,573	495,136,455	500,039,030	45,965,582	32,249,370	63,632,882	5,686,013	210,209,814	4,021,071,218
Additions	-	-	-	101,357	7,885,798	165,797,597	8,011,361	10,651,465	23,471,234	9,582,546	157,547,052	383,048,410
Transfer from advance payment for fixed assets	-	-	-	-	1,355,846	208,650	-	230,906	-	-	7,881,326	9,676,728
Transfer in (out)	-	-	-	126,716,943	66,981,233	-	9,488,898	3,878,564	24,602,359	-	(231,667,997)	-
Disposals - cost	-	-	-	-	(3,243,392)	(29,574,478)	(2,927,613)	(1,132,055)	(529,580)	(4,400,885)	-	(41,808,003)
- accumulated depreciation	-	-	-	-	3,243,374	29,417,328	2,593,407	1,121,108	512,363	4,400,880	-	41,288,460
Write-off - cost	-	-	-	-	-	(266,275)	-	(668,464)	(309,232)	-	-	(1,243,971)
- accumulated depreciation	-	-	-	-	-	270,286	-	640,588	261,808	-	-	1,172,682
Depreciation charge	-	-	(148,932)	(71,369,548)	(97,428,919)	(116,351,652)	(17,596,266)	(14,454,864)	(21,102,011)	(2,565,838)	-	(341,018,030)
Closing net book value	1,046,761,775	155,476,062	1,301,730	1,519,912,325	473,930,395	549,540,486	45,535,369	32,516,618	90,539,823	12,702,716	143,970,195	4,072,187,494
As at 31 December 2021												
Cost	1,046,761,775	155,476,062	1,489,319	2,734,154,419	1,213,750,921	1,480,490,174	231,977,375	143,645,678	224,936,599	58,540,462	143,970,195	7,435,192,979
Less Accumulated depreciation	-	-	(187,589)	1,214,242,094)	(739,820,526)	(930,949,688)	(186,442,006)	(111,129,060)	(134,396,776)	(45,837,746)	-	(3,363,005,485)
Net book value	1,046,761,775	155,476,062	1,301,730	1,519,912,325	473,930,395	549,540,486	45,535,369	32,516,618	90,539,823	12,702,716	143,970,195	4,072,187,494

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Unutilised land in operation is land with defined purpose for hospital operation expansion. Therefore, it is not classified as investment properties and presented in property, plant and equipment in both consolidated and company financial statements.

Borrowing costs of the Group for the year ended 31 December 2021 of Baht 1.75 million arising from financing entered into for the construction of buildings and building improvements (2020 : Baht 11.31 million arising from financing entered into for the construction of land improvements, buildings, building improvements, utility system, and tools and equipment) were capitalised during the year and are included in additions. The Group used a capitalisation rate of 1.98% - 2.79% (2020 : 2.25% - 3.15%) to represent the actual borrowing cost of the loan used to finance the project.

As at 31 December 2021, two subsidiaries have credit facilities with domestic financial institutions amounting to Baht 657.80 million. (2020 : Baht 291.80 million). Such credit facilitates are secured by the mortgage of some land and buildings of such two subsidiaries.

As at 31 December 2021, land and buildings with cost amounting to Baht 1,048.65 million (2020: Baht 944.25 million) have been pledged with the financial institutions as collateral against bank overdrafts, borrowings from financial institutions and bank guarantees (Note 28, 30 and 44).

25 Right-of-use assets (net)

	Consolidated financial statements						
	Land Baht	Buildings and building improvements Baht	Furniture and office equipment Baht	Computer Baht	Vehicle Baht	Software Baht	Total Baht
Balance as at 1 January 2020							
Cost	3,280,823,944	33,818,356	15,375,258	37,413,294	13,135,489	669,062	3,381,235,403
Less Accumulated depreciation	(887,059,028)	-	(3,190,543)	(13,369,653)	(182,832)	(29,145)	(903,831,201)
Net book value	2,393,764,916	33,818,356	12,184,715	24,043,641	12,952,657	639,917	2,477,404,202
For the year ended 31 December 2020							
Additions during the year	1,160,441	35,966,963	1,537,739	4,342,129	6,060,932	-	49,068,204
Transfer to property, plant and equipment (net) (Note 24)							
- Cost	-	-	(117,500)	-	-	-	(117,500)
- Accumulated depreciation	-	-	93,230	-	-	-	93,230
Lease modifications and reassessments							
- Cost	-	(13,744,984)	(1,566,851)	-	-	-	(15,311,835)
- Accumulated depreciation	-	3,482,590	-	-	-	-	3,482,590
Depreciation charge	(134,008,750)	(29,502,063)	(2,724,753)	(11,698,051)	(5,191,682)	(66,906)	(183,192,205)
Net book value at the end of the year	2,260,916,607	30,020,862	9,406,580	16,687,719	13,821,907	573,011	2,331,426,686
As at 31 December 2020							
Cost	3,281,984,385	56,040,335	15,228,646	41,755,423	19,196,421	669,062	3,414,874,272
Less Accumulated depreciation	(1,021,067,778)	(26,019,473)	(5,822,066)	(25,067,704)	(5,374,514)	(96,051)	(1,083,447,586)
Net book value	2,260,916,607	30,020,862	9,406,580	16,687,719	13,821,907	573,011	2,331,426,686

	Consolidated financial statements						
	Land Baht	Buildings and building improvements Baht	Furniture and office equipment Baht	Computer Baht	Vehicle Baht	Software Baht	Total Baht
As at 1 January 2021							
Cost	3,281,984,385	56,040,335	15,228,646	41,755,423	19,196,421	669,062	3,414,874,272
Less Accumulated depreciation	(1,021,067,778)	(26,019,473)	(5,822,066)	(25,067,704)	(5,374,514)	(96,051)	(1,083,447,586)
Net book value	2,260,916,607	30,020,862	9,406,580	16,687,719	13,821,907	573,011	2,331,426,686
For the year ended 31 December 2021							
Additions during the year	1,463,010	6,284,902	629,520	-	13,012,875	-	21,390,307
Write-off due to the termination during the year							
- Cost	(1,463,155)	(3,804,321)	(865,165)	-	(1,302,535)	-	(7,435,176)
- Accumulated depreciation	1,463,155	1,740,038	717,433	-	1,302,535	-	5,223,161
Cancellation during the year							
- Cost	-	(13,058,515)	-	-	-	-	(13,058,515)
- Accumulated depreciation	-	5,752,645	-	-	-	-	5,752,645
Lease modifications and reassessments							
- Cost	-	(5,789,675)	(864,622)	-	-	-	(6,654,297)
- Accumulated depreciation	-	3,824,468	-	-	-	-	3,824,468
Depreciation charge	(138,718,586)	(13,313,164)	(4,681,874)	(11,940,045)	(6,616,866)	(66,905)	(175,337,440)
Net book value at the end of the year	2,123,661,031	11,657,240	4,341,872	4,747,674	20,217,916	506,106	2,165,131,839
As at 31 December 2021							
Cost	3,281,984,240	39,672,726	14,128,379	41,755,423	30,906,761	669,062	3,409,116,591
Less Accumulated depreciation	(1,158,323,209)	(28,015,486)	(9,786,507)	(37,007,749)	(10,688,845)	(162,956)	(1,243,984,752)
Net book value	2,123,661,031	11,657,240	4,341,872	4,747,674	20,217,916	506,106	2,165,131,839

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Separate financial statements				
	Land Baht	Buildings and building improvements Baht	Furniture and office equipment Baht	Computer Baht	Total Baht
As at 1 January 2020					
Cost	41,317,243	834,340	101,821	22,583,295	64,836,699
Less Accumulated depreciation	(9,402,740)	-	-	(8,426,340)	(17,829,080)
Net book value	31,914,503	834,340	101,821	14,156,955	47,007,619
For the year ended 31 December 2020					
Additions during the year	1,160,441	1,006,655	396,781	-	2,563,877
Depreciation charge	(4,320,657)	(628,342)	(256,573)	(5,571,446)	(10,777,018)
Net book value	28,754,287	1,212,653	242,029	8,585,509	38,794,478
As at 31 December 2020					
Cost	42,477,684	1,840,995	498,602	22,583,295	67,400,576
Less Accumulated depreciation	(13,723,397)	(628,342)	(256,573)	(13,997,786)	(28,606,098)
Net book value	28,754,287	1,212,653	242,029	8,585,509	38,794,478
For the year ended 31 December 2021					
Additions during the year	-	1,759,385	116,180	-	1,875,565
Write-off due to the termination during the year					
- cost	-	(440,352)	(498,601)	-	(938,953)
- accumulated depreciation	-	440,352	498,601	-	938,953
Lease modifications and reassessments					
- cost	-	(548,376)	-	-	(548,376)
- accumulated depreciation	-	378,191	-	-	378,191
Depreciation charge	(4,320,656)	(1,558,243)	(256,550)	(5,571,444)	(11,706,893)
Net book value at the end of the year	24,433,631	1,243,610	101,659	3,014,065	28,792,965
As at 31 December 2021					
Cost	42,477,684	2,611,652	116,181	22,583,295	67,788,812
Less Accumulated depreciation	(18,044,053)	(1,368,042)	(14,522)	(19,569,230)	(38,995,847)
Net book value	24,433,631	1,243,610	101,659	3,014,065	28,792,965

26 Intangible assets (net)

	Consolidated financial statements		
	Software Baht	Software under installation Baht	Total Baht
As at 1 January 2020			
Cost	204,931,912	61,275,622	266,207,534
Less Accumulated amortisation	(84,886,315)	-	(84,886,315)
Net book value	120,045,597	61,275,622	181,321,219
For the year ended 31 December 2020			
Opening net book value	120,045,597	61,275,622	181,321,219
Additions	31,164,823	53,402,979	84,567,802
Transfer from advance payment for fixed assets	417,300	436,560	853,860
Transfer in (out)	39,695,238	(39,695,238)	-
Transfer from (to) property, plant and equipment			
- cost	7,099,022	(16,417,783)	(9,318,761)
- accumulated amortisation	(760,402)	-	(760,402)
Write-off - cost	(2,171,700)	-	(2,171,700)
- accumulated amortisation	2,138,400	-	2,138,400
Impairment charge	(18,186)	-	(18,186)
Amortisation charge	(27,240,617)	-	(27,240,617)
Closing net book value	170,369,475	59,002,140	229,371,615
As at 31 December 2020			
Cost	281,136,595	59,002,140	340,138,735
Less Accumulated amortisation	(110,748,934)	-	(110,748,934)
Less Accumulated impairment	(18,186)	-	(18,186)
Net book value	170,369,475	59,002,140	229,371,615
For the year ended 31 December 2021			
Opening net book value	170,369,475	59,002,140	229,371,615
Additions	30,131,103	26,596,118	56,727,221
Transfer in (out)	74,461,348	(74,461,348)	-
Write-off	-	(2,670,720)	(2,670,720)
Amortisation charge	(39,713,497)	-	(39,713,497)
Closing net book value	235,248,429	8,466,190	243,714,619
As at 31 December 2021			
Cost	385,729,046	8,466,190	394,195,236
Less Accumulated amortisation	(150,462,431)	-	(150,462,431)
Less Accumulated impairment	(18,186)	-	(18,186)
Net book value	235,248,429	8,466,190	243,714,619

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Separate financial statements		
	Software Baht	Software under installation Baht	Total Baht
As at 1 January 2020			
Cost	119,215,216	1,598,580	120,813,796
Less Accumulated amortisation	(51,330,155)	-	(51,330,155)
Net book value	67,885,061	1,598,580	69,483,641
For the year ended 31 December 2020			
Opening net book value	67,885,061	1,598,580	69,483,641
Additions	7,187,694	13,145,541	20,333,235
Transfer from advance payment for fixed assets	417,300	-	417,300
Transfer in (out)	749,000	(749,000)	-
Amortisation charge	(12,609,302)	-	(12,609,302)
Closing net book value	63,629,753	13,995,121	77,624,874
As at 31 December 2020			
Cost	127,569,210	13,995,121	141,564,331
Less Accumulated amortisation	(63,939,457)	-	(63,939,457)
Net book value	63,629,753	13,995,121	77,624,874
For the year ended 31 December 2021			
Opening net book value	63,629,753	13,995,121	77,624,874
Additions	4,932,274	6,878,567	11,810,841
Transfer in (out)	16,287,668	(16,287,668)	-
Write-off	-	(2,478,120)	(2,478,120)
Amortisation charge	(13,848,188)	-	(13,848,188)
Closing net book value	71,001,507	2,107,900	73,109,407
As at 31 December 2021			
Cost	148,789,152	2,107,900	150,897,052
Less Accumulated amortisation	(77,787,645)	-	(77,787,645)
Net book value	71,001,507	2,107,900	73,109,407

27 Deferred tax assets (liabilities) (net)

Deferred tax assets (liabilities) (net) as at 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Deferred tax assets (liabilities) (net) which presented in statements of financial position				
- Deferred tax assets (net)	92,425,040	177,627,754	-	-
- Deferred tax liabilities (net)	(296,269,111)	(270,580,402)	(114,878,355)	(77,183,108)
	(203,844,071)	(92,952,648)	(114,878,355)	(77,183,108)

The movements of deferred tax assets (liabilities) (net) for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening balance of the year	(92,952,648)	(111,399,266)	(77,183,108)	(77,617,688)
Increase (decrease) to profit or loss (Note 40)	(78,609,210)	7,690,321	(9,130,981)	(10,321,717)
Increase (decrease) to other comprehensive income	(32,282,213)	10,731,953	(28,564,266)	10,731,953
Increase (decrease) in retained earning	-	24,344	-	24,344
Closing balance of the year	(203,844,071)	(92,952,648)	(114,878,355)	(77,183,108)

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

As at 31 December 2021 and 2020, deferred tax (net) is calculated by using the liability method on temporary differences at the tax rate of 20.00%.

	Consolidated financial statements				
	1 January 2021 Baht	Increase (decrease) to profit or loss Baht	Increase (decrease) to other comprehensive income Baht	Increase (decrease) to retained earnings Baht	31 December 2021 Baht
Deferred tax assets					
Allowance for obsolete inventories	96,601	2,051,279	-	-	2,147,880
Employee benefit obligations	88,645,968	(1,160,429)	(3,936,380)	-	83,549,159
Lease liabilities (net)	46,677,981	(5,459,382)	-	-	41,218,599
Difference in interest expense which calculated by effective interest rate method	5,218,755	(1,295,026)	-	-	3,923,729
Accumulated deficit	132,356,249	(97,127,136)	-	-	35,229,113
Difference in cost of assets between accounting and tax approach	10,727,878	1,425,307	-	-	12,153,185
Difference in depreciation expense between accounting and tax approach	3,586,826	16,336,751	-	-	19,923,577
Allowance for impairment	209,335	(59,642)	-	-	149,693
Deferred revenue	1,255,149	-	-	-	1,255,149
	288,774,742	(85,288,278)	(3,936,380)		199,550,084
Deferred tax liabilities					
Difference in depreciation expense between accounting and tax approach	(73,417,932)	(8,849,626)	-	-	(82,267,558)
Assets under lease liabilities	(39,666,567)	5,972,468	-	-	(33,694,099)
Unrealised gain from financial assets	(76,140,401)	(95,233)	(28,345,833)	-	(104,581,467)
Prepaid front-end fee	(1,303,781)	278,616	-	-	(1,025,165)
Borrowing cost as cost of developing holistic care project	2,198,585	(2,633,693)	-	-	(435,108)
Fair value of land leasehold rights and leased buildings	(193,397,294)	12,006,536	-	-	(181,390,758)
	(381,727,390)	6,679,068	(28,345,833)	-	(403,394,155)
Deferred tax assets (liabilities) (net)	(92,952,648)	(78,609,210)	(32,282,213)	-	(203,844,071)

	Consolidated financial statements					
	1 January 2020 Baht	Adjustments from changes in accounting policies Baht	Increase (decrease) to profit or loss Baht	Increase (decrease) to other comprehensive income Baht	Increase (decrease) to retained earnings Baht	31 December 2020 Baht
Deferred tax assets						
Provision for obsolete inventories	55,824	-	40,777	-	-	96,601
Employee benefit obligations	89,500,505	-	(854,537)	-	-	88,645,968
Lease liabilities (net)	6,701,083	43,466,621	(3,489,723)	-	-	46,677,981
Difference in interest expense which calculated by effective interest rate method	5,823,933	-	(605,178)	-	-	5,218,755
Accumulated deficit	135,556,045	-	(3,199,796)	-	-	132,356,249
Difference in rental expense	1,091,495	(1,091,495)	-	-	-	-
Difference in cost of assets between accounting and tax approach	7,136,741	-	3,591,137	-	-	10,727,878
Difference in depreciation expense between accounting and tax approach	2,420,322	-	1,166,504	-	-	3,586,826
Allowance for impairment	62,090	-	147,245	-	-	209,335
Deferred revenue	2,633,182	-	(1,378,033)	-	-	1,255,149
	250,981,220	42,375,126	(4,581,604)	-	-	288,774,742
Deferred tax liabilities						
Difference in depreciation expense between accounting and tax approach	(64,691,265)	-	(8,726,667)	-	-	(73,417,932)
Assets under lease liabilities	(6,101,653)	(42,375,126)	8,810,212	-	-	(39,666,567)
Unrealised gain from financial assets	(87,030,197)	-	133,499	10,731,953	24,344	(76,140,401)
Prepaid front-end fee	(1,699,011)	-	395,230	-	-	(1,303,781)
Borrowing cost as cost of developing holistic care project	2,578,364	-	(379,779)	-	-	2,198,585
Fair value of land leasehold rights and leased buildings	(205,436,724)	-	12,039,430	-	-	(193,397,294)
	(362,380,486)	(42,375,126)	12,271,925	10,731,953	24,344	(381,727,390)
Deferred tax assets (liabilities) (net)	(111,399,266)	-	7,690,321	10,731,953	24,344	(92,952,648)

	Separate financial statements				
	1 January 2021 Baht	Increase (decrease) to profit or loss Baht	Increase (decrease) to other comprehensive income Baht	Increase (decrease) to retained earnings Baht	31 December 2021 Baht
Deferred tax assets					
Allowance for obsolete inventories	11,311	1,999,594	-	-	2,010,905
Employee benefit obligations	68,141,550	(1,204,016)	(218,433)	-	66,719,101
Lease liabilities (net)	5,840,224	(1,680,990)	-	-	4,159,234
Difference in interest expense which calculated by effective interest rate method	5,218,755	(1,295,026)	-	-	3,923,729
	79,211,840	(2,180,438)	(218,433)	-	76,812,969
Deferred tax liabilities					
Difference in depreciation expense between accounting and tax approach	(73,417,931)	(8,849,627)	-	-	(82,267,558)
Assets under lease liabilities	(5,627,206)	1,725,634	-	-	(3,901,572)
Unrealised gain from financial assets	(76,132,652)	(85,996)	(28,345,833)	-	(104,564,481)
Prepaid front-end fee	(1,217,159)	259,446	-	-	(957,713)
	(156,394,948)	(6,950,543)	(28,345,833)	-	(191,691,324)
Deferred tax liabilities (net)	(77,183,108)	(9,130,981)	(28,564,266)	-	(114,878,355)

	Separate financial statements					
	1 January 2020 Baht	Adjustments from changes in accounting policies Baht	Increase (decrease) to profit or loss Baht	Increase (decrease) to other comprehensive income Baht	Increase (decrease) to retained earnings Baht	31 December 2020 Baht
Deferred tax assets						
Allowance for obsolete inventories	12,312	-	(1,001)	-	-	11,311
Employee benefit obligations	69,634,539	-	(1,492,989)	-	-	68,141,550
Lease liabilities (net)	2,667,397	4,450,680	(1,277,853)	-	-	5,840,224
Difference in interest expense which calculated by effective interest rate method	5,823,933	-	(605,178)	-	-	5,218,755
	78,138,181	4,450,680	(3,377,021)	-	-	79,211,840
Deferred tax liabilities						
Difference in depreciation expense between accounting and tax approach	(64,691,264)	-	(8,726,667)	-	-	(73,417,931)
Assets under lease liabilities	(2,544,485)	(4,450,680)	1,367,959	-	-	(5,627,206)
Unrealised gain from financial assets	(86,875,685)	-	(13,264)	10,731,953	24,344	(76,132,652)
Prepaid front-end fee	(1,644,435)	-	427,276	-	-	(1,217,159)
	(155,755,869)	(4,450,680)	(6,944,696)	10,731,953	24,344	(156,394,948)
Deferred tax liabilities (net)	(77,617,688)	-	(10,321,717)	10,731,953	24,344	(77,183,108)

As at 31 December 2021 and 2020, the Group and the Company did not recognise deferred tax assets (liabilities) which such amount can be deductible with tax expense in the future are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Unused tax losses				
- 2021	-	28,861,065	-	-
- 2022	32,419,929	42,544,893	-	-
- 2023	34,349,648	45,903,671	-	-
- 2024	13,874,740	12,771,340	-	-
- 2025	56,695,995	18,807,425	-	-
- 2026	7,831,750	-	-	-
Allowance for impairment of investments	-	-	175,273,633	166,873,633
Allowance for expected credit loss				
- Trade accounts receivable	20,159,411	16,822,319	13,928,880	11,838,221
- Advance payment, prepaid expenses and other receivable	3,892,645	419,171	3,838,822	46,072
- Short term loan to a related company	-	-	7,400,000	-
Allowance for obsolete inventories	3,105,863	1,540,388	-	-
Allowance for sales return	546,368	480,364	-	-
Deferred revenue	66,000	80,700	-	-
Employee benefit obligations	2,050,363	-	2,050,363	-

Deferred tax assets (liabilities) of the Group and the Company are only recognised to the future taxable profits, which is probable that the deferred tax assets can be utilised.

28 Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Bank promissory notes	3,830,000,000	2,754,708,600	3,770,000,000	2,629,708,600
Bank overdrafts	43,967,070	5,006,165	-	-
Trust receipts	72,834,300	52,717,613	-	-
Letter of credit	28,918,130	49,689,290	-	-
	3,975,719,500	2,862,121,668	3,770,000,000	2,629,708,600

	Consolidated financial statements		Separate financial statements	
	Interest rate (% per annum)		Interest rate (% per annum)	
	2021	2020	2021	2020
Bank promissory notes	Interest rate in Financial Market and MLR	Interest rate in Financial Market and MLR	Interest rate in Financial Market	Interest rate in Financial Market
Bank overdrafts	MOR	MOR	-	-
Trust receipts	Interest rate in Financial Market	Interest rate in Financial Market	-	-
Letter of credit	Interest rate in Financial Market	Interest rate in Financial Market	-	-

As at 31 December 2021, bank promissory notes of the Group are promissory notes which due for repayment at call and promissory notes which have the maturity date within 4 months and the repayment is due in March 2022 (2020 : promissory notes which due for repayment at call and promissory notes which have the maturity date within 6 months and repayment is due in April 2021) and the Company has the promissory notes which due for repayment at call and promissory notes which have the maturity date within 3 months and the repayment is due in March 2022 (2020 : promissory notes which due for repayment at call and promissory notes which have the maturity date within 6 months and repayment is due in April 2021).

As at 31 December 2021 and 2020, trust receipts of the Group represents the short-term credit from two local banks which have the maturity date within 180 days for using as working capital to purchase medical supplies and equipment from overseas.

As at 31 December 2021, letters of credit of the Group represents the short-term credit from local banks which have the maturity date within 180 days for payment of a subsidiary to sub-contractor and for purchasing medical supplies and equipment from overseas (31 December 2020 : maturity date within 180 days for payment of a subsidiary to sub-contractor).

As at 31 December 2021, the Group has short-term credit facilities with a domestic financial institution which has credit that can be drawn down amounting to Baht 600.00 million (2020 : Baht 400.00 million). The credit limit is combined line between Thonburi Healthcare Group Public Company Limited and a subsidiary. (2020 : the credit limit is combined line between Thonburi Healthcare Group Public Company Limited and two subsidiaries). The Group has to follow the condition with specified in credit agreement.

As at 31 December 2021, the Group has short-term credit facilities with no collateral for promissory notes, aval of promissory notes, letter of credit, trust receipts, forward contract and other short-term credit facilities with domestic financial institutions. Such credit can be drawn down amounting to Baht 650.00 million (2020 : short-term credit facilities with no collateral for letter of credit and trust receipts with a domestic financial institution amounting to Baht 100.00 million). The credit limit is combined line between Thonburi Healthcare Group Public Company Limited and a subsidiary.

29 Trade and other accounts payable

	Note	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Trade accounts payable					
- other companies		467,384,975	364,031,357	243,988,996	200,704,406
- related companies	42 a)	63,386,038	16,267,977	57,972,619	13,254,291
Other accounts payable					
- other companies		121,308,824	71,082,880	45,585,928	36,585,019
- related companies	42 a)	2,552,101	291,076	40,494,894	12,836,109
Fixed assets payable					
- other companies		197,063,532	103,433,305	39,653,313	68,435,557
- related companies	42 a)	117,725,500	-	17,960,750	73,302
Intangible asset payable					
- other companies		10,648,350	29,239,231	2,621,500	5,369,260
- related company	42 a)	-	-	-	45,475
Interest payable					
- other companies		28,450,630	34,913,564	25,175,553	31,074,452
- related companies	42 a)	-	-	7,561	45,854
Dividend payable		15,969,093	14,639,190	15,768,419	14,624,729
Accrued doctor fee		141,350,130	109,026,269	108,522,244	83,134,523
Accrued staff salary, wage and bonus		214,556,044	86,530,803	154,890,479	72,894,302
Accrued expenses		47,878,467	49,088,939	18,179,595	17,215,508
Unearned income		51,928,203	29,744,889	21,415,680	18,503,877
Retention payable		128,142,226	140,550,177	11,887,627	12,833,471
Deferred revenue		330,000	403,500	-	-
Deferred revenue from condominium unit sold		6,305,740	6,385,740	-	-
Advance received from down payment of condominium unit		9,781,279	20,560,036	-	-
Deposit received for vaccines					
- other companies / individuals		1,139,296,431	-	1,121,906,373	-
- related companies	42 a)	11,167,200	-	17,135,500	-
Advance received from other companies / individuals		37,299,730	19,176,578	5,552,753	-
Deposit received					
- other companies / individuals		32,000	29,900	-	-
- related companies	42 a)	-	1,000,000	-	-
		2,812,556,493	1,096,395,411	1,948,719,784	587,630,135

30 Long-term loans from financial institutions

The movements of long-term loans from financial institutions for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Beginning balance of the year	6,870,419,476	6,145,000,000	5,780,000,000	5,225,000,000
Additions during the year	79,470,000	1,163,700,000	50,000,000	900,000,000
Repayments during the year	(854,199,383)	(438,280,524)	(745,000,000)	(345,000,000)
	6,095,690,093	6,870,419,476	5,085,000,000	5,780,000,000
Prepaid front-end fee (net)	(5,374,010)	(7,103,510)	(4,788,562)	(6,085,794)
Ending balance of the year	6,090,316,083	6,863,315,966	5,080,211,438	5,773,914,206
Less Current portion	(1,629,793,564)	(958,003,800)	(905,000,000)	(745,000,000)
	4,460,522,519	5,905,312,166	4,175,211,438	5,028,914,206

Outstanding balances of long-term loans from financial institutions as at 31 December 2021 and 2020 comprise the following:

	Consolidated financial statements 2021 Baht	Consolidated financial statements 2020 Baht	Separate financial statements 2021 Baht	Separate financial statements 2020 Baht
Due within 1 year	1,629,793,565	958,003,800	905,000,000	745,000,000
Due between 1 to 5 years	3,599,982,906	5,654,711,238	3,370,000,000	4,865,000,000
Due after 5 years	856,913,622	257,704,438	810,000,000	170,000,000
	6,095,690,093	6,870,419,476	5,085,000,000	5,780,000,000
Less Prepaid front-end fee (net)	(5,374,010)	(7,103,510)	(4,788,562)	(6,085,794)
Total long-term loans	6,090,316,083	6,863,315,966	5,080,211,438	5,773,914,206

Company	Outstanding borrowings 2021 (Million Baht)	Outstanding borrowings 2020 (Million Baht)	Bank	Interest rate (% per annum)	Mortgaged assets
Parent	5,085.00	5,780.00	Thailand	MLR less fixed interest rate per annum and THBFIX less fixed interest rate per annum (2020: MLR less fixed interest rate per annum and fixed rate)	No collateral, except for a credit line from a local financial institution of Baht 1,600.00 million which guaranteed by a subsidiary.
4 Subsidiaries (2020 : 3 Subsidiaries)	1,010.69	1,090.41	Thailand	MLR less fixed interest rate per annum and fixed interest rate.	1. Guaranteed by the parent company. 2. Secured by some land and buildings of subsidiaries (Note 24) 3. Secured by deposits of subsidiaries (Note 18)
Total	6,095.69	6,870.41			

The Group and the Company are under the debt covenant criteria of loan agreements which require the Group to maintain the financial ratio, proportion of management shareholders, negative pledge and other requirements in accordance with each loan agreement.

As at 31 December 2020, the Group and the Company have not maintained financial ratio according to some loan agreements. However, the Group and the Company have been granted an exemption for the requirement to maintain such ratio from all financial institutions. The exemption only applies for the calculation period of financial statements for the year ended 2020.

The carrying amounts and fair values of long-term loans are as follows:

	Consolidated financial statements			
	2021		2020	
	Carrying amounts Baht	Fair values Baht	Carrying amounts Baht	Fair values Baht
Loans from financial institutions	6,090,316,083	6,049,131,014	6,863,315,966	6,597,921,081

	Separate financial statements			
	2021		2020	
	Carrying amounts Baht	Fair values Baht	Carrying amounts Baht	Fair values Baht
Loans from financial institutions	5,080,211,438	5,038,075,514	5,773,914,206	5,582,796,351

The fair values are calculated from discounted cash flows, using a discount rate based upon the borrowing rate which the management expects to be available to the Group and the Company at the statement of financial position date. The Fair values are within level 2 of the fair value hierarchy.

As a result of borrowing at floating interest rates and mainly in Thai Baht, the carrying amounts of borrowings approximate their fair values.

The Group's and the Company's interest rate risks from borrowings are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Loans at floating rates	6,072,367,323	5,016,723,379	5,080,211,438	3,950,376,063
Loans at fixed rates which will be repriced to floating rates within				
1 year	-	1,823,538,143	-	1,823,538,143
Later than 1 year but not later than 5 years	16,920,000	19,560,000	-	-

The effective interest rates as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 % per annum	2020 % per annum	2021 % per annum	2020 % per annum
Loans from financial institutions	2.00 to 4.22	2.00 to 3.28	2.82 to 3.12	2.86 to 3.25

Unused credit facilities

As at 31 December 2021 and 2020, the unused credit facilities comprise the following:

	Consolidated financial statements					
	2021			2020		
	Bank overdrafts	Long-term loans	Working capital and guarantee	Bank overdrafts	Long-term loans	Working capital and guarantee
Floating interest rate						
- Unlimited period (Baht)	119,591,661	586,530,000	2,183,995,659	134,493,836	-	2,007,557,629
- Unlimited period (US Dollar)	-	-	329,286	-	-	406,306

	Separate financial statements					
	2021			2020		
	Bank overdrafts	Long-term loans	Working capital and guarantee	Bank overdrafts	Long-term loans	Working capital and guarantee
Floating interest rate						
- Unlimited period (Baht)	52,000,000	250,000,000	1,721,930,412	52,000,000	-	1,747,771,446

31 Lease liabilities (net)

The Group and the Company entered into lease agreements for land, buildings and building improvements, furniture and office equipment, computers, vehicles and software as at 31 December 2021 and 2020, lease liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Lease liabilities	356,180,855	397,243,659	23,648,450	33,511,709
Less Deferred interest	(143,765,632)	(152,676,406)	(2,521,640)	(3,390,578)
Present value of lease liabilities	212,415,223	244,567,253	21,126,810	30,121,131
Less Current portion of lease liabilities (net)	(27,372,723)	(45,952,635)	(7,220,889)	(9,966,347)
	185,042,500	198,614,618	13,905,921	20,154,784

Future payments of lease liabilities are to be made as follows:

	Consolidated financial statements		Separate financial statements	
Due for payment	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Within 1 year	34,958,301	54,937,581	7,850,012	10,852,591
Later than 1 year but not later than 5 years	76,859,754	89,639,278	11,238,438	15,795,118
Later than 5 years	244,362,800	252,666,800	4,560,000	6,864,000
	356,180,855	397,243,659	23,648,450	33,511,709

The fair values of lease liabilities approximate the carrying amount of their book balances.

32 Employee benefit obligations

The amounts recognised in the statements of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Present value of unfunded obligations	430,351,220	444,480,602	333,595,519	340,707,745

The movement of employee benefit obligations for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Beginning balance of the year	444,480,602	447,562,090	340,707,745	348,172,692
Current service cost	40,271,285	50,934,554	24,308,498	30,563,674
Interest cost	6,688,619	6,488,025	5,037,286	5,050,553
Remeasurements of employee benefit obligations				
- Gain from changes of assumptions	2,833,787	-	13,296,669	-
- Loss that occurred from experience	(24,110,458)	-	(14,388,831)	-
Reversal from cancellation of long service award during the year	-	(12,621,174)	-	(12,621,174)
Employee benefits paid during the year	(39,812,615)	(47,882,893)	(35,365,848)	(30,458,000)
Ending balance of the year	430,351,220	444,480,602	333,595,519	340,707,745

Employee benefit obligations recognised in the statement of comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current service cost	40,271,285	50,934,554	24,308,498	30,563,674
Interest cost	6,688,619	6,488,025	5,037,286	5,050,553
Reversal from cancellation of long service award	-	(12,621,174)	-	(12,621,174)
	46,959,904	44,801,405	29,345,784	22,993,053

These expenses were included in the cost of hospital operations, cost of goods sold, cost of other services, selling expenses and administrative expenses as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cost of hospital operations/ Cost of goods sold/ Cost of other services	26,639,370	25,388,776	18,489,079	15,037,608
Selling expenses	1,695,153	5,788,229	412,551	4,333,412
Administrative expenses	18,625,381	13,624,400	10,444,154	3,622,033
	46,959,904	44,801,405	29,345,784	22,993,053

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

The principal actuarial assumptions are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate (% per annum)	0.51 to 3.59	1.19 to 2.38	0.51 to 3.59	1.19 to 2.38
Expected future salary increase (% per annum)	2.50 to 10.00	2.50 to 10.00	2.50 to 5.00	2.50 to 5.00
Employee turnover ratio (% per annum)	0.00 to 40.00	0.00 to 30.00	0.00 to 25.00	0.00 to 30.00
Retirement age (year)	55 and 60	55 and 60	55	55

Sensitivity analysis for significant assumptions are as follows:

Post-employment benefits

		Increase (decrease) on employee benefit obligation			
		Consolidated financial statements		Separate financial statements	
	Change in assumptions	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Discount rate	Increase by 1.00%	(30,998,063)	(35,023,710)	(23,994,401)	(25,957,787)
Discount rate	Decrease by 1.00%	34,713,270	40,372,195	26,834,250	29,844,293
Salary increase rate	Increase by 1.00%	34,113,724	43,269,071	26,398,051	32,099,343
Salary increase rate	Decrease by 1.00%	(30,456,286)	(38,251,421)	(23,592,093)	(28,446,483)
Turnover rate	Increase by 20.00%	(22,954,146)	(29,840,144)	(17,446,046)	(22,027,709)
Turnover rate	Decrease by 20.00%	26,654,238	35,471,526	19,939,320	25,877,983

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period).

The weighted average duration of the defined obligation of the Group and the Company for the year ended 31 December 2021 is 12.7 years (2020 : the Group and the Company is 12.6 years).

Expected maturity analysis of retirement benefits as at 31 December 2021 and 2020 comprise the following:

	Post-employment benefits			
	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Within 1 year	57,121,817	37,720,490	36,019,301	30,254,152
More than 1 year but less than 5 years	181,761,924	206,950,887	149,364,158	157,359,067
More than 5 years	789,759,868	862,907,935	584,839,125	566,867,458
	1,028,643,609	1,107,579,312	770,222,584	754,480,677

33 Treasury shares

At the Board of Directors' Meeting No. 3/2020 of the Company on 3 April 2020, the Board of Directors has approved the shares repurchase program for financial management purpose detailed as follows:

- The maximum amount for the share repurchases are not exceeding Baht 280.00 million.
- Number of repurchased shares will be not exceeding 10.00 million shares at par value of Baht 1.00 per share, which is equivalent to 1.20% of the total issued shares.
- Repurchasing of shares on the Stock Exchange of Thailand.
- The repurchase period will be within 6 months since 21 April 2020 to 20 September 2020.
- In determining the repurchase price, the average market price during 30 days prior to the date on which the Company discloses the information of shares repurchase will be used as the basis of calculation. The repurchase price must be not exceeded average closing price during 5 working days prior to each trading date plus 15.00% of such average closing price. The average market price during 30 days during 20 February 2020 to 1 March 2020 was Baht 20.35 per share.

The movement of treasury shares for the years ended 31 December 2021 and 2020 is as follows:

	Consolidated and Separate financial statements	
	Number of shares	Amount of treasury shares Baht
Balance as at 1 January 2020	-	-
Purchase during the year (Baht 19.00 to Baht 21.30 per share)	5,281400	105,026,490
Balance as at 31 December 2020	5,281400	105,026,490
Reissuance during the year (Baht 35.75 per share)	(400,000)	(7,954,443)
Balance as at 31 December 2021	4,881,400	97,072,047

During the year 2020, the Company repurchases shares totally 5,281,400 shares at the price between Baht 19.00 and Baht 21.30 per share, totalling treasury share of Baht 105,026,490.

During the year 2021, the Company reissuance 400,000 treasury shares at the price of Baht 35.75 per share, totalling Baht 14,300,000.

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

As at 31 December 2021, the Company has treasury shares reserve of Baht 97,072,047 (2020: Baht 105,026,490).

As at 31 December 2021 and 2020, all the repurchased shares have not been registered for capital reduction and are still held as treasury shares waiting for reissuance.

34 Legal reserve

Under the Public Limited Company Act, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is not distributable as a dividend. The legal reserve has to be approved from annual general shareholders' meeting.

As at 31 December 2021, the retained earnings - unappropriated in the consolidated financial statements included the legal reserve of two subsidiaries, totalling Baht 24,987,610 (2020 : two subsidiary, totalling Baht 18,555,930).

35 Dividend payment

Parent company - Thonburi Healthcare Group Public Company Limited

2021

At the Board of Director's Meeting No. 2/2021 of the Company on 23 February 2021, the Board of Directors approved the dividend payments from its operation for the year 2020 to its shareholders at Baht 0.30 per share, totalling Baht 253.14 million. Such dividend payment has been approved at the Annual General Shareholders' Meeting of the year 2021 on 23 April 2021. The Company paid dividend to shareholders in May 2021.

2020

At the Board of Director's Meeting No. 2/2020 of the Company on 27 February 2020, the Board of Directors approved the dividend payment from its operation for the year 2019 to its shareholders at Baht 0.30 per share, totalling Baht 254.72 million. Such dividend payment has been approved at the Annual General Shareholders' Meeting of the year 2020 on 24 April 2020. The Company paid dividend to shareholders in May 2020.

Subsidiary company - Rajyindee Hospital Public Company Limited

2021

At the Board of Director's Meeting No. 2/2021 of the subsidiary on 22 March 2021, the Board of Directors approved the dividend payment from its operation for the year 2020 to its shareholders at Baht 0.06 per share, totalling Baht 25.80 million. Such dividend payment has been approved at the Annual General Shareholders' Meeting No. 1/2021 of the subsidiary on 27 April 2021. The subsidiary paid dividend to shareholders on 27 April 2021.

2020

At the Board of Director's Meeting No. 1/2020 of the subsidiary on 16 February 2020, the Board of Directors approved the dividend payment from its operation for the year 2019 to its shareholders at Baht 0.08 per share, totalling Baht 34.40 million. However, at the Extra Board of Director's Meeting of 2020 on 1 April 2020, the Board of Directors approved the interim dividend payment to its shareholders at Baht 0.06 per share, totalling Baht 25.80 million. The subsidiary paid interim dividend to shareholders in April 2020. The interim dividend payment of Baht 25.80 million has been acknowledged at the Annual General Shareholders' Meeting of the subsidiary of the year 2020 on 28 June 2020.

Subsidiary company - Thonburi Hospital Heart Centers Company Limited

2021

At the Board of Director's Meeting No. 2/2021 of the subsidiary on 26 May 2021, the Board of Directors approved the interim dividend payment from its retained earnings of 2020 to its shareholders at Baht 500.00 per share, totalling Baht 5.00 million. The subsidiary paid dividend to shareholders in June 2021.

2020

At the Board of Director's Meeting No. 1/2020 of the subsidiary on 24 June 2020, the Board of Directors approved the interim dividend payment from its retained earnings of 2019 to its shareholders at Baht 3,000.00 per share, totalling Baht 30.00 million. The subsidiary paid dividend to shareholders in June 2020.

36 Non-controlling interests

	Consolidated financial statements	
	2021 Baht	2020 Baht
Beginning balance of the year	436,060,406	485,861,477
Share of net profit of subsidiaries	20,715,440	(39,611,943)
Decrease in non-controlling interests from dividend payment of subsidiaries	(11,116,958)	(11,121,958)
Increase in non-controlling interests from investment in subsidiaries	25,000,000	-
Increase in non-controlling interests from changes in shareholding interest	-	932,830
Ending balance of the year	470,658,888	436,060,406

37 Other income

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht
Dividend income				
- investments in subsidiaries (Note 21 a))	-	-	19,683,042	44,678,042
- investments in associates (Note 20 b))	-	-	21,751,488	14,113,555
- investment in equity securities (Note 12, 19)				
- other companies	41,410,377	25,716,447	41,410,377	25,716,447
- related companies (Note 42b))	5,958,692	634,992	5,958,692	634,992
Gain on disposal of financial assets (Note 12)	6,696	191,412	-	-
Gain on disposal of a joint venture (Note 22 c))	-	18,641,497	-	-
Gain on disposal of property, plant and equipment (net) and intangible assets (net)	2,923,793	355,484	1,394,409	227,222
Gain on disposal of investment properties	658,342	-	-	-
Gain on disposal of land classified under non-current asset held for sale	2,142,622	3,068,577	-	-
Interest income				
- other companies	1,867,533	3,167,154	1,506,535	1,261,266
- related companies (Note 42 b))	1,693,683	5,740,374	180,764,990	193,834,053
Membership income	17,176,888	17,441,925	17,176,888	17,441,925
Rental income - other companies	11,579,581	15,011,155	7,620,171	8,836,275
- related companies (Note 42 b))	549,946	8,226,682	2,880,000	1,200,000
Gain on measured fair value of financial assets (Note 12)	127,544	101,974	30,296	66,322
Others - other companies	40,815,113	33,209,625	15,388,353	10,931,891
- related companies	516,161	92,985	12,310,065	12,917,853
	127,426,971	131,600,283	327,875,306	331,859,843

38 Expense by nature

The following expenditure items for the years ended 31 December 2021 and 2020 are classified by nature as follows:

	Notes	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht
Medicine, medical supplies and medical equipment used		(1,578,607,335)	(1,173,728,637)	(913,202,394)	(722,766,937)
Laboratory and x-ray		(299,572,149)	(188,905,881)	(182,310,333)	(149,128,178)
Doctor fee		(1,549,679,683)	(1,610,695,670)	(1,067,940,179)	(1,185,705,089)
Staff costs		(2,581,700,509)	(2,273,696,941)	(1,660,659,658)	(1,595,216,528)
Depreciation charges on plant and equipment, investment properties and right-of-use of assets	23, 24, 25	(903,946,218)	(799,336,746)	(352,724,923)	(304,881,986)
Amortisation charges on intangible assets	26	(39,713,497)	(27,240,617)	(13,848,188)	(12,609,302)
Repair and maintenance expenditure and service expenses		(190,997,005)	(169,249,944)	(123,244,331)	(124,010,256)
Marketing expenses		(129,285,388)	(168,636,875)	(27,656,166)	(54,492,886)
Utilities expenses		(152,890,333)	(145,212,308)	(80,237,057)	(82,747,317)
Rental expenses		(371,663,268)	(22,940,610)	(132,829,109)	(12,936,125)

39 Finance costs

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht
Interest expense from borrowings				
- financial institutions	(282,582,492)	(263,468,473)	(254,620,214)	(254,427,175)
- related companies (Note 42 b))	(5,260)	-	(151,348)	(90,345)
- others	-	(14,815)	-	-
Interest expense from lease liabilities	(9,059,362)	(10,217,574)	(928,096)	(1,173,125)
Interest expense from other long-term liabilities	(4,580,296)	(4,693,893)	-	-
Amortisation charges on front-end fee	(2,719,500)	(2,544,245)	(2,287,232)	(2,136,384)
	(298,946,910)	(280,939,000)	(257,986,890)	(257,827,029)

40 Income tax

Reconciliations of income tax for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht
Current income tax:				
Current income tax on taxable profit for the year	(298,478,448)	(33,491,074)	(217,596,317)	(29,416,439)
Write-off withholding tax	(22,348)	(976,629)	-	-
Adjustments over recorded income tax of prior year	-	343,079	-	207,000
Total current income tax	(298,500,796)	(34,124,624)	(217,596,317)	(29,209,439)
Deferred income tax:				
Origination and reversal of temporary differences (Note 27)	(78,609,210)	7,690,321	(9,130,981)	(10,321,717)
	(377,110,006)	(26,434,303)	(226,727,298)	(39,531,156)

The income tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of each company as follows:

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht
Profit before income tax	1,733,929,044	49,249,244	1,157,555,346	499,589,820
Tax calculated at a tax rate of 20% (2020 : 20%)	(346,785,809)	(9,849,849)	(231,511,069)	(99,917,964)
Tax effect of:				
Income not subject to tax	7,465,495	4,048,568	15,752,401	15,806,886
Income subject to tax	(27,989)	1,375	-	-
Expense not deductible for tax purpose	(6,048,242)	(8,134,307)	(833,380)	(3,924,133)
Additionally taxable expense transactions	16,763,677	23,028,389	13,040,735	20,773,368
Temporary differences for which no deferred tax was recognised	(39,970,591)	21,369,731	(23,175,985)	27,523,687
Gain from disposal of investment in joint venture	-	50,959,944	-	-
Reversal of unutilised deferred tax asset	(50,294,128)	(43,136,628)	-	-
Accumulated deficits	41,809,929	(64,087,977)	-	-
Over record income tax of prior year	-	343,079	-	207,000
Write-off prepaid withholding tax	(22,348)	(976,628)	-	-
	(377,110,006)	(26,434,303)	(226,727,298)	(39,531,156)

41 Basic earnings per share

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

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2021	For the year ended 31 December 2020	For the year ended 31 December 2021	For the year ended 31 December 2020
Profit attributable to shareholders of the parent for the year (Baht)	1,337,425,244	62,426,884	930,828,048	460,058,664
Weighted average number of ordinary shares (shares)	843,811,203	846,055,999	843,811,203	846,055,999
Basic earnings per share (Baht per share)	1.58	0.07	1.10	0.54

There are no potential dilutive ordinary shares in issue during the reporting period. Thus, the dilutive earnings per share is not presented.

42 Related-party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

As at 31 December 2021, most of the shares of the Company are held by Vanasin family and Ramkhamhaeng Hospital Public Company Limited totalling 22.19 % and 21.03%, respectively (2020 : held by Vanasin family and Ramkhamhaeng Hospital Public Company Limited totalling 19.05% and 17.30%, respectively) and the remaining 56.78% (2020 : 63.65%) of the shares is widely held.

The significant investments in associates, subsidiaries and joint ventures are disclosed in Notes 20, 21 and 22.

Relationships between the Company and related parties are as follows:

List of related parties	Country/Nationality	Relationship
Rajyindee Hospital Public Company Limited	Thai	Subsidiary
DS All Co., Ltd. (2020 : Dental Siam Co., Ltd.)	Thai	Subsidiary
Thonburi Realty Development Co., Ltd.	Thai	Subsidiary
Rajthanee Realty Co., Ltd.	Thai	Subsidiary
Thonburi Hospital Heart Centers Company Limited	Thai	Subsidiary
Modular Software Expertise Co., Ltd.	Thai	Subsidiary
Thonburi Wellbeing Co., Ltd.	Thai	Subsidiary
Uttradit Thonburi Hospital Co., Ltd.	Thai	Subsidiary
Thonburi Bamrungmuang Hospital Co., Ltd.	Thai	Subsidiary
Thanarad Thung Song Co., Ltd.	Thai	Subsidiary
Med Access Co., Ltd	Thai	Subsidiary (Since 29 April 2021)
Thonburi Canabiz Public Company Limited	Thai	Subsidiary (Since 19 November 2021)
Thonburi Property Management Co., Ltd.	Thai	Indirect subsidiary
Ubonrak Co., Ltd.	Thai	Associate
Sirivej Chanthaburi Public Company Limited	Thai	Associate
Weihai Welly Hospital Company Limited	People's Republic of China	Joint venture (Until March 2020)
Ar Yu International Health Care Company Limited	Republic of the Union of Myanmar	Joint venture
Rajthanee Pattanakarn (2014) Co., Ltd.	Thai	Common shareholders
Phatara Hospital Co., Ltd.	Thai	Common directors (Until November 2020)
Rajnara Hospital Co., Ltd.	Thai	A relative of directors
Siroros Hospital Public Company Limited	Thai	A relative of directors
Chumvej Hospital Public Company Limited	Thai	Shareholders and common directors with subsidiary
Rajthanee Realty Co., Ltd.	Thai	Common shareholders and common directors with subsidiary
Ramkhamhaeng Hospital Public Company Limited	Thai	Shareholders and common director
Thai Medical Glove Co., Ltd.	Thai	Common shareholders
Golden Bright Asia Pacific Investment Ltd.	Hong Kong	Under common control of shareholders
WJ International Hospital Management Co., Ltd.	Hong Kong	Under common control of shareholders
Global Health Investment Ltd.	Hong Kong	Under common control of shareholders
Computed Tomography Urupong Co., Ltd.	Thai	Common shareholders

Related-party transactions are as follows:

a) Outstanding balances as at 31 December 2021 and 2020 arising from purchase/sales of goods and services and others are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade accounts receivable				
Subsidiaries	-	-	90,466,875	40,188,417
Associates	1,269,575	374,575	964,350	42,800
Joint ventures (net)	6,308,697	6,357,132	6,245,816	6,294,251
Related companies	580,780	32,100	500,000	32,100
	8,159,052	6,763,807	98,177,041	46,557,568
Other accounts receivable				
Subsidiaries	-	-	16,459,641	11,644,138
Joint venture	71,700	71,700	71,700	71,700
Related companies	2,454,446	36,924,717	1,800,300	1,800,300
	2,526,146	36,996,417	18,331,641	13,516,138
Dividend receivable				
Related company	4,954,400	-	4,954,400	-
	4,954,400	-	4,954,400	-
Interest receivable				
Subsidiaries (net)	-	-	126,651,139	165,686,597
Related companies	521,314	4,753,816	-	-
	521,314	4,753,816	126,651,139	165,686,597
Rental deposit				
Subsidiaries	-	-	141,803	-
Related company	3,597,273	3,521,555	75,718	-
	3,597,273	3,521,555	217,521	-
Prepaid expenses				
Subsidiary	-	-	1,615	-
	-	-	1,615	-
Trade accounts payable				
Subsidiaries	-	-	19,934,024	1,375,407
Associates	5,503,575	-	5,503,575	-
Related companies	57,882,463	16,267,977	32,535,020	11,878,884
	63,386,038	16,267,977	57,972,619	13,254,291
Other accounts payable				
Subsidiaries	-	-	39,967,928	12,836,109
Related companies	2,552,101	291,076	526,966	-
	2,552,101	291,076	40,494,894	12,836,109

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Fixed assets payable				
Subsidiaries	-	-	42,250	73,302
Related companies	117,725,500	-	17,918,500	-
	117,725,500	-	17,960,750	73,302
Intangible assets payable				
Subsidiary	-	-	-	45,475
	-	-	-	45,475
Lease liabilities (net)				
Related individual/company	12,172,842	15,143,609	10,664,163	11,862,533
	12,172,842	15,143,609	10,664,163	11,862,533
Accrued interest expense				
Subsidiary	-	-	7,561	45,854
	-	-	7,561	45,854
Advance received - vaccine				
Subsidiaries	-	-	5,968,300	-
Associates	3,879,600	-	3,879,600	-
Related companies	7,287,600	-	7,287,600	-
	11,167,200	-	17,135,500	-
Deposit				
Related company	-	1,000,000	-	-
	-	1,000,000	-	-

Thonburi Healthcare Group Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

b) Significant revenue and expense transactions with related parties for the years ended 31 December 2021 and 2020 are as follows:

	For the year ended 31 December 2021											
	Consolidated financial statements						Separate financial statements					
	Subsidiaries Baht	Associates Baht	Joint ventures Baht	Related companies Baht	Related individuals Baht	Total Baht	Subsidiaries Baht	Associates Baht	Joint ventures Baht	Related companies Baht	Related individuals Baht	Total Baht
Revenue from sales of medical supplies	-	3,258,480	204,693	3,941,275	-	7,404,448	26,779,012	3,042,555	-	3,841,015	-	33,662,582
Revenue from service and consulting	-	1,552,080	-	148,950	-	1,701,030	56,866,465	682,080	-	75,000	-	57,623,545
Revenue from land rental	-	-	-	549,946	-	549,946	2,880,000	-	-	-	-	2,880,000
Other income	-	243,020	-	4,567,677	-	4,810,697	12,891,954	237,400	-	64,200	-	13,193,554
Dividend income	-	-	-	5,958,692	-	5,958,692	19,683,042	21,751,488	-	5,958,692	-	47,393,222
Interest income	-	-	-	1,693,683	-	1,693,683	180,734,538	-	-	30,452	-	180,764,990
Purchase of inventory	-	-	-	76,583,003	-	76,583,003	7,104,630	-	-	64,716,743	-	71,821,373
Purchase of property, plant and equipment	-	-	-	122,683,795	-	122,683,795	517,324	-	-	20,417,300	-	20,934,624
Purchase of intangible assets	-	-	-	-	-	-	72,760	-	-	-	-	72,760
Interest expense	-	-	-	5,260	-	5,260	151,348	-	-	-	-	151,348
Repair expense & professional fee	-	5,503,575	-	93,438,784	-	98,942,359	20,979,749	5,503,575	-	56,797,038	-	83,280,362
Service expense	-	-	-	755,427		755,427	695,900	-	-	77,630	-	773,530
Rental expense	-	-	-	-	-	-	1,701,639	-	-	-	-	1,701,639
Other expense	-	-	-	3,560	-	3,560	83,330	-	-	-	-	83,330

	For the year ended 31 December 2020											
	Consolidated financial statements						Separate financial statements					
	Subsidiaries Baht	Associates Baht	Joint ventures Baht	Related companies Baht	Related individuals Baht	Total Baht	Subsidiaries Baht	Associates Baht	Joint ventures Baht	Related companies Baht	Related individuals Baht	Total Baht
Revenue from sales of medical supplies	-	334,326	-	329,303	-	663,629	10,237,546	-	-	-	-	10,237,546
Revenue from service and consulting	-	910,000	918,000	5,078,226	-	6,906,226	970,927	40,000	918,000	30,000	-	1,958,927
Revenue from land rental	-	-	-	8,226,682	-	8,226,682	1,200,000	-	-	-	-	1,200,000
Other income	-	-	-	114,379	-	114,379	13,333,430	-	-	114,379	-	13,447,809
Dividend income	-	-	-	634,992	-	634,992	44,678,042	14,113,555	-	634,992	-	59,426,589
Interest income	-	-	479,295	5,261,079	-	5,740,374	193,316,435	-	479,295	38,323	-	193,834,053
Purchase of inventory	-	-	-	14,983,485	-	14,983,485	4,106,725	-	-	14,732,687	-	18,839,412
Purchase of property, plant and equipment	-	-	-	54,725,100	-	54,725,100	4,940,181	-	-	54,725,100	-	59,665,281
Purchase of intangible assets	-	-	-	-	-	-	145,475	-	-	-	-	145,475
Interest expense	-	-	-	-	-	-	90,345	-	-	-	-	90,345
Repair expense & professional fee	-	146,764	-	63,933,655	-	64,080,419	1,860,326	-	-	47,348,688	-	49,209,014
Service expense	-	-	-	1,651,246	-	1,651,246	41,071	-	-	-	-	41,071

Managements and directors' remuneration

Managements and directors' remuneration for the years ended 31 December 2021 and 2020 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Management and directors remuneration				
- Salaries and other short-term benefits	117,374,266	109,929,356	72,728,150	58,429,737
- Post employment benefit	2,365,243	3,822,381	1,182,781	1,121,630
Total	119,739,509	113,751,737	73,910,931	59,551,367

Management benefit expenses represent benefits which management received from the Group.

Directors' remuneration is approved at the Board of Directors' meeting.

c) Short-term loans to related parties (net)

The movement of short-term loans to related parties (net) for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht
Short-term loans to related parties				
Beginning balance of the year	-	36,599,881	5,298,393,250	5,691,557,468
Additions during the year	6,000,000	11,000,000	576,765,992	971,000,000
Repayment during the period				
- Principal	(6,000,000)	(50,603,000)	(624,200,000)	(1,367,167,337)
- Realised gain from exchange rate	-	3,003,119	-	3,003,119
	-	-	5,250,959,242	5,298,393,250
Allowance for expected credit loss	-	-	(37,000,000)	-
Ending balance of the year (net)	-	-	5,213,959,242	5,298,393,250

Outstanding balances of short-term loans to related parties as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Short-term loans to				
Subsidiaries	-	-	5,213,959,242	5,298,393,250
	-	-	5,213,959,242	5,298,393,250

As at 31 December 2021 and 2020, short-term loans to subsidiaries are unsecured loans in Thai Baht and are due for repayment at call. The loans bear interest at the rate as agreed.

d) Short-term loans from a related party

The movement of short-term loans from a related party for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht	For the year ended 31 December 2021 Baht	For the year ended 31 December 2020 Baht
Short-term loans from related company				
Beginning balance of the year	-	-	61,200,000	-
Additions during the year	-	-	54,500,000	175,200,000
Repayment during the year	-	-	(69,700,000)	(114,000,000)
Ending balance of the year	-	-	46,000,000	61,200,000

As at 31 December 2021 and 2020, short-term loans from a related party represents unsecured short-term loans from a subsidiary in Thai Baht. The loan bears interest rate at the rate as agreed and is due for repayment at call

43 Commitments

43.1 Lease commitments

The Group and the Company have entered into non-cancellable lease agreements in respect of the lease of land, building, computer, furniture and fixture, tool and equipment, vehicle and computer software.

As at 31 December 2021 and 2020, the Group and the Company have future lease payments required under these non-cancellable agreement as follows:

	Consolidated financial statements		Separate financial statements	
Due for payment	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Within 1 year	3,323,861	4,375,918	326,881	2,109,373
Later than 1 year but not later than 5 years	412,933	632,626	218,384	75,978
	3,736,794	5,008,544	545,265	2,185,351

43.2 Capital commitments

As at 31 December 2021 and 2020, the Group and the Company have capital commitments as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Buildings, building improvement and utility system	139,326,076	98,300,387	39,695,836	64,697,723
Computer software	3,943,485	38,576,447	2,937,150	5,607,784
Furniture and office equipment	422,061	536,216	-	-
Medical equipment	9,944,250	26,205,000	4,289,000	675,000
Computer	-	929,844	-	705,144
Equipment	317,630	1,976,309	317,630	1,542,103
Vehicle	-	2,214,000	-	-
	153,953,502	168,738,203	47,239,616	73,227,754

43.3 Other commitments

As at 31 December 2021 and 2020, the Group and the Company have other commitments as follows:

	Consolidated financial statement		Separate financial statement	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cost of developing holistic care project	1,073,946,519	1,540,103,077	-	-
Advertising expenses	5,078,323	6,923,726	2,638,570	3,260,559
Cleaning and security expenses	107,978,634	38,891,931	100,454,343	33,430,731
Repair and maintenance expenses	12,344,091	13,982,920	6,045,611	1,764,000
Others	3,536,155	1,937,320	-	-
	1,202,883,722	1,601,838,974	109,138,524	38,455,290

44 Contingent liabilities and guarantees

44.1 Bank guarantees

As at 31 December 2021 and 2020, the Group and the Company have outstanding bank guarantees for the normal course of business as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Guarantee for electricity	14,408,903	14,408,903	9,701,903	9,701,903
Guarantee for management and operation of hospital management	8,954,769	25,413,069	8,954,769	25,413,069
Guarantee for operation	32,747,580	21,164,426	200,000	-
Guarantee for bidding	-	48,627,950	-	9,227,950
Guarantee for liability from lawsuit	29,986,081	-	-	-
	86,097,333	109,614,348	18,856,672	44,342,922

As at 31 December 2021 and 2020, bank guarantees of the subsidiaries are secured by the mortgage of some land and building (Note 24) and deposits at financial institutions of the subsidiaries.

As at 31 December 2021, the Group has credit facilities with no collateral for letter of guarantees with a domestic financial institution. Such credit can be drawn down amounting to Baht 200.00 million. The credit limit is combined line between Thonburi Healthcare Group Public Company Limited and a subsidiary (31 December 2020 : Nil).

44.2 Aval of promissory notes

As at 31 December 2021, the Group and the Company has the aval of promissory notes which are guaranteed for payment by banks of Baht 16.48 million and Baht 2.18 million, respectively (31 December 2020 : the Group and the Company has the aval of promissory notes which are guaranteed for payment by banks of Baht 3.57 million).

The Group has credit facilities with no collateral for aval of promissory notes with a domestic financial institution. Such credit is the credit limit which is combined line between Thonburi Healthcare Group Public Company Limited and a subsidiary (Note 28).

44.3 Guarantees for related companies

Subsidiaries

As at 31 December 2021 and 2020, the Company is a guarantor of subsidiaries detailed as follows:

Guarantee for	Currency	Guarantee limit 2021	Guarantee limit 2020
Providing collateral and guarantee the payment of a subsidiary to a sub-contractor	Million Baht	-	412.74
Providing guarantee for long-term loans facilities of subsidiaries	Million Baht	963.70	963.70
Providing guarantee for short-term credit facilities of a subsidiary, combined line with the Company	Million Baht	500.00*	-
Providing guarantee for bank overdrafts and promissory notes facilities of subsidiaries	Million Baht	197.00	166.00
Providing guarantee for aval of promissory notes facilities of a subsidiary	Million Baht	50.00	-
Providing guarantee for trust receipts and letter of credit facilities of subsidiaries	Million Baht	285.00	285.00
Providing guarantee for bank guarantees facilities of a subsidiary	Million Baht	15.21	10.50
Providing guarantee for forward contract facilities of a subsidiary, combined line with the Company	Million Baht	48.88*	-
Providing guarantee for forward contract facilities of a subsidiary	Million Baht	17.00	-
Providing guarantee for forward contract facilities of a subsidiary	Million US Dollar	0.70	0.70

* Short-term loans facilities and forward contract facilities of a subsidiary which is combined lines with the Company amounting to Baht 500.00 million and Baht 48.88 million, respectively, are credit facilities which the Company is a guarantor of a subsidiary and the subsidiary is a guarantor of the Company with the same amount.

Joint ventures

The Company is a guarantor of joint ventures in overseas following the standby letter of credit according to the proportion of its holding interest in joint ventures for the borrowings from overseas financial institution.

As at 31 December 2021, the Company has the standby letter of credit for guarantee to joint venture in overseas amounting to US Dollar 9.60 million (31 December 2020 : US Dollar 9.60 million).

45 Significant contracts

The Group and the Company have significant contracts as follows:

Parent company - Thonburi Healthcare Group Public Company Limited

1) The Company has a contract with a related company to use magnetic resonance imaging (MRI) machines for its patients and those of its related companies throughout the contract period.

   A related company is responsible for providing the MRI machines and other equipment according to the contract terms, and the Company is responsible for providing the hospital space and electricity for the equipment. The Company and a related company will share the revenue as agreed between the parties.

2) The Company has management services agreements with a state-owned enterprise (2020 : two state-owned enterprises). The agreement includes hospital support and other services to follow the public health policy. The Company has to provide management services following the scope specified in the contract throughout the contract period. The Company will receive remuneration at the rate stipulated in the agreement.

3) The Company has a joint venture agreement in Republic of Union of Myanmar (2020 : joint ventures in Republic of Union of Myanmar and Republic of China) as disclosed in Note 22.

Subsidiary - Thonburi Hospital Heart Centers Company Limited

1) The Company has the agreement with a private hospital (2020 : a private hospital) which is a related company. This agreement is the sharing agreement for healthcare about cardiovascular disease at a private hospital. The Company has to perform work follow the scope specified in the contract throughout the contract period. The Company will receive the share income at the rate as stipulated in the agreement.

2) The Company has agreements with two state-owned enterprises (2020 : two state-owned enterprises) for medical service and operative of cardiovascular disease patients by using the location of the state hospitals. The Company has to perform work follow the scope specified in the contract throughout the contract period. The Company will receive the remuneration at the rate stipulated in the agreement.

46 Lawsuit

Subsidiary

1) The subsidiary has filed Department of Land and related government according to the land revocation of the Company which has lawsuits held as follows:

   1.1) The Company has filed about land NS.3K. for 2 issues (the black case). The Administrative Court judged that it was the revocation of part of certificate of land rights that issued illegally and was not considered a revocation of the right to occupy and use the land. The Central Administrative Court dismissed on 18 January 2013 which the Company appealed. As at 31 December 2021, it is under consideration by the Supreme Administrative Court.

   1.2) The subsidiary has filed about land NS.3K. for 2 issues which Department of Land has established the revocation committee for revoke the certificate of land rights that issued not complied with regulation. However, as at 31 December 2021, there is no revocation order and it is under consideration by the revocation committee.

2) A subsidiary was filed by external party to the Court of Appeals for the land revocation of which the land was currently developing under real estate project at Pracha Uthit and filed for adverse possession of such land. However, the subsidiary had filed back the party for trespassing and claimed for damages and the action of the party to remove possession from the property of the subsidiary.

   On 26 May 2021, the subsidiary and the party agreed to settle the lawsuit and entered into the memorandum of agreement which states that the party has to remove its possessions from the subsidiary's land and comply with all condition in the memorandum also will not file a petition on servitude anymore or if already filed, it will be withdrawn. The party withdraw the petition on 10 June 2021 and on 30 August 2021, the subsidiary field a request to withdraw the lawsuit against such person for infringement and encroachment on the subsidiary's land, resulting in the lawsuit was finally resolved.

47 Subsequent events

Parent Company - Thonburi Healthcare Group Public Company Limited

1) Company's capital reduction

   At the Board of Directors' Meeting No. 1/2022 of the Company on 26 January 2022, the Board of Directors approved the capital reduction for unsold treasury share of 1,612,600 shares. The Company registered the capital reduction with the Ministry of Commerce on 3 February 2022. After the capital reduction, the Company has the ordinary share of 847,467,400 shares.

2) Dividend payment

   At the Board of Directors' Meeting No. 1/2022 of the Company on 26 January 2022, the Board of Directors approved the interim dividend payments from its operation during 1 January 2021 to 30 September 2021 to its shareholders at Baht 0.40 per share, totalling Baht 338.99 million.

   At the Board of Director's Meeting of the Company No. 2/2022 on 15 February 2022, the Board of Directors approved the dividend payments from its operation for the year 2021 to its shareholders at Baht 0.50 per share, totalling Baht 423.73 million. The Company will present for approval the dividend at the Annual General Shareholders' Meeting of the Company.

3) Extension of loan repayment period

   On 14 February 2022, the Company and a subsidiary entered into an agreement to extend the loan repayment period of Baht 565.00 million with a local financial institution by extended the loan repayment period from within 2022 to due for payment within 2025.

THONBURI HEALTHCARE GROUP

Information of Board of Directors and Executives

Dr.Boon Vanasin (M.D.)

Age 83

Chairman

Date appointment of Director : May 1977

Education

- Board Certified, Internal Medicine Branch and Gastrointestinal, John Hopkins University, USA
- Doctor of Medicine, Mahidol University

Training

1. Director Accreditation Program (DAP EN) Course 135/2017, IOD

Experience in the past 5 years

Aug 2020 - present	Director Thai Medical Glove Co., Ltd. (N)
2015 - present	Chairman Thonburi Healthcare Group PCL. (L)
2014 - present	Director Thonburi Hospital Heart Center Co., Ltd. (N)
2013 - present	Director DS All Co., Ltd. (Former: Dental Siam Co., Ltd.) (N)
2011 - present	Advisor Faculty of Medicine, Siam University
1992 - present	Advisor Mahidol University Alumni Association
1991 - present	President Mahidol Witthayanusorn School Parents Association
2016 – Mar 2020	Director Weihai Thonburi Healthcare Investment Co., Ltd. (N)
1977 - 2015	Founder and directorThonburi Healthcare Group PCL. (L)

Family relationship between directors

Father of Ms. Nalin Vanasin (Director)

Listed company (L) 1
Non - listed company (N) 3

Dr.Tanatip Suppradit (M.D.)

Age 55

Vice Chairman, Chairman of Executive Committee, Chief Executive Officer and Chief Hospital Group 1

Date appointment of Director : 15 June 2015

Education

- MBA, Thammasat University
- Surgery, The medical council of Thailand
- Doctor of medicine, Chulalongkorn University

Training

1. Director Accreditation Program (DAP) Course 125/2016, IOD
2. How to Develop a Risk Management Plan (HRP) Course 11/2016, IOD
3. Capital Market Academy, Class 27
4. THON TOP's Executives Acceleration Program, Sasin School of Management

Experience in the past 5 years

Oct 2021 - present	Director Thonburi Canabiz Co., Ltd. (N)
Apr 2021 - present	Director Med Access Co., Ltd. (N)
Feb 2021 - present	Chief Executive OfficerThonburi Healthcare Group PCL. (L)
Nov 2020 - present	Chief Hospital Group 1 Thonburi Healthcare Group PCL. (L)
Sep 2019 -present	Director Thonburi Management Property Co., Ltd. (N)
Apr 2019 - present	Director Rajthanee Hospital PCL. (L)
April 2018 - present	Director Ubonrak Co., Ltd. (N)
2018 - present	Director Thanarad Thung Song Co., Ltd. (N)
2018 - present	Director ARYU International Health Care Co., Lld. (N)
2018 - present	Director Rajthanee Realty Co., Ltd. (N)
Nov 2017 - present	Director Thonburi Bumrungmuang Hospital Co., Ltd. (N)
Jul 2017 - present	Director Sirivej Chantaburi PCL. (N)
Jul 2017 - present	Director Rajyindee Hospital PCL. (N)
Jan 2016 - Present	Director Thonburi Realty Development Co., Ltd. (N)
2016 - Present	Director Thonburi Hospital Heart Center Co., Ltd. (N)
2016 - present	Director Utaradit Thonburi Hospital Co., Ltd. (N)
2015 - present	Vice Chairman, Chairman of Executive Committee Thonburi Healthcare Group PCL. (L)
2014 - Present	Director Thonburi Wellbeing Co., Ltd. (N)
Apr 2019 – Apr 2020	Member of Risk Management Committee Thonburi Healthcare Group PCL. (L)
Jun 2018 – Jan 2019	Acting Chief Business Service/Support Officer Thonburi Healthcare Group PCL. (L)
May 2018 - Present	Acting Chief Executive Officer Thonburi Healthcare Group PCL. (L)
Mar 2018 - Nov 2020	Chief Hospital Business -International Thonburi Healthcare Group PCL. (L)
2016 – Mar 2020	Director Weihai Thonburi Healthcare Investment Co., Ltd. (N)
2015 – Mar 2018	Chief Operation Officer (COO) Group 4 Thonburi Healthcare Group PCL. (L)

Listed company (L) 2
Non - listed company (N) 14

Mrs.Kannika Ngamsopee

Age 65

Independent Director, Chairman of Audit Committee and Member of Risk Management Committee

Date appointment of Director : 29 April 2016

Education

- Master's degree of Accounting, Thammasart University
- Master's degree of Management, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Bachelor's degree of accounting (2nd Honors), Thammasart University
- Bachelor's degree of Laws, Thammasart University

Training

1. Director Certification Program (DCP) Course, Class of 21/2002, IOD
2. CMA Batch 3, Capital Market Academy
3. Class of 2009, Thailand National Defense College
4. Certified Public Accountant No.3156
5. MPPM, (Police Education Bureau Class of 1/2007
6. Advanced Strategic Management, IMD. Switzerland (2012)
7. International Trade Laws Certificate (Batch 1), The Thai Bar under the Royal Patronage
8. Risk Management Program for Corporate Leaders (RCL), Class of 13/2018, IOD
9. Good Governance for Medical Executives, King Prajadhipok's Institute and the Medical Council of Thailand Class 8, King Prajadhipok's Institute

Experience in the past 5 years

Dec 2021 - present	Director Bangkok Aviation Fuel Service PCL. (L)
Oct 2021 - present	Director Thonburi Canabiz Co., Ltd. (N)
Sep 2019 – present	Independent Director, Member of Audit Committee Siam Makro PCL. (L)
Sep 2019 - present	Director Digital Government Development Agency
Aug 2018 – present	Finance and Budget Subcommittee Fund for Educational Equality
May 2018 - present	Director ARYU International Health Care Co., Ltd (N)
Feb 2018- present	Chairman of Audit Committee and Member of Risk Management Committee Thonburi Healthcare Group PCL. (L)
Nov 2017- present	Advisory of Monetary Policy Committee Bank of Thailand
Sep 2017- present	Public Sector Audit Evaluation Committee (PAEC) Ministry of Administration (Government Sector)
Jun 2017- present	Director Thonburi Wellbeing Co., Ltd. (N)
May 2017- present	Asset Management Committee Vajiravudh College
Dec 2016 - present	Independent Director, Chairman of Audit Committee and Member of Risk Management Committee Scan Inter PCL. (L)
May 2016 - present	Independent Director Thonburi Healthcare Group PCL. (L)
Mar 2016 - present	Member of Audit Committee Social Security Office
Sep 2015 - present	Director, Member of Audit Committee and Chairman of Risk Management Committee Global Green Chemical PCL. (L)
Nov 2017 - 2019	Director Thonburi Bumrungmuang Hospital Co., Ltd. (N)
Apr – Oct 2017	Independent Director, Member of Audit Committee and Member of Corporate Governance & Corporate Social Responsibility Committee Thai Credit Guarantee Corporation (TCG)
Aug 2016 – Aug 2017	Advisor - Head of Internal Control Improvement Siam Commercial Bank PCL. (L)
May 2016 – Feb 2018	Member of Audit Committee Thonburi Healthcare Group PCL. (L)

Listed company (L) 5
Non - listed company (N) 3

Mr.Virachai Srikajon

Age 68

Independent Director, Chairman of Nomination and Remuneration Committee, Member of Audit Committee and Member of Risk Management

Date appointment of Director : 22 December 2015

Education

- Master of Business Administration, South Eastern University, Washington D.C.
- Bachelor of Engineering, Mechanical Engineer, Kasetsart University

Training

1. Director Accreditation Program (DAP) Course 9/2004, IOD
2. Director Certification Program (DCP) Course 102/2008, IOD
3. Senior Executive Program, Class 4 Capital Market Academy
4. Board Nomination and Compensation Program (BNCP), Class of 4/2018, IOD
5. Advanced Audit Committee Program (AACP) Class 30/2018, IOD

Experience in the past 5 years

Apr 2020 - present	Member of Risk Management Committee Thonburi Healthcare Group PCL. (L)
Jul 2020 - present	Director Thonburi Wellbeing Co., Ltd. (N)
Jan 2020 - present	Director DS All Co., Ltd. (Former: Dental Siam Co., Ltd.) (N)
2015 - present	Independent Director, Member of Audit Committee and Chairman of Nomination and Remuneration Committee Thonburi Healthcare Group PCL. (L)
1991 - present	Independent Director and Member of Audit Committee Patkol PCL. (L)
2012 - 2017	DirectorThailand Professional Qualification Institute (Public Organization)
2011 - 2017	Independent Director and Member of Audit Committee Thai Storage PCL.L)

Listed company (L) 2
Non - listed company (N) 2

Dr.Vikrom Koompirochana (Ph.D.)

Age 75

Independent Director

Date appointment of Director : 29 April 2016

Education

- Honorary Doctorate in Humanities, Schiller International University (London)
- Ph.D. of History of International Relations, Michigan State University
- Master of History of International Relations, Michigan State University
- Bachelor of Arts, Chulalongkorn University

Training

1. Director Accreditation Program (DAP) Course 63/2007, IOD
2. Anti-Corruption for Executive Program (ACEP) Course 7/2013, IOD
3. Successful Formulation & Execution of Strategy (SFE) Course 22/2014, IOD
4. Role of the Chairman Program (RCP) Course 39/2016, IOD
5. Advanced Audit Committee Program (AACP) Course 23/2016, IOD
6. Senior Executive Program, Class 14 Capital Market Academy

Experience in the past 5 years

2021 - Present	Chairman of Audit Committee Falcon Insurance PCL. (N)
2016 - present	Independent Director Thonburi Healthcare Group PCL. (L)
2015 - present	Chairman of Risk Management Committee MFC Asset Management PCL. (L)
2014 - present	Director and Member of Audit Committee MFC Asset Management PCL. (L)
2014 - present	Member of Corporate Governance Committee Oishi Group PCL. (L)
2010 - present	Director, Member of Audit Committee and Chairman of Risk Management Committee Country Group Development PCL. (L)
2010 - present	Chairman Sport and Recreation Management Co., Ltd. (N)
2010 - present	Honorary Advisor British Chamber of Commerce Thailand
2007 - present	Director, Chairman of Audit Committee, Chairman of Nomination and Member of Remuneration Committee Oishi Group PCL. (L)
2014 - 2020	Director and Audit Committee Falcon Insurance PCL. (N)
2013 - 2016	Director and Chairman of Corporate Governance Committee The Bangchak Petroleum PCL. (L)
2012 - 2016	Commissioner, Member of Audit Committee and Member of the Nomination and Remuneration Committee Securities and Exchange Commission (SEC)

Listed company (L) 4
Non - listed company (N) 2

Mr.Chalermkul Apibunyopas

Age 66

Director, Chairman of Corporate Governance and Business Ethics Committee, Member of Risk Management Committee, Member of Executive Committee and Chief Hospital Group 2

Date appointment of Director : May 1993

Education

- Master of Business Administration, Kasetsart University
- Bachelor of Business Administration, Dhurakij Pundit University
- Bachelor of Science, Computer, University of Baltimore
- Mini MBA in Health, Chulalongkorn University

Training

1. Director Accreditation Program (DAP) Course 125/2016, IOD
2. Risk Management Program for Corporate Leaders (RCL) Course 7/2017, IOD
3. Corporate Governance for Executives (CGE) Course, Class of 11/2018
4. THON TOP's Executives Acceleration Program, Sasin School of Management

Experience in the past 5 years

Apr 2021 - present	Director Med Access Co., Ltd. (N)
Nov 2020 - present	Chief Hospital Group 2 Thonburi Healthcare Group PCL. (L)
July 2020 - present	Director Sirivej Chanthaburi PCL. (N)
Jan 2019 - present	Director Thonburi Bumrungmuang Hospital Co., Ltd. (N)
Mar 2018 - present	Chairman of Corporate Governance and Business Ethics Committee Thonburi Healthcare Group PCL. (L)
2018 - present	Director Thanarad Thung Song Co., Ltd. (N)
Jul 2017 - present	Director Ubonrak Co., Ltd. (N)
2017 - present	Director Rajyindee Hospital PCL. (N)
2015 - present	Member of Executive Committee and Member of Risk Management Committee Thonburi Healthcare Group PCL. (L)
2002 - present	Director Thanakan Hospital Co., Ltd. (N)
1993 - present	Director Thonburi Healthcare Group PCL. (L)
1993 - present	Hospital Director Thonburi 2 Hospital
1993 - present	Director Modula Software Expertise Co., Ltd. (N)
Jan 2019 - Nov 2020	Acting Chief Hospital Business - Domestic 1 Thonburi Healthcare Group PCL. (L)
Mar 2018 - Nov 2020	Chief Hospital Business - Domestic 2 Thonburi Healthcare Group PCL. (L)
Dec 2016 - 2020	Director Phatara Hospital Co., Ltd. (N)
2015 – Mar 2018	Chief Operation Officer (COO) Group 1 Thonburi Healthcare Group PCL. (L)
2001 - 2017	Director Administration Thonburi Hospital

Listed company (L) 1
Non - listed company (N) 8

Prof.Dr.Aasis Unnanuntana (M.D.)

Age 46

Director

Date appointment of Director : 30 April 2015

Education

- Master of Science, Clinical Epidemiology and Health Service Researches, Weill Cornell University
- Certificate, Metabolic Bone Diseases, Hospital for Special Surgery
- Certificate, Adult Reconstructive Surgery, University Hospital Case Medical Center, Cleveland
- Certificate, Adult Reconstructive Surgery and Total Joint Replacement, Stanford Hospital and Clinics
- Thai Board of Orthopedic Surgery, Mahidol University
- Doctor of Medicine (First Degree Honor), Mahidol University

Training

1. Director Accreditation Program (DAP) Course 128/2016, IOD
2. THON TOP's Executives Acceleration Program, Sasin School of Management
3. Advanced Strategic Management (CEO) and Abridge Business Certificate (ABC) Course 7/2019, Mahidol University
4. Financial Statements for Directors (FSD) Course 44/2021 (Online), IOD

Experience in the past 5 years

2015 - present	Director Thonburi Healthcare Group PCL. (L)
Nov 2017 – Feb 2019	Director Thonburi Bumrungmuang Hospital Co., Ltd. (N)
2015 – Nov 2019	Member of Executive Committee Thonburi Healthcare Group PCL. (L)
-	-

Listed company (L) 1
Non - listed company (N) -

Ms.Nalin Vanasin

Age 48

Director and Member of Executive Committee

Date appointment of Director : June 2012

Education

- Master of Engineering-Economic Systems and Operations Research, Stanford University
- Master of Business Administration, INSEAD
- Bachelor of Science in Mathematical Economics, Columbia University

Training

1. Director Accreditation Program (DAP) Course 133/2017, IOD
2. Corporate Governance for Executives (CGE) Course 13/2019, IOD
3. Risk Management Program for Corporate Leaders (RCL) Course 16/2019, IOD
4. Strategic Board Master Class (SBM) Course 6/2019, IOD
5. THON TOP's Executives Acceleration Program, Sasin School of Management
6. Good Governance for Medical Executives, King Prajadhipok's Institute and the Medical Council of Thailand Class 8, King Prajadhipok's Institute

Experience in the past 5 years

Oct 2021 - present	Director Thonburi Canabiz Co., Ltd. (N)
Apr 2021 - present	Director Med Access Co., Ltd. (N)
Jan 2020 - present	Director DS All Co., Ltd. (Former: Dental Siam Co., Ltd.) (N)
Sep 2019 -present	Director Thonburi Management Property Co., Ltd. (N)
2018 - present	Executive Committee Thonburi Healthcare Group PCL. (L)
Jul 2017 - present	Director Thonburi Wellbeing Co., Ltd. (N)
2013 - present	Director Wine Garage Co., Ltd. (N)
2012 – present	Director Thonburi Healthcare Group PCL. (L)
Jan 2019 - Nov 2020	Chief Business Service/Support Officer Thonburi Healthcare Group PCL. (L)
Mar 2018 - Nov 2020	Chief Commercial Officer Thonburi Healthcare Group PCL. (L)
2012 - 2018	Director Food Coop Co., Ltd. (N)

Listed company (L) 1
Non - listed company (N) 6

Dr.Kajorn Thanapase (Ph.D.)

Age 46

Director

Date appointment of Director : 15 June 2015

Education

- Ph.D. in Finance and Management, University of London, UK
- Master of Public Administration, International Relationship London School of Economics UK
- Master of Economics for development, Oxford University, UK
- Bachelor of Political Science, Chulalongkorn University (1st Class Honor, Gold Medal, King Bhumibol Awards)
- Certificate of Central Banking Seminar, Federal Reserve Bank of New York

Training

1. Director Accreditation Program (DAP EN) Course 125/2016, IOD
2. Director Certification Program Course (DCP) Course 230/2016, IOD

Experience in the past 5 years

Present	Director Roi Et-Thonburi Hospital Co., Ltd. (N)
Present	Director Kalasin Thonburi Hospital Co., Ltd. (N)
Jul 2017 - present	Director Utaradit Thonburi Hospital Co., Ltd. (N)
2016 - present	Director of Department Bank of Thailand
2015 - present	Director Thonburi Healthcare Group PCL. (L)
2010 - 2016	Division Executive Bank of Thailand

Listed company (L) 1
Non - listed company (N) 3

Mr.Sita Meksawan

Age 46

Director and Member of Corporate Governance and Business Ethics Committee

Date appointment of Director : 15 June 2015

Education

- Master of Applied Psychology: Organization Psychology, Golden Gate University
- Bachelor of Social Science, Clinical Psychology, Kasetsart University

Training

1. Director Accreditation Program (DAP) Course 128/2016, IOD

Experience in the past 5 years

Oct 2019 - present	Member of Corporate
2016 - present	Governance and Business Ethics Committee
	Thonburi Healthcare Group PCL. (L)
2015 - present	Senior Human Resource Professional
	Office of Civil Service Commission
	Director Thonburi Healthcare Group PCL. (L)

Listed company (L) 1
Non - listed company (N) -

Dr.Linda Kraivit (M.D.)

Age 49

Independent Director,
Chairman of Risk Management Committee,
Member of Nomination and Remuneration Committee,
Member of Audit Committee and
Member of Corporate Governance and Business Ethics Committee

Date appointment of Director : 30 April 2015

Education

- MBA, Marshall School of Business, University of Southern California, USA
- Doctor of Medicine, Chulalongkorn University
- Bachelor of Laws, Ramkhamhaeng Univerisity

Training

1. Director Accreditation Program (DAP) Course 125/2016, IOD
2. How to Develop a Risk Management Plan (HRP) Course 11/2016, IOD
3. Risk Management Program for Corporate Leaders (RCL) Course 7/2017, IOD
4. Director Certification Program (DCP) Course 248/2017, IOD
5. Board Nomination and Compensation Program (BNCP), Class of 5/2018
6. THON TOP's Executives Acceleration Program, Sasin School of Management

Experience in the past 5 years

Mar 2021 - present	Director MDCUS Co., Ltd. (N)
Apr 2019 - present	Chairman of Risk Management Committee Thonburi Healthcare Group PCL. (L)
Mar 2019 - present	Member of Corporate Governance and Business Ethics Committee Thonburi Healthcare Group PCL. (L)
Feb 2018 - present	Member of Audit Committee Thonburi Healthcare Group PCL. (L)
Apr 2017 - present	Director Thonburi Wellbeing Co., Ltd. (N)
2015 - present	Independent Director and Member of Nomination and Remuneration Committee Thonburi Healthcare Group PCL. (L)
2007 - present	Director CPI Enterprise Co., Ltd. (N)
2017	Assistant Director Chulalongkorn Hospital
2015 – Apr 2019	Member of Risk Management Committee Thonburi Healthcare Group PCL. (L)
2014 - 2016	Executive Director Chulabhorn Hospital

Listed company (L) 1
Non - listed company (N) 2

Dr.Aurchart Kanchanapitak (M.D.)

Age 77

Director

Date appointment of Director : 25 October 2019

Education

- Ph.D. Doctor of Medicine, University of Essen German, Germany
- Certificate of Otolaryngology, University of Essen German, Germany
- Certificate of Otolaryngology, Ramathibhodee Hospital
- Residency training program Board of Otolaryngology, Ramathibhodee Hospital
- Internship, Phramongkut Hospital
- Doctor of Medicine, Chiangmai University Class 4

Training

None

Experience in the past 5 years

Oct 2019 - present	Director Thonburi Healthcare Group PCL. (L)
2019 - present	Specialist Senate Committee on Public Health
2018 – present	President Buriram Ruam Phaet Co., Ltd. (N)
2018 – present	President Muangloei Ram Hospital Co., Ltd. (N)
2017 – present	Director and Executive Director Ramkhamhaeng Hospital PCL. (L)
2007 – present	Executive Director Chiang Mai Medical Services Public Co., Ltd. (L) (Lanna Hospital)
2007 – present	Director and Managing Director Phumratchanakharin Kidney Institute Foundation
2006 – present	Executive Director Seriruk Hospital Co., Ltd. (N)
2005 – present	Managing Director Piyasiri Co., Ltd. (N) (Sukhumvit Hospital)
2005 – present	Director Chaophya Hospital Co., Ltd. (N)
2004 – present	Executive Director Vibhavadi Hospital PCL. (L)
2003 – present	Managing Director and Executive Director Vibharam Hospital Co., Ltd. (N)
2001 – present	Honorary Advisor Senate Committee on Public Health
2000 – present	First Vice President Vajiravej-Vitayalai Chalermprakiert Foundation
1997 – present	Executive Director Synphaet Co., Ltd. (N) (Synphaet Hospital)
1981 –present	Managing Director F & S 79 Co., Ltd. (N) (EENT Hospital)

Family relationship between directors

Father of Dr. Rukkagee Kanchanapitak (Director)

Listed company (L) 4
Non - listed company (N) 8

Dr.Rukkagee Kanchanapitak (Ph.D.)

Age 39

Director

Date appointment of Director : 25 October 2019

Education

- Ph.D. Knowledge Management, Kingston University, UK
- M.Sc. Business Research Development, Kingston University, UK
- MA. International Finance (with commendation), Kingston University, UK
- Bachelor of Accounting (1st Class Honor), Chulalongkorn University

Training

1. Director Certification Program (DCP) Course 152/2012, IOD

Experience in the past 5 years

Present	Director S.C.C. Land., Co., Ltd. (N)
Present	Director Vibhavadi Hospital PCL. (L)
Aug 2021 – present	Deputy Chief Financial Officer Ramkhamhaeng Hospital PCL. (L)
Oct 2019 - present	Director Thonburi Healthcare Group PCL. (L)
2014 – present	Managing Director Ploenarium Co., Ltd. (N)
2012 – present	Managing Director Legacy Golf (Thailand) Co., Ltd. (N)
Jan 2009 – Aug 2021	Accounting & Financial Consultant Ramkhamhaeng Hospital PCL. (L)

Ms.Thipawon Ruchiroatpipatana

Age 66

Member of Executive Committee

Date appointment : 25 January 2018

Education

- Master of Science (Human Resources) COPPIN STATE COLLEGE, MARYLAND, USA
- Bachelor of Accounting, University of the Thai Chamber of Commerce

Training

1. How to Develop a Risk Management Plan (HRP), Course 11/2016, IOD
2. Mini MBA 2013, Chulalongkorn University
3. CFO FOCUS ON FINANCIAL REPORTING Class 5 Federation of Accounting Professions
4. THON TOP's Executives Acceleration Program, Sasin School of Management

Experience in the past 5 years

Oct 2019 - present	Director Thonburi Hospital Heart Center Co., Ltd. Member of Executive Committee
Feb 2018 - present	Thonburi Healthcare Group PCL.
2018 - present	Director Thanarad Thung Song Co., Ltd.
2017 - present	Director Rajyindee Hospital PCL.
2013 - present	Director DS All Co., Ltd. (Former: Dental Siam Co., Ltd.)
1992 - present	Chief Financial Officer Thonburi Hospital

Listed company (L) 3
Non - listed company (N) 3

Dr.Siripong Luengvarinkul (M.D.)

Age 61

Member of Executive Committee

Date appointment : 24 October 2019

Education

- Master of Business Administration, National Institute of Development Administration (NIDA)
- Thai Board of Otolaryngology, Chulalongkorn University
- Doctor of Medicine, Khon Kaen University

Training

1. Senior Executive Program, Sasin (SEP 17, 2003)
2. Advanced Senior Executive Program (ASEP, Sasin), Kellogg School of Management Western University (2006)
3. Advanced Senior Executive Program (ASEP, Sasin), Kellogg School of Management Western University (2010)

Experience in the past 5 years

Apr 2021 - present	Director Med Access Co., Ltd.
May 2020 - present	Hospital Director Thonburi Hospital
Oct 2019 – present	Member of Executive Committee Thonburi Healthcare Group PCL.
1995 – present	Executive Director Ramkhamhaeng Hospital PCL.
1990 - present	ENT doctor Ramkhamhaeng Hospital PCL.
1997 – 2019	Executive Director Synphaet Hospital Co., Ltd.

Dr.Vachiraboon Sastararuji (M.D)

Age 67

Member of Executive Committee

Date appointment : 26 March 2020

Education

- Bachelor of Medical Science, Faculty of Medicine, Siriraj Hospital, Mahidol University, 1976
- Doctor of Medicine, Faculty of Medicine Siriraj Hospital, Mahidol University, 1978
- Internship, Faculty of Medicine, Siriraj Hospital, Mahidol University, 1979
- Resident, Department of Surgery, Faculty of Medicine, Siriraj Hospital, Mahidol University, 1980-1982
- Diploma in Medical Science Mahidol University, Division Surgery, Siriraj Hospital, 1980
- Diploma of Thai Board of Surgery, The Medical Council of Thailand, Siriraj Hospital, Mahidol University, 1982
- Diploma in Family Medicine, The Medical Council of Thailand, 2003

Training

None

Experience in the past 5 years

Mar 2020 - present	Member of Executive Committee Thonburi Healthcare Group PCL.
2014 - present	Medical Director Thonburi Hospital
2006 – 2013	Deputy Medical Director Thonburi Hospital
1983 – 2005	General Surgeon Thonburi Hospital
1982	Lecturer, Department of Surgery Faculty of Medicine, Prince Songkla University

Ms.Anchalee Chalvalitjareetham

Age 46

Member of Executive Committee
Chief Financial Officer and
Director of Accounting
(Accounting-supervising person)

Date appointment : October 2017

Education

- The Master of Business Administration, Chulalongkorn Business School (CBS)
- Bachelor of Accounting, Rajamangala University of Technology

Training

1. Director Accreditation Program (DAP) Course 126/2016, IOD
2. Certified Public Accountant (Thailand) no. 6646
3. Financial Projection for Corporate Valuation, Course 2/2018, SET
4. Strategic Financial Leadership Program 2019, Thai Listed Companies Association
5. Strategic CFO in Capital Markets (Class 8)
6. TFAC Conference 2019: Future of Finance Digital Disruption by Federation of Accounting Professions
7. New property tax law in Thailand by Dharmniti Institute
8. THON TOP's Executives Acceleration Program, Sasin School of Management
9. CFO Refresher, Course 2/2021, SET

Experience in the past 5 years

Oct 2021 - present	Director Thonburi Canabiz Co., Ltd.
Sep 2021 - present	Member of Executive Committee Thonburi Healthcare Group PCL.
May 2021- present	Director ARYU International Health Care Co., Ltd.
Jul 2019 - present	Director Thonburi Bumrungmuang Hospital Co., Ltd.
Jun 2019 - present	Chief Financial Officer Thonburi Healthcare Group PCL.
Jan 2018 - present	Director Utharadit Thonburi Hospital Co., Ltd.
2016- present	Director Rajthanee Realty Co., Ltd.
2016- present	Director Thonburi Realty Development Co., Ltd.
2015 - present	Director of Accounting Thonburi Healthcare Group PCL.
2016- Apr 2020	Director Thonburi Hospital Heart Center Co., Ltd.
Oct 2017- May 2019	Acting Chief Financial Officer (CFO) Thonburi Healthcare Group PCL.

Dr.Suwadee Puntpanich (Ph.D)

Age 41

Member of Executive Committee
and Chief PPP Business

Date appointment : 13 August 2021

Education

- Ph.D., College of Public Health Science (International Program), Chulalongkorn University
- Master of Communication Arts (Speech Communication), Chulalongkorn University
- Bachelor of Arts (Mass Communications), Chiangmai University

Training

1. Director Accreditation Program (DAP EN) Course 125/2016, IOD
2. How to Develop a Risk Management Plan (HRP) Course 11/2016, IOD
3. Company Secretary Program (CSP) Course 71/2016, IOD
4. Company Reporting Program (CRP) Course 17/2017, IOD
5. Risk Management Program for Corporate Leaders (RCL) Course 7/2017, IOD
6. Advances for Corporate Secretaries 2019 Course, Thai Listed Companies Association
7. THON TOP's Executives Acceleration Program, Sasin School of Management

Experience in the past 5 years

Oct 2021 - present	Director Thonburi Canabiz Co., Ltd.
Sep 2021 - present	Member of Executive Committee Thonburi Healthcare Group PCL.
Aug 2021 – present	Chief PPP Business Thonburi Healthcare Group PCL.
Jan 2021 – present	Executive and Supervisory of Management Services for Provincial State Hospital Phuket Provincial Administrative Organization Hospital
Sep 2021 - Present	Chairman and Chief Executive Officer Heart Center, THG Group
Apr 2020 - Present	Director Thonburi Hospital Heart Center Co., Ltd.
2020-present	Director Appoint Anywhere Co., Ltd.
2019 - present	Director 24 Roses Management Co., Ltd.
Oct 2017- present	Director Thonburi Bumrungmuang Hospital Co., Ltd.
2015 - present	Director Thonburi Houseware Co., Ltd.

Dr.Pijaya Nagavajra (M.D.)

Age 61

Member of Executive Committee

Date appointment : 1 September 2021

Education

- Doctor of Medicine, Faculty of Medicine Siriraj Hospital, Mahidol University
- Bachelor of Science (Medical Science), Faculty of Medicine Siriraj Hospital, Mahidol University
- Diploma, National Defence College, The National Defence Course Class 2012

Training

1. Certificate of FIMS (International Federation of Sports Medicine), 1984
2. Diplomate Thai Board of Orthopedic Surgery (Faculty of Medicine Siriraj Hospital Mahidol University) 1986-1989
3. Certificate Fellowship in Orthopedics U. of Toronto Canada 1993
4. Medical Executive School (MSE) batch 1, Consortium of Thai Medical Schools 2000
5. Hospital Management for Chief Executive Officer (CEO30), Faculty of Medicine Ramathobodi Hospital, Mahidol University 2000-2001
6. Senior Executive Program batch 21, Bangkok Metropolitan Administration
7. Class of 2012, Thailand National Defense College
8. Bangkok Municipal Administration (BMA), The Professional City Administrator batch 3, Institute of Metropolitan Development 2014
9. The program for senior executives on justice Administration batch 19, National Justice Academy Office of Judiciary 2014-2015
10. Conflict Mediation in Medical Lawsuit batch 1, National Justice Academy Office of Judiciary 2016

Experience in the past 5 years

Sep 2021 - present	Member of Executive Committee Thonburi Healthcare Group PCL.
2021 - present	Council Member Bangkok Thonburi University
2021 - present	Council Member KMC Hospital
2020 - present	Hospital Director Thonburi Bumrungmuang Hospital Co., Ltd
2019 - present	Council Member King Mongkut's Institute of Technology Ladkrabang
2018 - present	President Suankularb Alumni Association Under Royal Patronage
2018 - present	President Sports Association of Bangkok Metropolitan
2019-2021	Council Member The Medical Council of Thailand
2017 - 2020	Deputy Permanent Secretary Bangkok Metropolitan Administration
2016 - 2017	Director-General of Medical Service Department Bangkok Metropolitan Administration
2015 - 2016	Chief of Senior Inspector General Bangkok Metropolitan Administration
1998 - 2018	Council Member, Executive committee Royal College of Orthopaedic Surgeon of Thailand

Dr.Pichit Kangwolkij, M.D.

Age 61

Member of Executive Committee

Date appointment : 18 January 2022

Education

- Bachelor of Science (Medical Science), Faculty of Medicine Ramathibodi Hospital, 1981
- Doctor of Medicine, Faculty of Medicine Ramathibodi Hospital, Mahidol University, 1983
- Diploma of Preventive Medicine Clinic, 1992

Training

1. Certificate in Advance Management Program, Harvard Business School, USA,2001
2. Director Certification Program (DCP), Thai Institute of Director
3. Certificate Course in Good Governance for Medical Executives, King Prajadhipok's Institute and the Medical Council of Thailand, 2013
4. Capital Market Academy Programs (CMA), 2017
5. Thailand Insurance Leadership Program, 2019

Award

1. Outstanding Hospital Administrator for 2012 in Private Hospital Director Section, Hospital Administrators Association of Thailand
2. The Role Model in Healthcare Business 2013, Foundation of Science and Technology Council of Thailand, Ministry of Science and Technology

Experience in the past 5 years

Jan 2022 - Present	Member of Executive Committee Thonburi Healthcare Group PCL.
Jan 2022 - Present	Chief Executive Officer Thonburi Bamrungmuang Hospital
Dec 2016 – Dec 2022	Chief Executive Officer of BDMS Group 6 Group of Southern Bangkok Hospitals, BDMS
Nov 2013 – Nov 2016	Chief Executive Officer of BDMS Group 3 Group of Eastern Bangkok Hospitals, BDMS
Nov 2007 – Jan 2016	Hospital Director Bangkok Hospital Pattaya
2005-2007	Hospital Director Bangkok Hospital

THONBURI HEALTHCARE GROUP

Corporate Secretary, Head of Compliance and Head of Internal Audit

Ms.Jinda Ariyapornpong

Age 54

Corporate Secretary and Head of the Company's Compliance

Date appointment : 13 August 2021

Education

Bachelor of Economics, Kasetsart University

Training

1. Company Secretary Program (CSP) Course 2012, IOD
2. Advances for Corporate Secretaries Course 1/2018, Thai Listed Companies Association

Experience in the past 5 years

Jan 2022 - present	Secretary of Corporate Governance and Business Ethics Committee Thonburi Healthcare Group PCL.
Aug 2021 - present	Corporate Secretary and Secretary of Executive Committee Thonburi Healthcare Group PCL.
Sep 2016 - Aug 2021	Manager, Office of Corporate Secretary Thonburi Healthcare Group PCL.

It is responsible for supervising the company's operation to be in accordance with the laws, rules, regulations, policies and requirements of relevant regulatory agencies such as the SEC, SET, etc.

Mrs.Hathaichanok Pangnoi

Age 43

Head of Internal Audit

Date appointment : 13 August 2021

Education

1. Master of Business Administration Accounting for Planning and Control, Kasetsart University
2. Bachelor of Accounting, Auditing University of the Thai Chamber of Commerce

Training

1. How to Develop a Risk Management Plan (HRP) No. 29/2021 (IOD)
2. Thon's Top Executive Acceleration Program 2019-2020
3. CAE Chief Audit Executive Professional Leadership Program No.1/2019 Federation of Accounting Professions
4. Risk Management Program for Corporate Leaders (RCL) No.18/2562 (IOD)

Experience in the past 5 years

2018 - present	Director of Internal Audit Thonburi Healthcare Group PCL.	Private Hospitals
2017 – present	Secretary of the Audit Committee / Secretary of the Risk Management Committee Thonburi Healthcare Group PCL.	Private Hospitals
2017 – 2018	Deputy Director of Internal Audit Thonburi Healthcare Group PCL.	Private Hospitals
2009 – 2560	Chief Auditor quality management ISO 9001 : 2015/ Savings Cooperative Manager Interlinkhaijai ltd. co. ltd Interlink Telecom PCL.	Telecommunication Network Service Provider

Duties and Responsibilities of Corporate Secretary

The Corporate Secretary has duties as stipulated in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008), which came into force on 31 August 2008, to work with responsibilities, caution, and honesty, as well as to comply with the laws, objectives, articles of association, resolutions of the Board of Directors and resolutions of the shareholders' meetings. The legal duties of the Corporate Secretary are as follows:

1.1) Prepare and maintain the following documents:
   (a) Register of directors;
   (b) Invitation letter to the Board of Directors' meeting, minutes of the Board of Directors' meeting, and annual report;
   (c) Invitation letter to the shareholders' meeting and minutes of the shareholders' meeting.

1.2) Report on conflict of interest reported by directors or executives;

1.3) Submit a copy of the report on conflict of interest (directors/ executives / related persons) to the Chairman of the Board of Directors and the chairman of the Audit Committee within 7 days from the date on which the Company receives such report from the director and executive;

1.4) Perform any other act as prescribed by the Capital Market Supervisory Board;

1.5) Provide advice on related laws and regulations and good governance practices in carrying out activities by the Board of Directors for compliance with the laws;

1.6) Organize the Board of Directors' meetings and the shareholders' meetings;

1.7) Liaise with the Company's internal departments to comply with resolutions of the Board of Directors and resolutions of the shareholders' meetings;

1.8) Liaise with regulatory agencies and disclose information and information memorandum to regulatory agencies and the public in a complete and accurate manner according to the laws;

1.9) Arrange an orientation to provide advice to newly appointed directors;

1.10) Perform any other duties as assigned by the Company.

Direct and indirect shareholding by directors, executives or controlling persons

Securities holdings of directors and executives as of 31 December 2021 compared with the previous year according as following details:

Director/Executive	Number of Shares Holding As of 31 December 2020	%	Number of Shares Holding As of 31 December 2021	%	Number of Share Change Increase/ (Decrease) During the Year
1 Dr. Boon Vanasin	5,801,848	0.68	5,801,848	0.68	-
Spouse/Immature Children	110,889,119	13.06	121,539,119	14.31	10,650,000
sui juris children (be as Concert Party)	-	-	-	-	-
Related Juristic Person	17,954,645	2.11	19,124,940	2.25	11,170,295
2 Dr. Tanatip Suppradit	50,000	0.01	50,000	0.01	-
Spouse/Immature Children	6,500	0.00	6,500	0.00	-
Related Juristic Person	-	-	-	-	-

Director/Executive	Number of Shares Holding As of 31 December 2020	%	Number of Shares Holding As of 31 December 2021	%	Number of Share Change Increase/ (Decrease) During the Year
3 Mrs. Kannika Ngamsopee	-	-	-	-	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
4 Mr. Chalermkul Apibunyopas	536,663	0.06	505,663	0.06	-31,000
Spouse/Immature Children	5,418	0.00	-	-	-5,418
Related Juristic Person	-	-	-	-	-
5 Mr. Virachai Srikajon	150,000	0.02	150,000	0.02	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
6 Mr. Vikrom Koompirochana	100,000	0.01	100,000	0.01	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
7 Dr. Linda Kraivit	-	-	-	-	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
8 Dr. Aurchart Kanchanapitak	18,259,500	2.15	17,629,100	2.08	-630,400
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
9 Dr. Rukkagee Kanchanapitak	-	-	-	-	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
10 Prof. Dr. Aasis Unnanantana	6,859,100	0.81	6,859,100	0.81	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
11 Ms. Nalin Vanasin	10,837	0.00	10,837	0.00	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
12 Mr. Sita Meksawan	8,415,063	0.99	8,415,063	0.99	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
13 Mr. Kajorn Thanapase	160,000	0.02	150,000	0.02	-10,000
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-

Director/Executive	Number of Shares Holding As of 31 December 2020	%	Number of Shares Holding As of 31 December 2021	%	Number of Share Change Increase/ (Decrease) During the Year
14 Ms. Anchalee Chavalitjareetham	22,500	0.00	22,500	0.00	-
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-
15 Dr. Suwadee Puntpanich	600,100	0.07	500,100	0.06	-100,000
Spouse/Immature Children	-	-	-	-	-
Related Juristic Person	-	-	-	-	-

Holding positions of directors, executives, and controlling persons in subsidiaries, associated companies or related companies

Please refer to details under “Positions of Directors, Executives, and Corporate Secretary in THG, subsidiaries, associated companies and joint ventures”

Positions of Directors, Executives, and Corporate Secretary in THG, subsidiaries, associated companies and joint ventures (As of 31 December 2021)

Name	THG	Subsidiaries												Associates		Joint Venture
		Rajyindee Hospital PCL.	Utaradit Thonburi Hospital Co., Ltd.	Thonburi Hospital Heart Center Co., Ltd.	Thonburi Wellbeing Co., Ltd.	DS All Co., Ltd. (Former: Dental Siam Co., Ltd.)	Rajthanee Realty Co., Ltd.	Thonburi Realty Development Co., Ltd.	Modula Software Expertise Co., Ltd.	Thonburi Bumrungmuang Hospital Co., Ltd.	Thanarad Thung Song Co., Ltd.	Thonburi Property Management Co., Ltd.	Med Access Co., Ltd.	Ubonrak Co., Ltd.	Sirivej Chantaburi PCL.	ARYU International Hospital Co., Ltd.
1. Dr. Boon Vanasin (M.D.)	C			D		D										
2. Dr. Tanatip Suppradit (M.D.)	D, E	D	D	D	D		D	D		D	D	D	D	D	D	D
3. Mr. Chalermkul Apibunyopas	D, E	D							D	C	D		D	D	D	
4. Prof. Dr. Aasis Unnanuntana (M.D.)	D															
5. Ms. Nalin Vanasin	D, E				C	D						D	D			
6. Dr. Kajorn Thanapase (Ph.D.)	D		D													
7. Mr. Sita Meksawan	D															
8. Mr. Virachai Srikajon	I					D										
9. Dr. Linda Kraivit (M.D.)	I				D											
12. Mrs. Kannika Ngamsopee	I				D											D
13. Dr. Vikrom Koompirochana (Ph.D.)	I															
15. Dr. Aurchart Kanchanapitak (M.D.)	D															
16. Dr. Rukkagee Kanchanapitak (Ph.D.)	D															
17. Ms. Anchalee Chalvalitjareetham	E		D				D	D		D						
18. Dr. Suwadee Puntpanich (Ph.D)	E			C, D, E						D						

Remark: C= Chairman D = Director I = Independent Director E = Executive

Assets used in the business of the Company and its subsidiaries

Objective: to be used in the normal business operations of the organization as of 31 December 2021

1. Main fixed assets

Assets	Proprietary nature	Thonburi Healthcare Group PLC. (Million Baht)	Subsidiary (Million Baht)	Total (Million Baht)
Land	Ownership	1,047	1,132	2,179
Unused land	Ownership	155	-	155
Land improvement	Ownership	1	14	15
Buildings	Ownership	1,519	2,512	4,031
Building improvements and utilities	Ownership	474	887	1,361
Medical tools and equipment	Ownership	550	601	1,151
Equipment and tools	Ownership	46	56	102
Furnishings and office supplies	Ownership	32	116	148
Computer equipment	Ownership	91	33	124
Vehicles	Ownership	13	16	29
Assets under installation and assets under construction	Ownership	144	337	481
Total property, plant, and equipment-net		**4,072**	**5,704**	**9,776**

Remark: Land and buildings of the subsidiary which has a cost value of 1,049 million baht, are subject to mortgages as guarantee of credit facilities with financial institutions.

2. Rights-of-use assets

Right-of-use assets	Nature of right	Thonburi Healthcare Group PLC. (Million Baht)	Subsidiary (Million Baht)	Total (Million Baht)
Land	Having the right to use according to the terms of the contract	25	2,099	2,124
Buildings and improvements	Having the right to use according to the terms of the contract	1	11	12
Furnishings and office supplies	Having the right to use according to the terms of the contract	-	4	4
Computer equipment	Having the right to use according to the terms of the contract	3	2	5
Vehicles	Having the right to use according to the terms of the contract	-	20	20
Computer programs	Having the right to use according to the terms of the contract	-	-	-
Total right-of-use assets		**29**	**2,136**	**2,165**

Important land use rights are in accordance with the conditions of long-term leases:

1. On 22 April 2008, the Company leased a plot of land to be used as the business location. The term of lease agreement is 25 years, and the lease shall expire in 2033. The lease payment must be made every year at a rate of 720,000 baht per year. The Company must comply with other conditions relating to the leasehold rights of land as specified under the contract.

2. On 1 October 2016, the Company leased a plot of land to be used as the business location. The lease term is 5 years and upon expiration the lease can be extended for another 5 years with a monthly rental payment of 160,000 baht. The Company must comply with other conditions relating to the leasehold rights of land as specified under the contract.
3. A subsidiary has a right to use land and buildings owned by the Thai Red Cross Society. The Company purchased shares in Bamrung Muang Plaza Company Limited from the existing shareholders in November 2017 to receive the transfer of the leasehold rights of land and buildings on the land owned by the Thai Red Cross Society from Bamrung Muang Plaza Company Limited. The details of the leasehold rights of land and buildings are as follows.
   - Leasehold rights of land and leased buildings for a period of 19 years and 4 months, starting from 1 November 2017.
   - Leasehold right of buildings for a period of 15 years and 2 months, starting from 1 November 2017.

   The subsidiary must comply with the relevant conditions and pay compensation at the rates and conditions stipulated in the agreement. In terms of monthly rent, the subsidiary has paid in full throughout the lease term.
4. The subsidiary entered into a land lease agreement by paying for the leasehold right of land in the amount of 5,625,000 baht. The lease term is 50 years from 1 March 2017. The subsidiary has paid for the leasehold right in full in 2020. The subsidiary has to pay the rental fee every year. The rental fee is 2,400,000 baht per year during the 1st to the 2nd, 4,800,000 baht per year during the 3rd year to the 10th year, 4,944,000 baht per year during the 11th and 20th year, 5,092,320 baht per year between the 21st to the 30th year, 5,295,960 baht per year during the 31st to the 40th year, and 5,508,000 baht per year during the 41st to the 50th year. The subsidiary must comply with other conditions relating to the leasehold right of land as specified under the contract.

3. Intangible assets

Assets	Proprietary nature	Thonburi Healthcare Group PLC. (Million Baht)	Subsidiary (Million Baht)	Total (Million Baht)
Computer programs	Ownership	71	164	235
Computer program during installation	Ownership	2	7	9
Total intangible assets		**73**	**171**	**244**

Trademarks

Trademark	For product/service	Effective date	Expiry date
โรงพยาบาลธนบุรี THONBURI HOSPITAL	Hospital	10 November 2015	9 November 2025
Jin Wellbeing County ให้ความสุขล้อมรอบตัวคุณ	Provisiono of care and facilities for elderly	29 March 2017	28 March 2027

Report of the Audit Committee 2021

Dear Shareholders,

Thonburi Healthcare Group Public Company Limited

The Audit Committee of Thonburi Healthcare Group Public Company Limited is comprised of 3 independent directors who are eminent persons and fully qualified as independent director according to the rules prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand. The independent directors have performed their duties with independence within the scope of duties and responsibilities of the Audit Committee as assigned by the Board of Directors. The Audit Committee consists of:

1. Ms. Kannika	Ngamsopee	Chairman of the Audit Committee
2. Mr. Virachai	Srikajon	Member of Audit Committee
3. Dr. Linda	Kraivit	Member of Audit Committee

Ms. Hathaichanok Pangnoi, Internal Audit Director, is the Secretary of the Audit Committee.

The Audit Committee has performed its duties according to the scope and responsibility as assigned by the board of directors. The Audit Committee charter and the Company regulations on rules and guidelines of the Audit Committee are in line with the regulations of the Stock Exchange of Thailand. In 2021, the Audit Committee held 13 meetings meeting with Management, auditors and internal auditors. The summary is as follows.

1. Review of Financial Reports The Audit Committee reviewed the quarterly financial statements and the related financial statements for 2021. The transaction may be conflict of interest, inviting relevant executives and auditors to attend the meeting to clarify and answer the questions of the Audit Committee. The accuracy and completeness of any significant accounting changes affecting the financial statements have been included in the consolidated financial statements. The adequacy of information disclosed in the financial statements and the auditor's remarks. The Audit Committee is of the opinion that the financial statements have been properly disclosed in accordance with the financial reporting standards. In addition, the Audit Committee held meetings with the auditors without the management to discuss with the auditor on matters relating to accounting and financial reporting. The audit committee has good cooperation with management, be independent in the work as well as knowledge the experience and guidelines for reviewing or reviewing the financial reports are adequate and appropriate for the performance of the auditor's duties

2. Review of Internal Control System: The Company reviewed the internal control system of the Company according to the assessment of the adequacy of the internal control system for 2021. During the Board of Directors' Meeting No. 2/2022 held on 15 February 2022, evaluating the Company's internal control system in respect of 5 elements. Board of Directors viewed that internal control system of internal control has been sufficient and appropriate. When the Audit Committee finds weaknesses or defects that are significant, the Audit Committee will notify the management to acknowledge the amendment and follow up the improvement.

3. Oversight of Internal Audit: The Audit Committee has approved the scope of work for 2021. In the year 2021, internal audit team reviewed and evaluated the system of Internal control of the Company and subsidiaries by considering of Internal audit report, following up the corrective action according to the internal audit report, providing advice on how to improve the performance of auditing, providing information on independence of the Internal Audit Department as well as providing advices on appropriate budget, manpower, training, personnel development and the Performance Appraisal of the Internal Audit Department. The Audit Committee is of the opinion that the Company has an appropriate and effective internal audit system.

4. Compliance with Securities and Stock Exchange of Laws, Regulations of the Stock Exchange of Thailand and/ or Other Applicable Laws: The Audit Committee reviewed the operation of the Company. That is in accordance with the Securities and Exchange Act, the Stock Exchange of Thailand and / or laws related to the Company's business. This includes compliance with the Company regulations and obligations with third parties. The Audit Committee is of the opinion that it is complied with the Securities and Exchange Act, the Stock Exchange of Thailand and / or laws related to the Company's business.

5. Review of Connected Transactions or Possible Conflicting Interest Transactions to Ensure Compliance with the Law and Stock Exchange of Thailand' s Regulations: The Audit Committee reviewed and commented on the connected transactions or the transaction that may lead to conflict of interest including disclosure of such information in accordance with the requirements of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The Audit Committee has agreed with the auditor. They also commented that significant items were disclosed and presented in the financial statements. The notes to the financial statements are accurate and complete.

6. Risk Management: There is a risk management committee which is responsible for formulating rules, policies, and procedures for assessing and managing risks that affect the Company, reviewing the risk management system including reporting to the Board of Directors and the Audit Committee on strategic risk management, financial report, performance and compliance with relevant rules and laws. The Audit Committee is responsible for reviewing and monitoring the risk management plan of the business group including the risk of events which may have significant changes that affect the Company's operations, such as risks of core business, risk from investment in projects both domestic and international country, etc. The Audit Committee is of the opinion that the Company has complied with the effective risk management system.

7. Appointment of Auditors for 2022: The Audit Committee has considered the appointment of auditors and audit fees to propose the Board of Directors and the annual shareholders' meeting for approval. After consideration of the qualifications, abilities of the auditors, performance, independence and appropriateness of the audit fee, the Audit Committee has proposed to appoint Pricewaterhouse Coopers ABAS Co., Ltd. to be the Company's auditor for the year 2022 with the following name of auditors: Mr. Krit Chatchavalwong (CPA No. 5016) or Mrs. Anuthai Poomsurakul (CPA No. 3873) or Mr. Vichien Khingmontri (CPA No. 3977) for the fiscal year ending 31 December 2022. All the auditors are the auditors approved from the Securities and Exchange Commission which have good knowledge and experience.

8. Others: The Audit Committee reviewed the charter to ensure its suitability and compatibility with SET' s announcement on the qualifications and work scope of Audit Committees B.E. 2558 (2015) and Audit Committee Manual B.E. 2553 (2010). The Audit Committee has reviewed and revised the Audit Committee Charter (2nd revised version), effective on 18 October 2018. The Audit Committee is of the opinion that the charter is still appropriate and in compliance with the Stock Exchange of Thailand's announcement.

Based on the Audit Committee's performance during the year 2021 as reported above, the Company believes that it has good corporate governance. There is adequate internal control and suitable for business operations. There is effective risk management, effective internal audit system, and accounting systems and financial reports are accurate and reliable complying with accounting standards as well as the laws, rules and regulations related to the Company's business operations.

In this regard, the performance of the Audit Committee during the year 2021 has received good cooperation from the Board of Directors, executives, auditors, and all related parties, therefore; the Audit Committee would like to thank you for their supports.

On behalf of the Audit Committee
Mrs. Kannika Ngamsopee
Chairman of the Audit Committee

THONBURI HEALTHCARE GROUP

Report on the Board of Director's Responsibility towards the Financial Statements

The Board of Directors recognizes the importance of the Corporate Governance Management Policy and the preparing process of the financial statement and financial information as reported in the annual report enable to ensures that the statements are prepared in accordance with the Thai generally accepted accounting standards, using appropriate and consistent accounting policy and sufficient information is disclosed in the notes to financial statements. The Board of Directors has appointed the Audit Committee, which comprises independent directors, to be responsible for the quality of financial reports and internal control. This also provide a reasonable assurance on the reliability of the financial statement and effectiveness of internal control such as safeguarding of assets connected or potential conflict of interest transactions and the compliance to applicable laws and regulations, which the Audit Committee's opinion is stated in the Audit Committee Report.

At the Board of Directors' meeting on 22 February 2022, which every Audit Committee members, management and internal audit department attended to evaluate the sufficiency of the Company's internal control system for the year 2021. The system, set by the management which compliance with the SET regulations and COSO guideline. The Board agreed with the Audit Committee that the Group's quarterly and the annual financial statement for the year 2021 (which has been audited by the external auditor) has been prepared in accordance with generally accepted accounting principles and disclosed sufficiently, accurately and reliably. In general, the internal control system of the Company and subsidiaries was fairly established and appropriate to the Company business. There were no internal control deficiencies which would affect the accuracy and reliability of financial statement and the achievement of the entity's business goal. The Board of Directors has expressed the opinion on the sufficient of the Company and subsidiaries' internal control system in "Internal Control" section.

Furthermore, the Board encourages the Management in continuous developing the Company Group's quality of internal control system, risk management and good corporate governance. The adequate and appropriate supervision should also be in place to enable the achievement of the established objective and goal.

Dr. Boon Vanasin
Chairman of the Board of Directors

Dr. Tanatip Suppradit
Chairman of the Executive Committee

THONBURI HEALTHCARE GROUP

THONBURI
HEALTHCARE
GROUP

THONBURI HEALTHCARE GROUP PUBLIC COMPANY LIMITED

34/1 Itsaraphap Rd, Ban Chang Lor,
Bangkok Noi, Bangkok 10700

02 487 2000

02 412 7343

ir@thg.co.th

www.thg.co.th